



October 30, 2025

QUARTERLY **3Q / 2025** **EARNINGS**

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The statements in this presentation that are not historical statements, including statements regarding our expectations for our future financial performance, effective tax rate, operating cash flows, contract revenues, award activity and backlog, program activity, our business strategy, business opportunities, interest expense, our plans for raising and deploying capital and paying dividends, are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks and uncertainties, many of which are beyond the company's control that could cause actual results to differ materially from the results expressed or implied by the statements. These risks and uncertainties include, but are not limited to: uncertainty, delays or reductions in government funding, appropriations and payments, including as a result of continuing resolution funding mechanisms, government shutdowns or changing budget priorities; developments and changes in government laws, regulations and regulatory requirements and policies that may require us to pause, delay or abandon new and existing projects; changes in the priorities, focus, authority and budgets of government agencies under the current administration that may impact our existing projects and/or our ability to win new contracts; the ongoing conflict between Russia and Ukraine and volatility and continued unrest in the Middle East and the related impacts on our business; potential adverse economic and market conditions, such as interest rate and currency exchange rate fluctuations, or impacts of newly imposed U.S. tariffs and any additional responsive non-U.S. tariffs or other changes in trade policy, including impact tariffs could have on customer spend; the company's ability to manage its liquidity; delays, cancellations or reversals of contract awards due to bid protests or legal challenges; the potential adverse outcome of and the publicity surrounding audits and investigations by domestic and foreign government agencies and legislative bodies; changes in capital spending by the company's customers; the company's ability to obtain contracts from existing and new customers and perform under those contracts; structural changes in the industries in which the company operates; escalating costs associated with and the performance of fixed-fee projects and the company's ability to control its cost under its contracts; claims negotiations and contract disputes with the company's customers; changes in the demand for or price of oil and/or natural gas; protection of intellectual property rights; compliance with environmental laws; compliance with laws related to income taxes including compliance with the reconciliation bill H.R. 1; unsettled political conditions, war and the effects of terrorism; foreign operations and foreign exchange rates and controls; the development and installation of financial systems; the possibility of cyber and malware attacks; increased competition for employees; the ability to successfully complete and integrate acquisitions; the company's proposed spin off; investment decisions by project owners; and operations of joint ventures, including joint ventures that are not controlled by the company.

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Stuart Bradie

President and CEO



NEW

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We do things that matter.®



2024
SUSTAINABILITY
AND CORPORATE
RESPONSIBILITY
REPORT





Scan the QR code to view the 2024 report

Our Commitment in Action

38%

of revenue focused on sustainability

\$2.9B

positive environmental impact

3Q 2025 | Key Messages

\$1.9B
Revenues
+0%

\$240M
Adj. EBITDA¹
+10%

12.4%
Adj. EBITDA
margin¹
+112 bps

YoY Growth

- 1 Revenue remained flat year-over-year due to challenges with **conversion of pipeline due to delays and protests**
- 2 **Delivered solid bottom line performance** in Adj. EBITDA¹ and Adj. EPS¹ with Adj. EBITDA margin¹ expansion and **strong cash generation**
- 3 **Robust pipeline** of opportunities awaiting award in areas of strategic importance
- 4 **Portfolio includes well-funded, operational and mission-critical**, programs, which help minimize the impact of a government shutdown
- 5 **Disciplined and balanced capital allocation** with continued share repurchases
- 6 **Spin off** is progressing well and on track

¹ See Appendix for reconciliation of non-GAAP financial measures Adj. EBITDA and Adj. EPS to the nearest GAAP measures. Adj. EBITDA margin calculated as Adj. EBITDA / Revenues.

