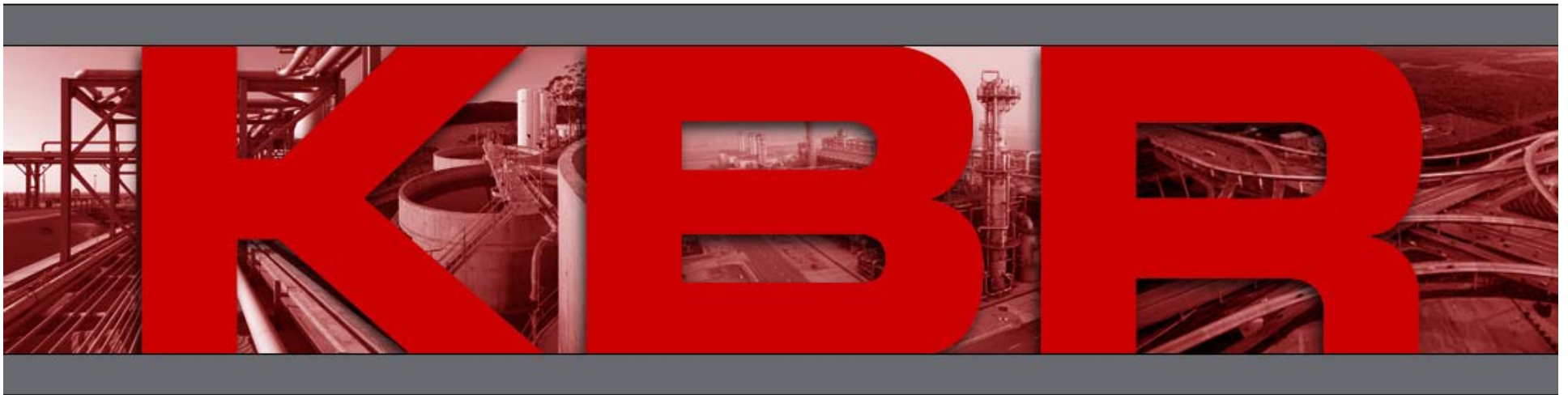


Credit Suisse Engineering & Construction Services Conference



Bill Utt – Chairman, President, and CEO

Kevin DeNicola – Senior Vice President and CFO

June 4, 2009

Forward-Looking Statements

This presentation contains “forward-looking statements.” All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements include statements about the benefits of the split-off, the discussions of KBR’s business strategies and KBR’s expectations concerning future operations, profitability, liquidity and capital resources. You can generally identify forward-looking statements by terminology such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “objective,” “plan,” “potential,” “predict,” “projection,” “should” or other similar words. These statements relate to future events or future financial performance and involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to differ materially from those in the future that are implied by these forward-looking statements. Many of these factors cannot be controlled or predicted. These risks and other factors include those described under “Risk Factors” in KBR’s Annual Report on Form 10-K dated February 25, 2009, final prospectus for its exchange offer dated March 27, 2007, Forms 10-Q, recent Current Reports on Forms 8-K, and other Securities and Exchange Commission filings . Those factors, among others, could cause KBR’s actual results and performance to differ materially from the results and performance projected in, or implied by, the forward-looking statements. As you read and consider this presentation, you should carefully understand that the forward-looking statements are not guarantees of performance or results. KBR cautions you that assumptions, beliefs, expectations, intentions and projections about future events may and often do vary materially from actual results. Therefore, KBR cannot assure you that actual results will not differ materially from those expressed or implied by forward-looking statements.

