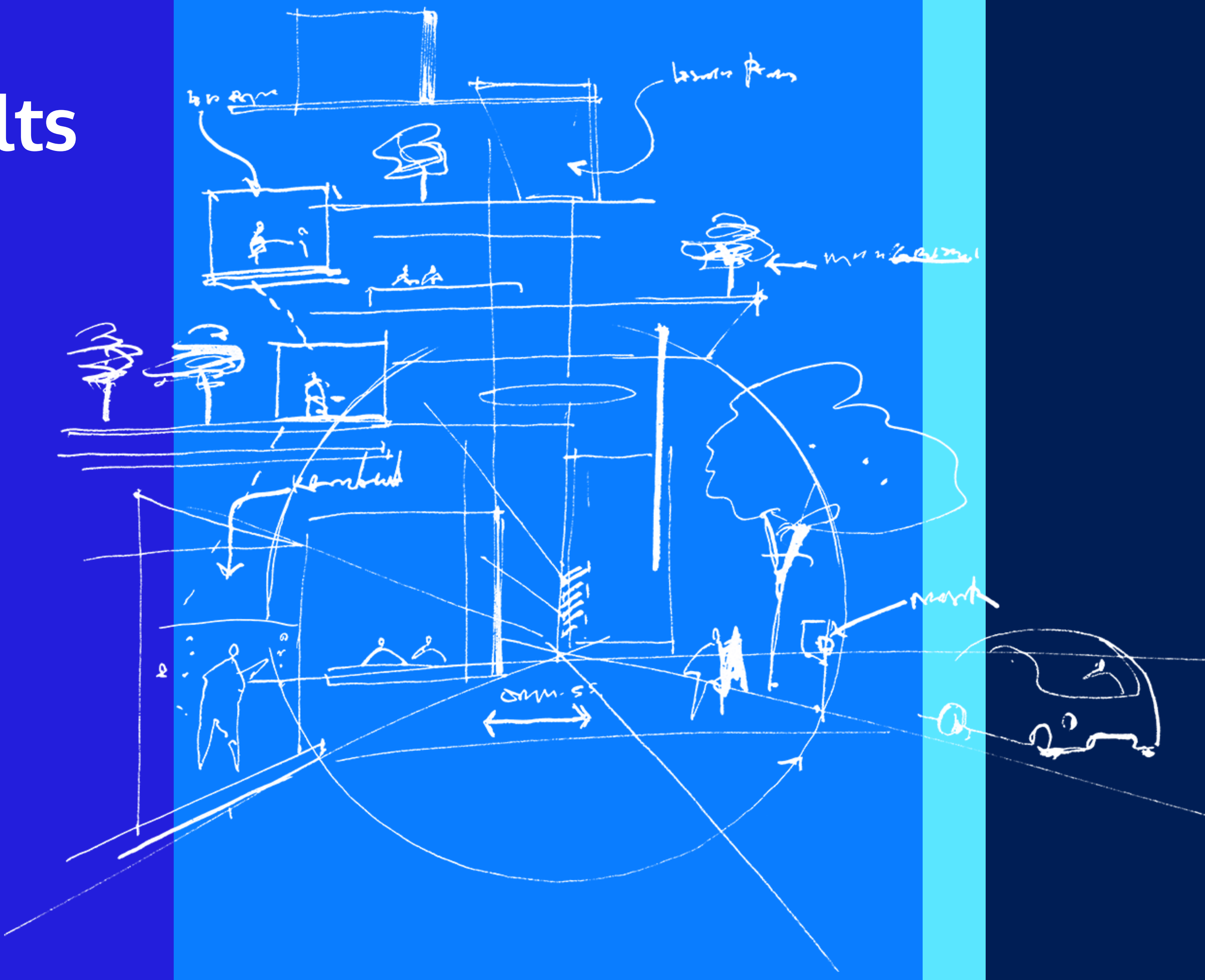
Jacobs Fiscal 2024 Second Quarter Results

May 7, 2024



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Reinventing tomorrow.

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,” "target," "goal" and similar words are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make concerning our expectations as to our future growth, prospects, financial outlook and business strategy, including our expectations for our fiscal year 2024 adjusted EBITDA, adjusted EPS and free cash flow conversion, as well as our expectations for margin expansion and our fiscal year 2024 effective tax rates, and any assumptions underlying any of the foregoing. 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 uncertainties as to the structure and timing of the proposed transaction to spin off and merge with Amentum our Critical Mission Solutions (“CMS”) business and a portion of our Divergent Solutions business (together the “Combined Company”) in a proposed transaction that is intended to be tax-free to stockholders for U.S. federal income tax purposes (hereinafter referred to as the “Separation Transaction”), the impact of the Separation Transaction on Jacobs’ and the Combined Company’s businesses if the transaction is completed, including a possible impact on Jacobs’ credit profile, and a possible decrease in the trading price of Jacobs' and/or the Combined Company’s shares, the possibility that the Separation Transaction, if completed, may not qualify for the expected tax treatment, the ability to obtain all required regulatory approvals, the possibility that closing conditions for the Separation Transaction may not be satisfied or waived, on a timely basis or otherwise, the risk that any consents or approvals required in connection with the Separation Transaction may not be received, the risk that the Separation Transaction may not be completed on the terms or in the time-frame expected by the parties, uncertainties as to our and our stockholders’ respective ownership percentages of the Combined Company and the value to be derived from the disposition of Jacobs’ stake in the Combined Company, unexpected costs, charges or expenses resulting from the Separation Transaction, business and management strategies and the growth expectations of the Combined Company, the inability of Jacobs and the Combined Company to retain and hire key personnel, customers or suppliers while the Separation Transaction is pending or after it is completed, and the ability of the Company to eliminate all stranded costs, as well as other factors related to our business, such as our ability to fully execute on our three-year corporate strategy, including our ability to invest in the tools needed to 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, the impact of acquisitions, strategic alliances, divestitures, and other strategic events resulting from evolving business strategies, including on the Company’s ability to maintain its culture and retain key personnel, the impact of any pandemic, and any resulting economic downturn on our results, prospects and opportunities, measures or restrictions imposed by governments and health officials in response to the 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, as well as other legislation related to governmental spending, any changes in U.S. or foreign tax laws, statutes, rules, regulations or ordinances that may adversely impact our future financial positions or results of operations, financial market risks that may affect the Company, including by affecting the Company's access to capital, the cost of such capital and/or 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, instability in the banking industry, or the impact 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 any future pandemics or infectious disease outbreaks 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 our Annual Report on Form 10-K for the year ended September 29, 2023, and in particular the discussions contained therein under Item 1 - Business; Item 1A - Risk Factors; Item 3 - Legal Proceedings; and Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations, and Part II, Item 1A - Risk Factors, in our most recently filed Quarterly Report on Form 10-Q, as well as the Company’s other filings with the U.S. Securities and Exchange Commission. 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 in the supplemental disclosures package on our investor relations website at invest.jacobs.com.

