

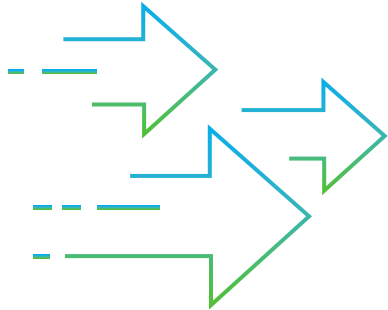


SECOND QUARTER 2022

Earnings Conference Call Presentation

August 3, 2022

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,

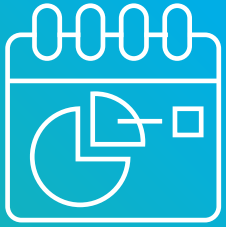
contract terminations or cancellations caused by competitors' protests of major contract awards received by us; our ability to generate revenue under certain of our contracts; any inability to attract, train or retain employees with the requisite skills, experience and security clearances; the loss of 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, 2021, on Form 10-K, filed on February 23, 2022, 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.



MAJOR MESSAGES

Strong Second Quarter 2022 Results

- Delivered strong Q2 2022 results; business momentum continues
- Generated healthy organic growth in both business segments
- Continued strong hiring and retention
- Solid book-to-bill ratio driven by Critical Infrastructure
- Well-positioned to benefit from growing budgets in both segments
- Leveraged robust balance sheet to complete largest acquisition since IPO
- Xator acquisition adds national security and infrastructure protection capabilities
- ESG awards for diversity and inclusion and sustainable infrastructure
- Raised FY22 revenue and adjusted EBITDA guidance; reiterating cash flow guidance
- Named new CFO and two new Board members



Q2 2022 REVENUE

\$1,009 Million

NET INCOME

\$18 Million

ADJUSTED EBITDA

\$77 Million

CASH FLOW FROM OPERATIONS

\$51 Million

BOOK-TO-BILL RATIO

1.0x Trailing 12-months of 1.0x

STRONG BALANCE SHEET

2.0x Net Debt Leverage Ratio

Q2 2022 KEY HIGHLIGHTS

Strong Q2 2022 financial results

- Revenue increases 15% year-over-year to \$1,009 million, includes organic growth of 9% (highest since IPO)
- Organic revenue growth driven by both segments: Federal Solutions 11% and Critical Infrastructure 8%
- Net income increases 173% to \$18 million
- Adjusted EBITDA increases 18% to \$77 million
- Book-to-bill ratio of 1.0x in Q2 2022

Momentum and Strategic M&A Continues

- Strong results reflect improvements to the business over the last year and were driven by sustained recruiting and retention, growing revenue on existing contracts, driving task orders to large single award contracts, and operating effectively in two well-funded and growing markets
- Leveraged balance sheet to complete largest acquisition since IPO
- Xator enhances Parsons' position in the critical infrastructure, national security, and training solutions markets benefitting both Parsons' business segments

Strong balance sheet

- 2.0x net debt leverage will enable Parsons to make additional organic and M&A investments to drive growth and expand margins

Increasing FY22 total revenue and adjusted EBITDA guidance; reiterating cash flow guidance



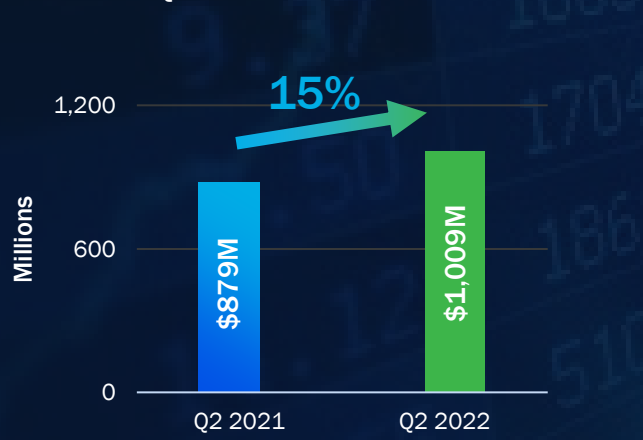
Q2 2022 FINANCIAL SUMMARY



Strong Q2 2022 revenue and adjusted EBITDA growth, solid Q2 bookings

- Q2 2022 total revenue of \$1,009M increased 15% and 9% organically from Q2 2021
- Adjusted EBITDA of \$77M increased 18% from prior year period
- Net income increased 173% year-over-year to \$18M
- Cash flow from operations of \$51M, includes \$8M of transaction-related payments for Xator acquisition
- Q1 book-to-bill ratio of 1.0x; TTM ratio of 1.0x

