



amentum

Amentum Fiscal Year 2024 Earnings Conference Call

December 17, 2024

Forward Looking Statements and Disclaimers

Cautionary Note Regarding Forward Looking Statements

This presentation contains or incorporates by reference statements that relate to future events and expectations and, as such, could be interpreted to be “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Forward-looking statements may be characterized by terminology such as “believe,” “project,” “expect,” “anticipate,” “estimate,” “forecast,” “outlook,” “target,” “endeavor,” “seek,” “predict,” “intend,” “strategy,” “plan,” “may,” “could,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” or the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including projections of financial performance; statements of plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings relating to products or services; any statements regarding future economic conditions or performance; any statements of assumptions underlying any of the foregoing; and any other statements that address activities, events or developments that Amentum Holdings, Inc (the “Company”) intends, expects, projects, believes or anticipates will or may occur in the future.

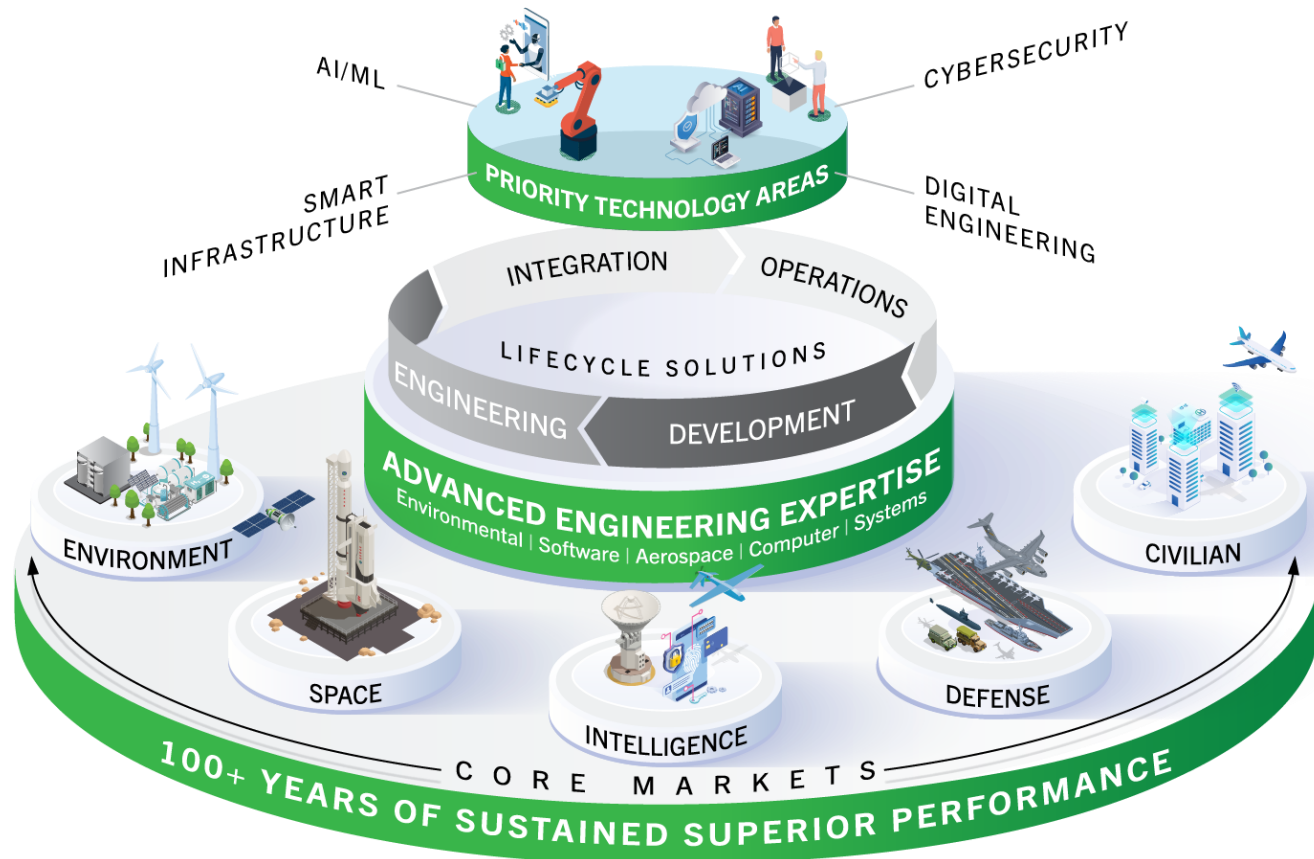
Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others: changes in U.S. or global economic, financial, business and political conditions, including changes to governmental budgetary priorities; our ability to comply with the various procurement and other laws and regulations; risks associated with contracts with governmental entities; reviews and audits by the U.S. government and others; changes to our professional reputation and relationship with government agencies; the occurrence of an accident or safety incident; the ability of the Company to control costs, meet performance requirements or contractual schedules, compete effectively or implement its business strategy; the ability of the Company to retain and hire key personnel, and retain and engage key customers and suppliers; the failure to realize the anticipated benefits of the 2024 transaction with Jacobs Solutions Inc.; potential liabilities associated with shareholder litigation or other settlements or investigations; evolving legal, regulatory and tax regimes; and other factors set forth under Item 1A, Risk Factors in the annual report on Form 10-K (the “Annual Report”), and from time to time in documents that we file with the SEC. The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the discussions under the section entitled “Risk Factors” in the Annual Report. Any forward-looking statement speaks only as of the date on which it is made, and we assume no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

