Jacobs
Challenging today.
Reinventing tomorrow.

Jacobs Fiscal 2023 First Quarter Results

February 7, 2023

TogetherBeyond

Disclaimer

Forward-Looking Statement Disclaimer
Certain statements contained in this presentation constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that do not directly relate to any historical or current fact. When used herein, words such as "expects," "anticipates," "believes," "seeks," "estimates," "plans," "intends," "future," "will," "would," "could," "can," "may," and similar words are intended to identify forward-looking statements. Examples of forward -looking statements include, but are not limited to, statements regarding our expectations as to our future growth, prospects, financial outlook, and business strategy for fiscal year 2023 or future fiscal years, including our expectations for our fiscal year 2023 adjusted EPS and adjusted EBITDA, revenue growth, and free cash flow, and our expectations regarding our ability to maintain an investment grade profile. Although such statements are based on management's current estimates and expectations, and/or currently available competitive, financial, and economic data, forward-looking statements are inherently uncertain and you should not place undue reliance on such statements as actual results may differ materially. We caution the reader that there are a variety of risks, uncertainties and other factors that could cause actual results to differ materially from what is contained, projected or implied by our forward-looking statements. Such factors include our ability to execute on our three-year corporate strategy, including our ability to invest in the tools needed to fully implement our strategy, competition from existing and future competitors in our target markets, our ability to achieve the cost-savings and synergies contemplated by our recent acquisitions within the expected time frames or to achieve them fully and to successfully integrate acquired businesses while retaining key personnel, the impact of the COVID-19 pandemic or any future pandemic, measures or restrictions imposed by governments and health officials in response to such pandemic, the timing of the award of projects and funding, and potential changes to the amounts provided for, under the Infrastructure Investment and Jobs Act, financial market risks that may affect the Company's access to capital, the cost of such capital and the results of financing and refinancing efforts, including availability of funds and the Company's funding obligations under defined benefit pension and postretirement plans, as well as general economic conditions, including inflation and the actions taken by monetary authorities in response to inflation, changes in interest rates and foreign currency exchange rates, changes in capital markets, the impacts of a possible recession or economic downturn on our results, prospects and opportunities, and geopolitical events and conflicts, among others. The impact of such matters includes, but is not limited to, the possible reduction in demand for certain of our product solutions and services and the delay or abandonment of ongoing or anticipated projects due to the financial condition of our clients and suppliers or to governmental budget constraints or changes to governmental budgetary priorities; the inability of our clients to meet their payment obligations in a timely manner or at all; potential issues and risks related to a significant portion of our employees working remotely; illness, travel restrictions and other workforce disruptions that have and could continue to negatively affect our supply chain and our ability to timely and satisfactorily complete our clients' projects; difficulties associated with retaining and hiring additional employees; and the inability of governments in certain of the countries in which we operate to effectively mitigate the financial or other impacts of a pandemic on their economies and workforces and our operations therein. The foregoing factors and potential future developments are inherently uncertain, unpredictable and, in many cases, beyond our control. For a description of these and additional factors that may occur that could cause actual results to differ from our forward-looking statements, see those listed and discussed in Item 1A, *Risk Factors* included in our 2022 Form 10-K and our Quarterly Reports on Form 10-Q. The Company is not under any duty to update any of the forward-looking statements after the date of this presentation to conform to actual results, except as required by applicable law.

Non-GAAP Financial Measures and Operating Metrics
To supplement the financial results presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we present certain non-GAAP financial measures within the meaning of Regulation G under the Securities Exchange Act of 1934, as amended. These measures are not, and should not be viewed as, substitutes for GAAP financial measures. More information about these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

Reconciliation of expected fiscal year 2023 adjusted EBITDA and adjusted EPS based on recent FX exchange rates, and adjust non-controlling interests for fiscal year 2023 to the most directly comparable GAAP measure is not available without unreasonable efforts because the Company cannot predict with sufficient certainty all of the components required to provide such reconciliation, including with respect to the costs and charges relating to transaction expenses, restructuring and integration and other non-recurring or unusual items to be incurred in such periods.

Today’s agenda

- **Overview**
  - Performance overview
  - ESG commitment
  - Strategy review
- **Financial review**
  - Q1 Fiscal 2023 results
  - Q1 Segment review
  - Balance sheet and cash flow
- **Outlook & Summary**
- **Q&A**

> “Our focus on inclusion helps us unleash our global talent to deliver excellence to our clients. We are proud that our employees have embraced the power of “togetherness” and work to create an environment where all employees thrive - this is why we call our inclusion efforts TogetherBeyond.”

Shelie Gustafson
Jacobs, Executive Vice President,
Chief People & Inclusion Officer

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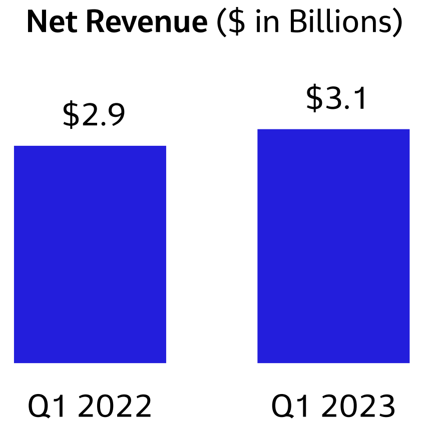
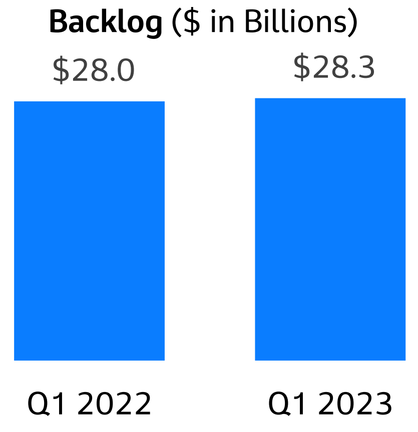
Strategy: Boldly Moving Forward