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KBR – A Leading Global E & C Provider

- Revenue: Full Year 2008 - \$11.6 Billion; First Quarter 2009 - \$3.2 Billion
 - 2008 Fortune 500 Rating - #234
- Income from Continuing Operations: Full Year 2008 - \$308 Million;
 - 69% increase over Full Year 2007
- Backlog: 3/31/09 - \$12.8 Billion (78% reimbursable / 22% fixed-price)*
- ~57,000 employees; 45+ countries
- Extensive service capabilities:
 - Engineering, procurement, construction, commissioning, and start-up (EPC-CS) to global oil, gas, petrochemical, and infrastructure customers
 - Defense, logistics, and contingency support for defense services

* For contracts that contain both fixed-price and cost-reimbursable components, KBR classifies the components as either fixed-price or cost-reimbursable according to the composition of the contract, except for smaller contracts that are characterized on the predominate component.



Our Aspiration: To be the world's premier engineering, construction and services company

Mission

➤ **To safely deliver any project, any time, in any environment for the benefit of our customers, shareholders, employees and the communities we serve.**

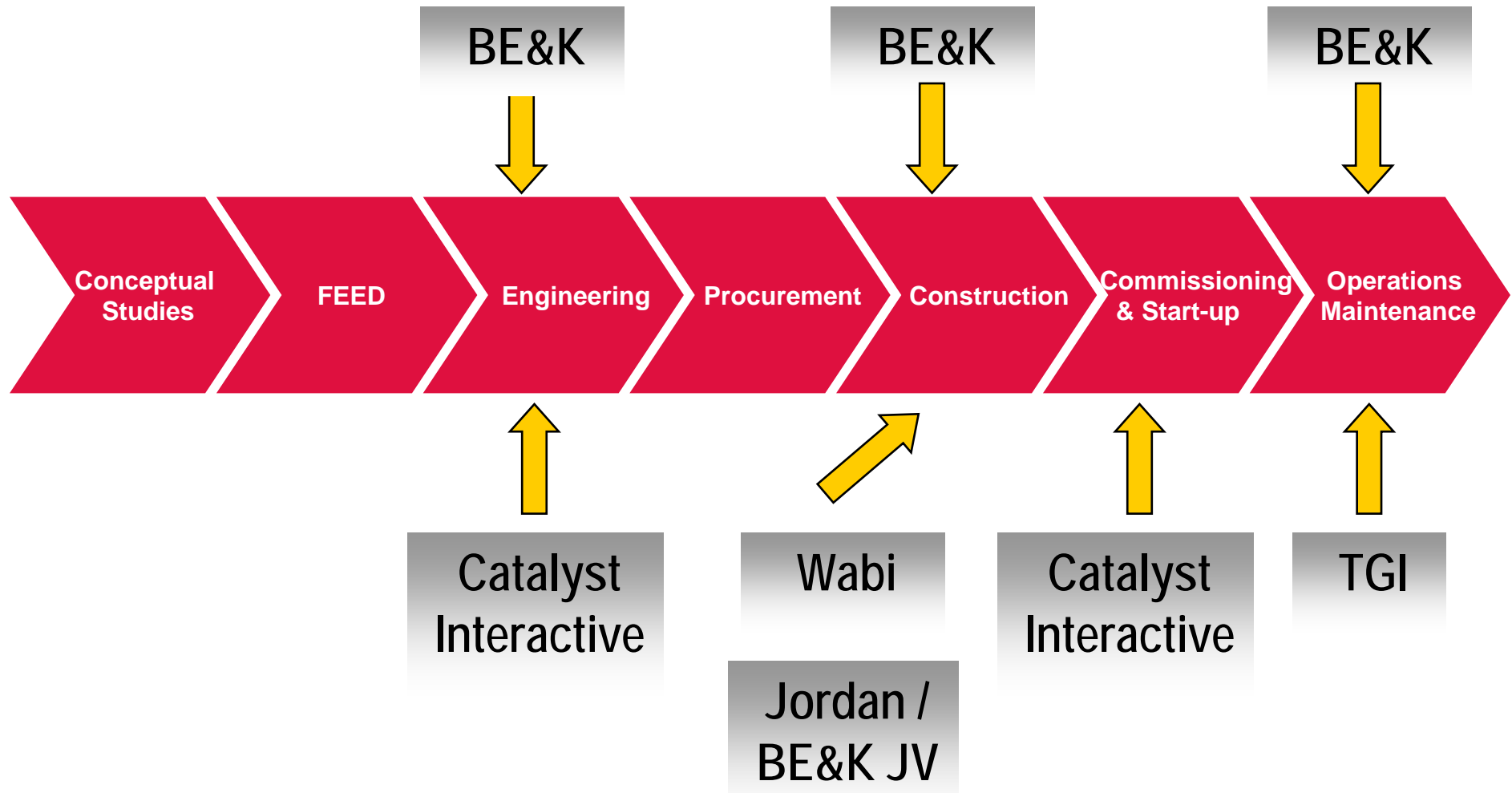
Values

- **Uncompromising commitment to Health, Safety and Environment**
- **An open relationship with our employees based on mutual trust, respect and success**
- **Transparency, Accountability and Discipline in our business**
- **Best in class Risk Awareness**
- **Integrity in all we do**
