

The background of the entire page is a deep blue gradient. Overlaid on this is a complex, abstract network of thin white lines. These lines connect numerous small, bright white dots, creating a web-like or molecular structure that fills the frame. The lines and dots are more concentrated in some areas, creating a sense of depth and connectivity.

JACOBS®

2018 ANNUAL REPORT



What if

What if we showed you how we're solving the world's greatest challenges by transforming intangible ideas into intelligent solutions for a more connected, sustainable world?

At Jacobs, we think differently about the future. We start with “what if” to surface new possibilities and harness deep technical expertise to bring bold solutions to fruition.

Because today's challenges of urbanization, resource scarcity, climate change, digital proliferation and security demand innovative approaches to connect more people and places with the means to live better and work smarter.

Financial Highlights

GAAP Numbers as reported

Dollars in thousands, except per-share information

	2018 <i>September 28</i>	2017 <i>September 29</i>	2016 <i>September 30</i>
Revenues	\$14,984,646	\$10,022,788	\$10,964,157
Operating profit	647,971	392,269	338,598
Net earnings attributable to Jacobs	163,431	293,727	210,463
Per share information:			
Basic EPS	\$ 1.18	\$ 2.43	\$ 1.75
Diluted EPS	1.17	2.42	1.73
Stockholders' equity	42.21	36.78	35.26
Closing year-end stock price	76.50	58.27	51.72
Total assets	\$ 12,645,795	\$ 7,380,859	\$ 7,360,022
Total Jacobs stockholders' equity	5,854,345	4,428,352	4,265,276
Stockholders of record	3,684	989	1,073
Total backlog	27,298,614	19,788,613	18,760,529
Employees	80,800	54,700	54,900

ADJUSTED NET EARNINGS¹



ADJUSTED EARNINGS PER SHARE¹



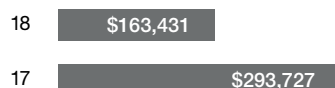
ADJUSTED OPERATING PROFIT¹



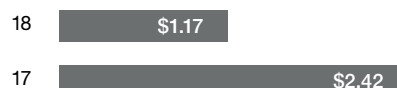
ADJUSTED OPERATING PROFIT MARGIN¹



GAAP NET EARNINGS *in thousands*



GAAP EARNINGS PER SHARE



GAAP OPERATING PROFIT *in thousands*



GAAP OPERATING PROFIT MARGIN



¹ Financials reflect adjusted figures. Refer to GAAP reconciliation tables included in fiscal 2018 earnings press release, available on jacobs.com.

Chair & CEO's Message: 'A Company Like No Other'



NEXT-GENERATION SOLUTIONS PROVIDER

Jacobs' transformation is creating a less cyclical, higher-margin business portfolio and a distinctive company culture.

- We exemplify inclusive, accountable and authentic leadership;
- We challenge the status quo;
- We drive innovation in everything we do;
- Clients recognize Jacobs' unique and differentiated value;
- We steward sustainability at the heart of all we do; and
- Our employees are inspired by rewarding work.

\$15B

Annual revenue
in FY2018

\$3B

In documented
client savings

Fellow shareholders,

Fiscal 2018 marked a breakout year in Jacobs' transformation into the leading, next-generation solutions provider for the world's critical challenges. We outperformed our industry peers, delivering strong growth and profitability; we transformed our portfolio, acquiring CH2M and announcing the divestiture of ECR; we strengthened our operating and innovation capabilities; and we shined a spotlight on our commitment to our people, inclusion and diversity.

We delivered strong financial performance

Jacobs achieved proforma revenue growth of 9% for the year, with full-year adjusted earnings of \$4.47 per share, up 38% year-over-year. Importantly, all three lines of business achieved double-digit growth in adjusted operating profit. And we outperformed industry peers on measures of shareholder value, with a one-year total shareholder return of 33% and a three-year return of 108%, placing Jacobs in the top quartile of our peer group and above S&P 500 comparisons for both periods.

We transformed our portfolio

With the acquisition of CH2M, we broadened our leadership in high value, high growth sustainable solutions such as water and environmental services. We also demonstrated that we could successfully integrate large acquisitions, delivering both cost and revenue synergies.

Our recently announced agreement to divest Jacobs' Energy, Chemicals and Resources (ECR) segment to WorleyParsons for \$3.3 billion reflects an attractive multiple more than 11

times ECR's full-year adjusted EBITDA, while sharpening our focus on higher margin businesses. It also will create additional liquidity to strategically invest in and build upon our full potential as the leading provider of solutions for a more connected, sustainable world.

