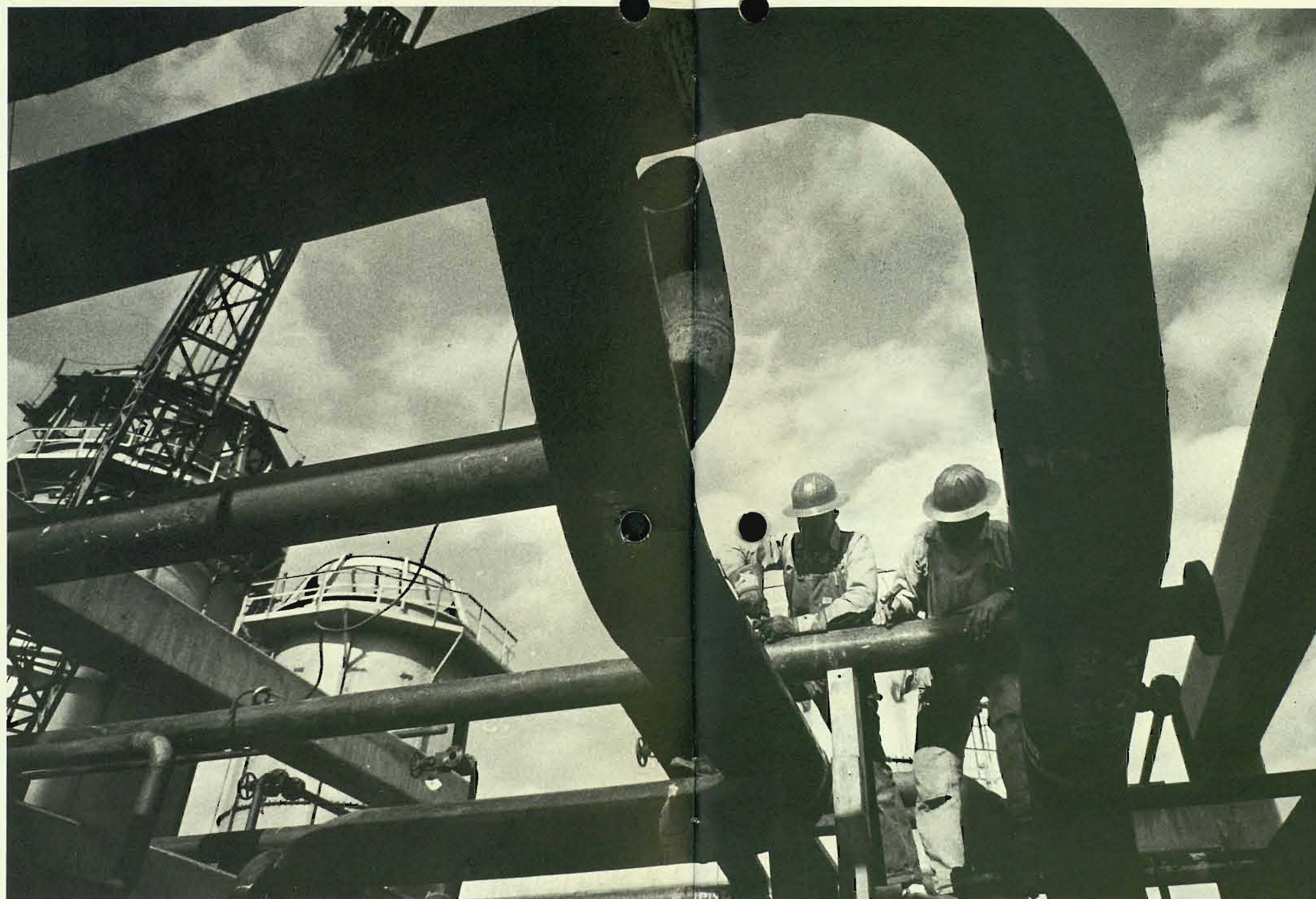


The Fluor Corporation, Ltd. 1959 Annual Report

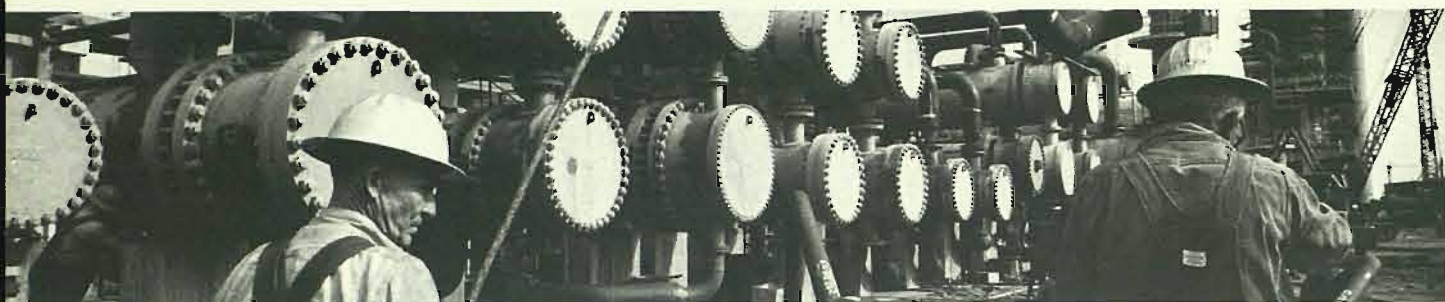




The Fluor Corporation, Ltd.

