

Unaudited Investors Report (\$ in Thousands, Except Per Share Data)	2019	2020	2021					2022		
	Total	Total	1st Qtr	2nd Qtr	6 mos	3rd Qtr	9 mos	4th Qtr	Total	1st Qtr
REVENUE - ADJUSTED (1)	3,122,590	2,994,693	765,104	754,294	1,519,398	801,490	2,320,887	892,012	3,212,899	858,510
REVENUE, NET OF SUBCONTRACTOR COSTS ["Net Revenue" (2)]										
Government Services Group (GSG) (7)	1,146,947	1,117,464	304,632	310,050	614,682	315,130	929,812	335,961	1,265,772	327,095
Commercial / International Services Group (CIG) - Adjusted (1)	1,259,175	1,231,131	300,539	289,240	589,779	322,860	912,638	373,172	1,285,811	352,238
NET REVENUE - ADJUSTED (1)	2,406,122	2,348,595	605,170	599,290	1,204,460	637,990	1,842,450	709,133	2,551,583	679,333
Remediation and Construction Management (RCM) / Claims	(16,485)	(23)	-	535	535	54	588	-	588	-
OTHER COSTS OF REVENUE - ADJUSTED (1) (3) (6)	1,967,396	1,902,381	488,866	486,812	975,678	512,294	1,487,972	565,222	2,053,194	543,928
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES - ADJUSTED (1) (3)	198,195	202,987	50,015	51,901	101,916	55,858	157,775	65,186	222,961	52,636
ACQUISITION AND INTEGRATION EXPENSES	10,351	-	-	-	-	-	-	-	-	-
PURCHASE ACCOUNTING / NON-CORE DISPOSITIONS (GAINS)	21,785	(6,096)	37	(230)	(193)	31	(162)	(3,111)	(3,273)	-
INCOME FROM OPERATIONS, AS REPORTED	188,762	241,092	66,252	60,807	127,059	69,807	196,865	81,836	278,701	87,220
INCOME FROM OPERATIONS - ADJUSTED (1) (2) (3) (6)	240,531	243,227	66,289	60,577	126,866	69,838	196,703	78,725	275,428	82,769
GSG	166,043	147,784	42,695	41,473	84,169	44,323	128,491	46,264	174,755	48,152
CIG	123,498	134,615	34,564	30,947	65,509	37,021	102,531	47,760	150,292	43,973
Corporate (4)	(49,010)	(39,172)	(10,970)	(11,843)	(22,812)	(11,506)	(34,319)	(15,299)	(49,619)	(9,356)
RCM / Claims	(19,633)	-	-	-	-	-	-	-	-	-
OPERATING MARGIN - ADJUSTED [% of Net Revenue] (1) (2) (3) (6)	10.0%	10.4%	11.0%	10.1%	10.5%	10.9%	10.7%	11.1%	10.8%	12.2%
GSG	14.5%	13.2%	14.0%	13.4%	13.7%	14.1%	13.8%	13.8%	13.8%	14.7%
CIG	9.8%	10.9%	11.5%	10.7%	11.1%	11.5%	11.2%	12.8%	11.7%	12.5%