Through the combination of the acquisition of CH2M and the divestiture of ECR, we have profoundly turned the course of Jacobs' future, and now focus solely on our continuing two lines of business – Aerospace, Technology, Environmental and Nuclear (ATEN) and Buildings, Infrastructure & Advanced Facilities (BIAF). These businesses provide higher-margin growth, focused on accelerating, global demand for innovative, technology-enabled infrastructure and technically complex government services.

We expect this transformed portfolio to create substantial benefits for our employees, customers and shareholders, by unlocking immediate shareholder value through multiple expansion, while also offering greater opportunities to attract and retain the best talent in the business. For our customers, it will enable us to fully focus our resources on innovative and sustainable solutions that yield superior outcomes and returns on their investments.

We strengthened our operating and innovation capabilities

Over the past two years, we have achieved industry-leading excellence in project delivery, sales effectiveness, and overall business performance. We have also built strong global momentum in delivering digitally connected solutions through our Jacobs Connected Enterprise strategy.

“We are winning in the marketplace, capturing attractive growth opportunities for complex work we are uniquely positioned to perform.”

To build on our distinctive thought leadership and our deep technological capabilities, we recently appointed our company’s first Chief Technology and Innovation Officer. He will work with our businesses and our clients to continue to bring ever more innovative, end-to-end solutions to the global challenges our clients face.

We made talent, inclusion and diversity an imperative

Jacobs is the sum talent of more than 80,000 people. In 2018 we put the spotlight on ensuring that Jacobs is an employer of choice in every way: we aspire to be a merit-based organization that is diverse and inclusive; we take on the responsibility to continually recruit and develop the best talent; and we are fostering leadership and innovation. All of which leads to the creation of a ‘company like no other’.

On the subject of talent, with the ECR closing anticipated before mid-calendar year 2019, I would like to thank the 25,000 talented people of ECR for their achievement in executing our strategy over the last three years and wish them further success with WorleyParsons as they create the preeminent firm in the energy, chemicals and resources sector.

Looking to fiscal 2019

While earnings will be initially diluted from the sale of the ECR business, we expect the investments we make

to expand capabilities in our continuing businesses to more than offset that impact. And from a profitable growth perspective, our backlog and sales pipeline remain strong across ATEN and BIAF. With this focused new portfolio, we expect to further improve our profitable growth with faster cash generation.

I want to thank the Jacobs Board of Directors for the highly engaged leadership and vigilant governance they have provided throughout this transformation. And, for all that we have accomplished and have yet to achieve, I cannot overstate my appreciation for our incredibly talented people and the amazing work they do.

As CEO, it is my priority to continue to strengthen our culture of leadership accountability, transparency and inclusion. Together, we are building a new Jacobs; inclusive of diverse people, capabilities and perspectives. We are winning in the marketplace, capturing attractive growth opportunities for complex work we are uniquely positioned to perform. All of which demonstrate a compelling value proposition for current and prospective employees, clients and shareholders.

As always, we remain grateful for your support.

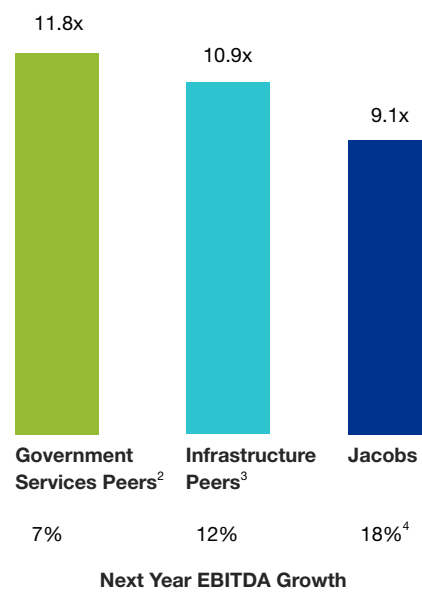


Steve Demetriou
Chair and Chief Executive Officer

Upside in the New Jacobs Portfolio

With our higher expected levels of growth, Jacobs’ new portfolio — aligned to higher-value peers in infrastructure and government services — provides strong shareholder value creation upside.

Next 12 Months Adjusted EBITDA multiples as of October 2018¹



¹ Source – Forward estimates reflect FactSet Consensus.

² Government Services peers include LDOS, CACI, BAH, SAIC, MANT, PRSP. Figures reflect peer averages.

