

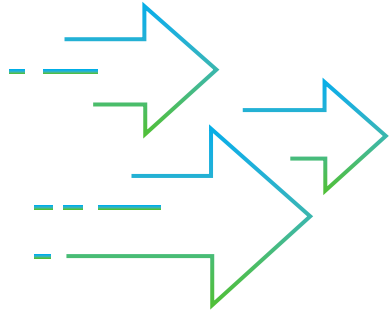


FIRST QUARTER 2021

Earnings Conference Call

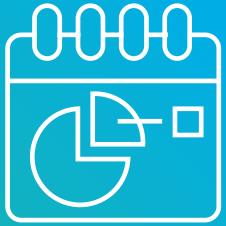
May 5, 2021

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, 2020 on Form 10-K, filed on February 24, 2021, 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.



Q1 2021 REVENUE

\$875 Million

NET INCOME

\$9 Million

ADJUSTED EBITDA

\$69 Million

CASH FLOW USED IN OPERATIONS

\$66 Million

BOOK-TO-BILL RATIO

1.2x

STRONG BALANCE SHEET

0.7x Net Debt Leverage Ratio

Q1 2021 KEY TAKEAWAYS

Strong bookings and significant margin expansion; results in-line with internal expectations

- Adjusted EBITDA margin expands 170 basis points year-over-year to 7.9%
- 1.2x book-to-bill ratio
- \$61M improvement in free cash flow
- Adjusted EBITDA and adjusted EBITDA margin exceeded internal expectations; revenue and cash flow results were in-line with guidance provided on Q4 2020 call

Business fundamentals remain strong; momentum continues into Q2 2021

- Six wins over \$100M in Q1 2021
- Great start to Q2 2021 with contract wins totaling approximately \$1 billion to date
- TTM book-to-bill ratio of 1.1x
- Backlog increases 5% year-over-year and represents ~ two years of annual revenue

Robust balance sheet

- Net debt leverage ratio of 0.7x
- Strong balance sheet enables continued strategic investments in accretive acquisitions, technology, and employees

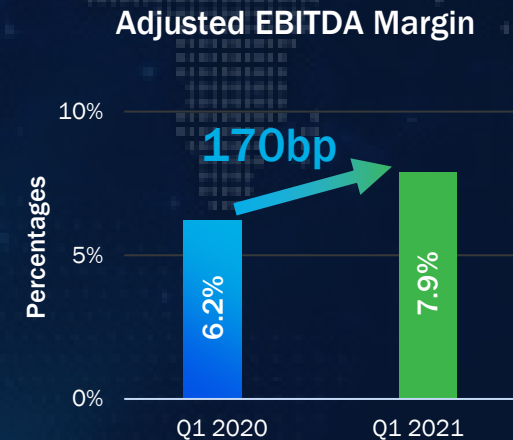
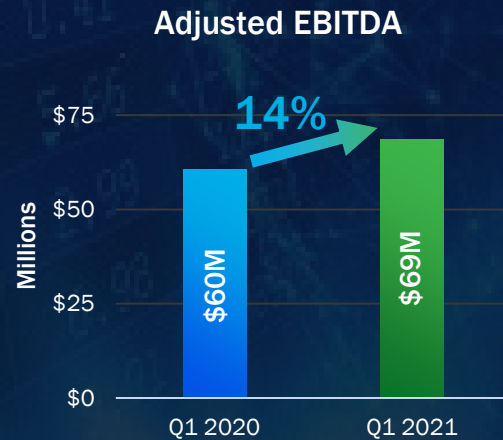
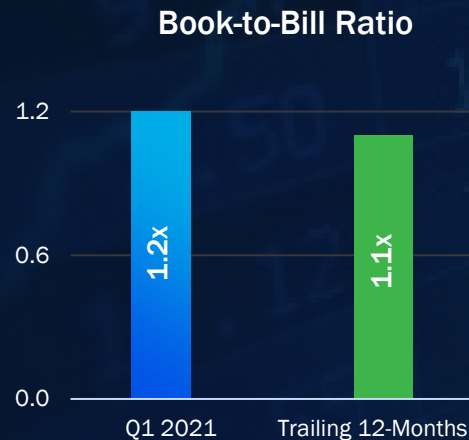
Reiterating all fiscal year 2021 guidance metrics

Q1 2021 FINANCIAL HIGHLIGHTS



Delivered strong bookings and margin expansion

- Total revenue of \$875M decreased 10% YOY and included \$64M of adverse impact from COVID-19 and pass-through revenue
- Total revenue down 4% YOY excluding \$51M of net lower pass-through revenue, and \$13M of adverse impact from COVID
- Adjusted EBITDA increased 14% to \$69M; adjusted EBITDA margin increased 170 basis points to 7.9%
- Net income decreased to \$9M; net income margin decreased to 1.0%
- Q1 2021 cash flow used in operating activities of \$66M
- Q1 2021 book-to-bill ratio of 1.2x; TTM of 1.1x



