



El Segundo government service provider Wyle sells for \$570 million

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KBR Inc. has completed its [acquisition](#) of Wyle Inc. for \$570 million, after approximately \$30 million of acquired tax benefits and other adjustments. The El Segundo, Calif., company, which provides specialized engineering, professional, scientific and technical services to the federal government, will now be known as KBRwyle and function as a business unit within KBR's government services segment.

With the addition of Wyle's technical capabilities, Houston-based KBR's government-services offerings now span the full spectrum of government mission requirements, including research and development, engineering, logistics, deployed operations and life-cycle sustainment.



"KBRwyle fits perfectly with our strategy to expand KBR's global government services offerings, moving the business towards the high growth, more specialized, technology- and science-driven sources of long-term annuity type revenues with greater differentiation and higher margins," said KBR president and CEO Stuart Bradie said in a [statement](#). "As our government services markets expand we are seeing increasing synergy with our hydrocarbons business, with people and services moving between divisions, further enhancing the value proposition of the acquisition."

KBRwyle will maintain much of its current structure to ensure business continuity, and the management team members will continue in their current capacities. KBR (NYSE: KBR) and KBRwyle will focus on capitalizing on new opportunities for the combined company.

The acquisition is expected to be accretive to KBR's earnings per share in the first year as the new unit provides synergistic opportunities in government services where KBR's large-scale logistics and project management combine with Wyle's specialized technical capabilities.

KBRwyle employs 4,000 employees at more than 50 locations nationwide and generates about \$900 million in revenue annually, bringing KBR's total employee count to 25,800 and the combined company's worth to \$2 billion.

As of year-end 2015, Wyle's funding backlog was \$440 million with an additional \$1.1 billion of orders not yet funded but expected. KBR paid for the acquisition with its existing line of credit facility and approximately \$200 million in cash.

[Get Contact Information for **KBR, Incorporated**.](#)

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