Pro Forma and Non-GAAP Measures

This presentation includes the presentation and discussion of pro forma financial information that incorporates the results of Jacobs’ Critical Mission Solutions and Cyber & Intelligence businesses (“CMS”) prepared in accordance with the requirements of Article 11 of Regulation S-X. This presentation also includes the presentation and discussion of Pro Forma Adjusted EBITDA, Pro Forma Adjusted EBITDA Margin, Pro Forma Adjusted Net Income, Pro Forma Adjusted Diluted Earnings Per Share, and Free Cash Flow, which are not measures of financial performance under Generally Accepted Accounting Principles in the United States (“GAAP”). These pro forma and non-GAAP measures should be considered only as supplements to, and should not be considered in isolation or used as substitutes for, financial information prepared in accordance with GAAP. Management of the Company believes these pro forma and non-GAAP measures, when read in conjunction with the Company’s financial statements prepared in accordance with GAAP and, where applicable, the reconciliations herein to the most directly comparable GAAP measures, provide useful information to management, investors and other users of the Company’s financial information in evaluating operating results and understanding operating trends by adjusting for the effects of items we do not consider to be indicative of the Company’s ongoing performance, the inclusion of which can obscure underlying trends. Additionally, management of the Company uses such measures in its evaluation of business performance, particularly when comparing performance to past periods, and believes these measures are useful for investors because they facilitate a comparison of financial results from period to period. The computation of pro forma and non-GAAP measures may not be comparable to similarly titled measures reported by other companies, thus limiting their use for comparability.

Definitions of applicable non-GAAP measures and reconciliations to the most directly comparable GAAP measures are provided in an Appendix to this presentation.

A Global Leader in Advanced Engineering and Technology Solutions



53K+
Global Workforce

80+
Countries

15K+
STEM Employees

~50%
U.S. Employees with
Security Clearance

AMTM
LISTED
NYSE

Data as of September 27, 2024



CEO Key Messages

1

Successful Merger and Public Company Debut

- Completed transformational multi-billion dollar merger with Jacobs' Critical Mission Solutions and Cyber and Intelligence Business

2

Strong Fiscal Year 2024 Results

- Pro Forma Revenues¹ of \$13.9 billion, 4% organic growth
- Pro Forma Adjusted EBITDA² of \$1,052 million, 7% growth
- \$45 billion backlog, 3.2x annual revenue coverage

3

Strategically Aligned to Mega Trends and Customer Priorities

- Leveraging combined capabilities and customer access to drive strategic objectives
- Focused on modernization and next generation technologies

4

Positioned to Adapt to Evolving Industry Dynamics

- Highly diversified across end markets which include international and commercial customers
- Strategically aligned with areas of critical importance for the U.S. and its allies

1. Pro Forma Revenues include the results of CMS prepared in accordance with the requirements of Article 11 of Regulation S-X.

2. Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin represent non-GAAP financial measures. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial.