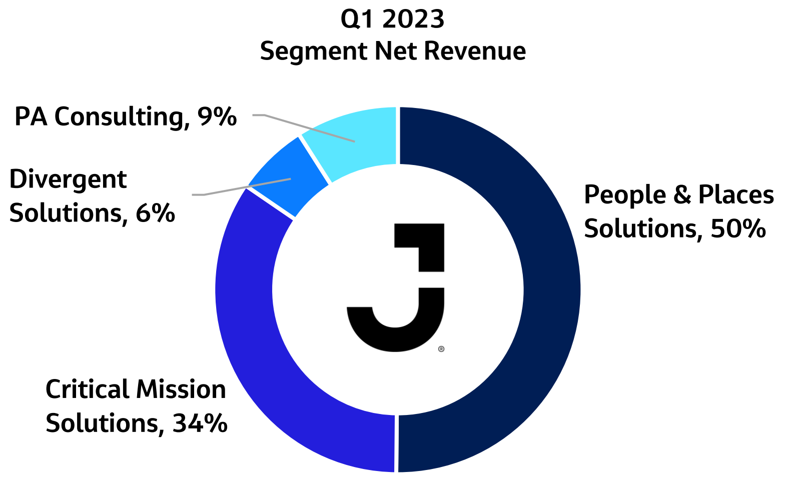
- Culture of inclusion, innovation and inspiration creates competitive advantage
- Diverse sector exposure with recurring revenue provides substantial visibility
- Climate Response, Data Solutions and Consulting & Advisory key accelerators
- Solid execution and discipline result in strong cash flow and shareholder value

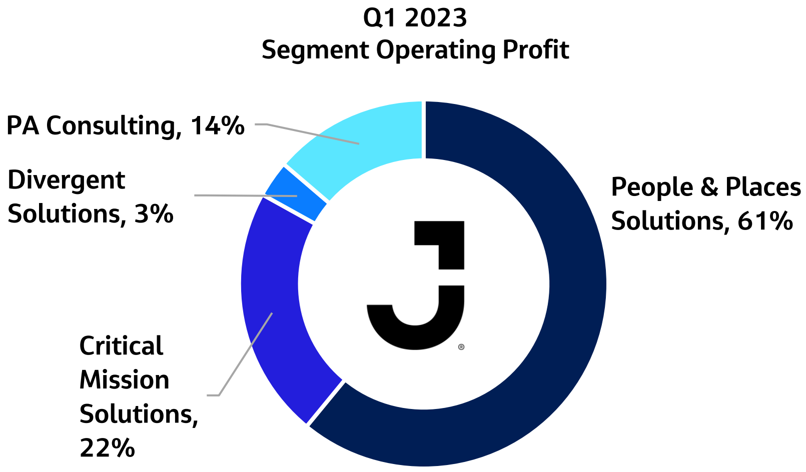
Track record of execution

- Q1 net revenue increased 8% y/y and up 12% y/y in constant currency (cc)
- Q1 adjusted EBITDA up 9% y/y with adjusted EBITDA margin 11% of net revenue
- Q1 revenue backlog $28B, up 1% y/y with gross margin in backlog up 100 bps y/y
- P&PS net revenue up 8% y/y with OP growth up 20% y/y and up 28% y/y cc









 See Non-GAAP reconciliation and operating metrics at the end of presentation

Our cultural transformation: *An inspirational journey for all*

Agile
Learning Culture

Innovation

Inclusion &
Diversity

Empowerment &
Accountability

When we learn and grow together,
we activate Empowerment & Accountability,
Inclusion & Diversity, and Innovation.
We lead, embrace, and anticipate change.

Our focus on sustainability results in industry-leading ESG scores

Industry-leading status across several ESG raters and rankers:

- Added to **Dow Jones Sustainability World Index 2022** and maintained our position in the North American Index for 3rd consecutive year
- Secured a position on **CDP's "A List" for Climate** for the first time
- Awarded a **gold medal** in the EcoVadis Sustainability Ratings

Jacobs Scores	2018	2019	2020	2021	2022	Highlights
S&P Global / DJSI *(100 is best)*	**31**	**38**	**54**	**67**	**76**	**North American & World Indices**
Governance & Economic	*38*	*47*	*54*	*55*	*70*	
Environmental	*39*	*35*	*49*	*91*	*98*	
Social	*16*	*33*	*57*	*69*	*72*	
CDP for Climate *(A is best)*	**D**	**C**	**C**	**B**	**A**	**Best possible**
Confidential Rating *(100 is best)*	**44**	**50**	**53**	**60**	**68**	**Gold Rating**
Confidential Rating *(AAA is best)*		**A**	**A**	**A**	**A**	
Sustainalytics *(0 is best, 0-100)*		**36.1**	**34.1**	**25.4**	**22.8**	***~top 5% in industry***

CDP DISCLOSURE INSIGHT ACTION
A LIST 2022
CLIMATE

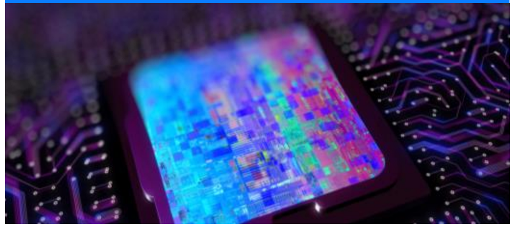
Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Core sectors are positioned for long-term growth

