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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark one)

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

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
(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 No.)

1999 Avenue of the Stars, Suite 2600
Los Angeles, California 90067
(Address of principal executive offices, including zip code)

(213) 593-8000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Exchange on Which Registered
Common Stock, par value $0.01 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes o No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. o Yes ☒ No

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 o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. 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 ☒	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). o Yes ☒ No

The aggregate market value of registrant's common stock held by non-affiliates on April 3, 2015 (the last business day of the registrant's most recently completed second fiscal quarter), based upon the closing price of a share of the registrant's common stock on such date as reported on the New York Stock Exchange was approximately $3.6 billion.

Number of shares of the registrant's common stock outstanding as of November 13, 2015: 151,408,089

DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates information by reference from the registrant's definitive proxy statement for the 2016 Annual Meeting of Stockholders, to be filed within 120 days of the registrant's fiscal 2015 year end.

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PART I

ITEM 1.   BUSINESS

In this report, we use the terms "the Company," "we," "us" and "our" to refer to AECOM and its consolidated subsidiaries. Unless otherwise noted, references to years are for fiscal years. Our fiscal year consists of 52 or 53 weeks, ending on the Friday closest to September 30. For clarity of presentation, we present all periods as if the year ended on September 30. We refer to the fiscal year ended September 30, 2014 as "fiscal 2014" and the fiscal year ended September 30, 2015 as "fiscal 2015."

Overview

We are a leading fully integrated firm positioned to design, build, finance and operate infrastructure assets for governments, businesses and organizations in more than 150 countries. We provide planning, consulting, architectural and engineering design services to commercial and government clients worldwide in major end markets such as transportation, facilities, environmental, energy, water and government markets. We also provide construction services, including building construction and energy, infrastructure and industrial construction. In addition, we provide program and facilities management and maintenance, training, logistics, consulting, technical assistance, and systems integration and information technology services, primarily for agencies of the U.S. government and also for national governments around the world. According to *Engineering News-Record*'s (ENR's) 2015 Design Survey, we are the largest general architectural and engineering design firm in the world, ranked by 2014 design revenue. In addition, we are ranked by ENR as the leading firm in a number of design end markets, including transportation and general building.

We were formed in 1980 as Ashland Technology Company, a Delaware corporation and a wholly-owned subsidiary of Ashland, Inc., an oil and gas refining and distribution company. Since becoming independent of Ashland Inc., we have grown by a combination of organic growth and strategic mergers and acquisitions from approximately 3,300 employees and $387 million in revenue in fiscal 1991, the first full fiscal year of independent operations, to over 92,000 employees at September 30, 2015 and $18.0 billion in revenue for fiscal 2015. We completed the initial public offering of our common stock in May 2007 and these shares are traded on the New York Stock Exchange.

As mentioned above, we have grown in part by strategic mergers and acquisitions. These acquisitions have included URS Corporation, a leading provider of engineering, construction, and technical services for public agencies and private sector companies around the world, in October 2014. URS provides services for federal, oil and gas, infrastructure, power, and industrial projects and programs. Other recent acquisitions included: Hunt Construction Group, a leading commercial construction firm, in July 2014.

We also have formed AECOM Capital, an investment fund to invest in public-private partnership (P3) and private-sector real estate projects for which we can provide a fully integrated solution that includes equity capital, design, engineering and construction services. In addition, we leverage our practical knowledge of P3s and other forms of alternative delivery to enable clients to fund their projects without direct investment by AECOM.

Our business strategy focuses on leveraging our competitive strengths, leadership positions in our core markets, and client relationships across all major geographies. We have created an integrated delivery platform with superior capabilities to design, build, finance and operate infrastructure assets around the world. By integrating and providing a broad range of services, we deliver maximum value to our clients at competitive costs. Also, by coordinating and consolidating our knowledge base, we believe we have the ability to export our leading edge technical skills to any region in the world in which our clients may need them.

Our Business Segments

In fiscal year 2014, we operated our business under two primary business segments: Professional Technical Services and Management Support Services which included the following services:

- *Professional Technical Services.* Planning, consulting, architectural and engineering design, and program and construction management services to commercial and government clients worldwide in major end markets such as transportation, facilities, environmental, energy, water and government.

- *Management Support Services.* Program and facilities management and maintenance, training, logistics, consulting, technical assistance and systems integration services, primarily for agencies of the U.S. government.

After the acquisition of URS in our first quarter of fiscal 2015, we realigned our business into three primary business segments to reflect the operations of the combined company, which included expanded ability to deliver fully integrated project execution. The realigned business segments are organized by the types of services provided, the differing specialized needs of the respective clients, and how we manage our business. We have aggregated various operating segments into reportable business segments based on their similar characteristics, including similar long-term financial performance, the nature of services provided, internal processes for delivering those services, and types of customers. The three realigned business segments are: Design and Consulting Services (DCS), Construction Services (CS), and Management Services (MS), which include the following services:

- *Design and Consulting Services (DCS):* Planning, consulting, architectural and engineering design services to commercial and government clients worldwide in major end markets such as transportation, facilities, environmental, energy, water and government.

- *Construction Services (CS):* Construction services, including building construction and energy, infrastructure and industrial construction, primarily in the Americas.

- *Management Services (MS):* Program and facilities management and maintenance, training, logistics, consulting, technical assistance, and systems integration and information technology services, primarily for agencies of the U.S. government and other national governments around the world.

Our Design and Consulting Services Segment

Our DCS segment comprises a broad array of services, generally provided on a fee-for-service basis. These services include planning, consulting, architectural and engineering design, program management and construction management for industrial, commercial, institutional and government clients worldwide. For each of these services, our technical expertise includes civil, structural, process, mechanical, geotechnical systems and electrical engineering, architectural, landscape and interior design, urban and regional planning, project economics, cost consulting and environmental, health and safety work.

With our technical and management expertise, we are able to provide our clients a broad spectrum of services. For example, within our environmental management service offerings, we provide remediation, regulatory compliance planning and management, environmental modeling, environmental impact assessment and environmental permitting for major capital/infrastructure projects.

Our services may be sequenced over multiple phases. For example, in the area of program management and construction management services, our work for a client may begin with a small consulting or planning contract, and may later develop into an overall management role for the project or a series of projects, which we refer to as a program. Program and construction management contracts typically employ a staff of 10 to more than 100 and, in many cases, operate as an outsourcing arrangement with our staff located at the project site.

We provide the services in our DCS segment both directly and through joint ventures or similar partner arrangements to the following end markets or business sectors:

Transportation.

- *Transit and Rail.* Light rail, heavy rail (including high-speed, commuter and freight) and multimodal transit projects.
- *Marine, Ports and Harbors.* Wharf facilities and container port facilities for private and public port operators.
- *Highways, Bridges and Tunnels.* Interstate, primary and secondary urban and rural highway systems and bridge projects.
- *Aviation.* Landside terminal and airside facilities, runways and taxiways.

Facilities.

- *Government.* Emergency response services for the U.S. Department of Homeland Security, including the Federal Emergency Management Agency and engineering and program management services for agencies of the Department of Defense and Department of Energy.
- *Industrial.* Industrial facilities for a variety of niche end markets such as manufacturing, distribution, aviation, aerospace, communications, media, pharmaceuticals, renewable energy, chemical, and food and beverage facilities.
- *Urban Master Planning/Design.* Strategic planning and master planning services for new cities and major mixed use developments in India, China, Southeast Asia, the Middle East, North Africa, the United Kingdom and the United States.
- *Commercial and Leisure Facilities.* Corporate headquarters, high-rise office towers, historic buildings, hotels, leisure, sports and entertainment facilities and corporate campuses.
- *Educational.* College and university campuses.
- *Health Care.* Private and public health facilities.
- *Correctional.* Detention and correction facilities throughout the world.

Environmental.

- *Water and Wastewater.* Treatment facilities as well as supply, distribution and collection systems, stormwater management, desalinization, and other water re-use technologies for metropolitan governments.
- *Environmental Management.* Remediation, waste handling, testing and monitoring of environmental conditions and environmental construction management for private sector clients.
- *Water Resources.* Regional-scale floodplain mapping and analysis for public agencies, along with the analysis and development of protected groundwater resources for companies in the bottled water industry.

Energy/Power.

- *Demand Side Management.* Public K-12 schools and universities, health care facilities, and courthouses and other public buildings, as well as energy conservation systems for utilities.
- *Transmission and Distribution.* Power stations and electric transmissions and distribution and co-generation systems.

- *Alternative/Renewable Energy.* Production facilities such as ethanol plants, wind farms and micro hydropower and geothermal subsections of regional power grids.

- *Hydropower/Dams.* Hydroelectric power stations, dams, spillways, and flood control systems.

- *Solar.* Solar photovoltaic projects and environmental permitting services.

Our Construction Services Segment

Through our CS segment, we provide construction, program and construction management services, including building construction and energy, infrastructure and industrial construction, primarily in the Americas.

We provide the services in our CS segment both directly and through joint ventures or similar partner arrangements, to the following end markets and business sectors:

Building. We provide construction, program and construction management services for large scale building and facility construction projects around the world including:

- Performance venues;

- Modern office towers;

- Hotel and gaming facilities;

- Meeting and exhibition spaces;

- Sports arenas;

- Education facilities;

- Mass transit terminals; and

- Data centers.

Energy. We plan, design, engineer, construct, retrofit and maintain a wide range of power-generating facilities, as well as the systems that transmit and distribute electricity. We provide these services to utilities, industrial co-generators, independent power producers, original equipment manufacturers and government utilities including:

- Fossil fuel power generating facilities;

- Nuclear power generating facilities;

- Hydroelectric power generating facilities;

- Alternative and renewable energy sources, including biomass, geothermal, solar energy and wind systems;

- Transmission and distribution systems; and

- Emissions control systems.

We also provide a wide range of planning, design, engineering, construction, production, and operations and maintenance services across the oil and gas upstream, midstream and downstream supply chain. For downstream refining and processing operations, we design and construct gas treatment and processing, refining and petrochemical facilities, and provide asset management and maintenance services for oil sands production facilities, oil refineries and related chemical, energy, power and processing plants. For oil and gas exploration and production, we provide transportation, engineering, construction, fabrication and installation, commissioning and maintenance services for drilling and well site facilities, equipment and process modules, site infrastructure and off-site support facilities including:

- Construction of access roads and well pads, and field production facilities;
- Pipeline planning, design, construction, installation, maintenance and repair;
- Oil field services; and
- Equipment and process module fabrication, installation and maintenance.

Infrastructure and Industrial. We provide construction, program and construction management services for large scale infrastructure projects around the world. We also provide a wide range of engineering, procurement and construction services for industrial and process facilities and the expansion, modification and upgrade of existing facilities. We provide these services to local, state, federal and national governments as well as corporations including:

- Highways, airports, rail and other transit projects;
- Maritime and terminal facilities;
- Dams, water and waste water projects;
- Biotechnology and pharmaceutical research laboratories, pilot plants and production facilities;
- Petrochemical, specialty chemical and polymer facilities;
- Consumer products and food and beverage production facilities;
- Automotive and other manufacturing facilities; and
- Mines and mining facilities.

Our Management Services Segment

Through our MS segment, we are a major contractor to the U.S. federal government and we serve a wide variety of government departments and agencies, including the Department of Defense (DOD) the Department of Energy (DOE) and other U.S. federal agencies. We also serve departments and agencies of other national governments, such as the U.K. Nuclear Decommissioning Authority (NDA) and the U.K. Ministry of Defense. Our services range from program and facilities management, training, logistics, consulting, systems engineering and technical assistance, and systems integration and information technology.

We provide a wide array of services in our MS segment, both directly and through joint ventures or similar partner arrangements, including:

- Operation and maintenance of complex government installations, including military bases and test ranges;
- Network and communications engineering, software engineering, IT infrastructure design and implementation, cyber defense and cloud computing technologies;
- Deactivation, decommissioning and disposal of nuclear weapons stockpiles and other nuclear waste;
- Management and operations and maintenance services for complex DOE and NDA programs and facilities;
- Testing and development of new components and platforms, as well as engineering and technical support for the modernization of aging weapon systems;

- Logistics support for government supply and distribution networks, including warehousing, packaging, delivery and traffic management;
- Acquisition support for new weapons platforms;
- Maintenance planning to extend the service life of weapons systems and other military equipment;
- Maintenance, modification and overhaul of military aircraft and ground vehicles;
- Safety analyses for high-hazard facilities and licensing for DOE sites;
- Threat assessments of public facilities and the development of force protection and security systems;
- Planning and conducting emergency preparedness exercises;
- First responder training for the military and other government agencies;
- Management and operations and maintenance of chemical agent and chemical weapon disposal facilities;
- Installation of monitoring technology to detect the movement of nuclear and radiological materials across national borders;
- Planning, design and construction of aircraft hangars, barracks, military hospitals and other government buildings; and
- Environmental remediation and restoration for the redevelopment of military bases and other government installations.

Financial Information by Segment

The following table sets forth the revenue attributable to our business segments for the periods indicated:

	Year-Ended September 30, (in millions)		
	2015	2014	2013
Design and Consulting Services (DCS)	$ 7,962.9	$ 5,443.1	$ 5,556.1
Construction Services (CS)	6,676.7	2,004.3	1,552.1
Management Services (MS)	3,350.3	909.4	1,045.3
Total	$ 17,989.9	$ 8,356.8	$ 8,153.5

Our Clients

Our clients consist primarily of national, state, regional and local governments, public and private institutions and major corporations. The following table sets forth our total revenue attributable to these categories of clients for each of the periods indicated:

	Year Ended September 30, ($ in millions)					
	2015		2014		2013	
U.S. Federal Government						
DCS	$ 764.5	4%	$ 358.0	4%	$ 418.9	5%
CS	291.1	2	—	—	—	—
MS	3,172.5	18	891.3	11	1,034.3	13
Subtotal U.S. Federal Government	4,228.1	24	1,249.3	15	1,453.2	18
U.S. State and Local Governments	2,592.4	14	1,390.2	17	1,485.4	18
Non-U.S. Governments	2,198.4	12	2,030.2	24	1,911.5	23
Subtotal Governments	9,018.9	50	4,669.7	56	4,850.1	59
Private Entities (worldwide)	8,971.0	50	3,687.1	44	3,303.4	41
Total	$ 17,989.9	100%	$ 8,356.8	100%	$ 8,153.5	100%

Other than the U.S. federal government, no single client accounted for 10% or more of our revenue in any of the past five fiscal years. Approximately 24%, 15% and 18% of our revenue was derived through direct contracts with agencies of the U.S. federal government in the years ended September 30, 2015, 2014 and 2013, respectively. One of these contracts accounted for approximately 2%, 3% and 4% of our revenue in the years ended September 30, 2015, 2014 and 2013, respectively. The work attributed to the U.S. federal government includes our work for the Department of Defense, Department of Energy, Department of Justice and the Department of Homeland Security.

Contracts

The price provisions of the contracts we undertake can be grouped into several broad categories: cost-reimbursable contracts, guaranteed maximum price contracts and fixed-price contracts.

Cost-Reimbursable Contracts

Cost-reimbursable contracts consist of two similar contract types: cost-plus and time and material.

Cost-Plus Contracts. We enter into two major types of cost-plus contracts:

Cost-Plus Fixed Fee. Under cost-plus fixed fee contracts, we charge clients for our costs, including both direct and indirect costs, plus a fixed negotiated fee. The total estimated cost plus the fixed negotiated fee represents the total contract value. We recognize revenue based on the actual labor and other direct costs incurred, plus the portion of the fixed fee earned to date.

Cost-Plus Fixed Rate. Under cost-plus fixed rate contracts, we charge clients for our direct and indirect costs based upon a negotiated rate. We recognize revenue based on the actual total costs expended and the applicable fixed rate.

Some cost-plus contracts provide for award fees or a penalty based on performance criteria in lieu of a fixed fee or fixed rate. Other contracts include a base fee component plus a performance-based award fee. In addition, we may share award fees with subcontractors. We record accruals for fee-sharing as fees are earned. We generally recognize revenue to the extent of costs actually incurred plus a proportionate amount of the fee expected to be earned. We take the award fee or penalty on contracts into consideration when estimating revenue and profit rates, and record revenue related to the award fees when there is sufficient information to assess anticipated contract performance. On contracts that represent higher than normal risk or technical difficulty, we may defer all award fees until an award fee letter is received. Once an award fee letter is received, the estimated or accrued fees are adjusted to the actual award amount.

Some cost-plus contracts provide for incentive fees based on performance against contractual milestones. The amount of the incentive fees varies, depending on whether we achieve above, at, or below target results. We originally recognize revenue on these contracts based upon expected results. These estimates are revised when necessary based upon additional information that becomes available as the contract progresses.

Time and Material Price Contracts. Time and material contracts are common for smaller scale engineering and consulting services. Under these types of contracts, we negotiate hourly billing rates and charge our clients based upon actual hours expended on a project. Unlike cost-plus contracts, however, there is no predetermined fee. In addition, any direct project expenditures are passed through to the client and are reimbursed. These contracts may also have a fixed-price element in the form of not-to-exceed or guaranteed maximum price provisions.

Guaranteed Maximum Price Contracts

Guaranteed maximum price contracts (GMP) are common for design-build and commercial and residential projects. GMP contracts share many of the same contract provisions as cost-plus and fixed-price contracts. A contractor performing work pursuant to a cost-plus, GMP or fixed-price contract will all enter into trade contracts directly. Both cost-plus and GMP contracts generally include an agreed lump sum or percentage fee which is called out and separately identified and the contracts are considered 'open' book providing the owner with full disclosure of the project costs. A fixed-price contract provides the owner with a single lump sum amount without specifically identifying the breakdown of fee or costs and is typically 'closed' book thereby providing the owner with little detail as to the project costs. In a GMP contract, unlike the cost-plus contract, we provide the owner with a guaranteed price for the overall construction (adjusted only for change orders issued by the owner) and with a schedule which includes a completion date for the project. In addition, cost overruns in a GMP contract would generally be our responsibility and in the event our actions or inactions result in delays to the project, we may be responsible to the owner for costs associated with such delay. For many of our commercial and residential GMP contracts, the final price is generally not established until we have awarded a substantial percentage of the trade contracts and we have negotiated additional contractual limitations, such as mutual waivers of consequential damages as well as aggregate caps on liabilities and liquidated damages.

Fixed-Price Contracts

There are typically two types of fixed-price contracts. Lump sum contracts involve performing all of the work under the contract for a specified lump sum fee and are typically subject to price adjustments if the scope of the project changes or unforeseen conditions arise. In such cases, we will submit formal requests for adjustment of the lump sum via formal change orders or contract amendments. The second type, fixed-unit price, involves performing an estimated number of units of work at an agreed price per unit, with the total payment under the contract determined by the actual number of units delivered.

Many of our fixed-price contracts are negotiated and arise in the design of projects with a specified scope. Fixed-price contracts often arise in the areas of construction management and design-build services. Construction management services are typically in the form of general administrative oversight (in which we do not assume responsibility for construction means and methods and which is on a cost-reimbursable basis). Under our design-build projects, we are typically responsible for the design of a facility with the fixed contract price negotiated after we have had the opportunity to secure specific bids from various subcontractors (including the contractor that will be primarily responsible for all construction risks) and add a contingency fee.

We may attempt to mitigate the risks of fixed-price design-build contracts by contracting to complete the projects based on our design as opposed to a third party's design, by not guaranteeing new or untested processes or technologies and by working only with experienced subcontractors with sufficient bonding capacity.

Some of our fixed-price contracts require us to provide performance bonds or parent company guarantees to assure our clients that their project will be completed in accordance with the terms of the contracts. In such cases, we may require our primary subcontractors to provide similar bonds and guarantees and to be adequately insured, and we may flow down the terms and conditions set forth in our agreement on to our subcontractors. There may be risks associated with completing these projects profitably if we are not able to perform our professional services for the amount of the fixed fee.

At September 30, 2015, our contracted backlog was comprised of 47%, 29%, and 24% cost-reimbursable, guaranteed maximum price, and fixed-price contracts, respectively.

Joint Ventures

Some of our larger contracts may operate under joint ventures or other arrangements under which we team with other reputable companies, typically companies with which we have worked for many years. This is often done where the scale of the project dictates such an arrangement or when we want to strengthen either our market position or our technical skills.

Backlog

Backlog is expressed in terms of gross revenue and therefore may include significant estimated amounts of third party or pass-through costs to subcontractors and other parties. Our total backlog comprises contracted backlog and awarded backlog. 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 signed. For non-government contracts, our backlog includes future revenue at contract rates, excluding contract renewals or extensions that are at the discretion of the client. For contracts with a not-to-exceed maximum amount, we include revenue from such contracts in backlog to the extent of the remaining estimated amount. We calculate backlog without regard to possible project reductions or expansions or potential cancellations until such changes or cancellations occur. No assurance can be given that we will ultimately realize our full backlog. Backlog fluctuates due to the timing of when contracts are awarded and contracted and when contract revenue is recognized. Many of our contracts require us to provide services over more than one year. Our backlog for the year ended September 30, 2015 increased $15.1 billion, or 60%, to $40.2 billion as compared to $25.1 billion for the corresponding period last year, primarily due to the acquisition of URS Corporation.

The following summarizes contracted and awarded backlog (in billions):

	September 30, 2015	September 30, 2014	September 30, 2013
Contracted backlog:			
DCS segment	$ 8.6	$ 6.0	$ 5.8
CS segment	11.2	4.6	2.5
MS segment	4.7	0.8	0.5
Total contracted backlog	$ 24.5	$ 11.4	$ 8.8
Awarded backlog:			
DCS segment	$ 5.7	$ 3.4	$ 3.8
CS segment	5.6	8.7	2.6
MS segment	4.4	1.6	1.4
Total awarded backlog	$ 15.7	$ 13.7	$ 7.8
Total backlog:			
DCS segment	$ 14.3	$ 9.4	$ 9.6
CS segment	16.8	13.3	5.1
MS segment	9.1	2.4	1.9
Total backlog	$ 40.2	$ 25.1	$ 16.6

Competition

The markets we serve are highly fragmented and we compete with a large number of regional, national and international companies. We have numerous competitors, ranging from small private firms to multi-billion dollar companies, some of which have greater financial resources or that are more specialized and concentrate their resources in particular areas of expertise. The extent of our competition varies according to the particular markets and geographic area. The degree and type of competition we face is also influenced by the type and scope of a particular project. The technical and professional aspects of our services generally do not require large upfront capital expenditures and, therefore, provide limited barriers against new competitors.

Our clients make competitive determinations based upon qualifications, experience, performance, reputation, price, technology, customer relationships and ability to provide the relevant services in a timely, safe and cost-efficient manner. We believe that we are well positioned to compete in our markets because of our reputation, our cost effectiveness, our long-term client relationships, our extensive network of offices, our employee expertise, and our broad range of services.

Seasonality

We experience seasonal trends in our business. Our revenue is typically higher in the last half of the fiscal year. The fourth quarter of our fiscal year (July 1 to September 30) is typically our strongest quarter. We find that the U.S. federal government tends to authorize more work during the period preceding the end of our fiscal year, September 30. In addition, 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. 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. Our construction and project management services also typically expand during the high construction season of the summer months. The first quarter of our fiscal year (October 1 to December 31) is typically our weakest quarter. The harsher weather conditions impact our ability to complete work in parts of North America and the holiday season schedule affects our productivity during this period. For these reasons, coupled with the number and significance of client contracts commenced and completed during a particular period, as well as the timing of expenses incurred for corporate initiatives, it is not unusual for us to experience seasonal changes or fluctuations in our quarterly operating results.

Risk Management and Insurance

Risk management is an integral part of our project management approach and our project execution process. We have an Office of Risk Management that reviews and oversees the risk profile of our operations. Also, pursuant to our internal delegations of authority, we have an internal process whereby a group of senior members of our risk management team evaluate risk through internal risk analyses of higher-risk projects, contracts or other business decisions. We maintain insurance covering professional liability and claims involving bodily injury and property damage. Wherever possible, we endeavor to eliminate or reduce the risk of loss on a project through the use of quality assurance/control, risk management, workplace safety and similar methods.

Regulations

Our business is impacted by environmental, health and safety, government procurement, anti-bribery and other government regulations and requirements. Below is a summary of some of the significant regulations that impact our business.

Environmental, Health and Safety. Our business involves the planning, design, program management, construction and construction management, and operations and maintenance at various project sites, including but not limited to pollution control systems, nuclear facilities, hazardous waste and Superfund sites, contract mining sites, hydrocarbon production, distribution and transport sites, military bases and other infrastructure-related facilities. We also regularly perform work, including oil field and pipeline construction services in and around sensitive environmental areas, such as rivers, lakes and wetlands. In addition, we have contracts with U.S. federal government entities to destroy hazardous materials, including chemical agents and weapons stockpiles, as well as to decontaminate and decommission nuclear facilities. These activities may require us to manage, handle, remove, treat, transport and dispose of toxic or hazardous substances. We also own several properties in the U.S. and Canada that have been used for the storage and maintenance of equipment and upon which hydrocarbons or other wastes may have been disposed or released.

Significant fines, penalties and other sanctions may be imposed for non-compliance with environmental and health and safety laws and regulations, and some laws provide for joint and several strict liabilities for remediation of releases of hazardous substances, rendering a person liable for environmental damage, without regard to negligence or fault on the part of such person. These laws and regulations may expose us to liability arising out of the conduct of operations or conditions caused by others, or for our acts that were in compliance with all applicable laws at the time these acts were performed. For example, there are a number of governmental laws that strictly regulate the handling, removal, treatment, transportation and disposal of toxic and hazardous substances, such as the Comprehensive Environmental Response Compensation and Liability Act of 1980, and comparable national and state laws, that impose strict, joint and several liabilities for the entire cost of cleanup, without regard to whether a company knew of or caused the release of hazardous substances. In addition, some environmental regulations can impose liability for the entire clean-up upon owners, operators, generators, transporters and other persons arranging for the treatment or disposal of such hazardous substances costs related to contaminated facilities or project sites. Other federal environmental, health and safety laws affecting us include, but are not limited to, the Resource Conservation and Recovery Act, the National Environmental Policy Act, the Clean Air Act, the Clean Air Mercury Rule, the Occupational Safety and Health Act, the Toxic Substances Control Act and the Superfund Amendments and Reauthorization Act, as well as other comparable national and state laws. Liabilities related to environmental contamination or human exposure to hazardous substances, comparable national and state laws or a failure to comply with applicable regulations could result in substantial costs to us, including cleanup costs, fines and civil or criminal sanctions, third-party claims for property damage or personal injury, or cessation of remediation activities.

Some of our business operations are covered by Public Law 85-804, which provides for indemnification by the U.S federal government against claims and damages arising out of unusually hazardous or nuclear activities performed at the request of the U.S. federal government. Should public policies and laws be changed, however, U.S. federal government indemnification may not be available in the case of any future claims or liabilities relating to hazardous activities that we undertake to perform.

Government Procurement. The services we provide to the U.S. federal government are subject to Federal Acquisition Regulation (FAR), the Truth in Negotiations Act, Cost Accounting Standards (CAS), the Services Contract Act, export controls rules and DOD security regulations, as well as many other laws and regulations. These laws and regulations affect how we transact business with our clients and, in some instances, impose additional costs on our business operations. A violation of specific laws and regulations could lead to fines, contract termination or suspension of future contracts. Our government clients can also terminate, renegotiate, or modify any of their contracts with us at their convenience; and many of our government contracts are subject to renewal or extension annually.

Anti-Bribery and other regulations. We are subject to the U.S. Foreign Corrupt Practices Act and similar anti-bribery laws, which generally prohibit companies and their intermediaries from making improper payments to foreign government officials for the purpose of obtaining or retaining business. The U.K. Bribery Act of 2010 prohibits both domestic and international bribery, as well as bribery across both private and public sectors. In addition, an organization that "fails to prevent bribery" committed by anyone associated with the organization can be charged under the U.K. Bribery Act unless the organization can establish the defense of having implemented "adequate procedures" to prevent bribery. To the extent we export technical services, data and products outside of the U.S., we are subject to U.S. and international laws and regulations governing international trade and exports, including but not limited to the International Traffic in Arms Regulations, the Export Administration Regulations and trade sanctions against embargoed countries. We provide services to the DOD and other defense-related entities that often require specialized professional qualifications and security clearances. In addition, as engineering design services professionals, we are subject to a variety of local, state, federal and foreign licensing and permit requirements and ethics rules.

Personnel

Our principal asset is our employees and large percentages of our employees have technical and professional backgrounds and undergraduate and/or advanced degrees. At the end of our fiscal 2015, we employed over 92,000 persons, of whom approximately 50,000 were employed in the United States. Over 10,000 of our domestic employees are covered by collective bargaining agreements or by specific labor agreements, which expire upon completion of the relevant project.

Geographic Information

For financial geographic information, please refer to Note 20 to the notes to our consolidated financial statements found elsewhere in this Form 10-K.

Raw Materials

We purchase most of the raw materials and components necessary to operate our business from numerous sources. However, the price and availability of raw materials and components may vary from year to year due to customer demand, production capacity, market conditions and material shortages.

While we do not currently foresee the lack of availability of any particular raw materials in the near term, prolonged unavailability of raw materials necessary to our projects and services or significant price increases for those raw materials could have a material adverse effect on our business in the near term.

Government Contracts

Generally, our government contracts are subject to renegotiation or termination of contracts or subcontracts at the discretion of the U.S. federal, state or local governments, and national governments of other countries.

Trade Secrets and Other Intellectual Property

We rely principally on trade secrets, confidentiality policies and other contractual arrangements to protect much of our intellectual property where we do not believe that patent or copyright protection is appropriate or obtainable.

Available Information

The reports we file with the Securities and Exchange Commission, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and proxy materials, including any amendments, are available free of charge on our website at *www.aecom.com*. You may read and copy any materials filed with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. The SEC also maintains a web site (*www.sec.gov*) containing reports, proxy, and other information that we file with the SEC. Our Corporate Governance Guidelines and our Code of Ethics are available on our website at *www.aecom.com* under the "Investors" section. Copies of the information identified above may be obtained without charge from us by writing to AECOM, 1999 Avenue of the Stars, Suite 2600, Los Angeles, California 90067, Attention: Corporate Secretary.

ITEM 1A. RISK FACTORS

We operate in a changing environment that involves numerous known and unknown risks and uncertainties that could materially adversely affect our operations. The risks described below highlight some of the factors that have affected, and in the future could affect our operations. Additional risks we do not yet know of or that we currently think are immaterial may also affect our business operations. If any of the events or circumstances described in the following risks actually occurs, our business, financial condition or results of operations could be materially adversely affected. All references to prior fiscal years relate only to the Company prior to the URS acquisition.

Demand for our services is cyclical and may be vulnerable to sudden economic downturns and reductions in government and private industry spending. If economic conditions remain weak and decline further, 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 that result in clients delaying, curtailing or canceling proposed and existing projects. For example, commodity price declines have negatively impacted our oil and gas business and business regions whose economies are substantially dependent on commodities prices such as the Middle East and have also impacted North American oil and gas clients' investment decisions. Economic conditions in a number of countries and regions, including Canada, China and the Middle East, are weak and may remain difficult for the foreseeable future. If global economic and financial market conditions remain weak and/or decline further, 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.

Where economies are weakening, our clients may demand more favorable pricing or other 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 economic conditions remain uncertain and/or weaken and/or government spending is reduced, our revenue and profitability could be adversely affected.

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 2015, 2014 and 2013, approximately 50%, 56% and 59%, 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. In addition, public-supported financing such as state and local municipal bonds may be only partially raised to support existing infrastructure projects. 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. Similarly, the impact of an economic downturn on state and local governments may make it more difficult for them to fund infrastructure projects. 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.

The Budget Control Act of 2011 could significantly reduce U.S. government spending for the services we provide.

Under the Budget Control Act of 2011, an automatic sequestration process, or across-the-board budget cuts (a large portion of which was defense-related), was triggered when the Joint Select Committee on Deficit Reduction, a committee of twelve members of Congress, failed to agree on a deficit reduction plan for the U.S. federal budget. The sequestration began on March 1, 2013. Although the Bipartisan Budget Act of 2013 provided some sequester relief until the end of fiscal year 2015, absent additional legislative or other remedial action, the sequestration requires reduced U.S. federal government spending from fiscal year 2016 through fiscal year 2021. A significant reduction in federal government spending or a change in budgetary priorities could reduce demand for our services, cancel or delay federal projects, and result in the closure of federal facilities and significant personnel reductions, which could have a material adverse effect on our results of operations and financial condition.

Our inability to win or renew government contracts during regulated procurement processes could harm our operations and reduce our profits and revenues.

Government contracts are awarded through a regulated procurement process. The federal government has relied upon multi-year contracts with pre-established terms and conditions, such as indefinite delivery contracts, that generally require those contractors that have previously been awarded the indefinite delivery contract to engage in an additional competitive bidding process before a task order is issued. In addition, we believe that there has been an increase in the award of federal contracts based on a low-price, technically acceptable criteria emphasizing price over qualitative factors, such as past performance. As a result, pricing pressure may reduce our profit margins on future federal contracts. The increased competition and pricing pressure, in turn, may require us to make sustained efforts to reduce costs in order to realize revenues and profits under government contracts. If we are not successful in reducing the amount of costs we incur, our profitability on government contracts will be negatively impacted. In addition, we may not be awarded government contracts because of existing government policies designed to protect small businesses and under-represented minority contractors. Our inability to win or renew government contracts during regulated procurement processes could harm our operations and reduce our profits and revenues.

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 discretion or upon the default of the contractor. If the government terminates a contract at its discretion, 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. In addition, for certain assignments, the U.S. government may attempt to "insource" the services to government employees rather than outsource to a contractor. If a government terminates a contract due to our default, we could be liable for excess costs incurred by the government in obtaining services from another source.

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. If such matters are not resolved in our favor, they could have a material adverse effect on our business. 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 actions, whistleblower lawsuits and other legal actions and liabilities to which purely private sector companies are not, the results of which could materially adversely impact our business. For example, we are named from time to time in suits brought under the qui tam provisions of the False Claims Act and comparable state laws. These suits typically allege that we have made false statements or certifications in connection with claims for payment, or improperly retained overpayments, from the government. These suits may remain under seal (and hence, be unknown to us) for some time while the government decides whether to intervene on behalf of the qui tam plaintiff.

An impairment charge of goodwill could have a material adverse impact on our financial condition and results of operations.

Because we have grown in part through acquisitions, goodwill and intangible assets-net represent a substantial portion of our assets. Under GAAP, we are required to test goodwill carried in our Consolidated Balance Sheets for possible impairment on an annual basis based upon a fair value approach and whenever events occur that indicate impairment could exist. These events or circumstances could include a significant change in the business climate, including a significant sustained decline in a reporting unit's market value, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of our business, a significant sustained decline in our market capitalization and other factors.

In addition, if we experience a decrease in our stock price and market capitalization over a sustained period, we would have to record an impairment charge in the future. The amount of any impairment could be significant and could have a material adverse impact on our financial condition and results of operations for the period in which the charge is taken.

Our substantial leverage and significant debt service obligations could adversely affect our financial condition and our ability to fulfill our obligations and operate our business.

We have approximately $4.6 billion of indebtedness (excluding intercompany indebtedness) outstanding as of September 30, 2015, of which $2.5 billion was secured obligations (exclusive of $92.5 million of outstanding undrawn letters of credit) and we have an additional $947.6 million of availability under our Credit Agreement (after giving effect to outstanding letters of credit), all of which would be secured debt, if drawn. Our financial performance could be adversely affected by our substantial leverage. We may also incur significant additional indebtedness in the future, subject to certain conditions.

This high level of indebtedness could have important negative consequences to us, including, but not limited to:

- we may have difficulty satisfying our obligations with respect to outstanding debt obligations;
- we may have difficulty obtaining financing in the future for working capital, acquisitions, capital expenditures or other purposes;
- we may need to use all, or a substantial portion, of our available excess cash flow to pay interest and principal on our debt, which will reduce the amount of money available to finance our operations and other business activities, including, but not limited to, working capital requirements, acquisitions, capital expenditures or other general corporate or business activities;
- our debt level increases our vulnerability to general economic downturns and adverse industry conditions;
- our debt level could limit our flexibility in planning for, or reacting to, changes in our business and in our industry in general;
- our substantial amount of debt and the amount we must pay to service our debt obligations could place us at a competitive disadvantage compared to our competitors that have less debt;
- we may have increased borrowing costs;
- our clients, surety providers or insurance carriers may react adversely to our significant debt level;
- we may have insufficient funds, and our debt level may also restrict us from raising the funds necessary, to retire certain of our debt instruments tendered to us upon maturity of our debt or the occurrence of a change of control, which would constitute an event of default under certain of our debt instruments; and
- our failure to comply with the financial and other restrictive covenants in our debt instruments which, among other things, require us to maintain specified financial ratios and limit our ability to incur debt and sell assets, could result in an event of default that, if not cured or waived, could have a material adverse effect on our business or prospects.

Our high level of indebtedness requires that we use a substantial portion of our cash flow from operations to pay principal of, and interest on, our indebtedness, which will reduce the availability of cash to fund working capital requirements, future acquisitions, capital expenditures or other general corporate or business activities.

In addition, a substantial portion of our indebtedness bears interest at variable rates, including borrowings under our Credit Agreement. If market interest rates increase, debt service on our variable-rate debt will rise, which could adversely affect our cash flow, results of operations and financial position. Although we may employ hedging strategies such that a portion of the aggregate principal amount of our term loans carries a fixed rate of interest, any hedging arrangement put in place may not offer complete protection from this risk. Additionally, the remaining portion of borrowings under our Credit Agreement that is not hedged will be subject to changes in interest rates.

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 2015, revenue attributable to our services provided outside of the United States to non-U.S. clients was approximately 30% 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-corruption, 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.

Political, economic and military conditions in the Middle East, Africa and other regions could negatively impact our business.

In recent years, there has been a substantial amount of hostilities, civil unrest and other political uncertainty in certain areas in the Middle East, North Africa and beyond. If civil unrest were to disrupt our business in any of these regions, and particularly if political activities were to result in prolonged hostilities, unrest or civil war, it could result in operating losses and asset write downs and our financial condition could be adversely affected.

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-corruption laws.

The U.S. Foreign Corrupt Practices Act (FCPA) and similar worldwide anti-corruption laws, including the U.K. Bribery Act of 2010, generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Our internal policies mandate compliance with these anti-corruption laws, including the requirements to maintain accurate information and internal controls which may fall within the purview of the FCPA, its books and records provisions or its anti-bribery provisions. We operate in many parts of the world that have experienced governmental corruption to some degree; and, in certain circumstances, strict compliance with anti-corruption laws may conflict with local customs and practices. Despite our training and compliance programs, we cannot assure that our internal control policies and procedures always will protect us from reckless or criminal acts committed by our employees or agents. Our continued expansion outside the U.S., including in developing countries, could increase the risk of such violations in the future. In addition, from time to time, government investigations of corruption in construction-related industries affect us and our peers. 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.

Many of our project sites are inherently dangerous workplaces. Failure to maintain safe work sites and equipment could result in environmental disasters, employee deaths or injuries, reduced profitability, the loss of projects or clients and possible exposure to litigation.

Our project sites often put our employees and others in close proximity with mechanized equipment, moving vehicles, chemical and manufacturing processes, and highly regulated materials. On some project sites, we may be responsible for safety and, accordingly, we have an obligation to implement effective safety procedures. If we fail to implement these procedures or if the procedures we implement are ineffective, we may suffer the loss of or injury to our employees, as well as expose ourselves to possible litigation. As a result, our failure to maintain adequate safety standards and equipment could result in reduced profitability or the loss of projects or clients, and could have a material adverse impact on our business, financial condition, and results of operations.

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 Afghanistan, the Middle East, Iraq, North Africa, and Southwest Asia, 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, contractors or assets.

Cyber security breaches of our systems and information technology could adversely impact our ability to operate.

We develop, install and maintain information technology systems for ourselves, as well as for customers. Client contracts for the performance of information technology services, as well as various privacy and securities laws, require us to manage and protect sensitive and confidential information, including federal and other government information, from disclosure. We also need to protect our own internal trade secrets and other business confidential information from disclosure. We face the threat to our computer systems of unauthorized access, computer hackers, computer viruses, malicious code, organized cyber-attacks and other security problems and system disruptions, including possible unauthorized access to our and our clients' proprietary or classified information. We rely on industry-accepted security measures and technology to securely maintain all confidential and proprietary information on our information systems. We have devoted and will continue to devote significant resources to the security of our computer systems, but they may still be vulnerable to these threats. A user who circumvents security measures could misappropriate confidential or proprietary information, including information regarding us, our personnel and/or our clients, or cause interruptions or malfunctions in operations. As a result, we may be required to expend significant resources to protect against the threat of these system disruptions and security breaches or to alleviate problems caused by these disruptions and breaches. Any of these events could damage our reputation and have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our business and operating results could be adversely affected by losses under fixed-price or guaranteed maximum 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 addition, we may enter guaranteed maximum price contracts where we guarantee a price or delivery date. Fixed-price contracts expose us to a number of risks not inherent in cost-plus, time and material, and guaranteed maximum price 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. In addition, our exposure to construction cost overruns may increase over time as we increase our construction services. Losses under fixed-price or guaranteed contracts could be substantial and adversely impact our results of operations.

Our failure to meet contractual schedule or performance requirements that we have guaranteed could adversely affect our operating results.

