

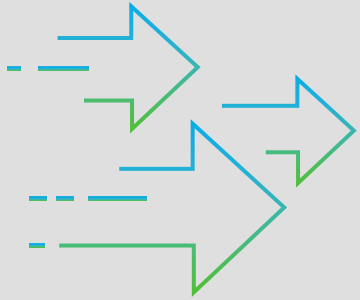


# FOURTH QUARTER AND FISCAL YEAR 2025

Earnings Conference Call Presentation

**FEBRUARY 11, 2026**

# FORWARD LOOKING STATEMENTS

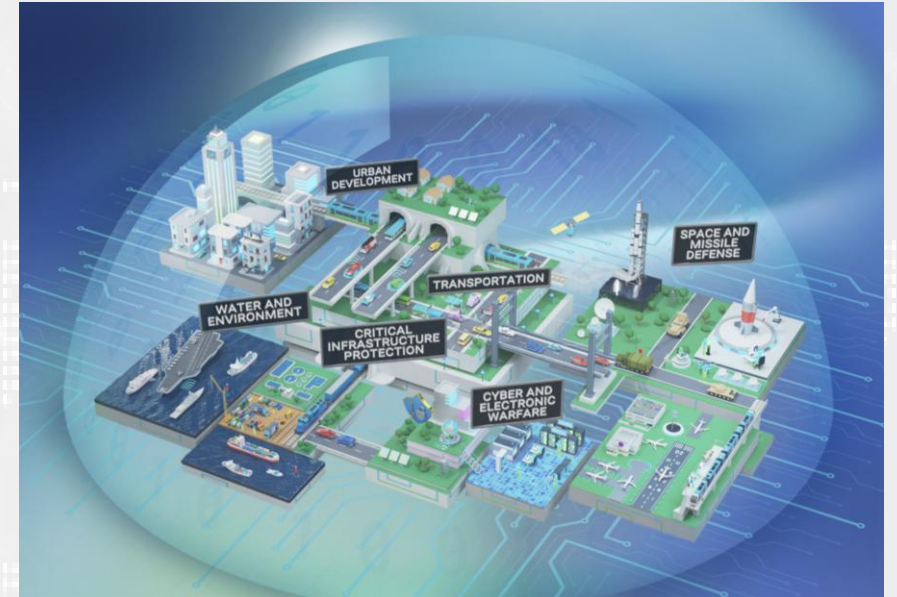


This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are based on our current expectations, beliefs, and assumptions, and are not guarantees of future performance. Forward-looking statements are inherently subject to uncertainties, risks, changes in circumstances, trends and factors that are difficult to predict, many of which are outside of our control. Accordingly, actual performance, results and events may vary materially from those indicated in the forward-looking statements, and you should not rely on the forward-looking statements as predictions of future performance, results or events. Numerous factors could cause actual future performance, results and events to differ materially from those indicated in the forward-looking statements, including, among others: the impact of COVID-19; any issue that compromises our relationships with the U.S. federal government or its agencies or other state, local or foreign governments or agencies; any issues that damage our professional reputation; changes in governmental priorities that shift expenditures away from agencies or programs that we support; our dependence on long-term government contracts, which are subject to the government's budgetary approval process; the size of addressable markets and the amount of government spending on private contractors; failure by us or our employees to obtain and maintain necessary security clearances or certifications; failure to comply with numerous laws and regulations; changes in government procurement, contract or other practices or the adoption by governments of new laws, rules, regulations and programs in a manner adverse to us; the termination or nonrenewal of our government contracts, particularly our contracts with the U.S. government; our ability to compete effectively in the competitive bidding process and delays, contract terminations or cancellations caused by competitors' protests

of major contract awards received by us; our ability to generate revenue under certain of our contracts; any inability to attract, train or retain employees with the requisite skills, experience and security clearances; the loss of members of senior management or failure to develop new leaders; misconduct or other improper activities from our employees or subcontractors; our ability to realize the full value of our backlog and the timing of our receipt of revenue under contracts included in backlog; changes in the mix of our contracts and our ability to accurately estimate or otherwise recover expenses, time and resources for our contracts; changes in estimates used in recognizing revenue; internal system or service failures and security breaches; and inherent uncertainties and potential adverse developments in legal proceedings including litigation, audits, reviews and investigations, which may result in material adverse judgments, settlements or other unfavorable outcomes. These factors are not exhaustive and additional factors could adversely affect our business and financial performance. For a discussion of additional factors that could materially adversely affect our business and financial performance, see the factors including under the caption "Risk Factors" in our Annual Report with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2025, on Form 10-K, filed on February 11, 2026, and our other filings with the Securities and Exchange Commission. All forward-looking statements are based on currently available information and speak only as of the date on which they are made. We assume no obligation to update any forward-looking statement made in this presentation that becomes untrue because of subsequent events, new information or otherwise, except to the extent we are required to do so in connection with our ongoing requirements under federal securities laws.

# KEY MESSAGES

- Delivered strong financial results for Q4 and fiscal year 2025, despite a dynamic federal government environment
  - Double-digit total revenue growth for Q4 and FY25 and organic growth of 8% for Q4 and FY25 (excluding confidential contract)
  - Record adjusted EBITDA margin for 2025 with 60 bps of margin expansion; 110 bps over the last 2-years
  - Outperformed cash flow expectations for Q4 and 2025, surpassed the high-end of 2025 cash flow guidance
  - 15 contract wins valued at \$100M+, matching company record set last year
- Significantly exceeded high-end of all March 2023 investor day financial targets
- Solid performance from 2023 to 2025 demonstrates strategic growth plan is working and validates the strength and resiliency of our complementary portfolio
- Consistently delivering mid- single-digit or better organic revenue growth, while expanding margins and delivering strong free cash flow
- 2026 guidance and long-term growth targets supported by strength of portfolio and end markets



# EXCEEDED HIGH-END OF ALL 2023 INVESTOR DAY TARGETS

Exceptional Growth For Key Financial Metrics



	2022 Actuals	High-End of 2025 Investor Day Targets*	2025 Actuals	3-Year Highlights
<b>Total Revenue</b>	\$4,195M	\$5,000M	\$6,364M	CAGR of 15% total revenue growth and organic growth of 10% <ul style="list-style-type: none"> <li>▪ Excluding confidential contract CAGR of 13% for total revenue growth and 9% organic growth</li> </ul>
<b>Adjusted EBITDA</b>	\$353M	\$465M	\$609M	20% CAGR from 2023-2025
<b>Adjusted EBITDA Margin</b>	8.4%	9.3%	9.6%	120 basis points of margin expansion
<b>Cash Flow from Operations</b>	\$238M	\$390M	\$478M	26% CAGR from 2023-2025

\* 2025 Investor Day Targets established on March 15, 2023.