Q2 2022 Total Revenue



Adjusted EBITDA



Book-to-Bill Ratios



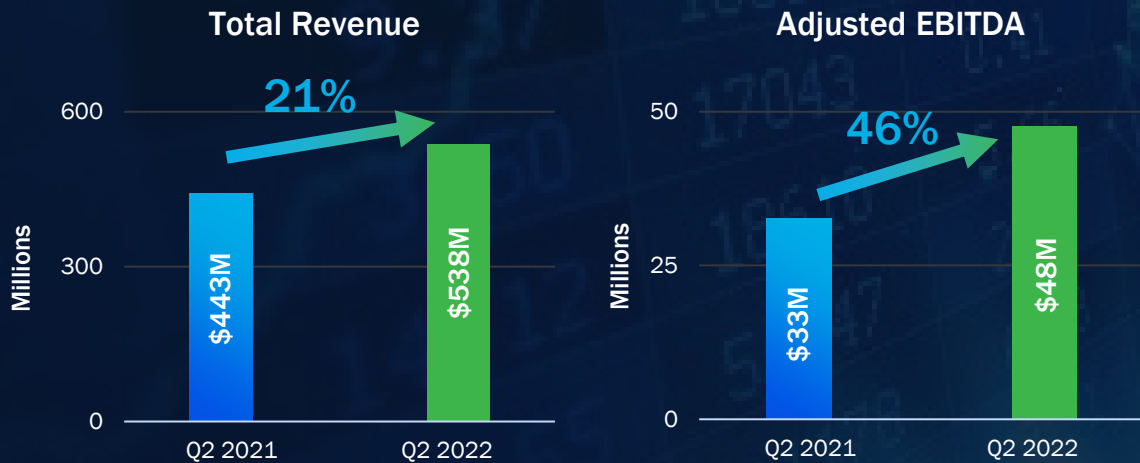


BUSINESS SEGMENT SUMMARY



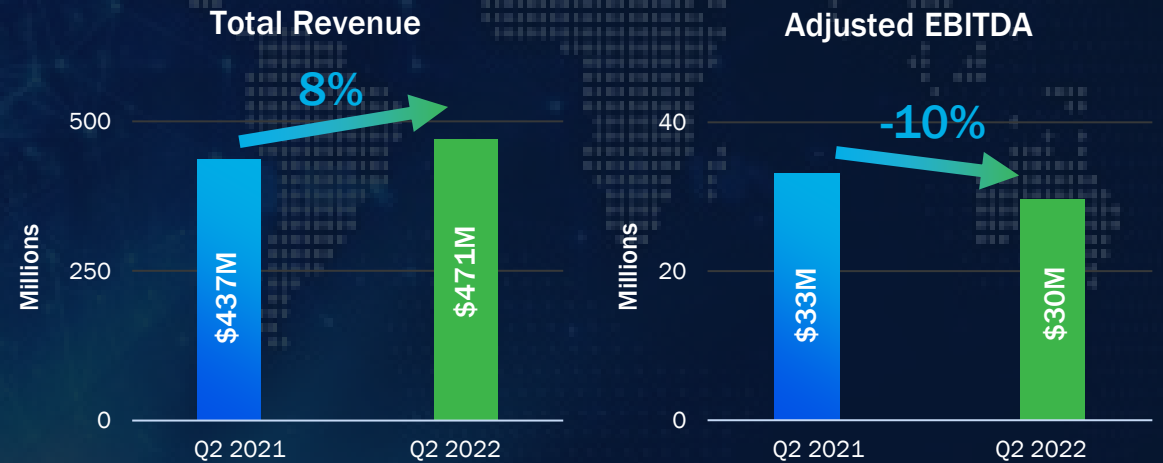
Federal Solutions

- Q2 2022 revenue increased 21% and increased 11% organically from Q2 2021
- Adjusted EBITDA increased 46% to \$48M; adjusted EBITDA margin increased to 8.9%
- Federal Solutions backlog of \$5.1B



Critical Infrastructure

- Q2 2022 revenue increased 8% (all organic) from Q2 2021
- Adjusted EBITDA decreased 10% to \$30M; adjusted EBITDA margin decreased to 6.3%
- Book-to-bill ratio of 1.3x





SIGNIFICANT CONTRACT WINS



Awarded
\$148M

Awarded a \$148 million contract value increase on a program management contract for the Riyadh Metro program, which is the largest metro system development project in the world.