In certain circumstances, we can incur liquidated or other damages if we do not achieve project completion by a scheduled date. If we or an entity for which we have provided a guarantee subsequently fails to complete the project as scheduled and the matter cannot be satisfactorily resolved with the client, we may be responsible for cost impacts to the client resulting from any delay or the cost to complete the project. Our costs generally increase from schedule delays and/or could exceed our projections for a particular project. In addition, project performance can be affected by a number of factors beyond our control, including unavoidable delays from governmental inaction, public opposition, inability to obtain financing, weather conditions, unavailability of vendor materials, changes in the project scope of services requested by our clients, industrial accidents, environmental hazards, labor disruptions and other factors. Although we have not suffered material impacts to our results of operations due to any schedule or performance issues for the periods presented in this report, material performance problems for existing and future contracts could cause actual results of operations to differ from those anticipated by us and also could cause us to suffer damage to our reputation within our industry and client base.

We participate in certain joint ventures where we provide guarantees and may be adversely impacted by the failure of the joint venture or its participants to fulfill their obligations.

We have investments in and commitments to certain joint ventures with unrelated parties, including in connection with the investment activities of AECOM Capital. These joint ventures from time to time borrow money to help finance their activities and in certain circumstances, we are required to provide guarantees of certain obligations of our affiliated entities, including guarantees for completion of projects, repayment of debt, environmental indemnity obligations and acts of willful misconduct. If these entities are not able to honor their obligations, under the guarantees, we may be required to expend additional resources or suffer losses, which could be significant.

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

Approximately 16% of our fiscal 2015 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 adversely impact 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. Sales of our services provided to our unconsolidated joint ventures were approximately 3% of our fiscal 2015 revenue. We generally do not have control of these unconsolidated joint ventures. 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 and could also affect our reputation in the industries we serve.

Systems and information technology interruption and unexpected data or vendor loss could adversely impact our ability to operate.

We rely heavily on computer, information and communications technology and related systems to properly operate. From time to time, we experience occasional system interruptions and delays. If we are unable to effectively upgrade our systems and network infrastructure and take other steps to protect our systems, the operation of our systems could be interrupted or delayed. Our computer and communications systems and operations could be damaged or interrupted by natural disasters, telecommunications failures, acts of war or terrorism 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.

We also rely in part on third-party internal and outsourced software to run our critical accounting, project management and financial information systems. We depend on our software vendors to provide long-term software maintenance support for our information systems. Software vendors may decide to discontinue further development, integration or long-term software maintenance support for our information systems, in which case we may need to abandon one or more of our current information systems and migrate some or all of our accounting, project management and financial information to other systems, thus increasing our operational expense, as well as disrupting the management of our business operations.

Misconduct by our employees, partners 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', partners' or consultants' failure to comply with laws or regulations could have a significant negative impact on our business and reputation. Such misconduct could include the failure to comply with federal procurement regulations, environmental regulations, regulations regarding the protection of sensitive government information, legislation regarding the pricing of labor and other costs in government contracts, regulations on lobbying or similar activities, and anti-corruption, export control 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 government granted eligibility, cancellation of contracts and suspension or debarment from contracting with government agencies, any of which may adversely affect our business.

We may be required to contribute additional cash to meet our significant underfunded benefit obligations associated with pension benefit plans we manage or multiemployer pension plans in which we participate.

We have defined benefit pension plans for employees in the United States, United Kingdom, Canada, Australia, and Ireland. At September 30, 2015, our defined benefit pension plans had an aggregate deficit (the excess of projected benefit obligations over the fair value of plan assets) of approximately $572.6 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 that may require us 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 results of operations could be materially and adversely affected.

A multiemployer pension plan is typically established under a collective bargaining agreement with a union to cover the union-represented workers of various unrelated companies. Our collective bargaining agreements with unions will require us to contribute to various multiemployer pension plans; however, we do not control or manage these plans. For the year ended September 30, 2015, we contributed $54.5 million to multiemployer pension plans. Under the Employee Retirement Income Security Act, an employer who contributes to a multiemployer pension plan, absent an applicable exemption, may also be liable, upon termination or withdrawal from the plan, for its proportionate share of the multiemployer pension plan's unfunded vested benefit. If we terminate or withdraw from a multiemployer plan, absent an applicable exemption (such as for some plans in the building and construction industry), we could be required to contribute a significant amount of cash to fund the multiemployer plan's unfunded vested benefit, which could materially and adversely affect our financial results; however, since we do not control the multiemployer plans, we are unable to estimate any potential contributions that could be required.

New legal requirements could adversely affect our operating results.

Our business and results of operations could be adversely affected by the passage of U.S. health care reform, climate change, defense, environmental and infrastructure industry specific and other legislation and regulations. We are continually assessing the impact that health care reform could have on our employer-sponsored medical plans. Growing concerns about climate change may result in the imposition of additional environmental regulations. For example, legislation, international protocols, regulation or other restrictions on emissions could increase the costs of projects for our clients or, in some cases, prevent a project from going forward, thereby potentially reducing the need for our services. In addition, relaxation or repeal of laws and regulations, or changes in governmental policies regarding environmental, defense, infrastructure or other industries we serve could result in a decline in demand for our services, which could in turn negatively impact our revenues. We cannot predict when or whether any of these various proposals may be enacted or what their effect will be on us or on our customers.

We may be subject to substantial liabilities under environmental laws and regulations.

Our services are subject to numerous environmental protection laws and regulations that are complex and stringent. Our business involves in part the planning, design, program management, construction and construction management, and operations and maintenance at various sites, including but not limited to, pollution control systems, nuclear facilities, hazardous waste and Superfund sites, contract mining sites, hydrocarbon production, distribution and transport sites, military bases and other infrastructure-related facilities. We also regularly perform work, including oil field and pipeline construction services in and around sensitive environmental areas, such as rivers, lakes and wetlands. In addition, we have contracts with U.S. federal government entities to destroy hazardous materials, including chemical agents and weapons stockpiles, as well as to decontaminate and decommission nuclear facilities. These activities may require us to manage, handle, remove, treat, transport and dispose of toxic or hazardous substances. We also own and operate several properties in the U.S. and Canada that have been used for the storage and maintenance of equipment and upon which hydrocarbons or other wastes may have been disposed or released. Past business practices at companies that we have acquired may also expose us to future unknown environmental liabilities.

Significant fines, penalties and other sanctions may be imposed for non-compliance with environmental laws and regulations, and some environmental laws provide for joint and several strict liabilities for remediation of releases of hazardous substances, rendering a person liable for environmental damage, without regard to negligence or fault on the part of such person. These laws and regulations may expose us to liability arising out of the conduct of operations or conditions caused by others, or for our acts that were in compliance with all applicable laws at the time these acts were performed. For example, there are a number of governmental laws that strictly regulate the handling, removal, treatment, transportation and disposal of toxic and hazardous substances, such as Comprehensive Environmental Response Compensation and Liability Act of 1980, and comparable state laws, that impose strict, joint and several liabilities for the entire cost of cleanup, without regard to whether a company knew of or caused the release of hazardous substances. In addition, some environmental regulations can impose liability for the entire cleanup upon owners, operators, generators, transporters and other persons arranging for the treatment or disposal of such hazardous substances related to contaminated facilities or project sites.

Other federal environmental, health and safety laws affecting us include, but are not limited to, the Resource Conservation and Recovery Act, the National Environmental Policy Act, the Clean Air Act, the Clean Air Mercury Rule, the Occupational Safety and Health Act, the Toxic Substances Control Act and the Superfund Amendments and Reauthorization Act and the Energy Reorganization Act of 1974, as well as other comparable national and state laws. Liabilities related to environmental contamination or human exposure to hazardous substances, or a failure to comply with applicable regulations could result in substantial costs to us, including cleanup costs, fines and civil or criminal sanctions, third-party claims for property damage or personal injury or cessation of remediation activities. Our continuing work in the areas governed by these laws and regulations exposes us to the risk of substantial liability.

Demand for our oil and gas services fluctuates.

Our acquisition of URS significantly increased our oil and natural gas services in North America, particularly to the unconventional segments of this market. Demand for our oil and natural gas services fluctuates, and we depend on our customers' willingness to make future expenditures to explore for, develop and produce oil and natural gas in the U.S. and Canada. For example, the decline in the price of oil and natural gas has significantly decreased existing and future projects. Our customers' willingness to undertake these activities depends largely upon prevailing industry conditions that are influenced by numerous factors over which we have no control, including:

- prices, and expectations about future prices, of oil and natural gas;
- domestic and foreign supply of and demand for oil and natural gas;
- the cost of exploring for, developing, producing and delivering oil and natural gas;
- available pipeline, storage and other transportation capacity;
- availability of qualified personnel and lead times associated with acquiring equipment and products;
- federal, state and local regulation of oilfield activities;
- environmental concerns regarding the methods our customers use to extract natural gas;
- the availability of water resources and the cost of disposal and recycling services; and
- seasonal limitations on access to work locations.

Anticipated future prices for natural gas and crude oil are a primary factor affecting spending and drilling activity by our customers. The decline in prices for oil and natural gas has decreased spending and drilling activity, which has caused declines in demand for our services and in the prices we are able to charge for our services. Worldwide political, economic, military and terrorist events, as well as natural disasters and other factors beyond our control contribute to oil and natural gas price levels and volatility and are likely to continue to do so in the future.

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. If we are unable to pursue suitable acquisition opportunities, as a result of global economic uncertainty or other factors, our growth may be inhibited. We cannot assure 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;

- liabilities related to pre-acquisition activities of an acquired business and the burdens on our staff and resources to comply with, conduct or resolve investigations into such activities;

- post-acquisition integration challenges; and

- post-acquisition deterioration in an acquired business that could result in lower or negative earnings contribution and/or 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. If our management is unable to successfully integrate acquired companies or implement our growth strategy, our operating results could be harmed. In addition, even if the operations of an acquisition are integrated successfully, we may not realize the full benefits of the acquisition, including the synergies, cost savings, or sales or growth opportunities that we expect. These benefits may not be achieved within the anticipated time frame, or at all. Moreover, we cannot assure that we will continue to successfully expand or that growth or expansion will result in profitability.

Although we expect to realize certain benefits as a result of our acquisitions, there is the possibility that we may be unable to successfully integrate our businesses in order to realize the anticipated benefits of the acquisitions or do so within the intended timeframe.

As a result of recent acquisitions, we have been, and will continue to be, required to devote significant management attention and resources to integrating the business practices and operations of the acquired companies with our business. Difficulties we may encounter as part of the integration process include the following:

- the consequences of a change in tax treatment, including the costs of integration and compliance and the possibility that the full benefits anticipated from the acquisition will not be realized;

- any delay in the integration of management teams, strategies, operations, products and services;

- diversion of the attention of each company's management as a result of the acquisition;

- differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;

- the ability to retain key employees;

- the ability to create and enforce uniform standards, controls, procedures, policies and information systems;

- the challenge of integrating complex systems, technology, networks and other assets into those of ours in a seamless manner that minimizes any adverse impact on customers, suppliers, employees and other constituencies;

- potential unknown liabilities and unforeseen increased expenses or delays associated with the acquisition, including costs to integrate beyond current estimates;

- the ability to deduct or claim certain tax attributes or benefits such as operating losses, business or foreign tax credits; and

- the disruption of, or the loss of momentum in, each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies.

Any of these factors could adversely affect each company's ability to maintain relationships with customers, suppliers, employees and other constituencies or our ability to achieve the anticipated benefits of the acquisition or could reduce each company's earnings or otherwise adversely affect our business and financial results.

The agreements governing our debt contain a number of restrictive covenants which will limit our ability to finance future operations, acquisitions or capital needs or engage in other business activities that may be in our interest.

The Credit Agreement and the indenture governing the 2014 Senior Notes (as defined below) contain a number of significant covenants that impose operating and other restrictions on us and our subsidiaries. Such restrictions affect or will affect, and in many respects limit or prohibit, among other things, our ability and the ability of certain of our subsidiaries to:

- incur additional indebtedness;
- create liens;
- pay dividends and make other distributions in respect of our equity securities;
- redeem our equity securities;
- distribute excess cash flow from foreign to domestic subsidiaries;
- make certain investments or certain other restricted payments;
- sell certain kinds of assets;
- enter into certain types of transactions with affiliates; and
- effect mergers or consolidations.

In addition, our Credit Agreement also requires us to comply with an interest coverage ratio and consolidated leverage ratio. Our ability to comply with these ratios may be affected by events beyond our control.

These restrictions could limit our ability to plan for or react to market or economic conditions or meet capital needs or otherwise restrict our activities or business plans, and could adversely affect our ability to finance our operations, acquisitions, investments or strategic alliances or other capital needs or to engage in other business activities that would be in our interest.

A breach of any of these covenants or our inability to comply with the required financial ratios could result in a default under all or certain of our debt instruments. If an event of default occurs, our creditors could elect to:

- declare all borrowings outstanding, together with accrued and unpaid interest, to be immediately due and payable;
- require us to apply all of our available cash to repay the borrowings; or
- prevent us from making debt service payments on certain of our borrowings.

If we were unable to repay or otherwise refinance these borrowings when due, the applicable creditors could sell the collateral securing certain of our debt instruments, which constitutes substantially all of our domestic and foreign, wholly owned subsidiaries' assets.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

Borrowings under our Credit Agreement are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness will increase even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. A 1.0% increase in such interest rates would increase total interest expense under our Credit Agreement for the year ended September 30, 2015 by $24.8 million, and a 0.125% decrease in such interest rates would decrease total interest expense under our Credit Agreement for the same period by $3.1 million, including the effect of our interest rate swaps. We may, from time to time, enter into additional interest rate swaps that involve the exchange of floating for fixed rate interest payments in order to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk and could be subject to credit risk themselves.

If we are unable to continue to access credit on acceptable terms, our business may be adversely affected.

The state of the global credit markets could make it more difficult for us to access funds, refinance our existing indebtedness, enter into agreements for uncommitted bond facilities and new indebtedness, replace our existing revolving and term credit agreements or obtain funding through the issuance of our securities. We use credit facilities to support our working capital and acquisition needs. There is no guarantee that we can continue to renew our credit facility on terms as favorable as those in our existing credit facility and, if we are unable to do so, our costs of borrowing and our business may be adversely affected.

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 in the timeframe demanded by our clients. 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. In addition, we may occasionally enter into contracts before we have hired or retained appropriate staffing for that project. Also, some of our personnel hold government granted eligibility that may be required to obtain certain government projects. If we were to lose some or all of these personnel, they would be difficult to replace. In addition, we rely heavily upon the expertise and leadership of our senior management. If we are unable to retain executives and other key personnel, the roles and responsibilities of those employees will need to be filled, which may require that we devote time and resources to identify, hire and integrate new employees. Loss of the services of, or failure to recruit, key technical and management personnel could limit our ability to successfully complete existing projects and compete for new projects.

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

A number of government programs require contractors to have certain kinds of government granted eligibility, such as security clearance credentials. Depending on the project, eligibility can be difficult and time-consuming to obtain. If we or our employees are unable to obtain or retain the necessary eligibility, including local ownership requirements, 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 markets we serve are highly fragmented and we compete with a large number of regional, national and international companies. Certain of these competitors have greater financial and other resources than we do. Others are smaller and more specialized, and concentrate their resources in particular areas of expertise. The extent of our competition varies according to the particular markets and geographic area. In addition, the technical and professional aspects of some of our services generally do not require large upfront capital expenditures and provide limited barriers against new competitors.

The degree and type of competition we face is also influenced by the type and scope of a particular project. Our clients make competitive determinations based upon qualifications, experience, performance, reputation, technology, customer relationships and ability to provide the relevant services in a timely, safe and cost-efficient manner. Increased competition may result in our inability to win bids for future projects and loss of revenue, profitability and market share.

If we extend a significant portion of our credit to clients in a specific geographic area or industry, we may experience disproportionately high levels of collection risk and nonpayment if those clients are adversely affected by factors particular to their geographic area or industry.

Our clients include public and private entities that have been, and may continue to be, negatively impacted by the changing landscape in the global economy. While outside of the U.S. federal government no one client accounted for over 10% of our revenue for fiscal 2015, we face collection risk as a normal part of our business where we perform services and subsequently bill our clients for such services, or when we make equity investments in majority or minority controlled large-scale client projects and other long-term capital projects before the project completes operational status or completes its project financing. In the event that we have concentrated credit risk from clients in a specific geographic area or industry, continuing negative trends or a worsening in the financial condition of that specific geographic area or industry could make us susceptible to disproportionately high levels of default by those clients. Such defaults could materially adversely impact our revenues and our results of operations.

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 to clients on projects under indemnification agreements. We cannot predict the magnitude of potential liabilities from the operation of our business. In addition, in the ordinary course of our business, we frequently make professional judgments and recommendations about environmental and engineering conditions of project sites for our clients. We may be deemed to be responsible for these judgments and recommendations if such judgments and recommendations are later determined to be inaccurate. Any unfavorable legal ruling against us could result in substantial monetary damages or even criminal violations.

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 effect on our business.

Unavailability or cancellation of third-party insurance coverage would increase our overall risk exposure as well as disrupt the management of our business operations.

We maintain insurance coverage from third-party insurers as part of our overall risk management strategy and because some of our contracts require us to maintain specific insurance coverage limits. If any of our third-party insurers fail, suddenly cancel our coverage or otherwise are unable to provide us with adequate insurance coverage, then our overall risk exposure and our operational expenses would increase and the management of our business operations would be disrupted. In addition, there can be no assurance that any of our existing insurance coverage will be renewable upon the expiration of the coverage period or that future coverage will be affordable at the required limits.

If we do not have adequate indemnification for our services related to nuclear materials, it could adversely affect our business and financial condition.

We provide services to the Department of Energy relating to our nuclear weapons facilities and the nuclear energy industry in the ongoing maintenance and modification, as well as the decontamination and decommissioning, of our nuclear energy plants. Indemnification provisions under the Price-Anderson Act available to nuclear energy plant operators and Department of Energy contractors do not apply to all liabilities that we might incur while performing services as a radioactive materials cleanup contractor for the Department of Energy and the nuclear energy industry. If the Price-Anderson Act's indemnification protection does not apply to our services or if our exposure occurs outside the U.S., our business and financial condition could be adversely affected either by our client's refusal to retain us, by our inability to obtain commercially adequate insurance and indemnification, or by potentially significant monetary damages we may incur.

We also provide services to the United Kingdom's Nuclear Decommissioning Authority (NDA) relating to clean-up and decommissioning of the United Kingdom's public sector nuclear sites. Indemnification provisions under the Nuclear Installations Act 1965 available to nuclear site licensees, the Atomic Energy Authority, and the Crown, and contractual indemnification from the NDA do not apply to all liabilities that we might incur while performing services as a clean-up and decommissioning contractor for the NDA. If the Nuclear Installations Act 1965 and contractual indemnification protection does not apply to our services or if our exposure occurs outside the United Kingdom, our business and financial condition could be adversely affected either by our client's refusal to retain us, by our inability to obtain commercially adequate insurance and indemnification, or by potentially significant monetary damages we may incur.

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 September 30, 2015, our contracted backlog was approximately $24.5 billion and our awarded backlog was approximately $15.7 billion for a total backlog of $40.2 billion. Our contracted backlog includes revenue we expect to record in the future from signed contracts and, in the case of a public sector 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 signed. 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 canceled. 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. Often, these claims can be the subject of lengthy arbitration or litigation proceedings, and it is difficult to accurately predict when these claims will be fully resolved. When these types of events occur and unresolved claims are pending, we have used working capital in projects to cover cost overruns pending the resolution of the relevant claims. If these claims are not approved, our revenue may be reduced in future periods.

In conducting our business, we depend on other contractors, subcontractors and equipment and material providers. 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, subcontractors and equipment and material providers 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. Also, to the extent that we cannot acquire equipment and materials at reasonable costs, or if the amount we are required to pay exceeds our estimates, our ability to complete a project in a timely fashion or at a profit may be impaired. 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 could be held responsible for such failures and/or we may be required to purchase the supplies or services from another source at a higher price. This may reduce the profit to be realized or result in a loss on a project for which the supplies or services are needed.

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. In addition, due to "pay when paid" provisions that are common in subcontracts in certain countries, including the U.S., we could experience delays in receiving payment if the prime contractor experiences payment delays.

If clients use our reports or other work product without appropriate disclaimers or in a misleading or incomplete manner, or if our reports or other work product are not in compliance with professional standards and other regulations, our business could be adversely affected.

The reports and other work product we produce for clients sometimes include projections, forecasts and other forward-looking statements. Such information by its nature is subject to numerous risks and uncertainties, any of which could cause the information produced by us to ultimately prove inaccurate. While we include appropriate disclaimers in the reports that we prepare for our clients, once we produce such written work product, we do not always have the ability to control the manner in which our clients use such information. As a result, if our clients reproduce such information to solicit funds from investors for projects without appropriate disclaimers and the information proves to be incorrect, or if our clients reproduce such information for potential investors in a misleading or incomplete manner, our clients or such investors may threaten to or file suit against us for, among other things, securities law violations. For example, an approximately $155 million Australian dollar class action lawsuit was filed against AECOM Australia in the Federal Court of Australia on May 31, 2012 alleging deficiencies in AECOM Australia's traffic forecast. If we were found to be liable for any claims related to our client work product, our business could be adversely affected.

In addition, our reports and other work product may need to comply with professional standards, licensing requirements, securities regulations and other laws and rules governing the performance of professional services in the jurisdiction where the services are performed. We could be liable to third parties who use or rely upon our reports and other work product even if we are not contractually bound to those third parties. These events could in turn result in monetary damages and penalties.

Our quarterly operating results may fluctuate significantly.

We experience seasonal trends in our business with our revenue typically being higher in the last half of the fiscal year. Our fourth quarter (July 1 to September 30) typically is our strongest quarter, and our first quarter is typically our weakest quarter. 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;
- 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;
- changes in foreign currency rates;
- the seasonality of our business;
- 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.

Failure to adequately protect, maintain, or enforce our rights in our intellectual property may adversely limit our competitive position.

Our success depends, in part, upon our ability to protect our intellectual property. We rely on a combination of intellectual property policies and other contractual arrangements to protect much of our intellectual property where we do not believe that trademark, patent or copyright protection is appropriate or obtainable. Trade secrets are generally difficult to protect. Although our employees are subject to confidentiality obligations, this protection may be inadequate to deter or prevent misappropriation of our confidential information and/or the infringement of our patents and copyrights. Further, we may be unable to detect unauthorized use of our intellectual property or otherwise take appropriate steps to enforce our rights. Failure to adequately protect, maintain, or enforce our intellectual property rights may adversely limit our competitive position.

Negotiations with labor unions and possible work actions could divert management attention and disrupt operations. In addition, new collective bargaining agreements or amendments to agreements could increase our labor costs and operating expenses.

We regularly negotiate with labor unions and enter into collective bargaining agreements. The outcome of any future negotiations relating to union representation or collective bargaining agreements may not be favorable to us. We may reach agreements in collective bargaining that increase our operating expenses and lower our net income as a result of higher wages or benefit expenses. In addition, negotiations with unions could divert management attention and disrupt operations, which may adversely affect our results of operations. If we are unable to negotiate acceptable collective bargaining agreements, we may have to address the threat of union-initiated work actions, including strikes. Depending on the nature of the threat or the type and duration of any work action, these actions could disrupt our 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:

- 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.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our corporate offices are located in approximately 31,500 square feet of space at 1999 Avenue of the Stars, Los Angeles, California. Our other offices consist of an aggregate of approximately 14.9 million square feet worldwide. We also maintain smaller administrative or project offices. Virtually all of our offices are leased. See Note 12 in the notes to our consolidated financial statements for information regarding our lease obligations. We believe our current properties are adequate for our business operations and are not currently underutilized. We may add additional facilities from time to time in the future as the need arises.

ITEM 3. 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. Although the outcome of our legal proceedings cannot be predicted with certainty and no assurances can be provided, in the opinion of our management, based upon current information and discussions with counsel, with the exception of the matters noted below in Note 19, "Commitments and Contingencies," to the financial statements provided with this report, which information set forth in such note is incorporated by reference into this Item 3, none of the investigations, claims and lawsuits in which we are involved is expected to have a material adverse effect on our consolidated financial position, results of operations, cash flows or our ability to conduct business. The resolution of these matters is subject to inherent uncertainty and it is reasonably possible that resolution of any of these outstanding matters could have a material adverse effect on us. From time to time, we establish reserves for litigation when we consider it probable that a loss will occur.

ITEM 4. MINE SAFETY DISCLOSURES

The Company does not act as the owner of any mines, but we may act as a mining operator as defined under the Federal Mine Safety and Health Act of 1977 where we may be a lessee of a mine, a person who operates, controls or supervises such mine, or an independent contractor performing services or construction of such mine. Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is listed on the New York Stock Exchange (NYSE). According to the records of our transfer agent, there were 2,690 stockholders of record as of November 13, 2015. The following table sets forth the low and high closing sales prices of a share of our common stock during each of the fiscal quarters presented, based upon quotations on the NYSE consolidated reporting system:

	Low Sales Price ($)	High Sales Price ($)
Fiscal 2015:		
First quarter	27.23	34.24
Second quarter	24.82	31.45
Third quarter	30.30	35.40
Fourth quarter	24.04	32.91

	Low Sales Price ($)	High Sales Price ($)
Fiscal 2014:		
First quarter	27.47	32.69
Second quarter	27.69	32.48
Third quarter	30.46	33.57
Fourth quarter	31.66	38.13

We have not paid a cash dividend since our inception and our Credit Agreement restricts the Company's ability to pay cash dividends.

Equity Compensation Plans

The following table presents certain information about shares of AECOM common stock that may be issued under our equity compensation plans as of September 30, 2015:

Plan Category	Column A Number of securities to be issued upon exercise of outstanding options, warrants, and rights(1)	Column B Weighted-average exercise price of outstanding options, warrants, and rights	Column C Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in Column A)
Equity compensation plans not approved by stockholders:	N/A	N/A	N/A
Equity compensation plans approved by stockholders:			
AECOM 2006 Stock Incentive Plan	6,911,018(2)	$ 28.26(3)	13,129,809
AECOM Employee Stock Purchase Plan(4)	N/A	N/A	4,874,796
Total	6,911,018	$ 28.26	18,004,605

(1) The table does not include information for the 1,226,365 shares issued under the URS Corporation 2008 Equity Incentive Plan (URS Incentive Plan) assumed by AECOM in connection with its acquisition of URS Corporation. No additional equity awards may be granted under the URS Incentive Plan.

(2) Includes 1,305,017 shares issuable upon the exercise of stock options, 3,372,210 shares issuable upon the vesting of Restricted Stock Units and 2,233,791 shares issuable if specified performance targets are met under Performance Earnings Program Awards (PEP).

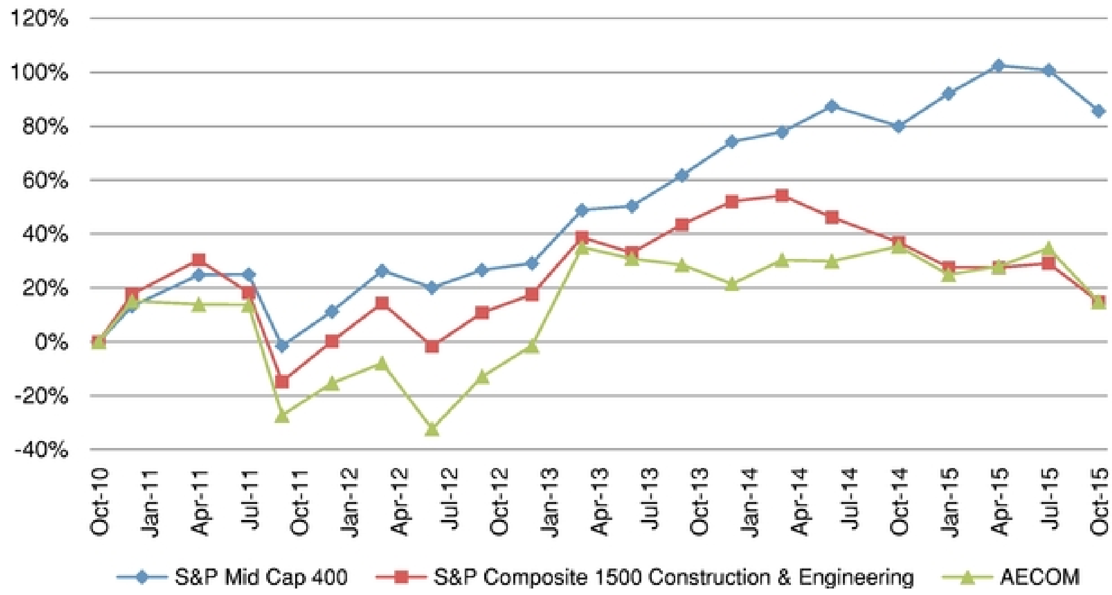
(3) Weighted-average exercise price of outstanding options only.

(4) Amounts only reflected in column (c) and include all shares available for future issuance and subject to outstanding rights.

Performance Measurement Comparison(1)

The following chart compares the cumulative total stockholder return of AECOM stock (ACM) with the cumulative total return of the S&P MidCap 400 and the S&P Composite 1500 Construction & Engineering(2) indices from October 1, 2010 to September 30, 2015. We believe the S&P MidCap 400, on which we are listed, is an appropriate independent broad market index, since it measures the performance of similar mid-sized companies in numerous sectors. In addition, we believe the S&P Composite 1500 Construction & Engineering Index is an appropriate published industry index since it measures the performance of engineering and construction companies.

Comparison of Cumulative Total Return
October 1, 2010—October 2, 2015



Stock Repurchase Program

The Company's Board of Directors has authorized the repurchase of up to $1.0 billion in Company stock. Stock repurchases can be made through open market purchases or other methods, including pursuant to a Rule 10b5-1 plan. From the inception of the stock repurchase program, the Company has purchased a total of 27.4 million shares at an average price of $24.10 per share, for a total cost of $660.1 million as of September 30, 2015. No stock repurchases were made for the year ended September 30, 2015.

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(1) This section is not "soliciting material," is not deemed "filed" with the SEC and is not incorporated by reference in any of our filings under the Securities Act or Exchange Act whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

(2) The S&P Composite 1500 Construction & Engineering Index contains the following public companies:

AECOM	EMCOR Group, Inc.	KBR, Inc.
Aegion Corporation	Fluor Corporation	MYR Group, Inc.
Comfort Systems USA, Inc.	Granite Construction Incorporated	Orion Marine Group, Inc.
Dycom Industries, Inc.	Jacobs Engineering Group Inc.	Quanta Services, Inc.

ITEM 6. SELECTED FINANCIAL DATA

SELECTED CONSOLIDATED FINANCIAL DATA

You should read the following selected consolidated financial data along with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the accompanying notes, which are included in this Form 10-K. We derived the selected consolidated financial data from our audited consolidated financial statements.

	Year Ended September 30,				
	2015	2014	2013	2012	2011
	(in millions, except share data)				
Consolidated Statement of Operations Data:					
Revenue	$ 17,990	$ 8,357	$ 8,153	$ 8,218	$ 8,037
Cost of revenue	17,455	7,954	7,703	7,796	7,570
Gross profit	535	403	450	422	467
Equity in earnings of joint ventures	106	58	24	49	45
General and administrative expenses	(114)	(81)	(97)	(81)	(91)
Acquisition and integration expenses	(398)	(27)	—	—	—
Goodwill impairment	—	—	—	(336)	—
Income from operations	129	353	377	54	421
Other income	19	3	4	11	5
Interest expense	(299)	(41)	(45)	(47)	(42)
(Loss) income before income tax expense	(151)	315	336	18	384
Income tax (benefit) expense	(80)	82	93	75	100
Net (loss) income	(71)	233	243	(57)	284
Noncontrolling interests in income of consolidated subsidiaries, net of tax	(84)	(3)	(4)	(2)	(8)
Net (loss) income attributable to AECOM	$ (155)	$ 230	$ 239	$ (59)	$ 276
Net (loss) income attributable to AECOM per share:					
Basic	$ (1.04)	$ 2.36	$ 2.38	$ (0.52)	$ 2.35
Diluted	$ (1.04)	$ 2.33	$ 2.35	$ (0.52)	$ 2.33
Weighted average shares outstanding: (in millions)					
Basic	150	97	101	112	117
Diluted	150	99	102	112	118

	Year Ended September 30,				
	2015	2014	2013	2012	2011
	(in millions, except employee data)				
Other Data:					
Depreciation and amortization(1)	$ 599	$ 95	$ 94	$ 103	$ 110
Amortization expense of acquired intangible assets(2)	391	24	21	24	36
Capital expenditures, net of disposals	69	63	52	63	78
Contracted backlog	$ 24,468	$ 11,349	$ 8,753	$ 8,499	$ 8,881
Number of full-time and part-time employees	92,000	43,300	45,500	46,800	45,000

(1) Includes amortization of deferred debt issuance costs.

(2) Included in depreciation and amortization above.

	As of September 30,				
	2015	2014	2013 (in millions)	2012	2011
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 684	$ 574	$ 601	$ 594	$ 457
Working capital	1,410	978	1,078	1,069	1,176
Total assets	14,014	6,123	5,666	5,665	5,789
Long-term debt excluding current portion	4,447	940	1,089	907	1,145
AECOM Stockholders' equity	3,408	2,187	2,021	2,169	2,340

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that are not limited to historical facts, but reflect the Company's current beliefs, expectations or intentions regarding future events. Statements that are not historical facts, without limitation, including statements that use terms such as "anticipates," "believes," "expects," "intends," "plans," "projects," "seeks," and "will" and that relate to our plans and objectives for future operations, are forward-looking statements. In light of the risks and uncertainties inherent in all forward-looking statements, the inclusion of such statements in this Annual Report should not be considered as a representation by us or any other person that our objectives or plans will be achieved. 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, the fact that demand for our services is cyclical and vulnerable to economic downturns and reduction in government and private industry spending, 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; the risk of employee misconduct or our failure to comply with laws and regulations; legal, security, political, and economic risks in the countries in which we operate; competition in our industry; cyber security breaches; information technology interruptions or data losses; liabilities under environmental laws; fluctuations in demand for oil and gas services; our substantial indebtedness; covenant restrictions in our indebtedness; the ability to successfully integrate our operations and employees with that of URS; the ability to realize anticipated benefits and synergies from the URS acquisition; the ability to retain key personnel; changes in financial markets, interest rates and foreign currency exchange rates; and those additional risks and factors discussed in this Annual Report on Form 10-K and any subsequent reports we file with the SEC. Accordingly, actual results could differ materially from those contemplated by any forward-looking statement.

All subsequent written and oral forward-looking statements concerning the Company or other matters attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. You are cautioned not to place undue reliance on these forward-looking statements, which speak only to the date they are made. The Company is under no obligation (and expressly disclaims any such obligation) to update or revise any forward-looking statement that may be made from time to time, whether as a result of new information, future developments or otherwise. Please review "Part I, Item 1A—Risk Factors" in this Annual Report for a discussion of the factors, risks and uncertainties that could affect our future results.

Our fiscal year consists of 52 or 53 weeks, ending on the Friday closest to September 30. For clarity of presentation, we present all periods as if the year ended on September 30. We refer to the fiscal year ended September 30, 2014 as "fiscal 2014" and the fiscal year ended September 30, 2015 as "fiscal 2015."

Overview

We are a leading provider of planning, consulting, architectural and engineering design services for public and private clients around the world. We provide our services in a broad range of end markets through a network of over 92,000 employees.

On October 17, 2014, we completed the acquisition of URS. In connection with the acquisition of URS, our reportable segments have been realigned to reflect the operations of the combined company, including the ability to deliver more fully integrated project execution. We now report our business through three segments: Design and Consulting Services (DCS), Construction Services (CS), and Management Services (MS). Such segments are organized by the types of services provided, the differing specialized needs of the respective clients, and how the Company manages its business. We have aggregated various operating segments into our reportable segments based on their similar characteristics, including similar long-term financial performance, the nature of services provided, internal processes for delivering those services, and types of customers. Prior year amounts have been revised to conform to the current year presentation.

Our DCS segment delivers planning, consulting, architectural and engineering design services to commercial and government clients worldwide in major end markets such as transportation, facilities, environmental, energy, water and government.

Our CS segment provides construction services, including building construction and energy, infrastructure and industrial construction, primarily in the Americas.

Our MS segment provides program and facilities management and maintenance, training, logistics, consulting, technical assistance, and systems integration and information technology services, primarily for agencies of the U.S. government and also for national governments around the world.

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

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

We define revenue provided by acquired companies as revenue included in the current period up to twelve months subsequent to their acquisition date. Throughout this section, we refer to companies we acquired in the last twelve months as "acquired companies."

Recent commodity price declines have negatively impacted our oil and gas business and have impacted North American oil and gas clients' investment decisions for projects with higher breakeven costs resulting in some construction contracts being deferred, suspended or terminated.

Federal highway and public transportation legislation has been subject to uncertainty caused by a number of short term extensions by Congress that have negatively impacted the long term transportation investment decisions of our clients; however, we expect that any passage of a long term federal highway and public transportation bill will positively impact our transportation services business.

In January 2015, we were informed that our joint venture responsible for managing the United Kingdom Sellafield nuclear site would transition control back to the United Kingdom government.

We expect to benefit from the return on our AECOM Capital investments in fiscal year 2016. In addition, we expect to dispose of certain non-core businesses or assets in fiscal year 2016.

Acquisitions

The aggregate value of all consideration for our acquisitions consummated during the year ended September 30, 2015, 2014 and 2013 was $5,147.9 million, $88.5 million, and $82.0 million, respectively.

All of our acquisitions have been accounted for as business combinations and the results of operations of the acquired companies have been included in our consolidated results since the dates of the acquisitions.

Components of Income and Expense

	Year Ended September 30,				
	2015	2014	2013	2012	2011
			(in millions)		
Other Financial Data:					
Revenue	$ 17,990	$ 8,357	$ 8,153	$ 8,218	$ 8,037
Cost of revenue	17,455	7,954	7,703	7,796	7,570
Gross profit	535	403	450	422	467
Equity in earnings of joint ventures	106	58	24	49	45
General and administrative expenses	(114)	(81)	(97)	(81)	(91)
Acquisition and integration expenses	(398)	(27)	—	—	—
Goodwill impairment	—	—	—	(336)	—
Income from operations	$ 129	$ 353	$ 377	$ 54	$ 421

Revenue

We generate revenue primarily by providing planning, consulting, architectural and engineering design services to commercial and government clients around the world. Our revenue consists of both services provided by our employees and pass-through fees from subcontractors and other direct costs. We generally utilize a cost-to-cost approach in applying the percentage-of-completion method of revenue recognition. Under this approach, revenue is earned in proportion to total costs incurred, divided by total costs expected to be incurred.

Cost of Revenue

Cost of revenue reflects the cost of our own personnel (including fringe benefits and overhead expense) associated with revenue.

Amortization Expense of Acquired Intangible Assets

Included in our cost of revenue is amortization of acquired intangible assets. We have ascribed value to identifiable intangible assets other than goodwill in our purchase price allocations for companies we have acquired. These assets include, but are not limited to, backlog and customer relationships. To the extent we ascribe value to identifiable intangible assets that have finite lives, we amortize those values over the estimated useful lives of the assets. Such amortization expense, although non-cash in the period expensed, directly impacts our results of operations. It is difficult to predict with any precision the amount of expense we may record relating to acquired intangible assets.

Equity in Earnings of Joint Ventures

Equity in earnings of joint ventures includes our portion of fees charged by our unconsolidated joint ventures to clients for services performed by us and other joint venture partners along with earnings we receive from investments in unconsolidated joint ventures.

General and Administrative Expenses

General and administrative expenses include corporate overhead expenses, including personnel, occupancy, and administrative expenses.

Acquisition and Integration Expenses

Acquisition and integration expenses are comprised of transaction costs, professional fees, and personnel costs, including due diligence and integration activities, primarily related to the acquisition of URS Corporation.

Goodwill Impairment

See Critical Accounting Policies and Consolidated Results below.

Income Tax (Benefit) Expense

Income tax (benefit)/expense varies as a function of pre-tax loss/income and items permanently non-tax deductible or tax exempt. As a global enterprise, our effective tax rates can be affected by many factors, including changes in our worldwide mix of pre-tax losses/earnings, the effect of non-controlling interest in income of consolidated subsidiaries, the extent to which the earnings are indefinitely reinvested outside of the United States, our acquisition strategy, tax incentives and credits available to us, changes in judgment regarding the realizability of our deferred tax assets, changes in existing tax laws and our assessment of uncertain tax positions. Our tax returns are routinely audited by the taxing authorities and settlements of issues raised in these audits can also sometimes affect our effective tax rate.

Critical Accounting Policies

Our financial statements are presented in accordance with GAAP. Highlighted below are the accounting policies that management considers significant to understanding the operations of our business.

Revenue Recognition

We generally utilize a cost-to-cost approach in applying the percentage-of-completion method of revenue recognition, under which revenue is earned in proportion to total costs incurred, divided by total costs expected to be incurred. Recognition of revenue and profit under this method is dependent upon a number of factors, including the accuracy of a variety of estimates, including engineering progress, material quantities, the achievement of milestones, penalty provisions, labor productivity and cost estimates. Due to uncertainties inherent in the estimation process, it is possible that actual completion costs may vary from estimates. If estimated total costs on contracts indicate a loss, we recognize that estimated loss in the period the estimated loss first becomes known.