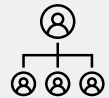
Strategically Aligned to Mega Trends and Customer Priorities

STRATEGIC APPROACH



Advanced Engineering and Next-Generation Technology Solutions

Accelerate growth by bidding a broad range of opportunities across the entire lifecycle



Expand Addressable Market

Target new and growing markets



Strategic Global Footprint

Leverage geographic presence to pursue significant international opportunities



Contract Vehicle Diversity

Increase bid volume on \$450+ billion IDIQ value / GWAC vehicles and take advantage of government's streamlined IDIQ acquisition process



MEGA TRENDS



Complex Geopolitical Landscape



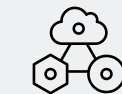
Proliferation of Data



Cybersecurity Evolution



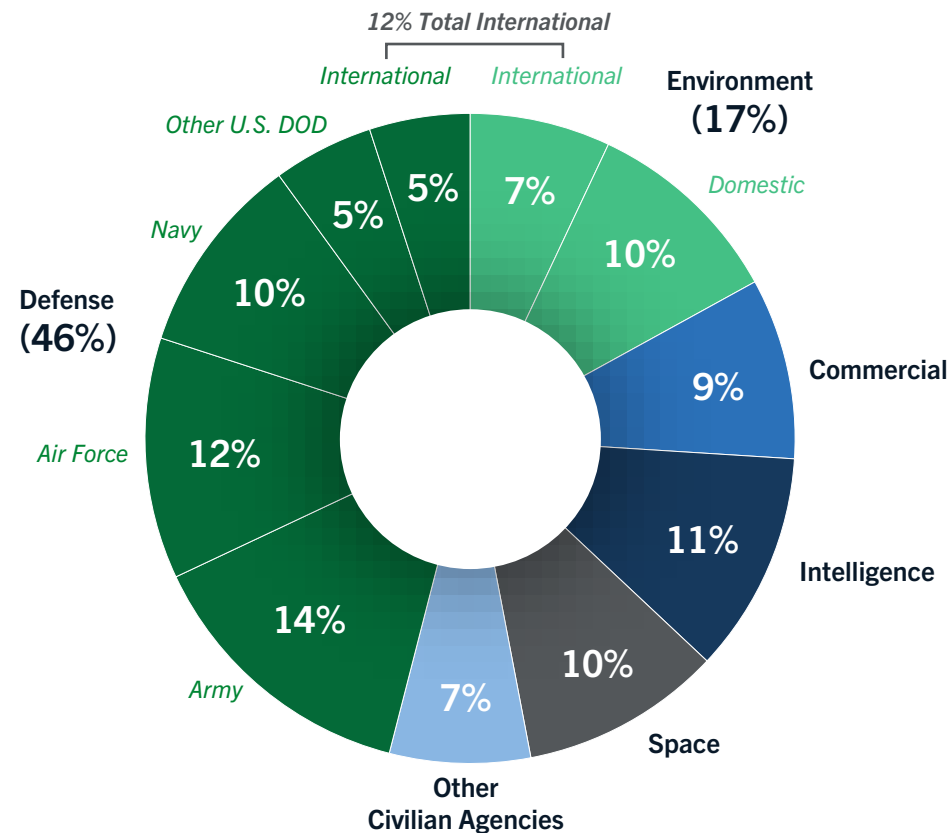
Modernization Priorities



Next-Generation Technologies

Positioned to Adapt to Evolving Industry Dynamics

END-MARKET DIVERSIFICATION¹



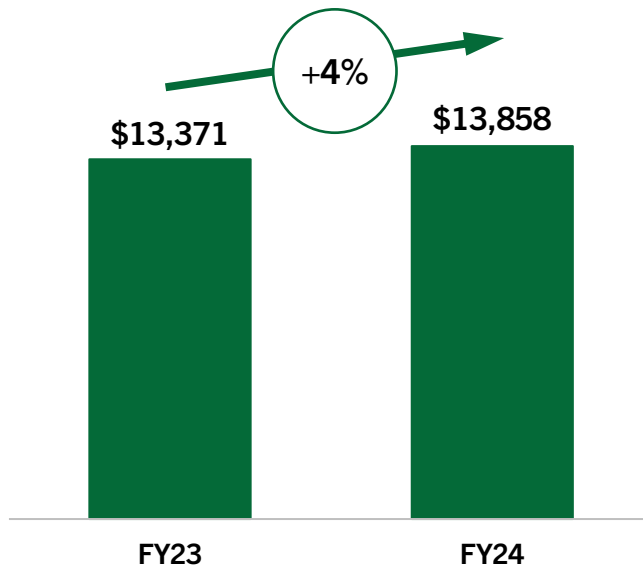
DIFFERENTIATED POSITION

- Well positioned as an **advanced engineering and technology solutions** provider to help drive efficiencies in government
- **Diversified business** across end markets including 20%+ of revenues derived from international foreign governments and commercial customers¹
- Strategically aligned with areas of **critical importance** for the U.S. and its allies
- **Significant backlog** of \$45 billion representing 3.2x revenue coverage
- Highly **flexible cost structure and capital light** business model

