



URS CORPORATION
2013 ANNUAL REPORT



I am URS.

The Company

URS Corporation is a leading provider of engineering, construction, and technical services for public agencies and private sector companies around the world. The Company offers a full range of program management; planning, design, and engineering; systems engineering and technical assistance; information technology; construction and construction management; operations and maintenance; management and operations; and decommissioning and closure services.

Our business is focused on five key market sectors: federal, oil and gas, infrastructure, power, and industrial. We have more than 50,000 employees in a network of offices in nearly 50 countries.

Headquartered in San Francisco, URS is a publicly held company listed on the New York Stock Exchange under the symbol *URS*.

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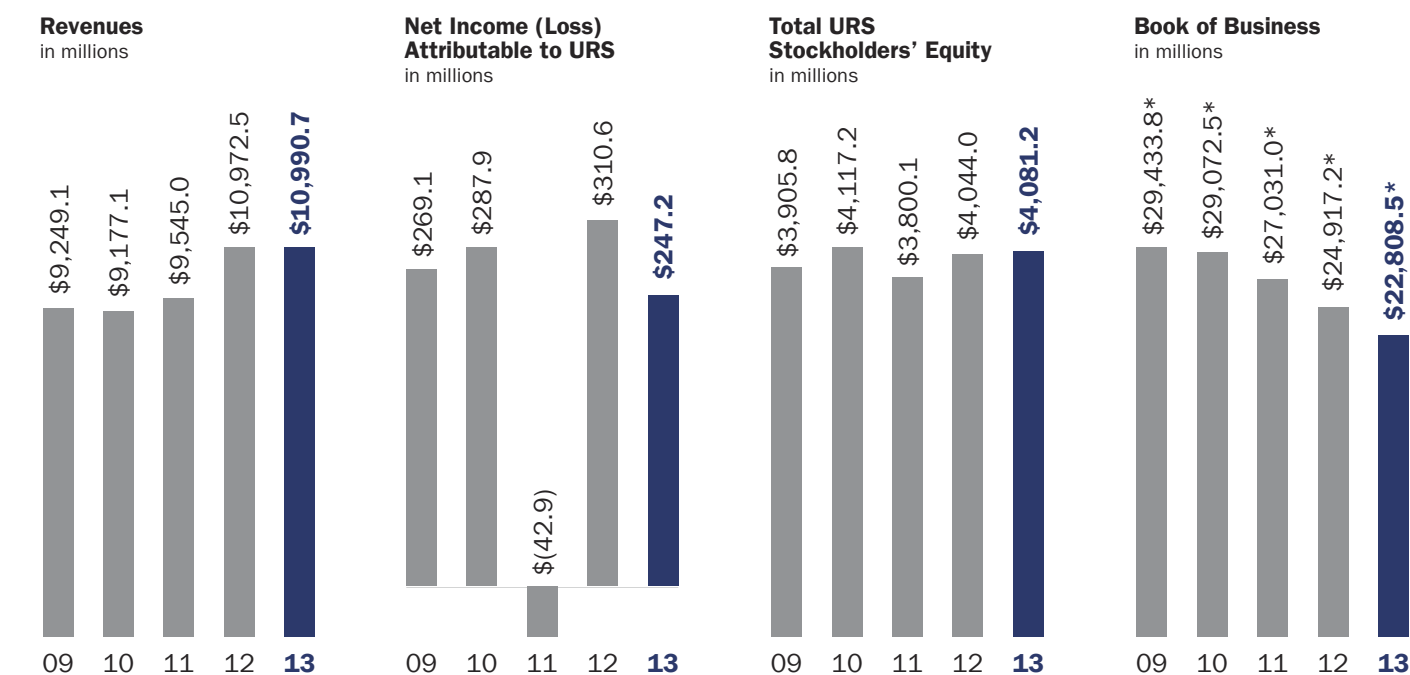
URS Corporation's 2013 Annual Report to Stockholders contains statements that are not historical fact and that may constitute forward-looking statements involving risks and uncertainties, including statements about our future growth, future backlog, future dividends, future financial conditions, and future economic and business conditions. Our actual results could differ materially from those discussed in this Annual Report. Factors that might cause such a difference include, but are not limited to, those discussed under "Risk Factors" in URS Corporation's Annual Report on Form 10-K, which accompanies this Annual Report and is deemed appended hereto, and also was filed with the Securities and Exchange Commission on March 3, 2014.

