



NEWS RELEASE

Jacobs Announces New Strategy - Boldly Moving Forward

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Sets Fiscal 2022 to 2024 Organic Net Revenue Growth Target of 7% to 10% CAGR¹

Reiterates ~\$10.00 of Adjusted EPS in Fiscal 2025, ~\$11 to ~\$12 of Earnings Power Including Benefit from Capital Deployment¹

Targeting Climate Response, Consulting & Advisory and Data Solutions as Growth Accelerators

Creating new Divergent Solutions unit to Accelerate Growth through Data and Digital Technology

Expects ~\$3B of Data and Consulting Revenue Entering Fiscal 2025 From Divergent Solutions and PA Consulting Capabilities

DALLAS, March 3, 2022 /PRNewswire/ -- **Jacobs** (NYSE:J) today announced its new three year strategy, including a comprehensive video from Jacobs' Chair and CEO Steve Demetriou, President and CFO Kevin Berryman, President and COO Bob Pragada, Chief People & Inclusion Officer Shelie Gustafson and other leaders across Jacobs. The video and accompanying materials are available at invest.jacobs.com.

"Our enhanced and strong business portfolio enables us to take advantage of strong secular trends and significant market opportunities to boldly move the company forward into 2025 – and beyond," said Jacobs Chair and CEO Steve Demetriou. "We look forward to delivering on the vision we have set for our people, our clients, our communities and our shareholders as we continue to challenge today and reinvent tomorrow."

Jacobs' new strategy is based on an extensive evaluation of global trends, capabilities and markets to understand the largest opportunities, projected spend and growth rates – resulting in the identification of three growth accelerators: Climate Response, Consultancy & Advisory and Data Solutions.

Demetriou continued, "Our vision of the future is exciting. These growth accelerators cut across the entire business

and open up significant high value growth opportunities with existing and new clients. And they also provide the focus for where we intend to deploy capital over the next several years."

Divergent Solutions

As part of this new strategy, the company announced a plan to form a new business unit, Divergent Solutions, under the leadership of Executive Vice President Caesar Nieves. The unit directly aligns with its Data Solutions growth accelerator, serving as the core foundation for developing and delivering innovative, next-generation cloud, cyber, data and digital technologies.

"We recognize the importance of embracing disruption and innovation, building the critical mass needed to unleash momentum in driving data-enabled solutions horizontally across our enterprise," said Jacobs President & Chief Operating Officer Bob Pragada. "This move, in concert with the strength of our existing business, creates focus and momentum to deliver on the bold outcomes that we expect – accelerating growth by creating scale in the skills and business approaches necessary to increase value for our clients."

Divergent Solutions will support Jacobs' Critical Mission Solutions and People & Places Solutions lines of business for the balance of fiscal year 2022, with the expectation of achieving a fully reportable unit during Q1 of fiscal year 2023.

Financial Targets

Jacobs reiterates its fiscal 2022 adjusted EBITDA expectations of \$1,370 million to \$1,450 million and adjusted EPS of \$6.85 to \$7.45.²

The company is introducing fiscal 2022 to 2024 growth targets, which do not include any impact from future acquisitions.

| Fiscal 2022 to 2024 Targets ² | Critical Mission Solutions | People & Places Solutions | PA Consulting | Total Jacobs |
|--|----------------------------|---------------------------|---------------|--------------|
| Net Revenue Growth | 6% to 9% | 6% to 9% | 12% to 15% | 7% to 10% |
| Adj. OP Margin Expansion | 25 bps to 100 bps | 100 bps to 150 bps | +/- Flat | 60-100 bps |
| Adj. Operating Profit Growth | 10%+ | 10%+ | 12% to 15% | Double-Digit |
| Adj. ROIC | | | | 125-175 bps |

"Nearly every facet of our business is aligned to strong growth opportunities, with more than \$11 billion of current net revenue targeted against critical global priorities and spend in ESG and infrastructure modernization, data and consulting, semiconductors and national security," said Jacobs President & Chief Financial Officer Kevin Berryman. "As we look ahead, we believe our new strategy is aligned with our purpose and represents a culmination of the collective efforts of our teams around the globe."