Sectors

Critical Infrastructure	Energy & Environment	Advanced Facilities	National Security






Catalysts

- **Legislative drivers**
  Infrastructure Investment and Jobs Act, Inflation Reduction Act and CHIPS Act
- **Supply chain** and **technology investments**
- **Increased global threats**

Focusing on key sectors impacted by major growth catalysts

Driving growth in key sectors

Catalysts	Sub-Sectors
Legislative drivers	▪ Transportation ▪ Water ▪ Energy transition
Supply chain and technology investments	▪ Semiconductor manufacturing ▪ Life sciences ▪ Electric vehicles
Increased global threats	▪ Cyber and intelligence ▪ Defense infrastructure

Double-Digit

Pipeline growth YoY

Fiscal 2023 Q1 results

Revenue up 12% y/y, Net Revenue up 8% y/y and up 12% in constant currency

GAAP Operating Profit (OP) of $238M and OP Margin of 6%

Adj. OP of $332M up 8% and up 15% in constant currency; Net Revenue Adj. OP Margin of 10.6%

GAAP Net Earnings from Continuing Operations of $136M

GAAP EPS from Continuing Operations of $1.07 includes:

- $(0.26) of expense net of NCI related to the amortization of acquired intangibles
- $(0.16) of a non-cash charge related to reduction in real estate footprint
- $(0.09) tax adjustment to align to effective tax rate
- $(0.09) of transaction, restructuring and other related costs

Adj. EPS of $1.67 up 7% y/y

Adjusted EBITDA of $339M, up 9% y/y with adjusted EBITDA margin 10.8% of Net Revenue

Q1 revenue book-to-bill 1.1x and gross margin in backlog up >100bps y/y

"Jacobs Women's Network is proud to champion an inclusive workplace where all women can thrive by prioritizing gender inclusion and equity, driving innovation and co-creation in service of our company's bold strategic aspirations. We hold a safe space for courageous conversations, advocate on key issues, and celebrate our women leaders and dreamers who contribute to making Jacobs a company like no other."

Lisa Monaco and Sharon Jean-Baptiste
Global Co-Chairs JWN

 See Non-GAAP reconciliation and operating metrics at the end of presentation

Segment financials

$'s in millions	Q1 2022	Q1 2023	Y/Y	Y/Y CC[2]
People & Places Solutions Operating Profit	189	227	20.0%	28.4%
as a % of net revenue	13.0%	14.5%	143 bps	
Critical Mission Solutions Operating Profit	91	82	-9.9%	-5.6%
as a % of revenue	9.3%	7.6%	(169) bps	
PA Consulting Operating Profit	63	51	-19.1%	-8.2%
as a % of revenue	21.8%	18.1%	(366) bps	
Divergent Solutions Operating Profit	23	12	-48.2%	-48.5%
as a % of net revenue	12.3%	6.0%	(638) bps	
Adjusted Unallocated Corporate Costs	(58)	(40)	(19)	N/A
Adjusted Operating Profit from Continuing Operations[1]	308	332	7.9%	14.7%
as a % of net revenue	10.6%	10.6%	3 bps	
Adjusted EBITDA from Continuing Operations[1]	310	339	9.1%	
as a % of net revenue	10.7%	10.8%	15 bps	

Strong People & Places Performance Driving Year-Over-Year Growth

"Our employee networks are now an integral part of the culture that attracts and retains talent. We are incredibly proud of the pivot we have taken in ACE this year; driving disability and caregiving inclusion alongside our key industry partners, demonstrating our commitment to representing the community we serve."

Stephanie Bywater
Jacobs, ACE Global Co-Chair

[1]See reconciliation at the end of presentation
[2]year over year constant currency represent growth and margin using FX rates from the year ago period applied to current results

Balance sheet and cash flow

Strong cash flow generation

- Q1 cash flow from operations (CFFO) $302M and FCF[1] of $270M; including a one-time net $60M CARES Act repayment
- Expect ~100% underlying FY23 cash conversion to adjusted net income

Balance sheet strength affords prudent capital deployment

- Expect to maintain an investment grade credit profile
- Executed ~$140M of share repurchases in fiscal Q1 2023
- Successfully refinanced revolving credit facility and term loan with a sustainability linked KPI
- Board approved $1B share repurchase authorization through January 2026
- Q1 dividend of $0.26/share an increase of 13% y/y, to be paid March 24, 2023

Leverage Metrics ($ billions)	FY23 Q1
Cash/debt	**$1.2B/$3.5B**
Net Debt Position	**$2.3B**
Net debt to adjusted FY23E EBITDA mid-point of $1,440	**1.5x**
Fixed/Floating debt (reflects $500M notional interest rate lock)	**~40%/60%**
Ending Q1 weighted interest rate	**4.6%**

[1] Free cash flow (FCF) calculated as reported cash flow from operations minus CAPEX

"Our LGBTQI+ Network, Prism, strives to create a sense of psychological safety and provides a safe space for our colleagues so that everyone can "bring their whole self to work". The energy that otherwise would have been expended hiding who you are can in turn be used to become more creative and productive. The feeling of belonging to the Prism family brings empowerment and pride in being the first-choice employer for the LGBTQI+ community."