FINANCIAL HIGHLIGHTS

Financial data for the past five fiscal years are summarized below. This financial data should be read in conjunction with the information contained in our financial statements and accompanying notes, and in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in our Annual Report on Form 10-K for the fiscal year ended January 3, 2014. URS' Form 10-K, which was filed with the Securities and Exchange Commission on March 3, 2014, accompanies this Annual Report to Stockholders and is deemed appended hereto.

(In millions, except per share data)	Year ended January 3, 2014 ¹	Year ended December 28, 2012 ^{1,2}	Year ended December 30, 2011 ^{1,2}	Year ended December 31, 2010 ^{1,2}	Year ended January 1, 2010 ¹
Income Statement Data:					
Revenues	\$ 10,990.7	\$ 10,972.5	\$ 9,545.0	\$ 9,177.1	\$ 9,249.1
Cost of revenues	(10,416.0)	(10,294.5)	(8,988.8)	(8,609.5)	(8,772.4)
General and administrative expenses	(77.5)	(83.6)	(79.5)	(71.0)	(75.8)
Acquisition-related expenses ²	—	(16.1)	(1.0)	(11.9)	—
Restructuring costs ³	—	—	(5.5)	(10.6)	—
Goodwill impairment ⁴	—	—	(351.3)	—	—
Impairment of an intangible asset ⁵	—	—	—	—	(32.8)
Equity in income of unconsolidated joint ventures ⁶	93.6	107.6	132.2	70.3	100.9
Operating income	590.8	685.9	251.1	544.4	469.0
Interest expense	(86.1)	(70.7)	(22.1)	(30.6)	(48.4)
Other income (expenses) ⁷	(7.7)	0.5	—	—	47.9
Income before income tax	\$ 497.0	\$ 615.7	\$ 229.0	\$ 513.8	\$ 468.5
Net income (loss) attributable to URS	\$ 247.2	\$ 310.6	\$ (42.9)	\$ 287.9	\$ 269.1
Diluted earnings (loss) per share	\$ 3.31	\$ 4.17	\$ (0.56)	\$ 3.54	\$ 3.29
Cash dividends declared per share ⁸	\$ 0.84	\$ 0.80	\$ —	\$ —	\$ —
Balance Sheet Data					
(As of the end of period):					
Cash and cash equivalents	\$ 283.7	\$ 314.5	\$ 436.0	\$ 573.8	\$ 721.1
Total assets	\$ 8,718.0	\$ 9,261.0	\$ 7,337.1	\$ 7,351.4	\$ 6,904.4
Total long-term debt ⁹	\$ 1,666.9	\$ 1,992.5	\$ 737.0	\$ 641.3	\$ 689.7
Total URS stockholders' equity ⁸	\$ 4,081.2	\$ 4,044.0	\$ 3,800.1	\$ 4,117.2	\$ 3,905.8

Corresponding footnotes are presented on page 38 of this Annual Report to Stockholders.



*Unaudited

Chairman's Letter

To Our Stockholders:

URS is one of the largest and most diverse engineering, construction, and technical services companies in North America, with a significant and growing business in other parts of the world. The Company has revenues of \$11 billion and more than 50,000 employees in nearly 50 countries. Our talented workforce has the expertise to meet our clients' most challenging needs, and we have the financial strength to pursue significant projects around the world.

Of course, over the years, we have been tested at times by difficult economic conditions and cyclical pressures in the individual markets we serve. But, URS has been built to deliver long-term performance, and we have proven our resilience to market downturns. We have a diversified business, with competitive positions in a balanced mix of long-term markets—federal, oil and gas, infrastructure, power, and industrial—and an unrelenting focus on professional excellence, client service, quality, safety, and ethics.

The Company had a challenging year in 2013. Net income and earnings per share were below 2012 levels, primarily due to lower than expected results from our Oil & Gas Division. Additionally, our federal revenues were affected by budget uncertainty in Washington, D.C., sequestration, and last year's U.S. government shutdown. Despite these challenges, we generated \$11 billion in revenues, which slightly exceeded 2012, and more than \$600 million in cash flow from operations.

