AECOM TECHNOLOGY CORP
Form 10-Q
May 08, 2009
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2009

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 0-52423

AECOM TECHNOLOGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**61-1088522** (I.R.S. Employer Identification Number)

555 South Flower Street, Suite 3700

Los Angeles, California 90071

(Address of principal executive office and zip code)

(213) 593-8000

(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 x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

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 the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x	Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

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

As of May 5, 2009, 109,142,820 shares of the registrant s common stock were outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

AECOM Technology Corporation

Condensed Consolidated Balance Sheets

(in thousands, except share data)

	March 31, 2009 (Unaudited)	September 30, 2008
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 215,238	$ 170,871
Cash in consolidated joint ventures	25,963	23,651
Total cash and cash equivalents	241,201	194,522
Marketable securities		81,449
Accounts receivable net	1,655,497	1,638,814
Prepaid expenses and other current assets	73,629	80,243
Current assets held for sale	81,359	75,802
Deferred tax assets net	34,161	34,420
TOTAL CURRENT ASSETS	2,085,847	2,105,250
PROPERTY AND EQUIPMENT NET	220,088	223,017
DEFERRED TAX ASSETS NET	41,079	45,886
INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES	42,766	46,432
GOODWILL	973,865	949,089
INTANGIBLE ASSETS NET	67,343	80,297
OTHER NON-CURRENT ASSETS	128,511	146,219
TOTAL ASSETS	$ 3,559,499	$ 3,596,190
LIABILITIES AND STOCKHOLDERS EQUITY		
CURRENT LIABILITIES:		
Short-term debt	$ 1,109	$ 7,898
Accounts payable	382,630	406,963
Accrued expenses and other current liabilities	571,233	642,693
Billings in excess of costs on uncompleted contracts	343,241	306,610
Income taxes payable	2,848	17,744
Current liabilities held for sale	81,647	68,034
Current portion of long-term debt	13,937	24,137
TOTAL CURRENT LIABILITIES	1,396,645	1,474,079
OTHER LONG-TERM LIABILITIES	285,003	282,394
LONG-TERM DEBT	275,377	365,974
TOTAL LIABILITIES	1,957,025	2,122,447
MINORITY INTEREST	51,009	50,750
STOCKHOLDERS EQUITY:		
Convertible preferred stock authorized, 7,799,780; issued and outstanding, 24,724 and 26,423 shares at March 31, 2009 and September 30, 2008; respectively, $100.00 liquidation preference value	2,472	2,642
Preferred stock, Class C authorized, 200 shares; issued and outstanding, 56 and 69 shares as of March 31, 2009 and September 30, 2008, respectively; no par value, $1.00 liquidation preference value		
Preferred stock, Class E authorized, 20 shares; issued and outstanding, 7 and 5 shares as of March 31, 2009 and September 30, 2008, respectively; no par value, $1.00 liquidation preference value		
Common stock authorized, 150,000,000 shares of $0.01 par value; issued and outstanding, 108,316,670 and 102,983,378 as of March 31, 2009 and September 30, 2008, respectively	1,083	1,030
Additional paid-in capital	1,407,158	1,309,493
Accumulated other comprehensive loss	(162,410)	(111,549)
Retained earnings	303,162	221,377
TOTAL STOCKHOLDERS EQUITY	1,551,465	1,422,993
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	$ 3,559,499	$ 3,596,190

See accompanying Notes to Condensed Consolidated Financial Statements.

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AECOM Technology Corporation

Condensed Consolidated Statements of Income

(unaudited - in thousands, except per share data)

	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008	Six Months Ended March 31, 2009	Six Months Ended March 31, 2008
Revenue	$ 1,498,758	$ 1,164,121	$ 2,952,886	$ 2,244,371
Cost of revenue	1,409,124	1,093,388	2,782,045	2,119,661
Gross profit	89,634	70,733	170,841	124,710
Equity in earnings of joint ventures	4,903	4,008	10,639	6,850
General and administrative expenses	23,930	15,782	41,176	28,069
Income from operations	70,607	58,959	140,304	103,491
Minority interest in share of earnings	5,732	4,798	9,178	6,077
Other expense	1,419	813	6,207	1,628
Interest income (expense), net	(2,019)	2,061	(5,617)	4,309
Income from continuing operations before income tax expense	61,437	55,409	119,302	100,095
Income tax expense	18,431	19,580	35,791	34,773
Income from continuing operations	43,006	35,829	83,511	65,322
Discontinued operations, net of tax	392		792	
Net income	$ 43,398	$ 35,829	$ 84,303	$ 65,322
Net income allocation:				
Preferred stock dividend	$ 35	$ 39	$ 71	$ 95
Net income available for common stockholders	43,363	35,790	84,232	65,227
Net income	$ 43,398	$ 35,829	$ 84,303	$ 65,322
Net income per share:				
Basic				
Continuing operations	$ 0.40	$ 0.36	$ 0.79	$ 0.65
Discontinued operations	0.01		0.01	
	$ 0.41	$ 0.36	$ 0.80	$ 0.65
Diluted				
Continuing operations	$ 0.40	$ 0.35	$ 0.78	$ 0.63
Discontinued operations			0.01	
	$ 0.40	$ 0.35	$ 0.79	$ 0.63
Weighted average shares outstanding:				
Basic	106,465	100,571	105,497	100,108
Diluted	108,148	103,454	107,384	103,240

See accompanying Notes to Condensed Consolidated Financial Statements.

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AECOM Technology Corporation

Condensed Consolidated Statements of Comprehensive Income (Loss)

(unaudited in thousands)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2009	2008	2009	2008
Net income	$ 43,398	$ 35,829	$ 84,303	$ 65,322
Other comprehensive income (loss):				
Foreign currency translation adjustments	(793)	(160)	(50,837)	(1,070)
Swap valuation	1,801		(1,637)	
Pension adjustments	3,945	1,588	1,613	1,588
Comprehensive income	$ 48,351	$ 37,257	$ 33,442	$ 65,840

See accompanying Notes to Condensed Consolidated Financial Statements.

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AECOM Technology Corporation

Condensed Consolidated Statements of Cash Flows

(unaudited - in thousands)

	Six Months Ended March 31, 2009	Six Months Ended March 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 84,303	$ 65,322
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,134	21,340
Equity in earnings of unconsolidated joint ventures	(10,639)	(6,850)
Distribution of earnings from unconsolidated affiliates	10,324	9,068
Non-cash stock compensation	12,285	11,456
Excess tax benefit from share based payments	(9,856)	(8,552)
Foreign currency translation	(7,668)	(475)
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable	(20,656)	(165,609)
Prepaid expenses and other assets	23,694	33,112
Accounts payable	(24,333)	18,400
Accrued expenses and other current liabilities	(96,540)	10,303
Billings in excess of costs on uncompleted contracts	36,631	28,262
Other long-term liabilities	(28,073)	(13,811)
Income taxes payable	(4,886)	1,301
Net cash provided by operating activities from continuing operations	3,720	3,267
Net cash provided by operating activities from discontinued operations	8,056	
Net cash provided by operating activities	11,776	3,267
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for business acquisitions, net of cash acquired	(17,920)	(102,750)
Net investment in unconsolidated affiliates	2,083	(1,247)
Sales of investment securities	81,449	129,234
Purchases of investment securities		(9,900)
Payments for capital expenditures	(32,665)	(23,807)
Net cash provided by (used in) investing activities	32,947	(8,470)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings under credit agreements	285	
Repayments of borrowings under credit agreements	(104,486)	(5,184)
Proceeds from issuance of common stock	98,930	5,979
Proceeds from exercise of stock options	8,711	4,979
Payments to repurchase common stock	(3,148)	(8,650)
Excess tax benefit from share based payments	9,856	8,552
Net cash provided by financing activities	10,148	5,676
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(8,192)	291
NET INCREASE IN CASH AND CASH EQUIVALENTS	46,679	764
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	194,522	216,911
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 241,201	$ 217,675
NON-CASH INVESTING AND FINANCING ACTIVITY		
Common stock issued in acquisitions	$	$ 20,850

See accompanying Notes to Condensed Consolidated Financial Statements.

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AECOM Technology Corporation

Notes to Condensed Consolidated Financial Statements

(unaudited)

1. Basis of Presentation

The accompanying condensed consolidated financial statements of AECOM Technology Corporation (the Company) are unaudited and, in the opinion of management, include all adjustments necessary for a fair statement of the Company s financial position and results of operations for the periods presented. All inter-company balances and transactions are eliminated in consolidation.

The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company s Form 10-K/A for the fiscal year ended September 30, 2008.

The results of operations for the six months ended March 31, 2009 are not necessarily indicative of the results to be expected for the fiscal year ending September 30, 2009.

The Company reports its annual results of operations based on 52 or 53-week periods ending on the Friday nearest September 30. The Company reports its quarterly results of operations based on periods ending on the Friday nearest December 31, March 31, and June 30. For clarity of presentation, all periods are presented as if the periods ended on September 30, December 31, March 31, and June 30.

2. Public Offering of Common Stock

In March 2009, the Company sold 4.6 million shares of its common stock in a public offering at a price per share of $20.20, for proceeds of approximately $91.6 million, net of underwriters discounts and offering costs.

3. Adoption of New Accounting Pronouncements

In March 2008, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 161, *Disclosures about Derivative Instruments and Hedging Activities,* (SFAS 161), which is intended to improve financial reporting of derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand the effects of such instruments and activities on an entity s financial position, financial performance and cash flows. SFAS 161 was effective for the Company beginning on January 1, 2009. The adoption of SFAS 161 did not have a material impact on the Company s financial statements.

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The Company utilizes derivative instruments to manage interest rate risk associated with its outstanding borrowings under the Company s revolving credit facility. The Company entered into three and two pay-fixed interest rate swaps with an aggregate notional amount of $225.0 million during the quarters ended September 30, 2008 and March 31, 2009, respectively. The swaps are designated and qualify as cash flow hedges in accordance with the associated criteria in SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133). Accordingly, the derivatives are recorded at fair value on the balance sheet, and the effective portion of changes in the fair value of the derivatives, measured quarterly, is reported in other comprehensive income. As of March 31, 2009, all five swaps were in a liability position and are recorded in accrued expenses and other long-term liabilities on the balance sheet.

The change in fair value related to the derivatives included in other comprehensive income/(loss) for the six months ended March 31, 2009 was $(1.6) million, net of tax. The expiration dates of the swap agreements are as follows:

Notional Amount (in thousands)	Expiration Date
$ 50,000	May 2009
$ 25,000	August 2009
$ 50,000	August 2009
$ 50,000	February 2010
$ 50,000	August 2010

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements* (SFAS 157), which defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS 157 was effective for the Company on October 1, 2008 for all non-pension financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in its consolidated financial statements on a recurring basis (at least annually). For pension and all other nonfinancial assets and liabilities, SFAS 157 is effective for the Company on October 1, 2009.

As it relates to its non-pension financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in the consolidated financial statements on a recurring basis (at least annually), the adoption of SFAS 157 did not have a material impact on the Company s consolidated financial statements. The Company is still in the process of evaluating the impact that SFAS 157 will have on its pension related financial assets and its other nonfinancial assets.

The following table summarizes the Company s non-pension financial assets and liabilities measured at fair value on a recurring basis (at least annually) as of March 31, 2009 (in millions):

	March 31, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Deferred compensation plan assets (1)	$ 4.0	$ 4.0	$	$
Total assets	$ 4.0	$ 4.0	$	$
	$ 81.6	$	$ 81.6	$

Deferred compensation plan liability (1)						
Derivative liabilities (2)		3.2			3.2	
Total liabilities	$	84.8	$	$	84.8	$

(1) The Company maintains a self-directed, non-qualified deferred compensation plan structured as a rabbi trust (a trust established to provide a source of funds for the plan on a tax-deferred basis) for eligible highly compensated employees. As of March 31, 2009, the rabbi trust held approximately $4.0 million, or 8% of its investment assets in marketable securities valued using quoted market prices. The remaining assets, not reflected in this table, of $44.8 million are valued at cash surrender value and not subject to SFAS 157 disclosure. The related deferred compensation liability represents the fair value of the participant deferrals. For additional information about the Company s deferred compensation plan, refer to Note 16 of the Notes to Consolidated Financial Statements in the Company s Form 10-K/A.

