



# Earnings Conference Call Presentation

Q2 FY25

May 7, 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 and tariffs; 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 three and six months ended March 29, 2024. 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.

# Q2 FY25 Highlights

-  **1 Solid Q2 Performance Consistent with Expectations**
-  **2 Continued Demand for Mission-Focused Solutions Across Diversified End-Markets**
-  **3 Divestiture of Rapid Solutions Aligns with Strategy, Strengthens Balance Sheet**
-  **4 Well-Positioned to Drive Long-term Value for Stakeholders**

**Revenues**  
**\$3.5 billion**

**Adjusted EBITDA<sup>1</sup>**  
**\$268 million**

**Adjusted Diluted EPS<sup>1</sup>**  
**\$0.53**

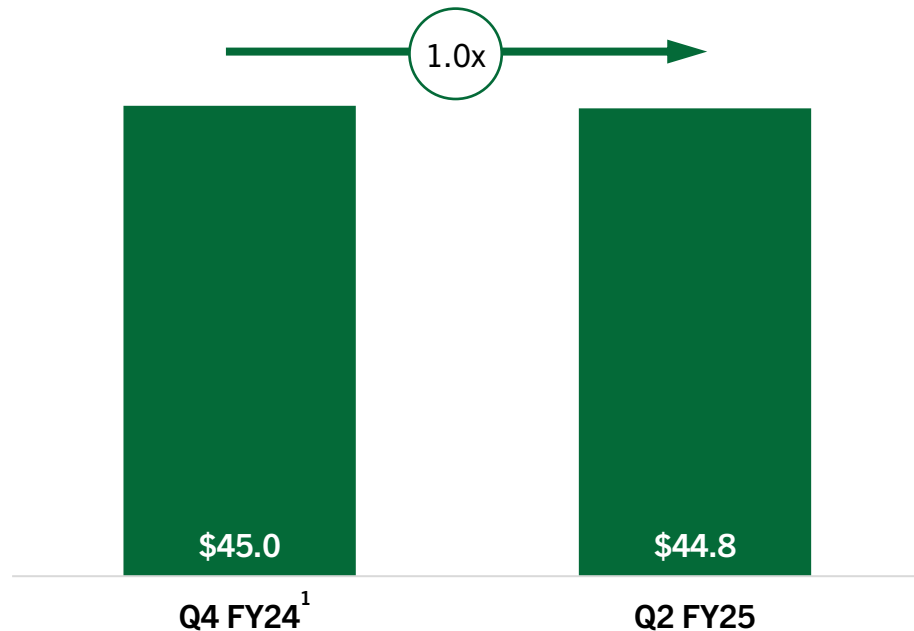
**Free Cash Flow<sup>1</sup>**  
**\$53 million**

**Backlog / YTD Book-to-Bill Ratio**  
**\$45 billion / 1.0x**

1. 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.

# Business Development and Growth

## Backlog and YTD Book-to-Bill (*\$'s in billions*)



Q2 Pending Awards  
~\$29 Billion

## Notable Q2 FY25 Awards

### Multiple Intelligence Awards

**\$1+ billion** in intelligence contracts, delivering a variety of mission-focused solutions including critical infrastructure management, cyber security and intelligence analysis. These awards illustrate the strong demand for Amentum's expertise and innovative intelligence solutions.

### Sizewell C: New U.K. Nuclear Power Station

Amentum was selected as the program manager and lead design engineer for Sizewell C, delivering critical engineering and technical services, and modernized infrastructure solutions. The station will have two 1.6 gigawatt reactors capable of supplying electricity to six million homes each year.

### Multiple IDIQ Task Order Awards

**\$500+ million** in awarded IDIQ task orders, including a program with the Naval Surface Warfare Center, leveraging our proven track-record in electromagnetic environmental effects, communication and execution systems, and Amentum's highly-skilled digital engineers.