Krzys Sieledczyk
Jacobs, Prism Global Co-Chair

Outlook & Summary

Reiterating Fiscal 2023 Outlook

- Diverse portfolio of recurring revenue provides opportunity to grow under multiple economic scenarios with upside from Climate Response, Data Solutions and Consulting & Advisory accelerators
- Based on FX rates in mid January the company's outlook for fiscal 2023 adj. EBITDA is $1,400M to $1,480M and adjusted EPS of $7.20 to $7.50

Outlook Assumptions	
FY23 net interest expense & other income[1]	**(~$160M)**
FY23 effective tax rate	**~21%**
FY23 adj. non-controlling interest	**(~$80M)**
Q2 2023 fully diluted average share count	**~128M**
Annual CAPEX	**~$125M**

[1]other income includes certain pension costs and other items

"*Harambee members were instrumental in the development of the Jacobs* Action Plan for Advancing Justice and Equality. *Among other commitments, the Action Plan has allocated $10M over 5 years in support of Black educational and professional development opportunities. These actions help to create a pipeline of Black talent ready to contribute to our strategic business accelerators. Inclusion and Equality not only advance our business, it advances us all.*"

Tendayi Munyebvu and John Pittman
Jacobs, Harambee Global Co-Chairs

Our foundation is strong

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Purpose	**To create a more connected, sustainable world.**
Values	We do things right. We challenge the accepted. We aim higher. We live inclusion.
Employee Value Statement	**Jacobs. A world where you can.** Where you can be you. Where you can do. Where you can grow.

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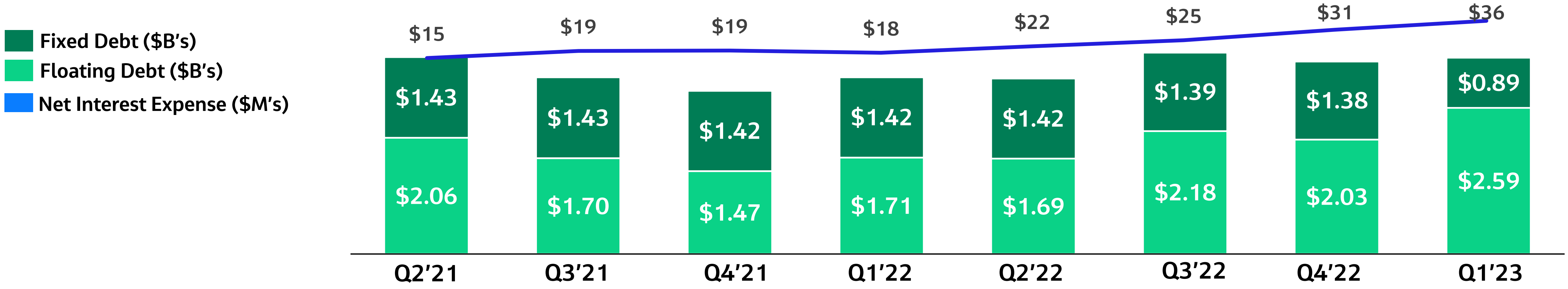
Debt & interest overview

Fixed vs Floating Debt Trend



Debt Breakdown

**Tranche	12/30 Debt	'22 Rate	'23 Rate*
Revolver ($2.25B)	$1,487M	2.2%	5.7%
USD Term Loans	$305M	2.2%	5.7%
GBP Term Loans	$798M	2.1%	4.8%
Total Floating	$2,590M	2.2%	5.4%
Treasury Lock	N/A	5.4%	5.5%
Swaps	$894M	2.3%	2.3%
Total Fixed	$894M	3.4%	3.4%
Total Debt	$3,484M	2.7%	4.7%

Interest Rate Derivative Overview

Hedge	Notional (USD)	Fair Value	Fixed Rate	Maturity
10 YR USD Floating	$200M	$34M	1.116% + Spread	APR '30
5 YR USD Floating	$325M	$25M	0.704% + Spread	FEB '25
10 YR GBP Floating	$241M	$44M	0.82% + Spread	APR '30
EUR cross-currency	$128M	$5M	1.611% + Spread	OCT '23
Treasury Lock	$500M	$41M	2.72% + Spread	2033
Total	$1,375	$149M		

*'23 rates includes rate hikes through December 2022 and the $500M Treasury Lock
** Re-Financing $2.25B Revolver, 798M GBP, $200M US Term Loan

Office of Global Climate Response and Environmental, Social & Governance (ESG)

Energy Transition
- Clean energy generation
- Grid modernization & energy storage
- Water-energy nexus

Decarbonization
- Clean & smart mobility
- Net zero buildings & campuses
- Business & industrial decarbonization

Adaptation & Resilience
- Climate risk & vulnerability assessments
- Asset & infrastructure resilience
- Disaster planning, response & recovery

Natural Resource Stewardship
- Integrated water management
- Nature-based solutions
- Circular economy

ESG Business Transformation
- Sustainable business strategies
- Social value & equity
- Governance

Climate Response

Climate change: the greatest challenge and opportunity of our generation

"With our future in the balance, the planning, commitments and sustainability steps we take today are critical to leading the world to a more climate-resilient existence for generations to come."

Jan Walstrom
SVP, Office of Global Climate Response & ESG and Enterprise Risk Management

Environmental, Social & Governance Summary

A sustainable business model aligning purpose and vision with both growth and positive impact:

- Fully integrates purpose with profit and operationalizes sustainability across all aspects of our business.
- Drives how we can have the largest positive impact for society as a business.
- Leverages Jacobs' full suite of solutions to play a key role in advancing a net-zero economy.
- Achieved industry leading ISS Prime Status for our ESG corporate rating.
- Jacobs supports governmental clients in the delivery of critical missions which helps to: keep their citizens safe from nuclear attack, prevent large-scale war, and defend their global allies and partners. Jacobs does this by assisting governmental organizations to safely deliver their mission-critical infrastructure and tailored solutions in complex environments around the world.
- Jacobs does not manufacture nuclear warheads or nuclear weapons components.