Interest Expense	13,626	13,100	3,026	2,823	5,849	2,737	8,585	3,245	11,831	2,904
INCOME BEFORE INCOME TAX EXPENSE	175,136	227,991	63,226	57,984	121,210	67,070	188,280	78,591	266,870	84,316
Income Tax Expense (Benefit)	16,375	54,101	10,778	12,457	23,233	15,146	38,380	(4,340)	34,039	15,817
NET INCOME ATTRIBUTABLE TO TETRA TECH	158,668	173,859	52,436	45,517	97,953	51,903	149,856	82,954	232,810	68,489
DILUTED AVERAGE SHARES	55,936	55,022	54,637	54,736	54,715	54,666	54,698	54,597	54,675	54,577
DILUTED EPS ATTRIBUTABLE TO TETRA TECH, AS REPORTED	\$ 2.84	\$ 3.16	\$ 0.96	\$ 0.83	\$ 1.79	\$ 0.95	\$ 2.74	\$ 1.52	\$ 4.26	\$ 1.25
ADJUSTED DILUTED EPS (1) (2) (3) (5) (6)	\$ 3.17	\$ 3.26	\$ 0.96	\$ 0.83	\$ 1.79	\$ 0.95	\$ 2.74	\$ 1.05	\$ 3.79	\$ 1.19
ADJUSTED EBITDA (1) (2) (3) (6)	269,175	267,809	72,515	65,852	138,367	75,103	213,470	85,742	299,212	88,870
ADJUSTED EBITDA MARGIN [% of Net Revenue]	11.2%	11.4%	12.0%	11.0%	11.5%	11.8%	11.6%	12.1%	11.7%	13.1%
DAYS IN SALES OUTSTANDING	77.6	67.7	67.3	64.9	64.9	64.6	64.6	63.3	63.3	61.0
CASH FLOW FROM OPERATIONS	208,513	262,479	33,180	124,244	157,424	69,114	226,538	77,834	304,372	82,419
CAPITAL EXPENDITURES	16,198	12,245	1,795	2,502	4,297	1,937	6,234	2,339	8,573	1,518
Y/Y ADJUSTED NET REVENUE GROWTH % (1) (2)	8.9%	(2.4%)	(1.4%)	2.5%	0.5%	13.9%	4.8%	20.2%	8.6%	12.3%
GSG	12.4%	(2.6%)	7.3%	11.4%	9.3%	15.7%	11.4%	18.8%	13.3%	7.4%
CIG	6.0%	(2.2%)	(8.9%)	(5.5%)	(7.3%)	12.1%	(1.2%)	21.5%	4.4%	17.2%
NET REVENUE % BY CLIENT TYPE - ADJUSTED										
International	30%	32%	31%	31%	31%	34%	32%	34%	32%	34%
U.S. Commercial	24%	24%	22%	21%	22%	21%	22%	22%	22%	21%
U.S. Federal Government	28%	30%	31%	31%	31%	29%	30%	28%	30%	27%
U.S. State & Local Government	18%	14%	16%	17%	16%	16%	16%	16%	16%	18%
NET REVENUE % BY CONTRACT TYPE - ADJUSTED										
Fixed-Price	34%	36%	34%	36%	36%	37%	36%	39%	37%	39%
Time-and-Materials	50%	49%	49%	49%	49%	49%	49%	48%	49%	48%
Cost-Plus	16%	15%	17%	15%	15%	14%	15%	13%	14%	13%
BACKLOG	3,091,857	3,239,285	3,188,061	3,150,177	3,150,177	3,249,908	3,249,908	3,480,254	3,480,254	3,448,286

