

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 7, 2025



**KBR, Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

001-33146  
(Commission File Number)

20-4536774  
(I.R.S. Employer Identification No.)

601 Jefferson Street  
Suite 3400  
Houston, Texas 77002  
(Address of principal executive offices)

Registrant's telephone number including area code: (713) 753-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which listed
Common Stock, \$0.001 par value	KBR	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**ITEM 7.01 Regulation FD Disclosure.**

On January 7, 2025, KBR, Inc. issued a press release titled, "KBR Announces Segment Realignment and Executive Appointments in Support of Advancing Strategy." The full text of the press release is attached hereto as Exhibit 99.1.

The company will hold a special webcast of its Segment Realignment and Executive Appointments Presentation on Wednesday, January 8, 2025, beginning at 8:30 a.m. Eastern Time. The webcast can be accessed on KBR's website at investors.kbr.com.

The company will publish its Segment Realignment and Executive Appointments presentation in conjunction with the webcast, and a replay will be available at investors.kbr.com following the live webcast.

A copy of the presentation slides is furnished herewith as Exhibit 99.2.

The information furnished pursuant to this Item 7.01, including Exhibits 99.1 and 99.2, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 ("Exchange Act") or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act unless explicitly stated otherwise.

**ITEM 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are filed as part of this report:

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">99.1</a>	KBR, Inc. press release dated January 7, 2025, titled, "KBR Announces Segment Realignment and Executive Appointments in Support of Advancing Strategy."
<a href="#">99.2</a>	KBR, Inc. Segment Realignment and Executive Appointments Presentation Slides
104	Cover Page Interactive Data file (formatted as Inline XBRL)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**KBR, INC.**

January 8, 2025

/s/ Sonia Galindo  
**Sonia Galindo**  
Executive Vice President, General Counsel & Corporate Secretary

## **KBR Announces Segment Realignment and Executive Appointments in Support of Advancing Strategy**

- Realigned segments to support continued growth and profitability; Government Solutions segment renamed Mission Technology Solutions
- Stuart Bradie, President and Chief Executive Officer, appointed Chair Elect and Byron Bright, President, Government Solutions U.S., named Chief Operating Officer, effective May 2025
- Reiterating 2027 financial targets
- Hosting a webcast to discuss these updates on January 8, 2025, at 8:30 a.m. EST



HOUSTON, January 7, 2025 – KBR (NYSE: KBR) today announced segment reporting updates and executive appointments focused on advancing the Company’s strategic direction. These updates include changes previously approved by KBR’s Board of Directors and disclosed in a Form 8-K filed on December 19, 2024.

“As KBR continues to scale and expand capabilities, we are realigning our portfolio to streamline operations, reduce complexity, and optimize our processes,” said Stuart Bradie, KBR President and CEO. “During 2024, we eliminated substantial costs and moved necessary support into the segments to enable greater self-sufficiency. We are already seeing the benefits of these initiatives, which have broken down historical silos, created cross-team collaboration, and opened a larger pipeline of opportunities globally. We also effected leadership changes to facilitate continued strong execution and greater value creation. These deliberate moves will ensure that our capabilities and talent are best aligned with our customers, help us remain cost competitive, and accelerate our progress toward achieving our strategic objectives, including maximizing shareholder value.”

### **Segment Realignment**

KBR comprises two operating business segments: Government Solutions (GS) and Sustainable Technology Solutions (STS). As part of the segment realignment, GS has been renamed Mission Technology Solutions (MTS), reflecting KBR’s leading-edge mission critical capabilities spanning space, defense, national security, and its expanding commercial end markets. Sustainable Technology Solutions retains its name. The legacy GS International business unit has been eliminated and its elements integrated into both MTS and STS. Both segments will continue to operate globally, serving government and commercial customers.

