



Key
Takeaways



Platform for
Growth



Investment
Opportunity

GOVERNMENT SOLUTIONS

★ In Focus 2020 ★



HIGH-IMPACT SOLUTIONS



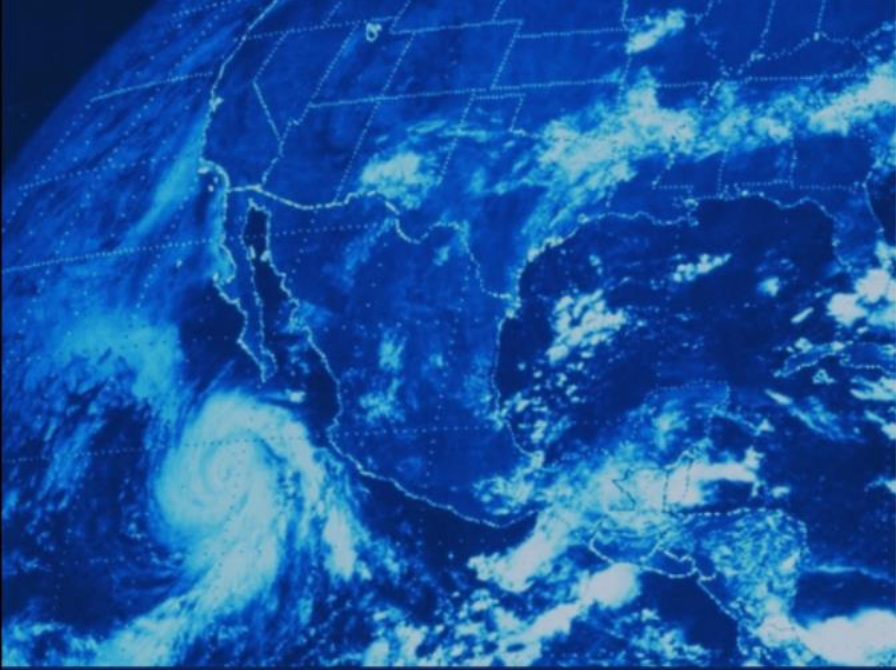
EXECUTING WITH EXCELLENCE



Forward looking statements

This presentation contains forward-looking statements regarding our plans, objectives, goals, strategies, future events, future financial performance and backlog information and other information that is not historical. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts” or future or conditional verbs such as “will,” “should,” “could,” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. Such statements are based upon our current expectations and various assumptions, which are made in good faith, and we believe there is a reasonable basis for them. However, because forward-looking statements relate to the future, they are subject to inherent risks, uncertainties and other factors that are difficult to predict and which could cause actual results to differ materially from the forward-looking statements contained in this presentation. These risks and uncertainties include, but are not limited to: the significant adverse impacts on economic and market conditions of the COVID-19 pandemic; the company’s ability to respond to the challenges and business disruption presented by the COVID-19 pandemic; the recent dislocation of the global energy market; the company’s ability to realize cost savings and efficiencies relating to the streamlining of its Energy Solutions business; the company’s ability to manage its liquidity; the company’s ability to continue to generate anticipated levels of revenue, profits and cash flow from operations during the COVID-19 pandemic and any resulting economic downturn; the outcome of and the publicity surrounding audits and investigations by domestic and foreign government agencies and legislative bodies; potential adverse proceedings by such agencies and potential adverse results and consequences from such proceedings; the scope and enforceability of the company’s indemnities from its former parent; changes in capital spending by the company’s customers, including as a result of the COVID-19 pandemic; 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; changes in government regulations and regulatory requirements; compliance with laws related to income taxes; unsettled political conditions, war and the effects of terrorism; foreign operations and foreign exchange rates and controls; the development and installation of financial systems; increased competition for employees; the ability to successfully complete and integrate acquisitions; and operations of joint ventures, including joint ventures that are not controlled by the company. Additional information about potential risk factors that could affect our business and financial results is included in our Form 10-K filed on February 24, 2020 and any subsequent Forms 10-Q and 8-K. We caution you not to place undue reliance on the forward-looking statements included in this presentation, which speak only as of the date hereof. We disclaim any intent or obligation, except as required by law, to revise or update this information to reflect new information or future events or circumstances. This presentation contains the financial measures “Adjusted EBITDA” and “Adjusted Operating Cash Flow,” which are not calculated in accordance with U.S. GAAP. A reconciliation of the non-GAAP financial measures Adjusted EBITDA and Adjusted Operating Cash Flow to the most directly comparable GAAP financial measure has been provided in the presentation footnotes or appendix.





Advancing climate change research globally





Stuart Bradie
President and Chief Executive Officer





Key Takeaways



KBR is predominantly a **government solutions company** and the announcement today pertaining to E&C risk coming off the table reinforces this fact!



Myth buster – KBR is a **high-end solutions provider** with access to multiple customers and balanced funding sources.



Multiple funding sources – International is a clear differentiator; **great margins and cash flow**.



Strategically positioned in growth vectors.




Tip of the Spear – applied technology in critical operational domains. **Customer stickiness. Minimal budget risk.**



Demonstrated **best in class BD machine** enabling **superior visibility**.

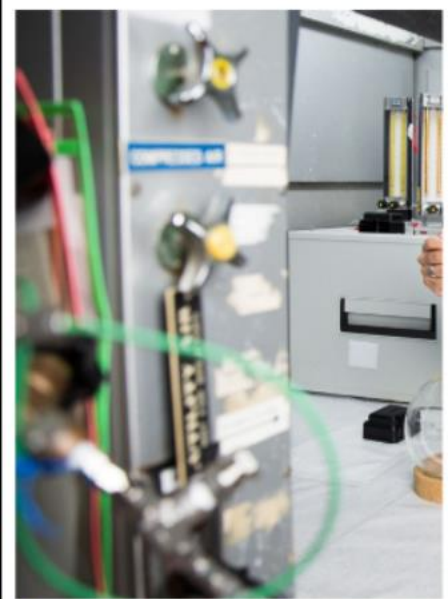


A true team and **high-performance culture**.

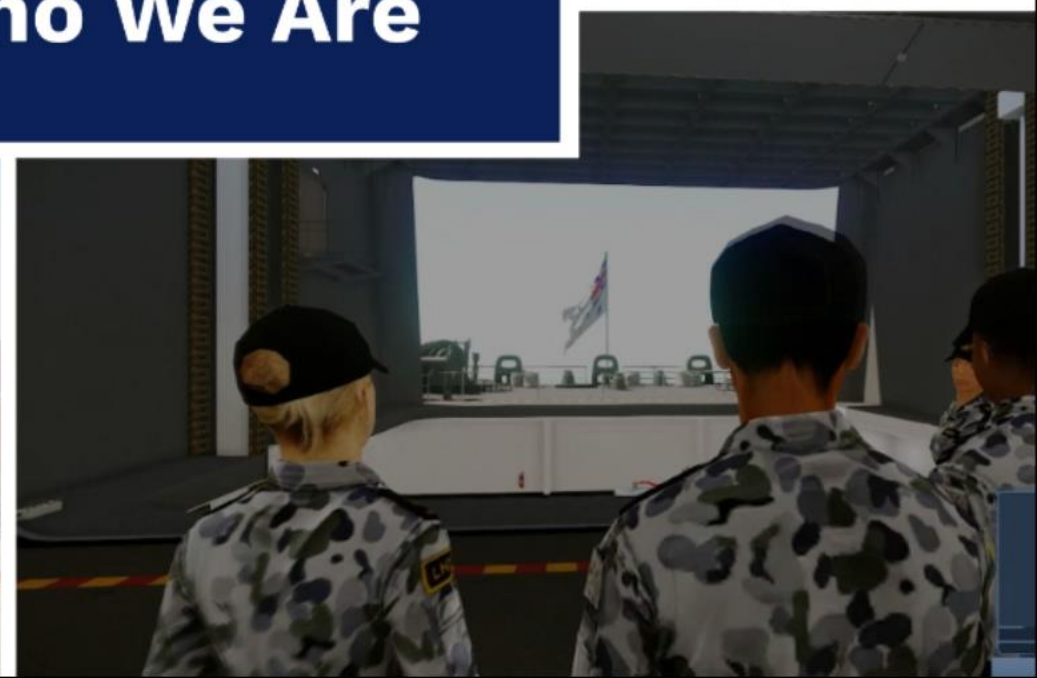
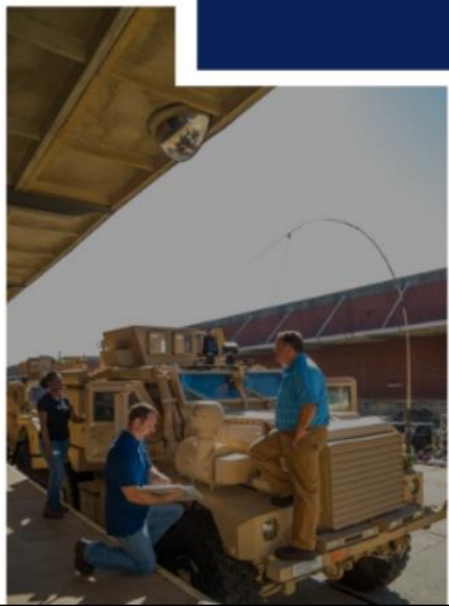


KBR GOVERNMENT SOLUTIONS

A DAY IN THE LIFE



Overview of GS –
Who We Are



Byron Bright
President, Government Solutions – U.S.



