

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	2nd Qtr	6 mos
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	858,511	852,744	1,711,255
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	327,096	337,476	664,572
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	362,165	714,403
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	679,334	699,641	1,378,975
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	543,929	564,468	1,108,397
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	60,653	113,289
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	74,520	161,740
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	74,520	157,289
GSG	166,043	147,784	42,695	41,473	84,169	44,323	128,491	46,264	174,755	48,153	50,344	98,497
CIG	123,498	134,615	34,564	30,947	65,509	37,021	102,531	47,760	150,292	43,972	40,485	84,457
Corporate (4)	(49,010)	(39,172)	(10,970)	(11,843)	(22,812)	(11,506)	(34,319)	(15,299)	(49,619)	(9,356)	(16,309)	(25,665)
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%	10.7%	11.4%
GSG	14.5%	13.2%	14.0%	13.4%	13.7%	14.1%	13.8%	13.8%	13.8%	14.7%	14.9%	14.8%
CIG	9.8%	10.9%	11.5%	10.7%	11.1%	11.5%	11.2%	12.8%	11.7%	12.5%	11.2%	11.8%
Interest Expense	13,626	13,100	3,026	2,823	5,849	2,737	8,585	3,245	11,831	2,904	3,144	6,048
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	71,376	155,692
Income Tax Expense (Benefit)	16,375	54,101	10,778	12,457	23,233	15,146	38,380	(4,340)	34,039	15,817	18,327	34,144
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	53,040	121,529
DILUTED AVERAGE SHARES	55,936	55,022	54,637	54,736	54,715	54,666	54,698	54,597	54,675	54,577	54,346	54,492
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	\$ 0.98	\$ 2.23
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	\$ 0.98	\$ 2.17
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	81,062	169,932
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%	11.6%	12.3%
DAYS IN SALES OUTSTANDING	77.6	67.7	67.3	64.9	64.9	64.6	64.6	63.3	63.3	61.0	59.1	59.1
CASH FLOW FROM OPERATIONS	208,513	262,479	33,180	124,244	157,424	69,114	226,538	77,834	304,372	82,419	95,130	177,549
CAPITAL EXPENDITURES	16,198	12,245	1,795	2,502	4,297	1,937	6,234	2,339	8,573	1,518	4,102	5,620
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%	16.7%	14.5%
GSG	12.4%	(2.6%)	7.3%	11.4%	9.3%	15.7%	11.4%	18.8%	13.3%	7.4%	8.8%	8.1%
CIG	6.0%	(2.2%)	(8.9%)	(5.5%)	(7.3%)	12.1%	(1.2%)	21.5%	4.4%	17.2%	25.2%	21.1%
NET REVENUE % BY CLIENT TYPE - ADJUSTED												
International	30%	32%	31%	31%	31%	34%	32%	34%	32%	34%	34%	34%
U.S. Commercial	24%	24%	22%	21%	22%	21%	22%	22%	22%	21%	21%	21%
U.S. Federal Government	28%	30%	31%	31%	31%	29%	30%	27%	30%	27%	27%	27%
U.S. State & Local Government	18%	14%	16%	17%	16%	16%	16%	16%	16%	18%	18%	18%
NET REVENUE % BY CONTRACT TYPE - ADJUSTED												
Fixed-Price	34%	36%	34%	36%	36%	37%	36%	39%	37%	39%	38%	38%
Time-and-Materials	50%	49%	49%	49%	49%	49%	49%	48%	49%	48%	48%	48%
Cost-Plus	16%	15%	17%	15%	15%	14%	15%	13%	14%	13%	14%	14%
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	3,610,247	3,610,247