³ Infrastructure peers include TTEK, STN, WSP, ACM. Figures reflect peer averages.

⁴ FactSet figures excluding ECR

Critical Solutions for a More Connected, Sustainable World



Mobility

Digital and transit systems connecting people, places, assets and activities



Intelligence

Digital systems, analytics and intelligence optimizing operations and cyber/civil security



Infrastructure

Integrated systems for resilient communities, from built assets to commercial, social and natural infrastructure

The world needs innovators and problem solvers who turn challenges into greater opportunities. We have an insatiable curiosity about transformative trends challenging the status quo: **Urbanization. Water scarcity. Climate change. Digital proliferation. Security.**

Curious Minds

These issues inspire us to dig deeper and apply big data analytics to fully understand the interplay of multifaceted variables shaping the future, ensuring that we conceive and deliver solutions that connect people and places with the means to work smarter and live better, and make an enduring, positive difference in the world.

Sustainable Outcomes

We measure our success by the sustainable outcomes we achieve for the clients and communities we serve, with a fierce commitment to improve the spaces we inhabit. We transform intangible ideas into intelligent, technology-driven experiences that improve speed and efficiency, while

reducing resource impacts and ultimately enhancing returns on investments.

Delivering More

We deliver highly valued solutions for our clients by applying an unrivaled depth and breadth of capabilities:

- Industry-leading design
- Advanced sciences
- Digital technologies
- Big data analytics
- Program- and construction-management disciplines
- Operations and facilities management services



Water

“One water” supply, treatment, reuse and resiliency



Renewal

Diverse renewables development, delivery and efficiency



Discovery

Research, development, science and future-forward solutions for Earth and beyond



AUTOMATED MOBILITY SOLUTIONS

Harnessing digital intelligence, analytics and automation, we connect vehicles and systems across modes of transportation to mobilize people and commercial goods within and between cities.



INTELLIGENT OPERATIONS

Jacobs' Intelligent Operations Network (ION) harnesses real-time data to help companies increase efficiencies and reduce hazards.



AVERTING CYBER THREATS

Our TITAN™ cyber solutions use powerful analytics to isolate and contain security threats for business, retail and government operations.

Innovation



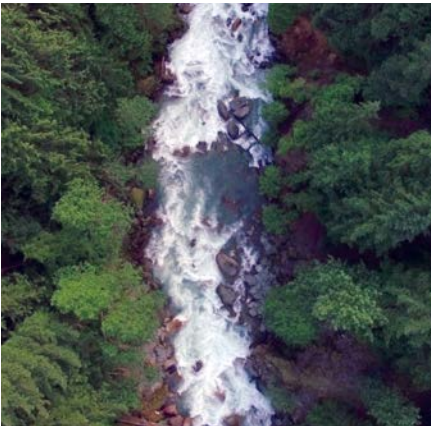
Combining diverse talents with deep client-application experience and digital intelligence enables us to analyze complex problems from multiple perspectives and deliver more complete, higher-value solutions for customers.

In the past year, Jacobs increased delivery of connected enterprise solutions integrating networked monitoring, analytics and cyber engineering to protect and optimize clients' systems and operations in infrastructure, advanced facilities and mission solutions.

In the new year, we will launch innovation centers to extract greater

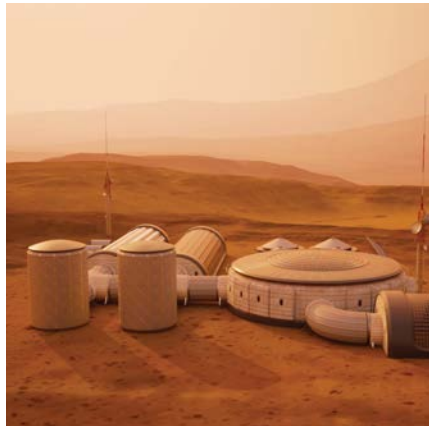
value from technologies of focus for our clients, including:

- **Applied geospatial science** improving stability amidst dynamic conditions;
- **Cybersecurity** solutions to identify and isolate real-time threats;
- **Automated design** solutions for agile adaptation and scalability of systems and operations;
- **Internet of everything**, connecting multi-platform devices and systems, plus 5G and edge computing; and
- **Predictive data analytics** with application to artificial/augmented intelligence and machine learning.



SMART WATER MANAGEMENT

We deliver water management solutions that improve conservation, quality, reclamation and reuse enabled by smart sensors, wireless monitoring and automated response systems.