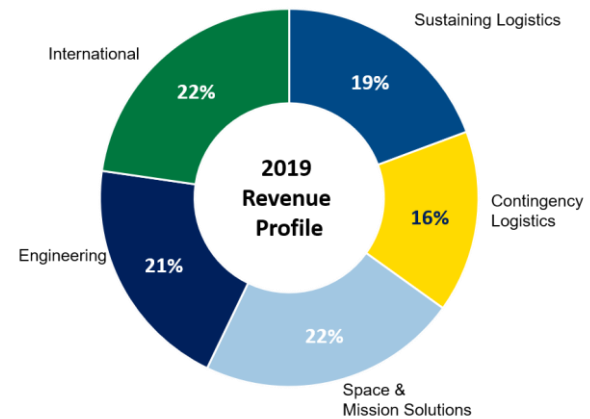
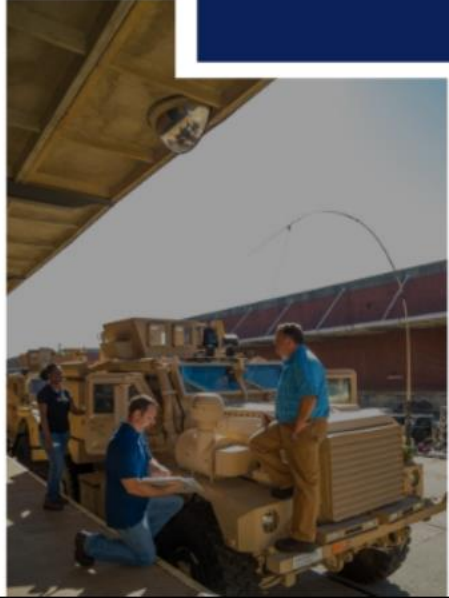
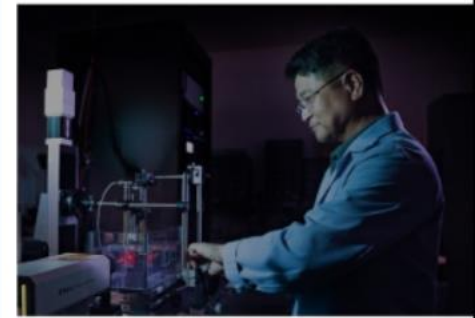
200+ global locations



18,000 employees



Overview of GS – Who We Are





**International
Governments**



**Other U.S. Federal
Civilian Agencies**



**U.S. National
Security Agencies**



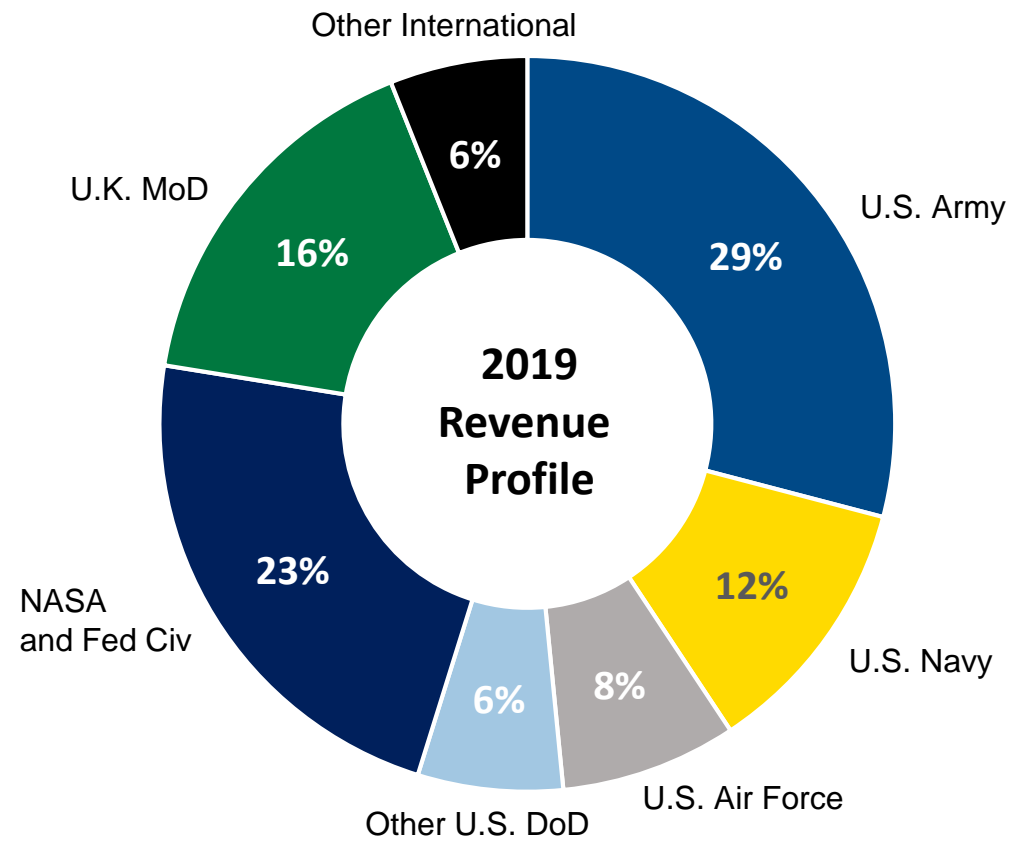
**U.S. Department
of Defense**



NASA

Our Customers





Our Customers





High-Impact
Differentiators



Dynamic Robust
Markets



Platform for
Growth

KBR – A Compelling Investment Opportunity

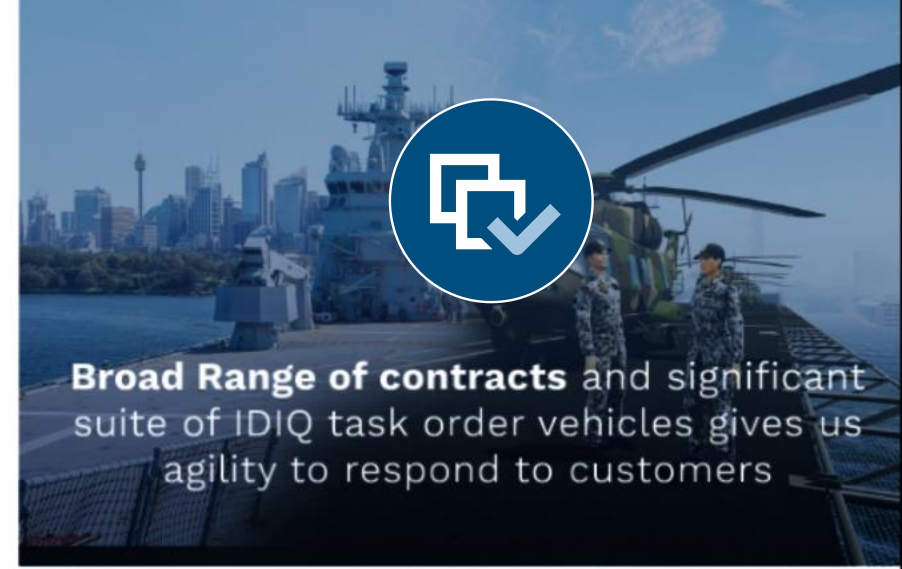




Deep Domain Expertise in technical disciplines creates a **highly defensible market position**



Diverse revenue base highlighted by **Global Franchise** positions with marquee customers



Broad Range of contracts and significant suite of IDIQ task order vehicles gives us agility to respond to customers



Solid Book of Business provides stability to pursue large strategic opportunities



Experienced Management Team

High-Impact Differentiators



KBR maintains a diverse set of capabilities aligned to customers' priorities



US Dept of
Defense



International
Governments



NASA



Civilian
Agencies

	Engineering Services	Systems Engineering & Integrations Hardware & Software Development Test & Evaluation Lifecycle Engineering & Sustainment Digital Engineering	✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓
	Scientific Research	Human Health & Performance Human Space Exploration Modeling & Simulation Earth & Space Science	✓ ✓	✓	✓ ✓ ✓ ✓	✓ ✓
	Operational Support	Lifecycle Logistics Supply Chain Modernization Training & Operational Support Space Situational Awareness	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓	✓
	Program Management	Project Controls Financial Management Acquisition Support Process Automation	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓
	Information Operations	Offensive & Defensive Cyber Cloud Modernization Enterprise Architecture Support Machine Learning & AI	✓ ✓	✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓



**International
Governments**



**Other U.S. Federal
Civilian Agencies**



**U.S. National
Security Agencies**

**U.S. Department
of Defense**

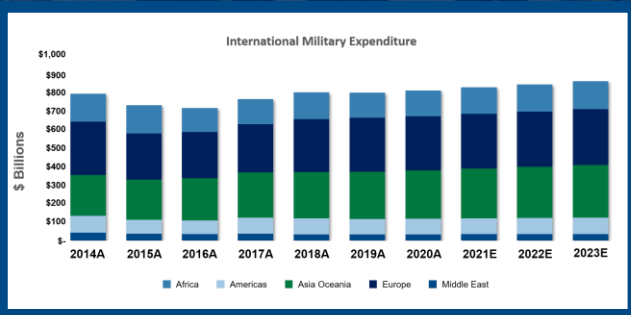


NASA



Customer Markets

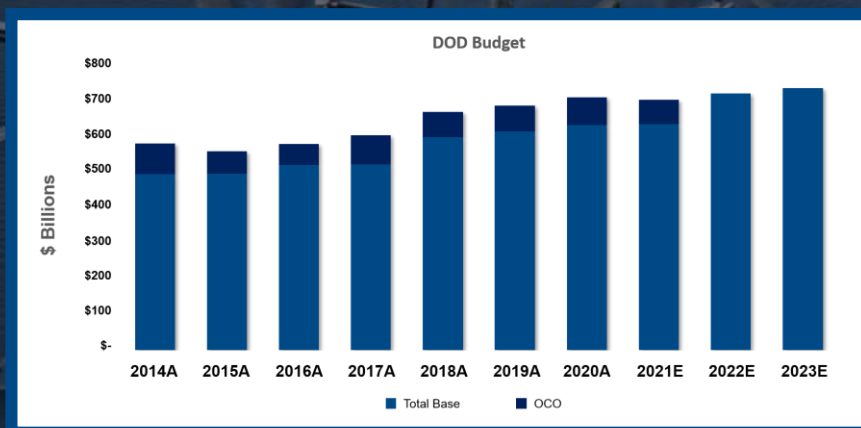




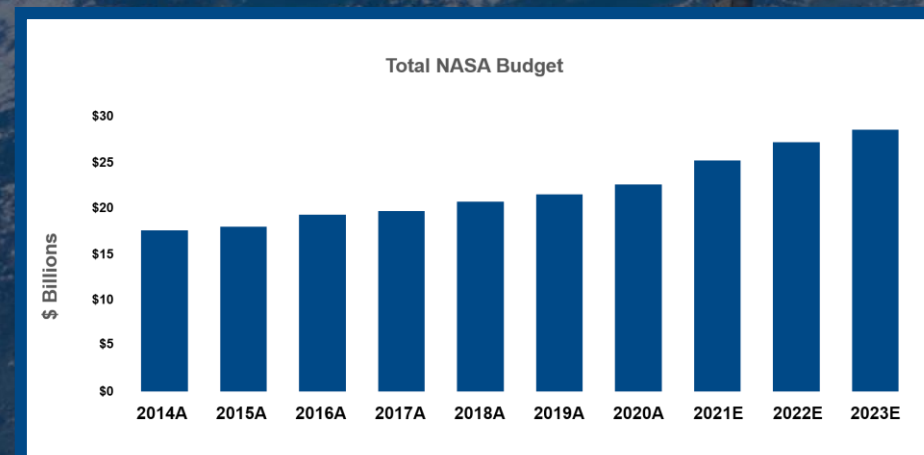
International Governments

Stable, growing budgetary environments

U.S. Department of Defense



NASA



Customer Markets



Cyber Threats



**Next-Generation
Technology**



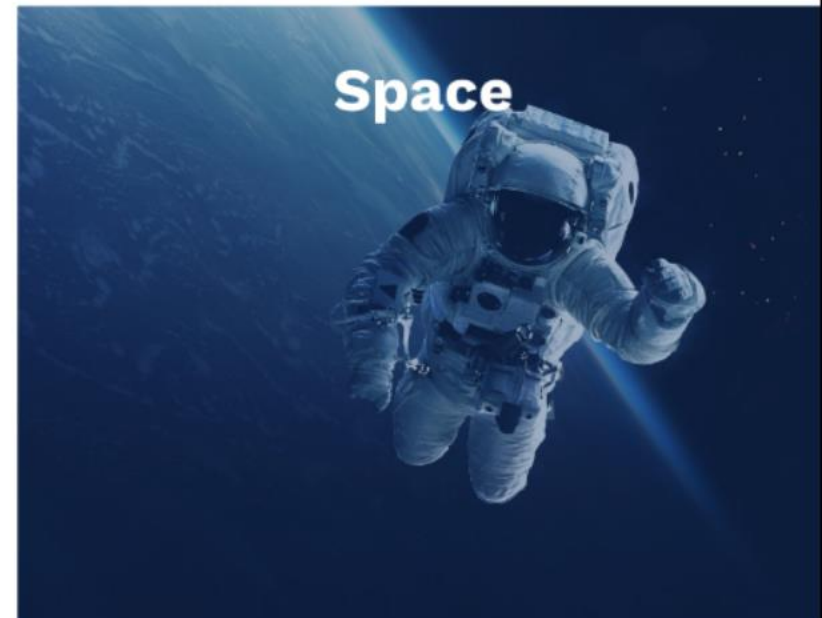
**Health & Human
Performance**



Terrorism



**Near-peer / Traditional
Adversaries**



Space

External National Priorities Ensure strong market spending





CORE CAPABILITIES

Engineering
Services

Scientific
Research

Operational
Support

Program
Management

Information
Operations

**Alignment of
current customers
and capabilities
built on strong
book of business**

MAJOR CUSTOMERS



International
Governments



Other U.S. Federal
Civilian Agencies



U.S. National
Security Agencies



NASA



U.S. Department
Of Defense

Is new



**Increase
market share**

- Takeaways
- Contractor-initiated proposals
- On-contract growth
- Sole source extensions
- Advantaged recompetes

\$1+ Billion
Program
takeaways
in 2019



**Suite of IDIQ
vehicles targeting
specific customers,
technologies and
capabilities**

**24 different IDIQ
contracts, such as:**

- DTIC IAC-MAC
- GSA OASIS
- Army RS3
- Army AMCOM Express
- National Institute of Health CIO-SP3
- UK DIO NTSP Framework

\$69 Billion

Lead

\$35B

Positioning & Pursuit Approval

\$22B

Proposal & Negotiation

\$12B

120 Pursuits > \$100 Million
10+ Pursuits > \$1 Billion

**Leverages
synergies, shared
past performance,
and industry
expertise into
larger strategic
pursuits**

NEW CUSTOMERS

- Missile Defense Agency
- Intelligence Agencies
- Army Human Performance
- U.S. National Cyber Range Complex
- European Space Agency
- Saudi Defence and Critical Infrastructure

NEW CAPABILITIES

- Space Systems and Structures
- Deep Space Advanced Radars
- Cloud Computing and AI
- Digitalization and Transformation
- Infrastructure Data Analytics

65%+
Total win rate
in 2019

NEW PROGRAMS

- NASA Artemis
- Space Domain Awareness
- Hypersonics and Missile Defense
- Military Space Training Range
- Navy Test Range
- F-35 Joint Program Office
- Management of Nuclear Deterrent
- MoD Whole Force by Design
- UK Space Launch Capability

**Adds new
customers, new
programs, and
new capabilities**





High-Impact Differentiators

- Global, Mission-Focused Solutions
- Diverse, Flexible Contract Vehicles
- Industry Leaders



Dynamic Robust Markets

- Balanced Customer Base and Funding Sources
- External Factors Drive Demand



Platform for Growth

- Capabilities Aligned to National Priorities
- Proven BD Engine Delivering Top-Tier Win Rates
- Robust Pipeline with \$12B in Near-Term Pursuits

KBR — A Compelling Investment Opportunity





Vernon McDonald,
Senior Vice
President,
Strategic
Solutions



Todd May,
Senior Vice
President,
Government
Solutions U.S.
- Space & Mission
Solutions



Pete Green,
Senior Vice
President,
Government
Solutions U.S.
- Engineering



Ella Studer,
Senior Vice
President,
Government
Solutions U.S.
- Logistics



Rob Hawketts,
Vice President,
Government
Solutions APAC



Andrew Barrie,
President,
Government
Solutions
EMEA



Business Leaders Roundtable

Leveraging Technology Enabled Solutions for Customer Success



Business Description

KBR Government Solutions ensures mission success for customers globally with capabilities supporting defense, space, aviation, and other government programs and missions. KBR Government Solutions creates value and drives innovation by combining engineering, technical and scientific expertise with its full life cycle capabilities, mission knowledge and future-focused technologies from research and development, test and evaluation, and systems engineering to program management, operations, maintenance and field logistics. Known for excelling in complex and extreme environments, KBR Government Solutions is trusted to help our clients meet their most pressing challenges today and into the future.

Key Factors


18,000
Employees


200+
Global Locations

>90%
2020 WUC

\$13.5B¹
Backlog and Options


\$3.9B
2019 Revenue

Core Capabilities

OPERATIONAL SUPPORT

- ✧ Human Spaceflight and Satellite Ops
- ✧ Integrated Supply Chain & Logistics
- ✧ Technical Training Services
- ✧ Military Aviation Support
- ✧ Equipment Maintenance

INFORMATION OPERATIONS

- ✧ Data Analytics
- ✧ Offensive and Defensive Cyber
- ✧ Mission Planning Systems
- ✧ AI and Machine Learning

PROGRAM MANAGEMENT

- ✧ Portfolio Management
- ✧ Advisory Services
- ✧ Analysis of Alternatives

ENGINEERING SERVICES

- ✧ Systems and Platform Integration
- ✧ Test and Evaluation
- ✧ Sustainment Engineering
- ✧ Aerospace Acquisition Support

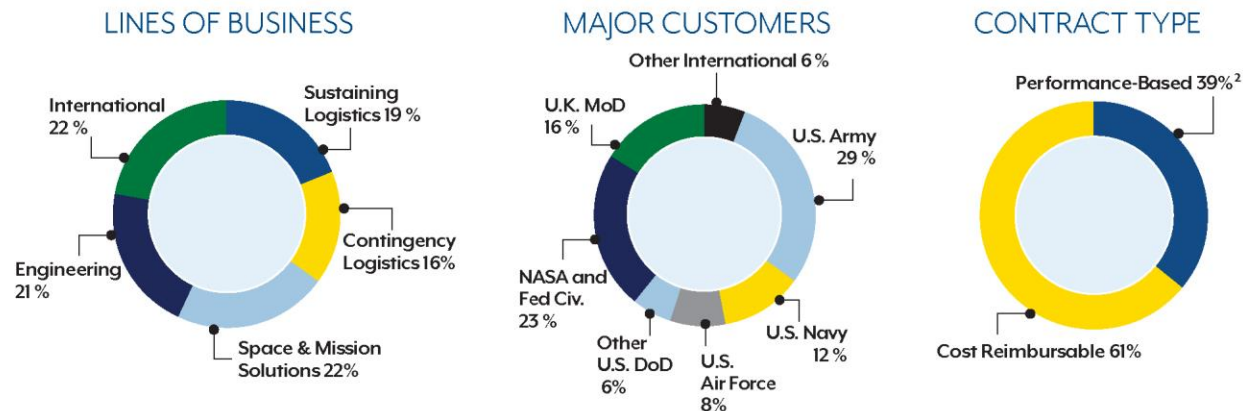
SCIENTIFIC RESEARCH

- ✧ Health and Human Performance
- ✧ Life Science Research
- ✧ Earth Sciences
- ✧ Robotic Space Systems

Competitive Differentiators

- ✧ Deep domain expertise in technical disciplines creating highly defensible market positions
- ✧ Solid base of contracts provides stability to pursue future growth opportunities
- ✧ Global franchise positions with marquee customers
- ✧ Experienced management team and highly skilled employee base
- ✧ Top-tier organic revenue growth with significant cash flow generation

2019 Revenue Profile



¹ As of March 31, 2020; ² Performance-based includes T&M, Fixed Price, PFI and Cost Plus Award Fee based contracts

Business Description

The Engineering Business Unit (EBU) provides full spectrum engineering and technical solutions across the life cycle of DoD military systems on land, at sea, in the air and in space. Areas of expertise include acquisition, systems engineering and integration, AI/big data applications, cyber, R&D, test and evaluation, C4ISR and sustainment engineering. The outstanding people within EBU are scientists, engineers, aircrew and technical experts. In EBU, 40% are veterans or reservists and 80% hold security clearances.