FY25 Submits Target  
\$35+ Billion

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

1. Represent combined legacy Amentum and Jacobs CMS metrics.

2. Represents Q2 FY25 ending Backlog divided by last twelve-months Pro Forma Revenues.

# Divestiture of Rapid Solutions Aligns with Strategy, Strengthens Balance Sheet

## Overview and Rationale

- Announced definitive agreement to divest Rapid Solutions product business
- \$360 million sale price with \$325 million expected after-tax proceeds
- Expected to close in 2H 2025 subject to customary regulatory approvals and closing conditions
- Advances Amentum's position as a technology agnostic solutions provider
- Accounts for ~1% of annual Revenues and Adjusted EBITDA<sup>1</sup>

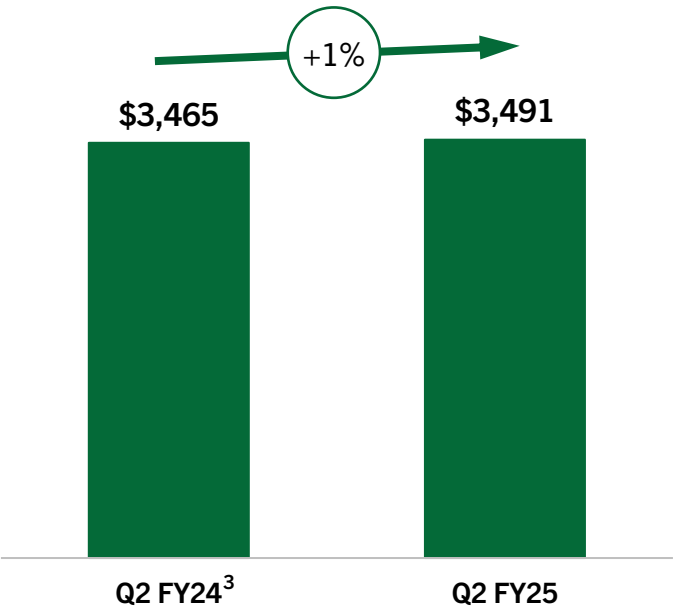
## Financial Benefits

- Strategically aligned to capital light business model
- Strengthens balance sheet position and accelerates deleveraging objectives
- Accretive to Adjusted Earnings Per Share<sup>1</sup> and Free Cash Flow<sup>1</sup>
- Accelerates path to flexible and opportunistic capital deployment

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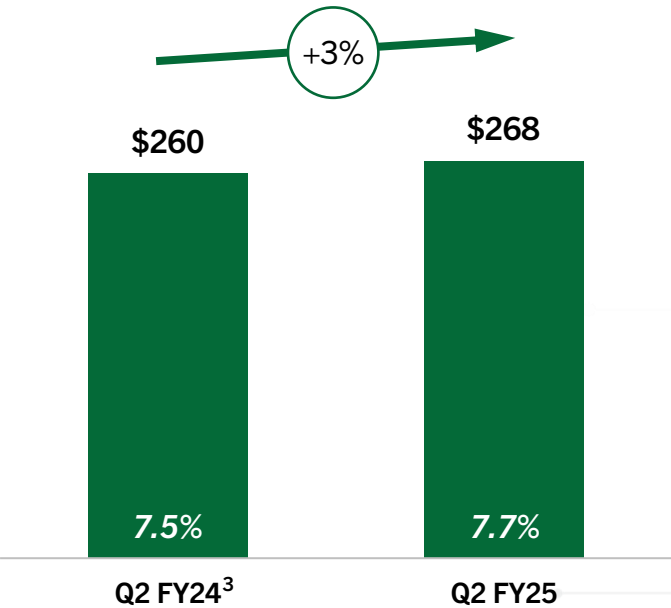
# Q2 FY25 Financial Performance