(1) Excludes Remediation and Construction Management, non-cash claim settlements

(2) Non-GAAP financial measure. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures, please visit tetratech.com/investor-presentations.html

(3) Excludes purchase accounting and non-core dispositions, and acquisition and integration expenses

(4) Corporate costs not allocable to the segments (e.g., acquisition costs, amortization expense, stock option expense, etc.)

(5) Excludes non-recurring tax benefits

(6) Excludes non-recurring COVID-19 related costs / benefits

(7) U.S. High Performance Buildings reclassified from GSG to CIG

Tetra Tech, Inc.
Regulation G Information
January 2, 2022

Reconciliation of Revenue to Revenue, Net of Subcontractor Costs ("Net Revenue")
(in millions)

	2019	2020	2021						Total	2022
			1st Qtr	2nd Qtr	6 mos	3rd Qtr	9 mos	4th Qtr		1st Qtr
Consolidated										
Revenue (As Reported)	3,107.3	2,994.9	765.1	754.8	1,519.9	801.6	2,321.5	892.0	3,213.5	858.5
RCM / Non-Cash Claims	15.2	(0.2)	-	(0.5)	(0.5)	(0.1)	(0.6)	-	(0.6)	-
Adjusted Revenue	3,122.5	2,994.7	765.1	754.3	1,519.4	801.5	2,320.9	892.0	3,212.9	858.5
Adjusted Subcontractor Costs	(716.4)	(646.1)	(159.9)	(155.0)	(314.9)	(163.5)	(478.4)	(182.9)	(661.3)	(179.2)
Adjusted Net Revenue	2,406.1	2,348.6	605.2	599.3	1,204.5	638.0	1,842.5	709.1	2,551.6	679.3
GSG Segment										
Revenue	1,620.7	1,578.3	424.6	432.6	857.2	444.3	1,301.5	471.4	1,772.9	456.1
Subcontractor Costs	(473.8)	(460.8)	(120.0)	(122.5)	(242.5)	(129.1)	(371.7)	(135.5)	(507.1)	(129.0)
Adjusted Net Revenue	1,146.9	1,117.5	304.6	310.1	614.7	315.2	929.8	335.9	1,265.8	327.1
CIG Segment										
Revenue	1,544.8	1,471.1	356.6	335.4	692.0	372.7	1,064.7	435.4	1,500.1	416.3
Non-Cash Claims	13.7	-	-	-	-	-	-	-	-	-
Adjusted Revenue	1,558.5	1,471.1	356.6	335.4	692.0	372.7	1,064.7	435.4	1,500.1	416.3
Subcontractor Costs	(299.3)	(240.0)	(56.0)	(46.2)	(102.2)	(49.9)	(152.0)	(62.2)	(214.3)	(64.0)
Adjusted Net Revenue	1,259.2	1,231.1	300.6	289.2	589.8	322.8	912.7	373.2	1,285.8	352.3
RCM Segment										
Revenue	(1.5)	0.2	-	0.5	0.5	0.1	0.6	-	0.6	-
Subcontractor Costs	(1.3)	(0.2)	-	0.1	0.1	(0.1)	-	-	-	-
Net Revenue	(2.8)	-	-	0.6	0.6	-	0.6	-	0.6	-

Reconciliation of Net Income Attributable to Tetra Tech to EBITDA
(in thousands)

	2019	2020	2021						Total	2022
			1st Qtr	2nd Qtr	6 mos	3rd Qtr	9 mos	4th Qtr		1st Qtr
Net Income Attributable to Tetra Tech	158,668	173,859	52,436	45,517	97,953	51,903	149,856	82,954	232,810	68,489
Interest Expense ¹	13,626	13,100	3,026	2,823	5,849	2,737	8,586	3,245	11,831	2,904
Depreciation ²	17,285	13,017	2,882	3,073	5,955	3,070	9,026	3,311	12,337	3,433
Amortization ²	11,559	11,594	3,356	2,213	5,569	2,216	7,785	3,683	11,468	2,678
Contingent Consideration	3,085	(13,371)	37	(230)	(193)	31	(162)	(3,111)	(3,273)	-
Goodwill Impairment	7,755	15,800	-	-	-	-	-	-	-	-
Income Tax Expense (Benefit)	16,375	54,101	10,778	12,456	23,234	15,146	38,379	(4,340)	34,039	15,817
EBITDA	228,353	268,100	72,515	65,852	138,367	75,103	213,470	85,742	299,212	93,321
Acquisition & Integration Expenses	10,351	-	-	-	-	-	-	-	-	-
Non-Core Dispositions	10,945	(8,524)	-	-	-	-	-	-	-	-
RCM / Non-Cash Claims	19,526	-	-	-	-	-	-	-	-	-
COVID-19 Charges (Credits)	-	8,233	-	-	-	-	-	-	-	(4,451)
Adjusted EBITDA	269,175	267,809	72,515	65,852	138,367	75,103	213,470	85,742	299,212	88,870