Core Capabilities



MILITARY AVIATION

Domain expertise spanning more than 40 years in support of more than 35 Navy, Army and Air Force programs including the F-35, the Army Utility Helicopter program, and various unmanned aerial systems. Highlights include delivering full life cycle support to the Navy F/A-18 program and providing program office support to every U.S. Army aircraft and system.



MISSILE DEFENSE

Over 40 years of continuous critical air and missile defense support to include 24/7 network support for the Patriot Program, which protects the interests of the United States and its allies.



CYBERSECURITY

Delivering cybersecurity support for Defense Health Agency facilities globally. Full life cycle cyber capabilities include assessments, certification and verification, information assurance, and developing and deploying state-of-the-art proprietary tools.

Key Factors



3,400
Employees



34
Global
Locations

90%
2020 WUC

\$1.6B¹
Backlog and Options



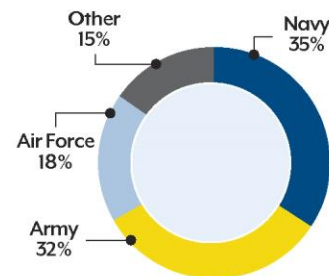
\$782M
2019 Revenue

Competitive Differentiators

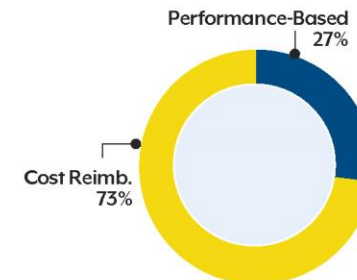
- Defense Technical Information Center IAC MAC contract award and top-tier recipient of tasking among the 15 IAC primes
- The largest independent flight test organization in the world
- Structured systems engineering methodology recognized by INCOSE
- Quality focused with ISO9001:2015, AS9100D and CMMI Level 3 certifications

2019 Revenue Profile

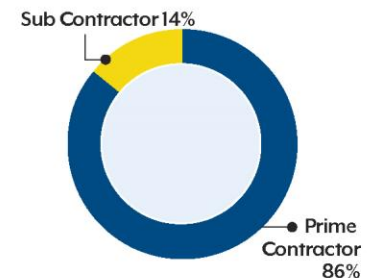
MAJOR CUSTOMERS



CONTRACT TYPE



PRIME/SUB MIX



Business Description

An international business delivering program and technical solutions to government, military and defense organizations across the full program life cycle of defense equipment, systems and capabilities. APAC manages complex acquisition and sustainment programs, military technical training and classified mission planning systems.

Core Capabilities



MAJOR GOVERNMENT & MILITARY SERVICE PROVIDER

Designing and tailoring mission planning systems and IT integration solutions for Australian Defence Force operational environments, as well as project management, engineering and technical support to the Australian Department of Defence maritime, air, land and joint domains.



TECHNICAL TRAINING SUPPORT SERVICES

Development and delivery of accredited technical/trade training to the Royal Australian Navy technical workforce.



NAVAL SHIPBUILDING COLLEGE

Partnering with shipbuilders, education and training providers to identify and grow Australia's naval shipbuilding workforce.

Key Factors


650
Employees


25
Global
Locations

76%
2020 WUC

\$105M¹
Backlog

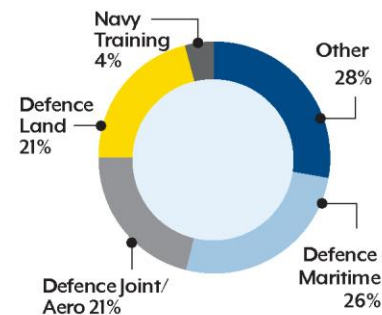

\$93M
2019 Revenue

Competitive Differentiators

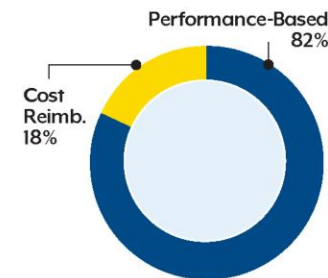
- Asset management and applied integrated logistic support techniques (proprietary tools)
- Solving workforce challenges through modelling, simulation and training technologies that accelerate military workforce job competency and expertise
- Agile processes used to develop and integrate software and hardware systems
- Nationally accredited registered training organization (RTO)

2019 Revenue Profile

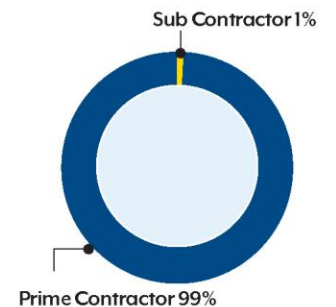
MAJOR CUSTOMERS



CONTRACT TYPE



PRIME/SUB MIX



Business Description

Operating primarily in the United Kingdom (U.K.) and the Middle East, EMEA provides technology-enabled solutions across the defense, nuclear, space and critical national infrastructure spectrum. As a key partner to the U.K. Government supporting strategic, long-term programs, such as army basing and operation, nuclear decommissioning, military flight training and overseas contingency support, EMEA acts as a delivery partner integrating technologies and designing systems into solutions to meet client needs, from crime scene forensics to alternative energy and fuels.

Core Capabilities



P3M

Providing Portfolio, Program and Project Management (P3M) services as part of turnkey solutions or as discrete services to customers to deliver complex or large-scale, integrated solutions for infrastructure or services.



CONTINGENCY AND INTEGRATED LOGISTIC SUPPORT

Supporting military and civilian personnel in operational environments with complete life sustainment services, as well as designing, integrating and supporting key deployable operational infrastructure for the armed forces.



ADVISORY SERVICES

Trusted advisors principally acting as a delivery partner to provide transformational change and utilizing technology to improve performance and reduce cost.

Key Factors



2,100
Employees



10
Global
Locations

90%
2020 WUC

\$7.3B¹
Backlog



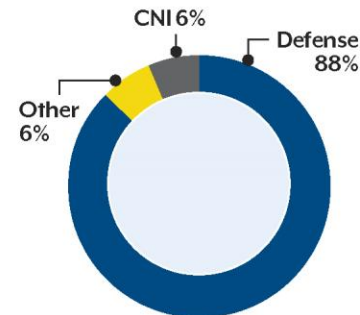
\$780M
2019 Revenue

Competitive Differentiators

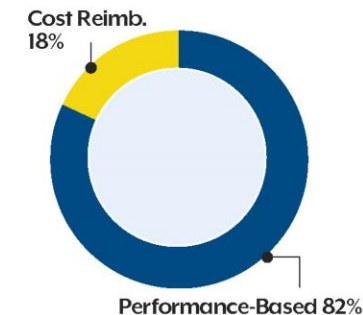
- Technology and equipment agnostic, able to integrate the right solution for our clients
- Unparalleled experience in operating in remote, complex and challenging locations
- Proven collaborative behavioral approach with agile resourcing model
- Demonstrated experience integrating delivery of large scale U.K. Government projects and initiatives with program financing

2019 Revenue Profile

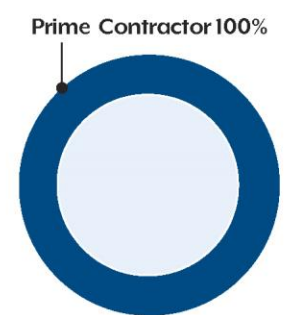
MAJOR CUSTOMERS



CONTRACT TYPE



PRIME/SUB MIX



Business Description

The Logistics Business Unit (LBU) delivers technical, professional solutions across multiple customers within the Department of Defense and commercial entities throughout the life cycle of critical facilities and equipment with diverse and recurring funding streams 24 hours a day, 365 days a year. LBU provides these critical services while delivering operational excellence and prioritizing safety. LBU has set precedence for contractors on the battlefield and, for more than 25 years, has provided advanced logistics and training exercise support to Eastern Europe. Known for excelling in complex and extreme environments, LBU is a trusted partner supporting our clients' missions in meeting some of the world's most pressing challenges.

Core Capabilities



SUSTAINMENT

Long-term sustainment operations in Europe and Africa, expanded into NORTHCOM and INDOPACOM.



PREPOSITIONING

Largest provider of prepositioned stocks to the Department of Defense with materiel on land and afloat around the globe for the U.S. Army and U.S. Marine Corps.



CONTINGENCY

Supporting the Department of Defense, Department of State and coalition forces in contingency environments.

Key Factors



12,000

Employees and Subcontractors



145
Global Locations

>95%
2020 WUC

\$2B¹

Backlog and Options



\$1,335M

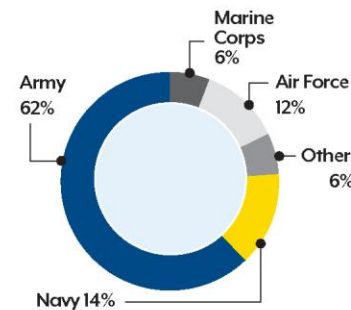
2019 Revenue

Competitive Differentiators

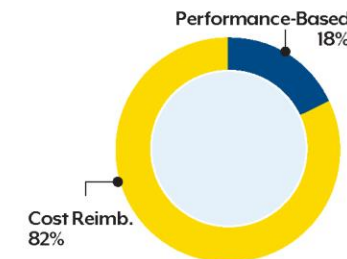
- Blue chip supply chain and advanced logistics capabilities
- Ability to mobilize and respond within 24 hours to our customers' combat and disaster recovery needs
- Preeminent provider of theater opening services in contingency operations
- Expert navigation of foreign legal requirements while meeting U.S. government needs
- More than 20 years as a leading provider of expeditionary support services

2019 Revenue Profile

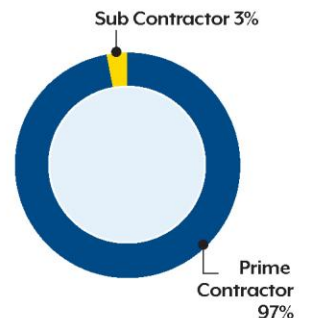
MAJOR CUSTOMERS



CONTRACT TYPE



PRIME/SUB MIX



Business Description

The Space & Mission Solutions (SMS) business unit has worked with every U.S. astronaut since 1968, providing solutions for astronaut training and health, mission and satellite operations, human spaceflight ground control, extravehicular activity support, and more. SMS also monitors seismic activity, biological, chemical and nuclear threats, and provides key ground systems support and mission operations for U.S. Department of Defense and civilian customers.

