



amentum

# Earnings Conference Call Presentation

Q1 FY25

February 5, 2025

Advancing the future together



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# 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 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 our annual report on Form 10-K for the fiscal year ended September 27, 2024, which can be found at the SEC’s website at [www.sec.gov](http://www.sec.gov) or the Investor Relations portion of our website at [www.amentum.com](http://www.amentum.com) (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.

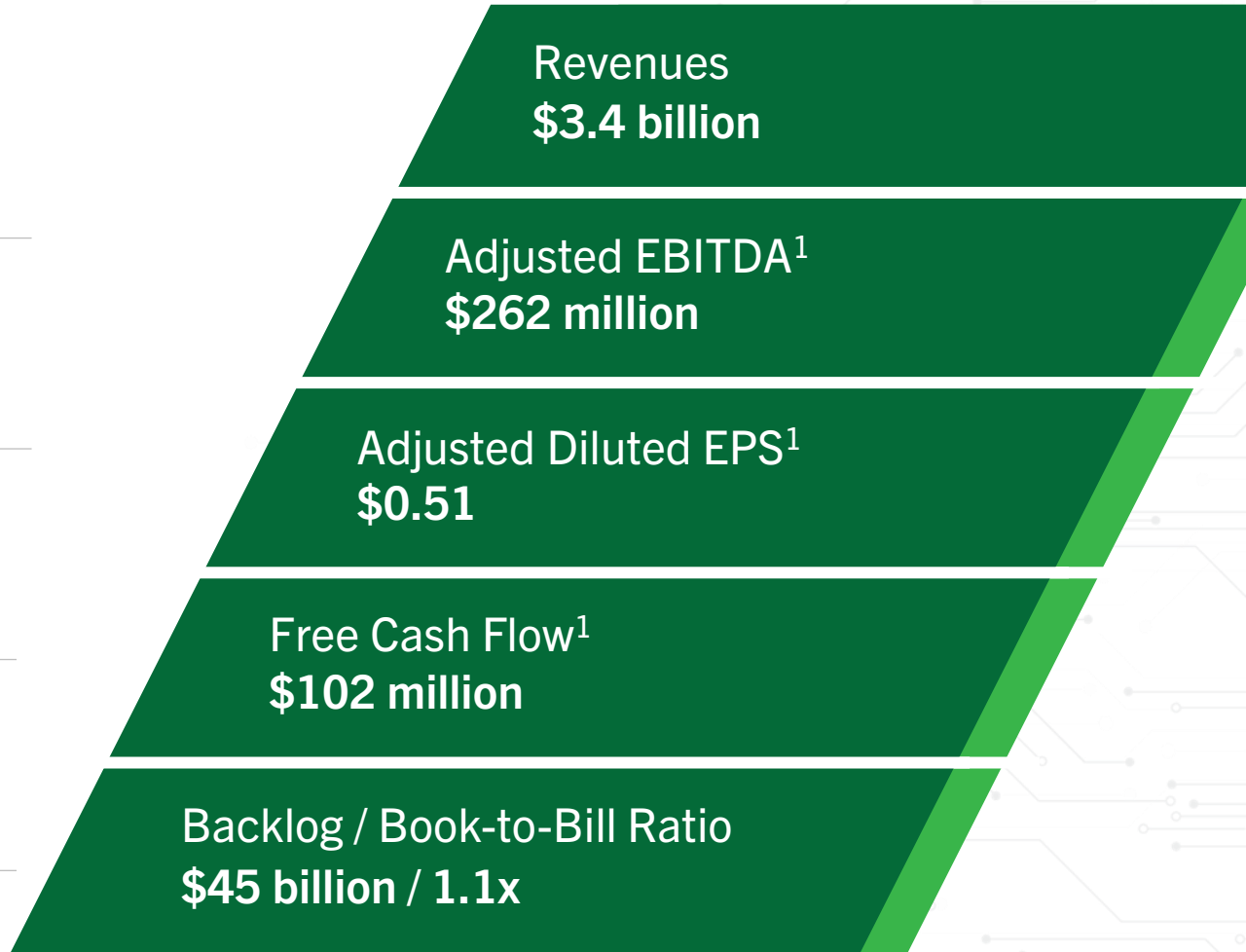
## Pro Forma and Non-GAAP Measures

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 Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted Earnings Per Share, Non-GAAP Effective Tax Rate, and Free Cash Flow, which are not measures of financial performance under Generally Accepted Accounting Principles in the United States (“GAAP”), each of which are pro forma when reporting for the fiscal quarter ended December 29, 2023. 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.