Jacobs continues to expect adjusted EPS of approximately \$10.00 in fiscal 2025, which incorporates anticipated benefits to People and Places Solutions from the recently passed Infrastructure Investment and Jobs Act, executing against a robust Critical Mission Solutions sales pipeline, continued growth in PA Consulting, and assumes a 23.5% effective adjusted tax rate, modest capital deployment and net leverage of <0.5x adjusted EBITDA.

Including the impact of deploying capital, the company sees opportunities for fiscal 2025 earnings power of ~\$11.00 to ~\$12.00 adjusted EPS.

The company is adding strategic metrics to enhance accountability for delivering against the bold aspects of Jacobs' new three-year strategy.

| New Strategic Metrics | Ending FY24E |
|---|--------------|
| Gender Diversity (Female: Male: Any Gender) | 40:40:20 |
| Client projects with ESG scope | 100% |
| Consulting & Advisory talent base | 10,000 |
| Total revenue from consulting, data & technology solutions and products | 30% |

The company plans to present at the Raymond James Conference Monday, March 7, in Orlando and at the BofA Industrial Conference in London on March 15. Interested parties may access the webcast and presentations on the company's investor relations page invest.jacobs.com.

At Jacobs, we're challenging today to reinvent tomorrow by solving the world's most critical problems for thriving cities, resilient environments, mission-critical outcomes, operational advancement, scientific discovery and cutting-edge manufacturing, turning abstract ideas into realities that transform the world for good. With \$14 billion in

revenue and a talent force of approximately 55,000, Jacobs provides a full spectrum of professional services including consulting, technical, scientific and project delivery for the government and private sector. Visit [jacobs.com](https://www.jacobs.com) and connect with Jacobs on [Facebook](#), [Instagram](#), [LinkedIn](#) and [Twitter](#).

Certain statements contained in this press release constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. Statements made in this release that are not based on historical fact are forward-looking statements. You can identify forward-looking statements because they contain words such as "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," or "anticipates" or similar expressions which concern our strategy, expectations, plans, projections or intentions. Examples of forward-looking statements include, but are not limited to, statements regarding our expectations for adjusted EBITDA and adjusted EPS in fiscal year 2022, and adjusted EPS in fiscal year 2025. We base these forward-looking statements on management's current estimates and expectations as well as currently available competitive, financial and economic data. Forward-looking statements, however, are inherently uncertain. There are a variety of factors that could cause business results to differ materially from our forward-looking statements, including, but not limited to, our ability to fully implement our strategy, competition from existing and future competitors in the our target markets, 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 impact of the COVID-19 pandemic, including the emergence and spread of variants of COVID-19, and the impact of global and regional market conditions, including the impact of inflation and increasing interest rates, on the company's business. For a description of some additional factors that may occur that could cause actual results to differ from our forward-looking statements, see the discussions contained 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 in our most recently filed Annual Report on Form 10-K, and Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations; Item 1 - Legal Proceedings; and 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 Securities and Exchange Commission. The company is not under any duty to update any of the forward-looking statements after the date of this press release to conform to actual results, except as required by applicable law.

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¹ Reconciliation of the adjusted EPS targets for fiscal 2025 and the growth targets for net revenue for the fiscal 2022 – fiscal 2024 period 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 to be incurred in the remainder of fiscal 2022 and beyond.

² Reconciliation of the adjusted EBITDA and adjusted EPS outlook for the full fiscal 2022 year, and the growth targets for net revenue, adjusted operating profit margin, adjusted operating profit growth and adjusted ROIC for the fiscal 2022 – fiscal 2024 period 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 to be incurred in the remainder of fiscal 2022 and beyond.

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