(2) The Company calculates derivative liability amounts in accordance with SFAS 133. For additional information about the Company s derivative financial instruments, refer to Notes 1 and 15 of the Notes to Consolidated Financial Statements in the Company s Form 10-K/A.

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As of September 30, 2007, the Company adopted certain provisions of SFAS No. 158, *Employers Accounting for Defined Benefit Pension and Other Postretirement Plans* (SFAS 158). SFAS 158 has an additional requirement to measure plan assets and benefit obligations as of the date of the employer s fiscal year-end statement of financial position, effective for the Company s fiscal year ending September 30, 2009. In the first quarter of fiscal 2009, the Company changed its measurement date for the defined benefit pension plans to correspond to its fiscal year-end and recorded a charge to beginning retained earnings of $2.7 million, net of tax, for the impact of the cumulative difference in the Company s pension expense between the two measurement dates.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (SFAS 159). SFAS 159 allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value (fair value option). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable, unless a new election date occurs as described under SFAS 159. If the fair value option is elected for an instrument, SFAS 159 specifies that unrealized gains and losses for that instrument be reported in earnings at each subsequent reporting date. SFAS 159 was effective for the Company on October 1, 2008. The Company did not apply the fair value option to any of its outstanding instruments and, therefore, SFAS 159 did not have an impact on the Company s consolidated financial statements.

4. Business Acquisitions

On July 25, 2008, the Company completed the acquisition of the Earth Tech business unit of Tyco International Ltd. (Earth Tech), pursuant to a Purchase Agreement (Purchase Agreement) dated as of February 11, 2008, by and among the Company, Tyco International Finance, S.A. and other seller parties thereto. Earth Tech provides a broad range of technical and consulting services, including architecture, engineering, and design and build services to water/wastewater, environmental, transportation, and facilities clients globally. The Company acquired Earth Tech to increase its global presence, particularly in the Americas, Europe and Australia. This acquisition also significantly strengthens the Company s water and wastewater business, while augmenting its leadership position in the environmental, facilities and transportation sectors. The total purchase price for Earth Tech, net of proceeds from Earth Tech businesses sold to date of $90 million, as described in Note 5 below, was approximately $346 million, in cash. This total purchase price does not include the proceeds from the planned divestitures of certain Earth Tech assets being held for sale. See also Note 5. No gain or loss resulted from the sales of these operations since they were sold for amounts that materially approximated their fair values at the acquisition date. Goodwill related to Earth Tech is partially due to the fact that the values inherent in professional services businesses are largely attributable to existing human capital.

The table below presents summarized unaudited pro forma operating results assuming that the Company had acquired Earth Tech at the beginning of fiscal year ended September 30, 2008 (in millions, except per share data). Other acquisitions completed during the periods presented were not material.

		Pro Forma Six Months Ended March 31, 2008
Revenue	$	2,743
Income from operations	$	103
Net income	$	61
Earnings per share from continuing operations:		
Basic	$	0.61
Diluted	$	0.59

Weighted average shares outstanding:	
Basic	100.1
Diluted	103.2

Subsequent to the quarter ended March 31, 2009, the Company completed the acquisition of Savant, an international project and construction-management firm (Savant) operating across Europe and the Commonwealth of Independent States.

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5. Discontinued Operations

As part of the July 2008 acquisition of Earth Tech, the Company acquired certain non-strategic businesses that it intends to divest. Concurrent with the close of the purchase of Earth Tech, the Company divested Earth Tech s Water & Power Technologies and North American Contract Operations businesses and Earth Tech s Mexican operations. Additionally, the Company divested Earth Tech s Swedish business in September 2008 and intends to divest certain international businesses and non-strategic contracts in the U.S. and Canada. As a result, certain international businesses and non-strategic contracts in the U.S. and Canada have been segregated from continuing operations and presented as discontinued operations in the accompanying Consolidated Statements of Income and Cash Flows and as held for sale in the accompanying Consolidated Balance Sheet in accordance with SFAS 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*.

For the three and six months ended March 31, 2009, the summarized results of the discontinued operations, included in the Company s results of operations, are as follows (in millions):

	Three Months Ended March 31, 2009	Six Months Ended March 31, 2009
Revenue	$ 18.4	$ 34.0
Earnings before income taxes	$ 0.5	$ 1.1
Income tax expense	0.1	0.3
Earnings from discontinued operations, net of tax	$ 0.4	$ 0.8

Pursuant to Amendment No. 2 to the Purchase Agreement of Earth Tech, by and among the Company, Tyco International Finance, S.A. and other seller parties thereto, the parties agreed to, among other things, delay the legal transfer of Earth Tech s U.K. businesses to the Company until certain third party consents to the transaction are obtained. Pending receipt of such consents, the parties have agreed that the Company will manage the U.K. businesses. The Company has determined that it is the primary beneficiary of the U.K. businesses, as defined in FIN 46(R). Accordingly, the accompanying consolidated financial statements include the results of operations, financial position, and cash flows of the U.K. businesses. Upon receipt of the consents and transfer to the Company of legal ownership of the U.K. businesses, the Company intends to divest certain of the assets (UK Assets) of the U.K. businesses. As of March 31, 2009, AECOM has recorded $28.1 million as prepaid expenses and other current assets, $45.2 million as other non-current assets, $37.1 million as accounts payable and other current liabilities, $22.4 million as other long-term liabilities and $27.2 million as minority interest in the Consolidated Balance Sheets and $2.9 million net loss in the Consolidated Statements of Income for the six months ended March 31, 2009 relating to the UK Assets.

6. Accounts Receivable Net

Net accounts receivable consisted of the following as of March 31, 2009 and September 30, 2008:

	March 31, 2009	September 30, 2008

	(in thousands)	
Billed	$ 995,291	$ 971,222
Unbilled	698,635	703,271
Contract retentions	52,202	47,241
Total accounts receivable gross	1,746,128	1,721,734
Allowance for doubtful accounts	(90,631)	(82,920)
Total accounts receivable net	$ 1,655,497	$ 1,638,814

Billed accounts receivable represent amounts billed to clients that have yet to be collected. Unbilled accounts receivable represent revenue recognized but not yet billed pursuant to contract terms or accounts billed after the period end. Substantially all unbilled receivables as of March 31, 2009 and September 30, 2008 are expected to be billed and collected within twelve months of such date. Contract retentions represent amounts invoiced to clients where payments have been withheld pending the completion of certain milestones, other contractual conditions or upon the completion of the project. These retention agreements vary from project to project and could be outstanding for several months or years.

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Allowances for doubtful accounts have been determined through specific identification of amounts considered to be uncollectible and potential write-offs, plus a non-specific allowance for other amounts for which some potential loss has been determined to be probable based on current and past experience.

Other than the U.S. government, no single client accounted for more than 10% of the Company s accounts receivable as of March 31, 2009 or September 30, 2008.

7. Goodwill and Acquired Intangible Assets

The changes in the carrying value of goodwill by reporting segment for the six months ended March 31, 2009 were as follows:

	September 30, 2008	Post-Acquisition Adjustments	Foreign Exchange Impact	Acquired	March 31, 2009
			(in thousands)		
Professional Technical Services	$ 946,263	$ 48,796	$ (24,020)	$	$ 971,039
Management Support Services	2,826				2,826
Total	$ 949,089	$ 48,796	$ (24,020)	$	$ 973,865

The gross amounts and accumulated amortization of the Company s acquired identifiable intangible assets with finite useful lives as of March 31, 2009 and September 30, 2008, included in intangible assets net in the accompanying condensed consolidated balance sheets, were as follows:

	March 31, 2009		September 30, 2008	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
		(in thousands)		
Backlog	$ 60,962	$ 45,144	$ 65,639	$ 36,001
Customer Relationships	64,123	12,598	59,649	8,990
Trade-Names	2,684	2,684	2,684	2,684
Total	$ 127,769	$ 60,426	$ 127,972	$ 47,675

At the time of acquisition, the Company preliminarily estimates the amount of the identifiable intangible assets acquired based upon historical valuations and the facts and circumstances available at the time. The Company determines the value of the identifiable intangible assets as soon as possible, but not more than 12 months from the date of the acquisition. Due to the period of time it takes to finalize the allocation of purchase price, the determination of such allocation for acquisitions typically occurs in fiscal periods subsequent to the period in which the acquisition occurred. Acquisitions for which the purchase price allocation period has not ended include Earth Tech and Boyle Engineering Corporation. Earth Tech is described in Note 4 above. Boyle Engineering Corporation is a Newport Beach, California based engineering services firm that specializes in the water and wastewater markets acquired by the Company in the third quarter of fiscal 2008. Post-acquisition adjustments to goodwill primarily relate to finalizing intangible asset valuations and additional consideration paid for businesses as a result of finalizing

working capital adjustments. Additionally, the Company is completing post acquisition procedures including finalizing a plan for facilities, severance, and project related liabilities.

The following table presents, in thousands, estimated amortization expense of existing intangible assets for the remainder of fiscal 2009 and for the succeeding years:

Fiscal Year		(in thousands)
2009	$	12,809
2010		11,869
2011		6,897
2012		6,897
2013		6,897
Thereafter		21,974
Total	$	67,343

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8. Disclosures About Pension Benefit Obligations

The following table details the components of net periodic benefit cost for the plans for the three and six months ended March 31, 2009 and 2008:

	Three Months Ended March 31,				Six Months Ended March 31,			
	2009		2008		2009		2008	
	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign	U.S.	Foreign
	(in thousands)							
Components of net periodic benefit cost:								
Service costs	$ 462	$ 1,021	$ 563	$ 1,086	$ 925	$ 2,114	$ 1,126	$ 2,173
Interest cost on projected benefit obligation	2,154	5,021	1,912	4,848	4,308	10,445	3,824	9,746
Expected return on plan assets	(1,959)	(5,229)	(1,778)	(5,252)	(3,918)	(10,874)	(3,556)	(10,555)
Amortization of prior service costs	(260)	(73)	(290)	(102)	(419)	(152)	(580)	(205)
Amortization of net (gain) loss	729	804	833	794	1,216	1,555	1,666	1,589
Net periodic benefit cost	$ 1,126	$ 1,544	$ 1,240	$ 1,374	$ 2,112	$ 3,088	$ 2,480	$ 2,748

The total amounts of employer contributions paid for the six months ended March 31, 2009 were $1.1 million for U.S. plans and $8.0 million for non-U.S. plans. The expected remaining scheduled annual employer contributions for fiscal year ending September 30, 2009 are $5.5 million for U.S. plans and $6.9 million for non-U.S. plans. Included in other long-term liabilities are net pension liabilities of $98.8 and $116.3 million as of March 31, 2009 and September 30, 2008, respectively.

9. Other Financial Information

The components of accumulated other comprehensive loss are as follows:

	March 31, 2009	September 30, 2008
	(in millions)	
Foreign currency translation adjustment	$ (74.0)	$ (23.1)
Defined benefit minimum pension liability adjustment	(86.5)	(88.1)
Interest rate swap valuation	(1.9)	(0.3)
	$ (162.4)	$ (111.5)

Accrued expenses consist of the following:

	March 31, 2009	September 30, 2008
	(in millions)	
Accrued salaries and benefits	$ 248.7	$ 315.4
Accrued contract costs	284.0	284.9
Other accrued expenses	38.5	42.4
Total accrued expenses	$ 571.2	$ 642.7

Accrued contract costs above include balances related to professional liability risks of $92.8 and $84.2 million as of March 31, 2009 and September 30, 2008, respectively.