URS has been built to deliver long-term performance, and we have proven our resilience to market downturns.

We also continued to return value to our stockholders. In 2013, URS returned approximately \$155 million—\$62 million in dividends and \$93 million of share repurchases. As always, we remain committed to building value and maintaining active and open communication with our stockholders. Equally important, we continue to position URS for future growth.

We have built a diverse and profitable business in the federal market. Although we expect market conditions in the United States to remain challenging, we continue to align our business to support federal programs that are essential to national security or are mandated under law or international treaty.

Under one of these programs, chemical demilitarization, URS has successfully and safely destroyed some of the nation's largest stockpiles of chemical weapons ahead of schedule and under budget, earning large incentive and award fees for our exceptional performance. We expect this program will continue to generate revenues until 2021, although at a lower level given our accelerated completion of many of these projects. Outside the United States, we are focused on expanding our relationships with key national government agencies.

In 2013, we generated \$11 billion in revenues and more than \$600 million in cash flow from operations.

In the oil and gas market, we have an outstanding franchise, strong customer relationships throughout North America, and a well-established business with multinational oil and gas companies around the world. With our acquisition of Flint Energy Services in 2012, we now have the capabilities to provide full-service engineering, construction, and maintenance services to our oil and gas clients. We expect favorable energy prices and efforts to achieve North American energy independence will continue to drive the demand for our services.

We also expect sustained momentum in the infrastructure market in 2014. There is a renewed emphasis on infrastructure spending at all levels of government in the United States and the United Kingdom. URS has the in-house capabilities to serve every stage of large-scale projects, and we are poised to benefit from increased investment to upgrade and expand highways, mass transit systems, and rail networks.

In the power market, we believe a gradual recovery is under way. We are utilizing our expertise in nuclear power to help clients meet the Nuclear Regulatory Commission's 2016 deadline for implementing new, post-Fukushima safety requirements. We also are helping utilities modernize transmission and distribution systems to improve reliability and accommodate new sources of renewable energy.

Finally, we have positioned URS for the revival of the industrial market in the United States. As industrial activity increases, we are seeing new opportunities to provide engineering and construction services for projects across a wide range of industries. In fact, construction spending in the manufacturing sector is approaching levels not seen in more than two decades.

URS has impressive scale, capabilities, and resources. Across the globe, our employees are working to solve the complex challenges facing our clients. Their diverse backgrounds, skills, and expertise are the core of URS' strength. Accordingly, we have selected "I am URS" as the theme of this year's annual report to highlight some of these talented individuals. I am certain you will enjoy learning more about them and their professional accomplishments. I should like to thank the employees featured in this report and our colleagues worldwide for their outstanding work. They are the foundation of our success.

We continued to return value to our stockholders. In 2013, URS returned approximately \$155 million—\$62 million in dividends and \$93 million of share repurchases.

Also, I am pleased to welcome new members to our Board of Directors: Diane Creel, retired Chairman and Chief Executive Officer of Ecovation, Inc.; William Schumann, retired Executive Vice President and Chief Financial Officer of FMC Technologies, Inc.; David Siegel, President and Chief Executive Officer of Frontier Airlines, Inc.; and Paul Unruh, retired Vice Chairman of Bechtel Group, Inc. I am confident they will be valuable additions

as we continue working to build value for our stockholders. Equally important, I should like to express my sincere gratitude to board members Donald Knauss and William Sullivan, who did not stand for re-election this year. Both have been superb directors and contributed immeasurably to URS' success.

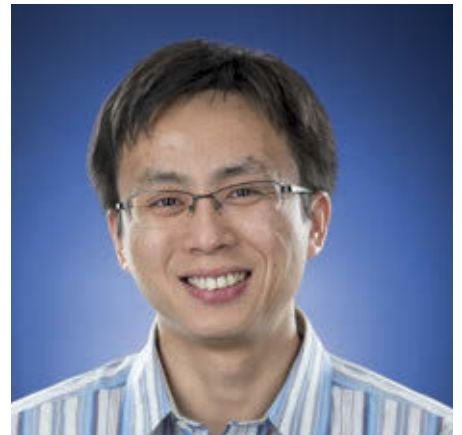
Across the globe, our employees are working to solve the complex challenges facing our clients. Their diverse backgrounds, skills, and expertise are the core of URS' strength.