Claims Recognition

Claims are amounts in excess of the agreed contract price (or amounts not included in the original contract price) that we seek to collect from customers or others for delays, errors in specifications and designs, contract terminations, change orders in dispute or unapproved contracts as to both scope and price or other causes of unanticipated additional costs. We record contract revenue related to claims only if it is probable that the claim will result in additional contract revenue and if the amount can be reliably estimated. In such cases, we record revenue only to the extent that contract costs relating to the claim have been incurred. The amounts recorded, if material, are disclosed in the notes to the financial statements. Costs attributable to claims are treated as costs of contract performance as incurred.

Government Contract Matters

Our federal government and certain state and local agency contracts are subject to, among other regulations, regulations issued under the Federal Acquisition Regulations (FAR). These regulations can limit the recovery of certain specified indirect costs on contracts and subject us to ongoing multiple audits by government agencies such as the Defense Contract Audit Agency (DCAA). In addition, most of our federal and state and local contracts are subject to termination at the discretion of the client.

Audits by the DCAA and other agencies consist of reviews of our overhead rates, operating systems and cost proposals to ensure that we account for such costs in accordance with the Cost Accounting Standards of the FAR (CAS). If the DCAA determines we have not accounted for such costs consistent with CAS, the DCAA may disallow these costs. There can be no assurance that audits by the DCAA or other governmental agencies will not result in material cost disallowances in the future.

Allowance for Doubtful Accounts

We record accounts receivable net of an allowance for doubtful accounts. This allowance for doubtful accounts is estimated based on management's evaluation of the contracts involved and the financial condition of its clients. The factors we consider in our contract evaluations include, but are not limited to:

- Client type—federal or state and local government or commercial client;
- Historical contract performance;
- Historical collection and delinquency trends;
- Client credit worthiness; and
- General economic conditions.

Unbilled Accounts Receivable and Billings in Excess of Costs on Uncompleted Contracts

Unbilled accounts receivable represents the contract revenue recognized but not yet billed pursuant to contract terms or accounts billed after the period end.

Billings in excess of costs on uncompleted contracts represent the billings to date, as allowed under the terms of a contract, but not yet recognized as contract revenue using the percentage-of-completion accounting method.

Investments in Unconsolidated Joint Ventures

We have noncontrolling interests in joint ventures accounted for under the equity method. Fees received for and the associated costs of services performed by us and billed to joint ventures with respect to work done by us for third-party customers are recorded as our revenues and costs in the period in which such services are rendered. In certain joint ventures, a fee is added to the respective billings from both ourselves and the other joint venture partners on the amounts billed to the third-party customers. These fees result in earnings to the joint venture and are split with each of the joint venture partners and paid to the joint venture partners upon collection from the third-party customer. We record our allocated share of these fees as equity in earnings of joint ventures.

Income Taxes

We provide for income taxes in accordance with principles contained in ASC Topic 740, Income Taxes. Under these principles, we recognize the amount of income tax payable or refundable for the current year and deferred tax assets and liabilities for the future tax consequences of events that have been recognized in our financial statements or tax returns.

Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period when the new rate is enacted. Deferred tax assets are evaluated for future realization and reduced by a valuation allowance if it is more likely than not that a portion will not be realized.

We measure and recognize the amount of tax benefit that should be recorded for financial statement purposes for uncertain tax positions taken or expected to be taken in a tax return. With respect to uncertain tax positions, we evaluate the recognized tax benefits for recognition, measurement, derecognition, classification, interest and penalties, interim period accounting and disclosure requirements. Judgment is required in assessing the future tax consequences of events that have been recognized in our financial statements or tax returns.

Valuation Allowance. Deferred income taxes are provided on the liability method whereby deferred tax assets and liabilities are established for the difference between the financial reporting and income tax basis of assets and liabilities, as well as for tax attributes such as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and tax rates on the date of enactment of such changes to laws and tax rates.

Deferred tax assets are reduced by a valuation allowance when, in our opinion, it is more likely than not that some portion or all of the deferred tax assets may not be realized. The evaluation of the recoverability of the deferred tax asset requires the Company to weigh all positive and negative evidence to reach a conclusion that it is more likely than not that all or some portion of the deferred tax assets will not be realized. The weight given to the evidence is commensurate with the extent to which it can be objectively verified. Whether a deferred tax asset may be realized requires considerable judgment by us. In considering the need for a valuation allowance, we consider a number of factors including the nature, frequency, and severity of cumulative financial reporting losses in recent years, the future reversal of existing temporary differences, predictability of future taxable income exclusive of reversing temporary differences of the character necessary to realize the asset, relevant carry forward periods, taxable income in carry-back years if carry-back is permitted under tax law, and prudent and feasible tax planning strategies that would be implemented, if necessary, to protect against the loss of the deferred tax asset that would otherwise expire. Whether a deferred tax asset will ultimately be realized is also dependent on varying factors, including, but not limited to, changes in tax laws and audits by tax jurisdictions in which we operate.

If future changes in judgment regarding the realizability of our deferred tax assets lead us to determine that it is more likely than not that we will not realize all or part of our deferred tax asset in the future, we will record an additional valuation allowance. Conversely, if a valuation allowance exists and we determine that the ultimate realizability of all or part of the net deferred tax asset is more likely than not to be realized, then the amount of the valuation allowance will be reduced. This adjustment will increase or decrease income tax expense in the period of such determination.

Undistributed Non-U.S. Earnings. The results of our operations outside of the United States are consolidated for financial reporting; however, earnings from investments in non-U.S. operations are included in domestic U.S. taxable income only when actually or constructively received. No deferred taxes have been provided on the undistributed pre-tax earnings of non-U.S. operations of approximately

$1,341.2 million because we have the ability to and intend to permanently reinvest these earnings overseas. If we were to repatriate these earnings, additional taxes could be due at that time.

The Company continually explores initiatives to better align our tax and legal entity structure with the footprint of our non-U.S. operations and recognizes the tax impact of these initiatives, including changes in assessment of its uncertain tax positions, indefinite reinvestment exception assertions and realizability of deferred tax assets earliest in the period when management believes all necessary internal and external approvals associated with such initiatives have been obtained, or when the initiatives are materially complete. It is possible that the completion of one or more of these initiatives may occur within the next 12 months.

Goodwill and Acquired Intangible Assets

Goodwill represents the excess of amounts paid over the fair value of net assets acquired from an acquisition. In order to determine the amount of goodwill resulting from an acquisition, we perform an assessment to determine the value of the acquired company's tangible and identifiable intangible assets and liabilities. In our assessment, we determine whether identifiable intangible assets exist, which typically include backlog and customer relationships.

We test goodwill for impairment annually for each reporting unit in the fourth quarter of the fiscal year, and between annual tests if events occur or circumstances change which suggest that goodwill should be evaluated. Such events or circumstances include significant changes in legal factors and business climate, recent losses at a reporting unit, and industry trends, among other factors. A reporting unit is defined as an operating segment or one level below an operating segment. Our impairment tests are performed at the operating segment level as they represent our reporting units.

The impairment test is a two-step process. During the first step, we estimate the fair value of the reporting unit using income and market approaches, and compare that amount to the carrying value of that reporting unit. In the event the fair value of the reporting unit is determined to be less than the carrying value, a second step is required. The second step requires us to perform a hypothetical purchase allocation for that reporting unit and to compare the resulting current implied fair value of the goodwill to the current carrying value of the goodwill for that reporting unit. In the event that the current implied fair value of the goodwill is less than the carrying value, an impairment charge is recognized.

During the fourth quarter, we conduct our annual goodwill impairment test. The impairment evaluation process includes, among other things, making assumptions about variables such as revenue growth rates, profitability, discount rates, and industry market multiples, which are subject to a high degree of judgment.

Material assumptions used in the impairment analysis included the weighted average cost of capital (WACC) percent and terminal growth rates. For example, as of September 30, 2015, a 1% increase in the WACC rate represents a $600 million decrease to the fair value of our reporting units. As of September 30, 2015, a 1% decrease in the terminal growth rate represents a $300 million decrease to the fair value of our reporting units.

Pension Benefit Obligations

A number of assumptions are necessary to determine our pension liabilities and net periodic costs. These liabilities and net periodic costs are sensitive to changes in those assumptions. The assumptions include discount rates, long-term rates of return on plan assets and inflation levels limited to the United Kingdom and are generally determined based on the current economic environment in each host country at the end of each respective annual reporting period. We evaluate the funded status of each of our retirement plans using these current assumptions and determine the appropriate funding level considering applicable regulatory requirements, tax deductibility, reporting considerations and other factors. Based upon current assumptions, we expect to contribute $20.7 million to our international plans in fiscal 2016. We have a required minimum contribution of $1.3 million for one of our U.S. qualified plans. In addition, we may make additional discretionary contributions. We currently expect to contribute $10.8 million to our U.S. plans (including benefit payments to nonqualified plans and postretirement medical plans) in fiscal 2016. If the discount rate was reduced by 25 basis points, plan liabilities would increase by approximately $75.8 million. If the discount rate and return on plan assets were reduced by 25 basis points, plan expense would decrease by approximately $0.7 million and increase by approximately $3.4 million, respectively. If inflation increased by 25 basis points, plan liabilities in the United Kingdom would increase by approximately $32.0 million and plan expense would increase by approximately $1.6 million.

At each measurement date, all assumptions are reviewed and adjusted as appropriate. With respect to establishing the return on assets assumption, we consider the long term capital market expectations for each asset class held as an investment by the various pension plans. In addition to expected returns for each asset class, we take into account standard deviation of returns and correlation between asset classes. This is necessary in order to generate a distribution of possible returns which reflects diversification of assets. Based on this information, a distribution of possible returns is generated based on the plan's target asset allocation.

Capital market expectations for determining the long term rate of return on assets are based on forward-looking assumptions which reflect a 20-year view of the capital markets. In establishing those capital market assumptions and expectations, we rely on the assistance of our actuaries and our investment consultants. We and the plan trustees review whether changes to the various plans' target asset allocations are appropriate. A change in the plans' target asset allocations would likely result in a change in the expected return on asset assumptions. In assessing a plan's asset allocation strategy, we and the plan trustees consider factors such as the structure of the plan's liabilities, the plan's funded status, and the impact of the asset allocation to the volatility of the plan's funded status, so that the overall risk level resulting from our defined benefit plans is appropriate within our risk management strategy.

Between September 30, 2014 and September 30, 2015, the aggregate worldwide pension deficit increased from $221.3 million to $572.6 million. The increase in the aggregate worldwide pension deficit was primarily driven by the acquisition of URS. Although funding rules are subject to local laws and regulations and vary by location, we expect to reduce this deficit over a period of 7 to 10 years. If the various plans do not experience future investment gains to reduce this shortfall, the deficit will be reduced by additional contributions.

Accrued Professional Liability Costs

We carry professional liability insurance policies or self-insure for our initial layer of professional liability claims under our professional liability insurance policies and for a deductible for each claim even after exceeding the self-insured retention. We accrue for our portion of the estimated ultimate liability for the estimated potential incurred losses. We establish our estimate of loss for each potential claim in consultation with legal counsel handling the specific matters and based on historic trends taking into account recent events. We also use an outside actuarial firm to assist us in estimating our future claims exposure. It is possible that our estimate of loss may be revised based on the actual or revised estimate of liability of the claims.

Foreign Currency Translation

Our functional currency is the U.S. dollar. Results of operations for foreign entities are translated to U.S. dollars using the average exchange rates during the period. Assets and liabilities for foreign entities are translated using the exchange rates in effect as of the date of the balance sheet. Resulting translation adjustments are recorded as a foreign currency translation adjustment into other accumulated comprehensive income/(loss) in stockholders' equity.

We limit exposure to foreign currency fluctuations in most of our contracts through provisions that require client payments in currencies corresponding to the currency in which costs are incurred. As a result of this natural hedge, we generally do not need to hedge foreign currency cash flows for contract work performed. However, we will use foreign exchange derivative financial instruments from time to time to mitigate foreign currency risk. The functional currency of all significant foreign operations is the respective local currency.

Fiscal year ended September 30, 2015 compared to the fiscal year ended September 30, 2014

Consolidated Results

	Fiscal Year Ended		Change	
	September 30, 2015	September 30, 2014	$	%
	($ in millions)			
Revenue	$ 17,989.9	$ 8,356.8	$ 9,633.1	115.3%
Cost of revenue	17,454.7	7,953.6	9,501.1	119.5
Gross profit	535.2	403.2	132.0	32.7
Equity in earnings of joint ventures	106.2	57.9	48.3	83.4
General and administrative expenses	(114.0)	(80.9)	(33.1)	40.9
Acquisition and integration expenses	(398.4)	(27.3)	(371.1)	1,359.3
Income from operations	129.0	352.9	(223.9)	(63.4)
Other income	19.1	2.7	16.4	607.4
Interest expense	(299.6)	(40.8)	(258.8)	634.3
Income before income tax expense	(151.5)	314.8	(466.3)	(148.1)
Income tax (benefit) expense	(80.3)	82.0	(162.3)	(197.9)
Net income	(71.2)	232.8	(304.0)	(130.6)
Noncontrolling interests in income of consolidated subsidiaries, net of tax	(83.6)	(2.9)	(80.7)	2,782.8
Net income attributable to AECOM	$ (154.8)	$ 229.9	$ (384.7)	(167.3)%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2015	September 30, 2014
Revenue	100.0%	100.0%
Cost of revenue	97.0	95.2
Gross profit	3.0	4.8
Equity in earnings of joint ventures	0.6	0.7
General and administrative expenses	(0.7)	(1.0)
Acquisition and integration expenses	(2.2)	(0.3)
Income from operations	0.7	4.2
Other income	0.1	—
Interest expense	(1.6)	(0.5)
Income before income tax expense	(0.8)	3.7
Income tax (benefit) expense	(0.4)	1.0
Net income	(0.4)	2.7
Noncontrolling interests in income of consolidated subsidiaries, net of tax	(0.5)	—
Net income attributable to AECOM	(0.9)%	2.7%

Revenue

Our revenue for the year ended September 30, 2015 increased $9,633.1 million, or 115.3%, to $17,989.9 million as compared to $8,356.8 million for the corresponding period last year. Revenue provided by acquired companies was $9,635.4 million for the year ended September 30, 2015. Excluding the revenue provided by acquired companies, revenue decreased $2.3 million, or 0.0%, from the year ended September 30, 2014.

The decrease in revenue, excluding acquired companies, for the year ended September 30, 2015 was primarily attributable to a negative foreign currency impact of $260 million due to the strengthening of the U.S. dollar against the Australian and Canadian dollars and the British pound, coupled with a decrease in the DCS Americas region of $220 million across its end markets, a decrease in the MS segment of $148.8 million, excluding acquired companies, and a decrease in the DCS Asia Pacific region of approximately $110 million. These decreases were offset by an increase in the CS segment of $639.4 million primarily from construction management services provided on high-rise buildings in the city of New York, and an increase in the DCS EMEA region of approximately $100 million.

Gross Profit

Our gross profit for the year ended September 30, 2015 increased $132.0 million, or 32.7%, to $535.2 million as compared to $403.2 million for the corresponding period last year. Gross profit provided by acquired companies was $206.3 million. For the year ended September 30, 2015, gross profit, as a percentage of revenue, decreased to 3.0% from 4.8% in the year ended September 30, 2014. Excluding gross profit provided by acquired companies, gross profit decreased $74.3 million, or 18.4%, from the year ended September 30, 2014.

The decreases in gross profit, excluding acquired companies, and gross profit, as a percentage of revenue, for the year ended September 30, 2015 were primarily due to factors impacting our segments as described below, including a decrease in revenue in the Americas region in our DCS segment.

Equity in Earnings of Joint Ventures

Our equity in earnings of joint ventures for the year ended September 30, 2015 was $106.2 million as compared to $57.9 million in the corresponding period last year. Equity in earnings of joint ventures provided by acquired companies was $80.1 million. Excluding earnings provided by acquired companies, earnings decreased $31.8 million, or 54.8%, from the year ended September 30, 2014.

The decrease in earnings of joint ventures for the year ended September 30, 2015, excluding acquisitions, was primarily due to the prior year $37.4 million gain on change in control of an unconsolidated joint venture that performs engineering and program management services in the Middle East and is included in the Company's DCS segment. The gain related to the excess of fair value over the carrying value of the previously held equity interest in the unconsolidated joint venture. See further discussion in Note 7 to the accompanying financial statements. The gain on change in control was partially offset by an impairment of an unrelated joint venture investment.

General and Administrative Expenses

Our general and administrative expenses for the year ended September 30, 2015 increased $33.1 million, or 40.9%, to $114.0 million as compared to $80.9 million for the corresponding period last year. As a percentage of revenue, general and administrative expenses decreased to 0.7% for the year ended September 30, 2015 from 1.0% for the year ended September 30, 2014.

The increase in general and administrative expenses for the year ended September 30, 2015 was primarily due to increased personnel and related costs associated with the acquisition of URS.

Acquisition and Integration Expenses

Acquisition and integration expenses were comprised of the following (in millions):

	Year Ended September 30,	
	2015	2014
Severance and personnel costs	$ 223.8	$ 15.2
Professional services, real estate-related, and other expenses	174.6	12.1
Total	$ 398.4	$ 27.3

Other Income

Our other income for the year ended September 30, 2015 increased $16.4 million to $19.1 million as compared to $2.7 million for the year ended September 30, 2014.

The increase in other income for the year ended September 30, 2015 was primarily due to the sale of an infrastructure fund investment.

Interest Expense

Our interest expense for the year ended September 30, 2015 was $299.6 million as compared to $40.8 million for the year ended September 30, 2014.

The increase in interest expense for the year ended September 30, 2015 was primarily due to a $55.6 million penalty upon prepayment of unsecured senior notes, the increase in interest expense generated by the Company's $3.8 billion increase in debt incurred in connection the acquisition of URS, and the write-off of capitalized debt issuance costs from our previous debt facilities.

Income Tax (Benefit) Expense

Our income tax benefit for the year ended September 30, 2015 was $80.3 million compared to income tax expense of $82.0 million for the year ended September 30, 2014. The effective tax rate was 53.0% and 26.1% for the years ended September 30, 2015 and 2014, respectively.

The decrease in income tax expense for the year ended September 30, 2015 was primarily due to an overall pretax loss, the effect of non-controlling interests in income of consolidated subsidiaries, a change in the geographical mix of earnings/losses, energy-related and other tax incentives, and an incremental tax benefit related to the reinstatement of expiring tax provisions during the period, partially offset by an increase in valuation allowances regarding realizability of certain current year foreign losses.

Net (Loss) Income Attributable to AECOM

The factors described above resulted in the net loss attributable to AECOM of $154.8 million for the year ended September 30, 2015, as compared to the net income attributable to AECOM of $229.9 million for the year ended September 30, 2014. This decrease was primarily due to the acquisition and integration expenses of $398.4 million associated with the URS Corporation acquisition.

Results of Operations by Reportable Segment

Design and Consulting Services

	Fiscal Year Ended		Change	
	September 30, 2015	September 30, 2014	$	%
	($ in millions)			
Revenue	$ 7,962.9	$ 5,443.1	$ 2,519.8	46.3%
Cost of revenue	7,663.6	5,112.8	2,550.8	49.9
Gross profit	$ 299.3	$ 330.3	$ (31.0)	(9.4)%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2015	September 30, 2014
Revenue	100.0%	100.0%
Cost of revenue	96.2	93.9
Gross profit	3.8%	6.1%

Revenue

Revenue for our DCS segment for the year ended September 30, 2015 increased $2,519.8 million, or 46.3%, to $7,962.9 million as compared to $5,443.1 million for the corresponding period last year. Revenue provided by acquired companies was $3,012.7 million. Excluding revenue provided by acquired companies, revenue decreased $492.9 million, or 9.1%, over the year ended September 30, 2014.

The decrease in revenue, excluding acquired companies, for the year ended September 30, 2015 was primarily attributable to a negative foreign currency impact of $260 million mostly due to the strengthening of the U.S. dollar against the Australian and Canadian dollars and the British pound, a decrease in the DCS Americas region of $220 million across its end markets, and a decrease in the DCS Asia Pacific region of approximately $110 million. These decreases were partially offset by an increase in the DCS EMEA region of approximately $100 million.

Gross Profit

Gross profit for our DCS segment for the year ended September 30, 2015 decreased $31.0 million, or 9.4%, to $299.3 million as compared to $330.3 million for the corresponding period last year. Gross profit provided by acquired companies was $48.0 million. Excluding gross profit provided by acquired companies, gross profit decreased $79.0 million, or 23.9%, from the year ended September 30, 2014. As a percentage of revenue, gross profit decreased to 3.8% of revenue for the year ended September 30, 2015 from 6.1% in the corresponding period last year.

The decrease in gross profit and gross profit as a percentage of revenue for the year ended September 30, 2015 was primarily attributable to a the decrease in revenue in the Americas region as discussed above.

Construction Services

	Fiscal Year Ended		Change	
	September 30, 2015	September 30, 2014	$	%
	($ in millions)			
Revenue	$ 6,676.7	$ 2,004.3	$ 4,672.4	233.1%
Cost of revenue	6,633.9	1,975.0	4,658.9	235.9
Gross profit	$ 42.8	$ 29.3	$ 13.5	46.1%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2015	September 30, 2014
Revenue	100.0%	100.0%
Cost of revenue	99.4	98.5
Gross profit	0.6%	1.5%

Revenue

Revenue for our CS segment for the year ended September 30, 2015 increased $4,672.4 million, or 233.1%, to $6,676.7 million as compared to $2,004.3 million for the corresponding period last year. Revenue provided by acquired companies was $4,033.0 million. Excluding revenue provided by acquired companies, revenue increased $639.4 million, or 31.9%, over the year ended September 30, 2014.

The increase in revenue, excluding revenue provided by acquired companies, for the year ended September 30, 2015 was primarily attributable to construction management services provided on high-rise buildings in the city of New York. Revenues provided by acquired companies in the year ended September 30, 2015 were negatively impacted by weak oil, gas, and power trends.

Gross Profit

Gross profit for our CS segment for the year ended September 30, 2015 increased $13.5 million, or 46.1%, to $42.8 million as compared to $29.3 million for the corresponding period last year. Gross profit provided by acquired companies was $6.8 million. Excluding gross profit provided by acquired companies, gross profit increased $6.7 million, or 23.0%, from the year ended September 30, 2014. As a percentage of revenue, gross profit decreased to 0.6% of revenue for the year ended September 30, 2015 from 1.5% in the corresponding period last year.

Management Services

	Fiscal Year Ended		Change	
	September 30, 2015	September 30, 2014	$	%
	($ in millions)			
Revenue	$ 3,350.3	$ 909.4	$ 2,440.9	268.4%
Cost of revenue	3,157.2	865.8	2,291.4	264.7
Gross profit	$ 193.1	$ 43.6	$ 149.5	342.9%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2015	September 30, 2014
Revenue	100.0%	100.0%
Cost of revenue	94.2	95.2
Gross profit	5.8%	4.8%

Revenue

Revenue for our MS segment for the year ended September 30, 2015 increased $2,440.9 million, or 268.4%, to $3,350.3 million as compared to $909.4 million for the corresponding period last year. Revenue provided by acquired companies was $2,589.7 million. Excluding revenue provided by acquired companies, revenue decreased $148.8 million, or 16.4%, over the year ended September 30, 2014.

The decrease in revenue, excluding revenue provided by acquired companies, for the year ended September 30, 2015 was primarily due to decreased services provided to the U.S. government in the Middle East and Africa.

Gross Profit

Gross profit for our MS segment for the year ended September 30, 2015 was $193.1 million as compared to $43.6 million for the corresponding period last year. Gross profit provided by acquired companies was $151.5 million. Excluding gross profit provided by acquired companies, gross profit decreased $2.0 million, or 4.6%, from the year ended September 30, 2014. As a percentage of revenue, gross profit increased to 5.8% of revenue for the year ended September 30, 2015 from 4.8% in the corresponding period last year.

Fiscal year ended September 30, 2014 compared to the fiscal year ended September 30, 2013

Consolidated Results

	Fiscal Year Ended September 30, 2014	Fiscal Year Ended September 30, 2013	Change $	Change %
	($ in millions)			
Revenue	$ 8,356.8	$ 8,153.5	$ 203.3	2.5%
Cost of revenue	7,953.6	7,703.5	250.1	3.2
Gross profit	403.2	450.0	(46.8)	(10.4)
Equity in earnings of joint ventures	57.9	24.3	33.6	138.3
General and administrative expenses	(80.9)	(97.3)	16.4	(16.9)
Acquisition and integration expenses	(27.3)	—	(27.3)	*
Income from operations	352.9	377.0	(24.1)	(6.4)
Other income	2.7	3.5	(0.8)	(22.9)
Interest expense	(40.8)	(44.7)	3.9	(8.7)
Income before income tax expense	314.8	335.8	(21.0)	(6.3)
Income tax expense	82.0	92.6	(10.6)	(11.4)
Net income	232.8	243.2	(10.4)	(4.3)
Noncontrolling interests in income of consolidated subsidiaries, net of tax	(2.9)	(4.0)	1.1	(27.5)
Net income attributable to AECOM	$ 229.9	$ 239.2	$ (9.3)	(3.9)%

* Not meaningful

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended September 30, 2014	Fiscal Year Ended September 30, 2013
Revenue	100.0%	100.0%
Cost of revenue	95.2	94.5
Gross profit	4.8	5.5
Equity in earnings of joint ventures	0.7	0.3
General and administrative expenses	(1.0)	(1.2)
Acquisition and integration expenses	(0.3)	—
Income from operations	4.2	4.6
Other income	—	—
Interest expense	(0.5)	(0.5)
Income before income tax expense	3.7	4.1
Income tax expense	1.0	1.1
Net income	2.7	3.0
Noncontrolling interests in income of consolidated subsidiaries, net of tax	—	—
Net income attributable to AECOM	2.7%	3.0%

Revenue

Our revenue for the year ended September 30, 2014 increased $203.3 million, or 2.5%, to $8,356.8 million as compared to $8,153.5 million for the year ended September 30, 2013. Revenue provided by acquired companies was $189.1 million for the year ended September 30, 2014. Excluding the revenue provided by acquired companies, revenue increased $14.2 million, or 0.2%, from the year ended September 30, 2013.

The increase in revenue, excluding acquired companies, for the year ended September 30, 2014 was primarily attributable to an increase in the Europe, Middle East, and Africa region of $340 million, including $150 million provided by newly consolidated AECOM Arabia, an increase in our CS segment of approximately $292 million and an increase in Asia of $60 million. These increases were partially offset by decreases in the Americas of approximately $310 million substantially from engineering and program management services, in Australia of approximately $150 million, and in our MS segment of $136 million, as noted below coupled with a negative foreign exchange impact of $70 million.

Gross Profit

Our gross profit for the year ended September 30, 2014 decreased $46.8 million, or 10.4%, to $403.2 million as compared to $450.0 million for the year ended September 30, 2013. Gross profit provided by acquired companies was $2.7 million. Excluding gross profit provided by acquired companies, gross profit decreased $49.5 million, or 11.0%, from the year ended September 30, 2013. For the year ended September 30, 2014, gross profit, as a percentage of revenue, decreased to 4.8% from 5.5% in the year ended September 30, 2013.

The decreases in gross profit and gross profit, as a percentage of revenue, for the year ended September 30, 2014 were primarily due to the reasons discussed within the reportable segments below.

Equity in Earnings of Joint Ventures

Our equity in earnings of joint ventures for the year ended September 30, 2014 was $57.9 million as compared to $24.3 million for the year ended September 30, 2013.

The increase in earnings of joint ventures for the year ended September 30, 2014 was primarily due to a $37.4 million gain on change in control of an unconsolidated joint venture that performs engineering and program management services in the Middle East and is included in our DCS segment. The gain relates to the excess of fair value over the carrying value of the previously held equity interest in the unconsolidated joint venture. See further discussion in Note 7 to the accompanying financial statements. The gain on change in control was partially offset by an impairment of an unrelated joint venture investment.

General and Administrative Expenses

Our general and administrative expenses for the year ended September 30, 2014 decreased $16.4 million, or 16.9%, to $80.9 million as compared to $97.3 million for the year ended September 30, 2013. As a percentage of revenue general and administrative expenses decreased to 1.0% for the year ended September 30, 2014 from 1.2% for the year ended September 30, 2013.

The decrease in general and administrative expenses was primarily due to decreased personnel costs.

Acquisition and Integration Expenses

Our acquisition and integration expenses for the year ended September 30, 2014 were $27.3 million, which included $15.2 million of external transaction costs and professional fees, and $12.1 million of personnel costs associated with the acquisition and integration of URS.

Other Income

Our other income for the year ended September 30, 2014 decreased $0.8 million to $2.7 million as compared to $3.5 million for the year ended September 30, 2013.

Interest Expense

Our interest expense for the year ended September 30, 2014 was $40.8 million as compared to $44.7 million of interest expense for the year ended September 30, 2013.

Income Tax (Benefit) Expense

Our income tax expense for the year ended September 30, 2014 decreased $10.6 million, or 11.4%, to $82.0 million as compared to $92.6 million for the year ended September 30, 2013. The effective tax rate was 26.1% and 27.6% for the years ended September 30, 2014 and 2013, respectively.

The decrease in income tax expense for the year ended September 30, 2014 was primarily due to lower overall pretax income, a change in the geographical mix of earnings, and an incremental tax benefit related to a US manufacturing deduction claimed on prior year U.S. corporate income tax returns.

Net Income Attributable to AECOM

The factors described above resulted in the net income attributable to AECOM of $229.9 million for the year ended September 30, 2014, as compared to the net income attributable to AECOM of $239.2 million for the year ended September 30, 2013.

Results of Operations by Reportable Segment

Design and Consulting Services

	Fiscal Year Ended		Change	
	September 30, 2014	September 30, 2013	$	%
	($ in millions)			
Revenue	$ 5,443.1	$ 5,556.1	$ (113.0)	(2.0)%
Cost of revenue	5,112.8	5,174.4	(61.6)	(1.2)
Gross profit	$ 330.3	$ 381.7	$ (51.4)	(13.5)%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2014	September 30, 2013
Revenue	100.0%	100.0%
Cost of revenue	93.9	93.1
Gross profit	6.1%	6.9%

Revenue

Revenue for our DCS segment for the year ended September 30, 2014 decreased $113.0 million, or 2.0%, to $5,443.1 million as compared to $5,556.1 million for the year ended September 30, 2013. Revenue provided by acquired companies was $28.8 million. Excluding revenue provided by acquired companies, revenue decreased $141.8 million, or 2.6%, over the year ended September 30, 2013.

The decrease in revenue, excluding acquired companies, for the year ended September 30, 2014 was primarily attributable to decreases in the Americas of approximately $310 million substantially from engineering and program management services, in Australia of approximately $150 million, coupled with negative foreign exchange impact of $70 million. The decreases were partially offset by an increase in the Europe, Middle East, and Africa region of $340 million, including $150 million provided by newly consolidated AECOM Arabia, and an increase in Asia of $60 million.

Gross Profit

Gross profit for our DCS segment for the year ended September 30, 2014 decreased $51.4 million, or 13.5%, to $330.3 million as compared to $381.7 million for the year ended September 30, 2013. Gross profit provided by acquired companies was $2.5 million. Excluding gross profit provided by acquired companies, gross profit decreased $53.9 million, or 14.1%, from the year ended September 30, 2013. As a percentage of revenue, gross profit decreased to 6.1% of revenue for the year ended September 30, 2014, from 6.9% in the year ended September 30, 2013.

The decrease in gross profit and gross profit as a percentage of revenue for the year ended September 30, 2014 was primarily attributable to a decline in revenue in engineering and program management services in the Americas, as discussed above. Specifically, as a result of the revenue decline, we experienced declines in profitability primarily within our transportation and water-related projects in the Americas. Additionally, the decrease in gross profit as a percentage of revenue was due to fixed costs in the Americas, including indirect labor, office lease, and business development costs that did not decrease proportionately with revenue. These decreases were partially offset by the approximately $12 million benefit recognized from the collection of a previously reserved receivable.

Construction Services

	Fiscal Year Ended		Change	
	September 30, 2014	September 30, 2013	$	%
		($ in millions)		
Revenue	$ 2,004.3	$ 1,552.1	$ 452.2	29.1%
Cost of revenue	1,975.0	1,527.9	447.1	29.3
Gross profit	$ 29.3	$ 24.2	$ 5.1	21.1%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2014	September 30, 2013
Revenue	100.0%	100.0%
Cost of revenue	98.5	98.4
Gross profit	1.5%	1.6%

Revenue

Revenue for our CS segment for the year ended September 30, 2014 increased $452.2 million, or 29.1%, to $2,004.3 million as compared to $1,552.1 million for the year ended September 30, 2013. Revenue provided by acquired companies was $160.3 million. Excluding revenue provided by acquired companies, revenue increased $291.9 million, or 18.8%, over the year ended September 30, 2013.

The increase in revenue, excluding revenue provided by acquired companies, for the year ended September 30, 2014 was primarily attributable to the construction of high-rise buildings in the city of New York.

Gross Profit

Gross profit for our CS segment for the year ended September 30, 2014 increased $5.1 million, or 21.1%, to $29.3 million as compared to $24.2 million for the year ended September 30, 2013. Gross profit provided by acquired companies was $0.2 million. Excluding gross profit provided by acquired companies, gross profit increased $4.9 million, or 20.2%, from the year ended September 30, 2013. As a percentage of revenue, gross profit decreased to 1.5% of revenue for the year ended September 30, 2014, from 1.6% in the year ended September 30, 2013.

The increase in gross profit, excluding gross profit provided by acquired companies, for the year ended September 30, 2014 was primarily attributable to the construction of high-rise buildings in the city of New York.

Management Services

	Fiscal Year Ended		Change	
	September 30, 2014	September 30, 2013	$	%
	($ in millions)			
Revenue	$ 909.4	$ 1,045.3	$ (135.9)	(13.0)%
Cost of revenue	865.8	1,001.2	(135.4)	(13.5)
Gross profit	$ 43.6	$ 44.1	$ (0.5)	(1.1)%

The following table presents the percentage relationship of certain items to revenue:

	Fiscal Year Ended	
	September 30, 2014	September 30, 2013
Revenue	100.0%	100.0%
Cost of revenue	95.2	95.8
Gross profit	4.8%	4.2%

Revenue

Revenue for our MS segment for the year ended September 30, 2014, decreased $135.9 million, or 13.0%, to $909.4 million as compared to $1,045.3 million for the year ended September 30, 2013. No revenue was provided by acquired companies.

The decrease in revenue for the year ended September 30, 2014 was primarily due to decreased services provided to the U.S. government in the Middle East.

Gross Profit

Gross profit for our MS segment for the year ended September 30, 2014 was $43.6 million as compared to $44.1 million for the year ended September 30, 2013. As a percentage of revenue, gross profit increased to 4.8% of revenue for the year ended September 30, 2014 from 4.2% in the year ended September 30, 2013. No gross profit was provided by acquired companies.

The increase in gross profit and gross profit, as a percentage of revenue for the year ended September 30, 2014 was primarily due to the approximately $10 million benefit from the collection of a previously reserved Libya-related project receivable. The increase in gross profit was partially offset by decreased services provided to the U.S. government in the Middle East. The increase in gross profit, as a percentage of revenue, was also due to an increase in the percentage of non-Middle East projects compared to the prior period that provided a higher profit rate than our projects for the U.S. Government in the Middle East.

Seasonality

We experience seasonal trends in our business. Our revenue is typically higher in the last half of the fiscal year. The fourth quarter of our fiscal year (July 1 to September 30) is typically our strongest quarter. We find that the U.S. Federal Government tends to authorize more work during the period preceding the end of our fiscal year, September 30. In addition, 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. 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. Our construction and project management services also typically expand during the high construction season of the summer months. The first quarter of our fiscal year (October 1 to December 31) is typically our weakest quarter. The harsher weather conditions impact our ability to complete work in parts of North America and the holiday season schedule affects our productivity during this period. For these reasons, coupled with the number and significance of client contracts commenced and completed during a particular period, as well as the timing 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 Flow

Our principal sources of liquidity are cash flows from operations, borrowings under our credit facilities, and access to financial markets. Our principal uses of cash are operating expenses, capital expenditures, working capital requirements, acquisitions, and repayment of debt. We believe our anticipated sources of liquidity including operating cash flows, existing cash and cash equivalents, borrowing capacity under our revolving credit facility, AECOM Capital investments, and our ability to issue debt or equity, if required, will be sufficient to meet our projected cash requirements for at least the next 12 months.

The Company has generally not provided U.S. income taxes on undistributed foreign earnings as of September 30, 2015, except for recording a deferred tax liability of $88.2 million for historical pre-acquisition earnings of certain URS foreign subsidiaries during the year ended September 30, 2015. Based on the available sources of cash flows discussed above, we anticipate we will continue to have the ability to permanently reinvest these amounts.

At September 30, 2015, cash and cash equivalents were $683.9 million, an increase of $109.7 million, or 19.1%, from $574.2 million at September 30, 2014. The increase in cash and cash equivalents was primarily attributable to net proceeds from borrowings under credit agreements, issuance of unsecured senior notes, coupled with cash provided by operating activities, partially offset by payments for business acquisitions, net of cash acquired.

Net cash provided by operating activities was $764.4 million for the year ended September 30 2015, an increase of $403.8 million, or 112.0%, from $360.6 million for the year ended September 30, 2014. The increase was primarily attributable to the timing of receipts and payments of working capital, which include accounts receivable, accounts payable, accrued expenses, and billings in excess of costs on uncompleted contracts. The sale of trade receivables to financial institutions during the year ended September 30, 2015 provided a net benefit of $108.9 million as compared to $10.8 million during the year ended September 30, 2014. We expect to continue to sell trade receivables in the future as long as the terms continue to remain favorable to the Company.

Net cash used in investing activities was $3,345.7 million for the year ended September 30, 2015, an increase of $3,202.9 million from $142.8 million for the year ended September 30, 2014. This increase was primarily attributable to increased payments for business acquisitions, net of cash acquired related to the acquisition of URS as more fully described in Note 4 to the accompanying financial statements. Payments for this acquisition included cash paid to stockholders and the payment of URS debt.

Net cash provided by financing activities was $2,719.8 million for the year ended September 30, 2015, compared with net cash used in financing activities of $233.8 million for the year ended September 30, 2014. The increase was primarily attributable to debt issued to finance the acquisition of URS, as more fully described in Note 9 to the accompanying financial statements. Proceeds from this new debt during the year ended September 30, 2015 consisted primarily of the $1,590.6 million increase in net proceeds from borrowings under our credit agreements, coupled with $1.6 billion of proceeds from the issuance of the 2014 Senior Notes.

URS Financing and Acquisition and Integration Expenses

During year ended September 30, 2015, we incurred approximately $79.8 million of acquisition related financing expenses and $398.4 million of acquisition and integration expenses. The acquisition related financing expenses were recognized in interest expense and primarily consisted of a pre-payment penalty of $55.6 million, from the repayment of our unsecured senior notes, and $9.0 million related to the write-off of capitalized debt issuance costs from our unsecured senior notes, and secured 2014 Credit Agreement. Acquisition and integration expenses for the year ended September 30, 2015 were comprised of the following:

Severance and personnel costs	$ 223.8
Professional service, real estate-related, and other expenses	174.6
Total	$ 398.4

We expect to incur approximately $195.0 million of amortization of intangible assets expense (including the effects of amortization included in equity in earnings of joint ventures and noncontrolling interests), and approximately $200 million of acquisition and integration expenses in fiscal 2016.

Working Capital

Working capital, or current assets less current liabilities, increased $431.7 million, or 44.1%, to $1,410.0 million at September 30, 2015 from $978.3 million at September 30, 2014. Net accounts receivable, which includes billed and unbilled costs and fees, net of billings in excess of costs on uncompleted contracts, increased $1,912.2 million, or 84.0%, to $4,187.6 million at September 30, 2015 from $2,275.4 million at September 30, 2014.

Days Sales Outstanding (DSO), which includes accounts receivable, net of billings in excess of costs on uncompleted contracts, and excludes the effects of recent acquisitions was 82 days at September 30, 2015 compared to the 85 days at September 30, 2014.

In Note 5, Accounts Receivable—Net, in the notes to our consolidated financial statements, a comparative analysis of the various components of accounts receivable is provided. Substantially all unbilled receivables are expected to be billed and collected within twelve months.

Unbilled receivables related to claims are recorded only if it is probable that the claim will result in additional contract revenue and if the amount can be reliably estimated. In such cases, revenue is recorded only to the extent that contract costs relating to the claim have been incurred. Other than as disclosed, there are no material net receivables related to contract claims as of September 30, 2015 and 2014. Award fees in unbilled receivables are accrued only when there is sufficient information to assess contract performance. On contracts that represent higher than normal risk or technical difficulty, award fees are generally deferred until an award fee letter is received.

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 generally not paid until payment is received (in some cases in the form of advances) from the customers.