1959 Annual Report

- 4 Highlights of the Year
- 5 Report from the President
- 7 Operating Results
- 8 Engineering-Construction Division
- 9 Fluor Products Company
- 10 Research Division
- 10 Affiliated Companies
- 11 Financial Statements
- 16 15-Year Financial Summary



Highlights of the Year

	1959	1958
Sales	\$109,906,020	\$120,458,962
Net Earnings (Loss)	(885,821)	1,908,782
Per Share	—	2.41
As a per cent of shareholders' average equity	—	11.4%
Dividends		
Total	872,795	912,473
Cash per share	1.10	1.20
Income taxes	(427,928)	2,188,259
Net working capital	11,263,163	13,932,021
Shareholders' equity at year-end	15,818,921	17,557,533
Per share	19.93	22.15
Shares outstanding at year-end	793,777	792,577
Number of shareholders	4,883	4,501
Backlog, October 31	56,000,000	86,000,000

Report from the President

Last year was a difficult and disappointing one for your company. Engineering-construction sales and profits held up reasonably well in the face of severely reduced capital spending, fewer opportunities to bid, increased competition, and lower fees. However, substantial losses by our manufacturing division, and write-offs of non-recurring items resulted in an unprofitable year for the company.

The non-recurring write-offs, which amounted to \$1,350,000, consisted of unusual expenses in connection with the development of a new process (\$484,000), costs incurred in the design and engineering of a major project which has been deferred indefinitely (\$513,000), and liquidation costs resulting from the disposal of Fluor's metal manufacturing facilities at Paola, Kansas (\$353,000).

I do not expect 1960 sales to equal those for the previous twelve months. The return to a satisfactory earnings level is largely dependent on the timing of new orders. An increased rate of new orders in early 1960 should enable us to reverse the earnings trend by the third quarter and complete the year on a profitable basis.

I view the setback last year as a temporary situation which does not accurately reflect Fluor's strength and capabilities, or its potential for dynamic growth in the years ahead. I firmly believe

that the outlook for the company's long-term future remains excellent.

Fluor finds itself in the favorable position of being a company that serves fast-growing industries in an expanding world economy. The company should achieve exceptional growth by appropriate expansion efforts.

Although we fully expected capital spending to increase noticeably in the last half of 1959, unforeseen factors caused sharp changes in the spending plans of certain industries. In many instances, projects previously scheduled for late 1959 and early 1960 were deferred. Nevertheless, American business plans to spend \$37.3-billion in 1960 and continue at a good rate into 1961.

Economists generally estimate that the demand for petroleum, chemicals and electric power will increase at a faster rate than the average of most consumer products. It is significant that Fluor serves all three industries. Since the company has increased its share of the total available market during the past ten years, we can expect to obtain a greater share of this new business. Petroleum refineries, natural gas and petrochemicals probably will continue to be Fluor's most important sources of business, followed by power and industrial chemicals.

Although prospects for the oil industry appear

to foretell a lower rate of growth in consumption for the next several years, the industry faces an era which will develop demands for fuel that almost dwarf the energy needs of today. It is true that this industry may have to live with excess capacity for some time and that a substantial surplus of refining facilities thus exists today. While this indicates a retarded rate of capital spending by the oil industry in the next few years, the demand for oil and gas nevertheless is expected to continue to grow.

Chemical companies held back on capital spending in 1959, but there are indications that their managements are budgeting an increase in outlays for new plant and equipment beginning in 1960.

Petrochemistry has shown extraordinary growth. It has emerged as a major industry which shows no signs of slowing down. The industry has doubled its output every five years since the Forties—a record for all industry. Capital investment has climbed from \$350-million to \$4-billion over the same period.

Plans for the advancement of the company's position in the electric utility industry also show

great promise. Fluor's potential dollar volume of business from the installation of electric power generating stations by 1975 rises far beyond our present total business volume.