# 2025 HIGHLIGHTS

- Successful year despite a dynamic federal government macroenvironment
- Delivered double-digit revenue growth (excluding confidential contract), record adjusted EBITDA and adjusted EBITDA margin, and exceeded high-end of cash flow guidance. Funded backlog (73% of total) at the highest level since the IPO
- 12% total revenue growth and 8% organic growth excluding confidential contract
- Adjusted EBITDA margin expands 60 basis points to a record 9.6%
- Cash flow from operations of \$478M, Free Cash Flow conversion of 100%
- Book-to-bill ratio of 1.0x continued streak of TTM book-to-bill ratio of 1.0x or greater in every quarter since IPO
- Completed three accretive acquisitions during 2025 and acquired Altamira after Q4 2025 ended
- High win rates of 61%; record recompetete win rates of approx. 100%
- Maintained strong hiring and record retention rates



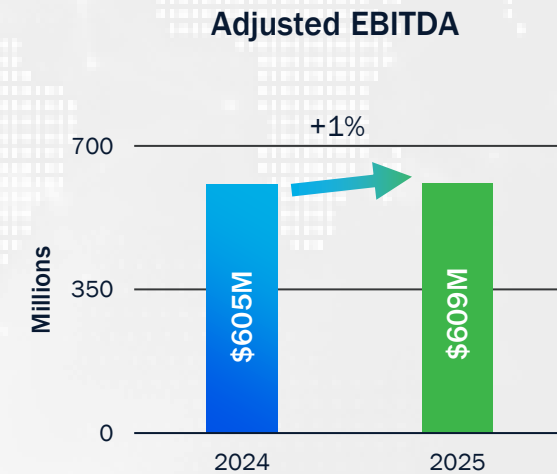
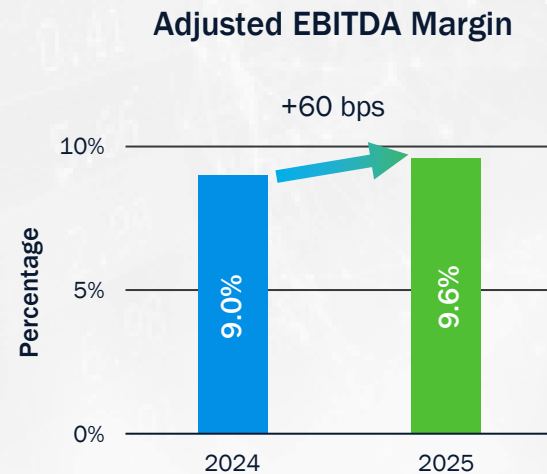
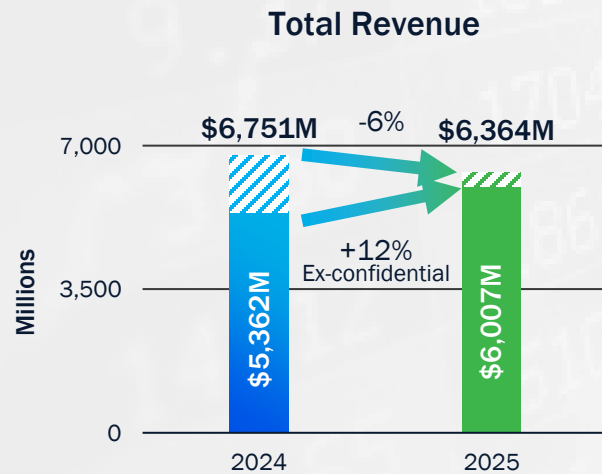


# FY25 FINANCIAL SUMMARY



## Strong total and organic revenue growth (excluding confidential contract) and adjusted EBITDA margins; cash flow from operations exceeded high-end of guidance

- Total revenue excluding the company's confidential contract increased 12% and 8% organically
- Total revenue of \$6,364M decreased 6% from 2024
- Book-to-bill ratio of 1.0x
- Adjusted EBITDA margin expands 60 bps to a record 9.6%
- Record adjusted EBITDA of \$609M increased 1% from 2024
- Cash flow from operations of \$478 million decreased 9% from 2024 and included a one-time impact of \$33M in additional 401-K payments due to a change in the company's match benefit