Today’s agenda

Overview

Performance overview

Financial review

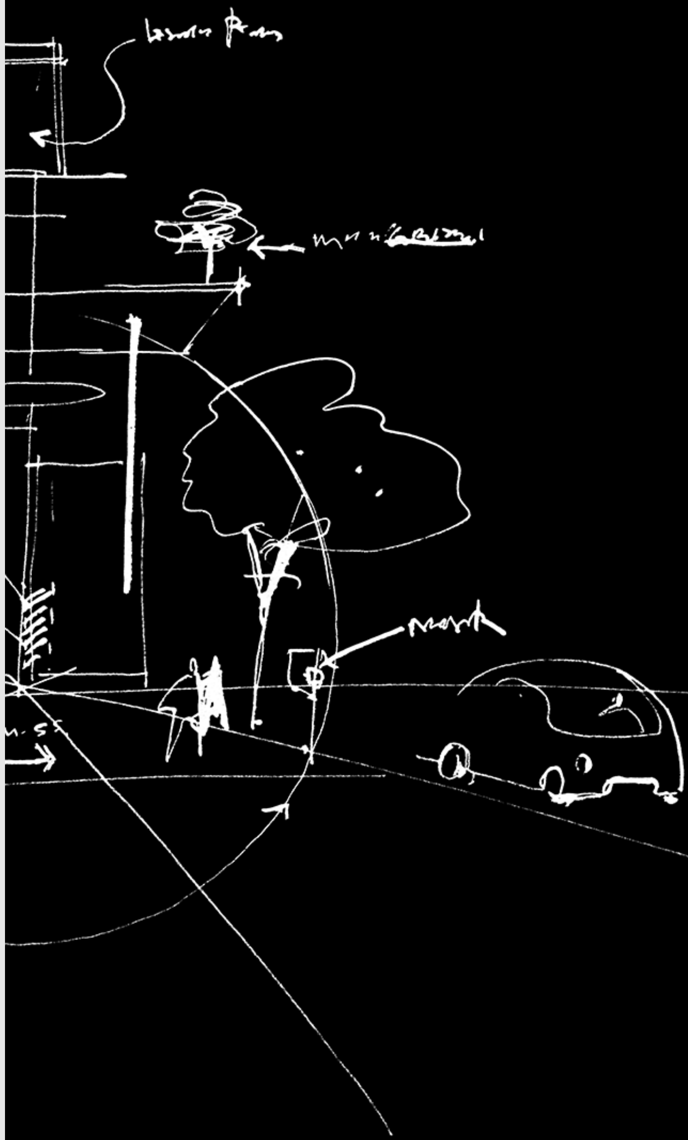
Q2 FY 2024 results

Q2 FY 2024 Segment review

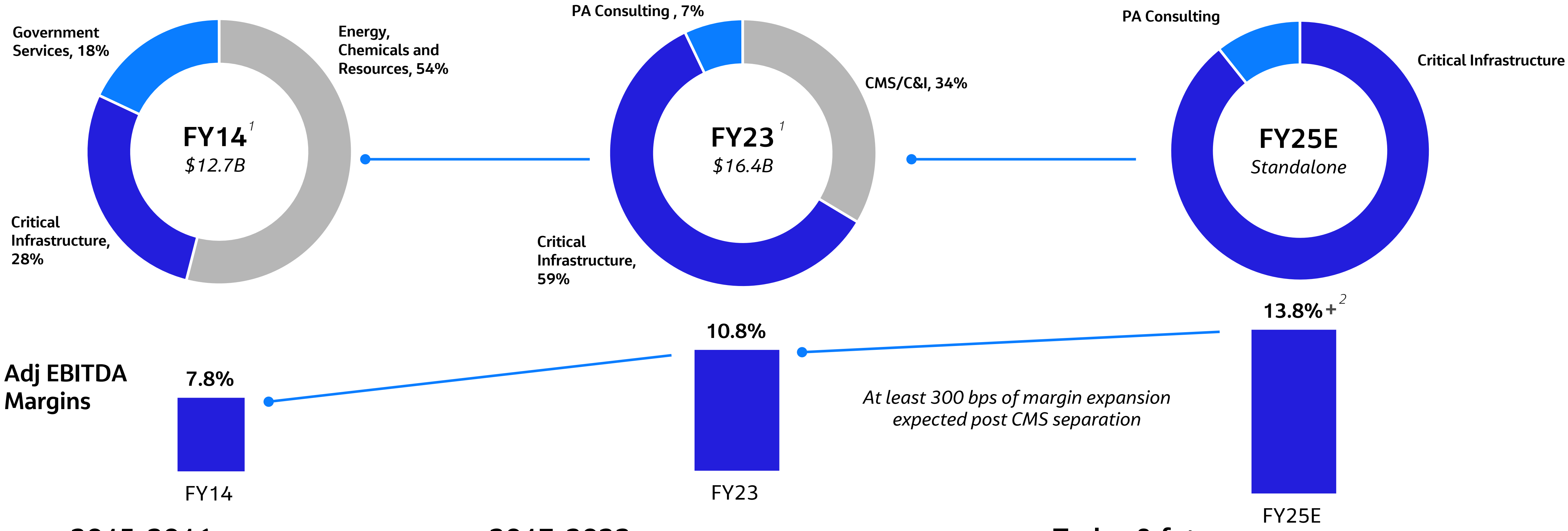
Balance sheet and cash flow

Outlook & Summary

Q&A



Transformation to less volatile and higher value services and solutions



2015-2016

Assess and Focus

- New management team joins Jacobs
- Developed strategy aligned to secular growth opportunities

2017-2023

De-risk and Shift to Higher Value Services

- Acquired CH2M to accelerate growth in high value infrastructure
- Divested energy, chemical and resources business
- Acquired majority ownership in PA Consulting

Today & future

Challenging Today. Reinventing Tomorrow.