Finally, I should like to thank our clients and stockholders for their ongoing support and confidence in URS. I look forward to updating you on our progress.



Martin M. Koffel

Chairman and Chief Executive Officer





I am URS.

Every day, in nearly 50 countries worldwide, URS employees are working to solve the engineering, construction, and technical challenges facing our clients. From expanding rail networks and developing unconventional sources of energy to protecting information systems against cyber threats, the expertise and talent of our people are as diverse as the work they do. That's why, across our global network of offices, we foster an environment that encourages individuals to collaborate and develop innovative solutions to complex problems.



Whatever the assignment, we understand that our success as a Company begins with our success as individuals, as project teams, and as trusted business partners. To help you understand the fundamental strength of URS, we are pleased to introduce some of these individuals. Although they possess unique skills, they share a common commitment to helping our clients achieve their goals on projects that make a difference around the world. Which is why, each of them is proud to say, "I am URS."





SELOM

For more than a decade, URS has played a prominent role on London's Crossrail project, the largest infrastructure project in Europe. For Selom Anim, a young civil engineer eager to work on complex, large-scale projects, Crossrail certainly has delivered. With a series of new stations, tunnels, and trains, Crossrail will transport an estimated 200 million passengers annually when it is completed.

Selom's work on Crossrail began with the design of Farringdon station. After a year, he took a key role on the design team for a new Docklands Light Railway station, part of the Pudding Mill Lane Portal project. With construction under way, Selom currently serves as the designer's site representative, working to resolve the complex challenges arising from the portal's interface with two bridges and a tunnel. Selom is confident the upgrades will be well received. "Not only will passengers have additional commuting options," he says, "they will have shorter travel times."

Selom appreciates the valuable experience a project like Crossrail provides. "It challenges me to be resourceful. Developing modern transportation systems that will move millions of people more efficiently is not only one of URS' strengths, it's the most satisfying part of my job."

**I am a civil engineer.
I design and modernize
railway stations.
I am URS.**



TIFFANY

Recent weather events clearly have demonstrated the need to upgrade the power infrastructure in the United States—particularly its transmission and distribution systems. Tiffany Beach is up for the challenge. Her current assignment, serving as a project manager on Ameren's \$1.1 billion Illinois Rivers Program, involves upgrading a regional power grid. It includes the construction of ten substations and nine segments of transmission line from Missouri across Illinois to Indiana.

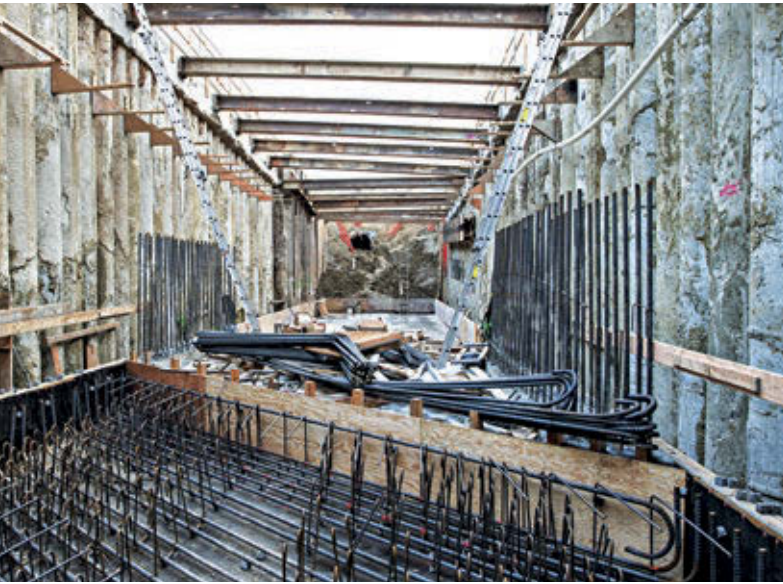
Tiffany has a passion for construction and thrives on working at a job site. After beginning her career as a laborer, she decided to pursue her degree and became an electrical engineer specializing in construction management. "Name any job at a construction site, and I've done it," she says.