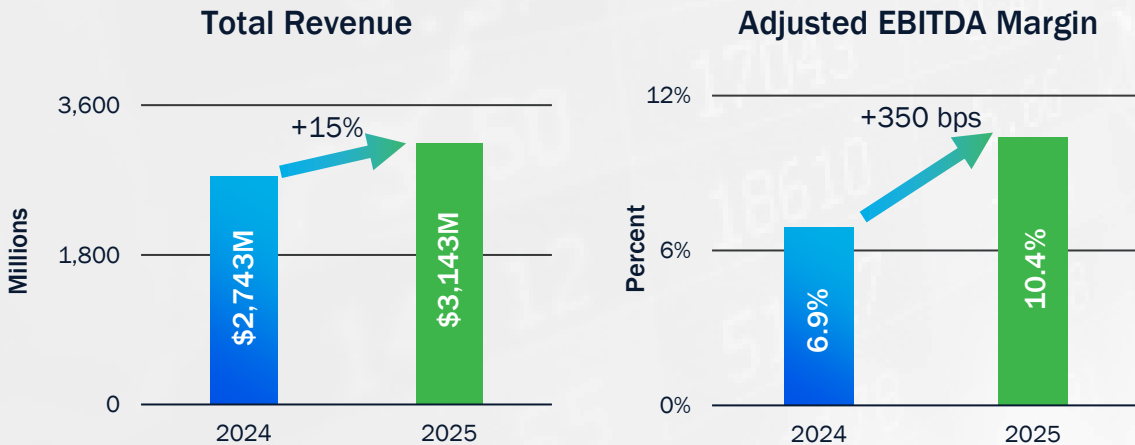


# FY25 BUSINESS SEGMENT SUMMARY



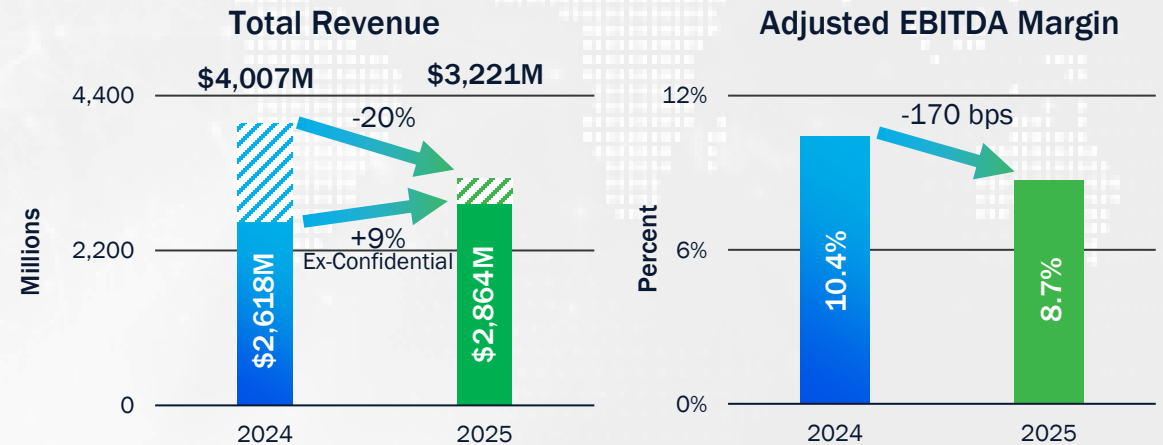
## Critical Infrastructure

- Revenue increased 15% and 10% organically driven by strength in North America and EMEA markets
- Record adjusted EBITDA of \$328M increased 73% from prior year period
- Record adjusted EBITDA margin of 10.4% expanded 350 bps
- Book-to-bill ratio of 1.2x



## Federal Solutions

- Revenue growth of 9% and 7% on an organic basis excluding the company's confidential contract
- Total revenue decreased 20% and 21% organically from prior year period
- Adjusted EBITDA margin of 8.7%; impacted by lower volume on the fixed price confidential contract





## Q4 2025 REVENUE

**\$1.6 Billion**

## NET INCOME

**\$56 Million**

## ADJUSTED EBITDA

**\$153 Million**

## CASH FLOW FROM OPERATIONS

**\$168 Million**

## BOOK-TO-BILL RATIO

**0.9x**      **Trailing 12-months of 1.0x**

## STRONG BALANCE SHEET

**Net Debt Leverage Ratio 1.3x**

# Q4 2025 KEY HIGHLIGHTS

## Strong revenue growth ex. confidential contract and significant margin expansion

- Total revenue of \$1.6B and record Q4 net income of \$56M
- Total revenue growth of 11% and 8% organically, excluding confidential contract
- Adjusted EBITDA margin expanded 110 basis points to 9.6%

## Continuing to win significant contracts and positioned for growth

- Four contract wins in Q4 2025 and two after quarter end valued at over \$100M in Q4 2025; all in Federal Solutions
- Quarterly and trailing 12-month book-to-bill ratio of 0.9x and 1.0x, respectively
- Backlog decreased 2% to \$8.7B; 73% is funded, highest level since IPO
- Approximately \$11B worth of contract wins that have not yet been booked into backlog
- \$55B pipeline includes more than 120 opportunities of contracts worth \$100M or more and 15 opportunities worth \$500M or more

## Leveraging strong balance sheet to continue accretive acquisitions

- Net debt leverage ratio of 1.3x will enable Parsons to continue to make internal investments and accretive acquisitions to drive additional growth and margin expansion
- Closed important acquisition of Applied Sciences Consulting during the fourth quarter. Closed strategic acquisition of Altamira Technologies after Q4 2025 ended that enhances Parsons' market presence in SIGINT, missile warning, space, and foreign military exploitation, and adds critical depth with key customers