- Foundation of efficient, competitive businesses
- Global, premier high-end solutions provider
- Positioning two leading businesses for success
- Evolving existing culture to accelerate our strategy

Note: See Use of Non-GAAP financial measures and operating metrics at the end of this presentation.
[1] Based on Revenue per applicable10K filing
[2] Projected Adj. EBITDA Margin, dependent on successful completion of CMS separation. Reconciliation of fiscal year 2025 adjusted EBITDA Margin 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.

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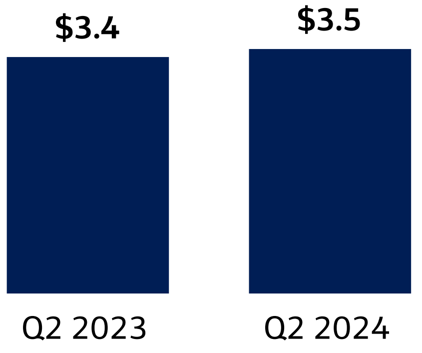
Strategy: Boldly Moving Forward

- 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

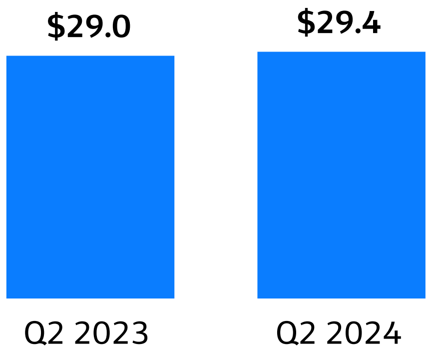
Q2 FY 24 Results

- Q2 gross revenue up 5% y/y and adjusted net revenue increased 3% y/y
- Q2 adjusted OP up 10.0% y/y
- Q2 revenue backlog $29.4B, up 2% y/y with gross margin in backlog up 49 bps y/y
- Q2 P&PS gross revenue up 7.5% and adj. net revenue up 5.6% y/y

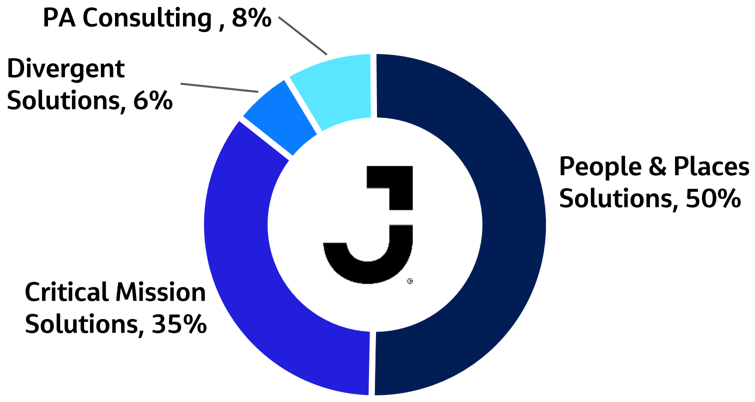
Adj. Net Revenue ($ in Billions)



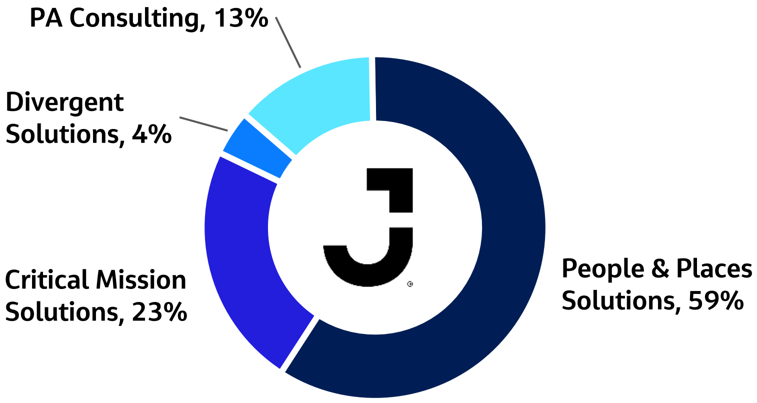
Backlog ($ in Billions)



Q2 FY 24
Segment Adj. Net Revenue



Q2 FY 24
Segment Operating Profit



Note: See Use of Non-GAAP financial measures and operating metrics at the end of this presentation.

Delivering sustainable solutions

Amtrak's Frederick Douglass Tunnel
Baltimore, Md., U.S.

Modernizing America's busiest passenger railroad, improving service and travel times for millions.

Rendering courtesy of Amtrak

Miami-Dade County Water and Sewer Department
Miami, Fla., U.S.

Enhancing operational performance and improving long-term system resilience with intelligent O&M.

Courtesy of Miami-Dade County Water and Sewer Department

Los Angeles World Airports
LA, Cal., U.S

Implementing on-call program management services through a Multiple Award Task Order Contract.

Alkimos Seawater Desalination Plant
Perth, WA, Australia

Securing a climate-independent, sustainable water supply to more than 2.5 million Western Australians.

Image courtesy of Water Corporation

PlanBeyond®

Supporting the UN's SDGs with our sustainable business objectives

3 GOOD HEALTH AND WELL-BEING
6 CLEAN WATER AND SANITATION
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION

Fiscal 2024 Q2 results

Revenue up 5% y/y, adjusted net revenue increased 3% y/y

GAAP Operating Profit (OP) of $281M and OP Margin of 6.6%

Adj. OP of $392M up 10%; Adj. OP Margin (% of Adj. Net Revenue) of 11.3%

GAAP Net Earnings from Continuing Operations of $163M

GAAP EPS from Continuing Operations of $1.29 includes:

- $0.28 of expense net of NCI related to the amortization of acquired intangibles
- $0.34 of transaction, restructuring and other related costs

Adj. EPS of $1.91

Adjusted EBITDA of $393M, with adjusted EBITDA margin 11% of Adj. Net Revenue

Q2 revenue book-to-bill 0.96x and gross profit in backlog up 4% y/y

Note: See Use of Non-GAAP financial measures and operating metrics at the end of this presentation.