Core Capabilities



SATELLITE, GROUND SYSTEMS AND SPACE COMMUNICATIONS

Supporting network operations and all phases of the satellite mission life cycle to help enable mission success on groundbreaking projects, such as the James Webb Space Telescope and the Lunar Reconnaissance Orbiter.



HUMAN AND ROBOTIC SPACE SYSTEMS

World leader in human spaceflight and renowned expertise in human and robotic space system design, development, test, launch, and operations.



HEALTH & HUMAN PERFORMANCE

Providing long-term baseline of biomedical and aerospace health and human studies, effects and performance information to include lifetime monitoring of all astronaut crew members and in support of U.S. Special Forces.

Key Factors

3,600
Employees

29
Global
Locations

98%
2020 WUC

\$2.5B¹
Backlog and Options

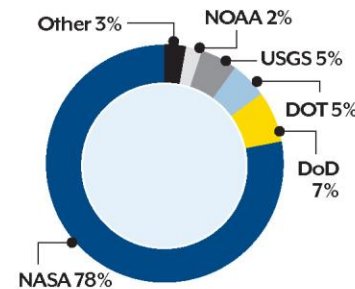
\$863M
2019 Revenue

Competitive Differentiators

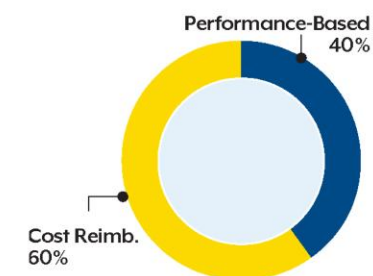
- ❑ Experts in health and human performance research and monitoring for NASA astronauts and U.S. Special Forces
- ❑ Pure-play service provider with non-conflicted and trusted customer intimacy
- ❑ Deep expertise in emerging technologies such as intelligent systems, quantum computing and autonomous transport systems
- ❑ Hyper-scale modeling of land change, including machine learning algorithms to automatically classify land use