(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
April 3, 2022

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

	2019	2020	2021						2022			
			1st Qtr	2nd Qtr	6 mos	3rd Qtr	9 mos	4th Qtr	Total	1st Qtr	2nd Qtr	6 Mos
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	852.7	1,711.3
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	852.7	1,711.3
Adjusted Subcontractor Costs	(716.4)	(646.1)	(159.9)	(155.0)	(314.9)	(163.5)	(478.4)	(182.9)	(661.3)	(179.2)	(153.1)	(332.3)
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	699.6	1,379.0
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	449.0	905.1
Subcontractor Costs	(473.8)	(460.8)	(120.0)	(122.5)	(242.5)	(129.1)	(371.7)	(135.5)	(507.1)	(129.0)	(111.5)	(240.5)
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	337.5	664.6
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	416.9	833.2
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	416.9	833.2
Subcontractor Costs	(299.3)	(240.0)	(56.0)	(46.2)	(102.2)	(49.9)	(152.0)	(62.2)	(214.3)	(64.0)	(54.8)	(118.8)
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	362.1	714.4
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						2022			
			1st Qtr	2nd Qtr	6 mos	3rd Qtr	9 mos	4th Qtr	Total	1st Qtr	2nd Qtr	6 Mos
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	53,040	121,529
Interest Expense ¹	13,626	13,100	3,026	2,823	5,849	2,737	8,586	3,245	11,831	2,904	3,144	6,048
Depreciation ²	17,285	13,017	2,882	3,073	5,955	3,070	9,026	3,311	12,337	3,433	3,310	6,743
Amortization ²	11,559	11,594	3,356	2,213	5,569	2,216	7,785	3,683	11,468	2,678	3,241	5,919
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	18,327	34,144
EBITDA	228,353	268,100	72,515	65,852	138,367	75,103	213,470	85,742	299,212	93,321	81,062	174,383
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)	-	(4,451)
Adjusted EBITDA	269,175	267,809	72,515	65,852	138,367	75,103	213,470	85,742	299,212	88,870	81,062	169,932

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

	<u>April 3, 2022</u>	<u>October 3, 2021</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 194,378	\$ 166,568
Accounts receivable, net	667,125	668,998
Contract assets	114,958	103,784
Prepaid expenses and other current assets	100,648	112,338
Income taxes receivable	4,517	14,260
Total current assets	<u>1,081,626</u>	<u>1,065,948</u>
Property and equipment, net	36,715	37,733
Right-of-use assets, operating leases	205,087	215,422
Investments in unconsolidated joint ventures	4,605	3,282
Goodwill	1,158,623	1,108,578
Intangible assets, net	39,480	37,990
Deferred tax assets	59,272	54,413
Other long-term assets	60,217	53,196
Total assets	<u>\$ 2,645,625</u>	<u>\$ 2,576,562</u>
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 128,683	\$ 128,767
Accrued compensation	183,340	206,322
Contract liabilities	224,978	190,403
Short-term lease liabilities, operating leases	64,789	67,452
Current portion of long-term debt and other short-term borrowings	12,503	12,504
Current contingent earn-out liabilities	27,517	19,520
Other current liabilities	213,381	223,515
Total current liabilities	<u>855,191</u>	<u>848,483</u>
Deferred tax liabilities	17,098	10,563
Long-term debt	237,500	200,000
Long-term lease liabilities, operating leases	165,630	174,285
Long-term contingent earn-out liabilities	51,551	39,777
Other long-term liabilities	74,013	69,163
Equity:		
Preferred stock - authorized, 2,000 shares of \$0.01 par value; no shares issued and outstanding at April 3, 2022 and October 3, 2021	-	-
Common stock - authorized, 150,000 shares of \$0.01 par value; issued and outstanding, 53,683 and 53,981 shares at April 3, 2022 and October 3, 2021, respectively	537	540
Accumulated other comprehensive loss	(115,303)	(125,028)
Retained earnings	1,359,367	1,358,726
Tetra Tech stockholders' equity	<u>1,244,601</u>	<u>1,234,238</u>
Noncontrolling interests	41	53
Total stockholders' equity	<u>1,244,642</u>	<u>1,234,291</u>
Total liabilities and stockholders' equity	<u>\$ 2,645,625</u>	<u>\$ 2,576,562</u>