Segment financials

$'s in millions	Q2 2023	Q2 2024	Y/Y	Y/Y CC
People & Places Solutions Operating Profit	**232**	**268**	**15.3%**	**14.5%**
as a % of adj. net revenue	14.0%	15.3%	128 bps	
Critical Mission Solutions Operating Profit	**94**	**104**	**10.3%**	**8.9%**
as a % of revenue	7.9%	8.4%	54 bps	
PA Consulting Operating Profit	**66**	**60**	**(8.3)%**	**(12.3)%**
as a % of revenue	21.8%	20.5%	(134 bps)	
Divergent Solutions Operating Profit	**25**	**19**	**(23.7)%**	**(24.1)%**
as a % of adj. net revenue	11.1%	9.6%	(154 bps)	
Adjusted Unallocated Corporate Costs	**(60)**	**(59)**	**(2.8)%**	**(3.9)%**
Adjusted Operating Profit from Continuing Operations	**356**	**392**	**10.0%**	**8.5%**
as a % of adj. net revenue	10.6%	11.3%	72 bps	
Adjusted EBITDA from Continuing Operations	**358**	**393**	**9.8%**	**8.8%**
as a % of adj. net revenue	10.6%	11.3%	70 bps	

Note: See Use of Non-GAAP reconciliation and operating metrics at end of this presentation.

Balance sheet and cash flow

Strong cash flow generation

- Q2 cash flow from operations (CFFO) $(43)M and FCF of $(71)M
  - Q2 impacted by return to more normalized DSO numbers
  - 1H remains at approximately 100% reported FCF conversion
  - Continue to expect >100% FY24 reported FCF conversion[1]
- Balance sheet strength affords prudent capital deployment
- Expect to maintain an investment grade credit profile
- $1B Repurchase Authorization
  - Opportunistically repurchased $95M in shares in Q2
  - $679.4M remaining under authorization
- Declared quarterly dividend of $0.29/share, an 11.5% increase y/y, to be paid on June 21, 2024

Leverage Metrics ($ billions)	FY24 Q2
Cash/debt	**$1B/$3B**
Net Debt Position	**$2B**
Net debt to LTM adjusted EBITDA	**1.3x**
Fixed/Floating debt	**~63% / 37%**
Ending Q2 weighted interest rate	**~5.2%**

Note: See Use of Non-GAAP financial measures and operating metrics at the end of this presentation.
[1]Reconciliation of reported free cash flow conversion for fiscal year 2024 to the most directly comparable GAAP measure is not available without unreasonable efforts because the Company cannot predict with sufficient certainty all 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.

Outlook & Summary

Reiterating Fiscal 2024 Outlook

	FY23	FY24E[1]	Y/Y Growth (at mid-point)
FY Adjusted EBITDA	$1.44B	$1.540B - $1.585B	9%
FY Adjusted EPS	$7.20	$7.80 - $8.10	10%
Net Interest Expense	$142M	$130M - $140M	(5%)
Adj. Non-Controlling Interest	$80M	$75M - $85M	—
FY Effective Tax Rate	21.6%	22.0%	

Additional Considerations

- Remain committed to double-digit multi-year earnings growth driven by accelerating revenue, improving margin performance, strong backlog and a robust global sales pipeline aligned with our strategic accelerators.
- Incorporates full-year contribution of businesses to be separated.

Fiscal Year 2024 Assumptions

- Fully diluted average share count: ~127M
- FY effective tax rate: 22%
- Q3-Q4 effective tax rate: 26%-27%
- Annual CAPEX: ~1% of net revenue
- Depreciation: ~$110M
- Reported FCF conversion > 100%
- P&PS Adj. OP margin > 14.6%

Note: See Use of Non-GAAP financial measures and operating metrics at the end of this presentation.
[1]Reconciliation of expected fiscal year 2024 adjusted EPS and adjusted EBITDA, net interest expense, adjusted non-controlling interests and reported free cash flow conversion for fiscal year 2024 to the most directly comparable GAAP measure is not available without unreasonable efforts because the Company cannot predict with sufficient certainty all 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.

Appendix

P&PS playing in key sectors aligned to critical infrastructure and sustainability

Transportation

- Market leading position in Mass Transit & Rail, Marine & Port Facilities, Highways & Bridges, and Airports
- PMCM capabilities delivering world's largest Transportation megaprojects
- Transportation Advisory & Planning
- Decarbonization
- Data & Cyber solutions
- EV charging

Water

- Unique OneWater end-to-end approach providing social value across the complete water cycle
- Drinking water and reuse, wastewater, conveyancing and storage and water resources
- Water-Energy nexus
- Digital Water including OT Cyber
- Nature based solutions

Cities & Places

- Integrating data, technology, mobility and connectivity to improve economic and social equity and the resiliency of cities & communities
- Architecture, Structures, Building Systems, Interiors & Strategies
- Market leaders in Defense and Government buildings
- Industry leading PMCM capabilities
- Sustainable and intelligent buildings

Energy & Environmental

- Responding to challenges driven by climate change, urbanization, resource scarcity, energy security & digital proliferation
- Supporting global energy diversification and transition efforts across all sectors
- Renewables and hydrogen
- Environmental planning, remediation, regeneration, operational excellence and PFAS solutions

Health and Life Sciences

- Considered a major provider of professional services to the biopharmaceutical industry
- Health System Governance, Health Infrastructure and Health Operations Advisory
- Digital Health: data solutions and cyber expertise, telehealth

Advanced Manufacturing

- Capturing multi-year super-cycle in semiconductors in response to global supply chain disruption
- Trusted advisor to many Electronics and Specialized Manufacturing clients
- Data centers, driving decarbonization and cloud condo strategies
- Electric Vehicle Manufacturing