10. Reportable Segments

The Company s operations are organized into two reportable segments: Professional Technical Services and Management Support Services. This segmentation corresponds to how the Company manages its business as well as the underlying characteristics of its markets.

Management internally analyzes the results of its operations using several non-GAAP measures. One such measure is revenue, net of other direct costs. A significant portion of the Company s revenue relates to services provided by subcontractors and other non-employees that it categorizes as other direct costs. Other direct costs are segregated from cost of revenue resulting in revenue, net of other direct costs, which is a measure of work performed by Company employees. The Company has included information on revenue, net of other direct costs, as it believes that it provides a valuable perspective on its results of operations.

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The following tables set forth summarized financial information concerning the Company s reportable segments:

Reportable Segments:	Professional Technical Services	Management Support Services	Corporate	Total
		(in thousands)		
Three Months Ended March 31, 2009				
Revenue	$ 1,240,355	$ 258,403	$	$ 1,498,758
Revenue, net of other direct costs (non-GAAP)	899,056	66,806		965,862
Gross profit	75,989	13,645		89,634
Gross profit as a % of revenue	6.1%	5.3%		6.0%
Gross profit as a % of revenue, net of other direct costs (non-GAAP)	8.5%	20.4%		9.3%
Equity in earnings of joint ventures	3,408	1,495		4,903
General and administrative expenses			23,930	23,930
Operating income	79,397	15,140	(23,930)	70,607
Segment assets	3,270,739	210,076	78,684	3,559,499
Three Months Ended March 31, 2008				
Revenue	$ 955,067	$ 209,054	$	$ 1,164,121
Revenue, net of other direct costs (non-GAAP)	710,631	40,121		750,752
Gross profit	58,077	12,656		70,733
Gross profit as a % of revenue	6.1%	6.1%		6.1%
Gross profit as a % of revenue, net of other direct costs (non-GAAP)	8.2%	31.5%		9.4%
Equity in earnings of joint ventures	2,676	1,332		4,008
General and administrative expenses			15,782	15,782
Operating income	60,753	13,988	(15,782)	58,959

Reportable Segments:	Professional Technical Services	Management Support Services	Corporate	Total
		(in thousands)		
Six Months Ended March 31, 2009				
Revenue	$ 2,471,681	$ 481,205	$	$ 2,952,886
Revenue, net of other direct costs (non-GAAP)	1,745,346	110,006		1,855,352
Gross profit	149,916	20,925		170,841
Gross profit as a % of revenue	6.1%	4.3%		5.8%
Gross profit as a % of revenue, net of other direct costs (non-GAAP)	8.6%	19.0%		9.2%
Equity in earnings of joint ventures	6,385	4,254		10,639
General and administrative expenses			41,176	41,176
Operating income	156,301	25,179	(41,176)	140,304
Segment assets	3,270,739	210,076	78,684	3,559,499
Six Months Ended March 31, 2008				
Revenue	$ 1,848,508	$ 395,863	$	$ 2,244,371
Revenue, net of other direct costs (non-GAAP)	1,359,156	67,182		1,426,338
Gross profit	110,440	14,270		124,710
Gross profit as a % of revenue	6.0%	3.6%		5.6%
Gross profit as a % of revenue, net of other direct costs (non-GAAP)	8.1%	21.2%		8.7%
Equity in earnings of joint ventures	3,708	3,142		6,850

General and administrative expenses			28,069	28,069
Operating income	114,148	17,412	(28,069)	103,491

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11. Stock-Based Compensation

The fair value of the Company s stock option awards is estimated on the date of grant using the Black-Scholes option-pricing model. The expected term of awards granted represents the period of time the awards are expected to be outstanding. As the Company s common stock has only been publicly-traded since May 2007, expected volatility is based on a historical volatility, for a period consistent with the expected option term, of publicly-traded peer companies. The risk-free interest rate is based on U.S. Treasury bond rates with maturities equal to the expected term of the option on the grant date. The Company uses historical data as a basis to estimate the probability of forfeitures.

The fair value of options granted during the three and six months ended March 31, 2009 and 2008 were determined using the following weighted average assumptions:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2009	2008	2009	2008
Dividend yield				
Expected volatility	38%	33%	38%	33%
Risk-free interest rate	1.8%	3.5%	1.8%	3.5%
Term (in years)	4.5	4.5	4.5	4.5

Under SFAS No. 123R, *Share-Based Payments,* the Company s expense related to stock options for the six months ended March 31, 2009 and 2008 was $1.9 million and $0.6 million, respectively.

Stock option activity for the six months ended March 31, 2009 and 2008 was as follows:

	2009		2008	
	Number of options (in thousands)	Weighted average exercise price	Number of options (in thousands)	Weighted average exercise price
Outstanding at September 30	5,309	$ 11.78	7,728	$ 9.27
Options granted	890	23.68	464	27.38
Options exercised	(1,030)	8.48	(1,107)	7.27
Options forfeited or expired	(23)	19.67	(38)	15.90
Outstanding at March 31	5,146	14.47	7,047	10.75
Vested and expected to vest in the future as of March 31	5,083	$ 14.29	7,024	$ 10.72

The weighted average grant-date fair value of stock options granted during the six months ended March 31, 2009 was $8.04.

The Company grants stock units under the Performance Earnings Program (PEP), whereby units are earned and issued dependent upon meeting established cumulative performance objectives over a three-year period. The Company recognized compensation expense relating to the PEP of $9.7 and $9.0 million during the six months ended March 31, 2009 and 2008, respectively. Additionally, the Company issued restricted stock units in March 2009 which are earned based on service conditions, resulting in compensation expense of $0.6 million during the six months ended March 31, 2009. Future compensation expense related to stock options, PEP units, and restricted stock units granted during the six months ended March 31, 2009 will be $5.0 million, $17.0 million, and $4.5 million, respectively, to be recognized over the awards respective vesting periods.

12. Earnings Per Share

Basic earnings per share (EPS) excludes dilution and is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding and dilutive potential common shares for the period. The Company includes as potential common shares the weighted average dilutive effects of outstanding stock options using the treasury stock method.

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The following table sets forth a reconciliation of the denominators for basic and diluted EPS:

	Three Months Ended		Six Months Ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	(in thousands)			
Denominator for basic earnings per share	106,465	100,571	105,497	100,108
Potential common shares:				
Stock options	1,570	2,780	1,771	3,008
Other	113	103	116	124
Denominator for diluted earnings per share	108,148	103,454	107,384	103,240

For the six months ended March 31, 2009 and 2008, no options were excluded from the calculation of potential common shares because they were considered anti-dilutive.

13. Commitments and Contingencies

In accordance with SFAS No. 5, *Accounting for Contingencies,* the Company records amounts representing its estimated liabilities relating to claims, guarantees, litigation, audits and investigations. The Company s insurance coverage contains various retention and deductible amounts for which the Company provides accruals based upon reported claims and an actuarially determined estimated liability for certain claims incurred but not reported. It is the Company s policy not to accrue for any potential legal expense to be incurred in defending the Company s position. The Company believes that its accruals for estimated liabilities associated with professional and other liabilities are sufficient and any excess liability beyond the accrual is not expected to have a material adverse effect on the Company s results of operations or financial position. The Company is involved in various investigations, claims and lawsuits in the normal conduct of its business, none of which, in the opinion of management, based upon current information and discussions with counsel, is expected to have a material adverse effect on its consolidated financial position, results of operations, cash flows or its ability to conduct business. From time to time the Company establishes reserves for litigation when it considers it probable that a loss will occur.

At March 31, 2009, the Company was contingently liable in the amount of approximately $126.0 million under standby letters of credit issued primarily in connection with general and professional liability insurance programs and for payment and performance guarantees relating to domestic and overseas contracts. In addition, in some instances the Company guarantees that a project, when complete, will achieve specified performance standards. If the project subsequently fails to meet guaranteed performance standards, the Company may either incur significant additional costs or be held responsible for the costs incurred by the client to achieve the required performance standards.

In the ordinary course of business, the Company enters into various agreements providing financial or performance assurances to clients on behalf of certain unconsolidated partnerships, joint ventures and other jointly executed contracts. These agreements are entered into primarily to support the project execution commitments of these entities. The guarantees have various expiration dates. The maximum potential payment amount of an outstanding performance guarantee is the remaining cost of work to be performed by or on behalf of third parties. Under joint venture arrangements, if a partner is financially unable to complete its share of the contract, the other partner(s) will be required to complete those activities. The Company generally only enters into joint venture arrangements with partners who are reputable, financially sound and who carry appropriate levels of surety bonds for the project in order to adequately assure completion of their assignments. The Company does not expect that these guarantees will have a material adverse effect on its consolidated balance sheet or statements of income or cash flows.

14. Income Taxes

The effective tax rate for the six month period ended March 31, 2009 was 30.0% as compared to 34.7% for the corresponding period last year. The decrease in the effective tax rate was primarily due to the benefits from R&E credits from the current and prior years.

During the three months ended December 31, 2008, the Company concluded an examination by the California Franchise Tax Board (FTB) for the fiscal years 1990-2003 and has received a Notice of Proposed Adjustment (NOPA) from the FTB. The primary audit issue was the resolution of R&E Credits applicable to California. As a result of the NOPA and other events, the Company reduced the tax reserves for uncertain tax positions in accordance with the Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes An Interpretation of FASB Statement No. 109.*

The Company is currently under examination by the Internal Revenue Service (IRS) for fiscal years 2006 and 2007. The examination process is at an early stage and the Company is unable to determine whether any material adjustments will be proposed by the IRS.

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15. Recently Issued Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141 (revised 2007), *Business Combinations* (SFAS 141R). SFAS 141R significantly changes the way companies account for business combinations and will generally require more assets acquired and liabilities assumed to be measured at their acquisition-date fair value. Under SFAS 141R, legal fees and other transaction-related costs are expensed as incurred and are no longer included in goodwill as a cost of acquiring the business. SFAS 141R also requires, among other things, acquirers to estimate the acquisition-date fair value of any contingent consideration and to recognize any subsequent changes in the fair value of contingent consideration in earnings. In addition, restructuring costs the acquirer expected, but was not obligated to incur, will be recognized separately from the business acquisition. This accounting standard is effective beginning October 1, 2009. The Company is currently evaluating the impact of SFAS 141R on its financial statements.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51* (SFAS 160). SFAS 160 requires all entities to report noncontrolling interests in subsidiaries as a separate component of equity in the consolidated financial statements. SFAS 160 establishes a single method of accounting for changes in a parent s ownership interest in a subsidiary that do not result in deconsolidation. Under SFAS 160, companies will no longer recognize a gain or loss on partial disposals of a subsidiary where control is retained. In addition, in partial acquisitions, where control is obtained, the acquiring company will recognize and measure at fair value 100 percent of the assets and liabilities, including goodwill, as if the entire target company had been acquired. SFAS 160 is effective beginning October 1, 2009. The Company is currently evaluating the impact of SFAS 160 on its financial statements.

16. Subsequent Events

As discussed in Note 4 Business Acquisitions, subsequent to the quarter ended March 31, 2009, the Company completed the acquisition of Savant. Savant is an international construction and project management consultancy that will expand the Company s global presence in Europe and the Commonwealth of Independent States.