Debt

Debt consisted of the following:

	September 30, 2015	September 30, 2014
	(in millions)	
2014 Credit Agreement	$ 2,414.3	$ —
2014 Senior Notes	1,600.0	—
URS Senior Notes	429.4	—
Unsecured term credit agreement	—	712.5
Unsecured senior notes	—	263.9
Other debt	163.2	27.6
Total debt	4,606.9	1,004.0
Less: Current portion of debt and short-term borrowings	(160.4)	(64.4)
Long-term debt, less current portion	$ 4,446.5	$ 939.6

The following table presents, in millions, our scheduled maturities as of September 30, 2015:

Fiscal Year	
2016	$ 160.4
2017	348.3
2018	126.7
2019	97.5
2020	1,507.1
Thereafter	2,366.9
Total	$ 4,606.9

2014 Credit Agreement

In connection with the acquisition of URS, on October 17, 2014, we entered into a new credit agreement (Credit Agreement) consisting of (i) a term loan A facility in an aggregate principal amount of $1.925 billion, (ii) a term loan B facility in an aggregate principal amount of $0.76 billion, (iii) a revolving credit facility in an aggregate principal amount of $1.05 billion, and (iv) an incremental performance letter of credit facility in an aggregate principal amount of $500 million subject to terms outlined in the Credit Agreement. These facilities under the Credit Agreement may be increased by an additional amount of up to $500 million. The Credit Agreement replaced the Second Amended and Restated Credit Agreement, dated as of June 7, 2013, and the Fourth Amended and Restated Credit Agreement, dated as of January 29, 2014, which such prior facilities were terminated and repaid in full on October 17, 2014. In addition, we paid in full, including a pre-payment penalty of $55.6 million, our unsecured senior notes (5.43% Series A Notes due July 2020 and 1.00% Series B Senior Discount Notes due July 2022). The new Credit Agreement matures on October 17, 2019 with respect to the revolving credit facility, the term loan A facility, and the incremental performance letter of credit facility. The term loan B facility matures on October 17, 2021. Certain subsidiaries of the Company (Guarantors) have guaranteed the obligations of the borrowers under the Credit Agreement. The borrowers' obligations under the Credit Agreement are secured by a lien on substantially all of the assets of the Company and the Guarantors pursuant to a security and pledge agreement (Security Agreement). The collateral under the Security Agreement is subject to release upon fulfillment of certain conditions specified in the Credit Agreement and Security Agreement.

The Credit Agreement contains covenants that limit our ability and certain of our subsidiaries to, among other things: (i) create, incur, assume, or suffer to exist liens; (ii) incur or guarantee indebtedness; (iii) pay dividends or repurchase stock; (iv) enter into transactions with affiliates; (v) consummate asset sales, acquisitions or mergers; (vi) enter into certain type of burdensome agreements; or (vii) make investments.

On July 1, 2015, the Credit Agreement was amended to revise the definition of "Consolidated EBITDA" to increase the allowance for acquisition and integration expenses related to the acquisition of URS.

Under the Credit Agreement, we are subject to a maximum consolidated leverage ratio and minimum interest coverage ratio at the end of each fiscal quarter beginning with the quarter ending on March 31, 2015. Our Consolidated Leverage Ratio was 4.6 at September 30, 2015. As of September 30, 2015, we were in compliance with the covenants of the Credit Agreement.

At September 30, 2015 and 2014, outstanding standby letters of credit totaled $92.5 million and $12.1 million, respectively, under our revolving credit facilities. As of September 30, 2015 and 2014, we had $947.6 million and $1,037.9 million, respectively, available under our revolving credit facility.

2014 Senior Notes

On October 6, 2014, we completed a private placement offering of $800,000,000 aggregate principal amount of its 5.750% Senior Notes due 2022 (2022 Notes) and $800,000,000 aggregate principal amount of its 5.875% Senior Notes due 2024 (the 2024 Notes and, together with the 2022 Notes, the 2014 Senior Notes or Notes).

As of September 30, 2015, the estimated fair market value of our 2014 Senior Notes was approximately $1,616.0 million, $806.0 million for the 2022 Notes and $810.0 million for the 2024 Notes. The fair value of our Notes as of September 30, 2015 was derived by taking the mid-point of the trading prices from an observable market input (Level 2) in the secondary bond market and multiplying it by the outstanding balance of its Notes.

At any time prior to October 15, 2017, we may redeem all or part of the 2022 Notes, at a redemption price equal to 100% of their principal amount, plus a "make whole" premium as of the redemption date, and accrued and unpaid interest (subject to the rights of holders of record on the relevant record date to receive interest due on the relevant interest payment date). In addition, at any time prior to October 15, 2017, we may redeem up to 35% of the original aggregate principal amount of the 2022 Notes with the proceeds of one or more equity offerings, at a redemption price equal to 105.750%, plus accrued and unpaid interest. Furthermore, at any time on or after October 15, 2017, we may redeem the 2022 Notes, in whole or in part, at once or over time, at the specified redemption prices plus accrued and unpaid interest thereon to the redemption date. At any time prior to July 15, 2024, we may redeem on one or more occasions all or part of the 2024 Notes at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) a "make-whole" premium as of the date of the redemption, plus any accrued and unpaid interest to the date of redemption. In addition, on or after July 15, 2024, the 2024 Notes may be redeemed at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest to the date of redemption.

The indenture pursuant to which the 2014 Senior Notes were issued contains customary events of default, including, among other things, payment default, exchange default, failure to provide certain notices thereunder and certain provisions related to bankruptcy events. The indenture also contains customary negative covenants.

In connection with the offering of the Notes, the Company and the Guarantors entered into a Registration Rights Agreement, dated as of October 6, 2014 to exchange the Notes for registered notes having terms substantially identical in all material respects to (except certain transfer restrictions, registration rights and additional interest provisions relating to the Notes will not apply to the registered notes). The Company filed an initial registration statement on Form S-4 with the SEC on July 6, 2015 that was declared effective by the SEC on September 29, 2015. On November 2, 2015, the Company completed its exchange offer which exchanged the Notes for the registered new notes, as well as all related guarantees.

We were in compliance with the covenants relating to the Notes as of September 30, 2015.

URS Senior Notes

In connection with the URS acquisition, we assumed URS's 3.85% Senior Notes due 2017 (2017 URS Senior Notes) and its 5.00% Senior Notes due 2022 (2022 URS Senior Notes) totaling $1.0 billion (URS Senior Notes). The URS acquisition triggered change in control provisions in the URS Senior Notes that allowed URS senior note holders to redeem their URS Senior Notes at a cash price equal to 101% of the principal amount and, accordingly, we redeemed $572.3 million of the URS Senior Notes on October 24, 2014. The URS Senior Notes are general unsecured senior obligations of AECOM Global II, LLC (as successor in interest to URS) and URS Fox US LP and are fully and unconditionally guaranteed on a joint-and-several basis by certain former URS domestic subsidiary guarantors.

As of September 30, 2015, the estimated fair market value of the URS Senior Notes was approximately $408.6 million, $178.7 million for the 2017 URS Senior Notes and $229.9 million for the 2022 URS Senior Notes. The carrying value of the URS Senior Notes on our Consolidated Balance Sheets as of September 30, 2015 was $429.4 million, $182.0 million for the 2017 URS Senior Notes and $247.4 million for the 2022 URS Senior Notes. The fair value of the URS Senior Notes as of September 30, 2015 was derived by taking the mid-point of the trading prices from an observable market input (Level 2) in the secondary bond market and multiplying it by the outstanding balance of the URS Senior Notes.

As of September 30, 2015, we were in compliance with the covenants relating to the URS Senior Notes.

Other Debt

Other debt consists primarily of obligations under capital leases and loans, and unsecured credit facilities. Our unsecured credit facilities are primarily used for standby letters of credit issued for payment of performance guarantees. At September 30, 2015 and 2014, these outstanding standby letters of credit totaled $344 million and $301 million, respectively. As of September 30, 2015, we had $405.9 million available under these unsecured credit facilities.

Effective Interest Rate

Our average effective interest rate on our total debt, including the effects of the interest rate swap agreements, during the year ended September 30, 2015, 2014 and 2013 was 4.2%, 2.8% and 3.0%, respectively.

Joint Venture Arrangements and Other Commitments

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. We have consolidated all joint ventures for which we have control. For all others, our portion of the earnings is recorded in equity in earnings of joint ventures. See Note 7 in the notes to our consolidated financial statements.

Other than normal property and equipment additions and replacements, URS Financing and Acquisition and Integration Expenses expenditures to further the implementation of our Enterprise Resource Planning system, commitments under our incentive compensation programs, amounts we may expend to repurchase stock under our stock repurchase program and acquisitions from time to time, we currently do not have any significant capital expenditures or outlays planned except as described below. However, if we acquire additional businesses in the future or if we embark on other capital-intensive initiatives, additional working capital may be required.

Under our revolving credit facility and other facilities discussed in Other Debt above, as of September 30, 2015, there was approximately $436.5 million outstanding under standby letters of credit issued primarily in connection with general and professional liability insurance programs and for contract performance guarantees. For those projects for which we have issued a performance guarantee, 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 recognized 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 benefit plans. The total amounts of employer contributions paid for the year ended September 30, 2015 were $42.1 million for U.S. plans and $24.4 million for non-U.S. plans. Funding requirements for each plan are determined based on the local laws of the country where such plan resides. In certain countries, the funding requirements are mandatory while in other countries, they are discretionary. We do not have a required minimum contribution for our domestic plans; however, we may make additional discretionary contributions. In the future, such pension funding may increase or decrease depending on changes in the levels of interest rates, pension plan performance and other factors. In addition, we have collective bargaining agreements with unions that require us to contribute to various third party multiemployer pension plans that we do not control or manage.

Commitments and Contingencies

The Company records amounts representing its probable estimated liabilities relating to claims, guarantees, litigation, audits and investigations. The Company relies in part on qualified actuaries to assist it in determining the level of reserves to establish for insurance-related claims that are known and have been asserted against it, and for insurance-related claims that are believed to have been incurred based on actuarial analysis, but have not yet been reported to the Company's claims administrators as of the respective balance sheet dates. The Company includes any adjustments to such insurance reserves in its consolidated results of operations.

The Company and its affiliates are involved in various investigations, audits, claims and lawsuits arising in the normal course of business. In the opinion of management, based on current information and discussions with counsel, with the exception of matters noted below, the ultimate resolution of these matters is not expected to have a material adverse effect on the Company's consolidated balance sheet or statements of income or cash flows. The Company is not always aware that it or its affiliates are under investigation, or of the status of such matters, but the Company is currently aware of certain pending investigations, including the matters described below.

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 additional costs or be held responsible for the costs incurred by the client to achieve the required performance standards. At September 30, 2015, the Company was contingently liable in the amount of approximately $436.5 million under standby letters of credit issued primarily in connection with general and professional liability insurance programs and for payment of performance guarantees.

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. In addition, in connection with the investment activities of AECOM Capital, we provide guarantees of certain obligations, including guarantees for completion of projects, repayment of debt, environmental indemnity obligations and acts of willful misconduct. 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. Generally, 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 does not expect that these guarantees will have a material adverse effect on its consolidated balance sheet or statements of income or cash flows.

USAID Egyptian Projects

In November 2004, the federal government filed a civil action in Idaho federal district court against Washington Group International, a Delaware company (WGI), an affiliate of URS, which the Company acquired on October 17, 2014, and two of WGI's subcontractors, asserting violations under the Federal False Claims Act and Federal Foreign Assistance Act of 1961 for failure to comply with U.S. Agency for International Development (USAID) source, origin, and nationality regulations in connection with five USAID-financed Egyptian projects beginning in the early 1990s. The federal government seeks a refund of the approximately $373 million paid to WGI under the contracts for the five completed and fully operational projects as well as damages and civil penalties (including doubling and trebling of damages) for violation of the statutes. In March 2005, WGI filed motions in Idaho federal district court and the United States Bankruptcy Court in Nevada contending that the federal government's Idaho federal district court action was barred under the plan of reorganization approved by the Bankruptcy Court in 2002 when WGI emerged from bankruptcy protection. In 2006, the Idaho federal district court action was stayed pending the bankruptcy-related proceedings. On April 24, 2012, the Bankruptcy Court ruled that the bulk of the federal government's claims under the Federal False Claims and the Federal Foreign Assistance Acts are not barred. On November 7, 2012, WGI appealed the Bankruptcy Court's decision to the Ninth Circuit Bankruptcy Appellate Panel. On August 2, 2013, the Appellate Panel affirmed the Bankruptcy Court's decision. On September 26, 2013, WGI appealed the Appellate Panel's decision to the United States Ninth Circuit Court of Appeals.

WGI contests the federal government's allegations and intends to continue to defend this matter vigorously; however, WGI cannot provide assurance that it will be successful in these efforts.

DOE Deactivation, Demolition, and Removal Project

Washington Group International, an Ohio company (WGI Ohio), an affiliate of URS, executed a cost-reimbursable task order with the Department of Energy (DOE) in 2007 to provide deactivation, demolition and removal services at a New York State project site that, during 2010, experienced contamination and performance issues and remains uncompleted. In February 2011, WGI Ohio and the DOE executed a Task Order Modification that changed some cost-reimbursable contract provisions to at-risk. The Task Order Modification, including subsequent amendments, requires the DOE to pay all project costs up to $106 million, requires WGI Ohio and the DOE to equally share in all project costs incurred from $106 million to $146 million, and requires WGI Ohio to pay all project costs exceeding $146 million.

Due to unanticipated requirements and permitting delays by federal and state agencies, as well as delays and related ground stabilization activities caused by Hurricane Irene in 2011, WGI Ohio has been required to perform work outside the scope of the Task Order Modification. In December 2014, WGI Ohio submitted claims against the DOE pursuant to the Contracts Disputes Acts seeking recovery of $103 million, including additional fees on changed work scope. Due to significant delays and uncertainties about responsibilities for the scope of remaining work, final project completion costs and other associated costs may exceed $100 million.

WGI Ohio can provide no certainty that it will recover the DOE claims and fees submitted in December 2014, as well as any other project costs after December 2014 that WGI Ohio is obligated to incur including the remaining project completion costs, which could have a material adverse effect on the Company's results of operations.

Canadian Pipeline Contract

In January 2010, a pipeline owner filed an action in the Court of Queen's Bench of Alberta, Canada against Flint Energy Services Ltd. (Flint), an affiliate of URS, as well as against a number of other defendants, alleging that the defendants negligently provided pipe coating and insulation system services, engineering, design services, construction services, and other work, causing damage to and abandonment of the line. The pipeline owner alleges it has suffered approximately C$85 million in damages in connection with the abandonment and replacement of the pipeline. Flint was the construction contractor on the pipeline project. Other defendants were responsible for engineering and design-services and for specifying and providing the actual pipe, insulation and coating materials used in the line. In January 2011, the pipeline owner served a Statement of Claim on Flint and, in September 2011, Flint filed a Statement of Defense denying that the damages to the coating system of the pipeline were caused by any negligence or breach of contract of Flint.

Flint disputes the pipeline owner's claims and intends to continue to defend this matter vigorously; however, it cannot provide assurance that it will be successful, in whole or in part, in these efforts.

Waste Isolation Pilot Plant Environmental Incidents

URS is a member of Nuclear Waste Partnership, LLC, a joint venture that manages and operates the Waste Isolation Pilot Plant (WIPP), a DOE federal waste repository in New Mexico designed to dispose of low level transuranic (TRU) radioactive waste generated by federal facilities. On February 5, 2014, an underground vehicle fire suspended operations at WIPP. On February 14, 2014, in a separate and unrelated event, a TRU waste container that originated from Los Alamos National Laboratory breached and released low levels of radiological contaminants from the mine at WIPP into the atmosphere. On December 6, 2014, the DOE and Nuclear Waste Partnership received an administrative compliance order and civil penalty of $17.7 million from the New Mexico Environment Department alleging violations of the Resource Conservation and Recovery Act and the New Mexico Hazardous Waste Act due to WIPP's failure to prevent the underground fire and the radiological release. In addition, disposal operations at WIPP have been suspended until a final recovery plan can be implemented.

Nuclear Waste Partnership, DOE and the New Mexico Environmental Department have executed a General Principles of Agreement, which, if incorporated into a final settlement document, would provide for DOE funding for various projects in lieu of any penalty payments.

Tishman Inquiry

The U.S. Attorney's Office for the Eastern District of New York (USAO) has informed the Company's subsidiary Tishman Construction Corporation (TCC) that, in connection with a wage and hour investigation of several New York area contractors, the USAO is investigating potential improper overtime payments to union workers on projects managed by TCC and other contractors in New York dating back to 1999. TCC, which was acquired by the Company in 2010, has cooperated fully with the investigation and, as of this date, no actions have been filed. TCC continues to cooperate with the ongoing investigation and to engage in active discussions with the U.S. Attorney's Office regarding an amicable resolution of the issues raised as a result of the investigation.

AECOM Australia

In 2005 and 2006, the Company's main Australian subsidiary, AECOM Australia Pty Ltd (AECOM Australia), performed a traffic forecast assignment for a client consortium as part of the client's project to design, build, finance and operate a tolled motorway tunnel in Australia. To fund the motorway's design and construction, the client formed certain special purpose vehicles (SPVs) that raised approximately $700 million Australian dollars through an initial public offering (IPO) of equity units in 2006 and approximately an additional $1.4 billion Australian dollars in long term bank loans. The SPVs went into insolvency administrations in February 2011.

KordaMentha, the receivers for the SPVs (the RCM Applicants), caused a lawsuit to be filed against AECOM Australia by the RCM Applicants in the Federal Court of Australia on May 14, 2012. Portigon AG (formerly WestLB AG), one of the lending banks to the SPVs, filed a lawsuit in the Federal Court of Australia against AECOM Australia on May 18, 2012. Separately, a class action lawsuit, which has been amended to include approximately 770 of the IPO investors, was filed against AECOM Australia in the Federal Court of Australia on May 31, 2012.

All of the lawsuits claim damages that purportedly resulted from AECOM Australia's role in connection with the above described traffic forecast. The class action applicants claim that they represent investors who acquired approximately $155 million Australian dollars of securities. On July 10, 2015, AECOM Australia, the RCM Applicants and Portigon AG entered into a Deed of Release settling the respective lawsuits.

AECOM Australia disputes the claimed entitlements to damages asserted by the remaining class action lawsuit and will continue to defend this matter vigorously; AECOM Australia cannot provide assurance that it will be successful in these efforts. The potential range of loss and the resolution of this matter cannot be determined at this time and could have a material adverse effect on AECOM Australia and the results of its operations.

DOE Hanford Nuclear Reservation

URS Energy and Construction, Washington River Protection Solutions LLC and Washington Closure Hanford LLC, affiliates of URS, perform services under multiple contracts (including under the Waste

Treatment Plant contract, the Tank Farm contract and the River Corridor contract) at the DOE's Hanford nuclear reservation that have been subject to various government investigations or litigation:

- Waste Treatment Plant government investigation: The federal government is conducting an investigation into our affiliate, URS Energy & Construction, a subcontractor on the Waste Treatment Plant, regarding contractual compliance and various technical issues in the design, development and construction of the Waste Treatment Plant.

- Waste Treatment Plant whistleblower and employment claims: In 2011, two former employees have each filed employment related claims against our affiliate, URS Energy & Construction, seeking restitution for alleged retaliation and wrongful termination. In August 2015, URS Energy & Construction settled one of these former employees' whistleblower and employment related claims for $4.1 million.

- Tank Farms government investigation: The federal government is conducting an investigation regarding the time keeping of employees at our joint venture, Washington River Protection Solutions LLC, when the joint venture took over as the prime contractor from another federal contractor.

- Tank Farms government investigation: The federal government is conducting an investigation into the circumstances surrounding the response of our joint venture, Washington River Protection Solutions LLC, to a leak within the tank farms of the Hanford nuclear reservation.

- River Corridor litigation: The federal government has partially intervened in a false claims act complaint filed in the Eastern District of Washington on December 2013 challenging our joint venture, Washington Closure Hanford LLC, and its contracting procedures under the Small Business Act.

URS Energy and Construction, Washington River Protection Solutions LLC and Washington Closure Hanford LLC dispute these investigations and claims and intend to continue to defend these matters vigorously; however, URS Energy and Construction, Washington River Protection Solutions LLC and Washington Closure Hanford LLC cannot provide assurances that they will be successful in these efforts. The resolution of these matters cannot be determined at this time and could have a material adverse effect on the Company's results of operations and cash flows.

Contractual Obligations and Commitments

The following summarizes our contractual obligations and commercial commitments as of September 30, 2015:

Contractual Obligations and Commitments	Total	Less than One Year	One to Three Years (in millions)	Three to Five Years	More than Five Years
Debt	$ 4,606.9	$ 160.4	$ 475.0	$ 1,604.6	$ 2,366.9
Interest on debt	1,185.6	210.2	396.3	319.5	259.6
Operating leases	1,620.0	328.9	474.6	329.1	487.4
Pension benefit payments	873.4	78.0	167.2	168.7	459.5
Total contractual obligations and commitments	$ 8,285.9	$ 777.5	$ 1,513.1	$ 2,421.9	$ 3,573.4

New Accounting Pronouncements and Changes in Accounting

In May 2014, the FASB issued new accounting guidance which amended the existing accounting standards for revenue recognition. The new accounting guidance establishes principles for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. The guidance will be effective for our fiscal year beginning October 1, 2018. The amendments may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of initial application. We selected the modified retrospective transition method, in which we will recognize the cumulative effect as of the date of initial application. We are currently in the process of evaluating the impact of the adoption of the new accounting guidance on our consolidated financial statements.

In February 2015, the FASB issued amended guidance to the consolidation standard which updates the analysis that a reporting entity must perform to determine whether it should consolidate certain types of legal entities. The amendment modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities and affects the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships, among other provisions. This amended guidance will be effective for our fiscal year beginning October 1, 2016. We are currently assessing the impact of the adoption that the amended guidance will have on its consolidated financial statements.

In April 2015, the FASB issued new accounting guidance which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. Prior to the issuance of the standard, debt issuance costs were required to be presented in the balance sheet as an asset. The guidance requires retrospective application and represents a change in accounting principle. We do not expect the guidance to have a material impact on our consolidated financial statements, as the application of this guidance affects classification only. This guidance will be effective for our fiscal year beginning October 1, 2017.

In April 2015, the FASB issued new accounting guidance which provides the use of a practical expedient that permits the entity to measure defined benefit plans assets and obligations using the month-end date that is closest to the entity's fiscal year-end date and apply that practical expedient consistently from year to year. Should we elect to adopt this guidance, we do not expect that the adoption of this guidance will have a material impact on our consolidated financial statements. This guidance will be effective for our fiscal year beginning October 1, 2017.

In September 2015, the FASB issued new accounting guidance which simplifies the accounting for measurement-period adjustments in connection with business combinations. The new guidance requires that the cumulative impact of a measurement-period adjustment (including the impact on prior periods) be recognized in the reporting period in which the adjustment amount is determined and therefore, eliminates the requirement to retrospectively account for the adjustment in prior periods presented. This guidance is effective for fiscal years and interim periods beginning after December 15, 2015, and is to be applied prospectively to measurement-period adjustments that occur after the effective date. Early adoption is permitted. The Company early adopted this guidance for the quarter ended September 30, 2015.

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. We have consolidated all joint ventures for which we have control. For all others, our portion of the earnings are recorded in equity in earnings of joint ventures. See Note 7 in the notes to our consolidated financial statements. We do not believe that we have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that would be material to investors.

ITEM 7A. 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. In order to accomplish this objective, we sometimes 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 Exchange Rates

We are exposed to foreign currency exchange rate risk resulting from our operations outside of the U.S. We use foreign currency forward contracts from time to time to mitigate foreign currency risk. We limit exposure to foreign currency fluctuations in most of our contracts through provisions that require client payments in currencies corresponding to the currency in which costs are incurred. As a result of this natural hedge, we generally do not need to hedge foreign currency cash flows for contract work performed. The functional currency of our significant foreign operations is the respective local currency.

Interest Rates

Our senior Credit Agreement and certain other debt obligations are subject to variable rate interest which could be adversely affected by an increase in interest rates. As of September 30, 2015 and 2014, we had $2,414.3 million and $712.5 million, respectively, in outstanding borrowings under our term credit agreements and our revolving credit facility. Interest on amounts borrowed under these agreements is subject to adjustment based on certain levels of financial performance. The applicable margin that is added to the borrowing's base rate can range from 0.75% to 3.00%. For the year ended September 30, 2015, our weighted average floating rate borrowings were $3,001.9 million, or $2,476.9 million excluding borrowings with effective fixed interest rates due to interest rate swap agreements. If short term floating interest rates had increased or decreased by 0.125%, our interest expense for the year ended September 30, 2015 would have increased or decreased by $3.1 million. We invest our cash in a variety of financial instruments, consisting principally of money market securities or other highly liquid, short-term securities that are subject to minimal credit and market risk.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

AECOM
Index to Consolidated Financial Statements
September 30, 2015

Audited Annual Financial Statements

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of AECOM

We have audited the accompanying consolidated balance sheets of AECOM (formerly AECOM Technology Corporation) (the "Company") as of September 30, 2015 and 2014, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended September 30, 2015. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of AECOM at September 30, 2015 and 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended September 30, 2015, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), AECOM's internal control over financial reporting as of September 30, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated November 25, 2015 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Los Angeles, California
November 25, 2015

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of AECOM

We have audited AECOM's (formerly AECOM Technology Corporation) (the "Company") internal control over financial reporting as of September 30, 2015, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the "COSO criteria"). AECOM's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, AECOM maintained, in all material respects, effective internal control over financial reporting as of September 30, 2015, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of AECOM as of September 30, 2015 and 2014, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the three years in the period ended September 30, 2015 and our report dated November 25, 2015 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Los Angeles, California
November 25, 2015

AECOM

Consolidated Balance Sheets

(in thousands, except share data)

	September 30, 2015	September 30, 2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 543,016	$ 521,784
Cash in consolidated joint ventures	140,877	52,404
Total cash and cash equivalents	683,893	574,188
Accounts receivable—net	4,841,450	2,654,976
Prepaid expenses and other current assets	388,982	177,536
Income taxes receivable	81,161	1,541
Deferred tax assets—net	250,599	25,872
TOTAL CURRENT ASSETS	6,246,085	3,434,113
PROPERTY AND EQUIPMENT—NET	699,322	281,979
DEFERRED TAX ASSETS—NET	—	118,038
INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES	321,625	142,901
GOODWILL	5,820,692	1,937,338
INTANGIBLE ASSETS—NET	659,438	90,238
OTHER NON-CURRENT ASSETS	267,136	118,770
TOTAL ASSETS	$ 14,014,298	$ 6,123,377
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	$ 2,788	$ 23,915
Accounts payable	1,853,993	1,047,155
Accrued expenses and other current liabilities	2,167,771	964,627
Billings in excess of costs on uncompleted contracts	653,877	379,574
Current portion of long-term debt	157,623	40,498
TOTAL CURRENT LIABILITIES	4,836,052	2,455,769
OTHER LONG-TERM LIABILITIES	305,485	233,977
DEFERRED TAX LIABILITY—NET	230,037	844
PENSION BENEFIT OBLIGATIONS	565,254	220,742
LONG-TERM DEBT	4,446,527	939,565
TOTAL LIABILITIES	10,383,355	3,850,897
COMMITMENTS AND CONTINGENCIES (Note 19)		
AECOM STOCKHOLDERS' EQUITY:		
Common stock—authorized, 300,000,000 shares of $0.01 par value as of September 30, 2015 and 2014; issued and outstanding 151,263,650 and 96,715,797 shares as of September 30, 2015 and 2014, respectively	1,513	967
Additional paid-in capital	3,518,999	1,864,971
Accumulated other comprehensive loss	(635,100)	(356,602)
Retained earnings	522,336	677,181
TOTAL AECOM STOCKHOLDERS' EQUITY	3,407,748	2,186,517
Noncontrolling interests	223,195	85,963
TOTAL STOCKHOLDERS' EQUITY	3,630,943	2,272,480
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 14,014,298	$ 6,123,377

See accompanying Notes to Consolidated Financial Statements.

AECOM

Consolidated Statements of Operations

(in thousands, except per share data)

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
Revenue	$ 17,989,880	$ 8,356,783	$ 8,153,495
Cost of revenue	17,454,692	7,953,607	7,703,507
Gross profit	535,188	403,176	449,988
Equity in earnings of joint ventures	106,245	57,924	24,319
General and administrative expenses	(113,975)	(80,908)	(97,318)
Acquisition and integration expenses	(398,440)	(27,310)	—
Income from operations	129,018	352,882	376,989
Other income	19,139	2,748	3,522
Interest expense	(299,627)	(40,842)	(44,737)
(Loss) income before income tax (benefit) expense	(151,470)	314,788	335,774
Income tax (benefit) expense	(80,237)	82,024	92,578
Net (loss) income	(71,233)	232,764	243,196
Noncontrolling interests in income of consolidated subsidiaries, net of tax	(83,612)	(2,910)	(3,953)
Net (loss) income attributable to AECOM	$ (154,845)	$ 229,854	$ 239,243
Net (loss) income attributable to AECOM per share:			
Basic	$ (1.04)	$ 2.36	$ 2.38
Diluted	$ (1.04)	$ 2.33	$ 2.35
Weighted average shares outstanding:			
Basic	149,605	97,226	100,618
Diluted	149,605	98,657	101,942

See accompanying Notes to Consolidated Financial Statements.

AECOM

Consolidated Statements of Comprehensive Income (Loss)

(in thousands)

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
Net (loss) income	$ (71,233)	$ 232,764	$ 243,196
Other comprehensive (loss) income, net of tax:			
Net unrealized (loss) gain on derivatives, net of tax	(9,196)	315	1,568
Foreign currency translation adjustments	(285,520)	(72,715)	(70,441)
Pension adjustments, net of tax	12,953	(24,161)	(14,582)
Other comprehensive loss, net of tax	(281,763)	(96,561)	(83,455)
Comprehensive (loss) income, net of tax	(352,996)	136,203	159,741
Noncontrolling interests in comprehensive income of consolidated subsidiaries, net of tax	(80,347)	(1,652)	(2,624)
Comprehensive (loss) income attributable to AECOM, net of tax	$ (433,343)	$ 134,551	$ 157,117

See accompanying Notes to Consolidated Financial Statements.

AECOM

Consolidated Statements of Stockholders' Equity

(in thousands)

	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total AECOM Stockholders' Equity	Non-Controlling Interests	Total Stockholder's Equity
BALANCE AT SEPTEMBER 30, 2012	1,070	1,741,478	(179,173)	606,089	2,169,464	55,024	2,224,488
Net income				239,243	239,243	3,953	243,196
Other comprehensive loss			(82,126)		(82,126)	(1,329)	(83,455)
Issuance of stock	11	28,340			28,351		28,351
Repurchases of stock	(147)	(8,380)		(373,177)	(381,704)		(381,704)
Proceeds from exercise of options	8	14,357			14,365		14,365
Tax benefit from exercise of stock options		1,239			1,239		1,239
Stock based compensation	18	32,593			32,611		32,611
Other transactions with noncontrolling interests					—	13,488	13,488
Contributions from noncontrolling interests					—	1,421	1,421
Distributions to noncontrolling interests					—	(19,906)	(19,906)
BALANCE AT SEPTEMBER 30, 2013	960	1,809,627	(261,299)	472,155	2,021,443	52,651	2,074,094
Net income				229,854	229,854	2,910	232,764
Other comprehensive loss			(95,303)		(95,303)	(1,258)	(96,561)
Issuance of stock	4	13,882			13,886		13,886
Repurchases of stock	(14)	(6,778)		(24,828)	(31,620)		(31,620)
Proceeds from exercise of options	6	13,411			13,417		13,417
Tax benefit from exercise of stock options		402			402		402
Stock based compensation	11	34,427			34,438		34,438
Other transactions with noncontrolling interests					—	61,913	61,913
Contributions from noncontrolling interests					—		—
Distributions to noncontrolling interests					—	(30,253)	(30,253)
BALANCE AT SEPTEMBER 30, 2014	967	1,864,971	(356,602)	677,181	2,186,517	85,963	2,272,480
Net income				(154,845)	(154,845)	83,612	(71,233)
Other comprehensive loss			(278,498)		(278,498)	(3,265)	(281,763)
Issuance of stock	525	1,577,456			1,577,981		1,577,981
Repurchases of stock	16	(23,129)			(23,113)		(23,113)
Proceeds from exercise of options	5	11,068			11,073		11,073
Tax benefit from exercise of stock options		2,781			2,781		2,781
Stock based compensation		85,852			85,852		85,852
Other transactions with noncontrolling interests					—	201,154	201,154
Contributions from noncontrolling interests					—	133	133
Distributions to noncontrolling interests					—	(144,402)	(144,402)
BALANCE AT SEPTEMBER 30, 2015	$ 1,513	$ 3,518,999	$ (635,100)	$ 522,336	$ 3,407,748	$ 223,195	$ 3,630,943

See accompanying Notes to Consolidated Financial Statements.

AECOM

Consolidated Statements of Cash Flows

(in thousands)

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (loss) income	$ (71,233)	$ 232,764	$ 243,196
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	599,265	95,394	94,406
Equity in earnings of unconsolidated joint ventures	(106,245)	(57,924)	(24,319)
Distribution of earnings from unconsolidated joint ventures	157,616	23,839	31,159
Non-cash stock compensation	85,852	34,438	32,611
Prepayment penalty on unsecured senior notes	55,639	—	—
Excess tax benefit from share-based payment	(3,642)	(748)	(1,754)
Foreign currency translation	(19,632)	(20,794)	(16,061)
Write-off of debt issuance costs	8,997	—	—
Deferred income tax expense (benefit)	(53,034)	27,155	(7,210)
Other	(18,248)	1,460	1,821
Changes in operating assets and liabilities, net of effects of acquisitions:			
Accounts receivable	369,600	(14,405)	92,152
Prepaid expenses and other assets	7,988	(31,103)	(21,836)
Accounts payable	142,126	91,955	(47,019)
Accrued expenses and other current liabilities	(118,488)	3,283	71,125
Billings in excess of costs on uncompleted contracts	(128,371)	3,095	(12,945)
Other long-term liabilities	(143,757)	(23,702)	(19,027)
Income taxes payable	—	(4,082)	(7,701)
Net cash provided by operating activities	764,433	360,625	408,598
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for business acquisitions, net of cash acquired	(3,293,284)	(53,099)	(42,005)
Cash acquired from consolidation of joint venture	—	18,955	—
Proceeds from disposal of businesses	15,127	3,646	2,724
Net investment in unconsolidated joint ventures	(32,705)	(52,173)	(23,822)
Sales (purchases) of investments	34,560	2,727	(24,270)
Payments for capital expenditures, net of disposals	(69,426)	(62,852)	(52,117)
Net cash used in investing activities	(3,345,728)	(142,796)	(139,490)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings under credit agreements	6,581,703	1,809,187	2,250,730
Repayments of borrowings under credit agreements	(5,158,254)	(1,976,352)	(2,155,264)
Issuance of unsecured senior notes	1,600,000	—	—
Prepayment penalty on unsecured senior notes	(55,639)	—	—
Cash paid for debt and equity issuance costs	(89,567)	(8,067)	(1,616)
Proceeds from issuance of common stock	25,561	13,886	14,029
Proceeds from exercise of stock options	11,073	13,417	14,365
Payments to repurchase common stock	(23,113)	(34,924)	(388,101)
Excess tax benefit from share-based payment	3,642	748	1,754
Net distributions to noncontrolling interests	(144,269)	(30,253)	(18,485)
Other financing activities	(31,373)	(21,399)	28,215
Net cash provided by (used in) financing activities	2,719,764	(233,757)	(254,373)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(28,764)	(10,561)	(7,834)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	109,705	(26,489)	6,901
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	574,188	600,677	593,776
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 683,893	$ 574,188	$ 600,677
SUPPLEMENTAL CASH FLOW INFORMATION:			
Common stock issued in acquisitions	$ 1,554,912	$ —	$ 14,322
Debt assumed from acquisitions	$ 567,657	$ —	$ —
Interest paid	$ 179,939	$ 43,362	$ 37,342
Net income tax refunds received (taxes paid)	$ 27,349	$ (68,797)	$ (115,508)

See accompanying Notes to Consolidated Financial Statements.

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies

Organization—Effective January 5, 2015, the official name of the Company changed from AECOM Technology Corporation to AECOM. AECOM and its consolidated subsidiaries design, build, finance and operate infrastructure assets for governments, businesses and organizations around the world. The Company provides planning, consulting, architectural and engineering design services to commercial and government clients worldwide in major end markets such as transportation, facilities, environmental, energy, water and government markets. The Company also provides construction services, including building construction and energy, infrastructure and industrial construction. In addition, the Company provides program and facilities management and maintenance, training, logistics, consulting, technical assistance, and systems integration and information technology services, primarily for agencies of the U.S. government and also for national governments around the world.

Fiscal Year—The Company reports results of operations based on 52 or 53-week periods ending on the Friday nearest September 30. For clarity of presentation, all periods are presented as if the year ended on September 30. Fiscal years 2015, 2014 and 2013 contained 52, 53 and 52 weeks, respectively, and ended on October 2, October 3 and September 27, respectively.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant estimates affecting amounts reported in the consolidated financial statements relate to revenues under long-term contracts and self-insurance accruals. Actual results could differ from those estimates.

Principles of Consolidation and Presentation—The consolidated financial statements include the accounts of all majority-owned subsidiaries and material joint ventures in which the Company is the primary beneficiary. All inter-company accounts have been eliminated in consolidation. Also see Note 7 regarding joint ventures and variable interest entities.

Revenue Recognition—The Company generally utilizes a cost-to-cost approach in applying the percentage-of-completion method of revenue recognition. Under this approach, revenue is earned in proportion to total costs incurred, divided by total costs expected to be incurred. Recognition of revenue and profit is dependent upon a number of factors, including the accuracy of a variety of estimates made at the balance sheet date, engineering progress, materials quantities, the achievement of milestones, penalty provisions, labor productivity and cost estimates made at the balance sheet date. Due to uncertainties inherent in the estimation process, actual completion costs may vary from estimates. If estimated total costs on contracts indicate a loss, the Company recognizes that estimated loss in the period the estimated loss first becomes known.

In the course of providing its services, the Company routinely subcontracts for services and incurs other direct costs on behalf of its clients. These costs are passed through to clients and, in accordance with industry practice and GAAP, are included in the Company's revenue and cost of revenue. Because subcontractor services and other direct costs can change significantly from project to project and period to period, changes in revenue may not be indicative of business trends. These other direct costs for the years ended September 30, 2015, 2014 and 2013 were $8.3 billion, $3.5 billion and $3.2 billion, respectively.

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Significant Accounting Policies (Continued)

Cost-Reimbursable Contracts.

Cost-reimbursable contracts consists of two similar contract types: cost-plus and time-and-materials.

Cost-Plus Contracts. The Company enters into two major types of cost-plus contracts:

Cost-Plus Fixed Fee. Under cost-plus fixed fee contracts, the Company charges clients for its costs, including both direct and indirect costs, plus a fixed negotiated fee. The total estimated cost plus the fixed negotiated fee represents the total contract value. The Company recognizes revenue based on the actual labor and other direct costs incurred, plus the portion of the fixed fee it has earned to date.

Cost-Plus Fixed Rate. Under the Company's cost-plus fixed rate contracts, the Company charges clients for its direct and indirect costs based upon a negotiated rate. The Company recognizes revenue based on the actual total costs it has expended and the applicable fixed rate.

Certain cost-plus contracts provide for award fees or a penalty based on performance criteria in lieu of a fixed fee or fixed rate. Other contracts include a base fee component plus a performance-based award fee. In addition, the Company may share award fees with subcontractors. The Company records accruals for fee-sharing as fees are earned. The Company generally recognizes revenue to the extent of costs actually incurred plus a proportionate amount of the fee expected to be earned. The Company takes the award fee or penalty on contracts into consideration when estimating revenue and profit rates, and it records revenue related to the award fees when there is sufficient information to assess anticipated contract performance. On contracts that represent higher than normal risk or technical difficulty, the Company may defer all award fees until an award fee letter is received. Once an award fee letter is received, the estimated or accrued fees are adjusted to the actual award amount.

Certain cost-plus contracts provide for incentive fees based on performance against contractual milestones. The amount of the incentive fees varies, depending on whether the Company achieves above, at, or below target results. The Company originally recognizes revenue on these contracts based upon expected results. These estimates are revised when necessary based upon additional information that becomes available as the contract progresses.

Time-and-Materials Contracts.

Time-and-Materials. Under time-and-materials contracts, the Company negotiates hourly billing rates and charges its clients based on the actual time that it expends on a project. In addition, clients reimburse the Company for its actual out-of-pocket costs of materials and other direct incidental expenditures that it incurs in connection with its performance under the contract. Profit margins on time-and-materials contracts fluctuate based on actual labor and overhead costs that it directly charges or allocates to contracts compared to negotiated billing rates. Many of the Company's time-and-materials contracts are subject to maximum contract values and, accordingly, revenue relating to these contracts is recognized as if these contracts were a fixed-price contract.

Guaranteed Maximum Price Contracts

Guaranteed Maximum Price. Guaranteed maximum price contracts (GMP) are common for design-build and commercial and residential projects. GMP contracts share many of the same contract provisions as cost-plus and fixed-price contracts. A contractor performing work pursuant to a cost-plus, GMP or fixed-price contract will all enter into trade contracts directly. Both cost-plus and GMP contracts generally

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Significant Accounting Policies (Continued)

include an agreed lump sum or percentage fee which is called out and separately identified and the contracts are considered 'open' book providing the owner with full disclosure of the project costs. A fixed-price contract provides the owner with a single lump sum amount without specifically identifying the breakdown of fee or costs and is typically 'closed' book thereby providing the owner with little detail as to the project costs. In a GMP contract, unlike the cost-plus contract, we provide the owner with a guaranteed price for the overall construction (adjusted only for change orders issued by the owner) and with a schedule which includes a completion date for the project. In addition, cost overruns in a GMP contract would generally be our responsibility and in the event our actions or inactions result in delays to the project we may be responsible to the owner for costs associated with such delay. For many of our commercial and residential GMP contracts, the final price is generally not established until we have awarded a substantial percentage of the trade contracts and we have negotiated additional contractual limitations, such as mutual waivers of consequential damages as well as aggregate caps on liabilities and liquidated damages.