1. Data based on Fiscal Year 2025 Estimated Revenues

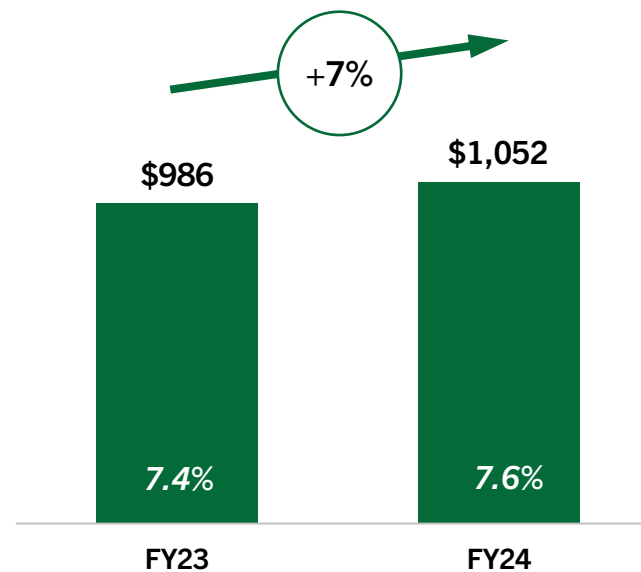
Strong Fiscal Year 2024 Pro Forma Financial Performance

PRO FORMA REVENUES¹



- + New contract awards
- + Growth on existing programs
- Expected ramp-down of other historical programs

PRO FORMA ADJUSTED EBITDA^{1,2} Margin^{1,2}



- + 20bps margin expansion
- + Strong operational performance

BACKLOG HIGHLIGHTS

- **\$45 billion** combined backlog representing **3.2x coverage**
- Pro forma FY24 book-to-bill of 0.8x
- Book-to-bill excludes Hanford joint venture award and **\$2 billion recomplete awards under protest**
- **\$23+ billion** in pending awards, ~80% new business

1. \$ in millions.

2. Pro forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin represent non-GAAP financial measures. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial.

Prudent Capital Structure with Attractive Terms

As of September 27, 2024

(\$ in millions)	Rate	Maturity	Amount
\$850M Undrawn RCF	S+225	2029	-
Term Loan B	S+225 (99.75 OID)	2031	\$3,750
Senior Unsecured Notes	7.25%	2032	\$1,000
Other Debt			\$17
Gross Debt			\$4,767
Net Leverage¹			4.1x
Net Leverage with Run-Rate Synergies²			3.9x

CAPITAL STRUCTURE HIGHLIGHTS

- Strong liquidity position with \$850 million undrawn revolving credit facility
- Earliest maturity in 2029
- Flexibility to prepay or reprice term loan
- Weighted average cost of debt: ~7%
- ~60% fixed rate debt including \$1.9 billion of interest rate swaps

Target Net Leverage of ~3x by FY26 Year End

1. Calculated based on FY24 ending cash balance of \$452 million and Pro Forma Adjusted EBITDA of \$1,052 million, which is a non-GAAP measure. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial.

2. Calculated based on FY24 ending cash balance of \$452 million and Pro Forma Adjusted EBITDA of \$1,052 million, plus \$60 million in net cost synergies which are expected to be implemented by the end of fiscal year 2026. Such adjusted EBITDA is forward-looking information for which no reconciliation is provided, as described in the Disclosures. See Cautionary Note Regarding Forward-Looking Statements in the Disclosures section of this presentation for additional information.

Affirming Fiscal Year 2025 Guidance

(\$ in millions, except per share data)

Guidance

Revenues

\$13,800 – \$14,200

Adjusted EBITDA¹

\$1,060 – \$1,100

Adjusted Diluted EPS¹

\$2.00 – \$2.20

Free Cash Flow¹

\$475 – \$525

KEY ASSUMPTIONS

92% Existing or Recompete / 8% New Business

Income Statement assumptions

- Non-GAAP effective tax rate ~**24%**
- Interest expense **\$355M - \$365M**
- Depreciation and amortization **\$510M - \$520M**
- ~**244M** diluted weighted average shares outstanding

Free Cash Flow assumptions

- Cash interest **\$325M - \$340M**
- Tax payments **\$145M - \$165M**
- Capital expenditures **\$40M - \$50M**

Quarterly sequential increase in revenue, profitability, and cash generation

Stable budget environment and no material impacts from administration change

1. Represents a non-GAAP financial measure - see the related explanations and reconciliations to GAAP measures included elsewhere in this release. Amentum does not provide forward-looking information for GAAP reported financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP measures due to the inherent difficulty in forecasting and quantifying certain significant items. These items are uncertain, depend on various factors and could have a material impact on GAAP reported results for the relevant period.