## REVENUES<sup>1</sup>



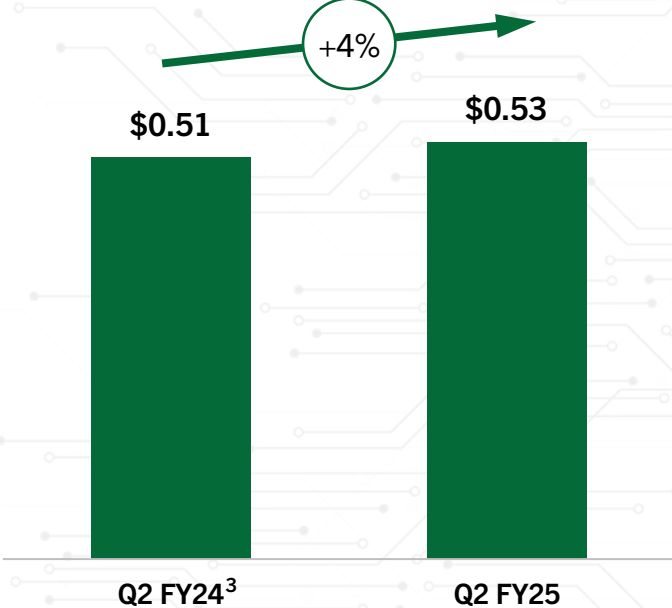
- + Digital Solutions
- Global Engineering Solutions

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



- + Increased revenues
- + Operating performance

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



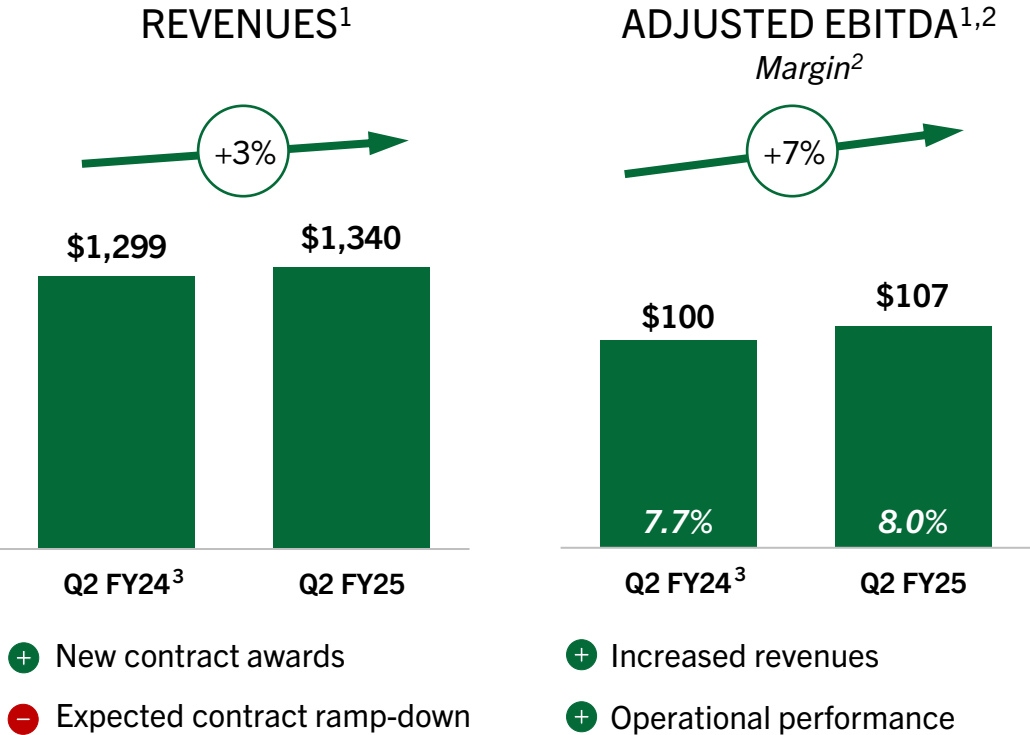
- + Higher operating profit
- Interest and tax expense

1. \$'s in millions.  
2. 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.  
3. Q2 FY24 Non-GAAP financial measures are presented on a pro forma basis.