The realigned organization is not effective until fiscal year 2025. For investor convenience, selected proforma financial information (under the realigned organization) for the prior 11 reported quarters will be posted on the Investor Relations section of KBR’s website at [investors.kbr.com](https://investors.kbr.com). The fourth quarter of fiscal year 2024 will be added to this supplemental schedule once it is reported in February 2025. KBR’s 2025 Forms 10-Q and Form 10-K will include comparable historical periods and reflect the realigned organization.

### **Executive Appointments**

On December 19, 2024, KBR announced executive appointments in support of advancing its strategic direction:

- Byron Bright, currently President, Government Solutions U.S., has been appointed to serve in KBR’s newly created Chief Operating Officer (COO) role, effective May 2025. As COO, he will lead both segments with Jay Ibrahim, President, Sustainable Technology Solutions, reporting to him.

Additional Mission Technology Solutions leadership appointments will be made in the coming months.

- Bright, 50, joined KBR in 2010 and has served in his current position since June 2020. Bright brings extensive operational experience and deep technical expertise, with prior roles in government services and the U.S. Air Force.

Bradie commented, "Byron has demonstrated exceptional leadership in his current role. As COO, he will provide focused operational oversight to ensure that KBR continues to win the right work and deliver value as we execute our strategic initiatives. I am extremely confident in Byron's ability to consistently deliver results across the enterprise, and I look forward to partnering with him in his new leadership role."

- KBR Chair, General Lester L. Lyles, notified the Board of Directors of his decision to retire from service effective post KBR's 2025 Annual Meeting of Stockholders. General Lyles has served on the Board since 2007 and as Chair since 2019.
- The Board appointed Bradie to serve as Chair effective following the 2025 Annual Meeting.
- An Independent Lead Director will be appointed ahead of the 2025 Annual Meeting.

Bradie commented, "General Lyles has been an invaluable member of our Board and instrumental in guiding KBR's transformation into a global, diversified technology solutions leader. We are grateful for Les's leadership and thank him for his 18 years of dedicated service. I am honored to take on the role of Chair and thank the Board for their confidence in me. I look forward to continuing to work with our Board and leadership team to execute our strategy and deliver continued stakeholder value."

#### Financial Targets

KBR is reiterating its 2027 financial targets, introduced at its May 2024 Investor Day which are based on 2023 baseline year.

Specifically, the company expects to achieve:

- **KBR Consolidated:** Revenues of \$11.5 billion; Adj. EBITDA of \$1.15+ billion; Adj. EBITDA Margin of 10% - 11%, and Operating Cash Flow of \$700+ million
- **MTS:** Revenue CAGR of 11% - 15% and Adj. EBITDA Margin of 9% - 10%
- **STS:** Revenue CAGR of 11% - 15% and Adj. EBITDA Margin of ~20%

Bradie concluded, "The outlook for KBR is exciting and we are well positioned with our unique capabilities and talented teams to capture outsized demand driven by global megatrends. The structural changes communicated today provide us greater strategic flexibility as we continue to build strength and scale across the organization. We remain focused on leveraging our unique ONE KBR capabilities, enabled by our digital accelerators, to deliver best-in-class solutions to our global customers."

#### Webcast Information

KBR will host a special webcast to discuss the segment realignment and executive leadership updates on Wednesday, January 8, 2025, at 8:30 a.m. Eastern Time. The conference call will be webcast simultaneously through the Investor Relations section of KBR's website at [investors.kbr.com](https://investors.kbr.com). A replay of the webcast will be available on our website or by telephone at +1.866.813.9403, passcode: 639026.

#### About KBR

We deliver science, technology and engineering solutions to governments and companies around the world. KBR employs approximately 37,000 people worldwide with customers in more than 80 countries and operations in over 30 countries.

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KBR is proud to work with its customers across the globe to provide technology, value-added services, and long-term operations and maintenance services to ensure consistent delivery with predictable results. At KBR, We Deliver.