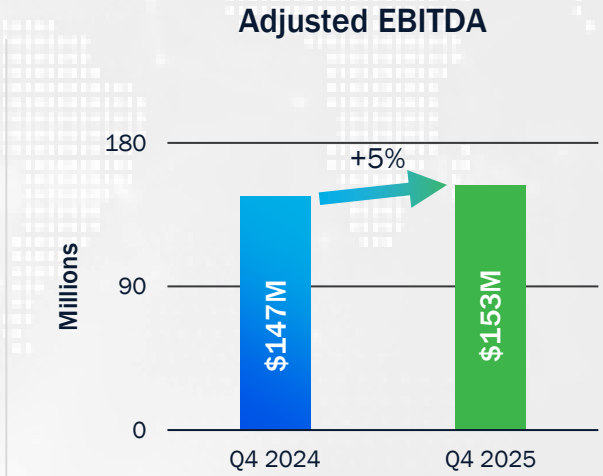
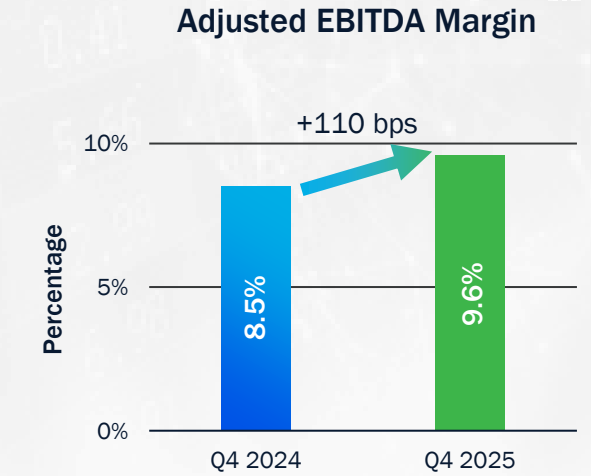
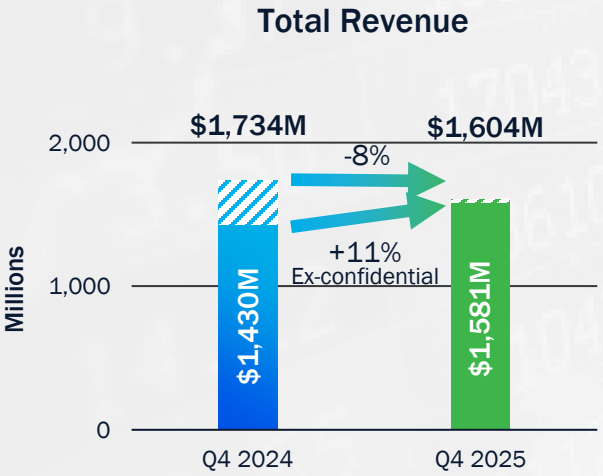


# Q4 2025 FINANCIAL SUMMARY



## Strong total and organic revenue growth (excluding confidential contract) and adjusted EBITDA margins; cash flow from operations exceeded high-end of guidance

- Total revenue increased 11% and 8% organically excluding the confidential contract
- Total revenue of \$1,604M decreased 8% from Q4 2024
- Book-to-bill ratio of 0.9x
- Adjusted EBITDA margin expands 110 bps to 9.6%
- Adjusted EBITDA of \$153M increased 5% from prior year period
- Cash flow from operations of \$168 million exceeded expectations for Q4

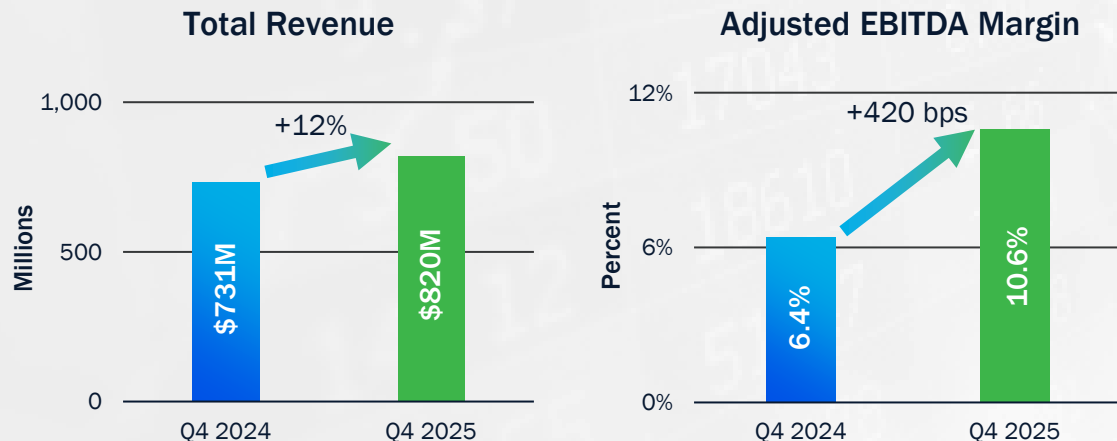


# BUSINESS SEGMENT SUMMARY



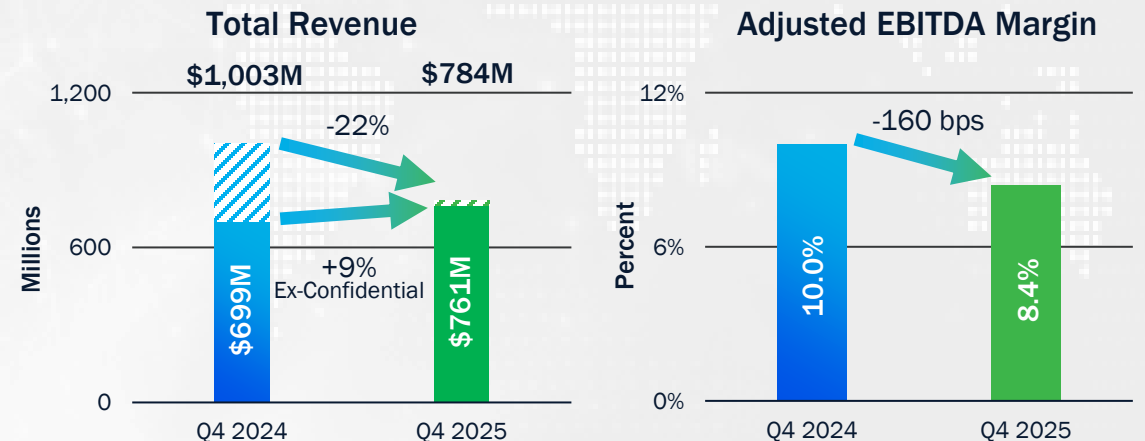
## Critical Infrastructure

- Q4 2025 revenue increased 12% and 9% organically from Q4 2024
- Record adjusted EBITDA of \$87M increased 87% from prior year period driven by strong performance execution
- Q4 2025 adjusted EBITDA margin of 10.6% increased 420 bps from prior year period, a Q4 record
- Book-to-bill ratio of 1.1x



## Federal Solutions

- Q4 2025 revenue growth of 9% and 6% on an organic basis excluding the company's confidential contract
- Q4 2025 total revenue decreased 22% and 24% organically from prior year period
- Adjusted EBITDA margin of 8.4% compressed 160 bps from prior year period; impacted by lower volume on the fixed price confidential contract





# SIGNIFICANT CONTRACT WINS

During Q4 2025, Parsons won four single-award contracts worth more than \$100M each, matching our record of 15 contract wins worth more than \$100M for the full year. After Q4 ended, won two additional contracts worth more than \$100M each.