Empowered by digitally enabled solutions across all end sectors

Jacobs holds leading positions

Overall

- Nº 1 Top 500 in Design Firms (2024)
- Nº 1 Top 100 Pure Designers (2024)
- Nº 1 Top 20 Firms in Combined Design and CM-PM Professional Services Revenue
- Nº 1 Top 50 Program Management Firms

Energy & Environment

- Nº 1 Clean Air Compliance
- Nº 1 Solar Power
- Nº 2 Chemical & Soil Remediation
- Nº 2 Site Assessment & Compliance
- Nº 2 Wind Power
- Nº 2 Co-Generation
- Nº 2 Power (2024)

Infrastructure

- Nº 1 Wastewater Treatment
- Nº 1 Sanitary & Storm Sewers
- Nº 1 Sewer & Waste (2024)
- Nº 1 Operation & Maintenance
- Nº 1 Telecommunications (2024)
- Nº 2 Transportation (2024)
- Nº 2 Bridges
- Nº 2 Mass Transit & Rail
- Nº 2 Marine & Port Facilities
- Nº 2 Airports
- Nº 2 Water Treatment, Desalination Plants
- Nº 2 Highways
- Nº 3 Water (2024)
- Nº 3 Transmission Lines & Cabling

Health & Life Sciences

- Nº 1 Pharmaceuticals
- Nº 1 Healthcare

Advanced Manufacturing

- Nº 1 Data Centers
- Nº 1 Semiconductors
- Nº 1 Manufacturing (2024)
- Nº 1 Industrial Process
- Nº 1 Pulp & Paper
- Nº 2 Electronic Assembly

Cities & Places

- Nº 2 Government Offices
- Nº 2 Entertainment

*Source: *Engineering News-Record*: 2023 Top 500 Design Firms and Source Books

Debt & interest overview

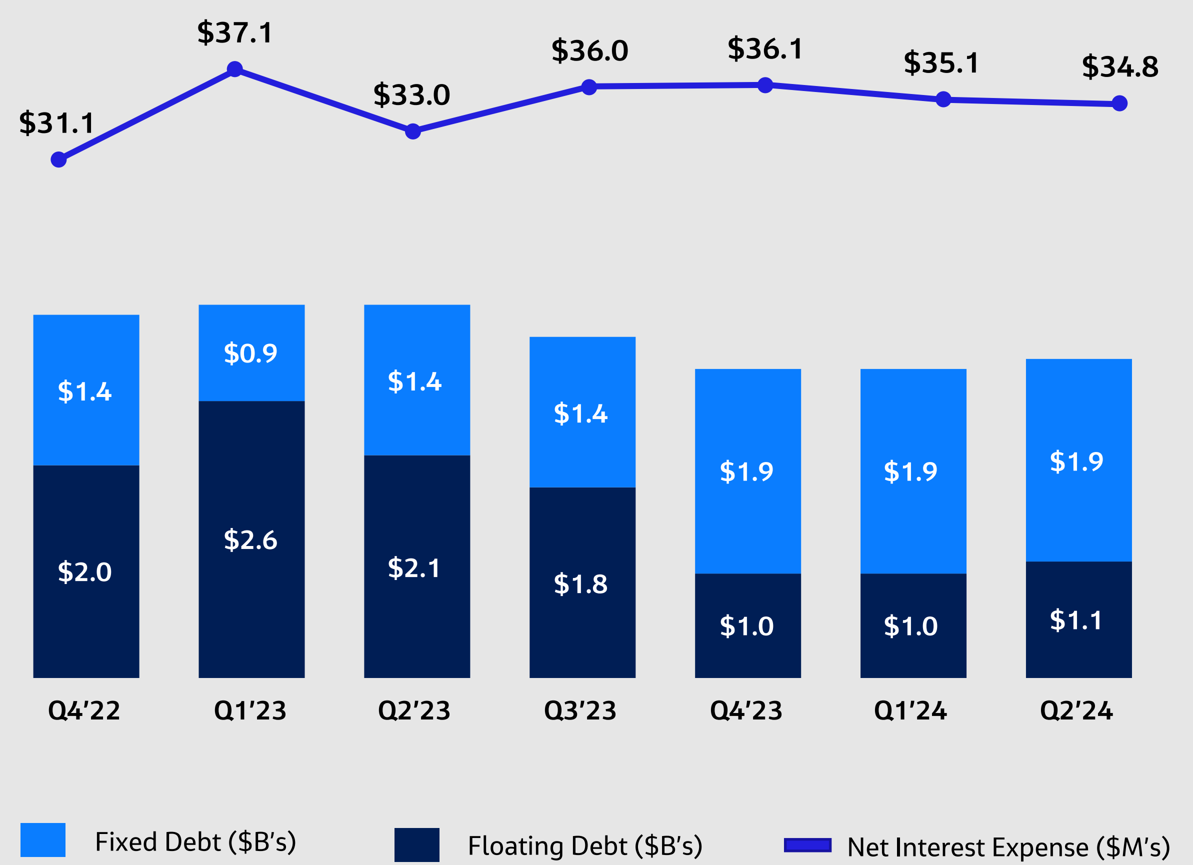
Debt Breakdown

Tranche	12/29 Debt	Q1 '24 Rate	Q2 '24 Rate
Revolver ($2.25B)	$135M	6.7%	6.7%
USD Term Loans	$179M	6.7%	6.7%
GBP Term Loans	$810M	6.5%	6.5%
Total Floating	**$1,124M**	**6.5%**	**6.5%**
Sustainability-Linked Bond	$500M	5.0%	5.0%
Public Bond – 5Y	$600M	6.4%	6.4%
Swapped	$778M	2.1%	2.1%
Total Fixed	**$1,878M**	**4.2%**	**4.2%**
Total Debt	**$3,002M**	**~5.1%**	**~5.2%**

Hedge	Notional (USD)	Fair Value	Fixed Rate[1]	Maturity
10 YR USD Floating	$200M	$31M	1.116% + Spread	Apr '30
5 YR USD Floating	$325M	$13M	0.704% + Spread	Feb '25
10 YR GBP Floating	$253M	$35M	0.82% + Spread	Apr '30
Total	**$778M**	**$79M**		