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Item 2. Management s Discussion And Analysis Of Financial Condition And Results Of Operations

Forward-Looking Statements

This Quarterly Report contains certain forward-looking statements, including the plans and objectives of management for our business, operations and economic performance. These forward-looking statements generally can be identified by the context of the statement or the use of forward-looking terminology, such as believes, estimates, anticipates, intends, expects, plans, is confident that or words of similar n with reference to us or our management. Similarly, statements that describe our future operating performance, financial results, financial position, plans, objectives, strategies or goals are forward-looking statements. Although management believes that the assumptions underlying the forward-looking statements are reasonable, these assumptions and the forward-looking statements are subject to various factors, risks and uncertainties, many of which are beyond our control, including, but not limited to, our dependence on long-term government contracts, which are subject to uncertainties concerning the government s budgetary approval process, the possibility that our government contracts may be terminated by the government, our ability to successfully manage our joint ventures, the risk of employee misconduct or our failure to comply with laws and regulations, our ability to successfully execute our mergers and acquisitions strategy, including the integration of new companies into our business, our ability to attract and retain key technical and management personnel, our ability to complete our backlog of uncompleted projects as currently projected, our liquidity and capital resources and changes in regulations or legislation that could affect us. Accordingly, actual results could differ materially from those contemplated by any forward-looking statement. In addition to the other risks and uncertainties mentioned in connection with certain forward-looking statements throughout this Quarterly Report, please review Part II, Item 1A Risk Factors in this Quarterly Report for a discussion of the factors, risks and uncertainties that could affect our future results.

Unless otherwise noted, the terms we, our, us, and Company refer to AECOM Technology Corporation and its subsidiaries.

Overview

We are a leading global provider of professional technical and management support services for commercial and government clients around the world. We provide our services in a broad range of end markets and strategic geographic markets through a global network of operating offices and approximately 43,000 employees and staff employed in the field on projects.

Our business focuses primarily on providing fee-based professional technical and support services and therefore our business is labor and not capital intensive. We primarily derive income from our ability to generate revenue and collect cash from our clients through the billing of our employees time spent on client projects and our ability to manage our costs. We operate our business through two segments: Professional Technical Services (PTS) and Management Support Services (MSS).

Our PTS segment delivers planning, consulting, architecture and engineering design, and program and construction management services to institutional, commercial and government clients worldwide in end markets such as transportation, facilities, environmental, and energy markets. PTS revenue is primarily derived from fees from services that we provide, as opposed to pass-through fees from subcontractors and other direct costs.

Our MSS segment provides facilities management and maintenance, training, logistics, consulting, technical assistance and systems integration services, primarily for agencies of the U.S. government. MSS revenue typically includes a significant amount of pass-through fees from subcontractors and other direct costs.

Our revenue is dependent on our ability to attract and retain qualified and productive employees, identify business opportunities, allocate our labor resources to profitable markets, secure new contracts and renew existing client agreements. Moreover, as a professional services company, maintaining the high quality of the work generated by our employees is integral to our revenue generation.

Our costs consist primarily of the compensation we pay to our employees, including salaries and fringe benefits, the costs of hiring subcontractors and other project-related expenses, and general and administrative costs.

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Components of Income and Expense

Our management internally analyzes the results of our operations using several non-GAAP measures. A significant portion of our revenue relates to services provided by subcontractors and other non-employees that we categorize as other direct costs. Those costs are typically paid to service providers upon our receipt of payment from the client. We segregate other direct costs from revenue resulting in a measurement that we refer to as revenue, net of other direct costs, which is a measure of work performed by AECOM employees. We have included information on revenue, net of other direct costs, as we believe that it is useful to view our revenue exclusive of costs associated with external service providers.

The following table presents, for the periods indicated, a presentation of the non-GAAP financial measures reconciled to the closest GAAP measures:

	Six Months Ended March 31,		Year Ended September 30,				
	2009	2008	2008	2007	2006	2005	2004
	(in millions)						
Other Financial Data:							
Revenue	$ 2,953	$ 2,244	$ 5,194	$ 4,237	$ 3,421	$ 2,395	$ 2,012
Other direct costs	1,098	818	1,905	1,832	1,521	933	776
Revenue, net of other direct costs	1,855	1,426	3,289	2,405	1,900	1,462	1,236
Cost of revenue, net of other direct costs	1,684	1,301	3,002	2,207	1,757	1,345	1,131
Gross profit	171	125	287	198	143	117	105
Equity in earnings of joint ventures	11	6	23	12	6	2	3
Amortization expense of acquired intangible assets	13	2	18	12	15	3	
Other general and administrative expenses	29	26	53	42	31	18	21
General and administrative expenses	42	28	71	54	46	21	21
Income from operations	$ 140	$ 103	$ 239	$ 156	$ 103	$ 98	$ 87
Reconciliation of Cost of Revenue:							
Other direct costs	$ 1,098	$ 818	$ 1,905	$ 1,832	$ 1,521	$ 933	$ 776
Cost of revenue, net of other direct costs	1,684	1,301	3,002	2,207	1,757	1,345	1,131
Cost of revenue	$ 2,782	$ 2,119	$ 4,907	$ 4,039	$ 3,278	$ 2,278	$ 1,907

Results of Operations

Consolidated Results

	Three Months Ended				Six Months Ended			
	March 31, 2009	March 31, 2008	Change $	Change %	March 31, 2009	March 31, 2008	Change $	Change %
	(in thousands)							
Revenue	$ 1,498,758	$ 1,164,121	$ 334,637	28.7%	$ 2,952,886	$ 2,244,371	$ 708,515	31.6%
Other direct costs	532,896	413,369	119,527	28.9	1,097,534	818,033	279,501	34.2
Revenue, net of other direct costs	965,862	750,752	215,110	28.7	1,855,352	1,426,338	429,014	30.1
Cost of revenue, net of other direct costs	876,228	680,019	196,209	28.9	1,684,511	1,301,628	382,883	29.4
Gross profit	89,634	70,733	18,901	26.7	170,841	124,710	46,131	37.0
Equity in earnings of joint ventures	4,903	4,008	895	22.3	10,639	6,850	3,789	55.3
General and administrative expenses	23,930	15,782	8,148	51.6	41,176	28,069	13,107	46.7
Income from operations	70,607	58,959	11,648	19.8	140,304	103,491	36,813	35.6
Minority interest in share of earnings	5,732	4,798	934	19.5	9,178	6,077	3,101	51.0
Other expense	1,419	813	606	74.5	6,207	1,628	4,579	281.3
Interest income (expense), net	(2,019)	2,061	(4,080)	-198.0	(5,617)	4,309	(9,926)	-230.4
Income before income tax expense	61,437	55,409	6,028	10.9	119,302	100,095	19,207	19.2
Income tax expense	18,431	19,580	(1,149)	-5.9	35,791	34,773	1,018	2.9
Income from continuing operations	43,006	35,829	7,177	20.0	83,511	65,322	18,189	27.8
Discontinued operations, net of tax	392		392	0.0	792		792	0.0
Net income	$ 43,398	$ 35,829	$ 7,569	21.1%	$ 84,303	$ 65,322	$ 18,981	29.1%

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The following table presents the percentage relationship of certain items to revenue, net of other direct costs:

	Three Months Ended		Six Months Ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
Revenue, net of other direct costs	100.0%	100.0%	100.0%	100.0%
Cost of revenue, net of other direct costs	90.7	90.6	90.8	91.3
Gross profit	9.3	9.4	9.2	8.7
Equity in earnings of joint ventures	0.5	0.5	0.6	0.5
General and administrative expense	2.5	2.0	2.2	1.9
Income from operations	7.3	7.9	7.6	7.3
Minority interest in share of earnings	0.6	0.6	0.5	0.4
Other expense	0.1	0.1	0.3	0.1
Interest income (expense), net	(0.2)	0.2	(0.4)	0.2
Income before income tax expense	6.4	7.4	6.4	7.0
Income tax expense	1.9	2.6	1.9	2.4
Income from continuing operations	4.5	4.8	4.5	4.6
Discontinued operations, net of tax	0.0	0.0	0.0	0.0
Net income	4.5%	4.8%	4.5%	4.6%

Revenue

Our revenue for the three months ended March 31, 2009 increased $334.6 million, or 28.7%, to $1.5 billion as compared to $1.2 billion for the corresponding period last year. Of this increase, $245.0 million, or 73.2%, was provided by companies acquired in the past twelve months. Excluding the revenue provided by acquired companies, revenue increased $89.6 million, or 7.7%.

Our revenue for the six months ended March 31, 2009 increased $708.5 million, or 31.6%, to $3.0 billion as compared to $2.2 billion for the corresponding period last year. Of this increase, $488.4 million, or 68.9%, was provided by companies acquired in the past twelve months. Excluding the revenue provided by acquired companies, revenue increased $220.1 million, or 9.8%.

These increases in revenue were primarily attributable to strong demand for our engineering and program management services on infrastructure projects in the United States, United Arab Emirates, Libya, Hong Kong, and Australia partially, offset by a decline in our commercial facilities business and weaker foreign currencies (primarily the British pound, Australian dollar, and Canadian dollar) as compared to their value against the U.S. dollar in the corresponding periods last year. The increase was further attributable to increased scope on our combat support project in the Middle East, increased activity on the Taji National Depot project for the United States Army that was in its initial phase in the prior year corresponding periods, and work performed on new task orders on the Contract Field Teams project with the United States Air Force.

Revenue, Net of Other Direct Costs

Our revenue, net of other direct costs for the three months ended March 31, 2009 increased $215.1 million, or 28.7%, to $965.9 million as compared to $750.8 million in the corresponding period last year. Of this increase, $155.2 million, or 72.1%, was provided by companies

acquired in the past twelve months. Excluding the revenue, net of other direct costs provided by acquired companies, revenue, net of other direct costs increased $59.9 million, or 8.0%.

Our revenue, net of other direct costs for the six months ended March 31, 2009 increased $429.0 million, or 30.1%, to $1.9 billion as compared to $1.4 billion in the corresponding period last year. Of this increase, $316.0 million, or 73.7%, was provided by companies acquired in the past twelve months. Excluding the revenue, net of other direct costs provided by acquired companies, revenue, net of other direct costs increased $113.0 million, or 7.9%.

These increases in revenue, net of other direct costs were primarily due to strong demand for our engineering and program management services on infrastructure projects in the markets noted above, an increase in task orders for our Contract Field Team project, and increased activity on the Taji National Depot project resulting in increased project staffing.

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Gross Profit

Our gross profit for the three months ended March 31, 2009 increased $18.9 million, or 26.7%, to $89.6 million as compared to $70.7 million in the corresponding period last year. Of this increase, $10.6 million, or 56.1%, was provided by companies acquired in the past twelve months. Excluding gross profit provided by acquired companies, gross profit increased $8.3 million, or 11.7%. For the three months ended March 31, 2009, gross profit, as a percentage of revenue, net of other direct costs, was 9.3% as compared to 9.4% in the corresponding period last year.

Our gross profit for the six months ended March 31, 2009 increased $46.1 million, or 37.0%, to $170.8 million as compared to $124.7 million in the corresponding period last year. Of this increase, $19.9 million, or 43.2%, was provided by companies acquired in the past twelve months. Excluding gross profit provided by acquired companies, gross profit increased $26.2 million, or 21.0%. For the six months ended March 31, 2009, gross profit, as a percentage of revenue, net of other direct costs, was 9.2% as compared to 8.7% in the corresponding period last year.

The increase in gross profit, excluding acquired companies, for the three months ended March 31, 2009 was primarily attributable to the increase in revenue, net of other direct costs. The decrease in gross profit, as a percentage of revenue, net of other direct costs was primarily due to reduced margins in our MSS segment, largely offset by improved project performance in our PTS as further described below.

The increases in gross profit, excluding acquired companies, for the six months ended March 31, 2009 and gross profit, as a percentage of revenue, net of other direct costs were primarily attributable to improved project performance in our PTS segment and the increase in revenue, net of other direct costs.