# Q1 FY25 Highlights

- 1 Strong Performance in First Quarter as a Combined Company**
- 2 Unlocking Value from the Merger**
- 3 Integration and Synergy Plans On Track**
- 4 Positioned to Deliver FY25 Commitments**

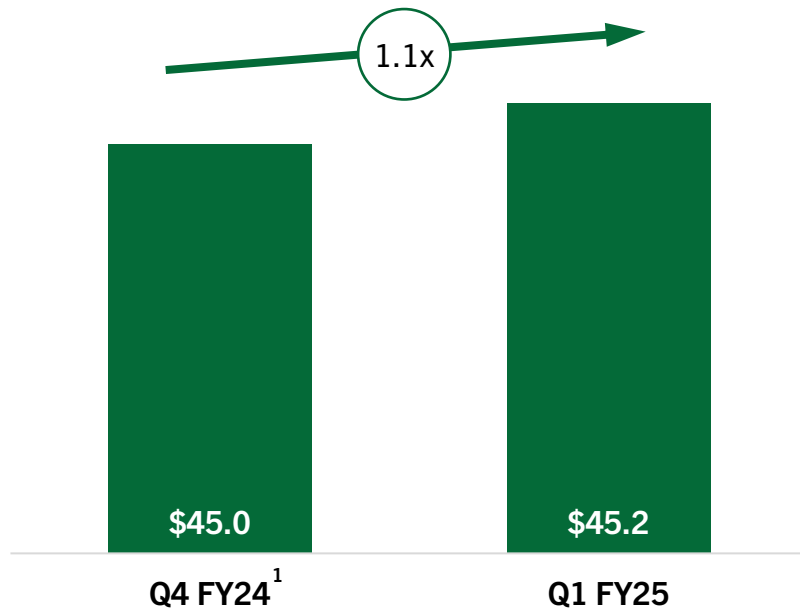


1. Adjusted EBITDA, Adjusted Diluted EPS and Free Cash Flow represent non-GAAP financial measures. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial measure.

# Business Development and Growth

## Backlog and Book-to-Bill

(\$'s in billions)



## Notable Q1 FY25 Awards

### West Valley Demonstration Project

(Unconsolidated Joint Venture)

**\$3 billion** U.S. DOE single-award IDIQ contract with a **10-year ordering period**, delivering advanced technical solutions to safely remediate nuclear facilities in New York

### Global Prepositioned Materiel Services

**\$447 million** 7-year U.S. DOD contract to deliver smart asset management and sustainment solutions

### Global Counter Threat Finance

**\$248 million** 8-year U.S. DOD contract providing analytics solutions to disrupt and degrade adversary financial networks that support transnational criminal organizations

### Commercial Awards

**\$400+ million** to provide innovative solutions to Fortune 500 customers in areas including 5G networks and critical infrastructure modernization

Pending Awards  
~\$30 Billion

Q1 Submits  
~\$12 Billion

FY25 Submits Target  
\$35+ Billion

Backlog Coverage<sup>2</sup>  
~3.2x

1. Represent combined legacy Amentum and Jacobs CMS metrics.

2. Represents Q1 FY25 ending Backlog divided by last twelve-months Pro Forma Revenues.



# Unlocking Value from the Merger




## Accelerating Growth Prospects

- **Go-to-market** structure and strategy in place **Day 1**
- Launched **enterprise capture** operations enabling pursuit of **15+ \$1 billion opportunities** through Fiscal Year 2026
- Leveraging **benefits of scale** to **strengthen proposals** and improve cost competitiveness
- **~\$12 billion in Q1 submits**



## Advancing Technology Solutions

- **Established Technology Advisory Councils (TACs)** for priority technology areas
- **Driving technology and innovation** through our Engineering Centers of Excellence to **enhance customer proposals and ongoing contract execution**
- Identifying and elevating technology-enabled solutions to **cross-sell across markets**



## Progressing People and Culture

- **Welcomed** Intelligence & Cybersecurity President **Jennifer Walsmith** and Chief People Officer **Darren Burton**
- **Adapting best practices** to enhance operational performance and drive cash generation
- **Integration and value capture** initiatives **on-track** to generate \$30 million in run-rate net synergies by year-end

With our **integrated teams, advanced technology, and executive leadership in place**, Amentum is well-positioned to **realize the full value of our combination and deliver long-term value to shareholders**