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

	Three Months Ended		Six Months Ended	
	April 3, 2022	March 28, 2021	April 3, 2022	March 28, 2021
Revenue	\$ 852,744	\$ 754,764	\$ 1,711,255	\$ 1,519,868
Subcontractor costs	(153,103)	(154,939)	(332,280)	(314,873)
Other costs of revenue	(564,468)	(487,341)	(1,104,035)	(976,201)
Gross profit	135,173	112,484	274,940	228,794
Selling, general and administrative expenses	(60,653)	(51,677)	(113,200)	(101,735)
Income from operations	74,520	60,807	161,740	127,059
Interest expense, net	(3,144)	(2,823)	(6,048)	(5,849)
Income before income tax expense	71,376	57,984	155,692	121,210
Income tax expense	(18,327)	(12,456)	(34,144)	(23,234)
Net income	53,049	45,528	121,548	97,976
Net income attributable to noncontrolling interests	(9)	(11)	(19)	(23)
Net income attributable to Tetra Tech	<u>\$ 53,040</u>	<u>\$ 45,517</u>	<u>\$ 121,529</u>	<u>\$ 97,953</u>
Earnings per share attributable to Tetra Tech:				
Basic	<u>\$ 0.99</u>	<u>\$ 0.84</u>	<u>\$ 2.25</u>	<u>\$ 1.81</u>
Diluted	<u>\$ 0.98</u>	<u>\$ 0.83</u>	<u>\$ 2.23</u>	<u>\$ 1.79</u>
Weighted-average common shares outstanding:				
Basic	<u>53,834</u>	<u>54,187</u>	<u>53,916</u>	<u>54,085</u>
Diluted	<u>54,346</u>	<u>54,736</u>	<u>54,492</u>	<u>54,715</u>

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

	Six Months Ended	
	April 3, 2022	March 28, 2021
Cash flows from operating activities:		
Net income	\$ 121,548	\$ 97,976
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12,662	11,524
Equity in income of unconsolidated joint ventures	(3,760)	(1,872)
Distributions of earnings from unconsolidated joint ventures	2,506	1,622
Amortization of stock-based awards	12,392	10,566
Deferred income taxes	494	350
Fair value adjustments to contingent consideration	199	(193)
Loss (gain) on sale of property and equipment	178	(66)
Changes in operating assets and liabilities, net of effects of business acquisitions:		
Accounts receivable and contract assets	(862)	33,877
Prepaid expenses and other assets	12,977	18,091
Accounts payable	(632)	12,063
Accrued compensation	(25,725)	(20,524)
Contract liabilities	34,529	9,957
Other liabilities	4,426	(5,528)
Income taxes receivable/payable	6,617	(10,419)
Net cash provided by operating activities	177,549	157,424
Cash flows from investing activities:		
Payments for business acquisitions, net of cash acquired	(33,611)	(3,065)
Capital expenditures	(5,620)	(4,297)
Proceeds from sale of divested business	3,124	-
Proceeds from sale of property and equipment	541	79
Net cash used in investing activities	(35,566)	(7,283)
Cash flows from financing activities:		
Proceeds from borrowings	141,456	141,628
Repayments on long-term debt	(105,824)	(146,250)
Bank overdrafts	-	(21,121)
Repurchases of common stock	(100,000)	(30,000)
Taxes paid on vested restricted stock	(25,055)	(17,488)
Stock options exercised	1,205	9,771
Dividends paid	(21,562)	(18,410)
Payments of contingent earn-out liabilities	(4,035)	(8,037)
Principal payments on finance leases	(1,979)	(1,222)
Net cash used in financing activities	(115,794)	(91,129)
Effect of exchange rate changes on cash and cash equivalents	1,621	8,803
Net increase in cash and cash equivalents	27,810	67,815
Cash and cash equivalents at beginning of period	166,568	157,515
Cash and cash equivalents at end of period	\$ 194,378	\$ 225,330
Supplemental information:		
Cash paid during the period for:		
Interest	\$ 5,141	\$ 5,412
Income taxes, net of refunds received of \$2.4 million and \$1.1 million	\$ 25,476	\$ 30,832