Equity in Earnings of Joint Ventures

Our equity in earnings of joint ventures for the three months ended March 31, 2009 increased $0.9 million, or 22.3%, to $4.9 million as compared to $4.0 million in the corresponding period last year.

Our equity in earnings of joint ventures for the six months ended March 31, 2009 increased $3.7 million, or 55.3%, to $10.6 million as compared to $6.9 million in the corresponding period last year.

These increases in equity in earnings of joint ventures were primarily attributable to contributions by various joint ventures from companies acquired in the past twelve months, primarily Earth Tech. The increase for the six months ended March 31, 2009 was further attributable to increased volume on a joint venture providing engineering and design services at an airport in the Middle East and a joint venture for technical services for the United States Department of Energy at the Nevada Test Site.

General and Administrative Expenses

Our general and administrative expenses for the three months ended March 31, 2009 increased $8.1 million, or 51.6%, to $23.9 million as compared to $15.8 million in the corresponding period last year. For the three months ended March 31, 2009, general and administrative expenses, as a percentage of revenue, net of other direct costs was 2.5% as compared to 2.0% in the corresponding period last year.

Our general and administrative expenses for the six months ended March 31, 2009 increased $13.1 million, or 46.7%, to $41.2 million as compared to $28.1 million in the corresponding period last year. For the six months ended March 31, 2009, general and administrative expenses, as a percentage of revenue, net of other direct costs was 2.2% as compared to 1.9% in the corresponding period last year.

The increases in general and administrative expenses were primarily attributable to costs associated with the support and integration of Earth Tech and other recent acquisitions, increased staffing and other expenses related to the growth in our business noted above, and continued investments to support our strategic initiatives.

Interest Income / Expense

Our net interest expense for the three months ended March 31, 2009 was $2.0 million as compared to net interest income of $2.1 million in the corresponding period last year.

Our net interest expense for the six months ended March 31, 2009 was $5.6 million as compared to net interest income of $4.3 million in the corresponding period last year.

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The net interest expense for the three and six months ended March 31, 2009 as compared to the net interest income in the corresponding periods last year is primarily due to higher borrowings and lower investment balances associated with the funding of acquisitions, including Earth Tech, completed in our fiscal 2008.

Income Tax Expense

Our income tax expense for the three months ended March 31, 2009 decreased $1.2 million, or 5.9%, to $18.4 million as compared to $19.6 million in the corresponding period last year. The effective tax rate for the three months ended March 31, 2009 was 30.0% as compared to 35.3% for the corresponding period last year.

Our income tax expense for the six months ended March 31, 2009 increased $1.0 million, or 2.9%, to $35.8 million as compared to $34.8 million in the corresponding period last year. The effective tax rate for the six months ended March 31, 2009 was 30.0% as compared to 34.7% for the corresponding period last year.

The decrease in the effective tax rate was due to the recognition of the benefits from research and experimentation credits from the current and prior years.

Net Income

Net income for the three months ended March 31, 2009 increased $7.6 million, or 21.1%, to $43.4 million as compared to $35.8 million in the corresponding period last year for the reasons stated above.

Net income for the six months ended March 31, 2009 increased $19.0 million, or 29.1%, to $84.3 million as compared to $65.3 million in the corresponding period last year for the reasons stated above.

Results of Operations by Reportable Segment:

Professional Technical Services

	Three Months Ended				Six Months Ended			
	March 31, 2009	March 31, 2008	Change $	Change %	March 31, 2009	March 31, 2008	Change $	Change %
	(in thousands)							
Revenue	$ 1,240,355	$ 955,067	$ 285,288	29.9%	$ 2,471,681	$ 1,848,508	$ 623,173	33.7%
Other direct costs	341,299	244,436	96,863	39.6	726,335	489,352	236,983	48.4
Revenue, net of other direct costs	899,056	710,631	188,425	26.5	1,745,346	1,359,156	386,190	28.4
Cost of revenue, net of other direct costs	823,067	652,554	170,513	26.1	1,595,430	1,248,716	346,714	27.8
Gross profit	$ 75,989	$ 58,077	$ 17,912	30.8%	$ 149,916	$ 110,440	$ 39,476	35.7%

The following table presents the percentage relationship of certain items to revenue, net of other direct costs:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2009	2008	2009	2008
Revenue, net of other direct costs	100.0%	100.0%	100.0%	100.0%
Cost of revenue, net of other direct costs	91.5	91.8	91.4	91.9
Gross profit	8.5%	8.2%	8.6%	8.1%

Revenue

Revenue for our PTS segment for the three months ended March 31, 2009 increased $285.3 million, or 29.9%, to $1.2 billion as compared to $955.1 million in the corresponding period last year. Of this increase, $245.0 million, or 85.9%, was provided by companies acquired in the past twelve months. Excluding revenue provided by acquired companies, PTS revenue increased $40.3 million, or 4.2%.

Revenue for our PTS segment for the six months ended March 31, 2009 increased $623.2 million, or 33.7%, to $2.5 billion as compared to $1.8 billion in the corresponding period last year. Of this increase, $488.4 million, or 78.4%, was provided by companies acquired in the past twelve months. Excluding revenue provided by acquired companies, PTS revenue increased $134.8 million, or 7.3%.

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These increases in revenue were primarily driven by strong demand for our engineering and program management services on infrastructure projects in the United States, United Arab Emirates, Hong Kong, Libya and Australia. Increased services provided in these markets were partially offset by a decline in our commercial facilities business and weaker foreign currencies (primarily the British pound, Australian dollar, and Canadian dollar) as compared to their value against the U.S. dollar in the corresponding period last year.

Revenue, Net of Other Direct Costs

Revenue, net of other direct costs for our PTS segment for the three months ended March 31, 2009 increased $188.4 million, or 26.5%, to $899.1 million as compared to $710.6 million in the corresponding period last year. Of this increase, $155.2 million, or 82.4%, was provided by companies acquired in the past twelve months. Excluding revenue, net of other direct costs provided by acquired companies, PTS revenue, net of other direct costs increased $33.2 million, or 4.7%.

Revenue, net of other direct costs for our PTS segment for the six months ended March 31, 2009 increased $386.2 million, or 28.4%, to $1.7 billion as compared to $1.4 billion in the corresponding period last year. Of this increase, $316.0 million, or 81.8%, was provided by companies acquired in the past twelve months. Excluding revenue, net of other direct costs provided by acquired companies, PTS revenue, net of other direct costs increased $70.2 million, or 5.2%.

The increases in revenue, net of other direct costs were primarily due to strong demand for our engineering and program management services on infrastructure projects in the markets noted above, resulting in increased project staffing, partially offset by the decline in our commercial facilities business and weaker foreign currencies as compared to their value against the U.S. dollar in the corresponding prior periods.

Gross Profit

Gross profit for our PTS segment for the three months ended March 31, 2009 increased $17.9 million, or 30.8%, to $76.0 million as compared to $58.1 million in the corresponding period last year. Of this increase, $10.6 million, or 59.2%, was provided by companies acquired in the past twelve months. Excluding gross profit provided by acquired companies, gross profit increased $7.3 million, or 12.6%. For the three months ended March 31, 2009, gross profit, as a percentage of revenue, net of other direct costs, was 8.5% as compared to 8.2% in the corresponding period last year.

Gross profit for our PTS segment for the six months ended March 31, 2009 increased $39.5 million, or 35.7%, to $149.9 million as compared to $110.4 million in the corresponding period last year. Of this increase, $19.9 million, or 50.4%, was provided by companies acquired in the past twelve months. Excluding gross profit provided by acquired companies, gross profit increased $19.6 million, or 17.7%. For the six months ended March 31, 2009, gross profit, as a percentage of revenue, net of other direct costs, was 8.6% as compared to 8.1% in the corresponding period last year.

The increase in gross profit, excluding acquired companies, was primarily attributable to the increase in revenue, net of other direct costs and improved project performance. The increase in gross profit, as a percentage of revenue, net of other direct costs, was primarily attributable to

improved project performance.

Equity in Earnings of Joint Ventures

Equity in earnings of joint ventures for our PTS segment for the three months ended March 31, 2009 increased $0.7 million, or 27.4%, to $3.4 million as compared to $2.7 million in the corresponding period last year.

Equity in earnings of joint ventures for our PTS segment for the six months ended March 31, 2009 increased $2.7 million, or 72.2%, to $6.4 million as compared to $3.7 million in the corresponding period last year.

These increases in equity in earnings of joint ventures were primarily attributable to contributions by various joint ventures from companies acquired in the past twelve months, primarily Earth Tech, and increased volume on a joint venture providing engineering and design services for the Jebil Ali Airport City in the United Arab Emirates. These increases were partially offset by the acquisition in September 2008 of the majority partner s interest in a joint venture in the Middle East that provides consulting and project management services.

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Management Support Services

	Three Months Ended				Six Months Ended			
	March 31, 2009	March 31, 2008	Change $	Change %	March 31, 2009	March 31, 2008	Change $	Change %
	(in thousands)							
Revenue	$ 258,403	$ 209,054	$ 49,349	23.6%	$ 481,205	$ 395,863	$ 85,342	21.6%
Other direct costs	191,597	168,933	22,664	13.4	371,199	328,681	42,518	12.9
Revenue, net of other direct costs	66,806	40,121	26,685	66.5	110,006	67,182	42,824	63.7
Cost of revenue, net of other direct costs	53,161	27,465	25,696	93.6	89,081	52,912	36,169	68.4
Gross profit	$ 13,645	$ 12,656	$ 989	7.8%	$ 20,925	$ 14,270	$ 6,655	46.6%

The following table presents the percentage relationship of certain items to revenue, net of other direct costs:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2009	2008	2009	2008
Revenue, net of other direct costs	100.0%	100.0%	100.0%	100.0%
Cost of revenue, net of other direct costs	79.6	68.5	81.0	78.8
Gross profit	20.4%	31.5%	19.0%	21.2%

Revenue

Revenue for our MSS segment for the three months ended March 31, 2009 increased $49.3 million, or 23.6%, to $258.4 million as compared to $209.1 million in the corresponding period last year.

Revenue for our MSS segment for the six months ended March 31, 2009 increased $85.3 million, or 21.6%, to $481.2 million as compared to $395.9 million in the corresponding period last year.

These increases in revenue were primarily attributable to increased scope on our combat support project in the Middle East, increased activity on the Taji National Depot project for the United States Army that was in its initial phase in the prior year corresponding periods, and work performed on new task orders on the Contract Field Teams project with the United States Air Force, Growth on these projects was partially offset by a reduction in volume in our global maintenance and supply services business for the United States government in the Middle East.

Revenue, Net of Other Direct Costs

Revenue, net of other direct costs for our MSS segment for the three months ended March 31, 2009 increased $26.7 million, or 66.5%, to $66.8 million as compared to $40.1 million in the corresponding period last year.

Revenue, net of other direct costs for our MSS segment for the six months ended March 31, 2009 increased $42.8 million, or 63.7%, to $110.0 million as compared to $67.2 million in the corresponding period last year.

These increases in revenue, net of other direct costs were primarily attributable to an increase in our services and personnel resulting from additional task orders received on the Contract Field Teams project that commenced in October 2008. The higher percentage growth in revenue, net of other direct costs as compared to revenue was the result of the increase in task orders on the Contract Field Teams project which has a significantly greater portion of self-performed work as compared to other projects in the MSS segment.

Gross Profit

Gross profit for our MSS segment for the three months ended March 31, 2009 increased $0.9 million, or 7.8%, to $13.6 million as compared to $12.7 million in the corresponding period last year. For the three months ended March 31, 2009, gross profit, as a percentage of revenue, net of other direct costs, was 20.4% as compared to 31.5% in the corresponding period last year.