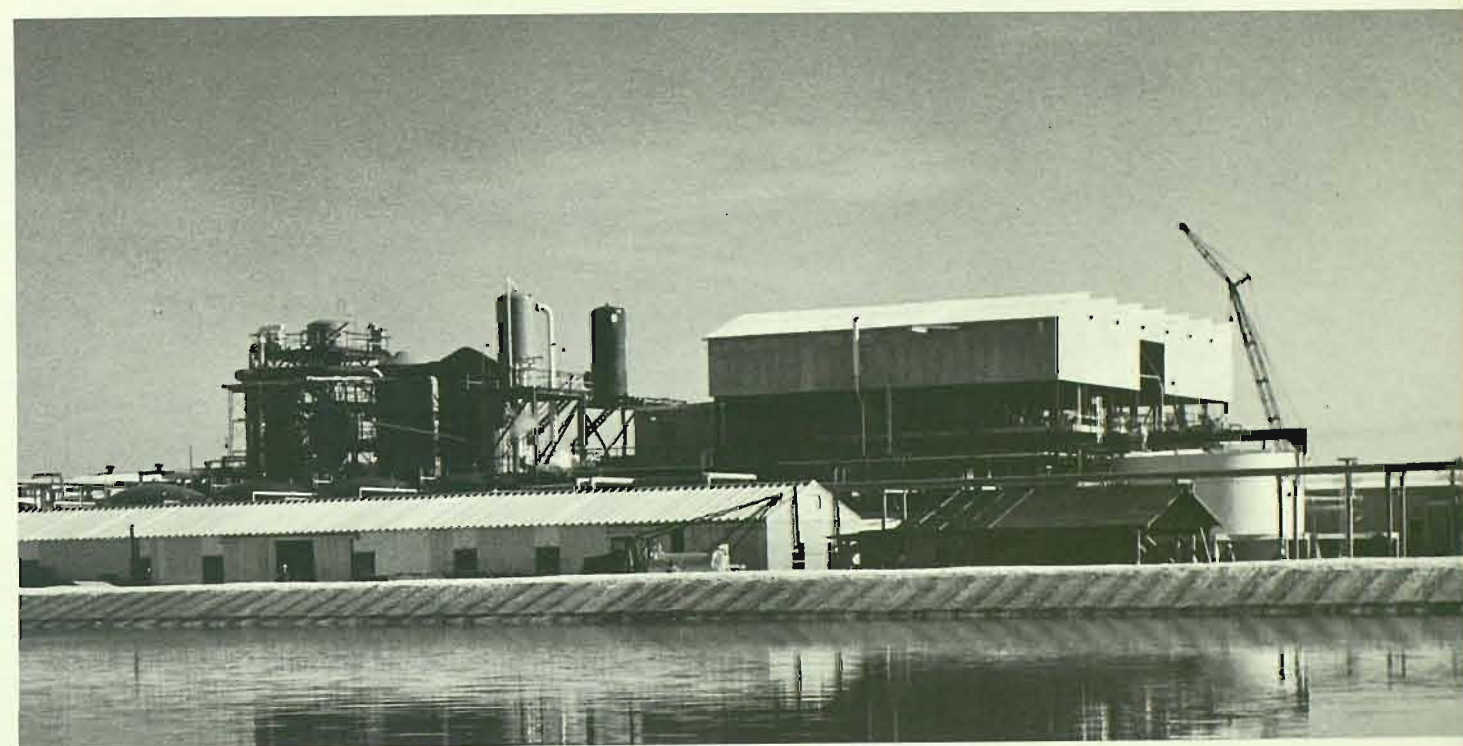
Greatest growth is anticipated in the Free World outside the United States. Fluor has taken major steps toward obtaining an important share of this promising foreign market. European producers show mounting investments in new plant and equipment. The revitalization of European industry has deep significance. The technical capabilities of our Dutch and English subsidiaries, together with aggressive expansion of sales efforts in foreign fields, are expected to lead to substantial gains for Fluor in future years.

Thus, it can be seen that the future is extremely bright for Fluor. Operating economies, reduced overhead costs, and a continuing emphasis on increased efficiency in all our operations should contribute materially to substantial profit gains in the years ahead.

We sincerely appreciate the continued support of Fluor shareholders, employees, customers, and suppliers.

December 14, 1959

J. L. Fluor



Chlorine-caustic plant, Wyandotte Chemicals Corporation, Geismar, Louisiana.

Operating Results

Consolidated net sales for the fiscal year ended October 31, 1959 amounted to \$109,906,020 compared with \$120,458,962 in 1958. The company sustained a net loss of \$885,821 for the twelve months, after non-recurring write-offs amounting to \$1,350,000. This compares with net earnings of \$1,908,782 for the previous year, equivalent to \$2.40 a share, on the basis of the 793,777 shares presently outstanding.

New orders received totaled \$70,000,000, as against the \$115,000,000 reported for the prior year. Fluor's backlog of uncompleted work at October 31 was approximately \$56,000,000, com-

pared with an \$86,000,000 backlog a year earlier.

Cash dividends paid during fiscal 1959 amounted to \$872,795, equivalent to \$1.10 a share. This compares with an aggregate cash pay-out in 1958 of \$912,473, or \$1.20 a share.

At the December 14 meeting, the Board of Directors was unable to declare a dividend because the company's retained earnings had been reduced to a point which, in accordance with the terms of our long-term loan commitments, is insufficient to allow dividend payments. This represents the first interruption in quarterly dividend payments since 1946. Dividend payments will be resumed when

the company once again is operating at a satisfactory earnings level.

The consolidated loss for the year will provide a basis for the net recovery of \$427,928 in income taxes paid in prior years. The parent company and those subsidiaries which incurred losses will recover income taxes of \$877,776 under the loss carry-back provisions of the income tax law. Income taxes incurred by the subsidiaries which realized a profit, and adjustments in prior years' taxes, amounted to \$449,848.

Property, plant and equipment expenditures amounted to \$844,873 during 1959, compared with

tinued to operate on a profitable basis in 1959.

The Division completed 35 projects, with a total installed cost of about \$122-million. Total sales billed during the year amounted to \$74,681,338. About two-thirds of the jobs completed were evenly divided between the petroleum and natural gas industries. The remainder were primarily chemical.

A particularly challenging project was the first chlorine-caustic plant to be designed and built by Fluor, which was completed in June for Wyandotte Chemicals Corporation at Geismar, Louisiana. This \$26-million installation was the largest single



Helium recovery plant, U. S. Bureau of Mines, Keyes, Oklahoma.

\$1,320,000 in 1958. Shareholders' equity at October 31, 1959 was \$15,818,921, compared with \$17,557,533 one year previously. Book value of each share of capital stock was \$19.93, compared with \$22.15 at the close of the prior fiscal year.