Visit [www.kbr.com](http://www.kbr.com)

**Forward Looking Statements**

The statements in this press release that are not historical statements, including statements regarding our plans, objectives, goals, strategies, investments, capital deployment, future financial performance, 2024-2027 financial targets, expected returns, cost reductions and future events, are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks, uncertainties and assumptions, many of which are beyond the company's control, that could cause actual results to differ materially from the results expressed or implied by the statements. These risks, uncertainties and assumptions include, but are not limited to, those set forth in the company's most recently filed Annual Report on Form 10-K, any subsequent Form 10-Qs and 8-Ks and other U.S. Securities and Exchange Commission filings, which discuss some of the important risks, uncertainties and assumptions that the company has identified that may affect its business, results of operations and financial condition. Due to such risks, uncertainties and assumptions, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Except as required by law, the company undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

**For further information, please contact:**

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January 8, 2025

*SPECIAL WEBCAST:*  
**SEGMENT REALIGNMENT AND  
EXECUTIVE APPOINTMENTS**

Stuart Bradie, President and CEO  
Mark Sopp, Executive VP and CFO  
Jamie DuBray, VP of Investor Relations



The statements in this presentation that are not historical statements, including statements regarding our plans, objectives, goals, strategies, investments, synergies, capital deployment, future financial performance, 2024-2027 financial targets, expected returns, award activity and backlog, program activity, business opportunities, cost reductions and future events, are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks and uncertainties, many of which are beyond the company's control, that could cause actual results to differ materially from the results expressed or implied by the statements. These risks and uncertainties include, but are not limited to: uncertainty, delays or reductions in government funding, appropriations and payments, including as a result of continuing resolution funding mechanisms, government shutdowns or changing budget priorities; developments and changes in government laws, regulations and policies that may require us to pause, delay or abandon new and existing projects; the ongoing conflict between Russia and Ukraine and in the Middle East and the related impacts on our business; potential adverse economic and market conditions, such as interest rate and currency exchange rate fluctuations, the company's ability to manage its liquidity; the outcome of and the publicity surrounding audits and investigations by domestic and foreign government agencies and legislative bodies; potential adverse proceedings by such agencies and potential adverse results and consequences from such proceedings; changes in capital spending by the company's customers; the company's ability to obtain contracts from existing and new customers and perform under those contracts; structural changes in the industries in which the company operates; escalating costs associated with and the performance of fixed-fee projects and the company's ability to control its cost under its contracts; claims negotiations and contract disputes with the company's customers; changes in the demand for or price of oil and/or natural gas; protection of intellectual property rights; compliance with environmental laws; changes in government regulations and regulatory requirements; compliance with laws related to income taxes; unsettled political conditions, war and the effects of terrorism; foreign operations and foreign exchange rates and controls; the development and installation of financial systems; the possibility of cyber and malware attacks; increased competition for employees; the ability to successfully complete and integrate acquisitions; investment decisions by project owners; and operations of joint ventures, including joint ventures that are not controlled by the company.

The company's most recently filed Annual Report on Form 10-K, any subsequent Form 10-Qs and 8-Ks, and other U.S. Securities and Exchange Commission filings discuss some of the important risk factors that the company has identified that may affect its business, results of operations and financial condition. Except as required by law, the company undertakes no obligation to revise or update publicly any forward-looking statements for any reason.



## **Stuart Bradie**

President and Chief Executive Officer

## POSITIONED BUSINESS FOR CONTINUED GROWTH

- **Enhanced our go-to-market approach** and strengthened our commercial footprint
- **Advanced key projects:** Plaquemines began producing LNG, representing an industry benchmark for speed to market; selected for Lake Charles LNG transformation project with partner Technip Energies; delivered seven ammonia licenses; HomeSafe moves have commenced
- **Acquired LinQuest**, expanding national security and military space capabilities
- **Undertook segment realignment, cost reductions and leadership appointments.**

## PROACTIVELY ENGAGED WITH INVESTORS

- Hosted STS Primer webcast in March
- Hosted Investor Day in May and announced 2027 targets