Gross profit for our MSS segment for the six months ended March 31, 2009 increased $6.6 million, or 46.6%, to $20.9 million as compared to $14.3 million in the corresponding period last year. For the six months ended March 31, 2009, gross profit, as a percentage of revenue, net of other direct costs, was 19.0% as compared to 21.2% in the corresponding period last year.

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These increases in gross profit were primarily due to the increases in revenue. The decreases in gross profit, as a percentage of revenue, net of other direct costs were primarily due to the favorable resolution in the second quarter of fiscal 2008 of certain contract matters with the United States government and the growth in revenue, net of other direct costs noted above.

Equity in Earnings of Joint Ventures

Equity in earnings of joint ventures for our MSS segment for the three months ended March 31, 2009 increased $0.2 million, or 12.2%, to $1.5 million as compared to $1.3 million in the corresponding period last year.

Equity in earnings of joint ventures for our MSS segment for the six months ended March 31, 2009 increased $1.2 million, or 35.4%, to $4.3 million as compared to $3.1 million in the corresponding period last year.

These increases in equity in earnings of joint ventures were primarily due to increased activities in two joint ventures that provide training support services for international civilian police officers and peacekeepers and technical services for the Department of Energy at the Nevada Test Site.

Seasonality

We experience seasonal trends in our business. Our revenue is typically lower in the first quarter of our fiscal year, primarily due to lower utilization rates attributable to holidays recognized around the world. Our revenue is typically higher in the last half of the fiscal year. Many U.S. state governments with fiscal years ending on June 30 tend to accelerate spending during their first quarter, when new funding becomes available. In addition, we find that the U.S. federal government tends to authorize more work during the period preceding the end of its fiscal year, September 30. Further, our construction management revenue typically increases during the high construction season of the summer months. Within the United States, as well as other parts of the world, our business generally benefits from milder weather conditions in our fiscal fourth quarter, which allows for more productivity from our on-site civil services. For these reasons, coupled with the number and significance of client contracts commenced and completed during a period, as well as the time of expenses incurred for corporate initiatives, it is not unusual for us to experience seasonal changes or fluctuations in our quarterly operating results.

Liquidity and Capital Resources

Cash Flows

Our principal sources of liquidity are cash flows from operations, existing cash and cash equivalents, and our borrowing capacity under our revolving credit facility. Our principal uses of cash are for operating expenses, capital expenditures, working capital requirements, acquisitions,

and repayment of debt. While our access to capital has not been severely affected by the credit crisis currently affecting global markets, we believe, if credit markets globally do not recover, its full impact may adversely affect our cost of borrowing in the future. We believe we have adequate liquidity and capital resources to fund our operations, support our acquisition strategy, service our debt and meet our anticipated cash requirements for at least the next twelve months.

At March 31, 2009, cash and cash equivalents were $241.2 million, an increase of $46.7 million, or 24.0%, from September 30, 2008, as a result of operating, investing and financing activities, including acquisitions, as described below.

Net cash provided by operating activities was $11.8 million for the six months ended March 31, 2009, an increase of $8.5 million from net cash provided by operating activities of $3.3 million for the six months ended March 31, 2008. The increase was primarily attributable to the timing of collections of accounts receivable and billings in excess of costs on uncompleted contracts, and payments of accrued expenses.

Net cash provided by investing activities was $32.9 million for the six months ended March 31, 2009, an increase of $41.4 million from net cash used in investing activities of $8.5 million in the six months ended March 31, 2008. The increase in net cash provided by investing activities was primarily due to less cash being used to fund business acquisitions.

Net cash provided by financing activities was $10.1 million for the six months ended March 31, 2009, an increase of $4.4 million from cash provided by financing activities of $5.7 million in the comparable period last year. In March 2009, we sold 4.6 million shares of common stock in a public offering at a price per share of $20.20, for proceeds of approximately $91.6 million, net of underwriters discounts and offering costs. These proceeds were primarily used to repay borrowings on our unsecured revolving credit facility.

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Working Capital

Working capital, or current assets less current liabilities, increased $58.0 million, or 9.2%, to $689.2 million at March 31, 2009 from $631.2 million at September 30, 2008, primarily as a result of reduced accrued expenses.

Because our revenue depends to a great extent on billable labor hours, most of our charges are invoiced following the end of the month in which the hours were worked, the majority usually within 15 days. Other direct costs are normally billed along with labor hours. However, as opposed to salary costs, which are generally paid on either a bi-weekly or monthly basis, other direct costs are, subject to contract terms and applicable law, generally not paid until we receive payment (in some cases in the form of advances) from our customers.

Days sales outstanding, based on accounts receivable, net of billings in excess of costs on uncompleted contracts, was 80 days at March 31, 2009, compared to 86 days at March 31, 2008.

Borrowings and Lines of Credit

At March 31, 2009 and September 30, 2008, our debt consisted of the following:

	March 31, 2009	September 30, 2008
	(in thousands)	
Unsecured revolving credit facility	$ 225,000	$ 310,000
Senior notes		8,333
Unsecured term credit agreement	27,199	25,985
Other debt	38,224	53,691
Total debt	290,423	398,009
Less: Current portion of debt	(15,046)	(32,035)
Long-term debt, less current portion	$ 275,377	$ 365,974

Unsecured Revolving Credit Facility

We have an unsecured revolving credit facility with a syndicate of banks to support our working capital and acquisition needs. The borrowing capacity under our unsecured revolving credit facility is $600 million, and pursuant to the terms of the associated credit agreement, has an expiration date of August 31, 2012. We may also, at our option, request an increase in the commitments under the facility up to a total of $750 million, subject to lender approval. The credit agreement contains customary representations and warranties, affirmative and negative covenants and events of default and includes a sub-limit for financial and commercial standby letters of credit. We may borrow, at our option, at either (a) a base rate (the greater of the federal funds rate plus 0.50% or the bank s reference rate), or (b) an offshore, or LIBOR, rate plus a margin which ranges from 0.50% to 1.375%. In addition to these borrowing rates, there is a commitment fee which ranges from 0.10% to 0.25% on any unused commitment. Borrowings under the credit facility are limited by certain financial covenants. At March 31, 2009, $225.0 million

was outstanding and at September 30, 2008, $310.0 million was outstanding under the credit facility. At March 31, 2009 and September 30, 2008, outstanding standby letters of credit totaled $26.7 million under the credit facility. At March 31, 2009, we had $348.3 million available for borrowing under the credit facility. The Company was in compliance with all of its debt covenants, and could have drawn upon the remaining $348.3 million available under the credit facility.

The Company entered into three and two interest rate swap agreements with financial institutions during the quarters ended September 30, 2008 and March 31, 2009, respectively. The swap agreements fixed the variable interest rates of $225.0 million of the outstanding debt under the Company s revolving credit facility. The Company applies cash flow hedge accounting for the interest rate swap agreements in accordance with Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*. Accordingly, the derivatives are recorded as liabilities at fair value and the effective portion of changes in the fair value of the derivative, as measured quarterly, is reported in other comprehensive income. The change in fair value related to the derivatives included in other comprehensive income/(loss) for the six months ended March 31, 2009 was $(1.6) million, net of tax. The applicable fixed rates and the related expiration dates of the swap agreements are as follows:

Notional Amount (in thousands)	Fixed Rate	Expiration Date
$ 50,000	0.7%	May 2009
$ 25,000	0.8%	August 2009
$ 50,000	2.8%	August 2009
$ 50,000	3.0%	February 2010
$ 50,000	3.2%	August 2010

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Our average effective interest rate on borrowings under the revolving credit facility during the six months ended March 31, 2009 was 3.0%.

Unsecured Term Credit Agreement

In September 2006, through certain of our wholly-owned subsidiaries, we entered into an unsecured term credit agreement with a syndicate of banks to facilitate dividend repatriations under Section 965 of the American Jobs Creation Act, which provided for a limited time opportunity to repatriate foreign earnings to the U.S. at a 5.25% tax rate. The term credit agreement provides for a $65.0 million, five-year term loan among four subsidiary borrowers and one subsidiary guarantor. In order to obtain favorable pricing, we also provided a parent company guarantee. The terms and conditions of the term credit agreement are similar to those contained in our revolving credit facility.

Other Debt

Other debt includes $27.0 million in notes payable to a bank, collateralized by real property, which was assumed in connection with a business acquired during the year ended September 30, 2008. These notes payable bear interest at 6.04% and mature in December 2028.

In addition to the revolving credit facility discussed above, at March 31, 2009, we had $151.3 million of non-U.S. unsecured credit facilities primarily used to cover periodic overdrafts and letters of credit.

Commitments and Contingencies

Planned capital expenditures include payments for acquisitions, property and equipment additions and replacements, expenditures to further the implementation of our enterprise resource planning system and commitments under our incentive compensation programs. As we embark on other capital-intensive initiatives, additional working capital may be required.

As of March 31, 2009, there was approximately $126.0 million outstanding under standby letters of credit issued, primarily in connection with general and professional liability insurance programs and for contract performance guarantees. In addition, in some instances we guarantee that a project, when complete, will achieve specified performance standards. If the project subsequently fails to meet guaranteed performance standards, we may either incur significant additional costs or be held responsible for the costs incurred by the client to achieve the required performance standards.

We adopted certain provisions of SFAS No. 158, *Employers Accounting for Defined Benefit Pension and Other Postretirement Plans an amendment of FASB Statements No. 87, 88, 106, and 132(R)* (SFAS 158) as of September 30, 2007, and as such, were required to recognize on our balance sheet the funded status (measured as the difference between the fair value of plan assets and the projected benefit obligation) of our pension plans. We do not have a required minimum contribution for our domestic plans; however, we may make additional discretionary contributions. The total amounts of employer contributions paid for the six months ended March 31, 2009 were $1.1 million for U.S. plans and $8.0 million for non-U.S. plans. The expected remaining scheduled annual employer contributions for the fiscal year ending September 30, 2009 are $5.5 million for U.S. plans and $6.9 million for non-U.S. plans. In the future, such pension under-funding may increase or decrease depending on changes in the levels of interest rates, pension plan performance and other factors.

Recently Issued Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141 (revised 2007), *Business Combinations* (SFAS 141R). SFAS 141R significantly changes the way companies account for business combinations and will generally require more assets acquired and liabilities assumed to be measured at their acquisition-date fair value. Under SFAS 141R, legal fees and other transaction-related costs are expensed as incurred and are no longer included in goodwill as a cost of acquiring the business. SFAS 141R also requires, among other things, acquirers to estimate the acquisition-date fair value of any contingent consideration and to recognize any subsequent changes in the fair value of contingent consideration in earnings. In addition, restructuring costs the acquirer expected, but was not obligated to incur, will be recognized separately from the business acquisition. This accounting standard is effective beginning October 1, 2009. We are currently evaluating the impact of SFAS 141R on our financial statements.

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In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51* (SFAS 160). SFAS 160 requires all entities to report noncontrolling interests in subsidiaries as a separate component of equity in the consolidated financial statements. SFAS 160 establishes a single method of accounting for changes in a parent s ownership interest in a subsidiary that do not result in deconsolidation. Under SFAS 160, companies will no longer recognize a gain or loss on partial disposals of a subsidiary where control is retained. In addition, in partial acquisitions, where control is obtained, the acquiring company will recognize and measure at fair value 100 percent of the assets and liabilities, including goodwill, as if the entire target company had been acquired. SFAS 160 is effective beginning October 1, 2009. We are currently evaluating the impact of SFAS 160 on our financial statements.