2019 Revenue Profile

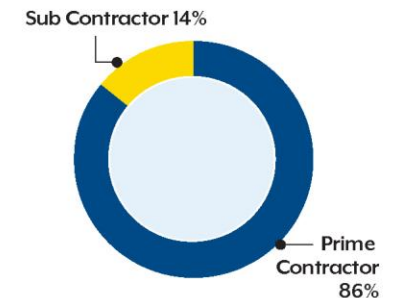
MAJOR U.S. CUSTOMERS



CONTRACT TYPE



PRIME/SUB MIX





Mark Sopp
EVP and Chief Financial Officer





Sustainable Profit
and Cash Outlook

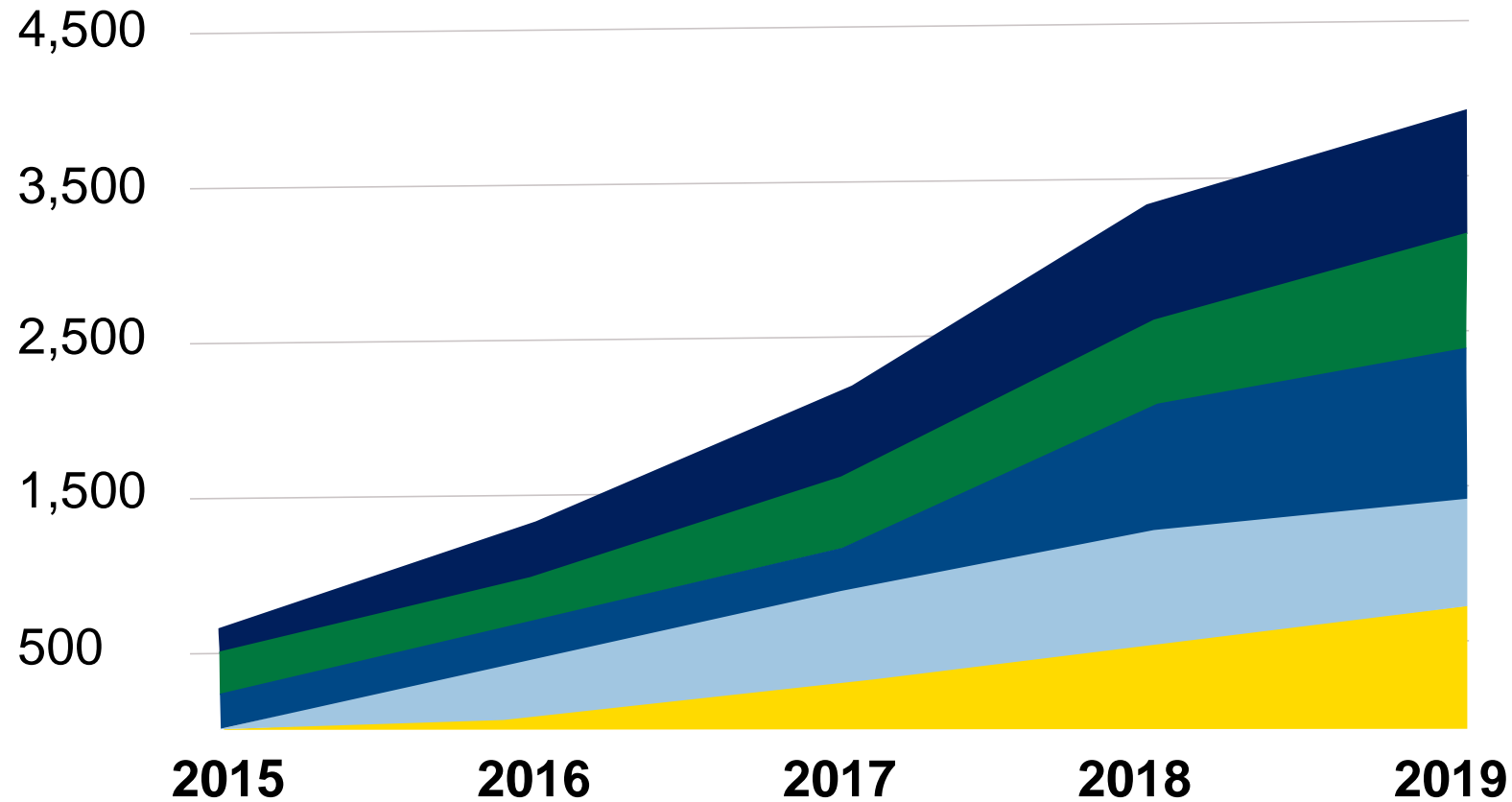


Attractive Investment
Opportunity

KBR — A Compelling Investment Opportunity



Building a \$4B+ Diversified & Sustainable Platform

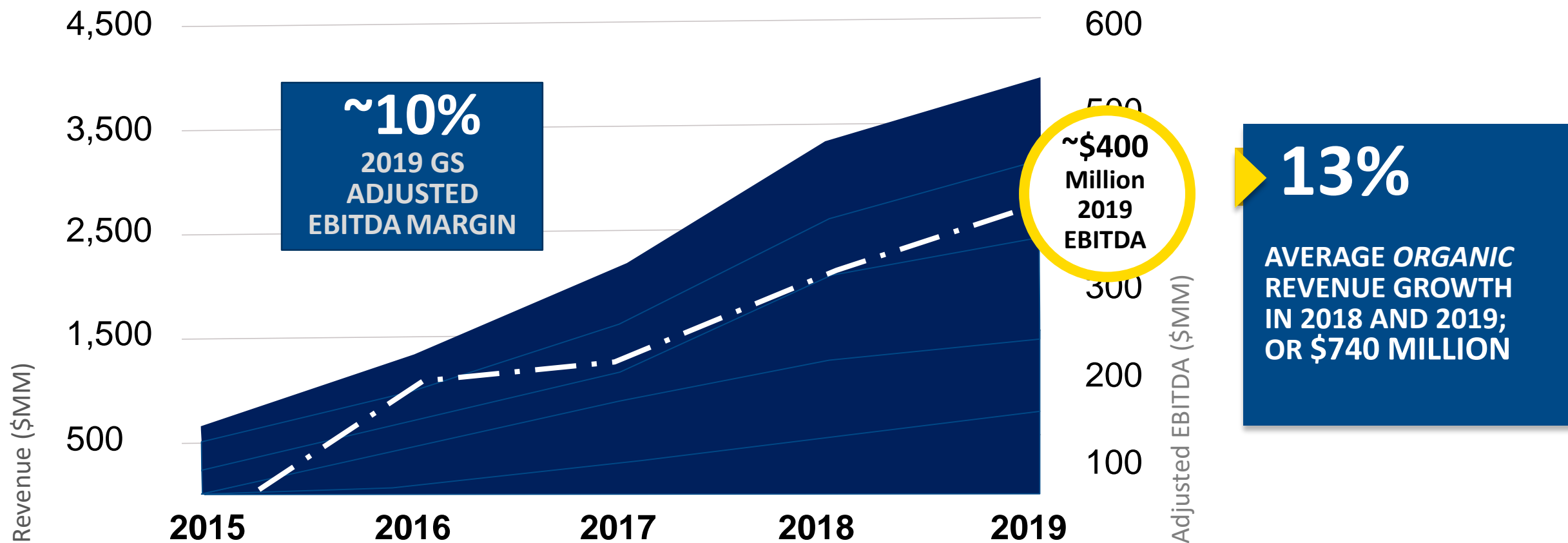


13%

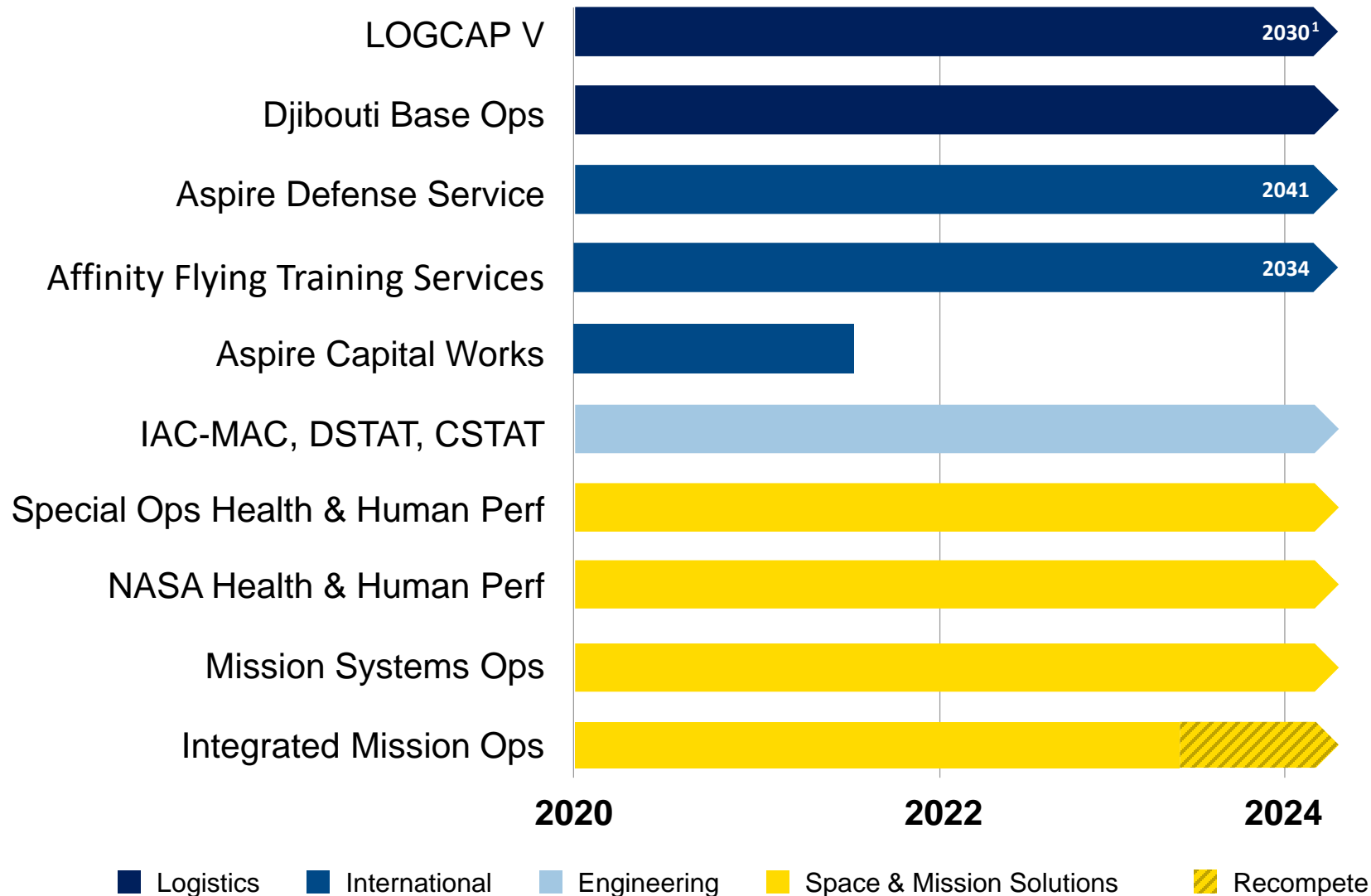
AVERAGE *ORGANIC* REVENUE GROWTH IN 2018 AND 2019; OR \$740 MILLION

■ Space & Mission Solutions ■ Engineering ■ International ■ Sustainment Logistics ■ Contingency Logistics

Building a \$4B+ Diversified & Sustainable Platform



Extended Runway and Contract Tenor



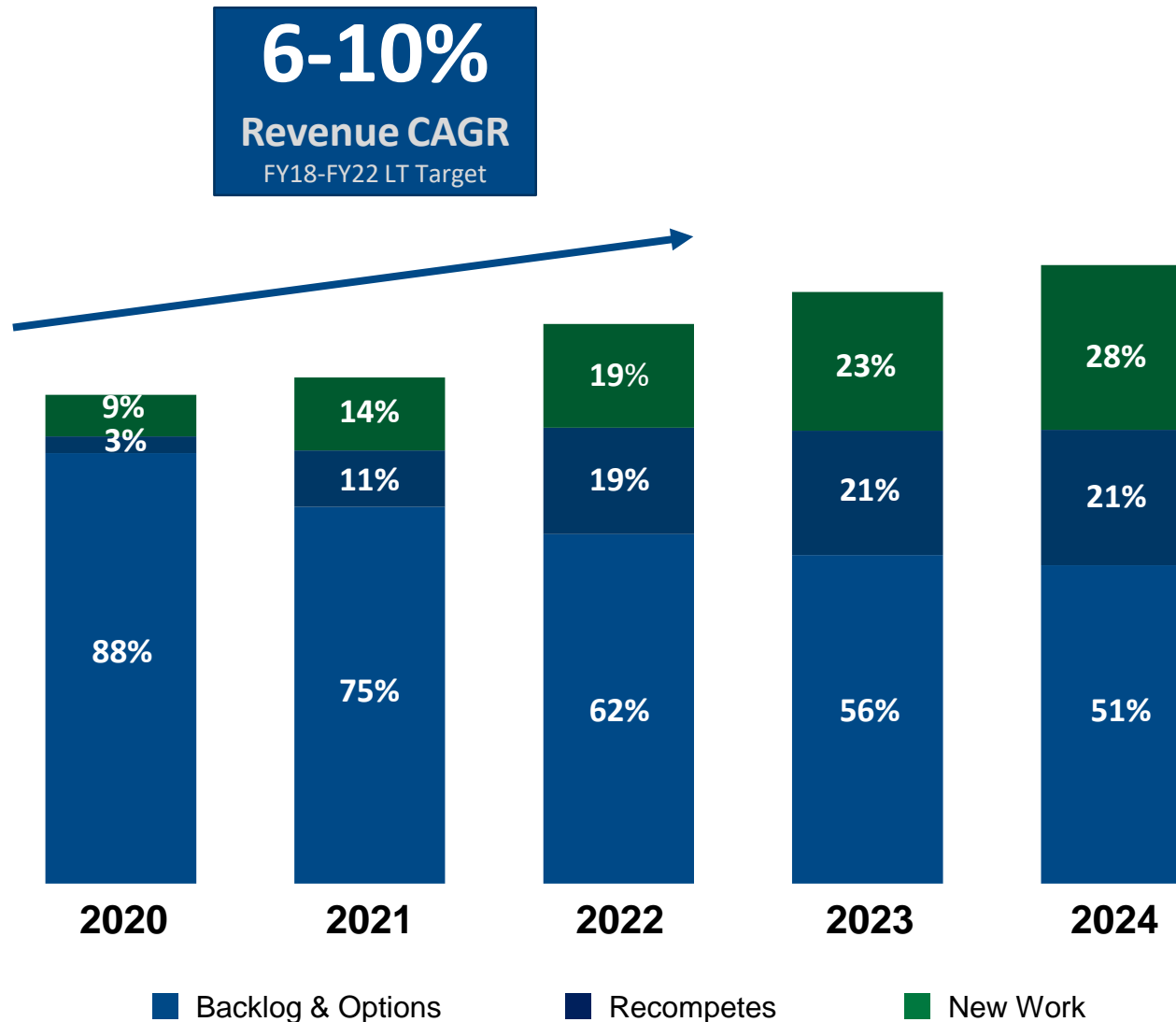
▶ **~50%+**
2020 EBITDA
FROM TOP 10
PROGRAMS

▶ **10 Years**
WEIGHTED AVERAGE
TENOR OF TOP 10
PROGRAMS

Notes:

1) LOGCAP V contract duration, as announced

Strong Visibility in our Book of Business



~80%+
WORK IN BACKLOG,
OPTIONS AND
RECOMPETES
THROUGH 2024

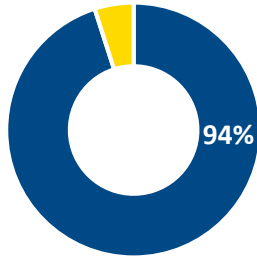
95%+
RECOMPETE
WIN RATE IN
2018 AND 2019