## RECOGNIZED FOR SUSTAINABILITY LEADERSHIP AND STRONG CORPORATE CULTURE

- America's Best Large Employers by Forbes
- Military Friendly Employer – Gold level
- America's Greenest Companies by Newsweek
- 2nd Year achieving a AAA MSCI Rating



- **High-end, technically-enabled services and technologies company** with deep engineering, science and digital capabilities
  - **Serving both government and commercial customers** across attractive, growing end markets
- 
- **National security & space**
  - **Specialty chemicals**
  - **Energy**
  - **Critical infrastructure**

Attractive global end markets with **scale and diversification**

Lower risk: **concentration, commercial and capital**

Up-market, differentiated: **IP, domain expertise, digital innovation**

**Strong growth and profitability with robust cash flow generation**



## WHAT'S NEW

- **Announced intent to realign segments in Q2'24;** moves completed in Q4'24
- Renamed Government Solutions to **Mission Technology Solutions**
- **Eliminated standalone Government Services International** organization and integrated elements into Mission Technology Solutions and Sustainable Technology Solutions segments – creates meaningful synergies
- **Introduced strategic adjustments** to enhance team alignment and effectiveness

## **MISSION** TECHNOLOGY SOLUTIONS

Applies leading-edge technologies to innovate and modernize systems for national security, defense, science, health, and commercial entities.

## **SUSTAINABLE** TECHNOLOGY SOLUTIONS

Applies process technologies and large-scale project/program delivery expertise in energy, industrials, specialty chemicals, infrastructure, and supporting commercial businesses and national governments.

# KBR'S Realigned Structure



## PRIOR SEGMENTS

### GOVERNMENT SOLUTIONS (GS)

#### BUSINESS UNITS

Science & Space

Readiness & Sustainment

Defense & Intel

International (GSI)

Frazer-Nash Consulting  
Australia Defense  
UK Defense  
Critical Infrastructure

### SUSTAINABLE TECHNOLOGY SOLUTIONS (STS)

#### BUSINESS UNITS

Sustainable Solutions

Sustainable Technologies

## NEW SEGMENTS

### MISSION TECHNOLOGY SOLUTIONS (MTS)

#### BUSINESS UNITS

Science & Space

Readiness & Sustainment

Defense & Intel

Frazer-Nash Consulting  
Australia Defense  
UK Defense

### SUSTAINABLE TECHNOLOGY SOLUTIONS (STS)

#### BUSINESS UNITS

Sustainable Solutions

Sustainable Technologies

Critical Infrastructure



**Aligns capabilities and talent** to customers and end markets



**Increases cross-business connectivity,** opening pipeline to additional opportunities



**Achieves cost savings** and more efficient cost base to support continued profitable growth and scale



## SELECTED ACTIONS WE'VE TAKEN

- **Aligned Air, Space, and Intelligence customers under a single SVP**
- **Aligned UK and Australian Defense teams with US Army, Navy, and Maritime teams**
- **Aligned systems engineering and training capabilities for Army and Navy**
- **Aligned Army Electronic Warfare (EW), RF Systems, and Army Directed Energy programs under a single business**
- **Moved from program-focused to customer-focused approach in Readiness and Sustainment**
- **Expanded India Execution Center**

## BENEFITS

- > Supports customers' focus on driving Joint All Domain Command and Control systems
- > Supports growing needs of AUKUS and Pacific Defense initiatives
- > Adds more value to customer by providing greater insight for systems, tactics, and mission needs
- > Leverages LinQuest product development, prototyping, and sales strengths
- > Drives new business with adjacent customers, as evidenced by recent wins with Department of State
- > Increases cost competitiveness, workforce scalability, and digital capability



## SELECTED ACTIONS WE'VE TAKEN

- **Enhanced cross-selling logistics capabilities globally**
- **Aligned local business operations under a single division leader**
- **Aligned health-related portfolios to drive greater focusing on scaling Human Performance pipeline**
- **In the UK, aligned Frazer-Nash and UK Defense business**
- **In the Middle East, aligned infrastructure businesses under localized management**

## BENEFITS

- > Identified \$10B in new science and intel customer opportunities
- > Air Force Materiel Command: Access to combined LinQuest and KBR Digital teams
- > Recent win on MQS2 IDIQ
- > Better positioned for growth across defense and nuclear
- > Seamless program execution and more cost-effective delivery opens up larger pipeline

A portrait of Mark Sopp, a middle-aged man with short hair, wearing a white button-down shirt, standing with his arms crossed in an office setting. The background is a blurred office interior.