# Well-positioned to Continue Support of U.S. Transformation

**100+ year partnership** with the U.S. Government **providing advanced engineering and technology solutions** to solve the most complex and pressing challenges



## Transforming Tomorrow, Today

- Delivering **modernization solutions** to support DOD in development of **next generation EW/ISR** airborne systems
- Providing research, development, and engineering **solutions for C5ISR** systems to advance U.S. **INDOPACOM** priorities
- **Migrating legacy systems** for engineering and design projects using **advanced digital methods** for the U.S. Navy

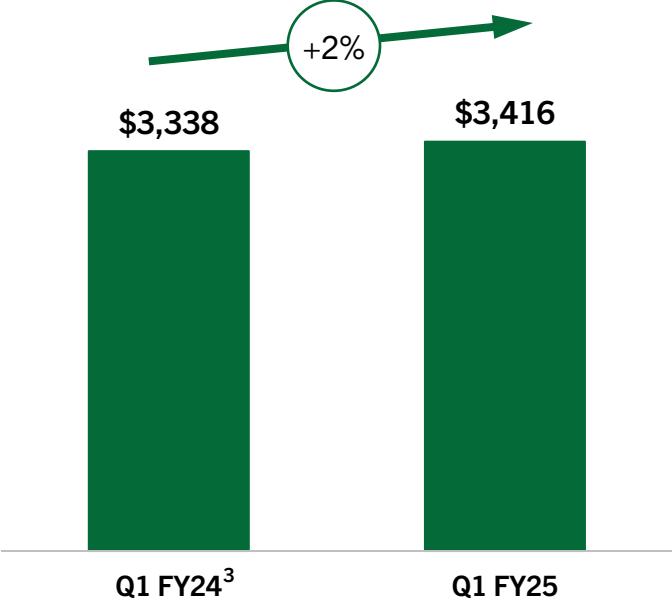


**Increased demand for modernization** and next-generation technologies to address **evolving geopolitical landscape** and to create a **more efficient government**

Amentum is solving the world's most pressing national security and modernization challenges—delivering innovative outcomes for our customers that are better, faster, and more cost-effective.

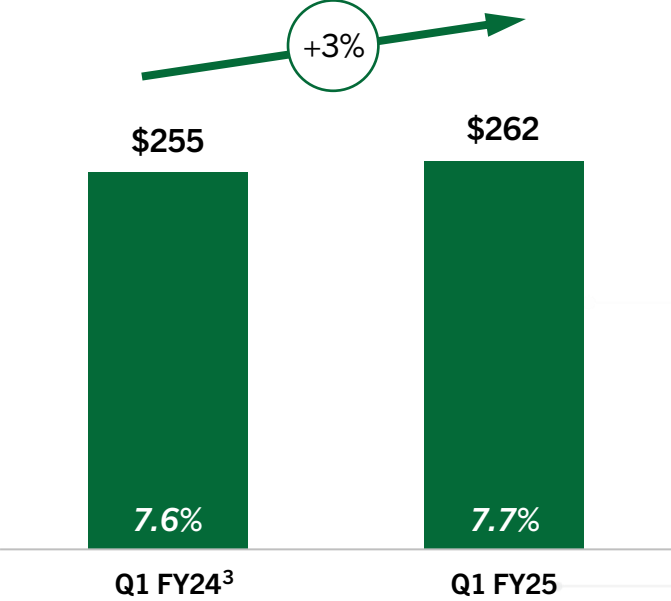
# Q1 FY25 Financial Performance

## REVENUES<sup>1</sup>



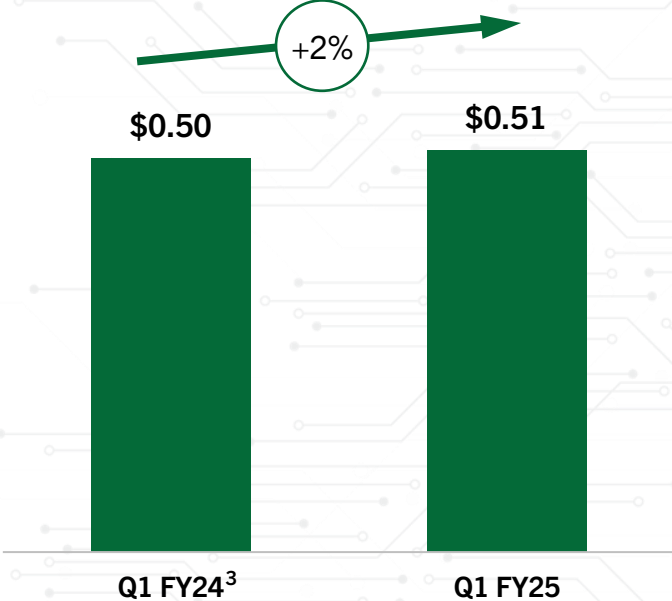
- + Digital Solutions growth
- + Global Engineering Solutions growth