¹ Includes amortization of deferred financing fee

² Varies slightly from the Statements of Cash Flows, which includes amortization of deferred financing fee

Tetra Tech, Inc.
Updated Segment Reporting - Fiscal 2021
Reclassifies U.S. High Performance Buildings from GSG to CIG
(unaudited - in thousands)

GSG

	<u>Q1 FY21</u>	<u>Q2 FY21</u>	<u>Q3 FY21</u>	<u>Q4 FY21</u>	<u>FY21</u>
Net revenue - Prior	\$ 344,918	\$ 347,085	\$ 355,949	\$ 372,422	\$ 1,420,374
Reclass	<u>(40,286)</u>	<u>(37,035)</u>	<u>(40,819)</u>	<u>(36,461)</u>	<u>(154,601)</u>
Net revenue - Current	304,632	310,050	315,130	335,961	1,265,773
Operating income - Prior	47,700	46,109	49,297	52,191	195,297
Reclass	<u>(5,005)</u>	<u>(4,636)</u>	<u>(4,974)</u>	<u>(5,927)</u>	<u>(20,542)</u>
Operating income - Current	42,695	41,473	44,323	46,264	174,755

CIG

	<u>Q1 FY21</u>	<u>Q2 FY21</u>	<u>Q3 FY21</u>	<u>Q4 FY21</u>	<u>FY21</u>
Net revenue - Prior	\$ 260,252	\$ 252,205	\$ 282,041	\$ 336,711	\$ 1,131,209
Reclass	<u>40,286</u>	<u>37,035</u>	<u>40,819</u>	<u>36,461</u>	<u>154,601</u>
Net revenue - Current	300,538	289,240	322,860	373,172	1,285,810
Operating income - Prior	29,559	26,311	32,047	41,833	129,750
Reclass	<u>5,005</u>	<u>4,636</u>	<u>4,974</u>	<u>5,927</u>	<u>20,542</u>
Operating income - Current	34,564	30,947	37,021	47,760	150,292

Tetra Tech, Inc.
Consolidated Balance Sheets
(unaudited - in thousands, except par value)

	<u>January 2, 2022</u>	<u>October 3, 2021</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 205,542	\$ 166,568
Accounts receivable, net	696,586	668,998
Contract assets	98,439	103,784
Prepaid expenses and other current assets	103,266	112,338
Income taxes receivable	9,567	14,260
Total current assets	<u>1,113,400</u>	<u>1,065,948</u>
Property and equipment, net	35,428	37,733
Right-of-use assets, operating leases	212,018	215,422
Investments in unconsolidated joint ventures	3,893	3,282
Goodwill	1,123,060	1,108,578
Intangible assets, net	36,535	37,990
Deferred tax assets	58,876	54,413
Other long-term assets	57,246	53,196
Total assets	<u>\$ 2,640,456</u>	<u>\$ 2,576,562</u>
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 142,847	\$ 128,767
Accrued compensation	166,002	206,322
Contract liabilities	219,519	190,403
Short-term lease liabilities, operating leases	65,185	67,452
Current portion of long-term debt and other short-term borrowings	16,728	12,504
Current contingent earn-out liabilities	21,931	19,520
Other current liabilities	217,056	223,515
Total current liabilities	<u>849,268</u>	<u>848,483</u>
Deferred tax liabilities	13,916	10,563
Long-term debt	246,875	200,000
Long-term lease liabilities, operating leases	172,795	174,285
Long-term contingent earn-out liabilities	43,839	39,777
Other long-term liabilities	75,818	69,163
Equity:		
Preferred stock - authorized, 2,000 shares of \$0.01 par value; no shares issued and outstanding at January 2, 2022 and October 3, 2021	-	-
Common stock - authorized, 150,000 shares of \$0.01 par value; issued and outstanding, 53,999 and 53,981 shares at January 2, 2022 and October 3, 2021, respectively	540	540
Accumulated other comprehensive loss	(123,048)	(125,028)
Retained earnings	1,360,390	1,358,726
Tetra Tech stockholders' equity	<u>1,237,882</u>	<u>1,234,238</u>
Noncontrolling interests	63	53
Total stockholders' equity	<u>1,237,945</u>	<u>1,234,291</u>
Total liabilities and stockholders' equity	<u>\$ 2,640,456</u>	<u>\$ 2,576,562</u>