Favorable Portfolio Mix Delivers Healthy Margins



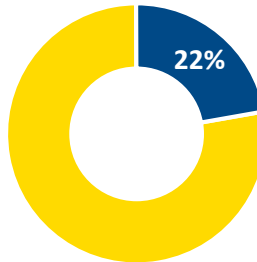
In Control

■ Prime
■ Subcontractor



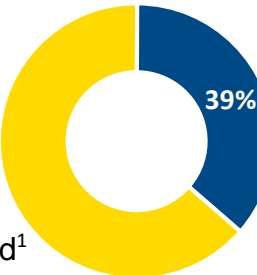
Truly Global

■ International
■ Domestic

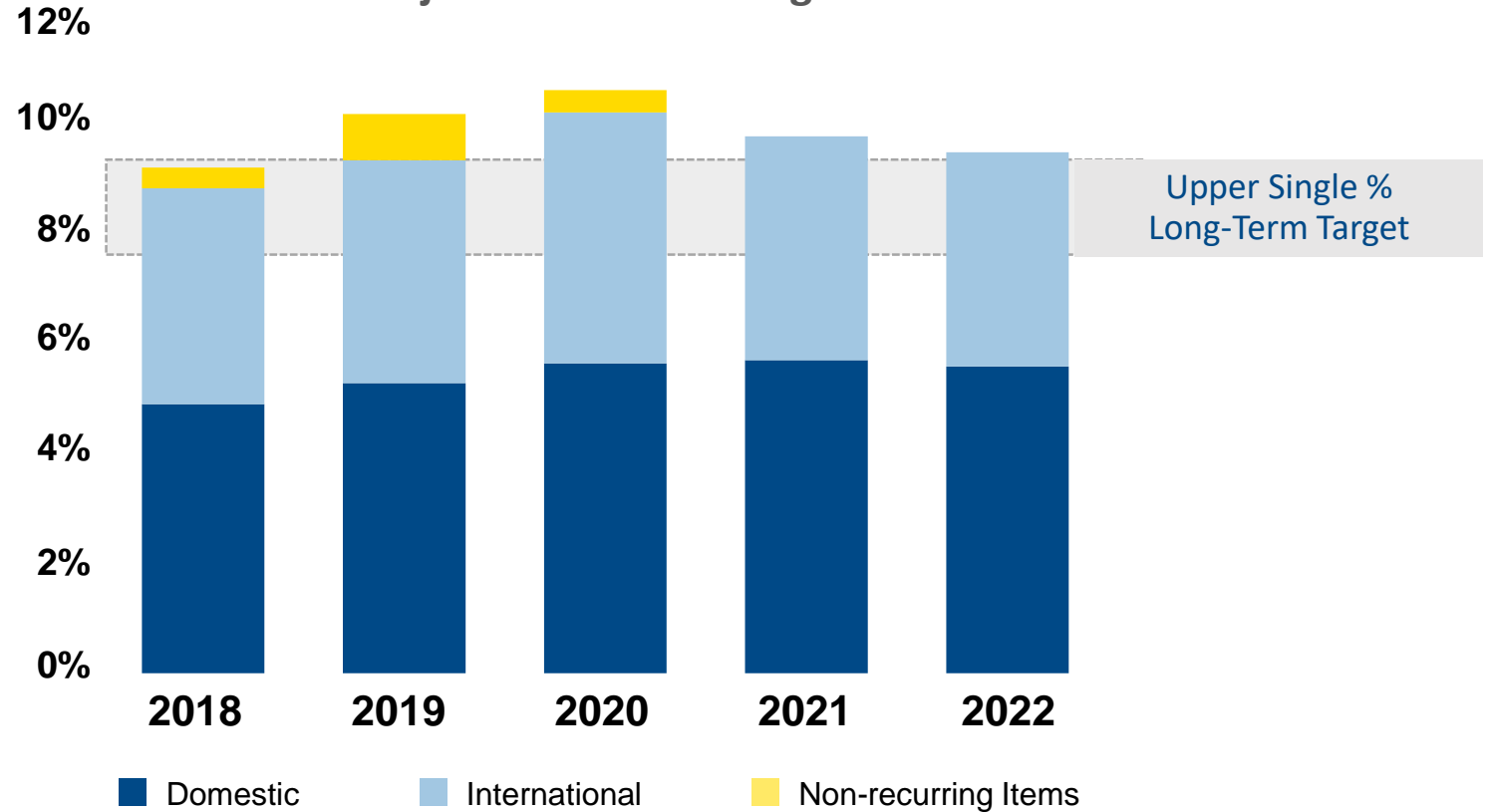


Balanced Performance Mix

■ Performance-Based¹
■ Cost Reimbursable



Adjusted EBITDA Margins

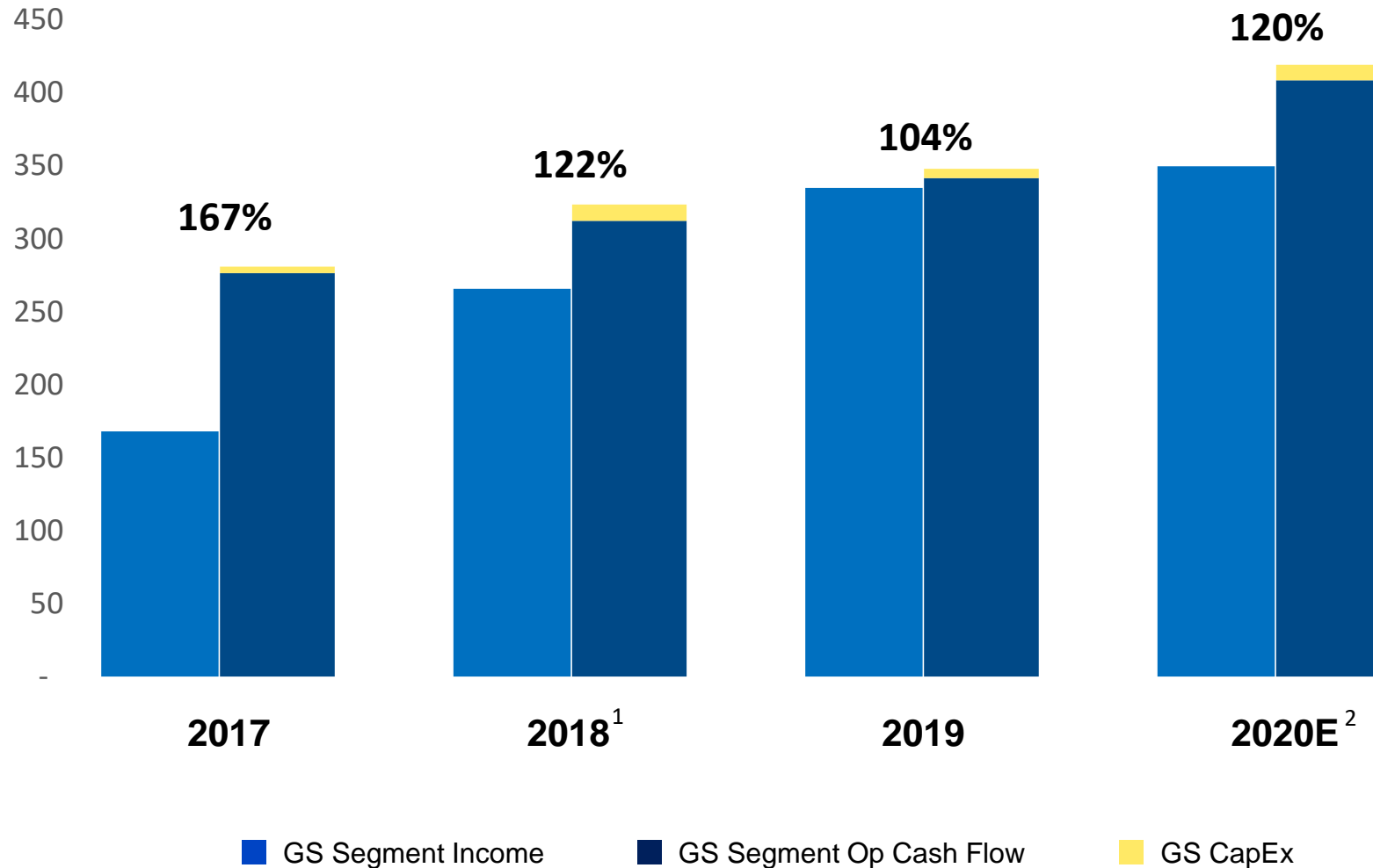


Substantial mix of international and performance-based contracts coupled with strong execution enables attractive margins

Notes:

1) Performance-based includes T&M, Fixed Price, PFI and Cost Plus Award Fee contracts