Tiffany also notes that she's had many champions throughout her career who helped "pave her way," insisting that she be given ample opportunities. Their encouragement has given her another goal—urging other young women to follow in her path. She frequently speaks at colleges, telling students about the feeling of accomplishment she gets from her job. "I love building something that will serve a purpose when I'm gone. I don't want to just imagine it; I want to go out and do it."



**I am a construction project manager.
I build and expand transmission and distribution systems.
I am URS.**





**I am a seismic structural engineer.
I help protect critical infrastructure from earthquakes.
I am URS.**

MARTY

Marty Czarnecki joined URS in 1973. Early in his career, earthquake engineering was in its infancy, with the world's engineers and scientists just beginning to truly understand how to design structures to withstand the effects of major earthquakes. Based in San Francisco, Marty has had the opportunity to experience firsthand the damage caused by minor tremors and the devastation resulting from major earthquakes. A renowned seismic expert, he has traveled the world from Italy to Japan to New Zealand sharing his expertise.

"My work has never been boring," Marty remarks. "I have been involved in numerous demanding projects, and I remain passionate about solving big problems and applying innovative technology to increase earthquake resistance." Employing a design concept never before used, he recently led a team that retrofitted a major water supply pipeline crossing the Hayward Fault in Northern California. The design concept features a new pipeline installed with one-of-a-kind structural and mechanical components to allow it to conform with, rather than resist, the fault movement.

As a result of his lengthy tenure at URS, including 15 years as manager of the San Francisco office, Marty has become a valued mentor to his younger colleagues, a role he says he enjoys immensely. "Working together on a project, I learn as much from them as they learn from me."





**I am an aircraft mechanic.
I repair and maintain
helicopters for the U.S. Navy.
I am URS.**

ADRIAN

During his seven years servicing aircraft in the U.S. Navy, Adrian Garcia made the most of his opportunity. He not only saw the world, he launched a rewarding career.

In 2011, Adrian transitioned to civilian life and joined URS. Initially, he provided maintenance support for Navy helicopter operations at Naval Air Station North Island in San Diego. Within a year, he qualified as an aircraft mechanic and soon was promoted to lead supervisor. In 2013, he was promoted again, this time to team lead mechanic. At the naval station, where URS supports two squadrons and approximately 80 helicopters, Adrian directs 40 employees who repair and maintain aircraft and support launch and recovery operations.

“The favorite part of my workday is at the crack of dawn, when engines begin to roar, and we launch the first helicopter,” he says. “I take great pride in knowing sleeping San Diego residents are safer because of the work that the Navy does—and that we support.”

A Naval reservist, Adrian will earn his bachelor’s degree in aviation business administration this year and looks forward to continuing to grow with URS through the many career opportunities available to him.





Delivering Mission Success to Federal Clients

URS provides engineering, construction, and specialized technical support to virtually every U.S. federal agency, including the Departments of Defense and Energy, and to national governments in other countries. At Naval Air Station North Island, we maintain two squadrons of helicopters to help ensure the Navy's combat readiness. It's just one of the many ways URS supports the missions of our federal clients. We modernize weapons systems, train pilots, manage government installations, design and build government facilities, and prepare former bases for redevelopment. We're also a leader in global threat reduction programs and the cleanup of radioactive waste at nuclear sites.





**I am a transportation engineer.
I design mass transit systems
to improve urban mobility.
I am URS.**

PUNAR

"I've always wanted to work on projects that make a difference," recalls Punar Bhakta. And, as a transportation engineer in URS' Austin office, he's having a real impact on the lives of his fellow Texans. Punar's career began with the Texas Department of Transportation, where he spent six years before joining URS. His career path has given him a broad perspective on the client-consultant relationship and on collaborating with public agencies to serve their needs.

He put that experience to good use in his role on MetroRapid, the city of Austin's first bus rapid transit line. Punar served as deputy project manager for the design of 40 new high-tech bus stations on the new line for Capital Metro, Austin's regional public transportation provider. "MetroRapid typifies a sustainable transportation improvement program—smart planning and smart design leading to reduced traffic congestion and less greenhouse gas emissions," he says.

Thanks, in part, to the URS team's transit expertise, MetroRapid is helping commuters get to their destinations faster and more safely. "Every project is a collaborative effort between URS and our clients. It's really gratifying being part of a team that finds creative solutions to make the community a better place."