Awarded
\$99M

Xator was awarded a \$99 million contract with a classified customer after the company's acquisition closed on May 31, 2022.



Awarded
\$88M

Awarded an \$88 million re-compete contract to provide Enterprise Construction Management Services for the Department of Energy National Nuclear Security Administration.



Awarded
\$75M

Awarded a new contract in Saudi Arabia worth over \$75 million related to developing the fast-growing entertainment sector in conjunction with the economic diversification goals of the Saudi Vision 2030 program.



Awarded
\$75M

Awarded a \$75 million task order contract by a rail customer for infrastructure projects.



Awarded
>\$10B ceiling

Awarded prime positions on two multiple-award IDIQ contacts with ceiling values of \$10 billion and \$95 million. Customers for these contracts include the Defense Health Agency, and Naval Facilities Engineering Systems Command, respectfully.



Awarded
>\$5B ceiling

After Q2 2022 ended, the company won four significant contracts which included two large single-award middle east contracts with values that are being finalized, and prime positions on two additional multiple-award IDIQ contacts. One IDIQ win is a classified contract with a \$5 billion ceiling and the second IDIQ win is for the Defense Threat Reduction Agency with a \$850 million ceiling value.

CORPORATE HIGHLIGHTS



Named Matt Ofilos as the company's chief financial officer

Appointed two new individuals to the company's board of directors: George Ball, Parsons' former CFO, and Ellen Lord, the former Under Secretary of Defense for Acquisition and Sustainment. All three appointments were effective July 25, 2022.



Recognized as a top 50 employer by Women Engineer Magazine

This publication selects the top companies in the country for which they would most like to work for and/or whom they believe would provide a positive working environment for women engineers.



Honored by the Washington Business Journal as one of most Diverse Companies

Honored by the Washington Business Journal as one of the most diverse companies and employers in the Washington, D.C. metropolitan area.



Sustainable Infrastructure Awards

The company's Spring Valley Remediation project won the Secretary of Defense Environmental Award for remediation of chemical warfare materiel, and Parsons' Dubai Metro Route extension project won the Sustainable Transport Best Consultant Award for the implementation of sustainable urban mobility solutions that reduce congestion, conserve the environment, and improve mobility safety.



Recognition as a Top Engineering Company

Parsons was also recognized as one of the top four companies in Engineering News-Record's 2022 rankings for both Professional Services and Program Management firms.

FISCAL YEAR 2022 GUIDANCE: INCREASING REVENUE AND ADJUSTED EBITDA

	Current FY22 Guidance	Prior FY22 Guidance	FY22 Y/Y Growth at Mid-Point
Total Revenue *	\$3.95 - \$4.15B	\$3.7 - \$3.9B	+11% (5% organic)
Adjusted EBITDA	\$330 - \$360M	\$315 - \$345M	+11%
Cash Flow from Operations	\$240 - \$280M	\$240 - \$280M	+26%

* Assumes approximately \$150 million of revenue contribution from Xator acquisition.

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 2022.



FISCAL YEAR 2022 GUIDANCE ASSUMPTIONS

- ~ **54%** of total revenue to be generated from Federal Solutions segment at the mid-point
- Adjusted EBITDA margin of ~ **8.5%** at the mid-point of the revenue guidance
- Net interest expense of ~ **\$18M**
- GAAP effective tax rate of ~ **25%**
- Adjusted net income diluted share count of ~ **105M** shares
- Capital expenditures ~ **1%** of total revenue
- Equity-based compensation expenses of ~ **\$24M**
- Depreciation and amortization expenses of ~ **\$122M**, which includes ~ **\$79M** of acquisition-related amortization
- FY22 guidance includes ~**\$18M** of transaction and other expenses from prior acquisitions, but **does not include future acquisitions**
- **Patterns:**
 - **Revenue:** expect total revenue in the third and fourth quarters to grow approximately 9% to 10% over their respective prior year periods
 - **Adjusted EBITDA:** expect year-over-year growth of 8% to 12% for both the third and fourth quarters with a higher growth rate in the fourth quarter to get to the mid-point of the 2022 guidance range
 - **Operating Cash Flow:** expect sequential improvements throughout the balance of the year consistent with the company's typical quarterly cadence