Fixed vs Floating Debt Trend

As of March 29, 2024



[1]Fixed Rates and spread includes new amendments

Selected financial data

$'s in millions (unaudited)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
People and Places Solutions							
Backlog	17,243	17,563	17,498	17,345	17,345	17,857	17,929
Revenue	2,227	2,345	2,470	2,512	9,554	2,470	2,522
Adj. Net Revenue	1,517	$1,661	1,687	1,703	6,567	1,644	1,755
Operating Profit	227	232	243	256	958	225	268
Operating Profit as a % of Adj. Net Revenue	14.9%	14.0%	14.4%	15.0%	14.6%	13.7%	15.3%
Critical Mission Solutions							
Backlog	7,632	8,136	8,097	8,264	8,264	8,311	8,453
Revenue	1,075	1,191	1,191	1,236	4,693	1,129	1,229
Operating Profit	82	94	99	103	378	93	104
Operating Profit as a % of Revenue	7.6%	7.9%	8.3%	8.3%	8.1%	8.3%	8.4%
Divergent Solutions							
Backlog	3,077	2,956	2,965	3,183	3,183	3,110	2,682
Revenue	214	241	239	252	947	254	224
Adj. Net Revenue	201	224	218	239	882	210	198
Operating Profit	12	25	21	24	82	8	19
Operating Profit as a % of Adj. Net Revenue	6.0%	11.1%	9.5%	10.1%	9.3%	3.6%	9.6%
PA Consulting							
Backlog	306	319	355	311	311	317	344
Revenue	282	301	287	288	1,158	306	294
Operating Profit	51	66	61	59	237	54	60
Operating Profit as a % of Revenue	18.1%	21.8%	21.2%	20.6%	20.5%	17.8%	20.5%

Environmental, Social & Governance (ESG) at Jacobs

Aligned with the United Nations Sustainable Development Goals, Jacobs is focused on creating positive social and economic impact while protecting our environment and improving resilience.

- Since 2019 we have voluntarily reported on a wide range of sustainability matters through our annual ESG Disclosures. These have been reported in alignment with the Sustainability Accounting Standards Board framework and informed by Global Reporting Initiative standards. We also disclose aspects of our performance in our Integrated Annual Report, Form 10-K, Proxy Statement and other public materials.
- Annually we disclose to CDP, the S&P Global Corporate Sustainability Assessment, and conduct a Climate Risk Assessment in line with the Task Force on Climate-related Financial Disclosures (TCFD).
- Our overarching commitments:
  - Target every project to become a climate response opportunity and/or contribute to the UN Sustainable Development Goals by fiscal 2025
  - Achieve net-zero greenhouse gas emissions across the value chain by 2040
- In 2023 we launched our inaugural Sustainability-Linked Bond to incorporate sustainability into our financing strategy. We have recently released our FY23 progress report.
- Every year, we invest in and partner with local communities – not only where our employees live and work, but globally, collaborating with charities and not-for-profit organizations to make a positive impact and live our values.
- We are committed to respecting the rights and dignity of individuals within our operations and where we do business. We require our partners and supply chain to uphold the same level of commitment and due diligence to the human rights standards we hold ourselves accountable to.

Governance Overview and ESG Documents

Highlights

Placed on **Dow Jones Sustainability World Index** for the second year in a row and **North America Index** for the fourth consecutive year

Received an **A-** from **CDP**

Silver Medal in the **EcoVadis Sustainability Ratings 2023**

Achieved **ISS Prime Status** for our ESG corporate rating

Received an **A rating** from **MSCI**

Received the **World Environment Center's prestigious 2023 Gold Medal Award** for **International Corporate Achievement in Sustainable Development**

Executive Chair of Jacobs Board of Directors and former CEO Steve Demetriou received the **Individual Leadership Award** at the **Climate Registry's 2023 Climate Leadership Awards**

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.

Adjusted 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. Pass through revenues are amounts we bill to clients on projects where we are procuring subcontract labor or third-party materials and equipment on behalf of the client. These amounts are considered pass throughs because we receive no or only a minimal mark-up associated with the billed amounts. We have amended our name and convention for revenue, excluding pass-through costs from "net revenue" to "adjusted net revenue." Note, this is simply a name change intended to make the non-GAAP nature of this measure more prominent and does not impact measurement.

Adjusted operating profit, adjusted earnings from continuing operations before taxes, adjusted income taxes from continuing operations, 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, mainly real estate rescaling efforts";
   b. transaction costs and other charges incurred in connection with the Separation Transaction and acquisitions of 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; impacts resulting from the EPS numerator adjustment relating to the redeemable noncontrolling interests preference share repurchase and reissuance activities 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 Separation Transaction, including advisor fees, involuntary terminations and related costs, the acquisitions of CH2M, BlackLynx, and StreetLight, the strategic investment in PA Consulting, the sale of the ECR business and other cost reduction and restructuring initiatives, which included involuntary terminations of officers and employees, 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, third party recoveries recorded as receivables reducing SG&A, and charges associated with the impairment and final closing activities of our AWE ML joint venture (collectively referred to as "Restructuring, integration, separation and other charges").

2. Excluding items collectively referred to as "Other adjustments",[1] which include:
   a. adding back intangible assets amortization and impairment charges;
   b. impact of certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment;
   c. impacts related to tax rate increases in the UK in a prior period.

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

Adjustments to derive adjusted net earnings from continuing operations and adjusted EPS from continuing operations are calculated on an after-tax basis.

Free cash flow (FCF) is calculated as net cash provided by operating activities as reported on the statement of cash flows less additions to property and equipment.

Adjusted EBITDA is calculated by adding income tax expense, depreciation expense and interest expense, and deducting interest income from adjusted net earnings from continuing operations.

P&PS Adjusted Operating Margin is a ratio of the GAAP operating profit for the segment to the segment's adjusted net revenue. For a reconciliation of revenue to adjusted net revenue, see "Segment Information".