FY25 Reportable Segment Introduction



Digital Solutions

Advanced digital and data-driven solutions including intelligence analytics, space system development, cybersecurity, and next generation IT across the federal government and commercial clients.



Global Engineering Solutions

Large-scale environmental remediation, clean energy, platform engineering, sustainment and supply chain management across all 7 continents for the U.S. government and allied nations.

Well-Positioned to Drive Long-term Value for Stakeholders



Defense

Intelligence

Environment

Space

Civilian

Trusted industry leader

with global scale and outstanding
business diversity well positioned for
future growth

**Culture of collaboration
and performance excellence**
delivering exceptional results to our
customers around the world

**Innovative and experienced
engineering and technology
workforce**
enhancing our ability to win large
enterprise programs

Focused business strategy

that targets high growth advanced engineering
and technology markets with potential for
margin enhancement

Disciplined approach to capital allocation

to achieve robust free cash flow generation,
reduce debt, and position business for future
strategic growth opportunities

Appendix

Definitions of Pro Forma and Non-GAAP Measures

The presentation and discussion of Pro Forma Adjusted EBITDA, Pro Forma Adjusted EBITDA Margin, Pro Forma Adjusted Net Income, Pro Forma Adjusted Diluted EPS, and Free Cash Flow are not measures of financial performance under Generally Accepted Accounting Principles in the United States (“GAAP”). These non-GAAP measures should be considered only as supplements to, and should not be considered in isolation or used as a substitute for, financial information prepared in accordance with GAAP. Management believes these non-GAAP measures, when read in conjunction with our consolidated financial statements prepared in accordance with GAAP and the reconciliations herein to the most directly comparable GAAP measures, provide useful information in assessing trends in our ongoing operating performance and may provide greater visibility in understanding the long-term financial performance of the Company. The computation of non-GAAP measures may not be comparable to similarly titled measures reported by other companies, thus limiting their use for comparability.

Pro Forma Adjusted EBITDA is defined as pro forma net (loss) income attributable to common shareholders, which incorporates the results of CMS prepared in accordance with the requirements of Article 11 of Regulation S-X, adjusted for pro forma interest expense and other, net, pro forma (benefit) provision for income taxes, pro forma depreciation and amortization, and excludes the following discrete pro forma items:

- Acquisition, transaction, and integration costs – Represents acquisition, transaction and integration costs, including severance, retention, and other adjustments related to acquisition and integration activities.
- Amortization of intangibles – Represents the amortization of intangible assets.
- Non-cash GAAP expense (gain) – Represents non-cash goodwill impairment charges and a gain on acquisition of controlling interest.
- Loss on extinguishment of debt – Represents the write-off of debt discount and debt issuance costs as a result of debt modifications.
- Utilization of certain fair market value adjustments assigned in purchase accounting – Represents the periodic utilization of the fair market value adjustments assigned to certain equity method investments and non-controlling interests based on the remaining period of performance for the related contract.
- Share-based compensation – Represents non-cash compensation expenses recognized for share based arrangements.

Pro Forma Adjusted EBITDA Margin is defined as Pro Forma Adjusted EBITDA divided by Pro Forma Revenues.

Pro Forma Adjusted Net Income is defined as pro forma net (loss) income attributable to common shareholders, which incorporates the results of CMS prepared in accordance with the requirements of Article 11 of Regulation S-X, excluding the pro forma discrete items listed under Pro Forma Adjusted EBITDA and the related pro forma tax impacts.

Pro Forma Adjusted Diluted EPS is defined as Pro Forma Adjusted Net Income divided by pro forma diluted weighted average number of common shares outstanding.

Free Cash Flow is defined as GAAP cash flow provided by operating activities less purchases of property and equipment.