Engineering-Construction Division

Despite a declining work load and reduced fees brought about by slackened capital spending and stiffer competition which prevailed during the year, the Engineering-Construction Division con-

project completed during fiscal 1959.

One month earlier, the division completed a \$15-million fluid catalytic cracking plant for Standard Oil Company of California at Richmond, California, nearly five weeks ahead of schedule. Fluor turned the installation over to the customer 32 days in advance of the completion deadline, a noteworthy construction achievement.

A \$10-million helium recovery plant was completed for the U.S. Bureau of Mines in August, just nine months after award of the contract. This installation at Keyes, Oklahoma, designed and constructed by Fluor, temporarily ended the

nation's acute shortage of helium, and represented an important step in the government's helium conservation program.

Fluor's increased emphasis on foreign markets was indicated by the establishment of Fluor-Schuytplot N.V., a new Dutch affiliate in Haarlem, Holland. In April, the company purchased a 75 per cent interest in H. V. Ingenieurs-bureau Voor Chemische en Fysische Techniek, Ph. J. Schuytplot en Zoon, a Netherlands engineering firm. This company offers complete process and mechanical design, procurement and construction services. Work has begun on a new office building, with completion expected in 1961. This will permit the organization to expand from its present staff of 150 to a complement of 450 specialists in process and mechanical design.

Fluor Engineering and Construction Company, Limited, the United Kingdom subsidiary, moved to larger London quarters in June. About 25,000 square feet of floor space provides room for executive offices, sales and accounting, purchasing and project engineering, conference room and reception area. The English company occupies five floors of Finwell House, 26 Finsbury Square.

Fluor Products Company

Although products sales totaled \$11,979,936—about equal to the previous year's business volume—continuing competitive conditions and certain major non-recurring costs resulted in a substantial loss for Fluor Products Company.

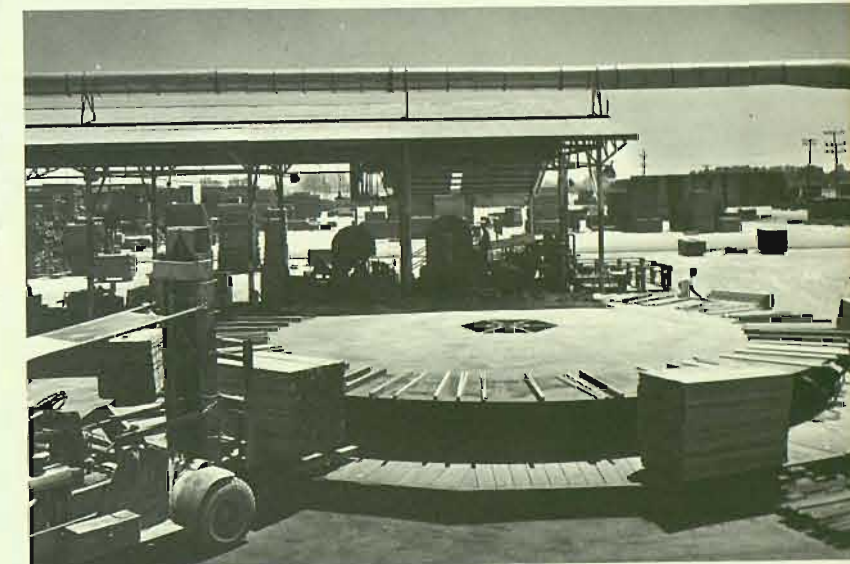
Unsatisfactory conditions prevalent in the pipe and metal fabrication industry, coupled with the loss of a patent suit on pulsation dampeners, made necessary a reappraisal of Fluor's metal manufacturing operations at Paola, Kansas.

Rather than spend more than \$1-million required to modernize and equip the Paola facility for more profitable operations, or liquidate more than \$2-million of assets at only a fraction of their value, the company decided to end continuing losses by selling its metal fabricating business to Taylor Forge & Pipe Works of Cicero, Illinois. The sale was concluded in February.

The company relocated the newly acquired

Summerbell Roof Structures activity at its Santa Rosa, California, plant and by the end of the year the Summerbell operation was in full production at the new location. This was not achieved, however, without sizable closing expenses, as well as moving and start-up costs involved in shifting this unit to Northern California from its former Los Angeles base.

Market potential for the Summerbell glue-laminated timber products appears to be favorable. The \$100-million national market encompasses schools, churches, warehouses, and many varieties of commercial and industrial structures.



Fluor Products Company's wood manufacturing facilities at Santa Rosa, Calif.

Further complicating the Division's business position was the general slow-down in capital goods spending. Although Fluor Products Company continued to obtain its normal share of the industrial cooling tower market, which traditionally has accounted for more than half its sales volume, the business available dropped sharply. Prices and profits declined accordingly.

Results of an extensive research program on cooling tower performance, under all conditions that might be encountered in the field, became available to the Division in 1959. This study was conducted jointly by Products and Research per-

sonnel. As a result, Fluor cooling towers have been redesigned to minimize technical difficulties.

Poly-Grid packing for cooling towers, made of linear polyethylene or high-impact polystyrene, is an example of advanced Fluor design in this field. This plastic packing gained industry-wide acceptance in 1959. Further research developed new applications for the grids in trickling filters used for biological oxidation of organic waste materials.

The company is proceeding with plans to organize a new products subsidiary in Mexico to process a substantial amount of cooling tower business obtained in that country.

