

TUTOR PERINI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per common share amounts)	Year Ended December 31,		
	2019	2018	2017
REVENUE	\$ 4,450,832	\$ 4,454,662	\$ 4,757,208
COST OF OPERATIONS	(4,209,060)	(4,000,209)	(4,302,803)
GROSS PROFIT	241,772	454,453	454,405
General and administrative expenses	(226,916)	(262,577)	(274,928)
Goodwill impairment	(379,863)	—	—
INCOME (LOSS) FROM CONSTRUCTION OPERATIONS	(365,007)	191,876	179,477
Other income, net	6,667	4,256	43,882
Interest expense	(67,494)	(63,519)	(69,384)
INCOME (LOSS) BEFORE INCOME TAXES	(425,834)	132,613	153,975
Income tax benefit (expense)	65,609	(34,832)	569
NET INCOME (LOSS)	(360,225)	97,781	154,544
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	27,465	14,345	6,162
NET INCOME (LOSS) ATTRIBUTABLE TO TUTOR PERINI CORPORATION	\$ (387,690)	\$ 83,436	\$ 148,382
BASIC EARNINGS (LOSS) PER COMMON SHARE	\$ (7.72)	\$ 1.67	\$ 2.99
DILUTED EARNINGS (LOSS) PER COMMON SHARE	\$ (7.72)	\$ 1.66	\$ 2.92
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING:			
BASIC	50,220	49,952	49,647
DILUTED	50,220	50,301	50,759

The accompanying notes are an integral part of these consolidated financial statements.

TUTOR PERINI CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands, except share and per share amounts)	As of December 31,	
	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (\$103,850 and \$43,131 related to VIEs)	\$ 193,685	\$ 116,075
Restricted cash	8,416	3,788
Restricted investments	70,974	58,142
Accounts receivable (\$91,090 and \$62,482 related to VIEs)	1,354,519	1,261,072
Retainage receivable (\$89,132 and \$36,724 related to VIEs)	562,375	478,744
Costs and estimated earnings in excess of billings (\$22,764 and \$0 related to VIEs)	1,123,544	1,142,295
Other current assets (\$58,128 and \$30,185 related to VIEs)	197,473	115,527
Total current assets	3,510,986	3,175,643
PROPERTY AND EQUIPMENT:		
Land	39,047	41,599
Building and improvements	115,041	125,193
Construction equipment	560,547	486,034
Other equipment	183,197	181,578
	897,832	834,404
Less accumulated depreciation	(388,147)	(343,735)
Total property and equipment, net (\$49,919 and \$51,508 related to VIEs)	509,685	490,669
GOODWILL	205,143	585,006
INTANGIBLE ASSETS, NET	155,270	85,911
OTHER ASSETS	104,693	50,523
TOTAL ASSETS	\$ 4,485,777	\$ 4,387,752
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 124,054	\$ 16,767
Accounts payable (\$93,848 and \$18,070 related to VIEs)	682,699	621,728
Retainage payable (\$13,967 and \$0 related to VIEs)	252,181	211,956
Billings in excess of costs and estimated earnings (\$422,847 and \$263,764 related to VIEs)	844,389	573,190
Accrued expenses and other current liabilities (\$25,402 and \$34,828 related to VIEs)	206,533	174,325
Total current liabilities	2,109,856	1,597,966
LONG-TERM DEBT , less current maturities, net of unamortized discount and debt issuance costs totaling \$23,343 and \$34,998	710,422	744,737
DEFERRED TAX LIABILITIES	35,686	105,521
OTHER LONG-TERM LIABILITIES	199,288	151,639
TOTAL LIABILITIES	3,055,252	2,599,863
COMMITMENTS AND CONTINGENCIES (Note 8)		
EQUITY		
Stockholders' equity:		
Preferred stock – authorized 1,000,000 shares (\$1 par value), none issued	—	—
Common stock – authorized 75,000,000 shares (\$1 par value), issued and outstanding 50,278,816 and 50,025,996 shares	50,279	50,026
Additional paid-in capital	1,117,972	1,102,919
Retained earnings	313,991	701,681
Accumulated other comprehensive loss	(42,100)	(45,449)
Total stockholders' equity	1,440,142	1,809,177
Noncontrolling interests	(9,617)	(21,288)
TOTAL EQUITY	1,430,525	1,787,889
TOTAL LIABILITIES AND EQUITY	\$ 4,485,777	\$ 4,387,752

The accompanying notes are an integral part of these consolidated financial statements.

TUTOR PERINI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended December 31,		
	2019	2018	2017
Cash Flows from Operating Activities:			
Net income (loss)	\$ (360,225)	\$ 97,781	\$ 154,544
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Goodwill impairment	379,863	—	—
Depreciation	58,818	43,724	48,387
Amortization of intangible assets	6,226	3,543	3,543
Share-based compensation expense	19,143	22,782	21,174
Change in debt discount and deferred debt issuance costs	13,207	12,072	17,595
Deferred income taxes	(71,609)	(449)	(23,096)
Gain on remeasurement of investment in joint venture	(37,792)	—	—
(Gain) loss on sale of property and equipment	(4,688)	402	1,131
Changes in other components of working capital, net of balances acquired	131,257	(156,844)	(60,214)
Other long-term liabilities	1,863	(2,007)	3,656
Other, net	467	398	(3,170)
NET CASH PROVIDED BY OPERATING ACTIVITIES	136,530	21,402	163,550
Cash Flows from Investing Activities:			
Business acquisition, cash balance acquired net of cash paid	6,607	—	—
Acquisition of property and equipment	(84,196)	(77,069)	(30,280)
Proceeds from sale of property and equipment	12,581	6,387	2,744
Investments in securities	(35,167)	(20,848)	(60,967)
Proceeds from maturities and sales of investments in securities	24,120	21,322	1,370
NET CASH USED IN INVESTING ACTIVITIES	(76,055)	(70,208)	(87,133)
Cash Flows from Financing Activities:			
Proceeds from debt	931,594	1,753,160	2,161,384
Repayment of debt	(870,277)	(1,738,314)	(2,195,068)
Business acquisition related payment	—	(15,951)	—
Cash payments related to share-based compensation	(2,363)	(2,671)	(11,769)
Distributions paid to noncontrolling interests	(46,500)	(29,000)	(17,499)
Contributions from noncontrolling interests	9,813	3,797	2,842
Debt issuance and extinguishment costs	(504)	—	(15,266)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	21,763	(28,979)	(75,376)
Net increase (decrease) in cash, cash equivalents and restricted cash	82,238	(77,785)	1,041
Cash, cash equivalents and restricted cash at beginning of year	119,863	197,648	196,607
Cash, cash equivalents and restricted cash at end of year	\$ 202,101	\$ 119,863	\$ 197,648

The accompanying notes are an integral part of these consolidated financial statements.