- Climate Action Plan 2022
- FY22 ESG Disclosures
- PlanBeyond 2.0
- Climate Risk Assessment FY22
- Approved Science-Based Targets
- 2022 CDP Submission
- FY22 ESG Verification Statement
- Jacobs Carbon Neutrality Commitment
- Jacobs Sustainability Microsite

Corporate ESG Performance
Prime
RATED BY
ISS ESG

Member of
Dow Jones
Sustainability Indices
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Delivering sustainable solutions

Cross-market solution

Capital Program Delivery Partner Contract

Transport for London (TfL), UK: Jacobs has secured a position on Capital Program Delivery Partner Contract working with Gardiner and Theobald to deliver sustainable, smarter, more accessible public transport solutions.

Learn more here.

Ignalina Nuclear Power Plant Decommissioning & Remediation

Ignalinos Atominė Eletrinė, Lithuania: a consortium comprising Westinghouse Electric Spain, Jacobs and the Lithuanian Energy Institute were selected to plan dismantling and waste management at the Ignalina Nuclear Power Plant in Lithuania.

Learn more here.

Real-time Flood Forecasting for Climate Response

Environment Agency, UK: Jacobs partnered with the Environment Agency in England to develop a cloud-based platform that improves forecasting and decision-making during flood events.

Learn more here.

Brooklyn Bridge – Montgomery Street Coastal Resiliency

Photo source: https://www.nyc.gov/site/lmcr/progress/brooklyn-bridge-montgomery-coastal-resilience.page

New York City Department of Design and Construction, NY: providing Program and Construction Management services for the Brooklyn Bridge-Montgomery Street coastal resiliency project in the wake of Superstorm Sandy, to protect the Two Bridges neighborhood from flood events and sea level rise through a flood control system.

Delivering work aligned with the United Nations Sustainable Development Goals:

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Delivering sustainable solutions

Cross-market solution

Resiliency Hub Network

The Atlantic Council, Miami-Dade, FL: strategy development and master planning for three pilot resilience hubs identified as community-serving facilities augmented to support residents, coordinate communication, distribute resources, and reduce carbon pollution, while enhancing quality of life.

Electric Vehicle Battery Manufacturing

Gothenburg, Sweden: NOVO Energy is a joint venture to develop Sweden's second gigafactory which will commence operations in 2026. The battery manufacturing plant will have an annual cell production capacity of up to 50 GWh, which would supply batteries for approximately half a million electric cars per year. Jacobs is providing full PM and multi-disciplinary delivery in collaboration with NOVO Energy for the concept and basic design of the factory.

Confidential Life Sciences Project

European Union: Jacobs has secured all phases of design, construction support and commissioning, qualification and validation for a greenfield monoclonal antibody manufacturing facility. The project utilizes new technology and Good Manufacturing Practices compliance, and is implementing circular economy best practices and innovative solutions to minimize carbon emissions.

Integrated Health Utility Resilience Study

Confidential client, US: Jacobs is assessing and implementing mitigation strategies for patient safety by analyzing horizontal infrastructure systems that serve our client's health care facilities. The analysis is being completed using Kaleidoscope℠, Jacobs' cloud-based platform-as-a-service that offers an easy-to-understand and holistic approach to prioritized capital allocation decisions that address infrastructure vulnerability.

Delivering work aligned with the United Nations Sustainable Development Goals:

Delivering Data Solutions Across Key Areas of Domain Expertise

Transportation Platform

StreetLight
Software as a Service (SaaS) platform providing human mobility, supply chain efficiency Mobility Decarbonization and social value analytic through machine-learning.

GeoPod
Integrated hardware (cameras and GPS/Inertial Measurement Unit) and custom software system enabling geographic image mapping.

Track Record
Project management and software suite that provides permission, site team collaboration, approvals and automated workflows

Aviation Suite – Navigation Data
Aeronautical navigation data solutions to commercial and government clients

Water Platform

Jacobs
Palantir

Intelligent O&M
Data analytics solution aggregates and analyzes plant data to manage and optimize water and wastewater treatment plant operations and maintenance (O&M).

AquaDNA
Predictive analytics platform that integrates innovative technologies for wastewater pump cleaning and sewer network performance using AI and algorithms.

Flood Modeller
Industry-leading flood modelling software allowing you to confidently assess flood risk from rivers, surface water and urban drainage systems.

National Security Platform

BlackStack – SearchLynx
Software accelerating sensor collection and real-time analytics platform; processing at the edge.

Extreme Search
Allows Enterprise IT to analyze all IT infrastructure event logs more completely, including the application of AI/ML algorithms.

KnackStack
A Platform-as-a-Service (PaaS) flexible hybrid cloud that enables modern software development with an infrastructure to automate data management and security.

Aviation Suite – Air Drop
Software used to plan and execute highly accurate cargo and personnel airdrops.