- **Financial Responsibility to our stakeholders**

2006 – 2008: Cleaning Up Legacy Issues

- **Resolved FCPA**
- **4 major arbitrations; 3 complete, 1 pending**
- **Remediated, converted, completed several legacy problem projects**
- **Grew earnings ex-LogCAP from approximately (\$0.40) per diluted share to approximately \$1.36 per diluted share from 2006 to 2008**
- **Began to restructure company around market facing, customer focused Business Units**

KBR 2009 Strategy: Implementing a Value Chain Model



Upstream – Large Projects On The Horizon

➤ LNG Market Opportunities

- Gorgon (current FEED work)
- Inpex Ichthys (current FEED work)
- Other Potential FEED work
 - PNG
 - Pluto Train 2
 - Segas Train 2



➤ Oil & Gas Opportunities

- Regional Focus (Caspian, Asia Pacific, GOM, West Africa)
- Granherne / GVA Consultancy

Services – Bidding Activity Remains Robust

- **Market outlook – active bidding**
- **Power markets remain active**
- **Domestic construction**
- **Canadian markets**
- **General industrial**



Government & Infrastructure – Building on Experience

- **LogCAP III & IV**
 - **Current LogCAP III status**
 - **LogCAP IV transition status**

- **Other G&I Opportunities**
 - **Americas Operations**
 - **International Operations**

- **Skopje Embassy Project**

- **Media Publicity**



Downstream – From Prospects to Projects

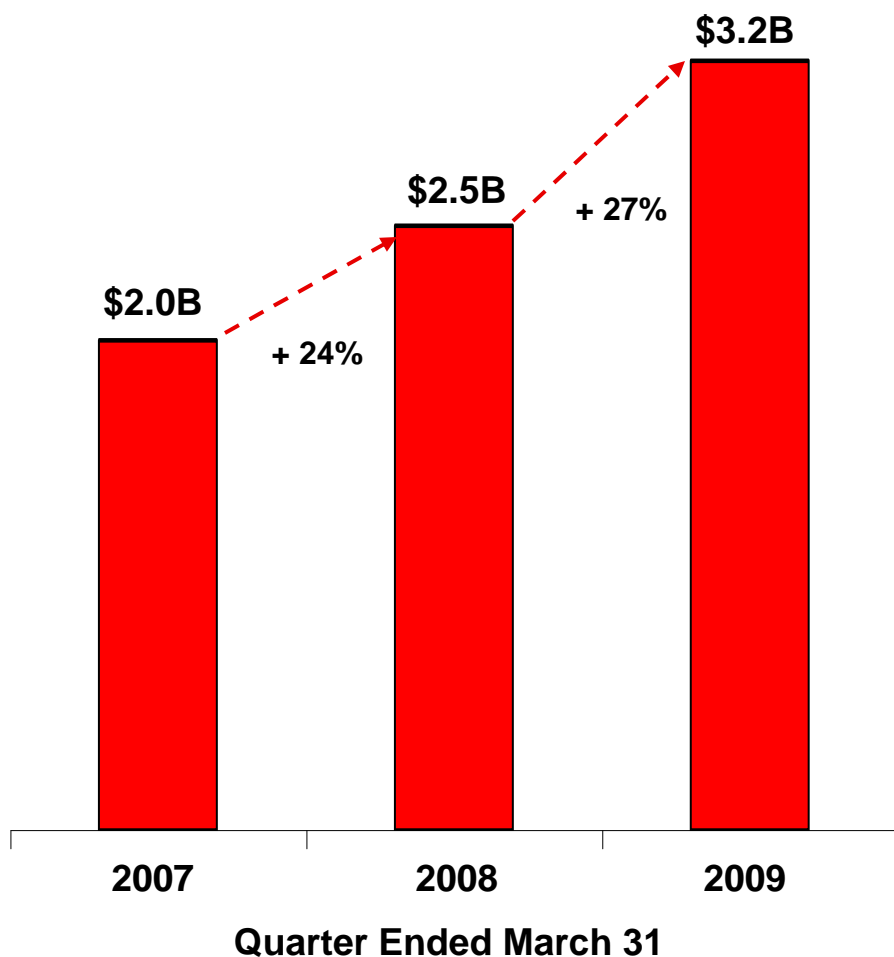
- **Ras Tanura Integrated Project**
- **Yanbu Export Refinery**
- **PetroSA Coega Refinery FEED**
- **Sonangol Lobito Refinery FEED**