3D PRINTED HABITATIONS

We are advancing 3D fabrication to create habitable spaces, from future cities to outposts in remote places on Earth and beyond.



CLOUD-ENABLED RESILIENCE

Our game-changing Flood Cloud provides dynamic, on-demand access intelligence to promote resilience against climate threats.

Inclusion & Diversity



Ranked in the top quartile of Forbes' *Best Employers for Diversity*, we continue to advance inclusion and diversity to create an environment where all employees can thrive.

Among 2018 accomplishments we:

- Strengthened the diversity of our Executive Leadership Team, including the appointment of our first female Executive Vice President in company history, and overall executive leadership team diversity at 50%, 40% of whom are female, and 20% of whom reflect diverse ethnic backgrounds.
- Undertook a full pay equity review as part of our annual remuneration review, and prioritized budget for any actions required to address inequity in like-for-like roles.
- Held senior leadership accountable for recruiting diverse candidates, both internally and externally. And in fiscal 2019, we are instituting inclusion and diversity goals among culture-based leadership metrics in annual compensation for the company's senior leadership team.
- Empowered employees to share feedback with our leaders when they see opportunities for improvement.
- Launched conscious inclusion training and are extending to all employees over the next year.
- Improved our talent management and development process to ensure opportunities for training, development and career advancement are distributed fairly across the company.



Commitment to Inclusion & Diversity

With seven active, passionate employee networks representing more than 23,000 employees, we're celebrating inclusion and diversity more than ever before.



Careers
Network



VetNet



Prism



Women's
Network



OneWorld



Harambee



Enlace

58%

Safety improvement
since 2007

1000+

Positive Mental Health
Champions trained

37M+

Tons of carbon
eliminated

16%

Reduction in motor
vehicle incidents

23B

Gallons of wastewater
saved for clients

499K

Tons of material recycled

Safety & Sustainability



We are inspired to lead safety and make a positive environmental, societal and economic difference around the world.

Our Culture of Caring

Our safety performance is enduring, industry leading and world-class.

BeyondZero® is our program that promotes safety and a culture of caring beyond the workplace and our immediate workforce, extending to all of the people and places we influence, everywhere and every day.

And more importantly, we continued to demonstrate safety excellence with another year of zero employee fatalities at work, as well as a total recordable injury rate of 0.19 per 200,000 hours worked, versus the industry's most recently reported aggregate rate of 0.22.

Examples of our culture of caring in practice over the past year also include industry-leading progress in mental health and risk management programs.

In April 2018, Jacobs received a Gold Award in the Mind Workplace Wellbeing Index, recognizing our efforts embedding mental health into our policies and practices, demonstrating our long-term commitment to the mental wellness of our employees.

Sustainable Impact

Through our PlanBeyond program, we are inspired to make a positive environmental, societal and economic difference for businesses, governments and communities around the world — from the way we operate our business, to the work we perform with clients and other organizations.

Among many organizations we support, Jacobs made contributions to the Global STEM Alliance and Engineers without Borders in 2018 to celebrate the integration of CH2M. We continued our partnership with Water For People, with company and employee contributions exceeding the annual campaign fundraising goal of \$250,000.

Guided by the United Nations Sustainable Development Goals, we advance innovations that improve energy efficiency, resilience, conservation, reuse and reclamation of vital air, land and water resources.

In the past year, we reduced carbon emissions by more than 37 million tons, equivalent to a full year's energy use by four million homes. In addition, the former CH2M business exceeded its five-year commitment to reduce greenhouse gas emissions by 25%, ultimately achieving a 29% reduction since 2012.

Our PlanBeyond strategy is guided by the United Nations Sustainable Development Goals



Among additional stats and examples:

- We launched the quarterly CFO Sustainability Award program, recognizing and rewarding individuals and teams that contribute to a sustainable future through innovative thinking and smart actions.
- With infrastructure clients for whom we provide operations and facilities management services, we saved 5,074,759 kWh of electricity, and 23 billion gallons of wastewater.
- For a large-scale air terminal client, we delivered improvements that generated more than \$700,000 in savings, while eliminating 15,863 tons of CO₂ emissions.
- We piloted a mobile app to reduce paper consumption and boost productivity, sparking broader implementation converting 35,830 forms from paper to electronic documents.
- We launched an effort to reduce single-use plastic consumption that eliminated 400,000 disposable plastic gloves from the waste stream across multiple client sites.