Research Division

Largest single research project of the previous year led to commercial application of the new Fluor Solvent CO₂ Removal Process in 1959. A major gas company commissioned Fluor to design the first commercial gas treating facility utilizing this process, which purifies natural gas containing high concentrations of carbon dioxide. Equally promising was research work on the company's new hydrogen sulfide removal process, which has wide application—particularly in Canadian gas fields.

More than two years of study on the saline water distillation problem also culminated in an engineering project for the company. The U.S. Office of Saline Water awarded Fluor a contract to perform the design and engineering of a multi-stage flash distillation saline water conversion plant. This facility, to be located at Point Loma, California, will produce one million gallons of fresh water a day.

A new pilot plant test facility was installed to study low-cost, high efficiency packing for industrial cooling towers manufactured by Fluor Products Company. The Division found potential new applications of Fluor's Poly-Grid packing in the biological oxidation of waste products from steel plants, oil refineries and pulp and paper mills.

Research also explored long range future applications of plasma jet technology, which uses an electrical arc device, providing extremely high temperatures under controlled conditions to develop cheaper methods of producing chemicals.

Affiliated Companies

The Fluor Corporation of Canada, Ltd., registered a substantial gain in sales for fiscal 1959, reporting billings of \$9,781,000, compared with \$4,529,654 for 1958.

Further improvement in sales is anticipated for 1960. New business opportunities appear promising in Western Canada, where the natural gas industry is expected to add major facilities. Natural gas is Canada's fastest growing industry.

Projects completed during the year included a gas processing, gas treating and sulphur plant for the Nevis Operators' Committee at Nevis, Alberta, and among contracts obtained during the year was one to engineer and construct a gas processing plant for the Carstairs Operators' Committee near Carstairs, forty miles north of Calgary, Alberta.

Fluor's Canadian engineering affiliate, H. G. Acres & Company, Ltd., of Niagara Falls, Ontario, reported sales in excess of \$5-million, somewhat below the record \$6½-million reported the previous year. In line with Canadian economic trends, this company experienced reductions in work volume and staff during the year.

Acres completed work on the Ash River Development of the British Columbia Power Commission and brought into service the first units of the Chutes-des-Passes Development of the Aluminum Company of Canada, Limited and the Bersimis No. 2 and Beauharnois No. 3 Developments of the Quebec Hydro-Electric Commission, representing a total of 1,200,000 horsepower. This affiliate expects to continue at a reduced level of operations through 1960, but its long term prospects appear to be excellent.

Sales for Singmaster & Breyer, Inc., Fluor's New York engineering affiliate, were down to \$4½-million from the record \$11-million of 1958. During the year, this firm completed the design of the Atomic Energy Commission's plutonium handling research and development facility at Argonne National Laboratories.

Singmaster & Breyer, Inc. expects a better sales year in 1960, due to increased domestic and foreign inquiries. The company has entered the new fields of paper pulp and food technology, which appear to offer excellent prospects for the future.

The Fluor Corporation, Ltd. and Subsidiaries

Consolidated Statement of Earnings and Retained Earnings

Years ended October 31, 1959 and 1958

	1959	1958
Revenue		
Engineering and construction revenue — including unbilled charges on incompleted contracts	\$ 97,330,148	\$107,559,692
Product sales	12,575,872	12,899,270
Royalties, discounts and other	492,203	308,029
	110,398,223	120,766,991
Costs and Expenses		
Cost of engineering and construction revenue	91,859,788	98,732,245
Cost of product sales	12,132,882	10,640,041
Selling, research and administrative expenses	6,733,386	6,895,747
Interest on indebtedness	374,854	162,107
Other expenses	543,154	24,586
	111,644,064	116,454,726
Earnings (loss) — before income taxes and minority interests	(1,245,841)	4,312,265
Federal and Foreign Income Taxes		
Federal normal tax and surtax	59,367	1,808,091
Refundable Federal income taxes arising from carry-back of operating losses	(877,776)	—
Foreign governments' income taxes	390,481	380,168
	(427,928)	2,188,259
	(817,913)	2,124,006
Minority Interest in Net Earnings of Subsidiaries	67,908	215,224
Net Earnings (Loss)	(885,821)	1,908,782
Retained Earnings — November 1, 1958 and 1957	8,660,696	7,664,387
	7,774,875	9,573,169
Dividends Paid		
1959 — \$1.10 a share; 1958 — \$1.20 a share	872,795	912,473
Retained Earnings — October 31, 1959 and 1958	\$ 6,902,080	\$ 8,660,696
Included above in costs and expenses:		
Depreciation and amortization	\$ 1,163,150	\$ 1,298,720
Contributions to employees' benefit trust funds	81,002	965,200

The accompanying notes are an integral part of the financial statements.