Fixed-Price Contracts.

Fixed-Price. Fixed-price contracting is the predominant contracting method outside of the United States. There are typically two types of fixed-price contracts. The first and more common type, lump-sum, involves performing all of the work under the contract for a specified lump-sum fee. Lump-sum contracts are typically subject to price adjustments if the scope of the project changes or unforeseen conditions arise. The second type, fixed-unit price, involves performing an estimated number of units of work at an agreed price per unit, with the total payment under the contract determined by the actual number of units delivered. The Company recognizes revenue on fixed-price contracts using the percentage-of-completion method described above. Prior to completion, recognized profit margins on any fixed-price contract depend on the accuracy of the Company's estimates and will increase to the extent that its actual costs are below the estimated amounts. Conversely, if the Company's costs exceed these estimates, its profit margins will decrease and the Company may realize a loss on a project. The Company recognizes anticipated losses on contracts in the period in which they become evident.

Service-Related Contracts.

Service-Related. Service-related contracts, including operations and maintenance services and a variety of technical assistance services, are accounted for over the period of performance, in proportion to the costs of performance.

Contract Claims—Claims are amounts in excess of the agreed contract price (or amounts not included in the original contract price) that the Company seeks to collect from customers or others for delays, errors in specifications and designs, contract terminations, change orders in dispute or unapproved as to both scope and price or other causes of unanticipated additional costs. The Company records contract revenue related to claims only if it is probable that the claim will result in additional contract revenue and if the amount can be reliably estimated. In such cases, the Company records revenue only to the extent that contract costs relating to the claim have been incurred. As of September 30, 2015 and 2014, the Company had no significant net receivables related to contract claims.

Government Contract Matters—The Company's federal government and certain state and local agency contracts are subject to, among other regulations, regulations issued under the Federal Acquisition Regulations (FAR). These regulations can limit the recovery of certain specified indirect costs on contracts and subjects the Company to ongoing multiple audits by government agencies such as the Defense

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Significant Accounting Policies (Continued)

Contract Audit Agency (DCAA). In addition, most of the Company's federal and state and local contracts are subject to termination at the discretion of the client.

Audits by the DCAA and other agencies consist of reviews of the Company's overhead rates, operating systems and cost proposals to ensure that the Company accounted for such costs in accordance with the Cost Accounting Standards of the FAR (CAS). If the DCAA determines the Company has not accounted for such costs consistent with CAS, the DCAA may disallow these costs. There can be no assurance that audits by the DCAA or other governmental agencies will not result in material cost disallowances in the future.

Cash and Cash Equivalents—The Company's cash equivalents include highly liquid investments which have an initial maturity of three months or less.

Allowance for Doubtful Accounts—The Company records its accounts receivable net of an allowance for doubtful accounts. This allowance for doubtful accounts is estimated based on management's evaluation of the contracts involved and the financial condition of its clients. The factors the Company considers in its contract evaluations include, but are not limited to:

- Client type—federal or state and local government or commercial client;
- Historical contract performance;
- Historical collection and delinquency trends;
- Client credit worthiness; and
- General economic conditions.

Derivative Financial Instruments—The Company accounts for its derivative instruments as either assets or liabilities and carries them at fair value.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is reported as a component of accumulated other comprehensive income in stockholders' equity and reclassified into income in the same period or periods during which the hedged transaction affects earnings. The ineffective portion of the gain or loss on the derivative instrument, if any, is recognized in current income. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected future cash flows on hedged transactions.

The net gain or loss on the effective portion of a derivative instrument that is designated as an economic hedge of the foreign currency translation exposure generated by the re-measurement of certain assets and liabilities denominated in a non-functional currency in a foreign operation is reported in the same manner as a foreign currency translation adjustment. Accordingly, any gains or losses related to these derivative instruments are recognized in current income.

Derivatives that do not qualify as hedges are adjusted to fair value through current income.

Fair Value of Financial Instruments—The Company determines the fair values of its financial instruments, including short-term investments, debt instruments and derivative instruments, and pension and post-retirement plan assets based on inputs or assumptions that market participants would use in pricing an asset or a liability. The Company categorizes its instruments using a valuation hierarchy for

1. Significant Accounting Policies (Continued)

disclosure of the inputs used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument; Level 3 inputs are unobservable inputs based on the Company's assumptions used to measure assets and liabilities at fair value. The classification of a financial asset or liability within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value because of the short maturities of these instruments. The carrying amount of the revolving credit facility approximates fair value because the interest rates are based upon variable reference rates. See also Notes 9 and 11.

The Company's fair value measurement methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Although the Company believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine fair value could result in a different fair value measurement at the reporting date.

Property and Equipment—Property and equipment are recorded at cost and are depreciated over their estimated useful lives using the straight-line method. Expenditures for maintenance and repairs are expensed as incurred. Typically, estimated useful lives range from three to ten years for equipment, furniture and fixtures. Leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or the remaining terms of the underlying lease agreement.

Long-lived Assets—Long-lived assets to be held and used are reviewed for impairment whenever events or circumstances indicate that the assets may be impaired. For assets to be held and used, impairment losses are recognized based upon the excess of the asset's carrying amount over the fair value of the asset. For long-lived assets to be disposed, impairment losses are recognized at the lower of the carrying amount or fair value less cost to sell.

Goodwill and Acquired Intangible Assets—Goodwill represents the excess of amounts paid over the fair value of net assets acquired from an acquisition. In order to determine the amount of goodwill resulting from an acquisition, the Company performs an assessment to determine the value of the acquired company's tangible and identifiable intangible assets and liabilities. In its assessment, the Company determines whether identifiable intangible assets exist, which typically include backlog and customer relationships. Intangible assets are amortized over the period in which the contractual or economic benefits of the intangible assets are expected to be realized.

The Company tests goodwill for impairment annually for each reporting unit in the fourth quarter of the fiscal year, and between annual tests if events occur or circumstances change which suggest that goodwill should be evaluated. Such events or circumstances include significant changes in legal factors and business climate, recent losses at a reporting unit, and industry trends, among other factors. A reporting unit is defined as an operating segment or one level below an operating segment. The Company's impairment tests are performed at the operating segment level as they represent the Company's reporting units.

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Significant Accounting Policies (Continued)

The impairment test is a two-step process. During the first step, the Company estimates the fair value of the reporting unit using income and market approaches, and compares that amount to the carrying value of that reporting unit. In the event the fair value of the reporting unit is determined to be less than the carrying value, a second step is required. The second step requires the Company to perform a hypothetical purchase allocation for that reporting unit and to compare the resulting current implied fair value of the goodwill to the current carrying value of the goodwill for that reporting unit. In the event that the current implied fair value of the goodwill is less than the carrying value, an impairment charge is recognized. See also Note 4.

Pension Plans—The Company has certain defined benefit pension plans. The Company calculates the market-related value of assets, which is used to determine the return-on-assets component of annual pension expense and the cumulative net unrecognized gain or loss subject to amortization. This calculation reflects the Company's anticipated long-term rate of return and amortization of the difference between the actual return (including capital, dividends, and interest) and the expected return over a five-year period. Cumulative net unrecognized gains or losses that exceed 10% of the greater of the projected benefit obligation or the market related value of plan assets are subject to amortization.

Insurance Reserves—The Company maintains insurance for certain insurable business risks. Insurance coverage contains various retention and deductible amounts for which the Company accrues a liability based upon reported claims and an actuarially determined estimated liability for certain claims incurred but not reported. It is generally 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.

Foreign Currency Translation—The Company's functional currency is the U.S. dollar. Results of operations for foreign entities are translated to U.S. dollars using the average exchange rates during the period. Assets and liabilities for foreign entities are translated using the exchange rates in effect as of the date of the balance sheet. Resulting translation adjustments are recorded as a foreign currency translation adjustment into other accumulated comprehensive income/(loss) in stockholders' equity.

The Company uses foreign currency forward contracts from time to time to mitigate foreign currency risk. The Company limits exposure to foreign currency fluctuations in most of its contracts through provisions that require client payments in currencies corresponding to the currency in which costs are incurred. As a result of this natural hedge, the Company generally does not need to hedge foreign currency cash flows for contract work performed. The functional currency of all significant foreign operations is the respective local currency.

Noncontrolling Interests—Noncontrolling interests represent the equity investments of the minority owners in our joint ventures and other subsidiary entities that we consolidate in our financial statements.

Income Taxes—The Company files a consolidated U.S. federal corporate income tax return and combined / consolidated state tax returns and separate company state tax returns. The Company accounts for certain income and expense items differently for financial reporting and income tax purposes. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities, applying enacted statutory tax rates in effect for the year in which the

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. Significant Accounting Policies (Continued)

differences are expected to reverse. In determining the need for a valuation allowance, management reviews both positive and negative evidence, including the nature, frequency, and severity of cumulative financial reporting losses in recent years, the future reversal of existing temporary differences, predictability of future taxable income exclusive of reversing temporary differences of the character necessary to realize the asset, relevant carry forward periods, taxable income in carry-back years if carry-back is permitted under tax law, and prudent and feasible tax planning strategies that would be implemented, if necessary, to protect against the loss of the deferred tax asset that would otherwise expire. Based upon management's assessment of all available evidence, the Company has concluded that it is more likely than not that the deferred tax assets, net of valuation allowance, will be realized.

2. New Accounting Pronouncements and Changes in Accounting

In May 2014, the FASB issued new accounting guidance which amended the existing accounting standards for revenue recognition. The new accounting guidance establishes principles for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. The guidance will be effective for the Company's fiscal year beginning October 1, 2018. The amendments may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of initial application. The Company has selected the modified retrospective transition method, in which the Company will recognize the cumulative effect as of the date of initial application. The Company is currently in the process of evaluating the impact of the adoption of the new accounting guidance on its consolidated financial statements.

In February 2015, the FASB issued amended guidance to the consolidation standard which updates the analysis that a reporting entity must perform to determine whether it should consolidate certain types of legal entities. The amendment modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities and affects the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships, among other provisions. This amended guidance will be effective for the Company's fiscal year beginning October 1, 2016. The Company is currently assessing the impact of the adoption that the amended guidance will have on its consolidated financial statements.

In April 2015, the FASB issued new accounting guidance which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. Prior to the issuance of the standard, debt issuance costs were required to be presented in the balance sheet as an asset. The guidance requires retrospective application and represents a change in accounting principle. The Company does not expect the guidance to have a material impact on its consolidated financial statements, as the application of this guidance affects classification only. This guidance will be effective for the Company's fiscal year beginning October 1, 2017.

In April 2015, the FASB issued new accounting guidance which provides the use of a practical expedient that permits the entity to measure defined benefit plans assets and obligations using the month-end date that is closest to the entity's fiscal year-end date and apply that practical expedient consistently from year to year. Should the Company elect to adopt this guidance, it does not expect that the adoption of this guidance will have a material impact on its consolidated financial statements. This guidance will be effective for the Company's fiscal year beginning October 1, 2017.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2. New Accounting Pronouncements and Changes in Accounting (Continued)

In September 2015, the FASB issued new accounting guidance which simplifies the accounting for measurement-period adjustments in connection with business combinations. The new guidance requires that the cumulative impact of a measurement-period adjustment (including the impact on prior periods) be recognized in the reporting period in which the adjustment amount is determined and therefore, eliminates the requirement to retrospectively account for the adjustment in prior periods presented. This guidance is effective for fiscal years and interim periods beginning after December 15, 2015, and is to be applied prospectively to measurement-period adjustments that occur after the effective date. Early adoption is permitted. The Company early adopted this guidance for the quarter ended September 30, 2015.

3. Stock Repurchase Program

The Company's Board of Directors has authorized the repurchase of up to $1.0 billion in Company stock. Share repurchases can be made through open market purchases or other methods, including pursuant to a Rule 10b5-1 plan. From the inception of the stock repurchase program, the Company has purchased a total of 27.4 million shares at an average price of $24.10 per share, for a total cost of $660.1 million through September 30, 2014, and made no purchases during the year ended September 30, 2015.

4. Business Acquisitions, Goodwill, and Intangible Assets

On October 17, 2014, the Company completed the acquisition of the U.S. headquartered URS Corporation (URS), an international provider of engineering, construction, and technical services, by purchasing 100% of the outstanding shares of URS common stock. The purpose of the acquisition was to further diversify the Company's market presence and accelerate the Company's strategy to create an integrated delivery platform for customers. The Company paid total consideration of approximately $2.3 billion in cash and issued approximately $1.6 billion of AECOM common stock to the former stockholders and certain equity award holders of URS. In connection with the acquisition, the Company also assumed URS's senior notes totaling $1.0 billion, and upon the occurrence of a change in control of URS, the URS senior noteholders had the right to redeem their notes at a cash price equal to 101% of the principal amount of the notes. Accordingly, on October 24, 2014, the Company purchased $0.6 billion of URS's senior notes from the noteholders. See also Note 9, Debt. Additionally, the Company repaid in full URS's $0.6 billion 2011 term loan and $0.1 billion of URS's revolving line of credit.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Business Acquisitions, Goodwill, and Intangible Assets (Continued)

The following summarizes the estimated fair values of URS assets acquired and liabilities assumed (in millions), as of the acquisition date:

Cash and cash equivalents	$ 284.9
Accounts receivable	2,512.8
Prepaid expenses and other current assets	421.0
Property and equipment	570.9
Identifiable intangible assets:	
Customer relationships, contracts and backlog	969.2
Tradename	7.8
Total identifiable intangible assets	977.0
Goodwill	4,021.7
Other non-current assets	329.8
Accounts payable	(656.7)
Accrued expenses and other current liabilities	(1,344.8)
Billings in excess of costs on uncompleted contracts	(397.8)
Current portion of long-term debt	(47.4)
Other long-term liabilities	(423.3)
Pension benefit obligations	(406.3)
Long-term debt	(520.2)
Noncontrolling interests	(201.0)
Net assets acquired	$ 5,120.6

Backlog and customer relationships represent the fair value of existing contracts and the underlying customer relationships, and have lives ranging from 1 to 11 years (weighted average lives of approximately 3 years). Other intangible assets primarily consist of the fair value of office leases. Goodwill recognized largely results from a substantial assembled workforce, which does not qualify for separate recognition, as well as expected future synergies from combining operations. Accrued expenses and other current liabilities above include URS project liabilities and approximately $240 million related to estimated URS legal settlements and uninsured legal damages; see Note 19, Commitments and Contingencies including legal matters related to former URS affiliates.

The following presents summarized unaudited pro forma operating results assuming that the Company had acquired URS at October 1, 2013. These pro forma operating results are presented for

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Business Acquisitions, Goodwill, and Intangible Assets (Continued)

illustrative purposes only and are not indicative of the operating results that would have been achieved had the related events occurred.

	Twelve Months Ended	
	Sept 30, 2015	Sept 30, 2014
	(in millions)	
Revenue	$ 18,288	$ 18,776
Income from continuing operations	509	(144)
Net income	325	1
Net income attributable to AECOM	229	(65)
Net income attributable to AECOM per share:		
Basic	$ 1.51	$ (0.43)
Diluted	$ 1.50	$ (0.43)

Since the acquisition date, URS contributed $8.5 billion in revenue and $219.0 million in income from operations during the twelve months ended September 30, 2015. Amortization of intangible assets relating to URS was $361.6 million during the twelve months ended September 30, 2015 since the acquisition date. Additionally, included in equity in earnings of joint ventures and noncontrolling interests was intangible amortization expense of $37.3 million and $(26.6) million, respectively, during the twelve months ended September 30, 2015 related to joint venture fair value adjustments.

Billings in excess of costs on uncompleted contracts includes a margin fair value liability associated with long-term contracts acquired in connection with the acquisition of URS on October 17, 2014. This margin fair value liability was $148.1 million at the acquisition date, and its carrying value was $51.2 million at September 30, 2015, and is recognized as revenue on a percentage-of-completion basis as the applicable projects progress. The Company anticipates the remaining liability will be recognized as revenue over the next five years. Revenue and the related income from operations related to the margin fair value liability recognized during the twelve months ended September 30, 2015 was $96.9 million.

Acquisition and integration expenses in the accompanying consolidated statements of operations comprised of the following (in millions):

	Twelve Months Ended	
	Sept 30, 2015	Sept 30, 2014
Severance and personnel costs	$ 223.8	$ 15.2
Professional service, real estate-related, and other expenses	174.6	12.1
Total	$ 398.4	$ 27.3

Included in severance and personnel costs for the twelve months ended September 30, 2015 was $101.9 million of severance expense, of which $83.6 million was paid as of September 30, 2015. All acquisition and integration expenses are classified within corporate, as presented in Note 20.

Interest expense in the accompanying consolidated statements of operations for the twelve months ended September 30, 2015 included acquisition related financing expenses of $79.8 million, which primarily consisted of a $55.6 million penalty from the prepayment of the Company's unsecured senior notes and $9.0 million related to the write-off of capitalized debt issuance costs from its unsecured senior notes, and 2014 Credit Agreement.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Business Acquisitions, Goodwill, and Intangible Assets (Continued)

In addition to URS, the Company completed one, two and two business acquisitions during the years ended September 30, 2015, 2014 and 2013, respectively. These other business acquisitions completed during the years ended September 30, 2015, 2014 and 2013 did not meet the quantitative thresholds to require pro forma disclosures of operating results, either individually or in the aggregate, based on the Company's consolidated assets, investments and net income. The Company also obtained control of an unconsolidated joint venture that resulted in its consolidation during the year ended September 30, 2014, as further discussed in Note 7.

Business acquisitions during the year ended September 30, 2014 included Hunt Construction Group, a United States-based commercial construction management firm which serves clients in both the public and private sectors, and Spain-based ACE International Consultants S.L., a leading consulting firm specializing in economic and social development cooperation and private sector development.

Business acquisitions during the year ended September 30, 2013 included South Africa-based BKS Group and Asia-based KPK Quantity Surveyors.

Excluding URS, the aggregate value of all consideration for acquisitions consummated during the years ended September 30, 2015, 2014 and 2013 were $27.3 million, $88.5 million and $82.0 million, respectively. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed, as of the acquisition dates, from acquisitions consummated during the fiscal years presented, excluding URS:

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
		(in millions)	
Cash acquired	$ 0.6	$ 17.1	$ 20.1
Other current assets	13.8	256.2	41.5
Identifiable intangible assets:			
Customer relationships, contracts and backlog	1.3	10.4	9.4
Trademark / tradename	—	1.5	—
Total intangible assets	$ 1.3	$ 11.9	$ 9.4
Goodwill	23.6	72.7	72.6
Other non-current assets	—	16.5	8.6
Current liabilities	(12.0)	(274.1)	(54.9)
Non-current liabilities	—	(11.8)	(15.3)
Net assets acquired	$ 27.3	$ 88.5	$ 82.0

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Business Acquisitions, Goodwill, and Intangible Assets (Continued)

Consideration for acquisitions above, excluding URS, includes the following:

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
	(in millions)		
Cash paid	$ 4.8	$ 70.2	$ 62.1
Contingent consideration / promissory notes	22.5	18.3	5.6
Equity issued	—	—	14.3
Total consideration	$ 27.3	$ 88.5	$ 82.0

All of the above acquisitions were accounted for under the purchase method of accounting. As such, the purchase consideration of each acquired company was allocated to acquired tangible and intangible assets and liabilities based upon their fair values. The excess of the purchase consideration over the fair value of the net tangible and identifiable intangible assets acquired was recorded as goodwill. The determination of fair values of assets and liabilities acquired requires the Company to make estimates and use valuation techniques when market value is not readily available. The results of operations of each company acquired have been included in the Company's financial statements from the date of acquisition. Transaction costs associated with business acquisitions are expensed as they are incurred.

At the time of acquisition, the Company preliminarily estimates the amount of the identifiable intangible assets acquired based upon historical valuations of similar acquisitions and the facts and circumstances available at the time. The Company determines the final value of the identifiable intangible assets as soon as information is available, but not more than 12 months from the date of acquisition. Post-acquisition adjustments primarily relate to project related liabilities.

The changes in the carrying value of goodwill by reportable segment for the fiscal years ended September 30, 2015 and 2014 were as follows:

	Fiscal Year 2015				
	September 30, 2014	Post-Acquisition Adjustments	Foreign Exchange Impact	Acquired	September 30, 2015
	(in millions)				
Design and Consulting Services	$ 1,479.2	$ 5.5	$ (96.0)	$ 1,774.6	$ 3,163.3
Construction Services	276.9	0.6	(34.0)	675.0	918.5
Management Services	181.2	—	(38.1)	1,595.8	1,738.9
Total	$ 1,937.3	$ 6.1	$ (168.1)	$ 4,045.4	$ 5,820.7

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Business Acquisitions, Goodwill, and Intangible Assets (Continued)

	Fiscal Year 2014				
	September 30, 2013	Post-Acquisition Adjustments	Foreign Exchange Impact	Acquired	September 30, 2014
	(in millions)				
Design and Consulting Services	$ 1,414.1	$ 5.0	$ (31.3)	$ 91.4	$ 1,479.2
Construction Services	216.5	—	—	60.4	276.9
Management Services	181.2	—	—	—	181.2
Total	$ 1,811.8	$ 5.0	$ (31.3)	$ 151.8	$ 1,937.3

Included in the acquired goodwill above for the year ended September 30, 2014 is $79.1 million of recorded goodwill as a result of the consolidation of an unconsolidated joint venture, as further discussed in Note 7.

The gross amounts and accumulated amortization of the Company's acquired identifiable intangible assets with finite useful lives as of September 30, 2015 and 2014, included in intangible assets—net, in the accompanying consolidated balance sheets, were as follows:

	September 30, 2015			September 30, 2014			
	Gross Amount	Accumulated Amortization	Intangible Assets, Net	Gross Amount	Accumulated Amortization	Intangible Assets, Net	Amortization Period (years)
	(in millions)						
Backlog and customer relationships	$ 1,224.7	$ (565.3)	$ 659.4	$ 271.6	$ (182.8)	$ 88.8	1 - 11
Trademark / tradename	16.4	(16.4)	—	9.3	(7.9)	1.4	0.3 - 2
Total	$ 1,241.1	$ (581.7)	$ 659.4	$ 280.9	$ (190.7)	$ 90.2	

Amortization expense of acquired intangible assets included within cost of revenue was $391.0 million, $24.0 million, and $21.2 million for the years ended September 30, 2015, 2014, and 2013, respectively. The following table presents estimated amortization expense of existing intangible assets for the succeeding years:

Fiscal Year	(in millions)
2016	$ 187.4
2017	98.1
2018	80.1
2019	74.7
2020	62.5
Thereafter	156.6
Total	$ 659.4

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Accounts Receivable—Net

Net accounts receivable consisted of the following:

	Fiscal Year Ended	
	September 30, 2015	September 30, 2014
	(in millions)	
Billed	$ 2,426.2	$ 1,248.4
Unbilled	2,099.8	1,214.8
Contract retentions	379.6	263.9
Total accounts receivable—gross	4,905.6	2,727.1
Allowance for doubtful accounts	(64.1)	(72.1)
Total accounts receivable—net	$ 4,841.5	$ 2,655.0

Billed accounts receivable represent amounts billed to clients that have yet to be collected. Unbilled accounts receivable represents the contract revenue recognized but not yet billed pursuant to contract terms or accounts billed after the period end. Substantially all unbilled receivables as of September 30, 2015 and 2014 are expected to be billed and collected within twelve months. 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.

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 outstanding receivables at September 30, 2015 and 2014.

The Company sold trade receivables to financial institutions, of which $240.8 million and $111.9 million were outstanding as of September 30, 2015 and 2014, respectively. The Company does not retain financial or legal obligations for these receivables that would result in material losses. The Company's ongoing involvement is limited to the remittance of customer payments to the financial institutions with respect to the sold trade receivables.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Property and Equipment

Property and equipment, at cost, consists of the following:

	Fiscal Year Ended September 30, 2015	Fiscal Year Ended September 30, 2014	Useful Lives (years)
	(in millions)		
Building and land	$ 105.7	$ 11.5	10 - 45
Leasehold improvements	349.3	299.7	1 - 20
Computer systems and equipment	603.0	302.6	3 - 15
Furniture and fixtures	125.8	101.5	3 - 10
Automobiles	24.7	6.8	3 - 12
Total	1,208.5	722.1	
Accumulated depreciation and amortization	(509.2)	(440.1)	
Property and equipment, net	$ 699.3	$ 282.0	

Depreciation expense for the fiscal years ended September 30, 2015, 2014 and 2013 were $191.3 million, $69.1 million and $70.7 million, respectively. Depreciation is calculated using primarily the straight-line method over the estimated useful lives of the assets, or in the case of leasehold improvements and capitalized leases, the lesser of the remaining term of the lease or its estimated useful life. Included in payments for capital expenditures presented within the Consolidated Statements of Cash Flows, were proceeds from disposals of property and equipment of $44.9 million, $4.4 million, and $3.5 million for the years ended September 30, 2015, 2014, and 2013, respectively.

7. Joint Ventures and Variable Interest Entities

The Company's joint ventures provide architecture, engineering, program management, construction management and operations and maintenance services. Joint ventures, the combination of two or more partners, are generally formed for a specific project. Management of the joint venture is typically controlled by a joint venture executive committee, comprised of representatives from the joint venture partners. The joint venture executive committee normally provides management oversight and controls decisions which could have a significant impact on the joint venture.

Some of the Company's joint ventures have no employees and minimal operating expenses. For these joint ventures, the Company's employees perform work for the joint venture, which is then billed to a third-party customer by the joint venture. These joint ventures function as pass through entities to bill the third-party customer. For consolidated joint ventures of this type, the Company records the entire amount of the services performed and the costs associated with these services, including the services provided by the other joint venture partners, in the Company's result of operations. For certain of these joint ventures where a fee is added by an unconsolidated joint venture to client billings, the Company's portion of that fee is recorded in equity in earnings of joint ventures.

The Company also has joint ventures that have their own employees and operating expenses, and to which the Company generally makes a capital contribution. The Company accounts for these joint ventures either as consolidated entities or equity method investments based on the criteria further discussed below.

The Company follows guidance issued by the FASB on the consolidation of variable interest entities (VIEs) that requires companies to utilize a qualitative approach to determine whether it is the primary

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

7. Joint Ventures and Variable Interest Entities (Continued)

beneficiary of a VIE. The process for identifying the primary beneficiary of a VIE requires consideration of the factors that indicate a party has the power to direct the activities that most significantly impact the joint ventures' economic performance, including powers granted to the joint venture's program manager, powers contained in the joint venture governing board and, to a certain extent, a company's economic interest in the joint venture. The Company analyzes its joint ventures and classifies them as either:

- a VIE that must be consolidated because the Company is the primary beneficiary or the joint venture is not a VIE and the Company holds the majority voting interest with no significant participative rights available to the other partners; or

- a VIE that does not require consolidation and is treated as an equity method investment because the Company is not the primary beneficiary or the joint venture is not a VIE and the Company does not hold the majority voting interest.

As part of the above analysis, if it is determined that the Company has the power to direct the activities that most significantly impact the joint venture's economic performance, the Company considers whether or not it has the obligation to absorb losses or rights to receive benefits of the VIE that could potentially be significant to the VIE.

Contractually required support provided to the Company's joint ventures is discussed in Note 19.

A summary of unaudited financial information of the consolidated joint ventures is as follows:

	September 30, 2015	September 30, 2014
	(in millions)	
Current assets	$ 727.8	$ 314.1
Non-current assets	282.8	106.2
Total assets	$ 1,010.6	$ 420.3
Current liabilities	$ 441.5	$ 229.1
Non-current liabilities	0.2	—
Total liabilities	441.7	229.1
Total AECOM equity	354.7	116.6
Noncontrolling interests	214.2	74.6
Total owners' equity	568.9	191.2
Total liabilities and owners' equity	$ 1,010.6	$ 420.3

Total revenue of the consolidated joint ventures was $2,368.0 million, $614.5 million and $490.9 million for the years ended September 30, 2015, 2014 and 2013, respectively. The assets of the Company's consolidated joint ventures are restricted for use only by the particular joint venture and are not available for the general operations of the Company.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

7. Joint Ventures and Variable Interest Entities (Continued)

Summary of unaudited financial information of the unconsolidated joint ventures is as follows:

	September 30, 2015	September 30, 2014
	(in millions)	
Current assets	$ 1,200.7	$ 539.6
Non-current assets	527.3	273.7
Total assets	$ 1,728.0	$ 813.3
Current liabilities	$ 936.7	$ 397.9
Non-current liabilities	87.0	91.0
Total liabilities	1,023.7	488.9
Joint venturers' equity	704.3	324.4
Total liabilities and joint venturers' equity	$ 1,728.0	$ 813.3
AECOM's investment in joint ventures	$ 321.6	$ 142.9

	Twelve Months Ended	
	September 30, 2015	September 30, 2014
	(in millions)	
Revenue	$ 4,754.6	$ 2,017.8
Cost of revenue	4,476.8	1,960.1
Gross profit	$ 277.8	$ 57.7
Net income	$ 231.2	$ 57.7

Summary of AECOM's equity in earnings of unconsolidated joint ventures is as follows:

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
		(in millions)	
Pass through joint ventures	$ 26.2	$ 10.2	$ 6.4
Other joint ventures	80.0	47.7	17.9
Total	$ 106.2	$ 57.9	$ 24.3

Included in equity in earnings above is a $37.4 million gain recognized upon change in control ($23.4 million, net of tax) of an unconsolidated joint venture in the year ended September 30, 2014. The Company obtained control of the joint venture through modifications to the joint venture's operating agreement, which required the Company to consolidate the joint venture. The acquisition date fair value of the previously held equity interest was $58.0 million, excluding the control premium. The measurement of the fair value of the equity interest immediately before obtaining control of the joint venture resulted in the pre-tax gain of $37.4 million. The Company utilized income and market approaches, in addition to obtaining an independent third party valuation, in determining the joint venture's fair value, which includes making assumptions about variables such as revenue growth rates, profitability, discount rates,

7. Joint Ventures and Variable Interest Entities (Continued)

and industry market multiples. These assumptions are subject to a high degree of judgment. Total assets and liabilities of this entity included in the accompanying consolidated balance sheet at the acquisition date were $207.8 million and $48.1 million, respectively. This acquisition did not meet the quantitative thresholds to require pro forma disclosures of operating results based on the Company's consolidated assets, investments and net income. This joint venture performs engineering and program management services in the Middle East and is included in the Company's DCS segment.

8. Pension Benefit Obligations

In the U.S., the Company sponsors various qualified defined benefit pension plans. The legacy AECOM defined benefit plan covers substantially all permanent AECOM employees hired as of March 1, 1998. The other recently acquired plans cover employees of URS and the Hunt Corporation at the time of their acquisition. Benefits under these plans generally are based on the employee's years of creditable service and compensation. All defined benefit plans are closed to new participants and all defined benefit plans, except the URS Federal Services, Inc. Employees Retirement Plan, have frozen accruals. The Company also sponsors various non-qualified plans in the U.S.; all of these plans are frozen. Outside the U.S., the Company sponsors various pension plans, which are appropriate to the country in which the Company operates, some of which are government mandated.

The following tables provide reconciliations of the changes in the U.S. and international plans' benefit obligations, reconciliations of the changes in the fair value of assets for the last three years ended September 30, and reconciliations of the funded status as of September 30 of each year.

	Fiscal Year Ended					
	September 30, 2015		September 30, 2014		September 30, 2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
	(in millions)					
Change in benefit obligation:						
Benefit obligation at beginning of year	$ 217.0	$ 676.6	$ 180.3	$ 622.1	$ 192.9	$ 574.0
Service cost	6.8	1.1	—	0.7	—	0.9
Participant contributions	0.4	0.5	0.4	0.2	0.4	0.3
Interest cost	28.2	47.1	7.8	27.9	6.6	23.8
Benefits paid	(33.9)	(41.0)	(12.8)	(23.3)	(11.0)	(18.8)
Actuarial (gain) loss	(41.0)	10.6	23.2	62.3	(8.6)	49.0
Plan settlements	(20.1)	(2.5)	—	(2.0)	—	(5.7)
Net transfer in/(out)/acquisitions	560.8	618.6	18.1	—	—	—
Foreign currency translation (gain) loss	—	(71.8)	—	(11.3)	—	(1.4)
Benefit obligation at end of year	$ 718.2	$ 1,239.2	$ 217.0	$ 676.6	$ 180.3	$ 622.1

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Pension Benefit Obligations (Continued)

	Fiscal Year Ended September 30, 2015 U.S.	Fiscal Year Ended September 30, 2015 Int'l	September 30, 2014 U.S.	September 30, 2014 Int'l	September 30, 2013 U.S.	September 30, 2013 Int'l
	(in millions)					
Change in plan assets						
Fair value of plan assets at beginning of year	$ 139.7	$ 532.6	$ 119.8	$ 489.9	$ 112.3	$ 462.4
Actual return on plan assets	(2.8)	49.9	14.2	60.4	11.3	37.4
Employer contributions	42.1	24.4	4.9	16.4	6.8	16.2
Participant contributions	0.4	0.5	0.4	0.2	0.4	0.3
Benefits paid	(33.9)	(41.0)	(12.8)	(23.3)	(11.0)	(18.8)
Plan settlements	(20.1)	(2.5)	—	(2.0)	—	(5.7)
Net transfer in/(out)/acquisitions	333.6	415.5	13.2	—	—	—
Foreign currency translation (loss) gain	—	(53.6)	—	(9.0)	—	(1.9)
Fair value of plan assets at end of year	$ 459.0	$ 925.8	$ 139.7	$ 532.6	$ 119.8	$ 489.9

	Fiscal Year Ended September 30, 2015 U.S.	Fiscal Year Ended September 30, 2015 Int'l	September 30, 2014 U.S.	September 30, 2014 Int'l	September 30, 2013 U.S.	September 30, 2013 Int'l
	(in millions)					
Reconciliation of funded status:						
Funded status at end of year	$ (259.2)	$ (313.4)	$ (77.3)	$ (144.0)	$ (60.5)	$ (132.2)
Contribution made after measurement date	N/A	N/A	N/A	N/A	N/A	N/A
Net amount recognized at end of year	$ (259.2)	$ (313.4)	$ (77.3)	$ (144.0)	$ (60.5)	$ (132.2)

The following table sets forth the amounts recognized in the consolidated balance sheets as of September 30, 2015, 2014 and 2013:

	Fiscal Year Ended September 30, 2015 U.S.	Fiscal Year Ended September 30, 2015 Int'l	September 30, 2014 U.S.	September 30, 2014 Int'l	September 30, 2013 U.S.	September 30, 2013 Int'l
	(in millions)					
Amounts recognized in the consolidated balance sheets:						
Other non-current assets	$ 1.6	$ 1.7	$ —	$ 1.1	$ —	$ 0.6
Accrued expenses and other current liabilities	(10.6)	—	(1.7)	—	(1.4)	—
Other long-term liabilities	(250.2)	(315.1)	(75.6)	(145.1)	(59.1)	(132.8)
Net amount recognized in the balance sheet	$ (259.2)	$ (313.4)	$ (77.3)	$ (144.0)	$ (60.5)	$ (132.2)

8. Pension Benefit Obligations (Continued)

The following table details the reconciliation of amounts in the consolidated statements of stockholders' equity for the fiscal years ended September 30, 2015, 2014 and 2013:

	Fiscal Year Ended					
	September 30, 2015		September 30, 2014		September 30, 2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
	(in millions)					
Reconciliation of amounts in consolidated statements of stockholders' equity:						
Prior service credit	$ —	$ 5.3	$ —	$ 5.8	$ —	$ 6.0
Net (loss)	(99.3)	(183.6)	(113.0)	(190.1)	(99.4)	(170.7)
Total recognized in accumulated other comprehensive (loss)	$ (99.3)	$ (178.3)	$ (113.0)	$ (184.3)	$ (99.4)	$ (164.7)

The following table details the components of net periodic benefit cost for the plans in fiscal 2015, 2014 and 2013:

	Fiscal Year Ended					
	September 30, 2015		September 30, 2014		September 30, 2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
	(in millions)					
Components of net periodic (benefit) cost:						
Service costs	$ 6.8	$ 1.1	$ —	$ 0.7	$ —	$ 1.0
Interest cost on projected benefit obligation	28.2	47.1	7.8	27.9	6.6	23.8
Expected return on plan assets	(29.4)	(49.4)	(8.6)	(26.1)	(8.5)	(22.7)
Amortization of prior service costs	—	(0.2)	—	(0.2)	—	(0.2)
Amortization of net loss	4.3	5.9	4.0	4.9	4.3	4.0
Settlement loss recognized	0.6	0.7	—	0.4	—	2.6
Net periodic (benefit) cost	$ 10.5	$ 5.2	$ 3.2	$ 7.6	$ 2.4	$ 8.5

The amount, net of applicable deferred income taxes, included in other comprehensive income arising from a change in net prior service cost and net gain/loss was $6.9 million, $7.6 million and $2.6 million in the years ended September 30, 2015, 2014 and 2013, respectively.

Amounts included in accumulated other comprehensive loss as of September 30, 2015 that are expected to be recognized as components of net periodic benefit cost during fiscal 2016 are (in millions):

	U.S.	Int'l
Amortization of prior service cost	$ —	$ 0.2
Amortization of net actuarial losses	(4.0)	(5.7)
Total	$ (4.0)	$ (5.5)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Pension Benefit Obligations (Continued)

The table below provides additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets.

	Fiscal Year Ended					
	September 30, 2015		September 30, 2014		September 30, 2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
	(in millions)					
Projected benefit obligation	$ 692.5	$ 1,226.2	$ 217.0	$ 658.5	$ 180.3	$ 601.7
Accumulated benefit obligation	686.5	1,222.0	217.0	656.3	180.3	599.8
Fair value of plan assets	455.6	911.2	139.7	513.4	119.8	469.0

Funding requirements for each pension plan are determined based on the local laws of the country where such pension plan resides. In certain countries, the funding requirements are mandatory while in other countries, they are discretionary. The Company currently intends to contribute $20.7 million to the international plans in fiscal 2016. There is a required minimum contribution of $1.3 million for one of the U.S. plans. In addition, the Company may make discretionary contributions. The Company currently intends to contribute $10.8 million to U.S. plans in fiscal 2016.

The table below provides the expected future benefit payments, in millions:

Year Ending September 30,	U.S.	Int'l
2016	$ 40.6	$ 37.4
2017	41.0	41.2
2018	40.6	44.4
2019	41.4	41.4
2020	42.8	43.1
2021 - 2025	217.0	242.5
Total	$ 423.4	$ 450.0

The underlying assumptions for the pension plans are as follows:

	Fiscal Year Ended					
	September 30, 2015		September 30, 2014		September 30, 2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
Weighted-average assumptions to determine benefit obligation:						
Discount rate	4.10%	3.80%	4.00%	3.94%	4.40%	4.44%
Salary increase rate	3.81%	2.51%	N/A	2.38%	N/A	2.58%
Weighted-average assumptions to determine net periodic benefit cost:						
Discount rate	3.88%	3.92%	4.40%	4.44%	3.50%	4.39%
Salary increase rate	4.50%	2.65%	N/A	2.58%	N/A	2.36%
Expected long-term rate of return on plan assets	6.73%	6.00%	7.50%	5.40%	7.50%	5.11%

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Pension Benefit Obligations (Continued)

Pension costs are determined using the assumptions as of the beginning of the plan year. The funded status is determined using the assumptions as of the end of the plan year.

The following table summarizes the Company's target allocation for 2015 and pension plan asset allocation, both U.S. and international, as of September 30, 2015 and 2014:

	Target Allocations		Percentage of Plan Assets as of September 30,			
			2015		2014	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
Asset Category						
Equities	39%	30%	37%	27%	58%	28%
Debt	57	30	59	30	31	33
Cash	1	10	1	4	1	3
Property and other	3	30	3	39	10	36
Total	100%	100%	100%	100%	100%	100%

The Company's domestic and foreign plans seek a competitive rate of return relative to an appropriate level of risk depending on the funded status and obligations of each plan and typically employ both active and passive investment management strategies. The Company's risk management practices include diversification across asset classes and investment styles and periodic rebalancing toward asset allocation targets. The target asset allocation selected for each plan reflects a risk/return profile that the Company believes is appropriate relative to each plan's liability structure and return goals.

To develop the expected long-term rate of return on assets assumption, the Company considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio and the diversification of the portfolio. This resulted in the selection of a 6.73% and 6.00% weighted-average long-term rate of return on assets assumption for the fiscal year ended September 30, 2015 for U.S. and non-U.S. plans, respectively.