## Mark Sopp

Executive Vice President and Chief Financial Officer

## SELECTED ACTIONS WE'VE TAKEN

- Eliminated the GS International organization
- Initiated organization-wide zero-based budgeting approach
- Reviewed spans and layers of management; combined multiple groups into single enterprise teams
- Leveraging ERP, AI and automation for greater cost effectiveness

## BENEFITS

**\$30 MILLION**  
Expected Annual Cost Savings

- > Enhances competitiveness
- > Fuels growth investment
- > Supports delivering on long-term targets



A supplemental investor schedule is available with relevant recast pro forma financial information on [investors.kbr.com website](https://investors.kbr.com)

# Reiterating 2027 Long-Term Targets



## KBR CONSOLIDATED

Revenues **\$11.5B+**

Adj. EBITDA<sup>1</sup> **\$1.15B+**

Adj. EBITDA Margin<sup>1</sup> **10%–11%**

OCF **\$700M+**

## MISSION TECHNOLOGY SOLUTIONS

Revenue CAGR  
**11%–15%**

Adj. EBITDA  
Margin<sup>1</sup>  
**9%–10%**

## SUSTAINABLE TECHNOLOGY SOLUTIONS

Revenue CAGR  
**11%–15%**

Adj. EBITDA  
Margin<sup>1</sup>  
**~20%**

Targets exclude capital deployment; OCF target reflects 27% effective tax rate and interest rates consistent with 2023A.  
\*As announced in our 2024 Investor Day, targets are based on 2023 baseline year.

- Leadership changes support KBR's strategy execution and continued strong performance – effective May 2025
- Chair General Lester Lyles announced plans to retire in May
- President and CEO Stuart Bradie appointed Chair-Elect
- Byron Bright, President of legacy Government Solutions US named COO
- Lead Independent Director to be appointed ahead of Annual Meeting of Stockholders (May)



**Byron Bright**  
Chief Operating Officer

- 15 years with KBR in roles of increasing responsibility
- In newly created COO role, will
  - Be responsible for driving business and operational performance across the organization
  - Lead both the MTS and STS businesses

- Streamlined, resilient business model well-positioned for 2025 and beyond
- Energized leadership team
- Segment realignment and executive appointments further enable sharper execution and expand profitable growth opportunities
- Reaffirming 2027 long-term targets
- Benefits already being seen from the portfolio realignment initiatives





## Q & A





## *Appendix*

<sup>1</sup> Adj. EBITDA and Adj. EBITDA margin are considered non-GAAP financial measures under SEC rules. EBITDA is defined as Net income attributable to KBR, plus Interest expense; Accretion of Convertible Notes debt discounts; Other non-operating expense; Provision for income taxes; and Depreciation and amortization. Adj. EBITDA excludes certain amounts included in EBITDA. Adj. EBITDA margin is calculated as Adj. EBITDA divided by Revenues. Management believes EBITDA, Adj. EBITDA and Adj. EBITDA margin afford investors a view of what management considers KBR's core performance. Refer to non-GAAP reconciliation for details.

The company does not provide a reconciliation of Adj. EBITDA to the most comparable GAAP financial measure on a forward-looking basis because the company is unable to predict with reasonable certainty the ultimate outcome of legal proceedings, unusual gains and losses, and acquisition-related expenses without unreasonable effort, which could be material to the company's results computed in accordance with GAAP.