1.4x
QTD
Book-to-Bill¹

1.0x
TTM
Book-to-Bill¹

\$23.4B
Backlog &
Options

Key Contract Wins

Mission Tech:

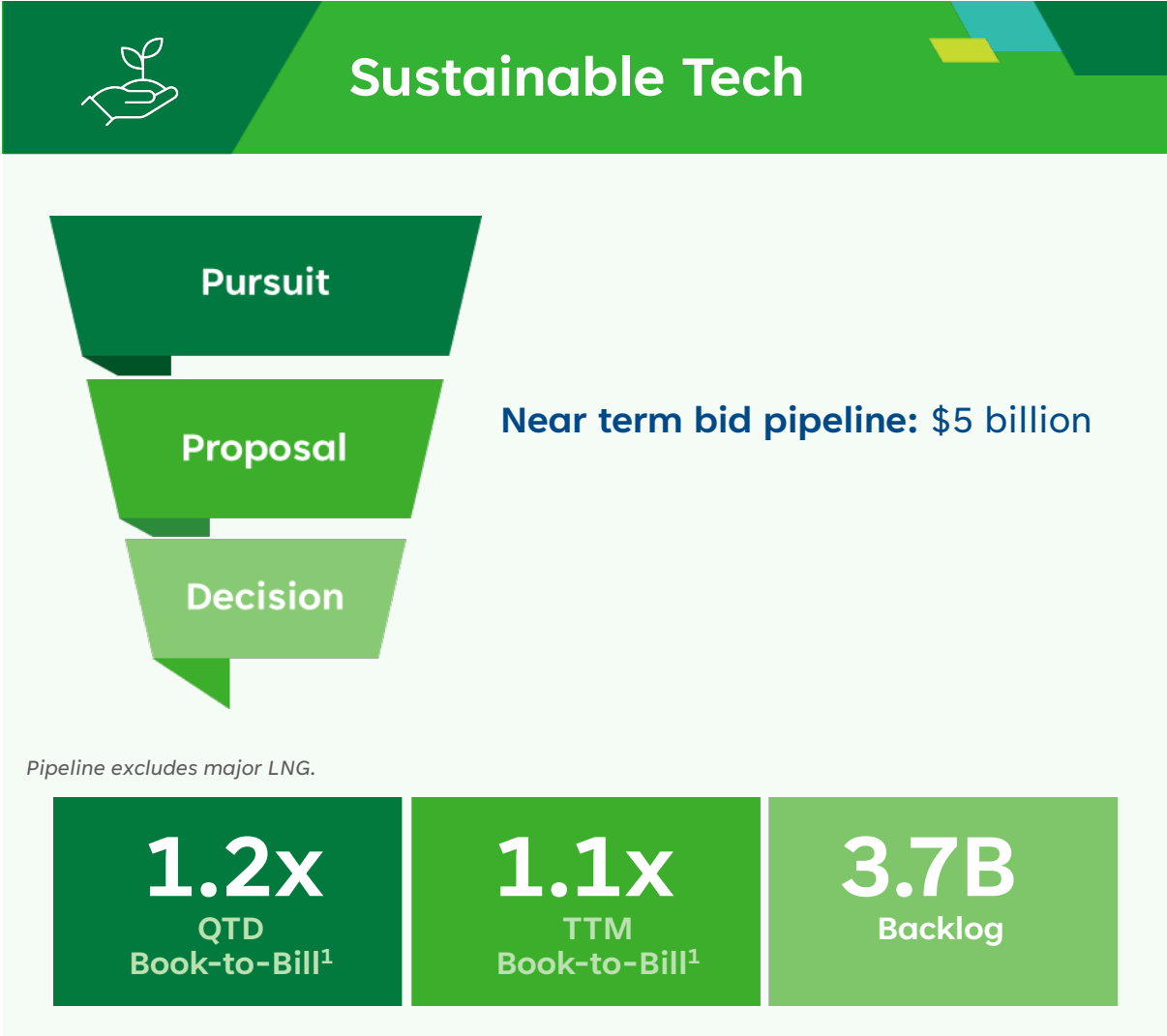
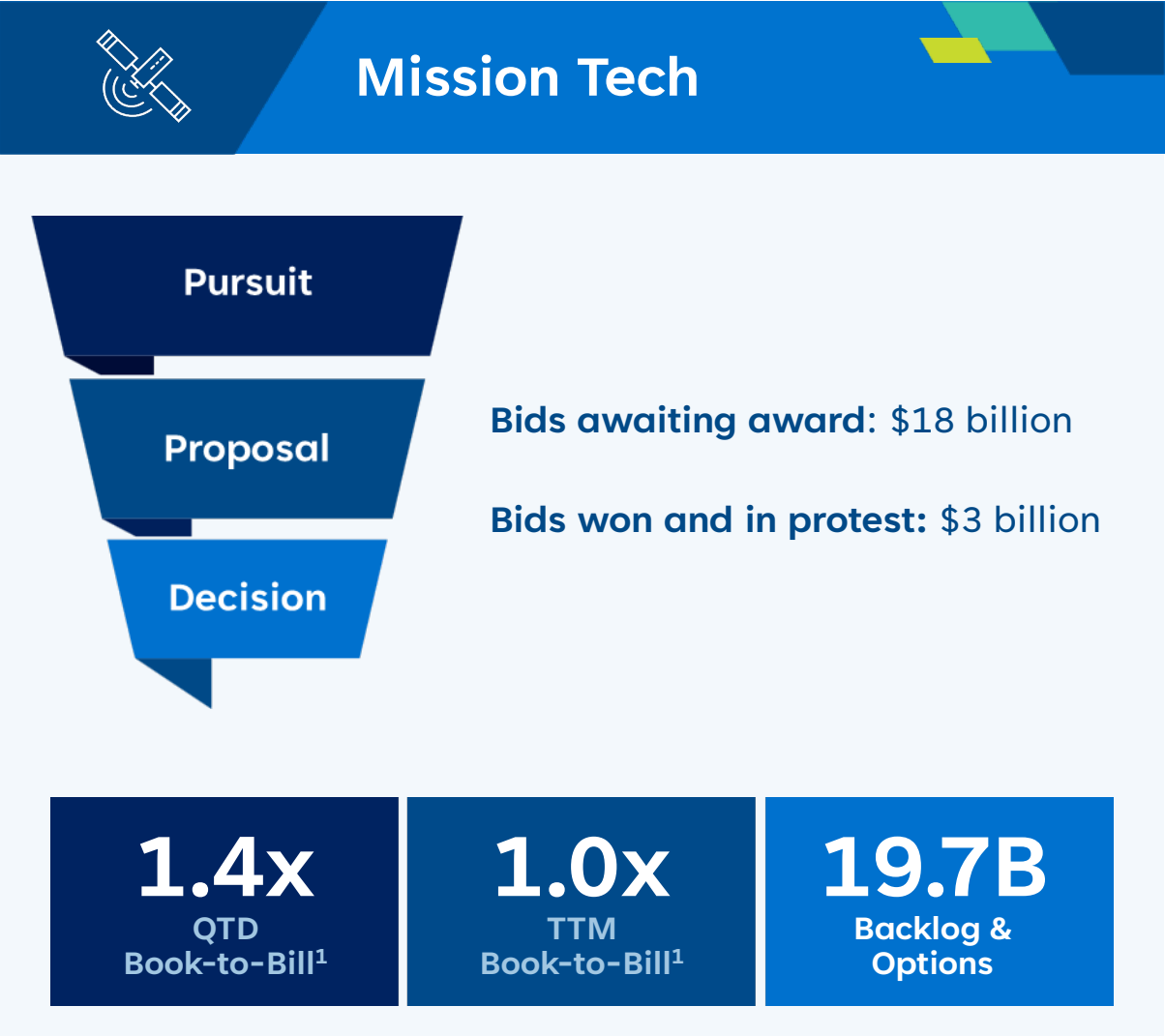
- Awarded a \$2.5B ceiling value, base period contract to support astronaut health and performance for space missions
- Awarded multiple strategic contracts in support of the Air Force Research Laboratory
- Secured a \$99M U.S. Space Force contract to advance digital engineering ecosystem