## Awarded \$392M

Awarded a new large ten-year, \$392M single-award contract by a federal customer that represents new work and leverages the company's biometrics and network engineering capabilities. The company booked \$36M on this contract during the fourth quarter.



## Awarded \$200M

Awarded a new five-year, single-award contract with a ceiling value of \$200M. The company booked \$23M on this contract during the fourth quarter.



## Awarded \$125M

Awarded a five-year, \$125 million single-award task order contract to support the U.S. Army Combat Capabilities Development Command Army Research Laboratory, High Performance Computing Modernization Program, and Defense Research and Engineering Network. Under this recompeted award, Parsons will deliver an array of services including research, development, test and evaluation, infrastructure operations, and comprehensive project management. The company booked \$44 million on this contract during the fourth quarter.



## Awarded \$100M+

Awarded a new single-award task order contract valued at over \$100M by Nammo to provide design and program and construction management for a new rocket motor manufacturing facility in Perry, Florida. The two-year industrial base modernization contract represents new work for the company. The company booked the full value of the contract during the fourth quarter.

# SIGNIFICANT CONTRACT WINS



## Awarded \$91M

Awarded a \$91 million contract extension for the Overseas Security Installation Services contract by the U.S. Department of State. The scope of services encompasses technical security installation and support services, and a range of integrated security solutions, including operations support, state-of-the-art access control systems, counter-unmanned aircraft systems (CUAS), and cutting-edge biometric security technologies. The company booked \$80 million on this contract during the fourth quarter.



## Awarded \$593M

After the fourth quarter of 2025 ended, Parsons was awarded \$593 million contract extension under the Federal Aviation Administration's (FAA) Technical Support Services Contract (TSSC 5) to provide program and construction management, engineering, technical services, health and environmental safety, fire protection, equipment installation and testing, and logistics. This award exercises the first option period, extends performance through 2030, and supports the FAA's Aviation System Capital Investment Plan. TSSC 5 has a \$1.8 billion ceiling value and a four-year base period and two three-year option periods.



## Awarded \$500M

After the fourth quarter of 2025 ended, Parsons received an Intent to award notification for a sole-source contract from a national security customer. The contract is new work for the company with a ceiling value of up to \$500 million. The company booked \$13 million on this contract for the low-rate initial production which was awarded during the fourth quarter.



# ADDITIONAL CORPORATE HIGHLIGHTS



## Acquired Altamira Technologies

Parsons closed its acquisition of Altamira Technologies Corporation, a Northern Virginia-based signals intelligence and space solutions provider, in an all-cash transaction valued at up to \$375M. Altamira expands Parsons' market presence in SIGINT, missile warning, space, and foreign military exploitation, and adds critical customer depth with key customers. The transaction is consistent with Parsons' strategy of completing accretive acquisitions with revenue growth and adjusted EBITDA margins of at least 10%.



## Acquired Applied Sciences Consulting

Parsons announced and closed its acquisition of Applied Sciences Consulting, Inc., a Florida-based engineering firm that specializes in water and stormwater solutions for cities, counties, and water management districts across the state. The acquisition expands Parsons' water expertise, strengthens its presence in Florida, and is consistent with the company's strategy of completing accretive acquisitions with revenue growth and adjusted EBITDA margins of at least 10%. This acquisition closed after the third quarter ended.



## Excellence in Supporting the Military Community

Parsons was recognized by several organizations for continued excellence and industry leadership in supporting the military community. Notable awards include the 2025 Department of Labor HIRE Vets Gold Medallion Award, the 2025 Military Times Best for Vets Rankings for overall strength of the MILVET program, and the 2026 GI Jobs Military Friendly Employer Award Gold/Top 10 for overall strength of the MILVET program.



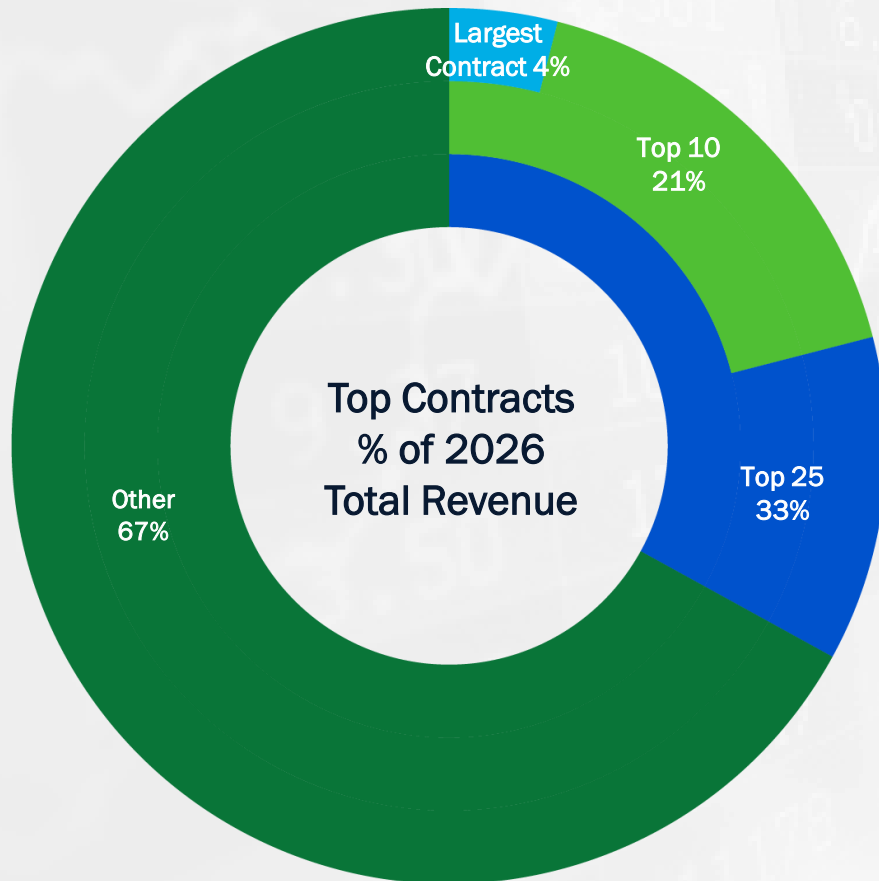
## SpaceNews Icon Award for Civil Space Achievement

Honored with the esteemed 2025 SpaceNews Icon Award for Civil Space Achievement in recognition of groundbreaking advancements in space traffic coordination by the Traffic Coordination System for Space program, where the company serves as systems integrator.