Multiemployer Pension Plans

We participate in over 200 construction-industry multiemployer pension plans. Generally, the plans provide defined benefits to substantially all employees covered by collective bargaining agreements. Under the Employee Retirement Income Security Act, a contributor to a multiemployer plan is liable, upon termination or withdrawal from a plan, for its proportionate share of a plan's unfunded vested liability. The Company's aggregate contributions to these multiemployer plans were $54.5 million for the year ended September 30, 2015.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Pension Benefit Obligations (Continued)

As of September 30, 2015, the fair values of the Company's post-retirement benefit plan assets by major asset categories were as follows:

	Total Carrying Value as of September 30, 2015	Fair Value Measurement as of September 30, 2015		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
Cash and cash equivalents	$ 44.4	$ 11.0	$ 33.4	$ —
Equity securities				
Global equity securities	52.8	—	52.8	—
Domestic equity securities	60.0	—	60.0	—
Investment funds				
Diversified funds	287.4	—	287.4	—
Equity funds	309.6	—	309.6	—
Fixed income funds	542.5	—	542.5	—
Hedge funds	53.0	—	39.4	13.6
Assets held by insurance company	35.1	—	35.1	—
Total	$ 1,384.8	$ 11.0	$ 1,360.2	$ 13.6

As of September 30, 2014, the fair values of the Company's post-retirement benefit plan assets by major asset categories are as follows:

	Total Carrying Value as of September 30, 2014	Fair Value Measurement as of September 30, 2014		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in millions)			
Cash and cash equivalents	$ 7.9	$ 3.4	$ 4.5	$ —
Investment funds				
Diversified funds	159.3	—	159.3	—
Equity funds	220.3	—	220.3	—
Fixed income funds	219.3	—	219.3	—
Hedge funds	27.9	—	14.2	13.7
Assets held by insurance company	37.6	—	37.6	—
Total	$ 672.3	$ 3.4	$ 655.2	$ 13.7

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8. Pension Benefit Obligations (Continued)

Changes for the year ended September 30, 2015, in the fair value of the Company's recurring post-retirement plan Level 3 assets are as follows:

	September 30, 2014 Beginning balance	Actual return on plan assets, relating to assets still held at reporting date	Actual return on plan assets, relating to assets sold during the period	Purchases, sales and settlements	Transfer into / (out of) Level 3	Change due to exchange rate changes	September 30, 2015 Ending balance
	(in millions)						
Investment funds							
Hedge funds	$ 13.7	$ (0.1)	$ —	$ —	$ —	$ —	$ 13.6

Changes for the year ended September 30, 2014, in the fair value of the Company's recurring post-retirement plan Level 3 assets are as follows:

	September 30, 2013 Beginning balance	Actual return on plan assets, relating to assets still held at reporting date	Actual return on plan assets, relating to assets sold during the period	Purchases, sales and settlements	Transfer into / (out of) Level 3	Change due to exchange rate changes	September 30, 2014 Ending balance
	(in millions)						
Investment funds							
Hedge funds	$ 12.6	$ 1.1	$ —	$ —	$ —	$ —	$ 13.7

Cash equivalents are mostly comprised of short-term money-market instruments and are valued at cost, which approximates fair value.

For equity investment funds not traded on an active exchange, or if the closing price is not available, the trustee obtains indicative quotes from a pricing vendor, broker, or investment manager. These funds are categorized as Level 2 if the custodian obtains corroborated quotes from a pricing vendor or categorized as Level 3 if the custodian obtains uncorroborated quotes from a broker or investment manager.

Fixed income investment funds categorized as Level 2 are valued by the trustee using pricing models that use verifiable observable market data (e.g., interest rates and yield curves observable at commonly quoted intervals), bids provided by brokers or dealers, or quoted prices of securities with similar characteristics.

Hedge funds categorized as Level 3 are valued based on valuation models that include significant unobservable inputs and cannot be corroborated using verifiable observable market data. Hedge funds are valued by independent administrators. Depending on the nature of the assets, the general partners or independent administrators use both the income and market approaches in their models. The market approach consists of analyzing market transactions for comparable assets while the income approach uses earnings or the net present value of estimated future cash flows adjusted for liquidity and other risk factors. As of September 30, 2015, there were no material changes to the valuation techniques.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. Debt

Debt consisted of the following:

	September 30, 2015	September 30, 2014
	(in millions)	
2014 Credit Agreement	$ 2,414.3	$ —
2014 Senior Notes	1,600.0	—
URS Senior Notes	429.4	—
Unsecured term credit agreement	—	712.5
Unsecured senior notes	—	263.9
Other debt	163.2	27.6
Total debt	4,606.9	1,004.0
Less: Current portion of debt and short-term borrowings	(160.4)	(64.4)
Long-term debt, less current portion	$ 4,446.5	$ 939.6

The following table presents, in millions, scheduled maturities of our debt as of September 30, 2015:

Fiscal Year	
2016	$ 160.4
2017	348.3
2018	126.7
2019	97.5
2020	1,507.1
Thereafter	2,366.9
Total	$ 4,606.9

2014 Credit Agreement

In connection with the acquisition of URS, on October 17, 2014, the Company entered into a new credit agreement (Credit Agreement) consisting of (i) a term loan A facility in an aggregate principal amount of $1.925 billion, (ii) a term loan B facility in an aggregate principal amount of $0.76 billion, (iii) a revolving credit facility in an aggregate principal amount of $1.05 billion, and (iv) an incremental performance letter of credit facility in an aggregate principal amount of $500 million subject to terms outlined in the Credit Agreement. These facilities under the Credit Agreement may be increased by an additional amount of up to $500 million. The Credit Agreement replaced the Second Amended and Restated Credit Agreement, dated as of June 7, 2013, and the Fourth Amended and Restated Credit Agreement, dated as of January 29, 2014, which such prior facilities were terminated and repaid in full on October 17, 2014. In addition, the Company paid in full, including a pre-payment penalty of $55.6 million, its unsecured senior notes (5.43% Series A Notes due July 2020 and 1.00% Series B Senior Discount Notes due July 2022). The new Credit Agreement matures on October 17, 2019 with respect to the revolving credit facility, the term loan A facility, and the incremental performance letter of credit facility. The term loan B facility matures on October 17, 2021. Certain subsidiaries of the Company (Guarantors) have guaranteed the obligations of the borrowers under the Credit Agreement. The borrowers' obligations under the Credit Agreement are secured by a lien on substantially all of the assets of the Company and the Guarantors pursuant to a security and pledge agreement (Security Agreement). The collateral under the

9. Debt (Continued)

Security Agreement is subject to release upon fulfillment of certain conditions specified in the Credit Agreement and Security Agreement.

The Credit Agreement contains covenants that limit the Company's ability and certain of its subsidiaries to, among other things: (i) create, incur, assume, or suffer to exist liens; (ii) incur or guarantee indebtedness; (iii) pay dividends or repurchase stock; (iv) enter into transactions with affiliates; (v) consummate asset sales, acquisitions or mergers; (vi) enter into certain type of burdensome agreements; or (vii) make investments.

On July 1, 2015, the Credit Agreement was amended to revise the definition of "Consolidated EBITDA" to increase the allowance for acquisition and integration expenses related to the acquisition of URS.

Under the Credit Agreement, the Company is subject to a maximum consolidated leverage ratio and minimum interest coverage ratio at the end of each fiscal quarter beginning with the quarter ending on March 31, 2015. The Company's Consolidated Leverage Ratio was 4.6 at September 30, 2015. As of September 30, 2015, the Company's was in compliance with the covenants of the Credit Agreement.

At September 30, 2015 and 2014, outstanding standby letters of credit totaled $92.5 million and $12.1 million, respectively, under its revolving credit facilities. As of September 30, 2015 and 2014, the Company had $947.6 million and $1,037.9 million, respectively, available under its revolving credit facility.

2014 Senior Notes

On October 6, 2014, the Company completed a private placement offering of $800,000,000 aggregate principal amount of its 5.750% Senior Notes due 2022 (2022 Notes) and $800,000,000 aggregate principal amount of its 5.875% Senior Notes due 2024 (the 2024 Notes and, together with the 2022 Notes, the 2014 Senior Notes or Notes).

As of September 30, 2015, the estimated fair market value of our 2014 Senior Notes was approximately $1,616.0 million, $806.0 million for the 2022 Notes and $810.0 million for the 2024 Notes. The fair value of the Notes as of September 30, 2015 was derived by taking the mid-point of the trading prices from an observable market input (Level 2) in the secondary bond market and multiplying it by the outstanding balance of its Notes.

At any time prior to October 15, 2017, the Company may redeem all or part of the 2022 Notes, at a redemption price equal to 100% of their principal amount, plus a "make whole" premium as of the redemption date, and accrued and unpaid interest (subject to the rights of holders of record on the relevant record date to receive interest due on the relevant interest payment date). In addition, at any time prior to October 15, 2017, the Company may redeem up to 35% of the original aggregate principal amount of the 2022 Notes with the proceeds of one or more equity offerings, at a redemption price equal to 105.750%, plus accrued and unpaid interest. Furthermore, at any time on or after October 15, 2017, the Company may redeem the 2022 Notes, in whole or in part, at once or over time, at the specified redemption prices plus accrued and unpaid interest thereon to the redemption date. At any time prior to July 15, 2024, the Company may redeem on one or more occasions all or part of the 2024 Notes at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) a "make-whole" premium as of the date of the redemption, plus any accrued and unpaid interest to the date of redemption. In addition, on or after July 15, 2024, the 2024 Notes may be redeemed at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest to the date of redemption.

9. Debt (Continued)

The indenture pursuant to which the 2014 Senior Notes were issued contains customary events of default, including, among other things, payment default, exchange default, failure to provide certain notices thereunder and certain provisions related to bankruptcy events. The indenture also contains customary negative covenants.

In connection with the offering of the Notes, the Company and the Guarantors entered into a Registration Rights Agreement, dated as of October 6, 2014 to exchange the Notes for registered notes having terms substantially identical in all material respects to (except certain transfer restrictions, registration rights and additional interest provisions relating to the Notes will not apply to the registered notes). The Company filed an initial registration statement on Form S-4 with the SEC on July 6, 2015 that was declared effective by the SEC on September 29, 2015. On November 2, 2015, the Company completed its exchange offer which exchanged the Notes for the registered notes, as well as all related guarantees.

The Company was in compliance with the covenants relating to the Notes as of September 30, 2015.

URS Senior Notes

In connection with the URS acquisition, the Company assumed URS's 3.85% Senior Notes due 2017 (2017 URS Senior Notes) and its 5.00% Senior Notes due 2022 (2022 URS Senior Notes) totaling $1.0 billion (URS Senior Notes). The URS acquisition triggered change in control provisions in the URS Senior Notes that allowed URS senior note holders to redeem their URS Senior Notes at a cash price equal to 101% of the principal amount and, accordingly, the Company redeemed $572.3 million of the URS Senior Notes on October 24, 2014. The URS Senior Notes are general unsecured senior obligations of AECOM Global II, LLC (as successor in interest to URS) and URS Fox US LP and are fully and unconditionally guaranteed on a joint-and-several basis by certain former URS domestic subsidiary guarantors.

As of September 30, 2015, the estimated fair market value of the URS Senior Notes was approximately $408.6 million, $178.7 million for the 2017 URS Senior Notes and $229.9 million for the 2022 URS Senior Notes. The carrying value of the URS Senior Notes on the Company's Consolidated Balance Sheets as of September 30, 2015 was $429.4 million, $182.0 million for the 2017 URS Senior Notes and $247.4 million for the 2022 URS Senior Notes. The fair value of the Company's URS Senior Notes as of September 30, 2015 was derived by taking the mid-point of the trading prices from an observable market input (Level 2) in the secondary bond market and multiplying it by the outstanding balance of the URS Senior Notes.

As of September 30, 2015, the Company was in compliance with the covenants relating to the URS Senior Notes.

Other Debt

Other debt consists primarily of obligations under capital leases and loans, and unsecured credit facilities. The Company's unsecured credit facilities are primarily used for standby letters of credit issued for payment of performance guarantees. At September 30, 2015 and 2014, these outstanding standby letters of credit totaled $344 million and $301 million, respectively. As of September 30, 2015, the Company had $405.9 million available under these unsecured credit facilities.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. Debt (Continued)

Effective Interest Rate

The Company's average effective interest rate on its total debt, including the effects of the interest rate swap agreements, during the year ended September 30, 2015, 2014 and 2013 was 4.2%, 2.8% and 3.0%, respectively.

10. Derivative Financial Instruments and Fair Value Measurements

The Company uses certain interest rate derivative contracts to hedge interest rate exposures on the Company's variable rate debt. The Company enters into foreign currency derivative contracts with financial institutions to reduce the risk that its cash flows and earnings will be adversely affected by foreign currency exchange rate fluctuations. The Company's hedging program is not designated for trading or speculative purposes.

The Company recognizes derivative instruments as either assets or liabilities on the accompanying consolidated balance sheets at fair value. The Company records changes in the fair value (i.e., gains or losses) of the derivatives that have been designated as accounting hedges in the accompanying consolidated statements of operations as cost of revenue, interest expense or to accumulated other comprehensive loss in the accompanying consolidated balance sheets.

Cash Flow Hedges

The Company uses interest rate swap agreements designated as cash flow hedges to fix the variable interest rates on portions of the Company's debt. The Company also uses foreign currency contracts designated as cash flow hedges to hedge forecasted revenue transactions denominated in currencies other than the U.S. dollar. The Company initially reports any gain on the effective portion of a cash flow hedge as a component of accumulated other comprehensive loss. Depending on the type of cash flow hedge, the gain is subsequently reclassified to either interest expense when the interest expense on the variable rate debt is recognized, or to cost of revenue when the hedged revenues are recorded. If the hedged transaction becomes probable of not occurring, any gain or loss related to interest rate swap agreements or foreign currency contracts would be recognized in other income (expense). Further, the Company excludes the change in the time value of the foreign currency contracts from the assessment of hedge effectiveness. The Company records the premium paid or time value of a contract on the date of purchase as an asset. Thereafter, the Company recognizes any change to this time value in cost of revenue.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Derivative Financial Instruments and Fair Value Measurements (Continued)

The notional principal, fixed rates and related expiration dates of the Company's outstanding interest rate swap agreements were as follows:

September 30, 2015		
Notional Amount (in millions)	Fixed Rate	Expiration Date
$ 300.0	1.63%	June 2018
300.0	1.54%	September 2018

September 30, 2014		
Notional Amount (in millions)	Fixed Rate	Expiration Date
$ 300.0	1.63%	June 2018
250.0	0.95%	September 2015
200.0	0.68%	December 2014

The notional principal of outstanding foreign currency contracts to purchase Australian dollars (AUD) with U.S. dollars was AUD 98.1 million (or $74.1 million) at September 30, 2015. There were no foreign currency contracts at September 30, 2014.

Other Foreign Currency Forward Contracts

The Company uses foreign currency forward contracts which are not designated as accounting hedges to hedge intercompany transactions and other monetary assets or liabilities denominated in currencies other than the functional currency of a subsidiary. Gains and losses on these contracts were not material for the years ended September 30, 2015, 2014 and 2013.

Fair Value Measurements

The Company's non-pension financial assets and liabilities recorded at fair values relate to derivative instruments and were not material at September 30, 2015 or 2014.

See Note 14 for accumulated balances and reporting period activities of derivatives related to reclassifications out of accumulated other comprehensive income or loss for the years ended September 30, 2015, 2014 and 2013. Amounts recognized in accumulated other comprehensive loss from the Company's foreign currency options were immaterial for all years presented. Amounts reclassified from accumulated other comprehensive loss into income from the foreign currency options were immaterial for all years presented. Additionally, there were no losses recognized in income due to amounts excluded from effectiveness testing from the Company's interest rate swap agreements.

During the years ended September 30, 2015 and 2014, the Company entered into two contingent consideration arrangements in connection with business acquisitions. Under the arrangements, the Company agreed to pay cash to the sellers if certain financial performance thresholds are achieved in the future. The fair value of the contingent consideration liability as of September 30, 2015 and 2014 was $39 million and $17 million, respectively, and is a Level 3 fair value measurement recorded within other accrued liabilities. It was valued based on estimated future net cash flows. After the initial recording of this liability as a part of purchase accounting, there were no material subsequent changes in fair value through

September 30, 2015. Any future changes in the fair value of this contingent consideration liability will be recognized in earnings during the applicable period.

11. Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash investments and trade receivables. The Company's cash balances and short-term investments are maintained in accounts held by major banks and financial institutions located primarily in the U.S., Canada, Europe, Australia, Middle East and Hong Kong. If the Company extends significant credit to clients in a specific geographic area or industry, the Company may experience disproportionately high levels of default if those clients are adversely affected by factors particular to their geographic area or industry. Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Company's customer base, including, in large part, governments, government agencies and quasi-government organizations, and their dispersion across many different industries and geographies. See Note 20 regarding the Company's foreign revenues. In order to mitigate credit risk, the Company continually reviews the credit worthiness of its major private clients.

12. Leases

The Company and its subsidiaries are lessees in non-cancelable leasing agreements for office buildings and equipment. The related payments are expensed on a straight-line basis over the lease term, including, as applicable, any free-rent period during which the Company has the right to use the asset. For leases with renewal options where the renewal is reasonably assured, the lease term, including the renewal period is used to determine the appropriate lease classification and to compute periodic rental expense. The following table presents, in millions, amounts payable under non-cancelable operating lease commitments during the following fiscal years:

Year Ending September 30,	
2016	$ 328.9
2017	263.0
2018	211.6
2019	179.0
2020	150.1
Thereafter	487.4
Total	$ 1,620.0

Rent expense for leases for the years ended September 30, 2015, 2014 and 2013 was approximately $395.9 million, $210.4 million and $225.4 million, respectively. When the Company is required to restore leased facilities to original condition, provisions are made over the period of the lease.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

13. Other Financial Information

Accrued expenses and other current liabilities consist of the following:

	Fiscal Year Ended September 30, 2015	Fiscal Year Ended September 30, 2014
	(in millions)	
Accrued salaries and benefits	$ 852.2	$ 400.6
Accrued contract costs	993.1	446.4
Other accrued expenses	322.5	117.6
	$ 2,167.8	$ 964.6

Accrued contract costs above include balances related to professional liability and workers' compensation accruals of $239.2 million and $129.2 million as of September 30, 2015 and 2014, respectively. The remaining accrued contract costs primarily relate to costs for services provided by subcontractors and other non-employees.

14. Reclassifications out of Accumulated Other Comprehensive Loss

The accumulated balances and reporting period activities for the years ended September 30, 2015, 2014 and 2013 related to reclassifications out of accumulated other comprehensive loss are summarized as follows (in millions):

	Pension Related Adjustments	Foreign Currency Translation Adjustments	Loss on Derivative Instruments	Accumulated Other Comprehensive Loss
Balances at September 30, 2012	$ (178.2)	$ 2.7	$ (3.7)	$ (179.2)
Other comprehensive loss before reclassification	(19.9)	(69.1)	(0.2)	(89.2)
Amounts reclassified from accumulated other comprehensive loss:				
Actuarial losses, net of tax	5.3	—	—	5.3
Cash flow hedge losses, net of tax	—	—	1.8	1.8
Balances at September 30, 2013	$ (192.8)	$ (66.4)	$ (2.1)	$ (261.3)

	Pension Related Adjustments	Foreign Currency Translation Adjustments	Loss on Derivative Instruments	Accumulated Other Comprehensive Loss
Balances at September 30, 2013	$ (192.8)	$ (66.4)	$ (2.1)	$ (261.3)
Other comprehensive loss before reclassification	(30.3)	(71.4)	(1.4)	(103.1)
Amounts reclassified from accumulated other comprehensive loss:				
Actuarial losses, net of tax	6.1	—	—	6.1
Cash flow hedge losses, net of tax	—	—	1.7	1.7
Balances at September 30, 2014	$ (217.0)	$ (137.8)	$ (1.8)	$ (356.6)

14. Reclassifications out of Accumulated Other Comprehensive Loss (Continued)

	Pension Related Adjustments	Foreign Currency Translation Adjustments	Loss on Derivative Instruments	Accumulated Other Comprehensive Loss
Balances at September 30, 2014	$ (217.0)	$ (137.8)	$ (1.8)	$ (356.6)
Other comprehensive income (loss) before reclassification	5.8	(282.3)	(13.3)	(289.8)
Amounts reclassified from accumulated other comprehensive loss:				
Actuarial losses, net of tax	7.2	—	—	7.2
Cash flow hedge losses, net of tax	—	—	4.1	4.1
Balances at September 30, 2015	$ (204.0)	$ (420.1)	$ (11.0)	$ (635.1)

15. Stockholders' Equity

Common Stock Units—Common stock units are only redeemable for common stock. In the event of liquidation of the Company, holders of stock units are entitled to no greater rights than holders of common stock. See also Note 16.

16. Stock Plans

Defined Contribution Plans—Substantially all permanent employees are eligible to participate in defined contribution plans provided by the Company. Under these plans, participants may make contributions into a variety of funds, including a fund that is fully invested in Company stock. Employees are not required to allocate any funds to Company stock. Employees may generally reallocate their account balances on a daily basis; however, employees classified as insiders are restricted under the Company's insider trading policy. Compensation expense relating to these employer contributions under defined contribution plans for fiscal years ended September 30, 2015, 2014 and 2013 was $13.3 million, $14.4 million and $14.6 million, respectively.

Stock Incentive Plans—Under the 2006 Stock Incentive Plan, the Company has up to 13.1 million securities remaining available for future issuance as of September 30, 2015. Stock options may be granted to employees and non-employee directors with an exercise price not less than the fair market value of the stock on the date of grant. Unexercised options expire seven years after date of grant.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16. Stock Plans (Continued)

During the three years in the period ended September 30, 2015, option activity was as follows:

	Number of Options (in millions)	Weighted Average Exercise Price
Balance, September 30, 2012	2.5	$ 22.81
Granted	—	—
Exercised	(0.8)	18.31
Cancelled	(0.1)	26.83
Balance, September 30, 2013	1.6	24.73
Granted	0.6	31.62
Exercised	(0.5)	23.64
Cancelled	(0.1)	26.87
Balance, September 30, 2014	1.6	27.69
Granted	—	—
Exercised	(0.3)	24.98
Cancelled	—	—
Balance, September 30, 2015	1.3	28.26
Exercisable as of September 30, 2013	1.4	24.51
Exercisable as of September 30, 2014	0.9	25.16
Exercisable as of September 30, 2015	0.7	25.04

The following table summarizes information concerning outstanding and exercisable options as of September 30, 2015:

	Options Outstanding				Options Exercisable		
	Number Outstanding as of September 30, 2015 (in millions)	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Aggregate Intrinsic Value (in millions)	Number Exercisable as of September 30, 2015 (in millions)	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
Range of Exercise Prices							
$21.01 - $23.94	0.2	0.23	$ 23.19	$ 1.1	0.2	0.23	$ 23.19
24.45 - 27.67	0.4	1.47	25.43	0.9	0.4	1.47	25.43
28.04 - 31.62	0.7	7.67	31.25	—	0.1	2.01	28.53
	1.3	4.69	28.26	$ 2.0	0.7	1.10	25.04

The remaining contractual life of options outstanding at September 30, 2015 range from 0.04 to 8.43 years and have a weighted average remaining contractual life of 4.69 years. The aggregate intrinsic value of stock options exercised during the years ended September 30, 2015, 2014 and 2013 was $2.1 million, $4.3 million and $7.9 million, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16. Stock Plans (Continued)

The fair value of the Company's employee stock option awards is estimated on the date of grant. The expected term of awards granted represents the period of time the awards are expected to be outstanding. 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 weighted average grant-date fair value of stock options granted during the year ended September 30, 2014 was $7.83. No stock options were granted during the year ended September 30, 2015.

The Company grants stock units to employees under the Performance Earnings Program (PEP), whereby units are earned and issued dependent upon meeting established cumulative performance objectives and vesting over a three-year period. Additionally, the Company issues restricted stock units to employees which are earned based on service conditions. The grant date fair value of PEP awards and restricted stock unit awards is that day's closing market price of the Company's common stock. The weighted average grant date fair value of PEP awards was $32.32, $29.32 and $22.27 during the years ended September 30, 2015, 2014 and 2013, respectively. The weighted average grant date fair value of restricted stock unit awards was $31.05, $29.60 and $22.83 during the years ended September 30, 2015, 2014 and 2013, respectively. Included in the restricted stock unit grants during the twelve months ended September 30, 2015 were 2.6 million restricted stock units with a grant date fair value of $30.04 per share that were converted from unvested URS service based restricted stock awards assumed by the Company in connection with the acquisition of URS. Total compensation expense related to these share-based payments including stock options was $112.2 million, $34.4 million and $32.6 million during the years ended September 30, 2015, 2014 and 2013, respectively. Included in total compensation expense during the twelve months ended September 30, 2015 was $43.9 million related to the settlement of accelerated URS equity awards with $17.6 million of Company stock and $26.3 million in cash which was classified as acquisition and integration expense. Unrecognized compensation expense related to total share-based payments outstanding as of September 30, 2015 was $115.5 million, to be recognized on a straight-line basis over the awards' respective vesting periods which are generally three years.

Cash flow attributable to tax benefits resulting from tax deductions in excess of compensation cost recognized for those stock options (excess tax benefits) is classified as financing cash flows. Excess tax benefits of $3.6 million, $0.7 million and $1.8 million for the years ended September 30, 2015, 2014 and 2013, respectively, have been classified as financing cash inflows in the Consolidated Statements of Cash Flows.

17. Income Taxes

Income before income taxes included (loss) income from domestic operations of $(214.6) million, $138.2 million and $111.8 million for fiscal years ended September 30, 2015, 2014 and 2013 and income from foreign operations of $63.1 million, $176.6 million and $224.0 million for fiscal years ended September 30, 2015, 2014 and 2013.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Income Taxes (Continued)

Income tax (benefit) expense on continuing operations was comprised of:

	Fiscal Year Ended September 30, 2015	Fiscal Year Ended September 30, 2014	Fiscal Year Ended September 30, 2013
	(in millions)		
Current:			
Federal	$ (67.1)	$ 5.3	$ 30.3
State	2.6	3.3	9.9
Foreign	37.2	46.3	59.7
Total current income tax (benefit) expense	(27.3)	54.9	99.9
Deferred:			
Federal	(44.2)	27.7	5.8
State	1.2	5.6	(10.6)
Foreign	(10.0)	(6.2)	(2.5)
Total deferred income tax (benefit) expense	(53.0)	27.1	(7.3)
Total income tax (benefit) expense	$ (80.3)	$ 82.0	$ 92.6

The major elements contributing to the difference between the U.S. federal statutory rate of 35.0% and the effective tax rate are as follows:

	September 30, 2015 Amount	September 30, 2015 %	September 30, 2014 Amount	September 30, 2014 %	September 30, 2013 Amount	September 30, 2013 %
	(in millions)					
Tax at federal statutory rate	$ (53.0)	35.0%	$ 110.2	35.0%	$ 117.5	35.0%
State income tax, net of federal benefit	(2.3)	1.5	5.0	1.6	2.5	0.7
Exclusion of tax on non-controlling interests	(29.3)	19.3	—	—	—	—
Income tax credits and incentives	(21.1)	14.0	(7.1)	(2.2)	(14.7)	(4.3)
Foreign tax rate differential	(14.0)	9.3	(22.5)	(7.2)	(9.9)	(2.9)
Change in uncertain tax positions	6.5	(4.3)	(4.5)	(1.4)	(7.3)	(2.2)
Valuation allowance	30.0	(19.8)	6.3	2.0	1.6	0.5
Domestic production activities deduction	—	—	(11.7)	(3.7)	(2.6)	(0.8)
Nondeductible transaction costs	2.8	(1.9)	2.8	0.9	—	—
Other items, net	0.1	(0.1)	3.5	1.1	5.5	1.6
Total income tax expense	$ (80.3)	53.0%	$ 82.0	26.1%	$ 92.6	27.6%

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Income Taxes (Continued)

During the year ended September 30, 2015, the Company recognized a $19.4 million tax benefit related to U.S. tax incentives and credits that expired on December 31, 2014. During the year ended September 30, 2015, the Company also benefited from the application of IRC section 954(c)(6) dealing with the exception to current U.S. taxation of certain inter-company payments among controlled foreign corporations. Section 954(c)(6) expired on September 30, 2015 for the Company. Unless retroactively extended, the expiration of section 954(c)(6) and the other expired provisions could have a material impact on our consolidated results of operations in subsequent years.

The deferred tax assets (liabilities) are as follows:

	Fiscal Year Ended September 30, 2015	Fiscal Year Ended September 30, 2014
	(in millions)	
Deferred tax assets:		
Compensation and benefit accruals not currently deductible	$ 166.7	$ 65.5
Net operating loss carry forwards	195.9	69.3
Self insurance reserves	46.8	48.8
Research and Experimentation and other tax credits	43.0	34.2
Pension liability	165.6	59.4
Accrued liabilities	267.3	63.7
Other	11.4	26.2
Total deferred tax assets	896.7	367.1
Deferred tax liabilities:		
Unearned revenue	(101.9)	(122.9)
Depreciation and amortization	(76.5)	(59.2)
Acquired intangible assets	(219.2)	(14.8)
Investment in subsidiaries	(239.2)	—
Total deferred tax liabilities	(636.8)	(196.9)
Valuation allowance	(239.4)	(27.1)
Net deferred tax assets	$ 20.5	$ 143.1

As of September 30, 2015, the Company has available unused state net operating loss (NOL) carry forwards of $526.0 million and foreign NOL carry forwards of $828.7 million which expire at various dates. In addition, as of September 30, 2015, the Company has unused federal and state research and development credits of $22.4 million and California Enterprise Zone Tax Credits of $6.8 million.

As of September 30, 2015 and 2014, gross deferred tax assets were $896.7 million and $367.1 million, respectively. The Company has recorded a valuation allowance of approximately $239.4 million and $27.1 million at September 30, 2015 and 2014, respectively, related to state and foreign net operating loss carry forwards and credits. The Company has performed an assessment of positive and negative evidence, including the nature, frequency, and severity of cumulative financial reporting losses in recent years, the future reversal of existing temporary differences, predictability of future taxable income exclusive of reversing temporary differences of the character necessary to realize the asset, relevant carry forward

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Income Taxes (Continued)

periods, taxable income in carry-back years if carry-back is permitted under tax law, and prudent and feasible tax planning strategies that would be implemented, if necessary, to protect against the loss of the deferred tax asset that would otherwise expire. Although realization is not assured, based on the Company's assessment, the Company has concluded that it is more likely than not that the remaining gross deferred tax asset (exclusive of deferred tax liabilities) of $657.3 million will be realized and, as such, no additional valuation allowance has been provided. The increase in the valuation allowance of $212 million is primarily attributable to the acquisition of URS of $182 million which was recorded in business combination, and certain current year foreign losses which were allocated to income from continuing operations.

As of September 30, 2015 and 2014, the Company has remaining tax-deductible goodwill of $261.2 million and $251.6 million, respectively, resulting from acquisitions. The amortization of this goodwill is deductible over various periods ranging up to 15 years.

Generally, the Company does not provide for U.S. taxes or foreign withholding taxes on undistributed earnings from non-U.S. subsidiaries because such earnings are able to and intended to be reinvested indefinitely. The undistributed earnings are approximately $1,341.2 million. If undistributed pre-tax earnings were distributed, foreign tax credits could become available under current law to partially or fully reduce the resulting U.S. income tax liability. If such earnings were repatriated, additional tax expense may result, although the calculation of such additional taxes is not practicable. The Company recorded a deferred tax liability in the amount of $88.2 million relating to certain foreign subsidiaries for which the undistributed earnings are not intended to be reinvested indefinitely as part of the liabilities assumed in connection with the acquisition of URS on October 17, 2014. The Company also recorded a deferred tax liability of $145.6 million in business combination for a stock basis adjustment that was inherited in the URS acquisition.

As of September 30, 2015 and 2014, the Company had a liability for unrecognized tax benefits, including potential interest and penalties, net of related tax benefit, totaling $107.6 million and $52.6 million, respectively. The gross unrecognized tax benefits as of September 30, 2015 and 2014 were $95.2 million and $47.5 million, respectively, excluding interest, penalties, and related tax benefit. Of the $95.2 million, approximately $77.0 million would be included in the effective tax rate if recognized in the fiscal year ended September 30, 2015. The adoption of ASC 805, *"Accounting for Business Combinations,"* at the beginning of the fiscal year ended September 30, 2010 changed the treatment of the reversal of unrecognized tax benefits related to acquired companies which prior to adoption of ASC 805 would have

17. Income Taxes (Continued)

impacted goodwill, but after the adoption of ASC 805, results in the recognition of income tax benefit. A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows:

	Fiscal Year Ended September 30, 2015	Fiscal Year Ended September 30, 2014
	(in millions)	
Balance at the beginning of the year	$ 47.5	$ 53.7
Gross increase due to acquisitions	49.4	—
Gross increase in prior years' tax positions	6.4	3.3
Gross decrease in prior years' tax positions	(0.2)	(7.6)
Decrease due to settlement with tax authorities	(2.0)	(2.0)
Gross increase in current period's tax positions	6.0	2.2
Decrease due to lapse of statute of limitations	(4.6)	(2.1)
Gross change due to foreign exchange fluctuations	(7.3)	—
Balance at the end of the year	$ 95.2	$ 47.5

The Company classifies interest and penalties related to uncertain tax positions within the income tax expense line in the accompanying consolidated statements of operations. At September 30, 2015, the accrued interest and penalties, including balances acquired in the URS acquisition, were $13.9 million and $3.5 million, respectively, excluding any related income tax benefits. As of September 30, 2014, the accrued interest and penalties were $6.2 million and $2.9 million, respectively, excluding any related income tax benefits.

The Company files income tax returns in numerous tax jurisdictions, including the U.S., and numerous U.S. states and non-U.S. jurisdictions around the world. The statute of limitations varies by jurisdiction in which the Company operates. Because of the number of jurisdictions in which the Company files tax returns, in any given year the statute of limitations in certain jurisdictions may expire without examination within the 12-month period from the balance sheet date.

The Company is currently under examination by the U.S. Internal Revenue Service for the fiscal years ended September 30, 2010 and September 30, 2011. With a few exceptions, the Company is no longer subject to U.S. state or non-U.S. income tax examinations by tax on authorities for years before fiscal year 2010. The Company anticipates that some of the audits may be concluded in the foreseeable future, including in fiscal year ending September 30, 2016. Based on the status of these audits, it is reasonably possible that the conclusion of the audits may result in a reduction of unrecognized tax benefits. It is not possible to estimate the impact of any change at this time.

In July 2013, the FASB issued ASU No. 2013-11, "Income Taxes (Topic 740) Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists." This topic provides guidance on whether an unrecognized tax benefit should be presented as a reduction to a deferred tax asset or as a separate liability. This update was effective for annual and interim periods beginning after December 15, 2013, and we adopted this ASU on October 1, 2014. The adoption of this update resulted in a decrease to the September 30, 2015 deferred tax asset balance of $34.8 million.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

18. Earnings Per Share

Basic earnings per share (EPS) excludes dilution and is computed by dividing net income available for 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 potential common shares for the period. The Company includes as potential common shares the weighted average dilutive effects of outstanding stock options and restricted stock units using the treasury stock method. For the periods presented, options excluded from the calculation of potential common shares were not significant. The computation of diluted loss per share for the year ended September 30, 2015 excludes 1.7 million of potential common shares due to their antidilutive effect.

The following table sets forth a reconciliation of the denominators of basic and diluted earnings per share:

	Fiscal Year Ended		
	September 30, 2015	September 30, 2014	September 30, 2013
		(in millions)	
Denominator for basic earnings per share	149.6	97.2	100.6
Potential common shares	—	1.5	1.3
Denominator for diluted earnings per share	149.6	98.7	101.9

19. Commitments and Contingencies

The Company records amounts representing its probable estimated liabilities relating to claims, guarantees, litigation, audits and investigations. The Company relies in part on qualified actuaries to assist it in determining the level of reserves to establish for insurance-related claims that are known and have been asserted against it, and for insurance-related claims that are believed to have been incurred based on actuarial analysis, but have not yet been reported to the Company's claims administrators as of the respective balance sheet dates. The Company includes any adjustments to such insurance reserves in its consolidated results of operations.

The Company and its affiliates are involved in various investigations, audits, claims and lawsuits arising in the normal course of business. The Company is not always aware that it is under investigation, or of its status in such matters, but currently is aware of certain pending investigations, including the matters described below. In the opinion of management, based on current information and discussions with counsel, with the exception of matters noted below, the ultimate resolution of these matters is not expected to have a material adverse effect on the Company's consolidated balance sheet or statements of income or cash flows. The Company is not always aware that it or its affiliates are under investigation, or of the status of such matters, but the Company is currently aware of certain pending investigations, including the matters described below.

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 additional costs or be held responsible for the costs incurred by the client to achieve the required performance standards. At September 30, 2015, the Company was contingently liable in the amount of approximately $436.5 million under standby letters of credit issued primarily in

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Commitments and Contingencies (Continued)

connection with general and professional liability insurance programs and for payment of performance guarantees.

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. In addition, in connection with the investment activities of AECOM Capital, we provide guarantees of certain obligations, including guarantees for completion of projects, repayment of debt, environmental indemnity obligations and acts of willful misconduct. 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. Generally, 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 does not expect that these guarantees will have a material adverse effect on its consolidated balance sheet or statements of income or cash flows.

USAID Egyptian Projects

In November 2004, the federal government filed a civil action in Idaho federal district court against Washington Group International, a Delaware company (WGI), an affiliate of URS, which the Company acquired on October 17, 2014, and two of WGI's subcontractors, asserting violations under the Federal False Claims Act and Federal Foreign Assistance Act of 1961 for failure to comply with U.S. Agency for International Development (USAID) source, origin, and nationality regulations in connection with five USAID-financed Egyptian projects beginning in the early 1990s. The federal government seeks a refund of the approximately $373 million paid to WGI under the contracts for the five completed and fully operational projects as well as damages and civil penalties (including doubling and trebling of damages) for violation of the statutes. In March 2005, WGI filed motions in Idaho federal district court and the United States Bankruptcy Court in Nevada contending that the federal government's Idaho federal district court action was barred under the plan of reorganization approved by the Bankruptcy Court in 2002 when WGI emerged from bankruptcy protection. In 2006, the Idaho federal district court action was stayed pending the bankruptcy-related proceedings. On April 24, 2012, the Bankruptcy Court ruled that the bulk of the federal government's claims under the Federal False Claims and the Federal Foreign Assistance Acts are not barred. On November 7, 2012, WGI appealed the Bankruptcy Court's decision to the Ninth Circuit Bankruptcy Appellate Panel. On August 2, 2013, the Appellate Panel affirmed the Bankruptcy Court's decision. On September 26, 2013, WGI appealed the Appellate Panel's decision to the United States Ninth Circuit Court of Appeals.

WGI contests the federal government's allegations and intends to continue to defend this matter vigorously; however, WGI cannot provide assurance that it will be successful in these efforts.

DOE Deactivation, Demolition, and Removal Project

Washington Group International, an Ohio company (WGI Ohio), an affiliate of URS, executed a cost-reimbursable task order with the Department of Energy (DOE) in 2007 to provide deactivation, demolition and removal services at a New York State project site that, during 2010, experienced contamination and performance issues and remains uncompleted. In February 2011, WGI Ohio and the DOE executed a Task Order Modification that changed some cost-reimbursable contract provisions to

19. Commitments and Contingencies (Continued)

at-risk. The Task Order Modification, including subsequent amendments, requires the DOE to pay all project costs up to $106 million, requires WGI Ohio and the DOE to equally share in all project costs incurred from $106 million to $146 million, and requires WGI Ohio to pay all project costs exceeding $146 million.

Due to unanticipated requirements and permitting delays by federal and state agencies, as well as delays and related ground stabilization activities caused by Hurricane Irene in 2011, WGI Ohio has been required to perform work outside the scope of the Task Order Modification. In December 2014, WGI Ohio submitted claims against the DOE pursuant to the Contracts Disputes Acts seeking recovery of $103 million, including additional fees on changed work scope. Due to significant delays and uncertainties about responsibilities for the scope of remaining work, final project completion costs and other associated costs may exceed $100 million.

WGI Ohio can provide no certainty that it will recover the DOE claims and fees submitted in December 2014, as well as any other project costs after December 2014 that WGI Ohio is obligated to incur including the remaining project completion costs, which could have a material adverse effect on the Company's results of operations.

Canadian Pipeline Contract

In January 2010, a pipeline owner filed an action in the Court of Queen's Bench of Alberta, Canada against Flint Energy Services Ltd. (Flint), an affiliate of URS, as well as against a number of other defendants, alleging that the defendants negligently provided pipe coating and insulation system services, engineering, design services, construction services, and other work, causing damage to and abandonment of the line. The pipeline owner alleges it has suffered approximately C$85 million in damages in connection with the abandonment and replacement of the pipeline. Flint was the construction contractor on the pipeline project. Other defendants were responsible for engineering and design-services and for specifying and providing the actual pipe, insulation and coating materials used in the line. In January 2011, the pipeline owner served a Statement of Claim on Flint and, in September 2011, Flint filed a Statement of Defense denying that the damages to the coating system of the pipeline were caused by any negligence or breach of contract of Flint.

Flint disputes the pipeline owner's claims and intends to continue to defend this matter vigorously; however, it cannot provide assurance that it will be successful, in whole or in part, in these efforts.