Consolidated Balance Sheet

October 31, 1959 and 1958

ASSETS			
	1959	1958	
Current Assets			
Cash	\$ 1,059,443	\$ 5,901,899	
Investments — at cost plus accrued interest	99,226	—	
Notes receivable	438,368	584,334	
Accounts receivable	10,609,050	10,234,727	
Refundable taxes on income	962,602	—	
Unbilled charges on incompletd contracts	3,026,464	7,555,590	
Inventories — at the lower of cost (determined by the average method) or market			
Raw materials, purchased parts and supplies	2,192,214	3,368,789	
Finished goods and work in process	1,891,057	1,384,882	
Prepaid insurance, taxes and deposits	447,725	461,392	
Total current assets	20,726,149	29,491,613	
Property, Plant and Equipment — at cost			
Land	183,732	192,899	
Buildings and land improvements	5,641,054	5,864,251	
Machinery and equipment	7,826,873	8,372,924	
	13,651,659	14,430,074	
Less accumulated depreciation and amortization	6,440,911	6,071,986	
	7,210,748	8,358,088	
Other Assets			
Notes and accounts receivable	2,797,143	1,815,789	
Investments	576,097	910,100	
Patents, taxes and sundry	430,646	56,791	
	3,803,886	2,782,680	
	\$31,740,783	\$40,632,381	

The accompanying notes are an integral part of the financial statements.

LIABILITIES			
	1959	1958	
Current Liabilities			
Notes payable	\$ 1,630,000	\$ 330,000	
Accounts payable	4,987,223	8,275,836	
Customers' deposits and advance payments	1,063,226	2,912,711	
Taxes on income	228,670	1,809,352	
Accrued liabilities	1,553,867	2,231,693	
Total current liabilities	9,462,986	15,559,592	
Noncurrent Liabilities			
Notes payable — noncurrent portion	4,530,000	5,060,000	
Deferred Income			
Unearned fees on engineering and construction contracts	380,948	1,040,445	
Gain on installment sale of property	194,033	216,327	
	574,981	1,256,772	
Minority Interests in Subsidiaries			
	1,353,895	1,198,484	
Capital			
Contributed capital			
Capital stock — authorized, 2,000,000 shares of \$2.50 par value; issued and outstanding:			
1959 — 793,777 shares; 1958 — 792,577 shares	1,984,443	1,981,443	
Capital contributed in excess of par value of capital stock	6,932,398	6,915,394	
Retained earnings	6,902,080	8,660,696	
	15,818,921	17,557,533	
	\$31,740,783	\$40,632,381	

Certification

ALEXANDER GRANT & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
548 SOUTH SPRING STREET
LOS ANGELES 13, CALIFORNIA

CHICAGO
NEW YORK
LOS ANGELES
—
OTHER
PRINCIPAL
CITIES

Board of Directors and Shareholders
The Fluor Corporation, Ltd.

We have examined the consolidated balance sheet of THE FLUOR CORPORATION, LTD. (a California corporation) and its subsidiaries as of October 31, 1959, and the related consolidated statement of earnings and retained earnings for the year then ended. Our examination, which did not include the accounts of the Canadian, English and Dutch subsidiaries, was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. As to certain foreign subsidiaries which were not examined by us, we were furnished with financial statements which had been examined by other accountants and their related reports.

In our opinion, based upon our examination and the reports of other accountants, the accompanying consolidated balance sheet and consolidated statement of earnings and retained earnings present fairly the consolidated financial position of The Fluor Corporation, Ltd. and its subsidiaries at October 31, 1959, and the consolidated results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Alexander Grant & Company

Los Angeles, California
December 18, 1959

Notes to Financial Statements

October 31, 1959

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of The Fluor Corporation, Ltd., and its subsidiaries. All the subsidiaries are wholly owned except Singmaster & Breyer, Inc., and Fluor-Schuytlot N.V., which are owned 55% and 75%, respectively, by The Fluor Corporation, Ltd., and H. G. Acres & Company, Limited, which is 60% owned by The Fluor Corporation of Canada, Ltd.

Intercompany items and transactions have been eliminated in consolidation. The excess of the company's equity in the net assets of the subsidiaries over its investment therein has been included in consolidated retained earnings with the following exception. The excess of the company's investment over its equity in the net assets of Fluor-Schuytlot N.V. at the date of acquisition (\$151,812) has been included in "Other Assets" in the consolidated balance sheet.

ACCOUNTING TREATMENT OF ENGINEERING AND CONSTRUCTION CONTRACTS

The company follows the general principle of recognizing income on engineering and construction contracts on the percentage of completion method in the proportion that aggregate costs incurred bear to total estimated cost of the work being performed under the contract. Fees billed in advance to customers under the terms of the contracts are considered to be deferred income and are not recognized as income until earned.

FEDERAL TAXES ON INCOME

Federal income tax returns of the company have been examined for all years to and including the year ended October 31, 1957, and any necessary adjustments have been recorded.

NET ASSETS OF FOREIGN SUBSIDIARIES

Assets and liabilities of The Fluor Corporation of Canada, Ltd., and its subsidiary, H. G. Acres & Company, Limited, have been included in the accompanying financial statements in Canadian dollars. The net assets of these subsidiaries at October 31, 1959, amounted to approximately \$2,860,500.

Net assets of other foreign subsidiaries at October 31, 1959, amounted to:	
Middle East Fluor, S.A.	\$740,681
Fluor International, S.A.	460,092
Fluor Engineering & Construction Co., Ltd.	(93,257)
Fluor-Schuytlot, N.V.	380,047
Fluor-Venezuela, S.A.	900

NONCURRENT LIABILITIES

In October 1958, the company negotiated 5½% notes in the amount of \$2,000,000 with a bank, and 5⅞% notes in the amount of \$3,000,000 with two insurance companies. The notes were issued in accordance with a common note agreement. The proceeds of the notes were used in part to retire 4¾% notes totaling \$1,458,000 and the balance was

available for general corporate purposes.