BUSINESS SEGMENT HIGHLIGHTS



Federal Solutions

- Q1 2021 revenue decreased 5.3% YOY. Excluding \$11M of net lower pass-through revenue and \$16M of adverse impact from COVID, revenue grew 0.3% and was down 6.6% organically
- Adjusted EBITDA margin increased 50 bps to 7.1%
- Book-to-bill ratio of 0.9x in Q1 2021; TTM of 1.1x



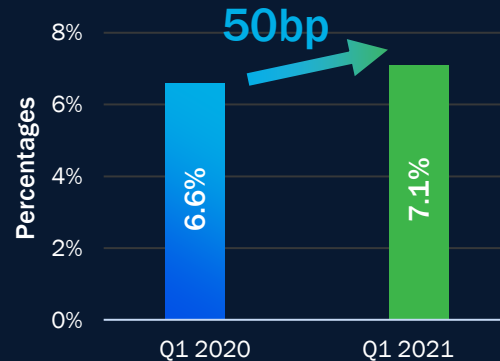
Critical Infrastructure

- Q1 2021 revenue decreased 14.3% YOY. Excluding \$40M of net lower pass-through revenue and a benefit of \$3M from COVID, revenue decreased 8.0%
- Adjusted EBITDA margin increased 280 bps to 8.7%
- Book-to-bill ratio of 1.4x in Q1 2021; TTM of 1.2x

Book-to-Bill Ratio



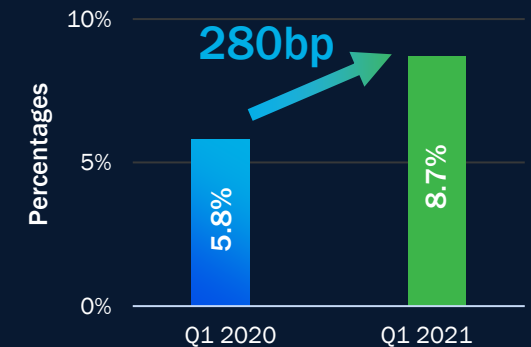
Q1 2021 Adjusted EBITDA Margin



Book-to-Bill Ratio



Q1 FY21 Adjusted EBITDA Margin



RECENT SIGNIFICANT CONTRACT WINS



Awarded
\$618M

GSA contract win after Q1 2021 ended for solutions that advance C5ISR, exercises, operations, and information services (CEOIS).



Awarded
\$140M

Work under the U.S. Postal Service's Nationwide Program Management Services contract.



Awarded
\$114M

Contract by the Public Works Authority of Qatar, to provide program and construction management services.



Awarded
\$80M

Program management by the Architect of the Capitol, Washington D.C., ensuring the continued progress and excellence of their projects.



Awarded
\$75M

\$94M CAD (~ \$75 million USD) contract for new construction management work for remediation efforts on the Giant Mine in the Northwest Territories, Canada.



Awarded
\$69M

U.S. Army Combat Capabilities Development Command Army Research Laboratory to develop exploratory, disruptive technology.



Awarded
\$45M

Central Texas Regional Mobility Authority for design work on improvements to U.S. Highway 183.



Awarded
\$12B

Multiple-award IDIQ contract by the DIA for the Solutions for Information Technology Enterprise III (SITE III).



Awarded
\$2B

Multiple-award IDIQ contract by the U.S. Air Force Civil Engineer Center for architecture engineering capabilities, including the restoration and modernization of Air Force Bases worldwide.



Awarded
\$250M

Multiple-award IDIQ contract by the Naval Information Warfare Center Pacific (NIWC).



Awarded
\$100M

Multiple-award IDIQ contract by NIWC Pacific for support in the identification, implementation, development, and enhancement of C4I and the network-centric warfare.

Recent Additional Corporate and ESG Highlights



Harrington Retires After 40 Years; Smith To Succeed

Announced that Parsons' board of directors elected Carey Smith as chief executive officer, effective July 1st, 2021. Ms. Smith succeeds Charles "Chuck" Harrington, who announced his retirement after nearly 40 years with the company. Harrington will continue to serve on Parsons' Board as executive chairman upon his retirement.



One of the World's Most Ethical Companies

Named by Ethisphere, a global leader in defining and advancing the standards of ethical business practices, as one of the 2021 World's Most Ethical Companies. Parsons has been honored with this recognition for 12 consecutive years.