## ADJUSTED EBITDA<sup>1,2</sup> Margin<sup>1,2</sup>



- + Increased revenues
- + Operating performance

## ADJUSTED DILUTED EPS<sup>2</sup>



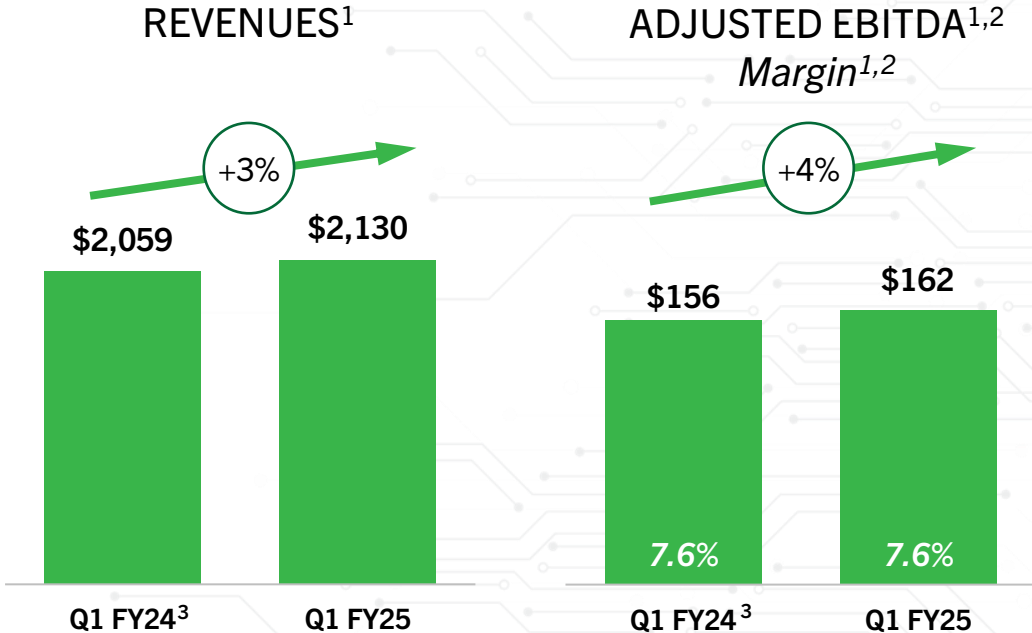
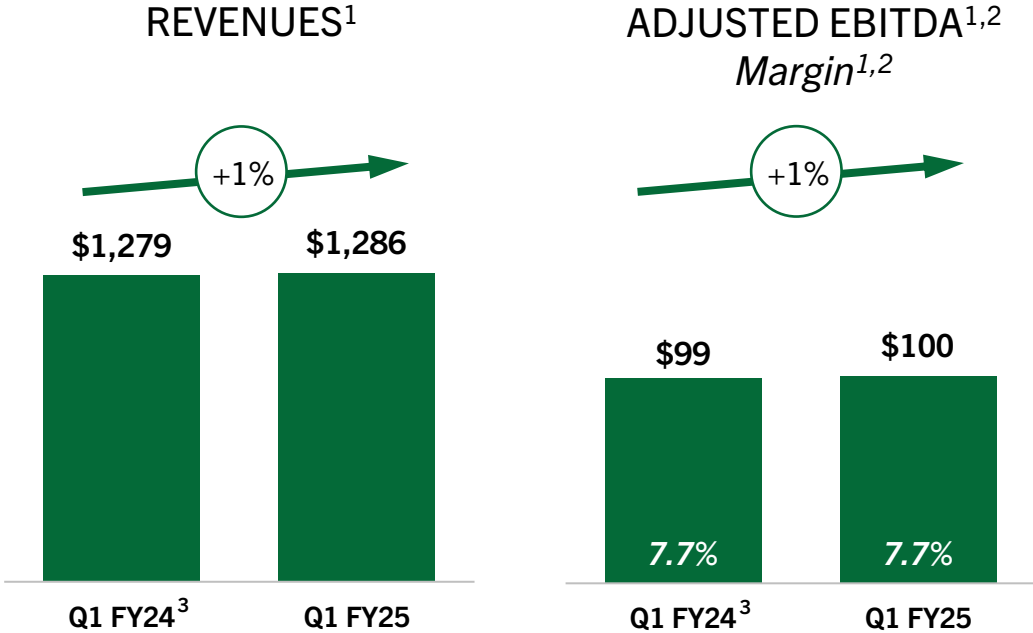
- + Higher operating profit
- Interest expense

1. \$'s in millions.  
 2. Adjusted EBITDA and Adjusted Diluted EPS represent non-GAAP financial measures. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial measure.  
 3. Q1 FY24 Non-GAAP financial measures are presented on a pro forma basis.