The notes are payable in semi-annual installments of \$200,000, plus interest, commencing May 1, 1959, and extending to May 1, 1971, subject to contingent and optional prepayment provisions.

The note agreement requires the company to maintain net current assets of \$7,500,000 and the current assets must not be less than 150% of the current liabilities. By amendment dated December 18, 1959, to the note agreement, the company is restricted from paying cash dividends in excess of the net earnings of the company (as defined) after October 31, 1959, increased by \$630,000.

In November, 1955, H. G. Acres & Company, Limited, issued 4% first mortgage bonds totaling \$500,000, which mature November 1, 1960. Additional 5% first mortgage bonds totaling \$300,000 were issued in November, 1956, maturing November 1, 1960.

RENEGOTIATION

Sales subject to renegotiation for the year ended October 31, 1959, are estimated at \$6,000,000. Reports of renegotiable sales for all years through October 31, 1958 have been reviewed and cleared by government agencies, and no refunds requested. It is the opinion of management that a current provision for renegotiation is not required.

RESTRICTED STOCK OPTION PLAN

A restricted stock option plan, approved by the shareholders in March, 1956, reserved 30,000 shares of capital stock for issuance to key management employees. A stock dividend declared in 1957 increased the options originally granted by 20% with a corresponding decrease in option price. On March 10, 1958, the shareholders authorized an increase in the number of shares available for option from 36,000 shares to 50,000 shares. Options to purchase 27,600 shares at \$16.67 and 4,800 shares at \$19.38 are currently exercisable. Options to purchase 4,900 shares at \$21.00 and 4,200 shares at \$20.25 are not exercisable until September, 1960, and April, 1961, respectively. Options to purchase 4,900 shares have not been granted, and options to purchase 2,400 shares previously issued have expired by their own terms and are not subject to reissue at the present time. During the year options for 1,200 shares at \$16.67 were exercised under the plan and the proceeds of the issued shares were added to the capital accounts of the company.

COMMITMENTS

The Fluor Corporation of Canada, Ltd., is committed to purchase, upon the requests of the owners thereof, all or any part of the outstanding shares of H. G. Acres & Company, Limited, not presently held by the company. As of October 31, 1959, the purchase of all such outstanding shares would involve a payment of approximately \$454,000. Under a similar arrangement, The Fluor Corporation, Ltd., is committed to purchase the shares of Singmaster & Breyer, Inc., not presently held by the company. As of October 31, 1959, the purchase of all such outstanding shares would involve a payment of approximately \$695,000.

15-Year Financial Summary

Operating Results

	Revenues	Wages and Salaries	Purchased Materials and Services	Depreciation and Amortization	Main-tenance and Repairs	Contributions to Employees' Benefit Trust Funds	Interest on Indebted-ness	State, Local and Miscellaneous Taxes	Earnings Before Income Taxes	U.S. and Foreign Income Taxes	Minority Interests	Net Earnings	Net Earnings Per Share*	Dividends Paid	Reinvested Earnings	
1959	\$110,398	\$40,870	\$67,971	\$1,163	\$838	\$ 81	\$375	\$346	\$(1,246)	\$ (428)	\$ 68	\$ (886)	\$(1.12)	\$873	\$(1,759)	1959
1958	120,767	44,363	68,387	1,299	906	965	162	373	4,312	2,188	215	1,909	2.41	912	997	1958
1957	152,709	51,822	91,252	1,200	821	1,227	159	288	5,940	2,969	338	2,633	3.46	768	1,865	1957
1956	121,268	39,079	77,945	946	501	298	181	300	2,018	1,022	259	737	1.03	720	17	1956
1955	106,479	36,136	65,388	911	532	500	146	236	2,630	1,258	138	1,234	1.72	720	514	1955
1954	93,672	34,905	53,839	945	616	541	138	243	2,445	1,203	64	1,178	1.63	720	458	1954
1953	105,901	37,528	62,076	717	437	691	129	272	4,051	1,949	42	2,060	3.43	600	1,460	1953
1952	80,906	29,516	45,970	422	353	814	108	216	3,507	1,766	—	1,741	3.63	420	1,321	1952
1951	52,269	17,978	30,621	311	334	570	78	114	2,263	1,127	—	1,136	2.37	320	816	1951
1950	26,577	10,660	14,165	229	326	264	1	158	774	295	—	479	1.00	198	281	1950
1949	33,565	11,701	19,034	224	305	435	14	114	1,738	661	—	1,077	2.33	199	878	1949
1948	33,197	11,086	17,790	182	290	752	17	74	3,006	1,143	—	1,863	4.83	192	1,671	1948
1947	22,402	6,678	13,232	138	217	416	22	36	1,663	633	—	1,030	2.67	129	901	1947
1946	12,375	5,598	6,066	302	175	37	23	26	148	50	—	98	.25	32	66	1946
1945	14,466	6,865	6,786	455	204	22	24	24	86	41	—	45	.12	87	(42)	1945