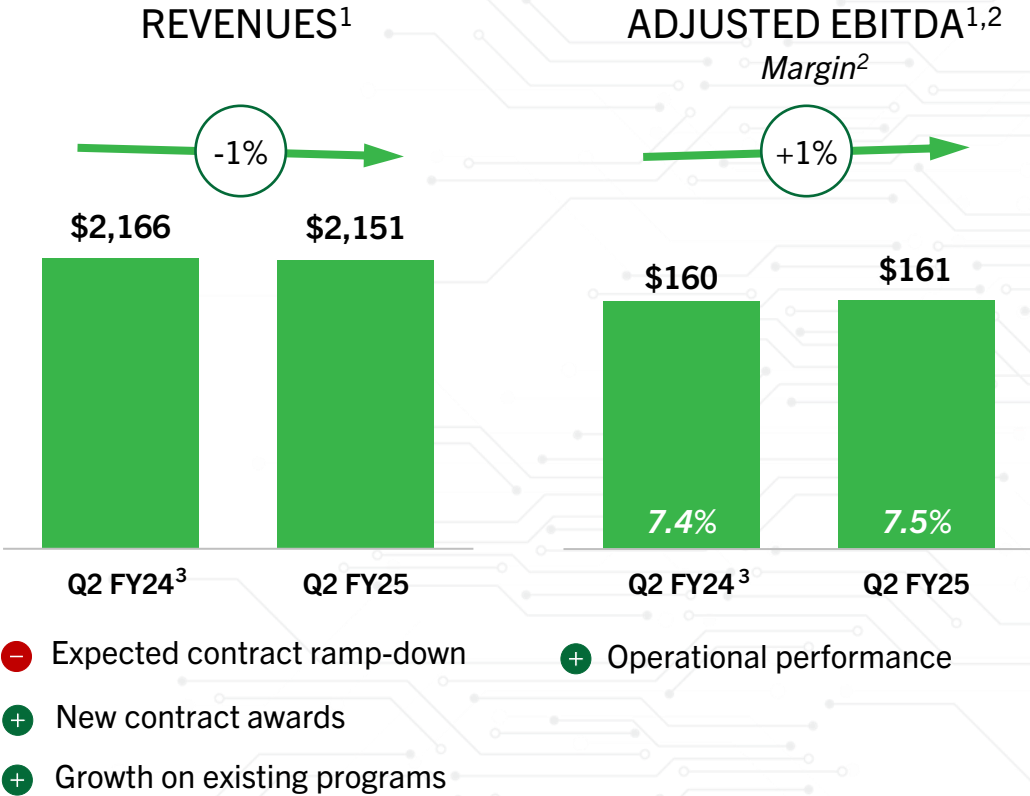


# Q2 FY25 Segment Performance

## Digital Solutions



## Global Engineering Solutions



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2. 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.  
3. Q2 FY24 Non-GAAP financial measures are presented on a pro forma basis.

# Deleveraging with Robust Free Cash Flow

## Q2 FY25 Highlights

### \$53 million Free Cash Flow<sup>1</sup>

- \$57 million operating cash flow; \$4 million capital expenditures
- Disciplined working capital management
- Impacted by tax and interest payment timing

### Strong Liquidity Position

- \$546 million cash on hand
- \$850 million undrawn revolving credit facility

### Investing Activities Expected to Provide ~\$255M of Incremental Cash

- \$325 million after-tax divestiture proceeds (expected 2H 2025)
- (\$70) million payment to Jacobs for closing working capital true-up (Q3 FY25)

As of March 28, 2025

(\$ 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			\$12
<b>Gross Debt</b>			<b>\$4,762</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. 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 Q2 FY25 ending cash balance of \$546 million and LTM Pro Forma Adjusted EBITDA of \$1,064 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.