A Top 50 Employer

Recognized as a top 50 company by both Minority Engineer Magazine and Woman Engineer Magazine. These publications select the top companies in the country for which they would most like to work or whom they believe would provide a positive working environment for minority and women engineers.



Human Rights Campaign Foundation's 2021 Corporate Equality

Recognized by the Human Rights Campaign Foundation's 2021 Corporate Equality Index for its active support and inclusion of the lesbian, gay, bisexual, transgender, questioning (LGBTQ+) community.

REITERATING FISCAL YEAR 2021 GUIDANCE



Total Revenue

\$3.85 billion to
\$4.05 billion



Adjusted EBITDA

\$350 million to
\$375 million



Cash Flow From Operations

\$280 million to
\$310 million

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 2021.

FISCAL YEAR 2021 GUIDANCE ASSUMPTIONS

- ~ **52%** of total revenue to be generated from Federal Solutions segment at the mid-point
- Adjusted EBITDA margin of ~ **9.2%** at the midpoint of revenue and adjusted EBITDA guidance ranges. **Up 50bps** from 2020
- Net interest expense of ~ **\$17M**
- GAAP effective tax rate of ~ **27%**
- Adjusted net income diluted share count of ~ **103M shares**
- Capital expenditures of ~ **1%** of total revenue
- Equity based compensation expenses of ~ **\$23M**
- Depreciation and amortization expenses of ~ **\$140M**, which includes ~ **\$97M** of acquisition-related amortization
- FY21 guidance does not assume new acquisitions or share repurchases but includes legacy transaction and other expenses of ~ **\$7M**
- **Patterns:** From Q1 onward, we expect sequential revenue and adjusted EBITDA improvements through Q3 and then down sequentially in Q4. Operating cash flow: expect sequential improvements throughout the year

APPENDIX: SUPPLEMENTAL MATERIALS

ADJUSTED EBITDA RECONCILIATION

PARSONS CORPORATION

Non-GAAP Financial Information

Reconciliation of Net Income to Adjusted EBITDA

(in thousands)

	Three Months Ended	
	March 31, 2021	March 31, 2020
Net income attributable to Parsons Corporation	\$9,039	\$12,973
Interest expense, net	4,443	3,794
Income tax provision (benefit)	5,375	5,084
Depreciation and amortization (a)	34,673	32,409
Net income attributable to noncontrolling interests	4,975	1,398
Equity based compensation (b)	6,980	(7,721)
Transaction-related costs (c)	2,646	12,011
Restructuring (d)	77	(33)
Other (e)	491	581
Adjusted EBITDA	\$68,699	\$60,496

(a) Depreciation and amortization for the three months ended March 31, 2021 is \$30.1 million in the Federal Solutions Segment and \$4.6 million in the Critical Infrastructure Segment. Depreciation and amortization for the three months ended March 31, 2020 is \$27.4 million in the Federal Solutions Segment and \$5.0 million in the Critical Infrastructure Segment.

(b) Reflects equity-based compensation costs primarily related to cash-settled awards.

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

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

(e) 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	
	March 31, 2021	March 31, 2020
Federal Solutions Adjusted EBITDA attributable to Parsons Corporation	\$31,982	\$31,617
Federal Solutions Adjusted EBITDA attributable to noncontrolling interests	75	92
Federal Solutions Adjusted EBITDA including noncontrolling interests	\$32,057	\$31,709
Critical Infrastructure Adjusted EBITDA attributable to Parsons Corporation	31,657	27,357
Critical Infrastructure Adjusted EBITDA attributable to noncontrolling interests	4,985	1,430
Critical Infrastructure Adjusted EBITDA including noncontrolling interests	\$36,642	\$28,787
Total Adjusted EBITDA including noncontrolling interests	\$68,699	\$60,496

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	
	March 31, 2021	March 31, 2020
Net income attributable to Parsons Corporation	\$9,039	\$12,973
Acquisition related intangible asset amortization	24,524	22,699
Equity-based compensation (a)	6,980	(7,721)
Transaction-related costs (b)	2,646	12,011
Restructuring (c)	77	(33)
Other (d)	491	581
Tax effect on adjustments	(8,820)	(7,568)
Adjusted net income attributable to Parsons Corporation	34,937	32,942
Adjusted earnings per share:		
Weighted-average number of basic shares outstanding	102,376	100,670
Weighted-average number of diluted shares outstanding (e)	102,949	100,899
Adjusted net income attributable to Parsons Corporation per basic share	\$0.34	\$0.33
Adjusted net income attributable to Parsons Corporation per diluted share	\$0.34	\$0.33

(a) Reflects equity-based compensation costs primarily related to cash-settled awards.

(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.

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