KBR – Looking Beyond 2009

- **Continued excellence in LNG and gas monetization projects**
- **Increased emphasis on growing presence in offshore markets**
- **Continue to build out value chain strategy internationally**
- **Drive diversification in government sector to complement leading logistics capabilities**
- **Continue to drive an increased focus on market facing, customer focused business units**

KBR – Strong Revenue Growth



➤ All business units reported Q109 improved revenue year over year:

- Services up 427%
- Upstream up 23%
- Downstream up 13%
- Technology up 5%
- G&I up 3%

➤ BE&K acquisition was the main contributor within the Services business unit

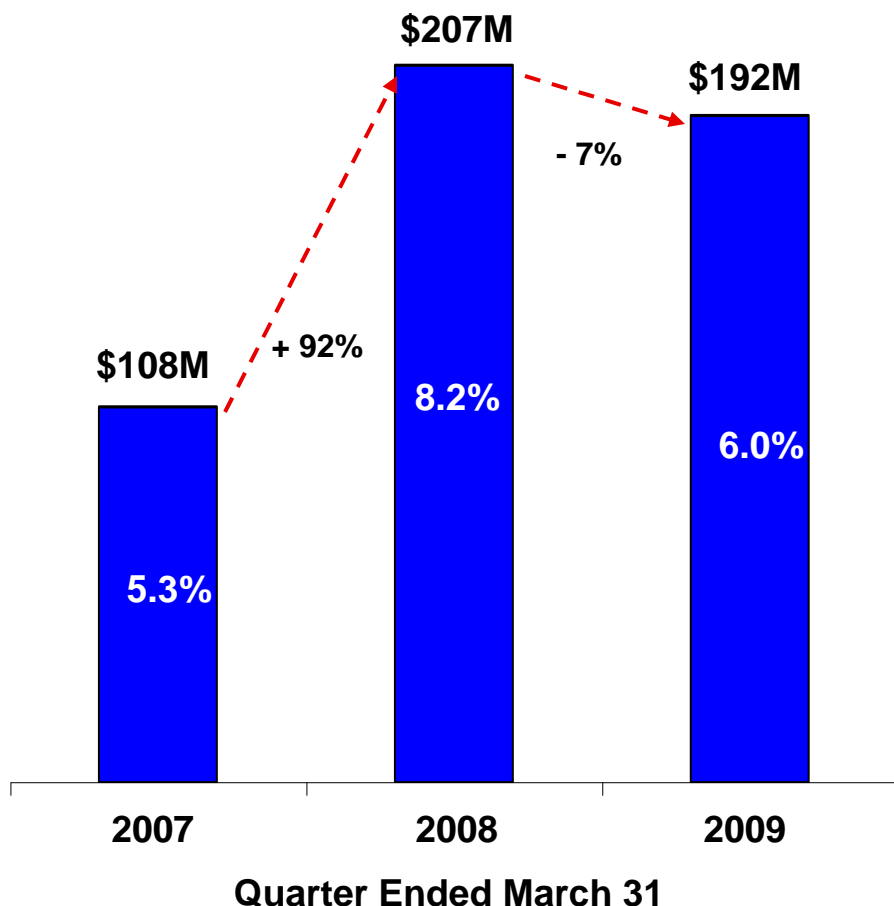
KBR – Improving Job Income and Margins