# ENTERING 2026 WITH A SOLID FOUNDATION

Diversified revenue streams, coupled with low recompute risk and a substantial funded backlog, offer stability, reduce risk, and strengthen confidence in achieving financial targets



- **Revenue diversification**
  - Largest contract only expected to generate 4% of 2026 revenue
  - Largest EMEA contract approx. 1.4% of 2026 revenue
  - Revenue projected to be evenly split between the Critical Infrastructure and Federal Solutions segments in 2026
- **Low recompute risk**
  - ~5% recompute rate in 2026
  - Secured top 4 contract recompetes at least through 2028 (each ~\$2 billion in contract value)
- **Large funded backlog:** \$8.7 billion of backlog, 73% is funded, highest level since IPO
- **\$11 billion of contract wins awarded but not booked**
- **Pipeline of \$55B and historically strong win rates (61% in FY25)**



# FISCAL YEAR 2026 GUIDANCE

	2025 Actuals	2026 Guidance	Highlights at Mid-point
<b>Total Revenue</b>	\$6,364M	\$6,500 - \$6,800M	+4.5% growth and +0.5% organically; +10.5% growth and +6% organically excluding confidential contract
Adjusted EBITDA	\$609M	\$615 - \$675M	+6% growth (10 bps expansion)
Cash Flow from Operations	\$478M	\$470 - \$530M	+5% growth*

\*2026 free cash flow conversion is expected to be 100% of adjusted net income

## Top Line Drivers

- Ramp-up of recent contract wins
- \$8.7B of total backlog (73% funded)
- \$11B in contract wins not included in total backlog
- Both segments poised for increased industry spending
- Hiring and retention momentum
- Strong contract win rates
- On-contract growth

## Bottom Line Drivers

- Growth on margin accretive contracts
- Accretive M&A
- Accelerated growth on products and OTA's
- Growth in high margin markets
- Operating leverage – revenue outpacing cost growth
- Supply vs. Demand in a growing global infrastructure spend
- Bid discipline

Net income guidance is not presented as the company believes volatility associated with interest, taxes, depreciation, amortization and other matters affecting net income, including but not limited to one-time and nonrecurring events and impact of M&A, will preclude the company from providing accurate net income guidance for fiscal year 2026.



# FISCAL YEAR 2026 GUIDANCE ASSUMPTIONS

- ~ 50% of total revenue to be generated from Federal Solutions segment at the mid-point
- Adjusted EBITDA margin of ~ 9.7% at the mid-point of the revenue guidance, up 10bps from 2025
- Net interest expense of ~ \$56M
- GAAP effective tax rate of ~ 23%
- Net income attributable to noncontrolling interests of ~ \$65M
- Tax effect on adjustments ~ (\$36M) for full-year
- Adjusted net income diluted share count of ~ 109.0M shares
- GAAP diluted share count of ~ 109.0M shares
- CapEx of ~ \$90M (approximately 1.5% of total revenue)
- Equity-based compensation expenses of ~ \$45M
- D&A expenses of ~ \$130M, which includes ~ \$77M of acquisition-related amortization
- FY26 guidance includes ~\$27M of transaction and other expenses - does not include future acquisitions

## PATTERNS

**Revenue:** approximately 3.5% year-over-year decline in Q1 2026 (vs. Q1 2025) and then y/y increases of approximately 5%-8% in quarters Q2, Q3 and Q4 of 2026 to arrive at FY26 guidance mid-point of \$6,650M

**Adjusted EBITDA \$:** expect Q1 2026 to be ~ 22% of 2026's full-year AEBITDA. In quarters Q2, Q3 and Q4 of 2026, AEBITDA is expected to be 25%-26% of 2026's full-year AEBITDA

**Operating Cash Flow:** expect typical seasonality with negative operating cash flow in Q1 of approximately \$60M and then positive cash flow throughout the year to arrive at guidance mid-point of \$500M



# THREE-YEAR GROWTH TARGETS (2026 - 2028)

**Mid- Single-Digit or Better Organically**

Revenue Growth

**Double-digits By 2028**

Adjusted EBITDA Margin Expansion

**>100%**

Free Cash Flow Conversion

**Organic Growth Supplemented w/ Accretive Acquisitions**

Acquisitions

# INVESTMENT THESIS



**Strong, stable, and funded backlog with significant awarded not booked**



**Unique, synergistic, and diverse portfolio**



**Strong position in six growing, enduring, and profitable end markets**



**Distinguished national security portfolio positioned to deliver solutions that outpace near-peer threats**



**Unprecedented global infrastructure spending**



**Favorable financial outlook and proven, effective capital deployment strategy**



# PORTFOLIO ALIGNED FOR GROWTH

	Defense & Intelligence	Engineered Systems	North America Infrastructure	EMEA	TOTAL ADDRESSABLE MARKET	PROJECTED CAGR	% of PSN TOTAL REVENUE <sup>2</sup>
Cyber and Electronic Warfare	█	█	█	█	<b>\$23.5B</b>	<b>9-11%</b>	<b>20%</b>
Space and Missile Defense	█	█			<b>\$32.2B</b>	<b>8-9%</b>	<b>10%</b>
Transportation		█	█	█	<b>\$28.2B</b>	<b>6-8%</b>	<b>27%</b>
Critical Infrastructure Protection	█	█	█	█	<b>\$30.7B</b>	<b>4-6%</b>	<b>12%</b>
Water and Environment		█	█	█	<b>\$37.5B</b>	<b>7-9%</b>	<b>13%</b>
Urban Development			█	█	<b>\$28.1B</b>	<b>5-7%</b>	<b>13%</b>