Sustainable Tech:

- Secured a two-year renewal of the EPCM contract with Basra Oil Company for the Majnoon oil field in Iraq
- Awarded a program management consultancy contract by TAQA transmission
- Awarded a FEED contract for Heavy Oil Program by Kuwait Oil Company
- Awarded a FEED contract for Abadi Onshore LNG project in Indonesia

¹ Book-to-Bill (BTB) excludes long-term UK PFIs and the Plaquemines LNG project.

Building Future Opportunities Amidst Delayed Decisions



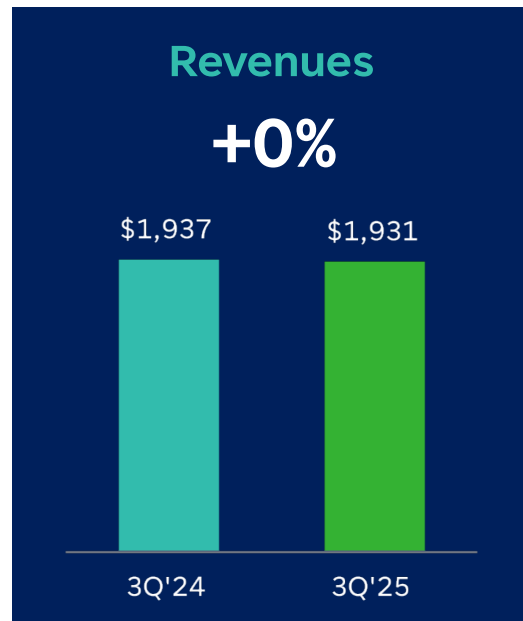
¹ Book-to-Bill (BTB) excludes long-term UK PFIs and the Plaquemines LNG project.

Mark Sopp

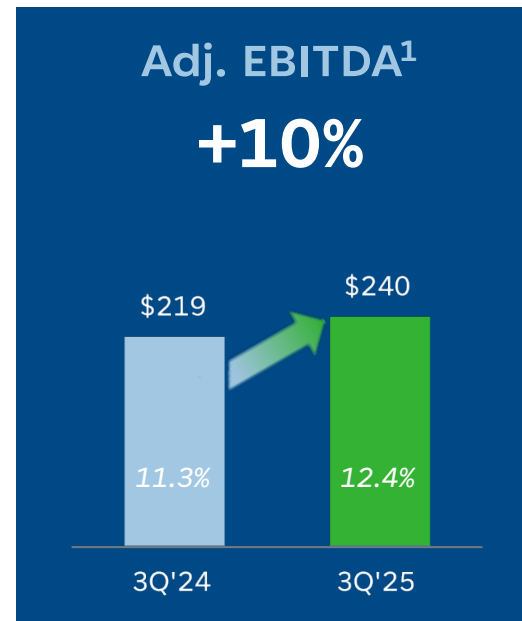
EVP and CFO



3Q 2025 | KBR Delivers Continued Growth and Margin Expansion



- Flat due to the slower pace of awards in both segments and EUCOM reductions in Readiness & Sustainment, partially offset by growth in Defense & Intel both in the U.S. and internationally



- Growth due to strong unconsolidated joint venture performance in Sustainable Tech, Mission Tech in line with expectations, and contained overhead costs
- +112 bps margin expansion



- Growth driven by Adj. EBITDA, as well as lower outstanding shares due to open market repurchases



- YTD conversion¹ 133% due to DSO reductions in both segments (-5 days)

¹ See Appendix for reconciliation of non-GAAP financial measures Adj. EBITDA and Adj. EPS to the nearest GAAP measures. Adj. EBITDA margin calculated as Adj. EBITDA / Revenues. Conversion calculated as (OCF / Adjusted diluted share count) / Adj. EPS.

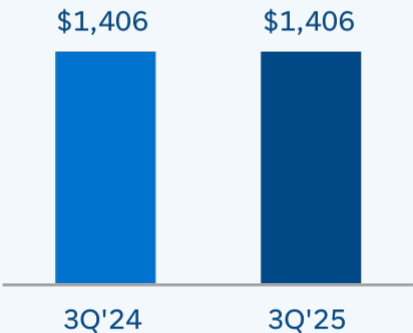
Segment Performance in an Increasingly Challenging Environment Underscores Business Model Durability



