

RESEARCH NOTE · OCTOBER 4, 2026

Jacobs Solutions Inc. (J)

— Investor Deep Dive

Jacobs designs the data centers, chip plants, and water systems the world is racing to build. Its signed-up future work just hit a record. The stock is 16% below its one-year high.

✨ **Verified flow. Zero hype.**



THE CALL

BUY

In stages. Not all at once.

CLOSE

\$138.06

2 Oct 2026 · -1.24% day

3-MONTH

**\$148–
158**

Our base case

INVALIDATION

\$130

Full weekly close below

Every number sourced. Every chart checked.

Research and education only. Not investment advice.

THE SETUP IN FIVE POINTS

A growing business at a **fair price**.

01 / MORE WORK SIGNED

\$28.9B**Record backlog, up 27.3% from a year earlier.**

Backlog means work customers have signed for but Jacobs has not completed yet. Its 1.4x book-to-bill means Jacobs signed \$1.40 of new work for every \$1.00 completed over the past year.

02 / BEAT AND RAISE

\$1.84

Adjusted earnings per share rose 13.6%. Adjusted net revenue reached \$2.42 billion, up 8.3%. Both topped the analyst estimates reported Aug. 4, 2026. Management raised guidance for the third time.

03 / AI PROOF POINT

NVIDIA**A three-year software agreement was**

announced Sept. 30, 2026. Jacobs will run a live digital copy of an NVIDIA AI research data center. The goal is to improve power use, cooling, and maintenance.

04 / FAIR, NOT CHEAP

19.0x

Forward earnings multiple. That means the stock costs about \$19 for each \$1 of expected yearly profit. For roughly 10% yearly growth, this is reasonable, not a bargain.

05 / WALL STREET SEES ROOM

\$153.70

Average 12-month target

+11%

Upside from \$138.06

\$167

UBS target, Aug. 10, 2026

Sources and dates: Jacobs Q3 FY2026 results, Aug. 4, 2026, for backlog, growth, guidance and book-to-bill; Business Wire, Sept. 30, 2026, for NVIDIA; MarketBeat, Oct. 3, 2026, for targets and ratings; FintHub daily close, Oct. 2, 2026, for price.

THEY DESIGN THE COMPLICATED STUFF

Jacobs helps other organizations build things that cannot afford to fail.

Jacobs is a Dallas-based company of engineers and consultants. When a customer needs a water plant, highway, airport, chip factory, or data center, Jacobs designs the system and helps manage the work.

INFRASTRUCTURE & ADVANCED FACILITIES

\$3.75B

Gross revenue in Q3 FY2026. Adjusted net revenue was \$2.09 billion and operating profit was \$268.1 million.

Adjusted net revenue removes pass-through costs. That is money Jacobs collects only to pay subcontractors. It raises the headline sales number without adding much profit.

PA CONSULTING

\$329.5M

Revenue in Q3 FY2026. Operating profit was \$73.6 million.

That is roughly **22 cents of operating profit per \$1 of revenue**, almost twice the engineering side's 12.8-cent margin. PA sells advice and strategy, so it needs fewer materials and subcontractors.

WHERE THE ENGINEERING GROWTH CAME FROM

Q3 FY2026 END MARKET	GROSS REVENUE	GROWTH VS. LAST YEAR	WHAT IT MEANS
Life Sciences & Advanced Manufacturing	\$1.63B	+116.6%	Chip plants, drug facilities, and data centers. Adjusted net revenue was \$476M, up 24.2%.
Critical Infrastructure	\$1.23B	+7.2%	Transportation and energy projects kept growing.
Water & Environmental	\$889M	+10.8%	Water demand was solid, though net growth was slower.

The simple version: engineering pays the bills. PA Consulting lifts the profit rate. AI facilities are the fastest-growing part of the mix.

All figures: Jacobs Q3 FY2026, quarter ended June 26, 2026, reported Aug. 4, 2026. End-market detail: Zacks Q3 recap, Aug. 5, 2026. Note: these are the verified Q3 figures; earlier-quarter figures are not mixed into this page.

GROWTH IS REAL. THE PRICE IS FAIR.

The business is getting better faster than the stock price suggests.

Q3 FY2026 / VALUATION ITEM	RESULT	CHANGE OR TEST	PLAIN-ENGLISH READ
Adjusted net revenue	\$2.42B	+8.3%	Beat the \$2.40B analyst estimate.
Adjusted earnings per share	\$1.84	+13.6%	Beat the \$1.83 estimate by one cent.
Backlog	\$28.9B	+27.3%	More signed future work than ever.
Adjusted EBITDA	\$366.8M	+16.7%	Profit before interest, taxes, and accounting charges. It is a rough measure of cash the business can produce.
FY2026 guidance	\$7.20-\$7.30 EPS	9.5-10.0%	Expected adjusted net revenue growth. Raised for the third time in 2026.

WHAT THE STOCK PRICE IMPLIES

FORWARD EARNINGS

19.0x

\$138.06 divided by \$7.25 expected EPS.

PEG RATIO

1.75

Price compared with growth. Under 2 is generally reasonable.

DIVIDEND

\$1.44

Per year, about a 1.0% yield.

RETURN ON EQUITY

24%

About \$24 earned yearly for each \$100 of shareholder money.

WHY THE 48X P/E LOOKS SCARY

The trailing price-to-earnings ratio uses reported profit from the last year. That profit was reduced by one-time costs and a temporarily higher tax rate tied to the PA Consulting purchase.