# Q1 FY25 Segment Performance

## Digital Solutions

## Global Engineering Solutions



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

- + New contract awards
- + Growth on existing programs
- + Increased revenues

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# Deleveraging with Robust Free Cash Flow

## Q1 FY25 Highlights

### \$102 million Free Cash Flow<sup>1</sup>

- \$110M operating cash flow; \$8M capital expenditures
- Disciplined working capital management
- Benefitted from tax and interest payment timing

### Strong Liquidity Position

- \$522 million cash on hand
- \$850 million undrawn revolving credit facility

### 4.0x Net Leverage<sup>2</sup>

- Improved 0.1x from FY24 Year End

### Flexibility to prepay or reprice term loan

As of December 27, 2024

(\$ in millions)	Rate	Maturity	Amount
\$850M Undrawn RCF	S+225	2029	-
Term Loan B	S+225	2031	\$3,750
Senior Unsecured Notes	7.25%	2032	\$1,000
Other Debt			\$15
<b>Gross Debt</b>			<b>\$4,765</b>
<b>Net Leverage<sup>2</sup></b>			<b>4.0x</b>

**Target Net Leverage<sup>2</sup> of ~3x by FY26 Year End**

1. Free Cash Flow represents a non-GAAP financial measure. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial measure.

2. Calculated based on Q1 FY25 ending cash balance of \$522 million and LTM Pro Forma Adjusted EBITDA of \$1,059 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 measure.

# Reaffirming Fiscal Year 2025 Guidance

(\$'s in millions, except per share data)

## Guidance

Revenues

\$13,800 – \$14,200

Adjusted EBITDA<sup>1</sup>

\$1,060 – \$1,100

Adjusted Diluted EPS<sup>1</sup>

\$2.00 – \$2.20

Free Cash Flow<sup>1</sup>

\$475 – \$525

## Key Assumptions

### FY25 Revenue Contributions

- 96% Existing or Recompete / 4% New Business

### Income Statement assumptions

- Non-GAAP effective tax rate ~24%<sup>1</sup>
- 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

1. Adjusted EBITDA, Adjusted Diluted EPS, Non-GAAP Effective Tax Rate, and Free Cash Flow represent non-GAAP financial measures. See Disclosures for additional information and Appendix for definition and reconciliation to the most directly comparable GAAP financial measure.

# Well-Positioned to Drive Long-term Value for Stakeholders



## Longstanding, Trusted Partner of Choice

solving our global customers' largest, most critical and complex challenges in science, security, and sustainability



## An Industry Leader With Differentiated Scale

that provides robust customer access, capabilities, past performance, and a competitive cost structure



## Strong Financial Profile

well positioned to deliver long-term, profitable growth and robust free cash flow with a capital light business model



## Advanced Engineering and Technology Solutions

offer full life cycle capabilities in attractive markets with growing budgets



## Highly Skilled Global Workforce

of more than 53,000 employees provides innovative solutions for our customers anywhere at any time



## Disciplined Capital Deployment Strategy

with a flexible and opportunistic approach to drive sustained value creation



**amentum**

# Appendix

Advancing the future together



# 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.



# Definitions of Non-GAAP Measures

The presentation and discussion of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, 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.

**Adjusted EBITDA** is defined as GAAP net income attributable to common shareholders adjusted for interest expense and other, net, provision for income taxes, depreciation and amortization, and excludes the following discrete 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 a non-cash goodwill impairment charge and a non-cash 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.

**Non-GAAP Effective Tax Rate** is defined as provision for income taxes divided by non-GAAP income before income taxes.

**Adjusted EBITDA Margin** is defined as Adjusted EBITDA divided by revenues.

**Adjusted Net Income** is defined as GAAP net income attributable to common shareholders excluding the discrete items listed under Adjusted EBITDA and the related tax impacts.

**Adjusted Diluted EPS** is defined as Adjusted Net Income divided by 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.