APPENDIX: SUPPLEMENTAL MATERIALS

ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information Reconciliation of Net Income to Adjusted EBITDA

(in thousands)

	Three Months Ended		Six Months Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Net income attributable to Parsons Corporation	\$18,295	\$6,702	\$38,962	\$15,741
Interest expense, net	4,354	4,758	8,227	9,201
Income tax provision (benefit)	5,732	3,838	13,851	9,213
Depreciation and amortization (a)	30,581	34,635	61,090	69,308
Net income attributable to noncontrolling interests	4,485	5,325	7,661	10,300
Equity-based compensation	4,791	4,921	8,689	11,901
Transaction-related costs (b)	9,525	4,086	11,923	6,732
Restructuring (c)	-	73	213	150
Other (d)	(349)	1,389	1,046	1,880
Adjusted EBITDA	\$77,414	\$65,727	\$151,662	\$134,426

(a) Depreciation and amortization for the three and six months ended June 30, 2022, is \$25.9 million and \$52.1 million, respectively, in the Federal Solutions Segment and \$4.7 million and \$9.0 million, respectively, in the Critical Infrastructure Segment. Depreciation and amortization for the three and six months ended June 30, 2021, is \$30.1 million and \$60.2 million, respectively, in the Federal Solutions Segment and \$4.6 million and \$9.1 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		Six Months Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Federal Solutions Adjusted EBITDA attributable to Parsons Corporation	\$47,645	\$32,500	\$90,283	\$64,482
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	49	79	166	154
Federal Solutions Adjusted EBITDA including noncontrolling interests	\$47,694	\$32,579	\$90,449	\$64,636
Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	25,160	27,817	53,475	59,474
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	4,560	5,331	7,738	10,316
Critical Infrastructure Adjusted EBITDA including noncontrolling interests	\$29,720	\$33,148	\$61,213	\$69,790
Total Adjusted EBITDA including noncontrolling interests	\$77,414	\$65,727	\$151,662	\$134,426

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		Six Months Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Net income attributable to Parsons Corporation	\$18,295	\$6,702	\$38,962	\$15,741
Acquisition related intangible asset amortization	19,714	24,485	39,804	49,009
Equity-based compensation	4,791	4,921	8,689	11,901
Transaction-related costs (a)	9,525	4,086	11,923	6,732
Restructuring (b)	-	73	213	150
Other (c)	(349)	1,389	1,046	1,880
Tax effect on adjustments	(8,854)	(8,552)	(15,526)	(17,372)
Adjusted net income attributable to Parsons Corporation	43,122	33,104	85,111	68,041
Adjusted earnings per share:				
Weighted-average number of basic shares outstanding	103,675	102,509	103,722	102,456
Weighted-average number of diluted shares outstanding (d)	104,334	103,254	104,451	103,092
Adjusted net income attributable to Parsons Corporation per basic share	\$0.42	\$0.32	\$0.82	\$0.66
Adjusted net income attributable to Parsons Corporation per diluted share	\$0.41	\$0.32	\$0.81	\$0.66

(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 to bond hedge.

PARSONS CORPORATION

Historical Quarterly Revenue by New Business Units
(in thousands)

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Revenue						
Defense & Intelligence	\$350,298	\$335,527	\$339,986	\$332,080	\$297,447	\$299,517
Engineered Systems	187,258	156,102	154,029	167,211	145,228	152,552
Federal Solutions revenues	537,556	491,629	494,015	499,291	442,675	452,069
Mobility Solutions	300,382	294,786	293,498	293,799	295,825	281,596
Connected Communities	170,783	162,654	163,155	162,960	140,856	141,032
Critical Infrastructure revenues	471,165	457,440	456,653	456,759	436,681	422,628
Total Revenue	\$1,008,721	\$949,069	\$950,668	\$956,050	\$879,356	\$874,697