Off-Balance Sheet Arrangements

We enter into various joint venture arrangements to provide architectural, engineering, program management, construction management and operations and maintenance services. The ownership percentage of these joint ventures is typically representative of the work to be performed or the amount of risk assumed by each joint venture partner. Some of these joint ventures are considered variable interest entities under Financial Accounting Standards Board (FASB) Financial Interpretation No. 46 (revised December 2003), *Consolidation of Variable Interest Entities* (FIN 46R). We have consolidated all joint ventures for which we are the primary beneficiary. For all others, the Company s portion of the earnings is recorded in equity in earnings of the joint ventures. We do not believe that we have any off-balances sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial conditions, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that would be material to investors.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

Financial Market Risks

We are exposed to market risk, primarily related to foreign currency exchange rates and interest rate exposure of our debt obligations that bear interest based on floating rates. We actively monitor these exposures. Our objective is to reduce, where we deem appropriate to do so, fluctuations in earnings and cash flows associated with changes in foreign exchange rates and interest rates. From time to time, we enter into derivative financial instruments such as forward contracts and interest rate hedge contracts. It is our policy and practice to use derivative financial instruments only to the extent necessary to manage our exposures. We do not use derivative financial instruments for trading purposes.

Foreign Currency Exchange Rate Risk

We are exposed to foreign currency exchange rate risk resulting from our operations outside of the United States. We do not comprehensively hedge our exposure to currency rate changes; however, we limit exposure to foreign currency fluctuations in most of our contracts through provisions that require client payments to be in currencies corresponding to the currency in which costs are incurred. As a result, we typically do not need to hedge foreign currency cash flows for contract work performed. The functional currency of all significant foreign operations is the local currency.

Interest Rate Risk

Our unsecured revolving credit facility and certain other debt obligations are subject to variable rate interest which could be adversely affected by an increase in interest rates. Interest on amounts borrowed under our unsecured revolving credit facility and our term credit agreement is subject to adjustment based on certain levels of financial performance. Our variable rate obligations, approximately $32 million at March 31, 2009, expose us to the risk of rising interest rates. If short-term floating interest rates were to increase or decrease by 1%, our annual interest expense could increase or decrease by $0.3 million.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based on an evaluation under the supervision and with the participation of our management, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act), were effective as of March 31, 2009 to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified

in the Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during our quarter ending March 31, 2009 which were identified in connection with management s evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings

As a government contractor, we are subject to various laws and regulations that are more restrictive than those applicable to non-government contractors. Intense government scrutiny of contractors compliance with those laws and regulations through audits and investigations is inherent in government contracting, and, from time to time, we receive inquiries, subpoenas, and similar demands related to our ongoing business with government entities. Violations can result in civil or criminal liability as well as suspension or debarment from eligibility for awards of new government contracts or option renewals.

We are involved in various investigations, claims and lawsuits in the normal conduct of our business, none of which, in the opinion of our management, based upon current information and discussions with counsel, is expected to have a material adverse effect on our consolidated financial position, results of operations, cash flows or our ability to conduct business. From time to time we establish reserves for litigation when we consider it probable that a loss will occur.

Item 1A. Risk Factors

We depend on long-term government contracts, some of which are only funded on an annual basis. If appropriations for funding are not made in subsequent years of a multiple-year contract, we may not be able to realize all of our anticipated revenue and profits from that project.

A substantial majority of our revenue is derived from contracts with agencies and departments of national, state and local governments. During fiscal 2008, 2007 and 2006, approximately 64%, 61% and 63%, respectively, of our revenue was derived from contracts with government entities.

Most government contracts are subject to the government s budgetary approval process. Legislatures typically appropriate funds for a given program on a year-by-year basis, even though contract performance may take more than one year. As a result, at the beginning of a program, the related contract is only partially funded, and additional funding is normally committed only as appropriations are made in each subsequent fiscal year. These appropriations, and the timing of payment of appropriated amounts, may be influenced by, among other things, the state of the economy, competing priorities for appropriation, changes in administration or control of legislatures and the timing and amount of tax receipts and the overall level of government expenditures. If appropriations are not made in subsequent years on our government contracts, then we will not realize all of our potential revenue and profit from that contract.

For instance, a significant portion of historical funding for state and local transportation projects has come from the U.S. federal government through its SAFETEA-LU infrastructure funding program and predecessor programs. This $286 billion program covers federal fiscal years 2004-2009. Approximately 79% of the SAFETEA-LU funding is for highway programs, 18.5% is for transit programs and 2.5% is for other programs such as motor carrier safety, national highway traffic safety and research. A key uncertainty in the outlook for federal transportation funding in the United States is the future viability of the Highway Trust Fund, which has experienced shortfalls due to a decrease in the federal gas tax receipts that fund it. In September 2008, the President signed HR 6532, a bill to amend the Internal Revenue Code to restore the Highway Trust Fund balance, transferring funds from the general Treasury to the Highway Trust Fund to provide for the funding of authorized federal transportation priorities through the end of fiscal year 2009. This raises concerns about the future funding structure for federal highway programs, particularly after SAFETEA-LU expires on September 30, 2009.

Governmental agencies may modify, curtail or terminate our contracts at any time prior to their completion and, if we do not replace them, we may suffer a decline in revenue.

Most government contracts may be modified, curtailed or terminated by the government either at its convenience or upon the default of the contractor. If the government terminates a contract at its convenience, then we typically are able to recover only costs incurred or committed, settlement expenses and profit on work completed prior to termination, which could prevent us from recognizing all of our potential revenue and profits from that contract. If the government terminates the contract due to our default, we could be liable for excess costs incurred by the government in obtaining services from another source.

A delay in the completion of the budget process of government agencies could delay procurement of our services and have an adverse effect on our future revenue.

In years when the U.S. government does not complete its budget process before the end of its fiscal year on September 30, government operations are typically funded pursuant to a continuing resolution that authorizes agencies of the U.S. government to continue to operate, but does not authorize new spending initiatives. When the U.S. government operates under a continuing resolution, government agencies may delay the procurement of services, which could reduce our future revenue. Delays in the

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budgetary processes of states or other jurisdictions may similarly have adverse effects on our future revenue.

Demand for our services is cyclical and may be vulnerable to sudden economic downturns and reductions in government and private industry spending. If the economy remains depressed or continues to weaken, our revenue and profitability could be adversely affected.

Demand for our services is cyclical and may be vulnerable to sudden economic downturns and reductions in government and private industry spending, which may result in clients delaying, curtailing or canceling proposed and existing projects. Due to the continuing economic downturn in the U.S. and international markets and severe tightening of the global credit markets, some of our clients may face considerable budget shortfalls that may limit their overall demand for our services. In addition, our clients may find it more difficult to raise capital in the future to fund their projects due to uncertainty in the municipal and general credit markets. Also, the global demand for commodities has increased raw material costs, which will cause our clients projects to increase in overall cost and may result in the more rapid depletion of the funds that are available to our clients to spend on projects.

Because of an overall weakening economy, our clients may demand more favorable pricing terms while their ability to pay our invoices or to pay them in a timely manner may be adversely affected. Our government clients may face budget deficits that prohibit them from funding proposed and existing projects. If the economy continues to weaken and/or government spending is reduced, our revenue and profitability could be adversely affected.

Our contracts with governmental agencies are subject to audit, which could result in adjustments to reimbursable contract costs or, if we are charged with wrongdoing, possible temporary or permanent suspension from participating in government programs.

Our books and records are subject to audit by the various governmental agencies we serve and their representatives. These audits can result in adjustments to the amount of contract costs we believe are reimbursable by the agencies and the amount of our overhead costs allocated to the agencies. In addition, if one of our subsidiaries is charged with wrongdoing as a result of an audit, that subsidiary, and possibly our company as a whole, could be temporarily suspended or could be prohibited from bidding on and receiving future government contracts for a period of time. Furthermore, as a government contractor, we are subject to an increased risk of investigations, criminal prosecution, civil fraud, whistleblower lawsuits and other legal actions and liabilities to which purely private sector companies are not, the results of which could harm our business.

Our business and operating results could be adversely affected by losses under fixed-price contracts.

Fixed-price contracts require us to either perform all work under the contract for a specified lump-sum or to perform an estimated number of units of work at an agreed price per unit, with the total payment determined by the actual number of units performed. In fiscal 2008, approximately 37% of our revenue was recognized under fixed-price contracts. Fixed-price contracts are more frequently used outside of the United States and, thus, the exposures resulting from fixed-price contracts may increase as we increase our business operations outside of the United States. Fixed-price contracts expose us to a number of risks not inherent in cost-plus and time and material contracts, including underestimation of costs, ambiguities in specifications, unforeseen costs or difficulties, problems with new technologies, delays beyond our control, failures of subcontractors to perform and economic or other changes that may occur during the contract period. Losses under fixed-price contracts could be substantial and harm our results of operations.

We conduct a portion of our operations through joint venture entities, over which we may have limited control.

Approximately 21% of our fiscal 2008 revenue was derived from our operations through joint ventures or similar partnership arrangements, where control may be shared with unaffiliated third parties. As with most joint venture arrangements, differences in views among the joint venture participants may result in delayed decisions or disputes. We also cannot control the actions of our joint venture partners, and we typically have joint and several liability with our joint venture partners under the applicable contracts for joint venture projects. These factors could potentially harm the business and operations of a joint venture and, in turn, our business and operations.

Operating through joint ventures in which we are minority holders results in us having limited control over many decisions made with respect to projects and internal controls relating to projects. Approximately 7% of our fiscal 2008 revenue was derived from our unconsolidated joint ventures where we generally do not have control of the joint venture. These joint ventures may not be subject to the same requirements regarding internal controls and internal control over financial reporting that we follow. As a result, internal control problems may arise with respect to these joint ventures, which could have a material adverse effect on our financial condition and results of operations.

Misconduct by our employees or consultants or our failure to comply with laws or regulations applicable to our business could cause us to lose customers or lose our ability to contract with government agencies.

As a government contractor, misconduct, fraud or other improper activities caused by our employees or consultants failure to comply with laws or regulations could have a significant negative impact on our business and reputation. Such misconduct could

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include the failure to comply with federal procurement regulations, regulations regarding the protection of classified information, legislation regarding the pricing of labor and other costs in government contracts, regulations on lobbying or similar activities, and other applicable laws or regulations. Our failure to comply with applicable laws or regulations, misconduct by any of our employees or consultants or our failure to make timely and accurate certifications to government agencies regarding misconduct or potential misconduct could subject us to fines and penalties, loss of security clearance, cancellation of contracts and suspension or debarment from contracting with government agencies, any of which may adversely affect our business.

Our defined benefit plans have significant deficits that could grow in the future and cause us to incur additional costs.

We have defined benefit pension plans for employees in the United States, United Kingdom and Australia. At March 31, 2009, our defined benefit pension plans had an aggregate deficit (the excess of projected benefit obligations over the fair value of plan assets) of approximately $105.0 million. In the future, our pension deficits may increase or decrease depending on changes in the levels of interest rates, pension plan performance and other factors. Because the current economic environment is characterized by declining investment returns and interest rates, we may be required to make additional cash contributions to our pension plans and recognize further increases in our net pension cost to satisfy our funding requirements. If we are forced or elect to make up all or a portion of the deficit for unfunded benefit plans, our result of operations could be materially and adversely affected.

Our operations worldwide expose us to legal, political and economic risks in different countries as well as currency exchange rate fluctuations that could harm our business and financial results.

During fiscal 2008, revenue attributable to our services provided outside of the United States was approximately 54% of our total revenue. There are risks inherent in doing business internationally, including:

- imposition of governmental controls and changes in laws, regulations or policies;
- political and economic instability;
- civil unrest, acts of terrorism, force majeure, war, or other armed conflict;
- changes in U.S. and other national government trade policies affecting the markets for our services;
- changes in regulatory practices, tariffs and taxes;

- potential non-compliance with a wide variety of laws and regulations, including anti-bribery, export control and anti-boycott laws and similar non-U.S. laws and regulations;

- changes in labor conditions;

- logistical and communication challenges; and

- currency exchange rate fluctuations, devaluations and other conversion restrictions.