# Updating Fiscal Year 2025 Outlook and Reaffirming Prior Guidance Mid-Points

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

## Guidance

### Revenues

**\$13,850 – \$14,150**  
(Prior \$13,800 - \$14,200)

### Adjusted EBITDA<sup>1</sup>

**\$1,065 – \$1,095**  
(Prior \$1,060 - \$1,100)

### Adjusted Diluted EPS<sup>1</sup>

**\$2.00 – \$2.20**  
(Prior \$2.00 - \$2.20)

### Free Cash Flow<sup>1</sup>

**\$475 – \$525**  
(Prior \$475 - \$525)

## Key Assumptions

### FY25 Revenue Contributions

- 98% Existing or Recompete / 2% New Business

### Income Statement assumptions

- Non-GAAP effective tax rate ~24%<sup>1</sup>
- Interest expense **\$345M - \$355M**
- Depreciation and amortization **\$510M - \$520M**
- ~244M diluted weighted average shares outstanding

### Free Cash Flow<sup>1</sup> assumptions

- Cash interest **\$325M - \$335M**
- Tax payments **\$145M - \$165M**
- Capital expenditures **\$40M - \$45M**

### Quarterly sequential increase in revenue, profitability, and cash generation

- 1H to 2H revenue increase of ~3% to be driven by organic growth (including 53rd week); partially offset by Joint Venture transitions and administrative change impacts

### No significant impact from Rapid Solutions divestiture, based on expected close timing

1. 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.

# 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



# Appendix

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# 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 Three Months Ended March 28, 2025

(\$ 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	\$3,491	\$ —	\$ —	\$ —	\$ —	\$3,491
Operating income	\$110	\$21	\$120	\$11	\$5	\$267
Non-operating expenses, net	(86)	—	—	—	—	(86)
Income before income taxes	24	21	120	11	5	181
Provision for income taxes <sup>1</sup>	(22)	(5)	(13)	(2)	(1)	(43)
Net income including non-controlling interests	2	16	107	9	4	138
Less: net income (loss) attributable to non-controlling interests	2	—	—	(10)	—	(8)
Net income (loss) attributable to common shareholders	\$4	\$16	\$107	\$(1)	\$4	\$130
Basic and diluted income per share attributable to common shareholders	\$0.02	\$0.07	\$0.43	—	\$0.01	\$0.53
Basic and diluted weighted average shares outstanding	243	243	243	243	243	243
Net income (loss) attributable to common shareholders	\$4	\$16	\$107	\$(1)	\$4	\$130
Net income margin <sup>2</sup>	0.1%					3.7%
Depreciation expense	9	—	—	—	—	9
Amortization of intangibles	120	—	(120)	—	—	—
Interest expense and other, net	86	—	—	—	—	86
Provision for income taxes	22	5	13	2	1	43
EBITDA (non-GAAP)	\$241	\$21	\$ —	\$1	\$5	\$268
EBITDA margin	6.9%					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 income (loss) 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 Three Months Ended March 29, 2024

(\$ 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	\$3,465	\$ —	\$ —	\$ —	\$ —	\$3,465
Operating income	\$114	\$4	\$133	—	\$3	\$254
Non-operating expenses, net	(85)	—	—	—	—	(85)
Income before income taxes	29	4	133	—	3	169
Provision for income taxes <sup>1</sup>	10	(1)	(49)	—	—	(40)
Net income including non-controlling interests	39	3	84	—	3	129
Less: net income (loss) attributable to non-controlling interests	1	—	—	(5)	—	(4)
Net income (loss) attributable to common shareholders	<u>\$40</u>	<u>\$3</u>	<u>\$84</u>	<u>\$(5)</u>	<u>\$3</u>	<u>\$125</u>
Basic and diluted income (loss) per share attributable to common shareholders	\$0.16	\$0.01	\$0.35	\$(0.02)	\$0.01	\$0.51
Basic and diluted weighted average shares outstanding	243	243	243	243	243	243
Net income (loss) attributable to common shareholders	\$40	\$3	\$84	\$(5)	\$3	\$125
Net income margin <sup>2</sup>	1.2%					3.6%
Depreciation expense	10	—	—	—	—	10
Amortization of intangibles	133	—	(133)	—	—	—
Interest expense and other, net	85	—	—	—	—	85
Provision for income taxes	(10)	1	49	—	—	40
EBITDA (non-GAAP)	<u>\$258</u>	<u>\$4</u>	<u>\$ —</u>	<u>\$(5)</u>	<u>\$3</u>	<u>\$260</u>
EBITDA margin	7.4%					7.5%

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.