Selected financial data

$'s in millions (unaudited)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023
People and Places Solutions						
Backlog	16,930	16,950	17,527	17,014	17,014	17,243
Revenue	1,921	2,163	2,223	2,228	8,535	2,227
Net Revenue	1,449	1,599	1,587	1,581	6,216	1,567
Operating Profit	189	193	214	229	825	227
Operating Profit as a % of Net Revenue	13.0%	12.0%	13.5%	14.5%	13.3%	14.5%
Critical Mission Solutions						
Backlog	7,524	7,509	7,219	7,622	7,622	7,632
Revenue	977	1,134	1,109	1,156	4,377	1,075
Operating Profit	91	95	88	81	356	82
Operating Profit as a % of revenue	9.3%	8.3%	8.0%	7.0%	8.1%	7.6%
Divergent Solutions						
Backlog	3,291	3,063	3,019	2,957	2,957	3,077
Revenue	193	239	218	242	892	214
Net Revenue	187					201
Operating Profit	23	17	12	15	68	12
Operating Profit as a % of Revenue	11.9%	7.1%	5.5%	6.3%	7.6%	5.6%
Operating Profit as a % of net Revenue	12.3%					6.0%
PA Consulting						
Backlog	276	269	326	269	269	306
Revenue	290	297	278	254	1,119	282
	63	68	51	49	232	51
Operating Profit as a % of revenue	21.8%	23.0%	18.5%	19.4%	20.7%	18.1%

[1] PA Consulting results are reflected from the March 2, 2021 acquisition date

Use of Non-GAAP financial measures and operating metrics

In this presentation, the Company has included certain non-GAAP financial measures as defined in Regulation G promulgated under the Securities Exchange Act of 1934, as amended. These non-GAAP measures are described below.

Net revenue is calculated excluding pass through revenue of the Company's People & Places Solutions and Divergent Solutions segments from the Company's revenue from continuing operations.
Adjusted income before income taxes from continuing operations, adjusted income taxes from continuing operations, adjusted noncontrolling interests, adjusted net earnings from continuing operations and adjusted EPS from continuing operations are calculated by:

1. Excluding items collectively referred to as Restructuring, Transaction and Other Charges, which include:
    a) costs and other charges associated with our Focus 2023 transformation initiatives, including activities associated with the re-scaling and repurposing of physical office space, employee separations, contractual termination fees and related expenses, referred to as "Focus 2023 Transformation";
    b) transaction costs and other charges incurred in connection with the acquisitions of Buffalo Group, BlackLynx and StreetLight and the strategic investment in PA Consulting, including advisor fees, change in control payments, and the impact of the quarterly adjustment to the estimated performance based payout of contingent consideration to the sellers in connection with certain acquisitions; and similar transaction costs and expenses (collectively referred to as "Transaction Costs");
    c) recoveries, costs and other charges associated with restructuring activities implemented in connection with the acquisitions of CH2M, John Wood Group nuclear business, Buffalo Group, BlackLynx, StreetLight, the strategic investment in PA Consulting, the sale of the ECR business and other related cost reduction initiatives, which included involuntary terminations, costs associated with co-locating offices of acquired companies, separating physical locations of continuing operations, professional services and personnel costs, amounts relating to certain commitments and contingencies relating to discontinued operations of the CH2M business, including the final settlement charges relating to the Legacy CH2M Matter, net of previously recorded reserves and charges associated with the impairment and final closing activities of our AWE ML joint venture (collectively referred to as "Restructuring and Integration costs").
2. Excluding items collectively referred to as Other adjustments, which include:
    a) adding back amortization of intangible assets;
    b) impact of certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment;
    c) certain non-routine income tax adjustments for the purposes of calculating the Company's annual non-GAAP effective tax rate to facilitate a more meaningful evaluation of the Company's current operating performance and comparisons to the Company's operating performance in other periods.

Use of Non-GAAP financial measures and operating metrics (cont.)

Adjusted EBITDA, and the resulting calculation of adjusted EBITDA margin, is calculated by adding income tax expense, depreciation expense and adjusted interest expense, and deducting interest income from adjusted net earnings from continuing operations. Adjusted interest expense excludes one-time fees related on our debt facilities that are included in our interest expense under GAAP.

Free cash flow is calculated using the reported statement of cash flows, provided from operations less additions to property and equipment. Adjusted free cash flow is calculated by taking free cash flow (calculated as previously described) adjusted for the cash payments/receipts related to the adjustments made to GAAP net earnings to arrive at adjusted net earnings from continuing operations. In addition, in fiscal 2022, adjusted free cash flow excluded the repayment of $55M of payroll tax deferral which was permitted by the CARES Act.

Certain percentage changes are quantified on a constant currency basis, which provides information assuming that foreign currency exchange rates have not changed between the prior and current periods. For purposes of constant currency calculations, we use the prior period average exchange rates as applied to the current period adjusted amounts.

We believe that the measures listed above are useful to management, investors and other users of our financial information in evaluating the Company's operating results and understanding the Company's operating trends by excluding or adding back the effects of the items described above and below, the inclusion or exclusion of which can obscure underlying trends. Additionally, management uses such measures in its own evaluation of the Company's performance, particularly when comparing performance to past periods, and believes these measures are useful for investors because they facilitate a comparison of our financial results from period to period.

This presentation also contains certain operating metrics which management believes are useful in evaluating the Company's performance. We regularly monitor these operating metrics to evaluate our business, identify trends affecting our business, and make strategic decisions. Backlog Revenue is the total dollar amount of revenues we expect to record in the future as a result of performing work under contracts that have been awarded to us. Backlog Gross Profit is the gross profit associated with the backlog contract. For more information on how we determine our revenue backlog, see our Backlog Information in our most recently filed quarterly or annual report with the Securities and Exchange Commission Book-to-bill ratio is an operational measure representing the ratio of change in backlog revenue, or backlog gross margin, since the prior reporting period plus reported revenue or reported gross margin for the reporting period to the reported revenues or gross margin for the same period. Cash conversion is the ratio of cash flow from operations to GAAP net earnings from continuing operations. Adjusted cash conversion is the ratio of adjusted free cash flow to adjusted net earnings from continuing operations (calculated as previously described). We regularly monitor these operating metrics to evaluate our business, identify trends affecting our business, and make strategic decisions.