Mission Tech

Revenues

+0%



Adj. EBITDA¹

+1%



- **Revenues:** Growth in Defense & Intel, offset by EUCOM reductions, NASA funding restrictions, and delayed new awards and protest resolutions

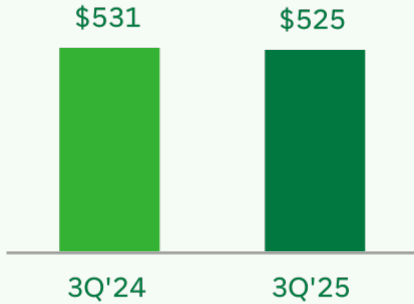
- **Adj. EBITDA:** Continued strong project execution, delivering double digit margins



Sustainable Tech

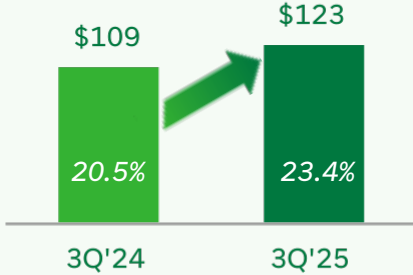
Revenues

-1%



Adj. EBITDA¹

+13%



- **Revenues:** Flat due to delayed new awards

- **Adj. EBITDA:** Continued strong delivery, including increase in Equity in earnings due to strong performance on an LNG project

¹ See Appendix for reconciliation of non-GAAP financial measure Adj. EBITDA to the nearest GAAP measures. Adj. EBITDA margin calculated as Adj. EBITDA / Revenues.

3Q 2025 | Balance Sheet and Capital Allocation

Liquidity and Leverage

Net debt	2,086
TTM Adj. EBITDA ¹	956
Net debt / TTM Adj. EBITDA ¹	2.2x

Free Cash Flow YTD

Operating cash flow	506
Capital expenditures	24
Free cash flow	482

Return of Capital YTD

Share repurchases	304
Dividends	63
Available share repurchase program	452

Balanced Capital Allocation Priorities

Organic Growth

- Innovation, digital solutions and engineering

Strategic M&A

- Disciplined approach to accretive, strategic bolt-on acquisitions

Prudent Leverage

- Maintain leverage at 2.5x or below

Return Capital to Shareholders

- Continued share repurchases; ~4.5% outstanding shares repurchased YTD
- Attractive dividend that grows with earnings

¹ See Appendix for reconciliation of non-GAAP financial measure Adj. EBITDA to the nearest GAAP measure. Refer to Investor Relations data sheet for trailing twelve months (TTM) Adj. EBITDA.

Revising FY 2025 Guidance



FY 2025 Guidance

Revenues

\$7.75B - \$7.85B

vs. \$7.9B - \$8.1B

Adj. EBITDA¹

\$960M - \$980M

Adj. EPS¹

\$3.78 - \$3.88

Operating Cash Flow

\$500M - \$550M

Financial Modeling Assumptions

- Guidance assumes the U.S. Government shutdown is resolved in November
- Capex: ~\$30M - \$40M
- Effective tax rate: 25% - 27%
- Depreciation & amortization: ~\$165M (includes ~\$45M purchased intangibles amortization)

¹ The company does not provide reconciliations of Adj. EBITDA and Adj. EPS to the most comparable GAAP financial measures on a forward-looking basis because the company is unable to predict with reasonable certainty the ultimate outcome of legal proceedings, unusual gains and losses, and acquisition-related expenses without unreasonable effort, which could be material to the company's results computed in accordance with GAAP.

Spin-Off Value Proposition

Overview

Structure	<ul style="list-style-type: none"> Transaction intended to be tax-free
Timing	<ul style="list-style-type: none"> Expected to close mid-to-late 2026
Capital Structure	<ul style="list-style-type: none"> Both entities to be positioned appropriately for their respective strategic priorities

Benefits

Strategic	<ul style="list-style-type: none"> Enhanced strategic & management focus Increased end market focus
Operational	<ul style="list-style-type: none"> Enhanced organizational agility, accountability and streamlined decision making Dedicated boards allowing focus on relevant domain expertise
Financial	<ul style="list-style-type: none"> Greater capital allocation flexibility Distinct and compelling investment profiles Pure play businesses