- First quarter 2008 included \$51 million gain on a favorable arbitration award

- Job income growing with revenue

- Margin improvement

- Benefits from better profitable projects under new management
- Zero or lower margin legacy projects completed or nearing completion
- Enhanced focus on risk management and execution



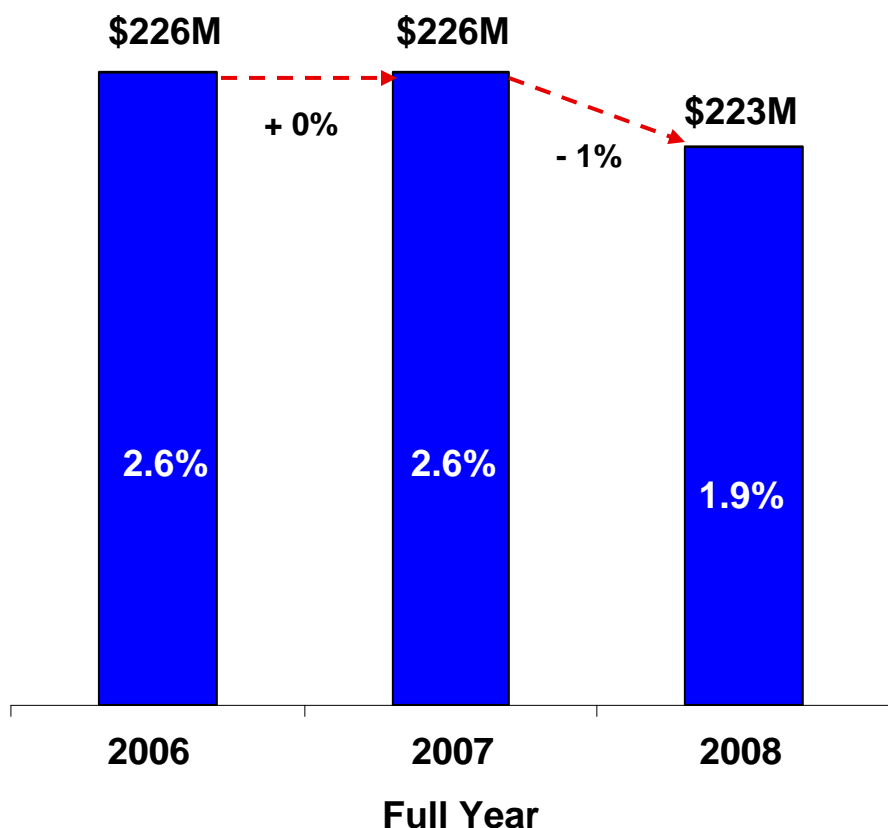
* Note – Percentages represent job income margins

KBR – Effectively Managing Overhead Costs

➤ Corporate G&A costs essentially flat over past three years despite increased revenue over same time period

➤ BE&K acquisition added G&A costs, but offset by improvements throughout entire organization

➤ Continued initiatives to further increase cost savings and identification of areas to scale back costs