Waste Isolation Pilot Plant Environmental Incidents

URS is a member of Nuclear Waste Partnership, LLC, a joint venture that manages and operates the Waste Isolation Pilot Plant (WIPP), a DOE federal waste repository in New Mexico designed to dispose of low level transuranic (TRU) radioactive waste generated by federal facilities. On February 5, 2014, an underground vehicle fire suspended operations at WIPP. On February 14, 2014, in a separate and unrelated event, a TRU waste container that originated from Los Alamos National Laboratory breached and released low levels of radiological contaminants from the mine at WIPP into the atmosphere. On December 6, 2014, the DOE and Nuclear Waste Partnership received an administrative compliance order and civil penalty of $17.7 million from the New Mexico Environment Department alleging violations of the Resource Conservation and Recovery Act and the New Mexico Hazardous Waste Act due to WIPP's failure to prevent the underground fire and the radiological release. In addition, disposal operations at WIPP have been suspended until a final recovery plan can be implemented.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Commitments and Contingencies (Continued)

Nuclear Waste Partnership, DOE and the New Mexico Environmental Department have executed a General Principles of Agreement, which, if incorporated into a final settlement document, would provide for DOE funding for various projects in lieu of any penalty payments.

Tishman Inquiry

The U.S. Attorney's Office for the Eastern District of New York (USAO) has informed the Company's subsidiary Tishman Construction Corporation (TCC) that, in connection with a wage and hour investigation of several New York area contractors, the USAO is investigating potential improper overtime payments to union workers on projects managed by TCC and other contractors in New York dating back to 1999. TCC, which was acquired by the Company in 2010, has cooperated fully with the investigation and, as of this date, no actions have been filed. TCC continues to cooperate with the ongoing investigation and to engage in active discussions with the U.S. Attorney's Office regarding an amicable resolution of the issues raised as a result of the investigation.

AECOM Australia

In 2005 and 2006, the Company's main Australian subsidiary, AECOM Australia Pty Ltd (AECOM Australia), performed a traffic forecast assignment for a client consortium as part of the client's project to design, build, finance and operate a tolled motorway tunnel in Australia. To fund the motorway's design and construction, the client formed certain special purpose vehicles (SPVs) that raised approximately $700 million Australian dollars through an initial public offering (IPO) of equity units in 2006 and approximately an additional $1.4 billion Australian dollars in long term bank loans. The SPVs went into insolvency administrations in February 2011.

KordaMentha, the receivers for the SPVs (the RCM Applicants), caused a lawsuit to be filed against AECOM Australia by the RCM Applicants in the Federal Court of Australia on May 14, 2012. Portigon AG (formerly WestLB AG), one of the lending banks to the SPVs, filed a lawsuit in the Federal Court of Australia against AECOM Australia on May 18, 2012. Separately, a class action lawsuit, which has been amended to include approximately 770 of the IPO investors, was filed against AECOM Australia in the Federal Court of Australia on May 31, 2012.

All of the lawsuits claim damages that purportedly resulted from AECOM Australia's role in connection with the above described traffic forecast. The class action applicants claim that they represent investors who acquired approximately $155 million Australian dollars of securities. On July 10, 2015, AECOM Australia, the RCM Applicants and Portigon AG entered into a Deed of Release settling the respective lawsuits.

AECOM Australia disputes the claimed entitlements to damages asserted by the remaining class action lawsuit and will continue to defend this matter vigorously. AECOM Australia cannot provide assurance that it will be successful in these efforts. The potential range of loss and the resolution of this matter cannot be determined at this time and could have a material adverse effect on AECOM Australia and the results of its operations.

DOE Hanford Nuclear Reservation

URS Energy and Construction, Washington River Protection Solutions LLC and Washington Closure Hanford LLC, affiliates of URS, perform services under multiple contracts (including under the Waste

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Commitments and Contingencies (Continued)

Treatment Plant contract, the Tank Farm contract and the River Corridor contract) at the DOE's Hanford nuclear reservation that have been subject to various government investigations or litigation:

- Waste Treatment Plant government investigation: The federal government is conducting an investigation into our affiliate, URS Energy & Construction, a subcontractor on the Waste Treatment Plant, regarding contractual compliance and various technical issues in the design, development and construction of the Waste Treatment Plant.

- Waste Treatment Plant whistleblower and employment claims: Two former employees have each filed employment related claims against our affiliate, URS Energy & Construction, seeking restitution for alleged retaliation and wrongful termination. In August 2015, URS Energy & Construction settled one of these former employees' whistleblower and employment related claims for $4.1 million.

- Tank Farms government investigation: The federal government is conducting an investigation regarding the time keeping of employees at our joint venture, Washington River Protection Solutions LLC, when the joint venture took over as the prime contractor from another federal contractor.

- Tank Farms government investigation: The federal government is conducting an investigation into the circumstances surrounding the response of our joint venture, Washington River Protection Solutions LLC, to a leak within the tank farms of the Hanford nuclear reservation.

- River Corridor litigation: The federal government has partially intervened in a false claims act complaint filed in the Eastern District of Washington on December 2013 challenging our joint venture, Washington Closure Hanford LLC, and its contracting procedures under the Small Business Act.

URS Energy and Construction, Washington River Protection Solutions LLC and Washington Closure Hanford LLC dispute these investigations and claims and intend to continue to defend these matters vigorously; however, URS Energy and Construction, Washington River Protection Solutions LLC and Washington Closure Hanford LLC cannot provide assurances that they will be successful in these efforts. The resolution of these matters cannot be determined at this time and could have a material adverse effect on the Company's results of operations and cash flows.

20. Reportable Segments and Geographic Information

The Company's operations are organized into three reportable segments: Design and Consulting Services (DCS), Construction Services (CS), and Management Services (MS). The Company's DCS reportable segment delivers planning, consulting, architectural, environmental, and engineering design services to commercial and government clients worldwide. The Company's CS reportable segment provides construction services primarily in the Americas. The Company's MS reportable segment provides program and facilities management and maintenance, training, logistics, consulting, and technical assistance and systems integration services, primarily for agencies of the U.S. government. These reportable segments are organized by the types of services provided, the differing specialized needs of the respective clients, and how the Company manages its business. The Company has aggregated various operating segments into its reportable segments based on their similar characteristics, including similar long term financial performance, the nature of services provided, internal processes for delivering those services, and types of customers.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Reportable Segments and Geographic Information (Continued)

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

Reportable Segments:	Design and Consulting Services	Construction Services	Management Services	Corporate	Total
Fiscal Year Ended September 30, 2015:					
Revenue	$ 7,962.9	$ 6,676.7	$ 3,350.3	$ —	$ 17,989.9
Cost of revenue	7,663.6	6,633.9	3,157.2	—	17,454.7
Gross profit	299.3	42.8	193.1	—	535.2
Equity in earnings of joint ventures	6.6	23.0	76.6	—	106.2
General and administrative expenses	—	—	—	(114.0)	(114.0)
Acquisition and integration expenses	—	—	—	(398.4)	(398.4)
Operating income (loss)	305.9	65.8	269.7	(512.4)	129.0
Segment assets	7,118.2	3,382.4	2,903.9	609.8	14,014.3
Gross profit as a % of revenue	3.8%	0.6%	5.8%		3.0%
Fiscal Year Ended September 30, 2014:					
Revenue	$ 5,443.1	$ 2,004.3	$ 909.4	$ —	$ 8,356.8
Cost of revenue	5,112.8	1,975.0	865.8	—	7,953.6
Gross profit	330.3	29.3	43.6	—	403.2
Equity in earnings of joint ventures	35.5	6.0	16.4	—	57.9
General and administrative expenses	—	—	—	(80.9)	(80.9)
Acquisition and integration expenses	—	—	—	(27.3)	(27.3)
Operating income (loss)	365.8	35.3	60.0	(108.2)	352.9
Segment assets	4,064.5	1,256.4	437.5	365.0	6,123.4
Gross profit as a % of revenue	6.1%	1.5%	4.8%		4.8%
Fiscal Year Ended September 30, 2013:					
Revenue	$ 5,556.1	$ 1,552.1	$ 1,045.3	—	$ 8,153.5
Cost of revenue	5,174.4	1,527.9	1,001.2	—	7,703.5
Gross profit	381.7	24.2	44.1	—	450.0
Equity in earnings of joint ventures	8.3	4.0	12.0	—	24.3
General and administrative expenses	—	—	—	(97.3)	(97.3)
Operating income (loss)	390.0	28.2	56.1	(97.3)	377.0
Segment assets	1,945.9	1,183.4	2,296.2	240.1	5,665.6
Gross profit as a % of revenue	6.9%	1.6%	4.2%		5.5%

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Reportable Segments and Geographic Information (Continued)

Geographic Information:

	Fiscal Year Ended					
	September 30, 2015		September 30, 2014		September 30, 2013	
	Revenue	Long-Lived Assets	Revenue	Long-Lived Assets	Revenue	Long-Lived Assets
	(in millions)					
United States	$ 12,599.6	4,852.5	$ 4,933.7	1,603.7	$ 4,829.6	1,477.3
Asia Pacific	1,385.3	426.4	1,338.2	340.5	1,507.2	361.0
Canada	1,308.3	641.0	561.1	146.7	712.0	168.4
Europe	1,796.9	1,496.2	788.2	270.8	599.4	267.2
Other foreign countries	899.8	352.1	735.6	209.5	505.3	116.6
Total	$ 17,989.9	7,768.2	$ 8,356.8	2,571.2	$ 8,153.5	2,390.5

The Company attributes revenue by geography based on the external customer's country of origin. Long-lived assets consist of noncurrent assets excluding deferred tax assets.

21. Major Clients

Other than the U.S. federal government, no single client accounted for 10% or more of the Company's revenue in any of the past five fiscal years. Approximately 24%, 15% and 18% of the Company's revenue was derived through direct contracts with agencies of the U.S. federal government in the years ended September 30, 2015, 2014 and 2013, respectively. One of these contracts accounted for approximately 2%, 3% and 4% of the Company's revenue in the years ended September 30, 2015, 2014 and 2013, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Quarterly Financial Information—Unaudited

In the opinion of management, the following unaudited quarterly data reflects all adjustments necessary for a fair statement of the results of operations. All such adjustments are of a normal recurring nature.

Fiscal Year 2015:	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(in millions, except per share data)			
Revenue	$ 4,210.5	$ 4,506.2	$ 4,549.5	$ 4,723.7
Cost of revenue	4,075.7	4,403.0	4,422.9	4,553.1
Gross profit	134.8	103.2	126.6	170.6
Equity in earnings of joint ventures	23.9	24.7	27.7	29.9
General and administrative expenses	(34.3)	(29.8)	(24.4)	(25.5)
Acquisition and integration expenses	(138.5)	(91.6)	(88.5)	(79.8)
Income from operations	(14.1)	6.5	41.4	95.2
Other income (expenses)	2.6	(1.0)	10.1	7.4
Interest expense	(118.7)	(60.7)	(60.2)	(60.0)
(Loss) income before income tax expense	(130.2)	(55.2)	(8.7)	42.6
Income tax (benefit) expense	(12.1)	(75.8)	(8.5)	16.1
Net (loss) income	(118.1)	20.6	(0.2)	26.5
Noncontrolling interest in income of consolidated subsidiaries, net of tax	(20.9)	(20.3)	(17.0)	(25.4)
Net (loss) income attributable to AECOM	$ (139.0)	$ 0.3	$ (17.2)	$ 1.1
Net (loss) income attributable to AECOM per share:				
Basic	$ (0.98)	$ —	$ (0.11)	$ 0.01
Diluted	$ (0.98)	$ —	$ (0.11)	$ 0.01
Weighted average common shares outstanding:				
Basic	141.9	151.1	151.7	153.8
Diluted	141.9	152.8	151.7	155.2

During the three months ended March 31, 2015, the Company updated certain provisional amounts reflected in the preliminary purchase price allocation of URS. These measurement period adjustments require the revision of comparative financial information for the quarter ended December 31, 2014, and are reflected in the above results of operations. The adjustments to intangible assets increased amortization expense for the three months ended December 31, 2014 by $53.9 million. The adjustments to the margin fair value liability increased revenue for the three months ended December 31, 2014 by $24.5 million. The net effect of these adjustments to noncontrolling interests was a decrease of $2.3 million for the three months ended December 31, 2014. See also Note 4, Business Acquisitions, Goodwill, and Intangible Assets.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Quarterly Financial Information—Unaudited (Continued)

Fiscal Year 2014:	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(in millions, except per share data)			
Revenue	$ 1,953.9	$ 1,872.2	$ 1,968.2	$ 2,562.5
Cost of revenue	1,875.7	1,784.8	1,859.7	2,433.4
Gross profit	78.2	87.4	108.5	129.1
Equity in earnings of joint ventures	36.1	7.4	6.0	8.4
General and administrative expenses	(23.9)	(26.4)	(15.1)	(15.5)
Acquisition and integration expenses	—	—	(7.8)	(19.5)
Income from operations	90.4	68.4	91.6	102.5
Other income (expenses)	—	(0.2)	1.0	1.9
Interest expense	(10.4)	(10.5)	(9.8)	(10.1)
Income before income tax expense	80.0	57.7	82.8	94.3
Income tax expense	23.5	15.2	13.7	29.6
Net income	56.5	42.5	69.1	64.7
Noncontrolling interest in income of consolidated subsidiaries, net of tax	(0.1)	(2.3)	0.1	(0.6)
Net income attributable to AECOM	$ 56.4	$ 40.2	$ 69.2	$ 64.1
Net income attributable to AECOM per share:				
Basic	$ 0.59	$ 0.41	$ 0.71	$ 0.65
Diluted	$ 0.58	$ 0.41	$ 0.70	$ 0.64
Weighted average common shares outstanding:				
Basic	96.3	97.0	97.5	98.1
Diluted	97.6	98.3	99.0	99.7

23. Condensed Consolidating Financial Information

As discussed in Note 9, on October 6, 2014, AECOM issued $800.0 million aggregate principal amount of its 2022 Notes and $800.0 million aggregate principal amount of its 2024 Notes in a transaction exempt from the registration requirements of the Securities Act of 1933, as amended (the Securities Act). AECOM filed a Registration Statement on Form S-4 relating to the offer to exchange the Notes for new 5.75% Senior Notes due 2022 and 5.875% Senior Notes due 2024 that was declared effective by the SEC on September 29, 2015. The Notes are fully and unconditionally guaranteed on a joint and several basis by certain of AECOM's directly and indirectly wholly-owned subsidiaries (the Subsidiary Guarantors). Other than customary restrictions imposed by applicable statutes, there are no restrictions on the ability of the Subsidiary Guarantors to transfer funds to AECOM in the form of cash dividends, loans or advances.

In connection with the registration of the exchange offer, AECOM became subject to the requirements of Rule 3-10 of Regulation S-X regarding financial statements of guarantors and issuers of guaranteed securities registered or being registered with the Securities and Exchange Commission. The following condensed consolidating financial information, which is presented for AECOM, the Subsidiary Guarantors on a combined basis and AECOM's non-guarantor subsidiaries on a combined basis, is provided to satisfy the disclosure requirements of Rule 3-10 of Regulation S-X.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

Condensed Consolidating Balance Sheets
(in millions)
September 30, 2015

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
ASSETS					
CURRENT ASSETS:					
Total cash and cash equivalents	$ 1.3	$ 162.5	$ 520.1	$ —	$ 683.9
Accounts receivable—net	—	2,165.5	2,675.9	—	4,841.4
Intercompany receivable	771.3	187.3	262.7	(1,221.3)	—
Prepaid expenses and other current assets	36.7	127.4	224.9	—	389.0
Income taxes receivable	68.7	—	12.5	—	81.2
Deferred tax assets—net	36.6	—	276.9	(62.9)	250.6
TOTAL CURRENT ASSETS	914.6	2,642.7	3,973.0	(1,284.2)	6,246.1
PROPERTY AND EQUIPMENT—NET	93.4	240.0	365.9	—	699.3
DEFERRED TAX ASSETS—NET	27.1	—	7.3	(34.4)	—
INVESTMENTS IN CONSOLIDATED SUBSIDIARIES	6,739.4	1,343.7	67.4	(8,150.5)	—
INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES	0.8	73.4	247.4	—	321.6
GOODWILL	—	3,291.1	2,529.6	—	5,820.7
INTANGIBLE ASSETS—NET	—	459.4	200.0	—	659.4
OTHER NON-CURRENT ASSETS	88.7	26.8	151.7	—	267.2
TOTAL ASSETS	$ 7,864.0	$ 8,077.1	$ 7,542.3	$ (9,469.1)	$ 14,014.3
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Short-term debt	$ 2.3	$ —	$ 0.5	$ —	$ 2.8
Accounts payable	28.0	834.1	991.9	—	1,854.0
Accrued expenses and other current liabilities	229.5	1,001.6	936.7	—	2,167.8
Intercompany payable	119.9	960.3	319.8	(1,400.0)	—
Billings in excess of costs on uncompleted contracts	—	255.7	398.2	—	653.9
Deferred tax liability—net	—	62.9	—	(62.9)	—
Current portion of long-term debt	105.6	24.5	27.5	—	157.6
TOTAL CURRENT LIABILITIES	485.3	3,139.1	2,674.6	(1,462.9)	4,836.1
OTHER LONG-TERM LIABILITIES	63.6	299.5	507.6	—	870.7
DEFERRED TAX LIABILITY—NET	—	122.6	141.9	(34.4)	230.1
NOTE PAYABLE INTERCOMPANY—NON CURRENT	—	—	669.1	(669.1)	—
LONG-TERM DEBT	3,914.0	482.7	49.8	—	4,446.5
TOTAL LIABILITIES	4,462.9	4,043.9	4,043.0	(2,166.4)	10,383.4
TOTAL AECOM STOCKHOLDERS' EQUITY	3,401.1	4,033.2	3,276.1	(7,302.7)	3,407.7
Noncontrolling interests	—	—	223.2	—	223.2
TOTAL STOCKHOLDERS' EQUITY	3,401.1	4,033.2	3,499.3	(7,302.7)	3,630.9
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 7,864.0	$ 8,077.1	$ 7,542.3	$ (9,469.1)	$ 14,014.3

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

Condensed Consolidating Balance Sheets
(in millions)
September 30, 2014

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
ASSETS					
CURRENT ASSETS:					
Total cash and cash equivalents	$ 33.4	$ 85.8	$ 455.0	$ —	$ 574.2
Accounts receivable—net	—	907.4	1,747.6	—	2,655.0
Intercompany receivable	363.8	107.8	211.1	(682.7)	—
Prepaid expenses and other current assets	19.7	20.5	137.3	—	177.5
Income taxes receivable	—	—	1.7	(0.2)	1.5
Deferred tax assets—net	42.0	—	45.1	(61.2)	25.9
TOTAL CURRENT ASSETS	458.9	1,121.5	2,597.8	(744.1)	3,434.1
PROPERTY AND EQUIPMENT—NET	53.6	90.6	137.8	—	282.0
DEFERRED TAX ASSETS—NET	36.1	42.3	64.1	(24.5)	118.0
INVESTMENTS IN CONSOLIDATED SUBSIDIARIES	3,001.3	440.8	—	(3,442.1)	—
INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES	—	31.9	111.0	—	142.9
GOODWILL	—	1,011.8	925.5	—	1,937.3
INTANGIBLE ASSETS—NET	—	29.0	61.2	—	90.2
OTHER NON-CURRENT ASSETS	15.6	3.0	100.3	—	118.9
TOTAL ASSETS	$ 3,565.5	$ 2,770.9	$ 3,997.7	$ (4,210.7)	$ 6,123.4
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Short-term debt	$ 9.9	$ 1.0	$ 13.0	$ —	$ 23.9
Accounts payable	26.3	405.1	615.8	—	1,047.2
Accrued expenses and other current liabilities	136.2	265.8	562.8	(0.2)	964.6
Intercompany payable	157.7	460.0	73.1	(690.8)	—
Billings in excess of costs on uncompleted contracts	—	87.0	292.6	—	379.6
Deferred tax liability—net	—	61.2	—	(61.2)	—
Current portion of long-term debt	37.5	—	3.0	—	40.5
TOTAL CURRENT LIABILITIES	367.6	1,280.1	1,560.3	(752.2)	2,455.8
OTHER LONG-TERM LIABILITIES	80.5	48.0	327.0	—	455.5
DEFERRED TAX LIABILITY—NET	—	—	24.5	(24.5)	—
LONG-TERM DEBT	938.9	—	0.7	—	939.6
TOTAL LIABILITIES	1,387.0	1,328.1	1,912.5	(776.7)	3,850.9
TOTAL AECOM STOCKHOLDERS' EQUITY	2,178.5	1,442.8	1,999.2	(3,434.0)	2,186.5
Noncontrolling interests	—	—	86.0	—	86.0
TOTAL STOCKHOLDERS' EQUITY	2,178.5	1,442.8	2,085.2	(3,434.0)	2,272.5
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 3,565.5	$ 2,770.9	$ 3,997.7	$ (4,210.7)	$ 6,123.4

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

Condensed Consolidating Statements of Income
(in millions)

	For the Fiscal Year Ended September 30, 2015				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Revenue	$ —	$ 8,749.5	$ 9,463.6	$ (223.2)	$ 17,989.9
Cost of revenue	—	8,486.4	9,191.5	(223.2)	17,454.7
Gross profit	—	263.1	272.1	—	535.2
Equity in earnings from subsidiaries	321.3	(95.4)	(1.4)	(224.5)	—
Equity in earnings of joint ventures	—	20.0	86.2	—	106.2
General and administrative expenses	(112.2)	(1.8)	—	—	(114.0)
Acquisition and integration expenses	(346.9)	(51.5)	—	—	(398.4)
(Loss) income from operations	(137.8)	134.4	356.9	(224.5)	129.0
Other income (expense)	5.1	34.9	14.7	(35.6)	19.1
Interest (expense) income	(275.4)	(20.4)	(39.4)	35.6	(299.6)
(Loss) income before income tax expense	(408.1)	148.9	332.2	(224.5)	(151.5)
Income tax (benefit) expense	(253.3)	66.7	61.0	45.3	(80.3)
Net (loss) income	(154.8)	82.2	271.2	(269.8)	(71.2)
Noncontrolling interests in income of consolidated subsidiaries, net of tax	—	—	(83.6)	—	(83.6)
Net (loss) income attributable to AECOM	$ (154.8)	$ 82.2	$ 187.6	$ (269.8)	$ (154.8)

	For the Fiscal Year Ended September 30, 2014				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Revenue	$ —	$ 3,609.4	$ 4,781.9	$ (34.5)	$ 8,356.8
Cost of revenue	—	3,451.6	4,536.5	(34.5)	7,953.6
Gross profit	—	157.8	245.4	—	403.2
Equity in earnings from subsidiaries	346.7	40.9	—	(387.6)	—
Equity in earnings of joint ventures	—	15.0	42.9	—	57.9
General and administrative expenses	(80.9)	—	—	—	(80.9)
Acquisition and integration expenses	(27.3)	—	—	—	(27.3)
Income (loss) from operations	238.5	213.7	288.3	(387.6)	352.9
Other income (loss)	0.5	0.9	2.0	(0.7)	2.7
Interest expense income	(37.7)	(0.7)	(3.1)	0.7	(40.8)
Income (loss) before income tax expense	201.3	213.9	287.2	(387.6)	314.8
Income tax (benefit) expense	(28.6)	34.3	69.5	6.8	82.0
Net income (loss)	229.9	179.6	217.7	(394.4)	232.8
Noncontrolling interests in income of consolidated subsidiaries, net of tax	—	—	(2.9)	—	(2.9)
Net income (loss) attributable to AECOM	$ 229.9	$ 179.6	$ 214.8	$ (394.4)	$ 229.9

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

	For the Fiscal Year Ended September 30, 2013				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Revenue	$ —	$ 3,784.1	$ 4,410.5	$ (41.1)	$ 8,153.5
Cost of revenue	—	3,617.5	4,127.1	(41.1)	7,703.5
Gross profit	—	166.6	283.4	—	450.0
Equity in earnings from subsidiaries	334.3	51.1	—	(385.4)	—
Equity in earnings of joint ventures	—	12.7	11.6	—	24.3
General and administrative expenses	(97.3)	—	—	—	(97.3)
Income (loss) from operations	237.0	230.4	295.0	(385.4)	377.0
Other income (loss)	1.4	—	2.4	(0.3)	3.5
Interest expense income	(43.2)	(0.1)	(1.7)	0.3	(44.7)
Income (loss) before income tax expense	195.2	230.3	295.7	(385.4)	335.8
Income tax (benefit) expense	(44.1)	51.5	78.4	6.8	92.6
Net income (loss)	239.3	178.8	217.3	(392.2)	243.2
Noncontrolling interests in income of consolidated subsidiaries, net of tax	—	—	(4.0)	—	(4.0)
Net income (loss) attributable to AECOM	$ 239.3	$ 178.8	$ 213.3	$ (392.2)	$ 239.2

Consolidating Statements of Comprehensive Income (Loss)
(in millions)

	For the Fiscal Year Ended September 30, 2015				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net (loss) income	$ (154.8)	$ 82.2	$ 271.2	$ (269.8)	$ (71.2)
Other comprehensive income (loss), net of tax:					
Net unrealized loss on derivatives, net of tax	(6.1)	—	(3.1)	—	(9.2)
Foreign currency translation adjustments	—	—	(285.6)	—	(285.6)
Pension adjustments, net of tax	1.8	6.4	4.8	—	13.0
Other comprehensive (loss) income, net of tax	(4.3)	6.4	(283.9)	—	(281.8)
Comprehensive (loss) income, net of tax	(159.1)	88.6	(12.7)	(269.8)	(353.0)
Noncontrolling interests in comprehensive income of consolidated subsidiaries, net of tax	—	—	(80.3)	—	(80.3)
Comprehensive (loss) income attributable to AECOM, net of tax	$ (159.1)	$ 88.6	$ (93.0)	$ (269.8)	$ (433.3)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

	For the Fiscal Year Ended September 30, 2014				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net income (loss)	$ 229.9	$ 179.6	$ 217.7	$ (394.4)	$ 232.8
Other comprehensive income (loss), net of tax:					
Net unrealized gain on derivatives, net of tax	0.3	—	—	—	0.3
Foreign currency translation adjustments	—	—	(72.7)	—	(72.7)
Pension adjustments, net of tax	(9.9)	—	(14.3)	—	(24.2)
Other comprehensive loss, net of tax	(9.6)	—	(87.0)	—	(96.6)
Comprehensive income (loss), net of tax	220.3	179.6	130.7	(394.4)	136.2
Noncontrolling interests in comprehensive income of consolidated subsidiaries, net of tax	—	—	(1.6)	—	(1.6)
Comprehensive income (loss) attributable to AECOM, net of tax	$ 220.3	$ 179.6	$ 129.1	$ (394.4)	$ 134.6

	For the Fiscal Year Ended September 30, 2013				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net income (loss)	$ 239.3	$ 178.8	$ 217.3	$ (392.2)	$ 243.2
Other comprehensive income (loss), net of tax:					
Net unrealized gain on derivatives, net of tax	1.6	—	—	—	1.6
Foreign currency translation adjustments	—	—	(70.5)	—	(70.5)
Pension adjustments, net of tax	19.1	—	(33.7)	—	(14.6)
Other comprehensive income (loss), net of tax	20.7	—	(104.2)	—	(83.5)
Comprehensive income (loss), net of tax	260.0	178.8	113.1	(392.2)	159.7
Noncontrolling interests in comprehensive income of consolidated subsidiaries, net of tax	—	—	(2.6)	—	(2.6)
Comprehensive income (loss) attributable to AECOM, net of tax	$ 260.0	$ 178.8	$ 110.5	$ (392.2)	$ 157.1

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

Condensed Consolidating Statements of Cash Flows
(in millions)

	For the Fiscal Year Ended September 30, 2015				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES	$ (551.2)	$ 816.9	$ 498.7	$ —	$ 764.4
CASH FLOWS FROM INVESTING ACTIVITIES:					
Payments for business acquisitions, net of cash acquired	(3,564.2)	109.2	161.7	—	(3,293.3)
Proceeds from disposal of businesses and property	9.5	5.6	—	—	15.1
Net investment in unconsolidated joint ventures	—	(4.0)	(28.7)	—	(32.7)
Sales (purchases) of investments	37.3	—	(2.7)	—	34.6
Payments for capital expenditures, net of disposals	(51.9)	(15.8)	(1.7)	—	(69.4)
Receipts from intercompany notes receivables	95.6	128.6	—	(224.2)	—
Other intercompany investing activities	1,085.8	160.9	—	(1,246.7)	—
Net cash (used in) provided by investing activities	(2,387.9)	384.5	128.6	(1,470.9)	(3,345.7)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings under credit agreements	6,464.6	29.9	87.2	—	6,581.7
Repayments of borrowings under credit agreements	(5,031.9)	(31.2)	(95.2)	—	(5,158.3)
Issuance of unsecured senior notes	1,600.0	—	—	—	1,600.0
Prepayment penalty on Unsecured Senior Notes	(55.6)	—	—	—	(55.6)
Cash paid for debt and equity issuance costs	(89.6)	—	—	—	(89.6)
Proceeds from issuance of common stock	25.6	—	—	—	25.6
Proceeds from exercise of stock options	11.1	—	—	—	11.1
Payments to repurchase common stock	(23.1)	—	—	—	(23.1)
Excess tax benefit from share-based payment	3.6	—	—	—	3.6
Net distributions to noncontrolling interests	—	—	(144.3)	—	(144.3)
Other financing activities	2.3	(4.1)	(29.5)	—	(31.3)
Intercompany notes repayments	—	—	(224.2)	224.2	—
Other intercompany financing activities	—	(1,119.4)	(127.3)	1,246.7	—
Net cash provided by (used in) financing activities	2,907.0	(1,124.8)	(533.3)	1,470.9	2,719.8
EFFECT OF EXCHANGE RATE CHANGES ON CASH	—	—	(28.8)	—	(28.8)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(32.1)	76.6	65.2	—	109.7
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	33.4	85.8	455.0	—	574.2
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 1.3	$ 162.4	$ 520.2	$ —	$ 683.9

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

	For the Fiscal Year Ended September 30, 2014				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES	$ (33.3)	$ 206.5	$ 187.4	$ —	$ 360.6
CASH FLOWS FROM INVESTING ACTIVITIES:					
Payments for business acquisitions, net of cash acquired	—	(55.0)	1.9	—	(53.1)
Cash acquired from consolidation of joint venture	—	—	19.0	—	19.0
Proceeds from disposal of businesses and property	—	—	3.6	—	3.6
Net investment in unconsolidated joint ventures	—	9.4	(61.6)	—	(52.2)
Sale of investments	—	—	2.7	—	2.7
Payments for capital expenditures, net of disposals	(14.3)	(17.8)	(30.7)	—	(62.8)
Receipts from intercompany notes receivables	146.7	—	—	(146.7)	—
Other intercompany investing activities	116.7	55.7	—	(172.4)	—
Net cash provided by (used in) investing activities	249.1	(7.7)	(65.1)	(319.1)	(142.8)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings under credit agreements	1,769.3	—	39.9	—	1,809.2
Repayments of borrowings under credit agreements	(1,918.6)	(15.8)	(42.0)	—	(1,976.4)
Cash paid for debt and equity issuance costs	(8.1)	—	—	—	(8.1)
Proceeds from issuance of common stock	13.9	—	—	—	13.9
Proceeds from exercise of stock options	13.4	—	—	—	13.4
Payments to repurchase common stock	(34.9)	—	—	—	(34.9)
Excess tax benefit from share-based payment	0.7	—	—	—	0.7
Net distributions to noncontrolling interests	—	—	(30.2)	—	(30.2)
Other financing activities	(22.5)	0.8	0.3	—	(21.4)
Intercompany notes repayments	—	—	(146.7)	146.7	—
Other intercompany financing activities	—	(178.2)	5.8	172.4	—
Net cash used in financing activities	(186.8)	(193.2)	(172.9)	319.1	(233.8)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	—	—	(10.5)	—	(10.5)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29.0	5.6	(61.1)	—	(26.5)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4.4	80.2	516.1	—	600.7
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 33.4	$ 85.8	$ 455.0	$ —	$ 574.2

AECOM

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. Condensed Consolidating Financial Information (Continued)

Condensed Consolidating Statements of Cash Flows
(in millions)

	For the Fiscal Year Ended September 30, 2013				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES	$ (25.8)	$ 134.0	$ 300.4	$ —	$ 408.6
CASH FLOWS FROM INVESTING ACTIVITIES:					
Payments for business acquisitions, net of cash acquired	—	—	(42.0)	—	(42.0)
Proceeds from disposal of businesses and property	—	—	2.7	—	2.7
Net investment in unconsolidated joint ventures	—	2.6	(26.4)	—	(23.8)
Purchases of investments	—	—	(24.3)	—	(24.3)
Payments for capital expenditures, net of disposals	(9.8)	(17.5)	(24.8)	—	(52.1)
Receipts from intercompany notes receivable	116.2	—	—	(116.2)	—
Other intercompany investing activities	120.9	48.7	—	(169.6)	—
Net cash provided by (used in) investing activities	227.3	33.8	(114.8)	(285.8)	(139.5)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings under credit agreements	2,234.5	15.8	0.4	—	2,250.7
Repayments of borrowings under credit agreements	(2,145.7)	(2.5)	(7.1)	—	(2,155.3)
Cash paid for debt and equity issuance costs	(1.6)	—	—	—	(1.6)
Proceeds from issuance of common stock	14.0	—	—	—	14.0
Proceeds from exercise of stock options	14.4	—	—	—	14.4
Payments to repurchase common stock	(388.1)	—	—	—	(388.1)
Excess tax benefit from share-based payment	1.7	—	—	—	1.7
Net distributions to noncontrolling interests	—	—	(18.5)	—	(18.5)
Other financing activities	29.4	(0.5)	(0.6)	—	28.3
Intercompany notes repayments	—	—	(116.2)	116.2	—
Other intercompany financing activities	—	(147.8)	(21.8)	169.6	—
Net cash used in financing activities	(241.4)	(135.0)	(163.8)	285.8	(254.4)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	—	—	(7.8)	—	(7.8)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(39.9)	32.8	14.0	—	6.9
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	44.3	47.4	502.1	—	593.8
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 4.4	$ 80.2	$ 516.1	$ —	$ 600.7

24. Subsequent Events

On November 2, 2015, the Company exchanged its 2014 Senior Notes for a new series of notes having terms substantially identical in all material respects to the 2014 Senior Notes (except certain transfer restrictions, registration rights and additional interest provisions relating to the 2014 Senior Notes will not apply to the new notes).

AECOM Technology Corporation

Schedule II: Valuation and Qualifying Accounts

(amounts in millions)

	Balance at Beginning of Year	Additions Charged to Cost of Revenue	Deductions(a)	Other and Foreign Exchange Impact	Balance at the End of the Year
Allowance for Doubtful Accounts					
Fiscal Year 2015	$ 72.1	$ 26.9	$ (31.2)	$ (3.7)	$ 64.1
Fiscal Year 2014	86.4	17.3	(38.4)	6.8	72.1
Fiscal Year 2013	112.8	18.3	(45.5)	0.8	86.4

(a) Primarily relates to accounts written-off and recoveries

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our CEO and CFO, are responsible for establishing and maintaining "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Exchange Act) for our company. Based on their evaluation as of the end of the period covered by this report, our CEO and CFO have concluded that our disclosure controls and procedures were effective to ensure that the information required to be disclosed by us in this Annual Report on Form 10-K was (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and (ii) accumulated and communicated to our management, including our principal executive and principal financial officers, to allow timely decisions regarding required disclosures.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, the company's principal executive and principal financial officers and effected by the company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of the effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, with the participation of our CEO and CFO, assessed the effectiveness of our internal control over financial reporting as of September 30, 2015, the end of our fiscal year. Our management based its assessment on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework). Our management's assessment included evaluation and testing of the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and our overall control environment.

Based on our management's assessment, our management has concluded that our internal control over financial reporting was effective as of September 30, 2015. Our management communicated the results of its assessment to the Audit Committee of our Board of Directors.

Our independent registered public accounting firm, Ernst & Young LLP, audited our financial statements for the fiscal year ended September 30, 2015 included in this Annual Report on Form 10-K, and has issued an audit report on our assessment of the Company's internal control over financial reporting, a copy of which is included earlier in this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

Our management, including our CEO and CFO, confirm that there were no changes in our company's internal control over financial reporting during the last fiscal quarter ended September 30, 2015 that have materially affected, or are reasonably likely to materially affect, our company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Incorporated by reference from our definitive proxy statement for the 2016 Annual Meeting of Stockholders, to be filed within 120 days of our fiscal 2015 year end.

ITEM 11. EXECUTIVE COMPENSATION

Incorporated by reference from our definitive proxy statement for the 2016 Annual Meeting of Stockholders, to be filed within 120 days of our fiscal 2015 year end.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDERS MATTERS

Other than with respect to the information relating to our equity compensation plans, which is incorporated herein by reference to Part II, Item 5, "Equity Compensation Plans" of this Form 10-K, the information required by this item is incorporated by reference from our definitive proxy statement for the 2016 Annual Meeting of Stockholders, to be filed within 120 days of our fiscal 2015 year end.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Incorporated by reference from our definitive proxy statement for the 2016 Annual Meeting of Stockholders, to be filed within 120 days of our fiscal 2015 year end.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Incorporated by reference from our definitive proxy statement for the 2016 Annual Meeting of Stockholders, to be filed within 120 days of our fiscal 2015 year end.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this report:

(1) The company's Consolidated Financial Statements at September 30, 2015 and 2014 and for each of the three years in the period ended September 30, 2015 and the notes thereto, together with the report of the independent auditors on those Consolidated Financial Statements are hereby filed as part of this report.

(2) Financial Statement Schedule II—Valuation and Qualifying Accounts for the Years Ended September 30, 2015, 2014 and 2013.

(3) See Exhibits and Index to Exhibits, below.

(b) Exhibits.