WHY 19X IS THE CLEANER NUMBER

The forward ratio uses the \$7.25 expected adjusted profit per share for FY2026. It better matches the business Jacobs expects to run now.

Q3 results and guidance: Jacobs, Aug. 4, 2026. Analyst estimates, PEG 1.75, debt-to-equity 1.10, 23.96% return on equity, \$1.44 dividend and \$7.25 expected EPS; MarketBeat, Oct. 3, 2026. Forward multiple is our calculation from the Oct. 2 close.

BUY SMALL, THEN DEMAND PROOF

The stock is weak short term, but the long-term floor is still holding.



SHORT-TERM CEILING

\$143.22

The 50-day average. Price is below it, so buyers have not fully taken control.

LONG-TERM FLOOR

\$133.11

The 200-day average. Price is above it, so the larger trend is still intact.

MOMENTUM GAUGE

43.4

RSI is a 0-100 gauge of recent momentum. Below 30 is washed out. Above 70 is overheated. This is neutral.

WORKING LEVELS, NOT EXCHANGE GUARANTEES

\$135.27

FIRST FLOOR

\$125.83

SECOND FLOOR

\$146.23

FIRST CEILING

\$151.98

SECOND CEILING

As of Oct. 2, 2026, the \$138.06 close was 16% below the 52-week closing high of \$164.44 and 29% above the low of \$107.27. The support and resistance levels are simple estimates from recent closing highs and lows. They are not official exchange levels. Options positioning is not available in this brief.

Source: 260 daily candles from Finnhub, Sept. 22, 2025-Oct. 2, 2026. Moving averages and 14-day RSI were calculated from closing prices. The chart uses those same daily closes.

WHAT CAN MOVE THE STOCK

The upside is visible. The risks are ordinary but real.

WHAT CAN GO RIGHT

- **NVIDIA becomes proof.** On Sept. 30, 2026, Jacobs announced a three-year software deal to run a live digital copy of an NVIDIA AI research data center. It will help balance power, forecast energy use, monitor cooling, and predict repairs. The contract value was not disclosed, so treat it as a strategic win, not a near-term profit windfall.
- **The next earnings report adds another test.** Management has already raised FY2026 guidance three times. A clean fourth report would make the growth story harder to dismiss. The exact Q4 reporting date was not confirmed when this brief was prepared.
- **Backlog turns into sales.** The \$28.9 billion of signed future work should become revenue over coming quarters as projects are completed.

WHAT CAN GO WRONG

- **Government budget cuts.** Jacobs does meaningful federal work. Delays or cuts can slow new awards.
- **The valuation leaves little room for a bad quarter.** At 19.0 times expected FY2026 profit, a miss could push the stock lower quickly.
- **Reported profit can look messy.** One-time transaction costs and tax effects make the headline P/E look worse than the continuing business.
- **A real slowdown would delay construction.** Customers can pause data centers, factories, and other large projects when financing or demand weakens.

WALL STREET'S POSITION / OCT. 3, 2026

12

Analysts in MarketBeat's group

6 Buy

And 6 Hold. No Sell ratings in that group.

\$153.70

Average 12-month target

The stock closed down 1.24% on Oct. 2, two trading sessions after the NVIDIA news. That looks more like weak price action after a headline than evidence that the business changed.

Sources: Business Wire, Sept. 30, 2026; Jacobs Q3 results, Aug. 4, 2026; MarketBeat, Oct. 3, 2026; FintHub close, Oct. 2, 2026. FintHub's Sept. 2026 recommendation file showed 6 strong buys, 12 buys, 6 holds, and no sells.

THE DECISION

BUY - in stages, not all at once.

Jacobs is a good company at a fair price. It has more signed-up future work than ever, it is growing about 10% a year, and the stock just went on sale. The NVIDIA deal puts it in the AI data-center story, where spending is strong.

- 1 Start around \$135-\$140.**
Buy only a starter position. The stock is still below its 50-day average, so do not use all the planned cash at once.
- 2 Add if it closes back above \$146.**
That would show buyers are clearing the first meaningful ceiling. It is confirmation, not a guarantee.
- 3 Exit if it closes a full week below \$130.**
That would put the price below the long-term average and break the reason for buying this dip.

3-MONTH SCENARIO

\$148-\$158

A move toward the \$153.70 Wall Street average and the \$151.98 chart ceiling.

6-MONTH SCENARIO

\$160-\$175

A move toward UBS's \$167 target and a retest of the \$164.44 closing high.

SOURCES & METHOD

- [1] Jacobs Q3 FY2026 results, Aug. 4, 2026.** Quarter ended June 26, 2026. [Business Wire release](#).
- [2] NVIDIA digital-twin deal, Sept. 30, 2026.** [Business Wire release](#) carried by FinancialContent.
- [3] Street targets and valuation measures, Oct. 3, 2026.** [MarketBeat summary](#).
- [4] Price and technicals through the Oct. 2, 2026 close.** Finnhub price history; 260 daily closing prices used for the chart and calculations.
- [5] End-market detail, Aug. 5, 2026.** Zacks Q3 recap, checked against Jacobs' reported segment totals.
- [6] SEC EDGAR filings checked:** fiscal 2025 Form 10-K filed Nov. 20, 2025; Q3 FY2026 Form 10-Q filed Aug. 4, 2026; Form 8-K filed Aug. 14, 2026, Item 5.02.

Known gaps: FMP's price-target consensus was unavailable on its free tier. Options and flow positioning are not included. The Q4 earnings date was not confirmed. Prepared Oct. 4, 2026 from data observed through the Oct. 2 close. AI-assisted research. Informational only; not financial advice.