Leadership

Executive Leadership Team



Steve Demetriou
Chair of the Board &
Chief Executive Officer



Kevin Berryman
Executive Vice President,
Chief Financial Officer



Joanne Caruso
Executive Vice President,
Chief Legal &
Administrative Officer



Terry Hagen
Chief Operating Officer &
President – Aerospace,
Technology, Environmental
and Nuclear



Bob Pragada
Chief Operating Officer &
President – Buildings,
Infrastructure and
Advanced Facilities



Madhuri Andrews
Senior Vice President,
Chief Information Officer



Alan Dick
Senior Vice President, Global
Business Services &
Organizational Excellence



Shelie Gustafson
Senior Vice President, Chief
Human Resources Officer



Marietta Hannigan
Senior Vice President,
Chief Strategy &
Communications Officer



Darren Kraabel
Senior Vice President,
Chief Technology &
Innovation Officer

Board of Directors



Steve Demetriou
Chair of the Board &
Chief Executive Officer



Joseph R. Bronson
Director
Principal & Chief Executive
Officer Bronson Group, LLC
Strategic Advisor
Cowen and Company



**Juan José
Suárez Coppel**
Director
Former General Director
(Chief Executive Officer)
Petróleos Mexicanos



**Robert C.
Davidson, Jr.**
Director
Former Director, Chairman &
Chief Executive Officer
Surface Protection
Industries, Inc.



**General Ralph E.
Eberhart (USAF,
Retired)**
Director
Director, Chairman &
President
Armed Forces
Benefit Association



Dawne S. Hickton
Director
Former Director, Vice
Chair, President & Chief
Executive Officer
RTI International
Metals, Inc.



Linda Fayne Levinson
Director
Former Partner
GRP Partners



Robert A. McNamara
Director
Retired Group Chief
Risk Officer
Lendlease Corporation (ASX)



Peter J. Robertson
Director
Former Director &
Vice Chairman
Chevron Corporation



**Christopher M.T.
Thompson**
Lead Independent Director
Former Chairman &
Chief Executive Officer
Gold Fields Ltd.



Barry Williams
Director
Retired Managing
General Partner
Williams Pacific
Ventures, Inc.

Noel Watson, 1936-2018

REMEMBERING NOEL WATSON

We honor the memory of former Jacobs Chairman and CEO Noel Watson, who passed away in August 2018 at the age of 82. A great mentor and friend to many, Noel was a larger-than-life leader; a man of character who brought tireless passion, perspective and wisdom to his work.

Recruited by company founder Dr. Joseph Jacobs, Noel served the firm for more than 50 years, including more than 25 years at the helm of the company. He became President in 1987, CEO in 1992, was elected Chairman of the Board in 2006 and retired from the Board in January 2017. During his tenure as CEO, Noel steered the company's growth seven-fold, from \$1 billion to more than \$7 billion in revenues, with corresponding profit increases.

Foremost, Noel was a dedicated and loving husband, father and grandfather. He is survived by his wife, Phyllis, their two children and five grandchildren.



"If this were ancient times, we'd be building the pyramids... The projects we are involved in today are the modern-day equivalent of those wonders."

Noel Watson
Former Jacobs Chairman and CEO

ABOUT JACOBS

With \$15 billion in fiscal 2018 revenue and a talent force of more than 80,000, Jacobs provides a full spectrum of services including scientific, technical, professional and construction- and program-management for business, industrial, commercial, government and infrastructure sectors. For more information, visit www.jacobs.com, and connect with Jacobs on LinkedIn, Twitter, Facebook and Instagram.



FORWARD-LOOKING STATEMENTS

Statements made in this annual report that are not based on historical fact are forward-looking statements. We base these forward-looking statements on management's current estimates and expectations as well as currently available competitive, financial and economic data. Forward-looking statements, however, are inherently uncertain. There are a variety of factors that could cause actual results to differ materially from our forward-looking statements. For a description of additional factors that could cause actual results to differ from our forward-looking statements please refer to our Form 10-K for the fiscal year ended September 28, 2018, and in particular the discussions contained under Items 1 - Business, 1A - Risk Factors, 3 - Legal Proceedings, and 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations. We do not undertake to update any forward-looking statements made herein.



As part of Jacobs' sustainability initiatives, this document is printed on paper that is FSC Certified, Mixed Sources; contains 20 percent post-consumer-recovered fiber; and was produced using electricity generated from renewable resources, such as wind, hydro, and biogas. All inks are soy-based.

JACOBS®



1999 Bryan Street, Suite 1200
Dallas, Texas 75201 USA

+1.214.638.0145 | www.jacobs.com