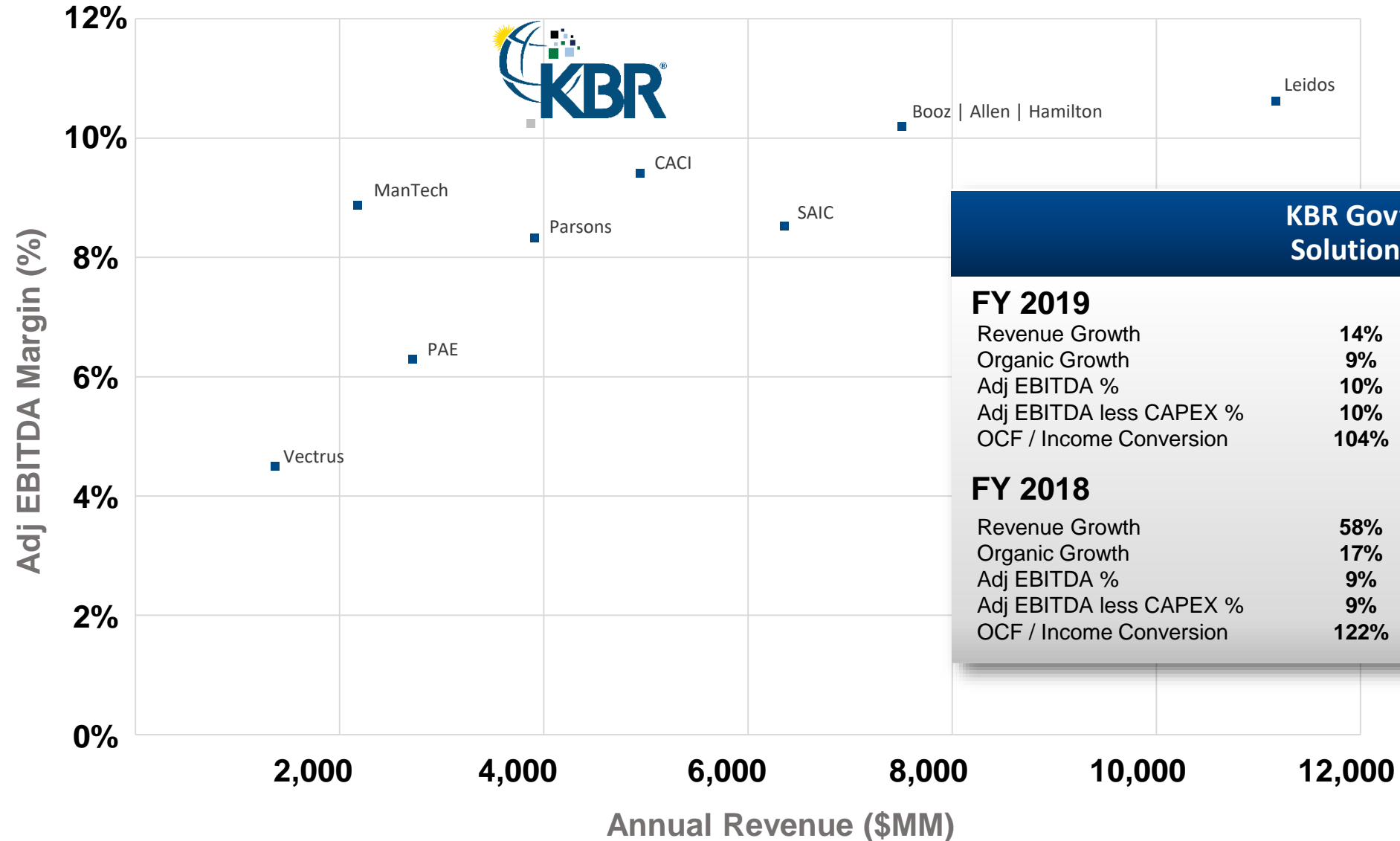
Cash Flow Machine



\$1.3B
GS FREE CASH
CONTRIBUTION
2017-2020E

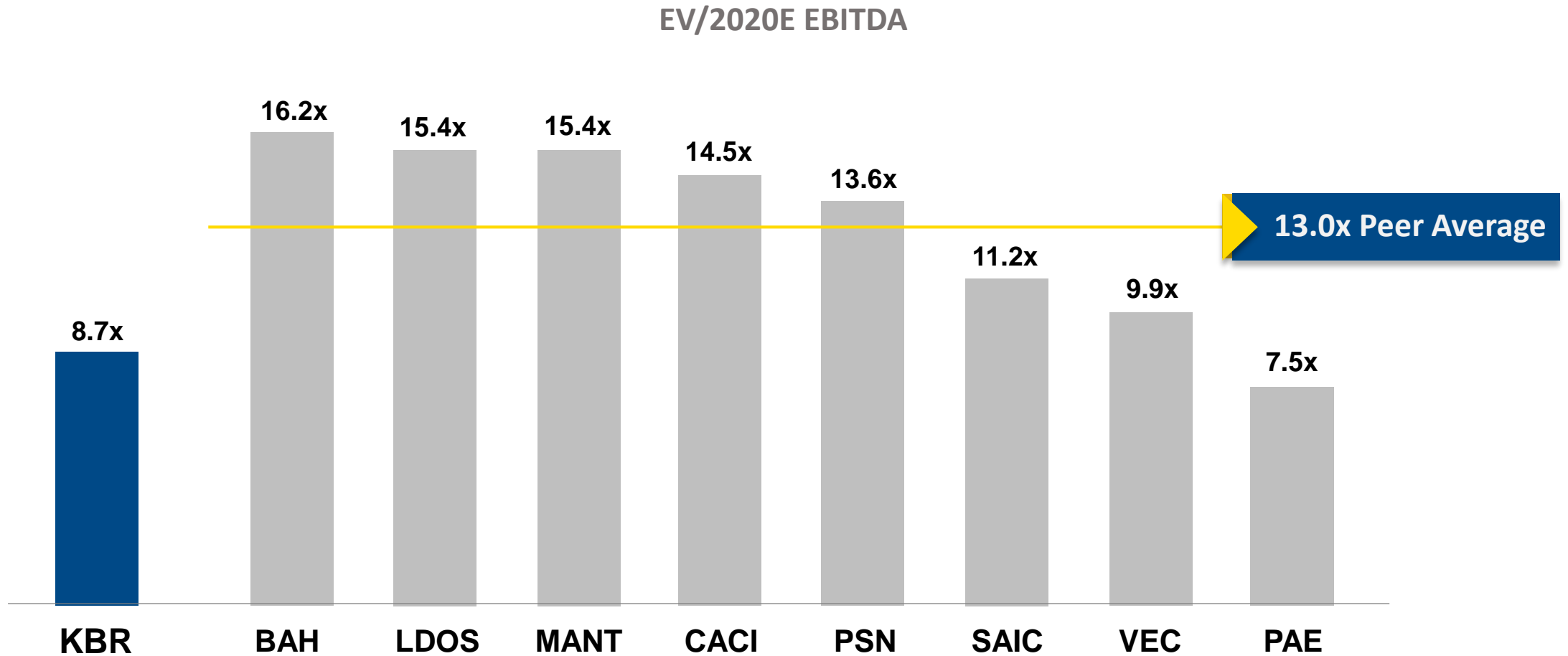
Notes:
1) 2018 Segment Income excludes Aspire Gain on Consolidation
2) 2020E Segment OCF excludes the impact of CARES act temporary tax payment relief of \$36M and Major project advance work-off of \$70M

KBR Delivers Top Tier Financial Performance



	KBR Gov't Solutions	Fed IT Svc Peers
FY 2019		
Revenue Growth	14%	13%
Organic Growth	9%	6%
Adj EBITDA %	10%	8%
Adj EBITDA less CAPEX %	10%	7%
OCF / Income Conversion	104%	162%
FY 2018		
Revenue Growth	58%	9%
Organic Growth	17%	5%
Adj EBITDA %	9%	8%
Adj EBITDA less CAPEX %	9%	7%
OCF / Income Conversion	122%	121%

Compelling Investment Opportunity





Sustainable Profit and Cash Outlook



\$4B diversified, sustainable platform



Track record of organic growth and successful M&A



High impact, LT contracts with extended visibility



Attractive margins and cash flow



Attractive Investment Opportunity



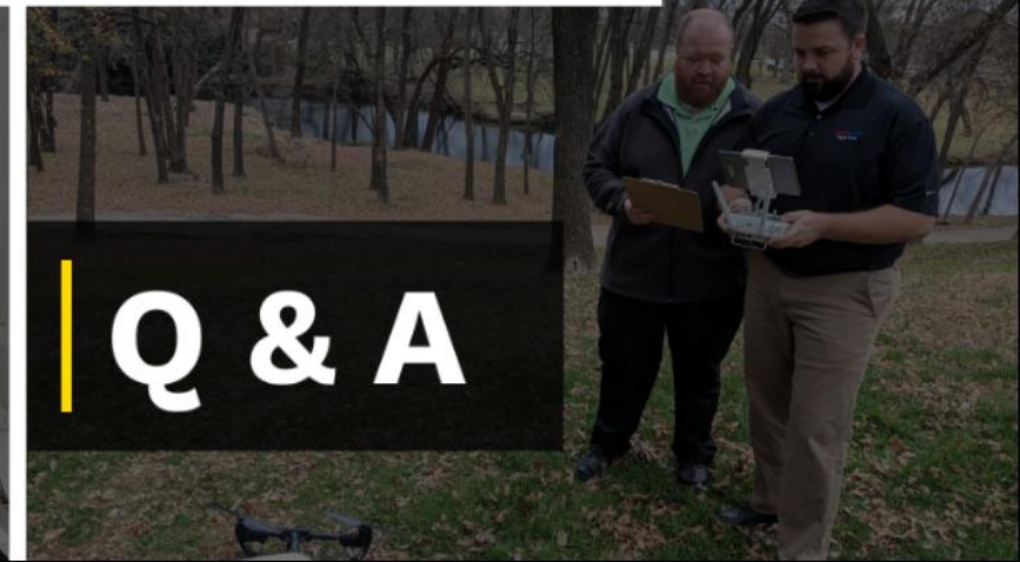
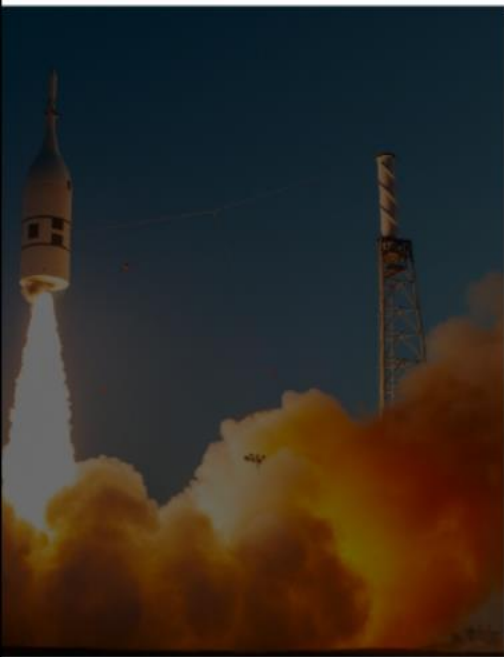
Top Tier Financial Performance



Valuation gap/opportunity

KBR — A Compelling Investment Opportunity







Key Takeaways



KBR is predominantly a **government solutions company** and the announcement today pertaining to E&C risk coming off the table reinforces this fact!



Myth buster – KBR is a **high-end solutions provider** with access to multiple customers and balanced funding sources.



Multiple funding sources – International is a clear differentiator; **great margins and cash flow.**



Strategically positioned in growth vectors.



Tip of the Spear – applied technology in critical operational domains. **Customer stickiness. Minimal budget risk.**



Demonstrated **best in class BD machine** enabling **superior visibility.**



A true team and **high-performance culture.**

Non-GAAP Recon: FY 2015-2019 GS Adjusted EBITDA



	FY15	FY16	FY17	FY18	FY19
Net Income Attributable To Government Solutions	\$ 31	\$ 148	\$ 168	\$ 379	\$ 335
Add Back:					
Interest expense	5	4	4	3	2
Provision for income taxes	0	0	0	0	0
Other non-operating income	(2)	(2)	0	(2)	(5)
Depreciation & amortization	6	16	27	41	58
EBITDA – GS	\$ 40	\$ 166	\$ 199	\$ 421	\$ 390
Add Back:					
Legacy legal fees	12	14	13	11	10
Aspire gain on consolidation	0	0	0	(113)	0
Adjusted EBITDA - GS	\$ 52	\$ 180	\$ 212	\$ 319	\$ 400