<sup>1</sup> Sources: Bloomberg, Oliver Wyman, MarketsandMarkets, Research and Markets, Environmental Business Journal, MEED and internal analysis  
<sup>2</sup> 2025 revenue; Other Revenue represents 5% of PSN Total



# ALIGNMENT TO ADMINISTRATION & GLOBAL PRIORITIES

## Two Strong & Growing Segments with Complementary, Synergistic “One Parsons” Opportunities

### Federal Solutions

- Global Dome For North America
- Industrial Base Modernization (Sentinel, INDOPACOM, munitions/ammunition, energetics)
- Border Security/Counter-drug
- Space (cislunar, A-PNT, ground mission mgmt., classified sensors)

### Both

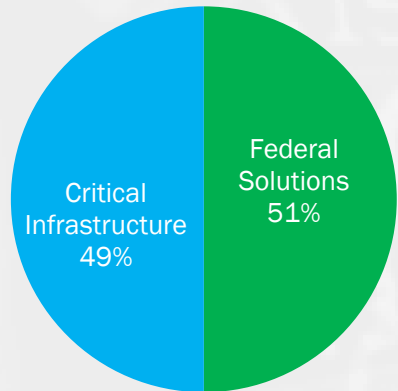
- Cyber
- Critical Infrastructure Protection
- PFOS/PFAS
- Re-build: Israel-Gaza, Syria, Ukraine, California Wildfire
- Events Management
- Energy Resiliency
- Aviation Modernization

### Critical Infrastructure

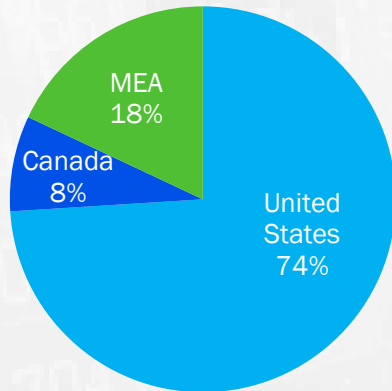
- “Hard” US Infrastructure (roads & highways, bridges, airports, rail & transit)
- MEA Transportation, Urban Development, Defense & Security
- Europe Infrastructure Expansion
- Advanced Manufacturing PM/CM (e.g., critical minerals, data centers, semiconductor facilities)

# BALANCED AND STABLE PORTFOLIO

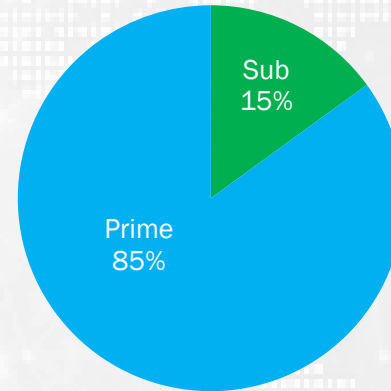
Synergistic And Diversified Portfolio Creating Global Opportunities