Financial Position

	Current Assets	Current Liabilities	Working Capital	Property, Plant and Equipment		Other Assets	Total Capitali-zation
				Gross	Net		
1959	\$20,726	\$ 9,463	\$11,263	\$13,652	\$7,211	\$3,804	\$22,278
1958	29,492	15,560	13,932	14,430	8,358	2,783	25,073
1957	27,320	18,251	9,069	13,441	8,303	2,772	20,144
1956	24,597	17,666	6,931	12,053	7,670	1,968	16,569
1955	19,261	10,338	8,923	9,366	5,821	1,076	15,820
1954	22,464	12,328	10,136	8,331	5,386	183	15,705
1953	22,011	12,669	9,342	7,071	4,683	99	14,124
1952	17,568	10,840	6,728	5,034	3,280	79	10,087
1951	15,049	9,638	5,411	4,381	2,902	67	8,380
1950	7,935	4,011	3,924	3,246	2,034	64	6,022
1949	7,955	4,033	3,922	2,767	1,705	129	5,756
1948	8,571	5,585	2,986	2,427	1,534	175	4,695
1947	5,450	3,226	2,224	1,981	1,230	145	3,599
1946	2,849	1,863	986	1,692	1,023	115	2,124
1945	3,162	2,126	1,036	1,468	881	108	2,025

Equity, Dividends and Shareholders

	Shareholders' Equity			Dividends		Number of Shareholders
	Aggregate	Per Share*	% Net Earnings to average equity	Per Share*	% of Net Earnings	
1959	\$15,819	\$19.93	—	\$1.10	—	4,883
1958	17,558	22.15	11.4%	1.20	47.8%	4,501
1957	15,861	20.86	18.2	1.05	29.2	4,010
1956	13,098	18.19	5.6	1.00	97.7	3,709
1955	13,081	18.17	9.6	1.00	58.3	3,389
1954	12,567	17.46	10.0	1.00	61.1	3,376
1953	11,089	18.03	21.4	1.00	29.1	2,235
1952	8,176	17.03	23.2	.88	24.1	1,227
1951	6,838	14.27	17.7	.67	28.2	1,115
1950	6,022	12.54	8.3	.42	41.3	867
1949	5,474	11.84	22.2	.50	19.9	355
1948	4,240	10.99	54.6	.50	10.3	304
1947	2,586	6.70	47.8	.33	12.5	294
1946	1,721	4.46	5.7	.08	32.7	159
1945	1,730	4.49	2.7	.23	193.0	150

*Adjusted for ten-for-one stock split in 1950 and 20% stock dividend in 1957.

Directors

J. Simon Fluor	James P. Wiseman
Donald W. Darnell	Melvin A. Ellsworth
J. Robert Fluor	Francis E. Fischer
Frank G. Breyer	Chairman of the Board, Singmaster & Breyer, Inc. (1955)
Andrew W. F. McQueen	President, H. G. Acres & Co., Ltd. (1957)
Jan Oostermeyer	Chemical Consultant, former President, Shell Chemical Corporation (1953)
Donald Royce	Partner, William R. Staats & Co. (1951)
Franklin S. Wade	Chairman of the Board, Southern California Gas Co. (1952)

Officers

J. Simon Fluor	President (1921)
Donald W. Darnell	Chairman of the Board (1925)
J. Robert Fluor	Executive Vice President (1946)
Francis E. Fischer	Secretary-Treasurer (1924)
John F. Gardner	Vice President, Employee-Public Relations and Advertising (1940)
Dr. William R. Hainsworth	Vice President, Research (1952)
James D. Harris	Vice President and General Counsel (1950)
Edward J. McNary	Controller (1957)
Melvin A. Ellsworth	Vice President and General Manager, Engineering-Construction Division (1940)
Edmund C. Austin	Vice President, Procurement (1958)
George H. Dieter	Vice President, International Sales (1940)
W. P. Downey	Vice President, Construction (1930)
James P. Kneubuhl	Vice President, Utility Sales (1941)
John G. Marshall	Vice President, General Engineering (1946)
Ernest Moncrief	Vice President, Mid-Continent Division (1937)
David S. Tappan	Vice President, Domestic Sales (1952)
Lee Van Horn	Vice President, Process Engineering and Development (1948)
James P. Wiseman	Vice President, also President, Fluor Products Co. (1942)
John W. Hubenthal	Vice President, Engineering, Fluor Products Co. (1946)
William I. Poulter	Vice President, Production, Fluor Products Co. (1956)
Paul T. W. Strub	Vice President and Assistant General Manager, Fluor Products Co. (1956)
Daniel H. White	Vice President, Sales, Fluor Products Co. (1946)

NOTE: Figures in parentheses indicate the year each officer joined the company, or each outside director joined the Board.

Affiliates

The Fluor Corporation of Canada, Ltd., Toronto, Ontario
H. G. Acres & Company, Limited, Niagara Falls, Ontario
Singmaster & Breyer, Inc., New York City
Fluor Maintenance, Inc., Los Angeles
Fluor Engineering & Construction Co., Limited, London
Fluor-Schuytplot N. V., Haarlem, Holland
Fluor International, S. A., Panama, R. P.

Annual Meeting

The Annual Meeting of The Fluor Corporation, Ltd. will be held at 10 a.m. (PST) Monday, March 14, 1960 at the main office.

Auditors

Alexander Grant & Company, Los Angeles

Stock Registrars

California Bank, Los Angeles
The Chase Manhattan Bank, New York

Transfer Agents

The Security-First National Bank, Los Angeles
The First National City Bank of New York

Main Office

2500 South Atlantic Boulevard, Los Angeles 22, California

THE FLUOR CORPORATION, LTD., 2500 S. ATLANTIC BOULEVARD, LOS ANGELES 22, CALIFORNIA