Unaudited Pro Forma Non-GAAP Financials Measures Reconciliation

For the Year Ended September 27, 2024

	Pro Forma results	Acquisition, transaction and integration costs	Amortization of intangibles	Loss on extinguishment of debt	Utilization of fair market value adjustments	Share-based compensation	Pro Forma Non-GAAP results
Revenues	\$13,858	\$ —	\$ —	\$ —	\$ —	\$ —	\$13,858
Operating income	\$462	\$62	\$499	\$ —	\$1	\$10	\$1,034
Non-operating expense, net	(390)	—	—	45	—	—	(345)
Income before income taxes	72	62	499	45	1	10	689
Provision for income taxes ¹	(37)	(13)	(120)	(11)	—	—	(181)
Net income	35	49	379	34	1	10	508
Less: net income attributable to non-controlling interests	(3)	—	—	—	(16)	—	(19)
Net income (loss) attributable to common shareholders	\$32	\$49	\$379	\$34	\$(15)	\$10	\$489
Basic and diluted income (loss) per share attributable to common shareholders	\$0.13	\$0.20	\$1.56	\$0.14	\$(0.06)	\$0.04	\$2.01
Basic and diluted weighted average shares outstanding	243	243	243	243	243	243	243
Net income (loss) attributable to common shareholders	\$32	\$49	\$379	\$34	\$(15)	\$10	\$489
Net income margin ²	0.2%						3.5%
Depreciation expense	37	—	—	—	—	—	37
Amortization of intangibles	499	—	(499)	—	—	—	—
Interest expense and other, net	345	—	—	—	—	—	345
Provision for income taxes	37	13	120	11	—	—	181
EBITDA (non-GAAP)	\$950	\$62	\$ —	\$45	\$(15)	\$10	\$1,052
EBITDA margin	6.9%						7.6%

1. Calculation uses a full year estimated statutory rate on each non-GAAP tax deductible adjustment, unless the nature of the item requires application of specific tax treatment for related impacts.

2. Calculated as net loss attributable to common shareholders divided by revenues.

Unaudited Pro Forma Non-GAAP Financials Measures Reconciliation

	For the Year Ended September 29, 2023						
	Pro Forma results	Acquisition, transaction and integration costs	Amortization of intangibles	Non-cash GAAP expense (gain)	Utilization of fair market value adjustments	Share-based compensation	Pro Forma Non-GAAP results
Revenues	\$13,371	\$ —	\$ —	\$ —	\$ —	\$ —	\$13,371
Operating income	\$129	\$39	\$592	\$186	\$6	\$21	\$973
Non-operating expense, net	(279)	—	—	(69)	—	—	(348)
(Loss) income before income taxes	(150)	39	592	117	6	21	625
(Provision) benefit for income taxes ¹	(4)	(9)	(142)	17	(2)	—	(140)
Net (loss) income	(154)	30	450	134	4	21	485
Less: net (loss) income attributable to non-controlling interests	9	—	—	—	(41)	—	(32)
Net (loss) income attributable to common shareholders	<u>\$ (145)</u>	<u>\$ 30</u>	<u>\$ 450</u>	<u>\$ 134</u>	<u>\$ (37)</u>	<u>\$ 21</u>	<u>\$ 453</u>
Basic and diluted (loss) income per share attributable to common shareholders	<u>\$ (0.60)</u>	<u>\$ 0.12</u>	<u>\$ 1.85</u>	<u>\$ 0.55</u>	<u>\$ (0.15)</u>	<u>\$ 0.09</u>	<u>\$ 1.86</u>
Basic and diluted weighted average shares outstanding	<u>243</u>	<u>243</u>	<u>243</u>	<u>243</u>	<u>243</u>	<u>243</u>	<u>243</u>
Net (loss) income attributable to common shareholders	\$ (145)	\$ 30	\$ 450	\$ 134	\$ (37)	\$ 21	\$ 453
Net (loss) income margin ²	(1.1)%						3.4%
Depreciation expense	45	—	—	—	—	—	45
Amortization of intangibles	592	—	(592)	—	—	—	—
Interest expense and other, net	348	—	—	—	—	—	348
Provision (benefit) for income taxes	4	9	142	(17)	2	—	140
EBITDA (non-GAAP)	<u>\$844</u>	<u>\$39</u>	<u>\$ —</u>	<u>\$117</u>	<u>\$ (35)</u>	<u>\$21</u>	<u>\$986</u>
EBITDA margin	6.3%						7.4%

1. Calculation uses a full year estimated statutory rate on each non-GAAP tax deductible adjustment, unless the nature of the item requires application of specific tax treatment for related impacts.

2. Calculated as net loss attributable to common shareholders divided by revenues.