Exhibit Numbers	Description
2.1	Agreement and Plan of Merger, dated as of July 11, 2014, by and among AECOM Technology Corporation, ACM Mountain I, LLC, AECOM Global II, LLC (formerly ACM Mountain II, LLC) and URS Corporation (incorporated by reference to Exhibit 2.1 to the Company's current report on Form 8-K filed with the SEC on July 14, 2014)
3.1	Amended and Restated Certificate of Incorporation of AECOM Technology Corporation (incorporated by reference to Exhibit 3.1 to the Company's annual report on Form 10-K filed with the SEC on November 18, 2011)
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation of AECOM Technology Corporation (incorporated by reference to Exhibit 3.2 to the Company's registration statement on Form S-4 filed with the SEC on August 1, 2014)
3.3	Certificate of Correction of Amended and Restated Certificate of Incorporation of AECOM Technology Corporation (incorporated by reference to Exhibit 3.3 to the Company's Form 10-K filed with the SEC on November 17, 2014)
3.4	Certificate of Amendment to the Company's Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed with the SEC on January 9, 2015)
3.5	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to the Company's current report on Form 8-K filed with the SEC on September 2, 2009)
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
4.2	Indenture, dated as of October 6, 2014, by and among AECOM Technology Corporation, the Guarantors party thereto, and U.S. Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's current report on Form 8-K filed with the SEC on October 8, 2014)
4.3	First Supplemental Indenture, dated as of October 17, 2014, by and among AECOM Technology Corporation, the guarantors party thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.10 to the Company's annual report on Form 10-K filed with the SEC on November 17, 2014)

Exhibit Numbers	Description
4.4	Second Supplemental Indenture, dated as of June 3, 2015, by and among AECOM, the guarantors party thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.3 to the Company's registration statement on Form S-4 filed with the SEC on July 6, 2015)
4.5	Third Supplemental Indenture, dated as of June 19, 2015, by and among AECOM, the guarantor party thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.4 to the Company's registration statement on Form S-4 filed with the SEC on July 6, 2015)
4.6	Indenture, dated March 15, 2012, between URS Corporation, URS Fox U.S. LP and U.S. Bank National Association (incorporated by reference to Exhibit 4.01 to URS Corporation's current report on Form 8-K filed with the SEC on March 20, 2012)
4.7	First Supplemental Indenture, dated March 15, 2012, by and among URS Corporation, URS Fox U.S. LP, the additional guarantor parties thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.02 to URS Corporation's current report on Form 8-K filed with the SEC on March 20, 2012)
4.8	Second Supplemental Indenture, dated March 15, 2012, by and among URS Corporation, URS Fox U.S. LP, the additional guarantor parties thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.03 to URS Corporation's current report on Form 8-K filed with the SEC on March 20, 2012)
4.9	Third Supplemental Indenture, dated as of May 14, 2012, by and among URS Corporation, URS Fox U.S. LP, the additional guarantor parties thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.6 to URS Corporation's current report on Form 8-K filed with the SEC on May 18, 2012)
4.10	Fourth Supplemental Indenture, dated as of September 24, 2012, by and among URS Corporation, URS Fox U.S. LP, the additional guarantor parties thereto and U.S. Bank National Association (incorporated by reference to Exhibit 4.2 to URS Corporation's current report on Form 8-K filed with the SEC on September 26, 2012)
4.11	Fifth Supplemental Indenture, dated as of October 17, 2014, by and among AECOM Global II, LLC, URS Fox U.S. LP and U.S. Bank National Association (incorporated by reference to Exhibit 4.8 to the Company's annual report on Form 10-K filed with the SEC on November 17, 2014)
4.12	Registration Rights Agreement, dated October 6, 2014, by and among AECOM Technology Corporation, AECOM Government Services, Inc., AECOM Technical Services, Inc., Tishman Construction Corporation, other Guarantors, and Merrill Lynch, Pierce, Fenner & Smith Incorporated (incorporated by reference to Exhibit 4.2 to the Company's current report on Form 8-K filed with the SEC on October 8, 2014)
10.1	Credit Agreement, dated as of October 17, 2014, among AECOM Technology Corporation and certain of its subsidiaries, as borrowers, certain lenders, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, MUFG Union Bank, N.A., BNP Paribas, JPMorgan Chase Bank, N.A., and the Bank of Nova Scotia, as Co-Syndication Agents, and BBVA Compass, Credit Agricole Corporate and Investment Bank, HSBC Bank USA, National Association, Sumitomo Mitsui Banking Corporation and Wells Fargo Bank, National Association, as Co-Documentation Agents (incorporated by reference to Exhibit 10.1 of the Company's current report on Form 8-K filed with the SEC on October 17, 2014)

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Exhibit Numbers	Description
10.2	Amendment No. 1 to the Credit Agreement, dated as of July 1, 2015, by and among AECOM and certain of its subsidiaries, as borrowers, certain lenders, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, MUFG Union Bank, N.A., BNP Paribas, JPMorgan Chase Bank, N.A., and the Bank of Nova Scotia, as Co Syndication Agents, and BBVA Compass, Credit Agricole Corporate and Investment Bank, HSBC Bank USA, National Association, Sumitomo Mitsui Banking Corporation and Wells Fargo Bank, National Association, as Co Documentation Agents (incorporated by reference to Exhibit 10.1 of the Company's current report on Form 8 K filed with the SEC on July 7, 2014)
10.3#	1992 Supplemental Executive Retirement Plan, restated as of November 20, 1997 (incorporated by reference to Exhibit 10.12 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.4#	First Amendment, effective July 1, 1998, to the 1992 Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.13 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.5#	Second Amendment, effective March 1, 2003, to the 1992 Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.14 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.6#	Third Amendment, effective April 1, 2004, to the 1992 Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.15 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.7#	1996 Supplemental Executive Retirement Plan, restated as of November 20, 1997 (incorporated by reference to Exhibit 10.16 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.8#	First Amendment, effective July 1, 1998, to the 1996 Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.17 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.9#	Second Amendment, effective April 1, 2004, to the 1996 Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.18 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.10#	1998 Management Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.20 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.11#	First Amendment, effective January 1, 2002, to the 1998 Management Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.21 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.12#	Second Amendment, effective July 1, 1998, to the 1998 Management Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.22 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.13#	Third Amendment, effective October 31, 2004, to the 1998 Management Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.23 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.14#	1996 Excess Benefit Plan (incorporated by reference to Exhibit 10.24 to the Company's registration statement on Form 1 filed with the SEC on January 29, 2007)

Exhibit Numbers	Description
10.15#	First Amendment, effective July 1, 1998, to the 1996 Excess Benefit Plan (incorporated by reference to Exhibit 10.25 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.16#	Second Amendment, effective March 1, 2003, to the 1996 Excess Benefit Plan (incorporated by reference to Exhibit 10.26 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.17#	Third Amendment, effective April 1, 2004, to the 1996 Excess Benefit Plan (incorporated by reference to Exhibit 10.27 to the Company's registration statement on Form 10 filed with the SEC on January 29, 2007)
10.18#	Change in Control Severance Policy for Key Executives
10.19#	Employment Agreement, dated as of July 14, 2010, by and among AECOM Technology Corporation, Tishman Construction Corporation and Daniel R. Tishman (incorporated by reference to Exhibit 2.2 to the Company's current report on Form 8-K filed with the SEC on July 14, 2010)
10.20#	Employment Agreement between AECOM Technology Corporation and George L. Nash, Jr., dated as of January 1, 2015 (incorporated by reference to Exhibit 10.1 to the Company's quarterly report on Form 10-Q filed with the SEC on February 11, 2015)
10.21#	Employment Agreement between AECOM Technology Corporation and Randall A. Wotring, dated as of January 1, 2015 (incorporated by reference to Exhibit 10.2 to the Company's quarterly report on Form 10-Q filed with the SEC on February 11, 2015)
10.22#	AECOM Technology Corporation Employee Stock Purchase Plan (incorporated by reference to Exhibit 4.3 to the Company's registration statement on Form S-8 filed with the SEC on May 24, 2010)
10.23#	Amended and Restated 2006 Stock Incentive Plan (incorporated by reference to Annex B to the Company's definitive proxy statement on Schedule 14A filed with the SEC on January 21, 2011)
10.24#	Amended Stock Option Standard Terms and Conditions under 2006 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's quarterly report on Form 10-Q filed with the SEC on May 4, 2012)
10.25#	Form of New and Amended Restricted Stock Unit Standard Terms and Conditions under the 2006 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 of the Company's current report on Form 8-K filed with the SEC on December 21, 2012)
10.26#	Standard Terms and Conditions for Performance Earnings Program under AECOM Technology Corporation 2006 Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's current report on Form 8 K filed with the SEC on December 5, 2008)
10.27#	URS Energy & Construction Holdings, Incorporated Restoration Plan (incorporated by reference to Exhibit 10.3 to the Company's quarterly report on Form 10-Q filed with the SEC on February 11, 2015)
10.28#	First Amendment to the URS Energy & Construction Holdings, Incorporated Restoration Plan (incorporated by reference to Exhibit 10.4 to the Company's quarterly report on Form 10-Q filed with the SEC on February 11, 2015)

Exhibit Numbers	Description
10.29#	Second Amendment to the URS Energy & Construction Holdings, Incorporated Restoration Plan(incorporated by reference to Exhibit 10.5 to the Company's quarterly report on Form 10-Q filed with the SEC on February 11, 2015)
10.32#	URS Corporation 2008 Equity Incentive Plan (incorporated by reference to Exhibit 4.4 to the Company's registration statement on Form S 8 filed with the SEC on October 17, 2014)
10.33#	AECOM Technology Corporation Executive Deferred Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's current report on Form 8 K filed with the SEC on December 21, 2012)
10.35#	AECOM Technology Corporation Executive Incentive Plan (incorporated by reference to Annex A to the Company's definitive proxy statement on Schedule 14A filed with the SEC on January 22, 2010)
10.36#	Letter Agreement, dated as of March 6, 2014, by and among AECOM Technology Corporation and Michael S. Burke (incorporated by reference to Exhibit 10.1 to the Company's current report on Form 8-K filed with the SEC on March 12, 2014)
10.37#	Form of Special LTI Award Stock Option Terms and Conditions under the 2006 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 of the Company's current report on Form 8-K filed with the SEC on January 29, 2014)
21.1	Subsidiaries of AECOM
23.1	Consent of Independent Registered Public Accounting Firm
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
95	Mine Safety Disclosure
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Labels Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase

Management contract or compensatory plan or arrangement.

* Document has been furnished and not filed.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) 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

By: /s/ W. TROY RUDD

W. Troy Rudd
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: November 25, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the date indicated.

Signature	Title	Date
/s/ MICHAEL S. BURKE Michael S. Burke	Chairman and Chief Executive Officer (Principal Executive Officer)	November 25, 2015
/s/ W. TROY RUDD W. Troy Rudd	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	November 25, 2015
/s/ RONALD E. OSBORNE Ronald E. Osborne	Senior Vice President, Corporate Controller (Principal Accounting Officer)	November 25, 2015
/s/ JOHN M. DIONISIO John M. Dionisio	Director	November 25, 2015
/s/ JAMES H. FORDYCE James H. Fordyce	Director	November 25, 2015

Signature	Title	Date
/s/ SENATOR WILLIAM H. FRIST, M.D.		
Senator William H. Frist, M.D.	Director	November 25, 2015
/s/ LINDA GRIEGO		
Linda Griego	Director	November 25, 2015
/s/ DAVID W. JOOS		
David W. Joos	Director	November 25, 2015
/s/ WILLIAM G. OUCHI		
William G. Ouchi	Director	November 25, 2015
/s/ ROBERT J. ROUTS		
Robert J. Routs	Director	November 25, 2015
/s/ WILLIAM P. RUTLEDGE		
William P. Rutledge	Director	November 25, 2015
/s/ CLARENCE T. SCHMITZ		
Clarence T. Schmitz	Director	November 25, 2015
/s/ DOUGLAS W. STOTLAR		
Douglas W. Stotlar	Director	November 25, 2015
/s/ DANIEL R. TISHMAN	Director, AECOM Vice Chairman	November 25, 2015
Daniel R. Tishman		
/s/ GEN. JANET C. WOLFENBARGER, USAF RET.		
Gen. Janet C. Wolfenbarger, USAF Ret.	Director	November 25, 2015

Exhibit 10.18

AECOM TECHNOLOGY CORPORATION

CHANGE IN CONTROL SEVERANCE POLICY FOR KEY EXECUTIVES

Section 1. Introduction

This AECOM Technology Corporation Change in Control Severance Policy for Key Executives, as may be amended from time to time (the "**Policy**") is effective as of March 5, 2009 (the "**Effective Date**"). The compensation and benefits payable under the Policy are payable in connection with certain Change in Control events that occur after the Effective Date. The purpose of the Policy is to provide for the payment of severance benefits to Key Executives (as defined below) of AECOM Technology Corporation (the "**Company**") or one of its subsidiaries in connection with a Change in Control. The Policy will be in lieu of and not in addition to any severance benefit arrangement, change of control severance agreement or employment agreement that provides for severance benefits in existence between the Key Executive and the Company (or any subsidiary), notwithstanding the terms of any such arrangement or agreement, and no benefits will be paid under the Policy to any Key Executive unless such Key Executive agrees to forgo any payments or benefits under such other arrangement or agreement. The Policy is intended to be an unfunded plan that is maintained primarily to provide severance compensation and benefits to a select group of "management or highly compensated employees" within the meaning of Sections 201, 301, and 401 of ERISA, and therefore to be exempt from the provisions of Parts 2, 3, and 4 of Title I of ERISA.

Section 2. Definitions

For purposes of the Policy, the following terms are defined as follows:

(a) **"Administrator"** means the Compensation and Organization Committee of the Board.

(b) **"Average Bonus"** means (i) if the employee has served as a Key Executive for at least one full fiscal year prior to the fiscal year in which the Termination Date occurs, the average annual bonus awarded to the Key Executive in respect of each of the Company's three (3) fiscal years preceding the fiscal year in which the Termination Date occurs (or such lesser number of full fiscal years during which the Key Executive was employed by the Company as a Key Executive), (ii) if the employee has not served as a Key Executive for at least one full fiscal year prior to the fiscal year in which the Termination Date occurs (but has been employed by the Company for at least one full fiscal year), the average annual bonus awarded to the Key Executive in each of the Company's three fiscal years preceding the fiscal year in which the Termination Date occurs (or such lesser number of full fiscal years during which the Key Executive was employed by the Company prior to termination of employment), or (iii) if the employee has been employed by the Company for less than one full fiscal year, the greater of the annualized target bonus amount and the actual prorated bonus amount awarded to the Key Executive for such partial fiscal year.

(c) **"Base Salary"** means the Key Executive's annual base salary as in effect at the time of a Change in Control or a Termination Date, whichever is greater.

(d) **"Board"** means the Board of Directors of the Company.

(e) **"Cause"** means, except as otherwise required by applicable law with respect to Key Executives employed outside of the United States and unless otherwise defined in an employment agreement or other written agreement between a Key Executive and the Company (which definition would control in the event of any conflict with the definition in this Section 2(e)), (i) the commission of an act of fraud or theft against the Company; (ii) conviction (including a guilty plea or plea of nolo contendere) of any felony; (iii) conviction (including a guilty plea or plea of nolo contendere) of any misdemeanor involving moral turpitude which could, in the Administrator's opinion, cause material injury to the Company; (iv) a material violation of any material Company policy; (v) willful or repeated non-performance or substandard performance of material duties to the Company which is not cured within thirty (30) days after written notice thereof to the Key Executive; or (vi) violation of any local, state or federal laws, rules or regulations in connection with or during performance of the Key Executive's duties to the Company that could, in the Administrator's opinion, cause material injury to the Company, which violation, if curable, is not cured within thirty (30) days after notice thereof to the Key Executive.

(f) **"Change in Control"** means the consummation of the first to occur of:

(i) except pursuant to the exception applicable to clause (iii) below, any "person" (as such term is used in sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then outstanding voting securities;

(ii) except pursuant to the exception applicable to clause (iii) below, a change in the composition of the Board occurring within a one-year period, as a result of which fewer than a majority of the directors are Incumbent Directors;

(iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation in which the holders of the Company's outstanding voting securities immediately prior to such merger or consolidation receive, in exchange for their voting securities of the Company in consummation of such merger or consolidation, securities possessing at least fifty percent (50%) of the total voting power represented by the outstanding voting securities of the surviving entity (or ultimate parent thereof) immediately after such merger or consolidation; or

(iv) the consummation of the sale, lease or other disposition by the Company of all or substantially all the Company's assets.

(g) **"Disability"** means, except as otherwise required by applicable law with respect to Key Executives employed outside of the United States, that the Key Executive becomes unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

(h) **"Good Reason"** means, except as otherwise required by applicable law with respect to Key Executives employed outside of the United States and unless otherwise defined in an employment or other written agreement between a Key Executive and the Company (which definition would control in the event of any conflict with the definition in this Section 2(i)), a termination of a Key Executive's employment with the Company by the Key Executive, upon written notice within ninety (90) days following the event or circumstance that Employee believes constitutes Good Reason (which notice specifically identifies such event or circumstance) and after giving the Company thirty (30) days to cure such event or circumstance (if curable) after the receipt of such notice, if, other than for Cause, any of the following has occurred: (i) any material reduction in the Key Executive's Base Salary; (ii) a material reduction in the Key Executive's authority, duties or responsibilities, (iii) the material breach by the Company (or any subsidiary) of any written employment agreement between the Key Executive and the Company (or any subsidiary) or (iv) the transfer of the Key Executive's primary workplace by more than fifty (50) miles from the Key Executive's then existing primary workplace; provided, however, that, in each case, the Key Executive resigns within thirty (30) days after the expiration of the Company's cure period referred to above.

(i) "**Incumbent Directors**" means directors who either (i) are members of the Board as of the Effective Date, or (ii) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination, but will not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Board.

(j) **"Involuntary Termination"** means any termination of the Key Executive's employment with the Company by the Company for any reason other than Cause or the Key Executive's death or Disability, or any termination of the Key Executive's employment with the Company by the Key Executive for Good Reason.

(k) **"Key Executive"** means an executive employee of the Company or any of its subsidiaries who has been designated by the Administrator as eligible to participate in the Policy and listed on Schedule A attached hereto (as amended from time to time).

(l) "**PEP Awards**" means performance earnings program awards granted pursuant to the Company's 2006 Stock Incentive Plan (or any successor or replacement plan).

(m) **"PEP Performance Cycle"** means the performance cycle set forth in a Key Executive's PEP Award agreement.

(n) **"Termination Date"** means the date the Key Executive's employment with the Company terminates.

Section 3. Eligibility For Benefits

Subject to the requirements set forth in this Section 3 and the limitations set forth in Section 1, the Company will provide the severance benefits described in Sections 4(a) through

(c) of the Policy to a Key Executive whose termination of employment with the Company is an Involuntary Termination that occurs within the period (the **"Protection Period"**) that (A) begins with the ninetieth (90th) day preceding a Change in Control and (B) ends twenty-four (24) months following such Change in Control, contingent in some circumstances on the occurrence of the Change in Control, as described below; and provided, that, in the case of an Involuntary Termination that occurs within the Protected Period and preceding a Change in Control, such Involuntary Termination must either be (i) at the request of a third party who has taken steps reasonably calculated or intended to effect a Change in Control or (ii) otherwise connected to or in anticipation of a Change in Control. In addition, the Company will provide the severance benefit described in Sections 4(d) and (e), if applicable, to each Key Executive, upon the occurrence of a Change in Control. In addition, in order to be eligible to receive benefits under the Policy, except as otherwise required by applicable law with respect to Key Executives employed outside of the United States, the Key Executive must execute, within 45 days following the Termination Date, a general waiver and release of claims in favor of the Company and its affiliates in a form provided by the Company (a "**Release**"), and such release must become effective in accordance with its terms.

Section 4. Policy Benefits

(a) **Accelerated Vesting of Equity Awards Upon an Involuntary Termination**.

(i) **Termination Within Protection Period and Preceding a Change in Control**. In the event of an Involuntary Termination within ninety (90) days preceding a Change in Control, the Key Executive shall not forfeit or further vest in any unvested equity awards between the termination date and the date of the Change in Control, but (x) all such outstanding, unvested stock options, restricted stock units and other equity-based compensation awards that are subject only to time and service-based vesting criteria (and not performance-based vesting criteria) held by the Key Executive on the date of such Involuntary Termination shall vest in full upon the occurrence of the Change in Control; and (y) all such outstanding, unvested PEP Awards and other equity-based compensation awards that are subject to performance-based vesting criteria held by the Key Executive on the date of such Involuntary Termination shall vest in full upon the occurrence of the Change in Control based on actual performance achievement measured as of the date of the Change in Control.

(ii) **Termination Within Protection Period and Following a Change in Control**. In the event of an Involuntary Termination within twenty-four (24) months following a Change in Control, all outstanding, unvested stock options, restricted stock units and other equity-based compensation awards held by the Key Executive on the date of such Involuntary Termination (including awards that are subject only to time and service-based vesting criteria and awards that prior to the Change in Control were subject to performance-based vesting criteria), shall become immediately and fully vested and, to the extent applicable, exercisable, and, to the extent applicable, any restrictions or conditions on such awards shall immediately lapse.

(iii) **Termination Anytime Within Protection Period**. In the event of an Involuntary Termination anytime within the Protection Period, with respect to an equity award consisting of a vested stock option or stock appreciation right (including awards that become vested upon such Involuntary Termination), such stock option or stock appreciation right shall continue to be exercisable for a period following the termination date as prescribed in the plan, terms and conditions or agreement governing such stock option or stock appreciation right, but in no event later than the expiration date of such stock option or stock appreciation right.

(b) Severance Payment. In the event of an Involuntary Termination within the Protection Period, so long the Release has theretofore become effective in accordance with its terms, the Key Executive shall receive: (i) a lump sum severance payment equal to the multiple of the sum of the Key Executive's Base Salary and Average Bonus set forth across from such Key Executive's name on Schedule A (if no multiple is listed on Schedule A, the multiple shall be deemed to be 1.5), payable on the sixtieth (60th) day following the Termination Date, and (ii) a pro rata annual bonus payment (under the annual incentive compensation plan applicable to the Key Executive) for the year in which the Involuntary Termination occurs, based upon the number of full months between the beginning of the applicable annual performance period and the Termination Date and based upon the target level of performance, payable when bonuses are otherwise payable to the Company's executives (or, if later, the sixtieth (60th) day following the Termination Date).

(c) Medical Coverage Continuation. In the event of an Involuntary Termination within the Protection Period, the Key Executive and his or her covered dependents shall be entitled to reimbursement of COBRA coverage so that the premium cost to the Key Executive remains the same as if the Key Executive remained employed during such period for the number of years equal to the multiple set forth across from each Key Executive's name on Schedule A, or, if earlier, until the Key Executive and his or her covered dependents, if any, become eligible for health insurance coverage through another source, in each case, in accordance with the terms thereof. Notwithstanding the foregoing, the foregoing benefit can be provided, at the Company's sole discretion, in the form of a lump sum taxable severance payment in lieu of the COBRA subsidy if the COBRA subsidy is found to be discriminatory pursuant to applicable guidance.

(d) Conversion of PEP Awards. Upon the occurrence of a Change in Control, each Key Executive who remains employed at the time of the Change in Control shall, with respect to all outstanding, unvested PEP Awards and any other equity-based compensation awards subject to performance-based vesting criteria that are held by such Key Executive immediately prior to a Change in Control, be deemed to have satisfied any performance-based vesting criteria based on the actual Company's achievement with respect to such performance-based vesting criteria through the date of the Change in Control (as determined by the Administrator), and following the Change in Control any such awards shall continue to vest based upon the time or service-based vesting criteria, if any, to which the award is subject.

(e) Accelerated Vesting of Equity Awards Upon a Change in Control. If, upon the occurrence of a Change in Control, the surviving entity does not assume or replace with equivalent awards (as determined by the Administrator prior to the Change in Control) all of the outstanding, unvested PEP Awards (after applying Section 4(d)), stock options, restricted stock units and other equity-based compensation awards held by a Key Executive, all of such outstanding, unvested awards held by such Key Executive shall become vested and, to the extent

applicable, exercisable as of immediately prior to such Change in Control in the same manner as described in Section 4(a) assuming that each Key Executive's employment were terminated in an Involuntary Termination.

Section 5. Limitations on Benefits

(a) Certain Reductions and Offsets. Notwithstanding any other provision of the Policy to the contrary, except as otherwise required by applicable law with respect to Key Executives employed outside of the United States, any amounts payable to a Key Executive under the Policy will be reduced (but not below zero) by any payments by the Company to such individual under any other policy, plan, program or arrangement, including, without limitation, any change of control severance agreement or employment agreement between the Key Executive and the Company that provides for severance benefits in existence, or any contract between the Key Executive and any entity, to the extent such payments are conditioned, at least in part, on termination of employment and are based on the Key Executive's continued receipt of his or her Base Salary and/or annual bonus opportunity. Furthermore, to the extent that any federal, state or local laws, including, without limitation, so-called "plant closing" laws, require the Company to give advance notice or make a payment of any kind to a Key Executive because of that Key Executive's involuntary termination due to a layoff, reduction in force, plant or facility closing, sale of business, change of control, or any other similar event or reason, the benefits payable under the Policy will either be reduced or eliminated. The benefits provided under the Policy are intended to satisfy any and all statutory obligations that may arise out of a Key Executive's involuntary termination of employment for the foregoing reasons, and the Administrator will so construe and implement the terms of the Policy.

(b) Mitigation. Except as otherwise specifically provided herein, the Key Executive will not be required to mitigate damages or the amount of any payment provided under the Policy by seeking other employment or other form of remuneration for services, nor will the amount of any payment provided for under the Policy be reduced by any compensation earned by any Key Executive as a result of employment by another employer or any retirement benefits received by such Key Executive after his or her Involuntary Termination.

(c) Termination of Benefits. Benefits under the Policy will terminate immediately if the Key Executive, at any time, violates any proprietary information or confidentiality obligation to the Company or any obligations under the Policy.

(d) Non-Duplication of Benefits. No Key Executive is eligible to receive benefits under the Policy more than one time.

(e) Indebtedness of Key Executives. If the Key Executive is indebted to the Company or an affiliate of the Company at his or her Termination Date, the Company reserves the right to offset any severance payments under the Policy by the amount of such indebtedness.

(f) Excise Taxes.

(i) In the event that any benefits payable to a Key Executive pursuant to the Policy (**"Payments"**) (i) constitute "parachute payments" within the meaning of Section 280G of the Code, and (ii) but for this Section 5(f) would be subject to the excise tax imposed by Section 4999 of the Code, or any comparable successor provisions (the **"Excise Tax"**), then the Key Executive's Payments hereunder shall be either (a) provided to the Key Executive in full, or (b) provided to the Key Executive as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by the Key Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under the Excise Tax. Unless the Company and the Key Executive otherwise agree in writing, any determination required under this Section 5(f) shall be made in writing in good faith by a nationally recognized accounting firm selected by the Company (the **"Accountants"**). In the event that the payments and/or benefits are to be reduced pursuant to this Section 5(f), such payments and benefits shall be reduced such that the reduction of compensation to be provided to Key Executive as a result of this Section 5(f) is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A (as defined below) and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero. For purposes of making the calculations required by this Section 5(f), the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. The Company and the applicable Key Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 5(f). The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 5(f).

(ii) If, notwithstanding any reduction described in this Section 5(f), the IRS determines that a Key Executive is liable for the Excise Tax as a result of the receipt of any Payments, then the Key Executive shall be obligated to pay back to the Company, within thirty (30) days after a final IRS determination or in the event that the Key Executive challenges the final IRS determination, a final judicial determination, a portion of the Payments equal to the **"Repayment Amount."** The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to the Company so that the Key Executive's net after-tax proceeds with respect to the Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on such benefits) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in the Key Executive's net after-tax proceeds with respect to the Payments being maximized. If the Excise Tax is not eliminated pursuant to this Section 5(f), the Key Executive shall pay the Excise Tax.

(iii) Notwithstanding any other provision of this Section 5(f), if (A) there is a reduction in the payment of the Payments to a Key Executive as described in this Section 5(f), (B) the IRS later determines that the Key Executive is liable for the Excise Tax, the payment of which would result in the maximization of the Key Executive's net after-tax proceeds (calculated as if the Key Executive's benefits had not previously been reduced), and (C) the Key Executive pays the Excise Tax, then the Company shall pay to the Key Executive those Payments which were reduced pursuant to this Section 5(f) as soon as administratively possible after the Key Executive pays the Excise Tax so that the Key Executive's net after-tax proceeds with respect to the payment of the Payments are maximized.

(g) **Section 409A Compliance.**

(i) This Policy is intended to comply with the requirements of Section 409A of the Code and the regulations and guidance promulgated thereunder ("**Section 409A**") or an exemption from Section 409A. The Company shall undertake to administer, interpret, and construe this Policy in a manner that does not result in the imposition on a Key Executive of any additional tax, penalty, or interest under Section 409A. Each payment under this Policy shall be treated as a separate payment for purposes of Section 409A.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Policy providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(iii) Notwithstanding anything herein to the contrary, in the event that a Key Executive is a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provision of any benefit (whether under this Policy or otherwise) that is considered deferred compensation under Section 409A payable on account of a "separation from service," and that is not exempt from Section 409A as involuntary separation pay or a short-term deferral (or otherwise), to the extent necessary to avoid the imposition of excise taxes under Section 409A, such payment or benefit shall be made or provided at the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Key Executive or (B) the date of the Key Executive's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 5(g) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Key Executive in a lump sum without interest, and any remaining payments and benefits due under this Policy shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iv) With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, all such payments shall be made on or before the last day of calendar year following the calendar year in which the expense occurred.

(v) With respect to any PEP Award or restricted stock unit held by a Key Executive that constitutes a "nonqualified deferred compensation plan" within the meaning of Section 409A, notwithstanding anything in this Policy or the applicable award agreement to the contrary, the settlement of each such award (to the extent accelerated as a result of the application of Section 4 hereof) shall not occur until the earliest of (A) the Change in Control if such Change in Control constitutes a "change in the ownership of the corporation," a "change in effective control of the corporation" or a "change in the ownership of a substantial portion of the assets of the corporation," within the meaning of Section 409A(a)(2)(A)(v) of the Code, (B) the date such award would otherwise be settled pursuant to the terms of the applicable award agreement and (C) the applicable Termination Date.

Section 6. Right To Interpret Policy; Amendment and Termination

(a) Exclusive Discretion. The Administrator will have the exclusive discretion and authority to establish rules, forms, and procedures for the administration of the Policy and to construe and interpret the Policy and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Policy, including, but not limited to, the eligibility to participate in the Policy and amount of benefits paid under the Policy. The rules, interpretations, computations and other actions of the Administrator will be binding and conclusive on all persons.

(b) Amendment or Termination.

(i) Prior to the occurrence of a Change in Control, the Board or the Administrator may amend or terminate the Policy at any time and from time to time. Termination or amendment of the Policy shall not affect any obligation of the Company under the Policy, which has accrued and is unpaid as of the effective date of the termination or amendment. Unless and until a Change in Control shall have occurred, a Key Executive shall not have any vested rights under the Policy or any agreement entered into pursuant to the Policy.

(ii) From and after the occurrence of a Change in Control, no provision of the Policy shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Key Executive and by an authorized officer of the Company (other than the Key Executive).

(iii) Notwithstanding anything herein to the contrary, the Board or the Administrator may amend the Policy (which amendment shall be effective upon its adoption or at such other time designated by the Board or the Administrator, as applicable) at any time as may be necessary to avoid the imposition of any additional taxes or penalties under Section 409A; provided, however, that any such amendment shall be implemented in such a manner as to preserve, to the greatest extent possible, the terms and conditions of the Policy as in existence immediately prior to any such amendment.

Section 7. No Implied Employment Contract

The Company and each Key Executive acknowledge that each Key Executive's employment is and shall continue to be at-will, as defined under applicable law, and that the Policy shall not be deemed a contract of employment. If a Key Executive's employment terminates for any reason other than an Involuntary Termination, the Key Executive shall not be entitled to any benefits, damages, awards or compensation under Section 4 of the Policy, but may be entitled to payments or benefits in accordance with the Company's other established employee plans and practices or pursuant to other agreements with the Company.

Section 8. Successors

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets will assume the obligations under the Policy and agree expressly to perform the obligations under the Policy in the same manner and to

the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under the Policy, the term "Company" will include any successor to the Company's business and/or assets which executes and delivers the assumption agreement described in this Section 8(a) or which becomes bound by the terms of the Policy by operation of law or otherwise.

(b) Key Executive's Successors. The terms of the Policy and all rights of the Key Executive hereunder will inure to the benefit of, and be enforceable by, the Key Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

Section 9. Legal Construction

The Policy is intended to be governed by and will be construed in accordance with the Employee Retirement Income Security Act of 1974, as amended (**"ERISA"**) and, to the extent not preempted by ERISA, the laws of the State of Delaware.

Section 10. Claims, Inquiries And Appeals

(a) Applications for Benefits and Inquiries. Any application for benefits, inquiries about the Policy or inquiries about present or future rights under the Policy must be submitted to the Administrator in writing.

(b) Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Administrator must notify the applicant, in writing, of the denial of the application, and of the applicant's right to review the denial. The written notice of denial will be set forth in a manner designed to be understood by the applicant and will include specific reasons for the denial, specific references to the Policy provision upon which the denial is based, a description of any information or material that the Administrator needs to complete the review and an explanation of the Policy's review procedure.

This written notice will be given to the applicant within ninety (90) days after the Administrator receives the application, unless special circumstances require an extension of time, in which case, the Administrator has up to an additional ninety (90) days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial ninety (90) day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Administrator is to render its decision on the application. If written notice of denial of the application for benefits is not furnished within the specified time, the application will be deemed to be denied. The applicant will then be permitted to appeal the denial in accordance with the Review Procedure described below.

(c) **Request for a Review.** Any person (or that person's authorized representative) for whom an application for benefits is denied (or deemed denied), in whole or in part, may appeal the denial by submitting a request for a review to the Administrator within sixty (60) days after the application is denied (or deemed denied). The Administrator will give the

applicant (or his or her representative) an opportunity to review pertinent documents in preparing a request for a review. A request for a review will be in writing and will be addressed to:

AECOM Technology Corporation
555 South Flower St.
Suite 3700
Los Angeles, CA 90071-2300
Attn: General Counsel

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant feels are pertinent. The Administrator may require the applicant to submit additional facts, documents or other material as it may find necessary or appropriate in making its review.

(d) **Decision on Review.** The Administrator will act on each request for review within sixty (60) days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional sixty (60) days), for processing the request for a review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial sixty (60) day period. The Administrator will give prompt, written notice of its decision to the applicant. In the event that the Administrator confirms the denial of the application for benefits in whole or in part, the notice will outline, in a manner calculated to be understood by the applicant, the specific Policy provisions upon which the decision is based. If written notice of the Administrator's decision is not given to the applicant within the time prescribed in this Subsection (d), the application will be deemed denied on review.

(e) **Rules and Procedures.** The Administrator will establish rules and procedures, consistent with the Policy and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims. The Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial (or deemed denial) of benefits to do so at the applicant's own expense.

(f) **Exhaustion of Remedies.** No legal action for benefits under the Policy may be brought until the claimant (i) has submitted a written application for benefits in accordance with the procedures described by Section 10(a) above, (ii) has been notified by the Administrator that the application is denied (or the application is deemed denied due to the Administrator's failure to act on it within the established time period), (iii) has filed a written request for a review of the application in accordance with the appeal procedure described in Section 10(c) above and (iv) has been notified in writing that the Administrator has denied the appeal (or the appeal is deemed to be denied due to the Administrator's failure to take any action on the claim within the time prescribed by Section 10(d) above).

Section 11. Basis Of Payments To And From Policy

All benefits under the Policy will be paid by the Company. The Policy will be unfunded, and benefits hereunder will be paid only from the general assets of the Company.

Section 12. Other Policy Information

(a) **Employer Identification Numbers.** The Employer Identification Number assigned to the Company (which is the **"Policy Sponsor"** as that term is used in ERISA) by the Internal Revenue Service is 61-1088522.

(b) **Agent for the Service of Legal Process.** The agent for the service of legal process with respect to the Policy is AECOM Technology Corporation, 555 South Flower St., Suite 3700, Los Angeles, CA 90071-2300.

(c) **Policy Sponsor and Administrator.** The "Policy Sponsor" and the "Administrator" of the Policy is AECOM Technology Corporation, 555 South Flower St., Suite 3700, Los Angeles, CA 90071-2300. The Policy Sponsor's and Administrator's telephone number is (213) 593-8000. The Administrator is the named fiduciary charged with the responsibility for administering the Policy.

Section 13. Miscellaneous

(a) **Notice**. Notices and all other communications contemplated by the Policy will be in writing and will be deemed to have been duly given either (i) when personally delivered or sent by facsimile or other electronic transmission (including e-mail) or (ii) five (5) days after being mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of the Key Executive, mailed notices shall be addressed to him or her at the home address or facsimile number or e-mail address which he or she most recently communicated to the Company in writing. In the case of the Company, mailed notices or notices sent by facsimile shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its General Counsel.

(b) **No Waiver**. The failure of a party to insist upon strict adherence to any term of the Policy on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of the Policy.

(c) **Severability**. In the event that any one or more of the provisions of the Policy shall be or become invalid, illegal or unenforceable in any respect or to any degree, the validity, legality and enforceability of the remaining provisions of the Policy shall not be affected thereby. The parties intend to give the terms of the Policy the fullest force and effect so that is any provision shall be found to be invalid or unenforceable, the court reaching such conclusion may modify or interpret such provision in a manner that shall carry out the parties' intent and shall be valid and enforceable.

(d) **Headings**. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof or to affect the meaning thereof.

(e) **Specific Performance.** If in the opinion of any court of competent jurisdiction the covenants described in Section 5(c) of the Policy are not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision

or provisions of this covenant as to the court shall appear not reasonable and to enforce the remainder of the covenant as so amended. Any breach of the covenants contained in Section 5(c) would irreparably injure the Company. Accordingly, the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 5(c) would be inadequate and, in the event of such a breach or threatened breach, the Company may, without posting any bond, in addition to pursuing any other remedies it may have in law or in equity, obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available against the Key Executive from any court having jurisdiction over the matter, restraining any further violation of the Policy by the Key Executive.

(f) **Creditor Status of Key Executives**. In the event that any Key Executive acquires a right to receive payments from the Company under the Policy such right shall be no greater than the right of any unsecured general creditor of the Company.

(g) **Facility of Payment**. If it shall be found that (i) a Key Executive entitled to receive any payment under the Policy is physically or mentally incompetent to receive such payment and to give a valid release therefor, and (ii) another person or an institution is then maintaining or has custody of such Key Executive, and no guardian, committee, or other representative of the estate of such person has been duly appointed by a court of competent jurisdiction, the payment may be made to such other person or institution referred to in (ii) above, and the release shall be a valid and complete discharge for the payment.

(h) **Withholding Taxes**. The Company may withhold from any amounts payable under the Policy such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

SCHEDULE A

(Updated as of November 17, 2015)

Key Executive	Severance Payment Multiple
Michael S. Burke	2 Times
Stephen M. Kadenacy	1.5 Times
Michael J. Donnelly	1.5 Times
Daniel P. McQuade	1.5 Times
Frederick W. Werner	1.5 Times
Randall A. Wotring	1.5 Times
Carla J. Christofferson	1.5 Times
Mary E. Finch	1.5 Times
William T. Rudd	1.5 Times

EXHIBIT 21.1

AECOM Global, Inc., a Delaware Corporation
AECOM, Inc., a Delaware Corporation
AECOM Technical Services, Inc., a California Corporation
AECOM USA, Inc., a New York Corporation
National Security Programs, Inc., a Virginia Corporation
Tishman Construction Corporation, a Delaware Corporation
Tishman Construction Corporation of New York, a Delaware Corporation
URS Energy & Construction, Inc., an Ohio Corporation
URS Corporation, a Nevada Corporation
URS Group Inc. a Delaware Corporation
Sellafield Limited*
URS Federal Technical Services, Inc., a Delaware Corporation
URS Luxembourg LLP*
EG&G Defense Materials, Inc., a Utah Corporation
URS Corporation Southern, a California Corporation
URS Corporation—Ohio, an Ohio Corporation
URS Holdings, Inc., a Delaware Corporation
URS E&C Holdings, Inc., a Delaware Corporation
URS Global Holdings Inc., a Nevada Corporation
Flint Energy Services, Inc., a Delaware Corporation
J.W. Williams, Inc., a Wyoming Corporation
URS Global Holdings UK Ltd.*
WGI Netherlands BV*
URS Worldwide Holdings UK Limited*
URS Intercontinental Holdings UK Limited*
LLW Repository Limited*
Conex Rentals Corporation*
URS New Zealand Limited*
URS Corporation—North Carolina, a North Carolina Corporation

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* Foreign

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EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements (Form S-8 Nos. 333-167047, 333-142070, and 333-199453) pertaining to various stock incentive, purchase and retirement plans of AECOM (formerly AECOM Technology Corporation) of our reports dated November 25, 2015, with respect to the consolidated financial statements and schedule of AECOM and to the effectiveness of internal control over financial reporting of AECOM included in this Annual Report (Form 10-K) of AECOM for the year ended September 30, 2015.

/s/ ERNST & YOUNG LLP

Los Angeles, California
November 25, 2015

EXHIBIT 31.1

Certification Pursuant to
Rule 13a-14(a)/15d-14(a)

I, Michael S. Burke, certify that:

1. I have reviewed this Annual Report on Form 10-K of AECOM;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 25, 2015

/s/ MICHAEL S. BURKE

Michael S. Burke
Chairman and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

Certification Pursuant to
Rule 13a-14(a)/15d-14(a)

I, W. Troy Rudd, certify that:

1. I have reviewed this Annual Report on Form 10-K of AECOM;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 25, 2015

/s/ W. TROY RUDD

W. Troy Rudd
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

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EXHIBIT 31.2

Certification Pursuant to Rule 13a-14(a)/15d-14(a)

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Exhibit 32

**Certification Pursuant to
18 U.S.C. Section 1350**

In connection with the Annual Report of AECOM (the "Company") on Form 10-K for the fiscal year ended September 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Michael S. Burke, Chief Executive Officer of the Company, and W. Troy Rudd, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to our knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MICHAEL S. BURKE

Michael S. Burke
Chairman and Chief Executive Officer
November 25, 2015

/s/ W. TROY RUDD

W. Troy Rudd
Executive Vice President and Chief Financial Officer
November 25, 2015

QuickLinks

Exhibit 32

Certification Pursuant to 18 U.S.C. Section 1350

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EXHIBIT 95

Section 1503 of the Dodd-Frank Wall Street Reform and Consumer Protection Act requires domestic mine operators to disclose violations and orders issued under the Federal Mine Safety and Health Act of 1977 (the "Mine Act") by the federal Mine Safety and Health Administration ("MSHA"). We do not act as the owner of any mines but we may act as a mining operator as defined under the Mine Act where we may be a lessee of a mine, a person who operates, controls or supervises such mine, or as an independent contractor performing services or construction of such mine.

The following table provides information for the year ended September 30, 2015.

Mine(1)	Mine Act §104 Violations(2)	Mine Act §104(b) Orders(3)	Mine Act §104(d) Citations and Orders(4)	Mine Act §110(b)(2) Violations(5)	Mine Act §107(a) Orders(6)	Proposed Assessments from MSHA (In dollars ($))	Mining Related Fatalities	Mine Act §104(e) Notice (yes/no)(7)	Pending Legal Action before Federal Mine Safety and Health Review Commission (yes/no)(8)
Black Thunder Project	2	0	0	0	0	$ 276	0	No	No
Monsanto Quarry	0	0	0	0	0	$ 0	0	No	No
Pipestone Quarry	5	0	0	0	0	$ 300	0	No	No
Morenci Mine	1	0	0	0	0	$ 100	0	No	No
Questa Mine	0	0	0	0	0	$ 0	0	No	No

(1) United States mines.

(2) The total number of violations received from MSHA under §104 of the Mine Act, which includes citations for health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.

(3) The total number of orders issued by MSHA under §104(b) of the Mine Act, which represents a failure to abate a citation under §104(a) within the period of time prescribed by MSHA.

(4) The total number of citations and orders issued by MSHA under §104(d) of the Mine Act for unwarrantable failure to comply with mandatory health or safety standards.

(5) The total number of flagrant violations issued by MSHA under §110(b)(2) of the Mine Act.

(6) The total number of orders issued by MSHA under §107(a) of the Mine Act for situations in which MSHA determined an imminent danger existed.

(7) A written notice from the MSHA regarding a pattern of violations, or a potential to have such pattern under §104(e) of the Mine Act.

(8) The following Pending Legal Action Table provides information for the three months ended September 30, 2015.

Mine	Number Pending Legal Actions	Contests of Penalty Assessments	Legal Action Initiated	Legal Action Resolved
Black Thunder Project	0	0	0	0
Monsanto Quarry	0	0	0	0
Pipestone Quarry	0	0	0	0
Morenci Mine	0	0	0	0
Questa Mine	0	0	0	0