Any of these factors could have a material adverse effect on our business, results of operations or financial condition.

We operate in many different jurisdictions and we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws.

The U.S. Foreign Corrupt Practices Act (FCPA) and similar worldwide anti-bribery laws generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Our policies mandate compliance with these anti-bribery laws. We operate in many parts of the world that have experienced governmental corruption to some degree, and in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices. Despite our training and compliance program, we cannot assure you that our internal control policies and procedures always will protect us from reckless or criminal acts committed by our employees or agents. Violations of these laws, or allegations of such violations, could disrupt our business and result in a material adverse effect on our results of operations or financial condition.

We work in international locations where there are high security risks, which could result in harm to our employees and contractors or material costs to us.

Some of our services are performed in high-risk locations, such as Iraq and Afghanistan, where the country or location is suffering from political, social or economic problems, or war or civil unrest. In those locations where we have employees or operations, we may incur material costs to maintain the safety of our personnel. Despite these precautions, the safety of our personnel in these locations may continue to be at risk. Acts of terrorism and threats of armed conflicts in or around various areas in which we operate could limit or disrupt markets and our operations, including disruptions resulting from the evacuation of personnel, cancellation of contracts, or the loss of key employees and contractors or assets.

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Failure to successfully execute our acquisition strategy may inhibit our growth.

We have grown in part as a result of our acquisitions over the last several years, and we expect continued growth in the form of additional acquisitions and expansion into new markets. However, given the continuing economic downturn in the U.S. and international markets, we may unable to pursue suitable acquisition opportunities and, as a result, our growth may be inhibited. We cannot assure you that suitable acquisitions or investment opportunities will continue to be identified or that any of these transactions can be consummated on favorable terms or at all. Any future acquisitions will involve various inherent risks, such as:

- our ability to accurately assess the value, strengths, weaknesses, liabilities and potential profitability of acquisition candidates;
- the potential loss of key personnel of an acquired business;
- increased burdens on our staff and on our administrative, internal control and operating systems, which may hinder our legal and regulatory compliance activities;
- post-acquisition integration challenges; and
- post-acquisition deterioration in an acquired business that could result in goodwill impairment charges.

Furthermore, during the acquisition process and thereafter, our management may need to assume significant transaction-related responsibilities, which may cause them to divert their attention from our existing operations. For example, our management and other personnel have been, and will continue to be, required to devote considerable amounts of time away from other business activities to focus on the integration of Earth Tech, which we acquired in July 2008, and its employees into our business operations. If our management is unable to successfully integrate acquired companies or implement our growth strategy, our operating results could be harmed. Moreover, we cannot assure you that we will continue to successfully expand or that growth or expansion will result in profitability.

Our ability to grow and to compete in our industry will be harmed if we do not retain the continued services of our key technical and management personnel and identify, hire and retain additional qualified personnel.

There is strong competition for qualified technical and management personnel in the sectors in which we compete. We may not be able to continue to attract and retain qualified technical and management personnel, such as engineers, architects and project managers, who are necessary for the development of our business or to replace qualified personnel. Our planned growth may place increased demands on our resources and will likely require the addition of technical and management personnel and the development of additional expertise by existing

personnel. Also, some of our personnel hold security clearances required to obtain government projects; if we were to lose some or all of these personnel, they would be difficult to replace. Loss of the services of, or failure to recruit, key technical and management personnel could limit our ability to complete existing projects successfully and to compete for new projects.

Our revenue and growth prospects may be harmed if we or our employees are unable to obtain the security clearances or other qualifications we and they need to perform services for our customers.

A number of government programs require contractors to have security clearances. Depending on the level of required clearance, security clearances can be difficult and time-consuming to obtain. If we or our employees are unable to obtain or retain necessary security clearances, we may not be able to win new business, and our existing customers could terminate their contracts with us or decide not to renew them. To the extent we cannot obtain or maintain the required security clearances for our employees working on a particular contract, we may not derive the revenue or profit anticipated from such contract.

Our industry is highly competitive and we may be unable to compete effectively, which could result in reduced revenue, profitability and market share.

We are engaged in a highly competitive business. The extent of competition varies with the types of services provided and the locations of the projects. Generally, we compete on the bases of technical and management capability, personnel qualifications and availability, geographic presence, experience and price. Increased competition may result in our inability to win bids for future projects and loss of revenue, profitability and market share.

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Our services expose us to significant risks of liability and our insurance policies may not provide adequate coverage.

Our services involve significant risks of professional and other liabilities that may substantially exceed the fees that we derive from our services. In addition, we sometimes contractually assume liability under indemnification agreements. We cannot predict the magnitude of potential liabilities from the operation of our business.

Our professional liability policies cover only claims made during the term of the policy. Additionally, our insurance policies may not protect us against potential liability due to various exclusions in the policies and self-insured retention amounts. Partially or completely uninsured claims, if successful and of significant magnitude, could have a material adverse affect on our business.

Our backlog of uncompleted projects under contract is subject to unexpected adjustments and cancellations and thus, may not accurately reflect future revenue and profits.

At March 31, 2009, our contracted backlog was approximately $5.2 billion and our awarded backlog was approximately $4.0 billion for a total backlog of $9.2 billion. Our contracted backlog includes revenue we expect to record in the future from signed contracts, and in the case of a public client, where the project has been funded. Our awarded backlog includes revenue we expect to record in the future where we have been awarded the work, but the contractual agreement has not yet been completed. We cannot guarantee that future revenue will be realized from either category of backlog or, if realized, will result in profits. Many projects may remain in our backlog for an extended period of time because of the size or long-term nature of the contract. In addition, from time to time projects are delayed, scaled back or cancelled. These types of backlog reductions adversely affect the revenue and profits that we ultimately receive from contracts reflected in our backlog.

We have submitted claims to clients for work we performed beyond the initial scope of some of our contracts. If these clients do not approve these claims, our results of operations could be adversely impacted.

We typically have pending claims submitted under some of our contracts for payment of work performed beyond the initial contractual requirements for which we have already recorded revenue. In general, we cannot guarantee that such claims will be approved in whole, in part, or at all. If these claims are not approved, our revenue may be reduced in future periods.

In conducting our business, we depend on other contractors and subcontractors. If these parties fail to satisfy their obligations to us or other parties, or if we are unable to maintain these relationships, our revenue, profitability and growth prospects could be adversely affected.

We depend on contractors and subcontractors in conducting our business. There is a risk that we may have disputes with our subcontractors arising from, among other things, the quality and timeliness of work performed by the subcontractor, customer concerns about the subcontractor, or our failure to extend existing task orders or issue new task orders under a subcontract. In addition, if any of our subcontractors fail to deliver on a timely basis the agreed-upon supplies and/or perform the agreed-upon services, our ability to fulfill our obligations as a prime contractor may be jeopardized.

We also rely on relationships with other contractors when we act as their subcontractor or joint venture partner. Our future revenue and growth prospects could be adversely affected if other contractors eliminate or reduce their subcontracts or joint venture relationships with us, or if a government agency terminates or reduces these other contractors programs, does not award them new contracts or refuses to pay under a contract.

Our quarterly operating results may fluctuate significantly.

Our quarterly revenue, expenses and operating results may fluctuate significantly because of a number of factors, including:

- the spending cycle of our public sector clients;
- employee hiring and utilization rates;
- the number and significance of client engagements commenced and completed during a quarter;
- the ability of clients to terminate engagements without penalties;
- the ability of our project managers to accurately estimate the percentage of the project completed;
- delays incurred as a result of weather conditions;

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- delays incurred in connection with an engagement;
- the size and scope of engagements;
- the timing and magnitude of expenses incurred for, or savings realized from, corporate initiatives;
- the impairment of goodwill or other intangible assets; and
- general economic and political conditions.

Variations in any of these factors could cause significant fluctuations in our operating results from quarter to quarter.

Systems and information technology interruption could adversely impact our ability to operate.

We rely heavily on computer, information and communications technology and related systems in order to properly operate. From time to time, we experience occasional system interruptions and delays. If we are unable to continually add software and hardware, effectively upgrade our systems and network infrastructure and take other steps to improve the efficiency of and protect our systems, systems operation could be interrupted or delayed. In addition, our computer and communications systems and operations could be damaged or interrupted by natural disasters, telecommunications failures, acts of war or terrorism, computer viruses, physical or electronic security breaches and similar events or disruptions. Any of these or other events could cause system interruption, delays and loss of critical data, or delay or prevent operations, and adversely affect our operating results.

Our charter documents contain provisions that may delay, defer or prevent a change of control.

Provisions of our certificate of incorporation and bylaws could make it more difficult for a third party to acquire control of us, even if the change in control would be beneficial to stockholders. These provisions include the following:

- division of our Board of Directors into three classes, with each class serving a staggered three-year term;

- removal of directors for cause only;

- ability of our Board of Directors to authorize the issuance of preferred stock in series without stockholder approval;

- two-thirds stockholder vote requirement to approve specified business combinations, which include a sale of substantially all of our assets;

- vesting of exclusive authority in our Board of Directors to determine the size of the board (subject to limited exceptions) and to fill vacancies;

- advance notice requirements for stockholder proposals and nominations for election to our Board of Directors; and

- prohibitions on our stockholders from acting by written consent and limitations on calling special meetings.

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Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the three month period ended March 31, 2009, we issued the following securities that were not registered under the Securities Act of 1933, as amended (the Securities Act):

0.703 shares of our Class C preferred stock to U.S. Trust for the benefit of our employee stockholders under our Deferred Compensation Plan. No consideration was received for such securities.

We issued the securities to our directors, officers, employees and consultants under written compensatory benefit plans in reliance upon Rule 701 under the Securities Act and/or Section 4(2) of the Securities Act as transactions by an issuer not involving any public offering.

Item 4. Submission of Matters to a Vote of Security Holders

Our annual meeting of stockholders (Annual Meeting) was held on March 5, 2009. Of voteable shares outstanding on January 5, 2009, a total of 91,696,824 were represented in person or by proxy at the Annual Meeting. Results of votes with respect to proposals submitted at the Annual Meeting are set forth below.

(a) To elect Class I Directors, each to serve for a three-year term and until his or her successor is duly elected and qualified. Votes recorded, by nominee, were as follows:

Nominee	For	Withheld
James H. Fordyce	89,466,690	2,230,133
Linda Griego	88,812,965	2,883,859
Richard G. Newman	87,159,428	4,537,396
William G. Ouchi	89,057,480	2,639,343

(b) To consider and vote upon the ratification and approval of the selection of Ernst & Young LLP as the Company s independent registered public accounting firm for fiscal year 2009:

For	Against	Abstain
88,424,379	1,451,425	1,821,019

Each of the nominees above were elected as directors and the terms of Francis S. Y. Bong, H. Frederick Christie, John M. Dionisio, S. Malcolm Gillis, Robert J. Lowe, Norman Y. Mineta, and William P. Rutledge continued after the Annual Meeting.

Item 5. Other Information

As previously disclosed, James R. Royer announced that he would retire as Vice Chairman, effective June 1, 2009. On March 30, 2009, Mr. Royer advised the Company that his retirement would take effect on April 1, 2009. Mr. Royer continues to serve as an advisor to the Company and also as a member of the board of directors of certain of our joint venture operations.

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Item 6. Exhibits

The following documents are filed as Exhibits to the Report:

Exhibit Numbers	Description
10.1*	Change in Control Severance Policy for Key Executives
21.1	Subsidiaries of the Company
31.1	Certification of the Company s Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Company s Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of the Company s Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Incorporated by reference to exhibit of like number to the Company s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 11, 2009.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AECOM TECHNOLOGY CORPORATION

Date: May 8, 2009	By:	/s/ MICHAEL S. BURKE Michael S. Burke *Executive Vice President, Chief Financial Officer*