The following tables reconcile the GAAP financial measures to the corresponding "adjusted" amount used in this presentation.

Reconciliation of GAAP to Adjusted Results

Reconciliation of Earnings from Continuing Operations Before Taxes to Adjusted Earnings from Continuing Operations Before Taxes (in thousands)

	Three Months Ended	
	December 30, 2022	December 31, 2021
Earnings from Continuing Operations Before Taxes	$ 197,481	$ 169,090
Restructuring, Transaction and Other Charges (1):		
Focus 2023 Transformation	27,172	66,361
Transaction costs	5,270	5,662
Restructuring and integration charges	7,272	2,999
Other Adjustments (2):		
Amortization of intangibles	49,773	46,907
Other	4,290	5
Adjusted Earnings from Continuing Operations Before Taxes	**$ 291,258**	**$ 291,024**

(1) Includes pre-tax non-cash real estate impairments charges associated with the Company's Focus 2023 transformation program of $27.1 million and $72.3 million for the three-months ended December 30, 2022 and December 31, 2021, respectively, as well as charges associated with various transaction costs incurred with our acquisition and restructuring related activity associated with Company restructuring and integration programs.

(2) Includes pre-tax charges for the removal of amortization of intangible assets of $49.8 million and $46.9 million for the three-months ended December 30, 2022 and December 31, 2021, respectively, and the impact of certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment of $4.3 million for the three-months ended December 30, 2022.

Reconciliation of GAAP to Adjusted Results

Reconciliation of Income Tax Expense from Continuing Operations to Adjusted Income Tax Expense from Continuing Operations

	Three Months Ended	
	December 30, 2022	**December 31, 2021**
Income Tax Expense from Continuing Operations	$ (50,103)	$ (15,889)
Tax Effects of Restructuring, Transaction and Other Charges (1)		
Focus 2023 Transformation	(6,677)	(13,450)
Transaction costs	(1,250)	(1,392)
Restructuring and integration charges	(1,788)	(834)
Tax Effects of Other Adjustments (2)		
Amortization of intangibles	(11,880)	(10,428)
Other income tax adjustments	11,478	(21,158)
Other	(944)	(1)
Adjusted Income Tax Expense from Continuing Operations	$ (61,164)	$ (63,152)

(1) Includes estimated income tax impacts on real estate impairments associated with the Company's Focus 2023 transformation program for the three-months ended December 30, 2022 and December 31, 2021, as well as tax impacts on charges associated with various transaction costs incurred with our acquisition and restructuring related activity associated with Company restructuring and integration programs.

(2) Includes estimated income tax impacts on amortization of intangible assets for the three-months ended December 30, 2022 and December 31, 2021, certain income tax adjustments for the purposes of presenting the Company's expected annual non-GAAP effective tax rate to facilitate a more meaningful evaluation of the Company's current operating performance and comparisons to the Company's operating performance in other periods and estimated tax impacts on certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment for the three-months ended December 30, 2022.

Reconciliation of GAAP to Adjusted Results

Reconciliation of Net Earnings Attributable to Jacobs from Continuing Operations to Adjusted Net Earnings Attributable to Jacobs from Continuing Operations (in thousands)

	Three Months Ended	
	December 30, 2022	December 31, 2021
Net Earnings Attributable to Jacobs from Continuing Operations	$ 136,355	$ 134,266
After-tax effects of Restructuring, Transaction and Other Charges (1):		
Focus 2023 Transformation	20,495	52,911
Transaction costs	3,551	4,270
Restructuring and integration charges	5,484	2,173
After-tax effects of Other Adjustments (2):		
Amortization of intangibles	32,857	30,515
Other income tax adjustments	11,516	(21,084)
Other	2,232	4
Adjusted Net Earnings Attributable to Jacobs from Continuing Operations	**$ 212,490**	**$ 203,055**

(1) Includes estimated after-tax and related noncontrolling interest impacts from non-cash real estate impairment charges associated the Company's Focus 2023 program for the three-months ended December 30, 2022 and December 31, 2021, as well as charges associated with various transaction costs incurred with our acquisition and restructuring related activity associated with Company restructuring and integration programs.

(2) Includes estimated after-tax and noncontrolling interest impacts from amortization of intangible assets for the three-months ended December 30, 2022 and December 31, 2021, certain income tax adjustments for the purposes of presenting the Company's expected annual non-GAAP effective tax rate to facilitate a more meaningful evaluation of the Company's current operating performance and comparisons to the Company's operating performance in other periods and estimated tax impacts on certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment for the three-months ended December 30, 2022

Reconciliation of GAAP to Adjusted Results

Reconciliation of Noncontrolling Interests from Continuing Operations to Adjusted Noncontrolling Interests from Continuing Operations (in thousands)

	Three Months Ended	
	December 30, 2022	December 31, 2021
Noncontrolling Interests from Continuing Operations	$ (11,023)	$ (18,935)
Restructuring, Transaction and Other Charges (1)		
Transaction costs	(469)	—
Restructuring and integration charges	—	8
Other Adjustments (2)		
Amortization of intangibles	(5,036)	(5,964)
Other income tax adjustments	38	74
Other	(1,114)	—
Adjusted Noncontrolling Interests from Continuing Operations	$ (17,604)	$ (24,817)

1) Includes noncontrolling interests amounts associated with the costs incurred with Company acquisition related activity costs.

