

FLUOR CORP
Form 10-Q
November 03, 2016
[Table of Contents](#)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

- x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2016

or

- o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 1-16129

FLUOR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

33-0927079

Edgar Filing: FLUOR CORP - Form 10-Q

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

6700 Las Colinas Boulevard
Irving, Texas
(Address of principal executive offices)

75039
(Zip Code)

469-398-7000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐
(Do not check if a smaller reporting company)

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 28, 2016, 139,250,204 shares of the registrant's common stock, \$0.01 par value, were outstanding.

Table of Contents

FLUOR CORPORATION

FORM 10-Q

September 30, 2016

TABLE OF CONTENTS

	PAGE
<u>Part I:</u> <u>Financial Information</u>	
<u>Item 1:</u> <u>Financial Statements</u>	
<u>Condensed Consolidated Statement of Earnings for the Three and Nine Months Ended September 30, 2016 and 2015 (Unaudited)</u>	2
<u>Condensed Consolidated Statement of Comprehensive Income for the Three and Nine Months Ended September 30, 2016 and 2015 (Unaudited)</u>	3
<u>Condensed Consolidated Balance Sheet as of September 30, 2016 and December 31, 2015 (Unaudited)</u>	4
<u>Condensed Consolidated Statement of Cash Flows for the Nine Months Ended September 30, 2016 and 2015 (Unaudited)</u>	5
<u>Notes to Condensed Consolidated Financial Statements (Unaudited)</u>	6
<u>Item 2:</u> <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	30
<u>Item 3:</u> <u>Quantitative and Qualitative Disclosures about Market Risk</u>	40
<u>Item 4:</u> <u>Controls and Procedures</u>	40
<u>Changes in Consolidated Backlog (Unaudited)</u>	41
<u>Part II:</u> <u>Other Information</u>	
<u>Item 1:</u> <u>Legal Proceedings</u>	42
<u>Item 1A:</u> <u>Risk Factors</u>	42
<u>Item 2:</u> <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	42
<u>Item 6:</u> <u>Exhibits</u>	43

Signatures

46

1

[Table of Contents](#)**PART I: FINANCIAL INFORMATION****Item 1. Financial Statements****FLUOR CORPORATION****CONDENSED CONSOLIDATED STATEMENT OF EARNINGS**

UNAUDITED

(in thousands, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
TOTAL REVENUE	\$ 4,766,864	\$ 4,384,612	\$ 14,046,870	\$ 13,743,367
TOTAL COST OF REVENUE	4,729,637	4,133,819	13,505,572	12,901,133
OTHER (INCOME) AND EXPENSES				
Gain related to a partial sale of a subsidiary		(68,162)		(68,162)
Corporate general and administrative expense	27,144	35,165	134,897	124,060
Interest expense	17,377	10,170	50,741	33,739
Interest income	(4,643)	(4,590)	(12,312)	(13,340)
Total cost and expenses	4,769,515	4,106,402	13,678,898	12,977,430
EARNINGS (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES	(2,651)	278,210	367,972	765,937
INCOME TAX EXPENSE (BENEFIT)	(20,057)	91,417	111,501	252,796
EARNINGS FROM CONTINUING OPERATIONS	17,406	186,793	256,471	513,141
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAXES		(5,057)		(5,057)
NET EARNINGS	17,406	181,736	256,471	508,084
LESS: NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTERESTS	12,602	10,453	45,531	44,215
NET EARNINGS ATTRIBUTABLE TO FLUOR CORPORATION	\$ 4,804	\$ 171,283	\$ 210,940	\$ 463,869
AMOUNTS ATTRIBUTABLE TO FLUOR CORPORATION				
Earnings from continuing operations	\$ 4,804	\$ 176,340	\$ 210,940	\$ 468,926
Loss from discontinued operations, net of taxes		(5,057)		(5,057)
Net earnings	\$ 4,804			