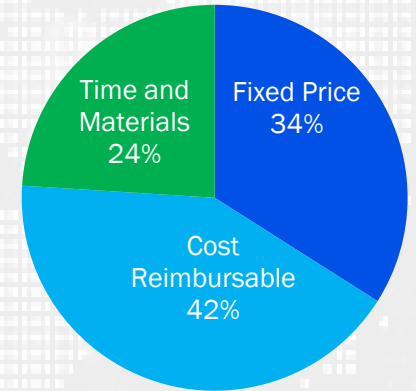
Balanced Portfolio



Global Footprint



Priming Contracts

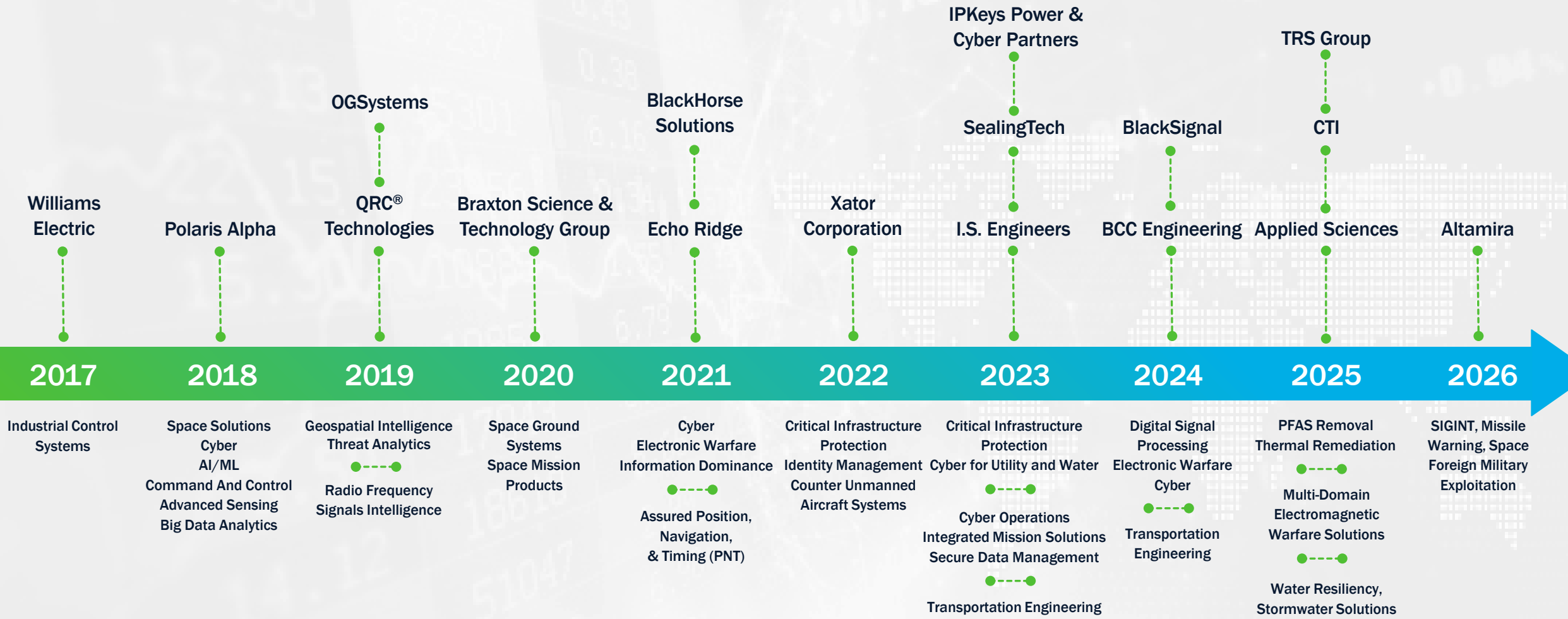


Contract Mix

Based on 2025 actual financial results



# M&A SUPPORTS AN INTEGRATED SOLUTIONS STRATEGY





# APPENDIX: SUPPLEMENTAL MATERIALS

# ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income to Adjusted EBITDA

(in thousands)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net income attributable to Parsons Corporation	\$55,583	\$54,180	\$241,139	\$235,053
Interest expense, net	11,123	10,323	44,424	40,154
Income tax expense	19,945	18,729	73,647	76,986
Depreciation and amortization (a)	30,642	25,738	116,486	99,251
Net income attributable to noncontrolling interests	19,211	15,184	67,725	55,612
Equity-based compensation	10,035	16,938	40,225	61,492
Convertible debt repurchase loss	-	-	-	18,355
Transaction-related costs (b)	4,295	8,180	18,205	17,138
Restructuring (c)	-	-	2,653	-
Other (d)	2,428	(2,653)	4,802	912
<b>Adjusted EBITDA</b>	<b>\$153,262</b>	<b>\$146,619</b>	<b>\$609,306</b>	<b>\$604,953</b>

(a) Depreciation and amortization for the three and twelve months ended December 31, 2025, is \$20.8 million and \$81.5 million, respectively in the Federal Solutions Segment, and \$9.8 million and \$34.9 million, respectively in the Critical Infrastructure Segment. Depreciation and amortization for the three and twelve months ended December 31, 2024, is \$18.9 million and \$77.5 million, respectively in the Federal Solutions Segment and \$6.9 million and \$21.7 million, respectively in the Critical Infrastructure Segment.

(b) Reflects costs incurred in connection with acquisitions and other non-recurring transaction costs, primarily fees paid for professional services and employee retention.

(c) Reflects costs associated with and related to our corporate restructuring initiatives.

(d) Includes a combination of gain/loss related to sale of fixed assets, software implementation costs, and other individually insignificant items that are non-recurring in nature.



# ADJUSTED EBITDA ATTRIBUTABLE TO NCI

PARSONS CORPORATION

Non-GAAP Financial Information

Computation of Adjusted EBITDA Attributable to Noncontrolling Interests

(in thousands)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Federal Solutions Adjusted EBITDA attributable to Parsons Corporation	\$66,011	\$99,925	\$281,116	\$415,338
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	21	35	94	160
Federal Solutions Adjusted EBITDA including noncontrolling interests	66,032	99,960	281,210	415,498
Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	67,923	31,319	260,106	132,901
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	19,307	15,340	67,990	56,554
Critical Infrastructure Adjusted EBITDA including noncontrolling interests	87,230	46,659	328,096	189,455
<b>Total Adjusted EBITDA including noncontrolling interests</b>	<b>\$153,262</b>	<b>\$146,619</b>	<b>\$609,306</b>	<b>\$604,953</b>



# ADJUSTED NET INCOME ATTRIBUTABLE TO PARSONS

## PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income Attributable to Parsons Corporation to Adjusted Net Income

Attributable to Parsons Corporation

(in thousands, except per share information)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>Net income attributable to Parsons Corporation</b>	<b>\$55,583</b>	<b>\$54,180</b>	<b>\$241,139</b>	<b>\$235,053</b>
Acquisition related intangible asset amortization	18,137	14,814	69,568	55,591
Equity-based compensation	10,035	16,938	40,225	61,492
Convertible debt repurchase loss	-	-	-	18,355
Transaction-related costs (a)	4,295	8,180	18,205	17,138
Restructuring (b)	-	-	2,653	-
Other (c)	2,428	(2,653)	4,802	912
Tax effect on adjustments	(8,946)	(6,429)	(33,181)	(35,842)
<b>Adjusted net income attributable to Parsons Corporation</b>	<b>81,532</b>	<b>85,030</b>	<b>343,411</b>	<b>352,699</b>
<b>Adjusted earnings per share:</b>				
Weighted-average number of basic shares outstanding	106,719	106,465	106,828	106,274
Weighted-average number of diluted shares outstanding (d)	108,221	108,355	108,246	108,052
<b>Adjusted net income attributable to Parsons Corporation per basic share</b>	<b>\$0.76</b>	<b>\$0.80</b>	<b>\$3.21</b>	<b>\$3.32</b>
<b>Adjusted net income attributable to Parsons Corporation per diluted share</b>	<b>\$0.75</b>	<b>\$0.78</b>	<b>\$3.17</b>	<b>\$3.26</b>

(a) Reflects costs incurred in connection with acquisitions and other non-recurring transaction costs, primarily fees paid for professional services and employee retention.

(b) Reflects costs associated with and related to our corporate restructuring initiatives.

(c) Includes a combination of gain/loss related to sale of fixed assets, software implementation costs, and other individually insignificant items that are non-recurring in nature.

(d) Excludes dilutive effect of convertible senior notes due 2025 due to bond hedge.