In addition to the above non-GAAP financial measures, the Company has included backlog, net bookings, and book-to-bill in this presentation. Backlog is an operational measure representing the estimated amount of future revenues to be recognized under negotiated contracts, and net bookings represent the change in backlog between reporting periods plus reported revenues for the period. Book-to-bill represents net bookings divided by reported revenues for the same period. We believe these metrics are useful for investors because they are an important measure of business development performance and are used by management to conduct and evaluate its business during its regular review of operating results.



# Unaudited Non-GAAP Financials Measures Reconciliation

For the Quarter Ended December 27, 2024

(\$ in millions, except per share data and margin percentages)

	As Reported	Acquisition, transaction and integration costs	Amortization of intangibles	Utilization of fair market value adjustments	Share-based compensation	Non-GAAP results
Revenues	\$3,416	\$ —	\$ —	\$ —	\$ —	\$3,416
Operating income	\$132	\$9	\$120	—	\$3	\$264
Non-operating expenses, net	(87)	—	—	—	—	(87)
Income before income taxes	45	9	120	—	3	177
Provision for income taxes <sup>1</sup>	(24)	(2)	(17)	—	—	(43)
Net income	21	7	103	—	3	134
Less: net income attributable to non-controlling interests	(9)	—	—	(2)	—	(11)
Net income (loss) attributable to common shareholders	\$12	\$7	\$103	\$(2)	\$3	\$123
Basic and diluted income (loss) per share attributable to common shareholders	\$0.05	\$0.03	\$0.43	\$(0.01)	\$0.01	\$0.51
Basic and diluted weighted average shares outstanding	243	243	243	243	243	243
Net income (loss) attributable to common shareholders	\$12	\$7	\$103	\$(2)	\$3	\$123
Net income margin <sup>2</sup>	0.4%					3.6%
Depreciation expense	9	—	—	—	—	9
Amortization of intangibles	120	—	(120)	—	—	—
Interest expense and other, net	87	—	—	—	—	87
Provision for income taxes	24	2	17	—	—	43
EBITDA (non-GAAP)	\$252	\$9	\$ —	\$(2)	\$3	\$262
EBITDA margin	7.4%					7.7%

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) income attributable to common shareholders divided by revenues.

# Definitions of Pro Forma Non-GAAP Measures

The presentation and discussion of Pro Forma Adjusted EBITDA, Pro Forma Adjusted EBITDA Margin, Pro Forma Adjusted Net Income, and Pro Forma Adjusted Diluted EPS 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 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 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 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.

# Unaudited Pro Forma Non-GAAP Financials Measures Reconciliation

For the Quarter Ended December 29, 2023

(\$ in millions, except per share data and margin percentages)

	Pro Forma results	Acquisition, transaction and integration costs	Amortization of intangibles	Utilization of fair market value adjustments	Share-based compensation	Pro Forma Non-GAAP results
Revenues	\$3,338	\$ —	\$ —	\$ —	\$ —	\$3,338
Operating income	\$119	\$7	\$124	—	\$2	\$252
Non-operating expenses, net	(82)	—	—	—	—	(82)
Income before income taxes	37	7	124	—	2	170
Provision for income taxes <sup>1</sup>	(5)	(6)	(30)	—	—	(41)
Net income	32	1	94	—	2	129
Less: net income attributable to non-controlling interests	(2)	—	—	(5)	—	(7)
Net income (loss) attributable to common shareholders	<u>\$30</u>	<u>\$1</u>	<u>\$94</u>	<u>\$(5)</u>	<u>\$2</u>	<u>\$122</u>
Basic and diluted income (loss) per share attributable to common shareholders	\$0.12	—	\$0.39	\$(0.02)	\$0.01	\$0.50
Basic and diluted weighted average shares outstanding	243	243	243	243	243	243
Net income (loss) attributable to common shareholders	\$30	\$1	\$94	\$(5)	\$2	\$122
Net income margin <sup>2</sup>	0.9%					3.7%
Depreciation expense	10	—	—	—	—	10
Amortization of intangibles	124	—	(124)	—	—	—
Interest expense and other, net	82	—	—	—	—	82
Provision for income taxes	5	6	30	—	—	41
EBITDA (non-GAAP)	<u>\$251</u>	<u>\$7</u>	<u>\$ —</u>	<u>\$(5)</u>	<u>\$2</u>	<u>\$255</u>
EBITDA margin	7.5%					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 income (loss) attributable to common shareholders divided by revenues.