* Note – Percentages represent Corporate G&A as a percent of revenue

KBR – Solid Backlog and Portfolio Risk Profile

➤ No material project cancellations;

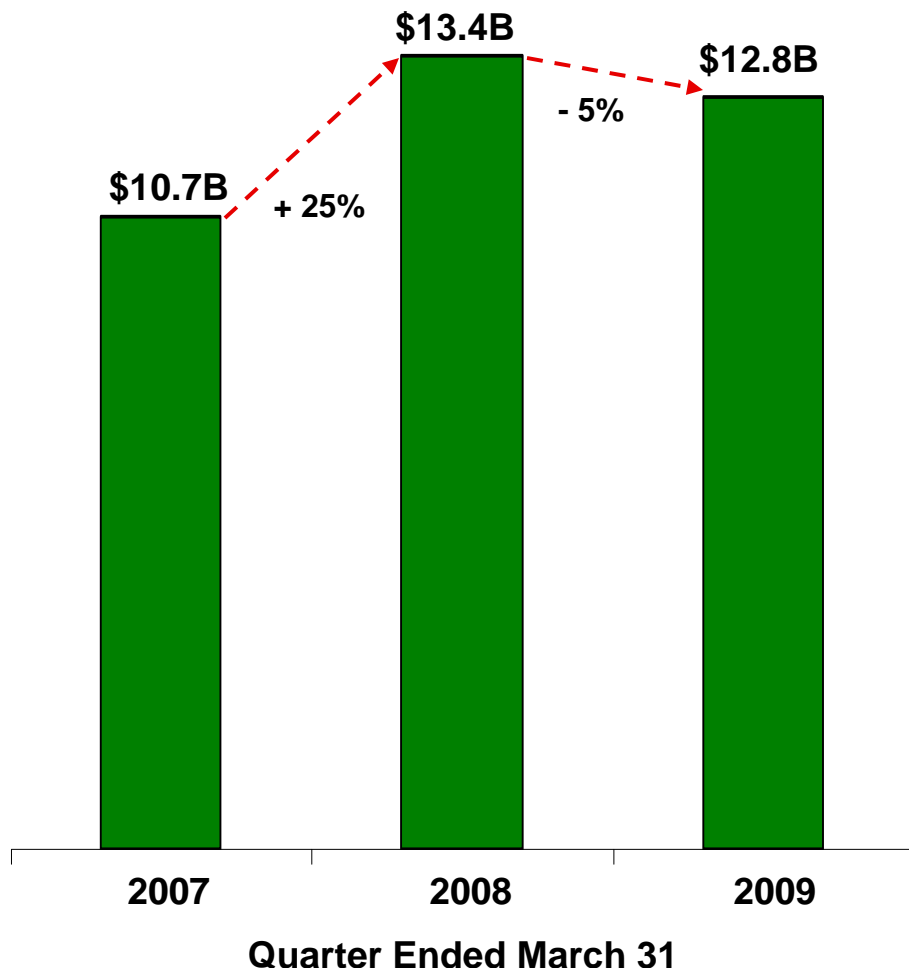
➤ First quarter 2009 impacted by LogCAP III task order extension timing and usual project work-off

➤ Improved portfolio mix* (cost reimbursable to fix priced)

➤ Q109 – 78% / 22%; respectively

➤ Q108 – 76% / 24%; respectively

➤ Q107 – 64% / 36%; respectively



* For contracts that contain both fixed-price and cost-reimbursable components, KBR classifies the components as either fixed-price or cost-reimbursable according to the composition of the contract, except for smaller contracts that are characterized on the predominate component.

KBR Corporate - Prudent Financial Management & Focus

➤ Returning Cash to Shareholders

- Share repurchase program
- Quarterly dividend

➤ Balance Sheet Strength for Growth

- Strong cash position
- Debt free
- Bonding capacity capabilities



➤ Continued Focus on Cost Saving Initiatives

- Scaling back costs through out organization
- Lowered FY 2009 G&A

КВР