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. Backlog represents revenue or gross profit, as applicable, we expect to realize for work to be completed by our consolidated subsidiaries and our proportionate share of work to be performed by unconsolidated joint ventures. Gross margin in backlog refers to the ratio of gross profit in backlog to gross revenue in backlog. For more information on how we determine our backlog, see our Backlog Information in our most recent annual report filed with the Securities and Exchange Commission. Cash conversion refers to a ratio of cash flow from operations to GAAP net earnings from continuing operations. Reported FCF conversion refers to a ratio of FCF to GAAP net earnings from continuing operations. We regularly monitor these operating metrics to evaluate our business, identify trends affecting our business, and make strategic decisions.

The Company provides non-GAAP measures to supplement U.S. GAAP measures, as they provide additional insight into the Company's financial results. However, non-GAAP measures have limitations as analytical tools and should not be considered in isolation and are not in accordance with, or a substitute for, U.S. GAAP measures. In addition, other companies may define non-GAAP measures differently, which limits the ability of investors to compare non-GAAP measures of the Company to those used by our peer companies.

The following tables reconcile the components and values of U.S. GAAP earnings from continuing operations before taxes, income taxes from continuing operations, net earnings attributable to Jacobs from continuing operations, Diluted Net Earnings from Continuing Operations Per Share (which we refer to as EPS from continuing operations), operating profit, to the corresponding "adjusted" amount, net cash provided by operating activities to free cash flow and revenue to adjusted net revenue. For the comparable period presented below, such adjustments consist of amounts incurred in connection with the items described above. Amounts are shown in thousands, except for per-share data (note: earnings per share amounts may not total due to rounding).

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

	Three Months Ended		Six Months Ended	
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023
Earnings from Continuing Operations Before Taxes	$ 241,585	$ 252,313	$ 407,336	$ 449,795
Restructuring, Transaction and Other Charges (1):				
Focus 2023 Transformation, mainly real estate rescaling efforts	—	10,995	49	38,167
Transaction costs	10,328	6,282	24,277	11,552
Restructuring, integration, separation and other charges	41,928	1,845	83,248	9,117
Other Adjustments (2):				
Amortization of intangibles	52,644	50,475	103,763	100,247
Other	6,051	(3,164)	17,435	1,126
Adjusted Earnings from Continuing Operations Before Taxes	$ 352,536	$ 318,746	$ 636,108	$ 610,004

(1) Includes pre-tax non-cash charges primarily relating to the Separation Transaction for the three- and six- months ended March 29, 2024, and real estate impairments charges associated with the Company's Focus 2023 transformation program of $10.1 million charges associated with various transaction costs incurred with our acquisition and restructuring related activity associated with Company restructuring and integration programs for the three and six-months ended March 31, 2023.

(2) Includes pre-tax charges for the removal of amortization of intangible assets and the impact of certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment of $5.2 million and $(3.2) million for the three months ended March 29, 2024 and March 31, 2023, respectively. The six months ended March 29, 2024 also includes an approximate $11 million intangibles impairment charge.March 29, 2024.

Reconciliation of Operating Profit to Adjusted Operating Profit (in thousands)

	Three Months Ended		Six Months Ended	
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023
Operating Profit	$ 280,988	$ 289,863	$ 485,052	$ 527,668
Restructuring, Transaction and Other Charges (1)				
Focus 2023 Transformation, mainly real estate rescaling efforts	—	11,028	49	38,828
Transaction costs	10,328	6,282	24,277	11,552
Restructuring, integration, separation and other charges	41,928	1,845	83,248	9,117
Other Adjustments (2)				
Amortization of intangibles	52,644	50,475	103,763	100,247
Other	6,051	(3,164)	17,435	1,126
Adjusted Operating Profit	$ 391,939	$ 356,329	$ 713,824	$ 688,538

(1) Includes estimated operating profit impacts from restructuring charges relating to the Separation Transaction for the three- and six- months ended March 29, 2024, along with real estate impairments associated with the Company's Focus 2023 transformation program and impacts associated with various transaction costs incurred with our acquisition and restructuring related activity costs associated with Company restructuring and integration programs for the six months ended March 31, 2023.

(2) Includes estimated operating profit impacts from amortization of intangible assets and estimated operating profit impacts on certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment for the three- and six- months ended March 29, 2024 and March 31, 2023. The six months ended March 29, 2024 also includes an approximate $11 million intangibles impairment charge.

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		Six Months Ended	
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023
Net Earnings Attributable to Jacobs from Continuing Operations	$ 162,880	$ 216,587	$ 335,064	$ 352,943
After-tax effects of Restructuring, Transaction and Other Charges (1):				
Focus 2023 Transformation, mainly real estate rescaling efforts	—	8,088	37	28,583
Transaction costs	7,671	4,240	18,122	7,791
Restructuring, integration, separation and other charges	31,274	1,437	62,338	6,921
After-tax effects of Other Adjustments (2):				
Amortization of intangibles	34,830	33,575	68,486	66,432
Other	4,277	(1,690)	12,771	542
Adjusted Net Earnings Attributable to Jacobs from Continuing Operations	$ 240,932	$ 262,237	$ 496,818	$ 463,212

Includes estimated after-tax impacts primarily relating to the Separation Transaction for the three months ended March 29, 2024, along with non-cash real estate impairment charges associated the Company's Focus 2023 program and charges associated with various transaction costs incurred with our acquisition and restructuring related activity associated with Company restructuring and integration programs for the three- and six- months ended March 31, 2023.

(2) Includes estimated after-tax and noncontrolling interest impacts from amortization of intangible assets 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 March 29, 2024 and March 31, 2023. The six months ended March 29, 2024 also includes the estimated after-tax impact from an approximate $11 million intangibles impairment charge.