2) Includes noncontrolling interests amounts relating to amortization of intangible assets for the three-months ended December 30, 2022 and December 31, 2021, certain non-routine income tax adjustments for the purposes of calculating the Company's annual non-GAAP effective tax rate to facilitate a more meaningful evaluation of the Company's current operating performance and comparisons to the Company's operating performance in other periods and estimated tax impacts on certain subsidiary level contingent equity-based employee and non-employee agreements in connection with our PA Consulting investment for the three-months ended December 30, 2022.

Reconciliation of GAAP to Adjusted Results

Reconciliation of Diluted Net Earnings from Continuing Operations Per Share to Adjusted Diluted Net Earnings from Continuing Operations Per Share (in thousands)

	Three Months Ended	
	December 30, 2022	December 31, 2021
Diluted Net Earnings from Continuing Operations Per Share	$ 1.07	$ 1.03
After-tax effects of Restructuring, Transaction and Other Charges (1):		
Focus 2023 Transformation	0.16	0.41
Transaction costs	0.03	0.03
Restructuring and integration charges	0.04	0.02
After-tax effects of Other Adjustments (2):		
Amortization of intangibles	0.26	0.23
Other income tax adjustments	0.09	(0.16)
Other	0.02	—
Adjusted Diluted Net Earnings from Continuing Operations Per Share	**$ 1.67**	**$ 1.56**

(1) Includes estimated per-share impacts from real estate impairments associated with the Company's Focus 2023 transformation program for the three-months ended December 30, 2022 and December 31, 2021, as well as related impact associated with various transaction costs incurred with our acquisition and restructuring related activity costs associated with Company restructuring and integration programs.

(2) Includes estimated per-share impacts from amortization of intangible assets for the three-months ended December 30, 2022 and December 31, 2021, certain income tax adjustments for the purposes of presenting the Company's expected annual non-GAAP effective tax rate to facilitate a more meaningful evaluation of the Company's current operating performance and comparisons to the Company's operating performance in other periods and certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment for the three-months ended December 30, 2022.

Reconciliation of net earnings from continuing operations attributable to Jacobs to adjusted EBITDA and free cash flow

Reconciliation of Adjusted EBITDA (in thousands)

	Three Months Ended	
	December 30, 2022	December 31, 2021
Adj Net earnings from Continuing Operations	$ 212,490	$ 203,055
Adj. Income Tax Expense for Continuing Operations	(61,164)	(63,152)
Adj. Net earnings from Continuing Operations attributable to Jacobs before income taxes	273,654	266,207
Depreciation expense	27,979	26,237
Interest income	(3,007)	(1,501)
Interest expense	40,077	19,426
Adjusted EBITDA	$ 338,703	$ 310,369

	Three Months Ended	
	December 30, 2022	December 31, 2021
Net cash provided by operating activities	$ 302,297	$ 321,645
Additions to property and equipment	(32,187)	(19,318)
Free cash flow	$ 270,110	$ 302,327

Reconciliation of Jacobs Constant Currency Revenue

Consolidated

Revenue impact of CC	**($M)**
Q1'23 Actual Revenue	$3,125
Currency Impact	140
Revenue in CC	**$3,265**
Q1'22 Revenue	$2,903
Growth	12.5%

P&PS

Revenue impact of CC	**($M)**
Q1'23 Actual Revenue	$1,567
Currency Impact	65
Revenue in CC	**$1,632**
Q1'22 Revenue	$1,449
Growth	12.7%

CMS

Revenue impact of CC	**($M)**
Q1'23 Actual Revenue	$1,075
Currency Impact	33
Revenue in CC	**$1,108**
Q1'22 Revenue	$977
Growth	13.5%

PA Consulting

Revenue impact of CC	**($M)**
Q1'23 Actual Revenue	$282
Currency Impact	42
Revenue in CC	**$324**
Q1'22 Revenue	$290
Growth	11.6%

DVS

Revenue impact of CC	**($M)**
Q1'23 Actual Revenue	$201
Currency Impact	1
Revenue in CC	**$201**
Q1'22 Revenue	$187
Growth	7.6%

Reconciliation of Jacobs Constant Currency Operating Profit

Consolidated

OP impact of Constant Currency	**($M)**
Q1'23 Actual Operating Profit	$332
Currency Impact	21
Operating Profit in CC	**$353**
Q1'22 Operating Profit	$308
Growth	14.7%

PA Consulting

OP impact of Constant Currency	**($M)**
Q1'23 Actual Operating Profit	$51
Currency Impact	7
Operating Profit in CC	**$58**
Q1'22 Operating Profit	$63
Growth	-8.2%

P&PS

OP impact of Constant Currency	**($M)**
Q1'23 Actual Operating Profit	$227
Currency Impact	16
Operating Profit in CC	**$242**
Q1'22 Operating Profit	$189
Growth	28.4%

DVS

OP impact of Constant Currency	**($M)**
Q1'23 Actual Operating Profit	$12
Currency Impact	(0)
Operating Profit in CC	**$12**
Q1'22 Operating Profit	$23
Growth	-48.5%

CMS

OP impact of Constant Currency	**($M)**
Q1'23 Actual Operating Profit	$82
Currency Impact	4
Operating Profit in CC	**$86**
Q1'22 Operating Profit	$91
Growth	-5.6%

Corporate

OP impact of Constant Currency	**($M)**
Q1'23 Actual Operating Profit	($40)
Currency Impact	(6)
Operating Profit in CC	**($45)**
Q1'22 Operating Profit	($58)