SpinCo (comprising MTS)

\$5.8B	9.9%	19.7B
TTM Q3'25 Revenues	TTM Q3'25 Adj. EBITDA ¹ Margin	Q3'25 Backlog & Options

New KBR (comprising STS)

\$2.2B	22.3%	3.7B
TTM Q3'25 Revenues	TTM Q3'25 Adj. EBITDA ¹ Margin	Q3'25 Backlog

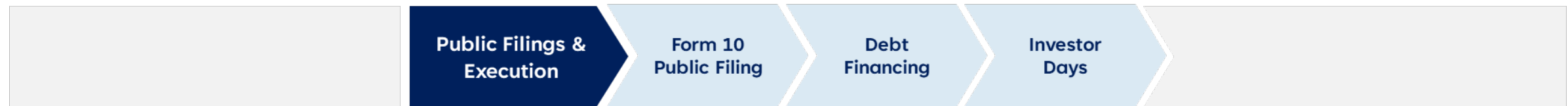
¹ See Appendix for reconciliation of non-GAAP financial measures Adj. EBITDA and Adj. EPS to the nearest GAAP measures. Adj. EBITDA margin calculated as Adj. EBITDA / Revenues.

Spin-Off Status

H2 2025



H1 2026



H2 2026



Progress Highlights

- Separate team to handle spin off
- Operations focus on delivery
- Progressing recruitment for SpinCo CEO and CFO, as well as naming and branding efforts

Key Takeaways

- Revenue remained flat year-over-year but in line with expectation due to the slower award environment
- **Delivered solid bottom line performance** in Adj. EBITDA¹ and Adj. EPS¹ with Adj. EBITDA margin¹ expansion and **strong cash generation**
- **Book-to-bill in the quarter was strong at 1.4x**; well positioned in key markets with a robust pipeline of opportunities awaiting award
- **Over 60% of Adj. EBITDA has no exposure to the U.S. government**; no material impact to government shutdown to date
- **Continued disciplined and balanced capital allocation** with YTD capital returned to shareholders of more than \$360M
- **Spin off** is progressing well and on track



¹ See Appendix for reconciliation of non-GAAP financial measure Adj. EBITDA and Adj. EPS to the nearest GAAP measures.
Adj. EBITDA margin calculated as Adj. EBITDA / Revenues.

Q & A



KBR Investment Thesis

1

Multi-year transformation into a **leading provider of differentiated, innovative, up-market science, technology, and engineering solutions** with **large scale, global reach**

2

Serving **diverse, attractive end markets** aligned with secular growth trends including global security, sustainability, and digitalization

3

Top talent combining **deep domain expertise, proprietary technologies**, and an **unwavering focus on execution, with a specialization in complex, mission critical work**

4

Excellent partners operating in dynamic teams to **solve our customers' most complex challenges**, which has resulted in recurring, long-term engagements and \$23.4B in backlog and options¹

5

Diversification, low capital intensity, and disciplined capital allocation generate stable, **predictable cash flows and long-term shareholder returns**, with growth and margin expansion plans in flight

¹ Backlog and options as of second quarter ended October 3, 2025.



Appendix

NON-GAAP RECONCILIATION

Adjusted EBITDA - KBR Consolidated

	3Q'24	3Q'25	YTD 2024	YTD 2025
Net income attributable to KBR	\$100	\$115	\$299	\$304
Net (income) loss from discontinued operations, net of tax	—	1	(1)	55
Net (loss) income attributable to noncontrolling interest included in discontinued operations	—	—	1	(18)
Net income attributable to KBR from continuing operations	\$100	\$116	\$299	\$341
Interest expense	37	39	100	121
Other non-operating (income) expense	2	—	10	5
Provision for income taxes	32	34	107	116
Depreciation and amortization	41	43	112	129
Acquisition, integration and spin off	9	8	15	18
Ichthys commercial dispute cost	(2)	—	1	—
Legacy legal fees and settlements	—	—	(2)	—
Adjusted EBITDA	\$219	\$240	\$642	\$730