Tetra Tech, Inc.
Consolidated Statements of Income
(unaudited - in thousands, except per share data)

	Three Months Ended	
	January 2, 2022	December 27, 2020
Revenue	\$ 858,510	\$ 765,104
Subcontractor costs	(179,177)	(159,933)
Other costs of revenue	(539,567)	(488,861)
Gross profit	139,766	116,310
Selling, general and administrative expenses	(52,546)	(50,058)
Income from operations	87,220	66,252
Interest expense, net	(2,904)	(3,026)
Income before income tax expense	84,316	63,226
Income tax expense	(15,817)	(10,778)
Net income	68,499	52,448
Net income attributable to noncontrolling interests	(10)	(12)
Net income attributable to Tetra Tech	\$ 68,489	\$ 52,436
Earnings per share attributable to Tetra Tech:		
Basic	\$ 1.27	\$ 0.97
Diluted	\$ 1.25	\$ 0.96
Weighted-average common shares outstanding:		
Basic	53,937	53,927
Diluted	54,577	54,637

Tetra Tech, Inc.
Consolidated Statements of Cash Flows
(unaudited - in thousands)

	Three Months Ended	
	January 2, 2022	December 27, 2020
Cash flows from operating activities:		
Net income	\$ 68,499	\$ 52,448
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,111	6,238
Equity in income of unconsolidated joint ventures	(1,440)	(1,107)
Distributions of earnings from unconsolidated joint ventures	842	931
Amortization of stock-based awards	5,828	4,898
Deferred income taxes	(878)	954
(Gain) Loss on sale of assets and divested business	239	(7)
Changes in operating assets and liabilities, net of effects of business acquisitions:		
Accounts receivable and contract assets	(21,560)	(11,400)
Prepaid expenses and other assets	5,364	11,813
Accounts payable	14,056	23,631
Accrued compensation	(40,321)	(61,690)
Contract liabilities	29,227	27,392
Other liabilities	11,615	(23,373)
Income taxes receivable/payable	4,837	2,452
Net cash provided by operating activities	82,419	33,180
Cash flows from investing activities:		
Payments for business acquisitions, net of cash acquired	(8,858)	-
Capital expenditures	(1,518)	(1,795)
Proceeds from sale of assets	3,514	9
Net cash used in investing activities	(6,862)	(1,786)
Cash flows from financing activities:		
Proceeds from borrowings	50,831	123,533
Repayments on long-term debt	(3,956)	(114,752)
Bank overdrafts	4,158	-
Repurchases of common stock	(50,000)	(15,000)
Taxes paid on vested restricted stock	(24,949)	(17,330)
Stock options exercised	960	7,495
Dividends paid	(10,793)	(9,198)
Payments of contingent earn-out liabilities	(1,720)	(7,037)
Principal payments on finance leases	(945)	(538)
Net cash used in financing activities	(36,414)	(32,827)
Effect of exchange rate changes on cash and cash equivalents	(169)	7,356
Net increase in cash and cash equivalents	38,974	5,923
Cash and cash equivalents at beginning of period	166,568	157,515
Cash and cash equivalents at end of period	\$ 205,542	\$ 163,438
Supplemental information:		
Cash paid during the period for:		
Interest	\$ 2,456	\$ 1,968
Income taxes, net of refunds received of \$2.3 million and \$1.1 million	\$ 11,535	\$ 5,696