

KBR to Acquire Centauri, Significantly Expanding its Military Space, Defense Modernization and Cyber Solutions Portfolio

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HOUSTON - (August 19, 2020) - KBR, Inc. (NYSE: KBR) ("KBR" or the "Company") today announced it has entered into a definitive agreement with Arlington Capital Partners ("Arlington Capital"), a Washington, DC-based private equity firm, under which KBR will acquire Centauri, LLC ("Centauri"), a leading independent provider of high-end space, directed energy and other advanced technology solutions, for approximately \$800 million (net of tax benefits) in cash.

Centauri is a technology-driven company that provides high-end engineering and development solutions for critical, well-funded, national security missions associated with space, intelligence, cyber and emerging technologies, such as directed energy and missile defense. Centauri has achieved significant growth over the last four years, becoming a leading pure-play space and intelligence solutions provider and benefitting from its highly cleared and technical workforce, space domain awareness and a customer-focused footprint of classified operations. Centauri also has a substantial and growing pipeline of opportunities in Department of Defense (DoD) and intelligence community programs that benefit from bipartisan support. Headquartered in Chantilly, Virginia with 22 offices across the United States, Centauri has more than 1,750 employees, a majority of which have special access clearances and half of whom have advanced degrees.

The Centauri acquisition will be transformative for KBR. With Centauri, KBR significantly expands its military space and intelligence businesses and builds on its already strong cybersecurity and missile defense solutions. The companies possess complementary and established customer relationships supported by recurring contracts serving some of the U.S. government's most important, challenging and complex missions. KBR expects to benefit from a more balanced and more differentiated portfolio that is resilient across business cycles; poised for continued growth in attractive, high-priority domains. The transaction builds on KBR's previous strategic acquisitions and successful integrations of Wyle, Honeywell Technology Solutions and Stinger Ghaffarian Technologies, and creates a combined platform with extensive expertise in civil, military, intelligence and commercial space solutions.

"KBR has undergone a deliberate, strategic transformation to be a provider of innovative, higher-end, digitally-enabled solutions and technologies in attractive, stable domains," said Stuart Bradie, KBR President and Chief Executive Officer. "The acquisition of Centauri firmly aligns with our strategy of increasing KBR's highly technical, mission-focused, synergistic capabilities and enduring customer relationships. We are excited to welcome and work closely with the Centauri team as we continually drive growth and value-creation for our shareholders and other stakeholders."

"By combining with KBR, Centauri will have greater opportunities to grow as part of a larger and more diversified company," said Dave Dzarán, Chief Executive Officer of Centauri. "Centauri and KBR share strong employee-focused, mission-first cultures and complementary platforms, making this an ideal combination. As part of KBR, our innovation and initiative will enhance our combined company's ability to develop systems and provide solutions in space, intelligence and cyber. KBR's global foundation of safety and sustainability will help us drive continuous growth and keep our nation safe."

Link to original press release:

<https://www.kbr.com/en/insights-events/press-release/kbr-acquire-centauri>