NON-GAAP RECONCILIATION

Adjusted EBITDA - Segment

	3Q'24	3Q'25	YTD 2024	YTD 2025
Operating income - MTS	\$114	\$114	\$333	\$345
Net loss attributable to noncontrolling interests included in continuing operations	(2)	—	—	1
Depreciation and amortization	26	29	71	88
Acquisition, integration and spin off	3	—	3	—
Legacy legal fee and settlements	—	—	(2)	—
Adjusted EBITDA - MTS	\$141	\$143	\$405	\$434
Operating income - STS	\$104	\$118	\$305	\$360
Net loss attributable to noncontrolling interests included in continuing operations	—	(2)	(3)	(5)
Depreciation and amortization	7	7	19	21
Ichthys commercial dispute cost	(2)	—	1	—
Adjusted EBITDA - STS	\$109	\$123	\$322	\$376

Continued on next slide

NON-GAAP RECONCILIATION

Adjusted EBITDA - Segment

	3Q'24	3Q'25	YTD 2024	YTD 2025
Operating income - Corporate	\$(45)	\$(41)	\$(119)	\$(118)
Depreciation and amortization	8	7	22	20
Acquisition, integration and spin off	6	8	12	18
Adjusted EBITDA - Corporate	\$(31)	\$(26)	\$(85)	\$(80)
Operating income - KBR	\$173	\$191	\$519	\$587
Net loss attributable to noncontrolling interests included in continuing operations	(2)	(2)	(3)	(4)
Depreciation and amortization	41	43	112	129
Acquisition, integration and spin off	9	8	15	18
Legacy legal fee and settlements	—	—	(2)	—
Ichthys commercial dispute cost	(2)	—	1	—
Adjusted EBITDA - KBR	\$219	\$240	\$642	\$730

NON-GAAP RECONCILIATION

Adjusted EPS				
	3Q'24	3Q'25	YTD 2024	YTD 2025
Diluted EPS attributable to KBR	\$0.75	\$0.90	\$2.22	\$2.33
Diluted EPS from discontinued operations	—	(0.01)	—	(0.29)
Diluted EPS from continuing operations	\$0.75	\$0.91	\$2.22	\$2.62
Adjustments:				
Amortization related to acquisitions	0.06	0.07	0.14	0.22
Ichthys commercial dispute costs	(0.01)	—	0.01	—
Acquisition, integration and spin off	0.04	0.04	0.08	0.09
Legacy legal fees and settlements	—	—	(0.01)	—
Adjusted EPS	\$0.84	\$1.02	\$2.44	\$2.93
<i>Diluted weighted average common shares outstanding</i>	<i>133</i>	<i>128</i>	<i>134</i>	<i>130</i>
<i>Adjusted weighted average common shares outstanding</i>	<i>133</i>	<i>128</i>	<i>134</i>	<i>130</i>

NON-GAAP RECONCILIATION

Operating Cash Flow Conversion

	3Q'24	3Q'25	YTD 2024	YTD 2025
Cash flows provided by operating activities from continuing operations	\$153	\$198	\$409	\$506
Operating cash flow per share	\$1.15	\$1.55	\$3.05	\$3.89
Adjusted EPS	\$0.84	\$1.02	\$2.44	\$2.93
Operating cash flow conversion	137%	152%	125%	133%
Diluted weighted average common shares outstanding	133	128	134	130
Adjusted weighted average common shares outstanding	133	128	134	130

SUPPLEMENTAL RECONCILIATION



Reconciliation of Adjusted EBITDA to Adjusted EPS

Three Months Ended October 3, 2025

	KBR
Adjusted EBITDA	\$240
Interest expense	(39)
Other non-operating income (expense)	—
Provision for income taxes	(34)
Depreciation and amortization	(43)
EPS adjustments:	
Amortization related to acquisitions (after tax)	9
Tax effect of EBITDA adjustments	(2)
Adjusted net income attributable to KBR from continuing operations	\$131
Adjusted weighted average common shares outstanding	128
Adjusted EPS	\$1.02