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		Six Months Ended	
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023
Diluted Net Earnings from Continuing Operations Per Share	$ 1.29	$ 1.70	$ 2.66	$ 2.77
After-tax effects of Restructuring, Transaction and Other Charges (1):				
Focus 2023 Transformation, mainly real estate rescaling efforts	—	0.06	—	0.22
Transaction costs	0.06	0.03	0.13	0.06
Restructuring, integration, separation and other charges	0.25	0.01	0.49	0.05
After-tax effects of Other Adjustments (2):				
Amortization of intangibles	0.28	0.26	0.55	0.52
Other	0.04	(0.01)	0.09	—
Adjusted Diluted Net Earnings from Continuing Operations Per Share	$ 1.91	$ 2.06	$ 3.93	$ 3.64

(1) Includes estimated per-share impacts from the restructuring activities primarily relating to the Separation Transaction for the three- and six- months ended March 29, 2024, along with real estate impairments associated with the Company's Focus 2023 transformation program and impacts associated with various transaction costs incurred with our acquisition and restructuring related activity costs associated with Company restructuring and integration programs for the six months ended March 31, 2023.

(2) Includes estimated per-share impacts from amortization of intangible assets and certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment for the three months ended March 29, 2024 and March 31, 2023. The six months ended March 29, 2024 also includes the per-share impact from an approximate $11 million intangibles impairment charge.

Reconciliation of Adjusted EBITDA (in thousands)

	Three Months Ended		Six Months Ended		Twelve Months Ended
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023	September 29, 2023
Adj Net earnings from Continuing Operations	$ 240,932	$ 262,237	$ 496,818	$ 463,212	$ 915,891
Adj. Income Tax Expense for Continuing Operations	92,772	35,196	104,783	107,838	274,490
Adj. Net earnings from Continuing Operations attributable to Jacobs before income taxes	333,704	297,433	601,601	571,050	1,190,381
Depreciation expense	24,554	27,707	49,723	55,686	103,346
Interest income	(9,405)	(7,630)	(17,639)	(10,637)	(26,013)
Interest expense	44,232	40,613	87,584	80,690	168,108
Adjusted EBITDA	$ 393,085	$ 358,123	$ 721,269	$ 696,789	$ 1,435,822
Depreciation expense	(24,554)	(27,707)	(49,723)	(55,686)	(103,346)
Adjusted Noncontrolling Interests from Continuing Operations	18,832	21,313	34,507	38,954	80,202
Adjusted miscellaneous expense	4,576	4,600	7,771	8,481	19,842
Adjusted Operating Profit	$ 391,939	$ 356,329	$ 713,824	$ 688,538	$ 1,432,520

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

	Three Months Ended		Six Months Ended		Twelve Months Ended
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023	September 29, 2023
Noncontrolling Interests from Continuing Operations	$ (11,422)	$ (16,666)	$ (21,267)	$ (27,689)	$ (53,879)
Restructuring, Transaction and Other Charges (1)					
Focus 2023 Transformation, mainly real estate rescaling efforts	—	—	—	—	(99)
Transaction costs	(339)	(555)	(697)	(1,024)	(2,152)
Restructuring, integration and separation charges	(899)	—	(1,255)	—	(4,102)
Other Adjustments (2)					
Amortization of intangibles	(4,611)	(4,869)	(9,252)	(9,905)	(19,881)
Other	(1,561)	777	(2,036)	(336)	(89)
Adjusted Noncontrolling Interests from Continuing Operations	$ (18,832)	$ (21,313)	$ (34,507)	$ (38,954)	$ (80,202)

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 and six months ended March 29, 2024 and March 31, 2023, and the twelve months ended September 29, 2023 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 and six months ended March 29, 2024 and the twelve months ended September 29, 2023. Additionally, the twelve months ended September 29, 2023 includes impacts related to tax rate increases in the UK in a prior period and estimated tax impacts on certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment.. Additionally, the twelve months ended September 29, 2023 includes impacts related to tax rate increases in the UK in a prior period and estimated tax impacts on certain subsidiary level contingent equity-based agreements in connection with the transaction structure of our PA Consulting investment.

Reconciliation of Miscellaneous Expense from Continuing Operations to Adjusted Miscellaneous Expense from Continuing Operations (in thousands)

	Three Months Ended		Six Months Ended		Twelve Months Ended
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023	September 29, 2023
Miscellaneous Expense from Continuing Operations	$ (4,576)	$ (4,567)	$ (7,771)	$ (7,820)	$ (16,463)
Focus 2023 Transformation, mainly real estate rescaling efforts	—	(33)	—	(661)	(3,377)
Adjusted Miscellaneous Expense from Continuing Operations	$ (4,576)	$ (4,600)	$ (7,771)	$ (8,481)	$ (19,842)

Reconciliation of Other Corporate Expenses to Adjusted Unallocated Corporate Costs

(in thousands)	Three Months Ended March 29, 2024	Three Months Ended March 31, 2023
Other Corporate Expenses	$ (117,313)	$ (107,623)
Amortization of intangibles	52,644	50,475
Other	5,240	(3,164)
Adjusted Unallocated Corporate Costs	**$ (58,618)**	**$ (60,312)**

Reconciliation of Free Cash Flow (in thousands)

	Three Months Ended		Six Months Ended	
	March 29, 2024	March 31, 2023	March 29, 2024	March 31, 2023
Net cash (used for) provided by operating activities	$ (42,823)	$ 132,041	$ 375,538	$ 434,339
Additions to property and equipment	(27,802)	(35,202)	(45,108)	(67,389)
Free cash flow	$ (70,625)	$ 96,839	$ 330,430	$ 366,950
Net cash used for investing activities	$ (41,306)	$ (27,937)	$ (57,303)	$ (76,675)
Net cash used for financing activities	$ (22,095)	$ (89,865)	$(230,796)	$ (336,012)

Reconciliation of Jacobs Constant Currency Adjusted Operating Profit

$'s in millions	Adj. OP impact of Constant Currency					Adj. Unalloc. Corp. Costs impact of Constant Currency
	Consolidated Line of Business	People & Places Solutions	Critical Mission Solutions	PA Consulting	Divergent Solutions	Corporate Functions
Q2'24 Adj. Operating Profit	$392	$268	$104	$60	$19	$(59)
Currency Impact	(5)	(2)	(1)	(3)	—	1
Adjusted Operating Profit in CC	**$387**	**$266**	**$102**	**$58**	**$19**	**$(58)**
Q2'23 Adjusted Operating Profit	$356	$232	$94	$66	$25	$(60)
Growth	*8.5%*	*14.5%*	*8.9%*	*(12.3)%*	*(24.1)%*	*(3.9)%*

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