BRUCE

For more than four decades, Bruce Bennett has managed the construction of massive hydroelectric and nuclear power facilities, dams, and civil works projects. None, he says, has been as complex as the Olmsted Dam.

At Olmsted, URS is building a 2,700-foot dam “in the wet”—without the benefit of coffer dams—across an unpredictable, swift-moving stretch of the Ohio River for the U.S. Army Corps of Engineers. Bruce says, “I am convinced that no other company could assemble such a world-class team of professionals to meet the challenges presented by this huge project.”

Bruce’s roles with URS have been as varied as his projects. His responsibilities have spanned project management, project engineering, contract administration, cost and scheduling, field supervision, and procurement.

Reflecting on his 31 years with URS, Bruce says that he has been particularly impressed by the Company’s growing recognition of the importance of safety in everything we do. He notes, “Over the years, safety has become embedded in our culture. Budgetary and scheduling achievements remain important, but if you do not have a safe project, it’s not considered successful.”



**I am a project director.
I lead the construction
of large-scale civil works
projects.
I am URS.**



SUZENNE

Growing up in the Philippines, Suzenne Tang knew she wanted to be an engineer at an early age. While living in her native country, she earned a bachelor's degree in engineering and worked for a number of construction companies. When she came to the United States, Suzenne received her master's degree and joined URS upon graduation. "I find that working for a larger and more diverse company gives me the opportunity to work on a variety of different assignments," she says. "It is a welcome change."

Throughout much of her tenure at URS, Suzenne has provided project controls support—overseeing the scheduling, cost, and contract administration functions during construction. Today, she is the site project engineer for the construction of a complex stormwater management system at Chevron Mining Inc.'s Questa Mine in New Mexico, reviewing and coordinating designs and specifications and developing construction work plans.

The transition to a project engineering role gives Suzenne a great deal of satisfaction. "I like being able to see the big picture and, at the same time, move closer to my goal of becoming a project manager. Working at URS is getting me to the place I want to be in my career."



**I am a project engineer.
I provide construction
services for mining projects.
I am URS.**





ROB

Living in an on-site camp and working for weeks at a time in the remote, extremely cold, northern Alberta oil sands region wouldn't suit everyone. But, Rob Vanderlinde, who likes working with his hands and being outdoors in any climate, enjoys being there.

For the past five months, Rob has been installing electrical systems at a new steam-assisted gravity drainage (SAGD) facility for Nexen, a Canadian energy company. SAGD technology requires the construction of a facility that injects steam into the oil sands, reducing the viscosity of the oil, which is then pumped to the surface. Working with a team of construction specialists, Rob is installing lighting, temporary power, fiber optics, and instrumentation.

He is excited about his career choice. After earning his journeyman electrician credential and working as a "green hat," or someone new to the industrial sector, he joined the Nexen project team. Rob has high aspirations. "My next step is to become a master electrician and, someday, a superintendent. But, whatever his position, according to Rob, "At the end of each day, I enjoy seeing what I've built or watching something I've wired turned on for the first time. It's a great feeling."

**I am a journeyman electrician.
I support the electrical needs
of complex oil and gas facilities.
I am URS.**





Nexen K1A SAGD Facility, Kinosis, Alberta, Canada



Providing Life-Cycle Services to the Oil and Gas Industry

With experience in every major oil and gas basin across the United States and Canada, URS is supporting the drive to achieve North American energy independence. In northern Alberta, we are providing construction services to Nexen for the expansion of a SAGD facility that recovers bitumen from the Canadian oil sands. It's just one example of the full-service design, construction, production, and environmental services URS provides across the entire energy supply chain. Through our network of offices in nearly 50 countries, we also have developed long-standing relationships with multinational oil and gas producers around the world.



BIRGIT

Since joining URS last year as director of automotive manufacturing for Europe, the Middle East, and India, Birgit Guhse has been on quite a roll. “I am pleased to say that URS has been awarded a series of multidisciplinary contracts with several automotive manufacturers, including General Motors and the BMW Group,” remarks Birgit. One example is our work providing program and construction management for facilities associated with the Opel Test Center in Rodgau-Dudenhofen, Germany.

Birgit travels extensively to meet with multinational auto companies to discuss how URS can help support their needs. With 15 years of automotive industry experience, her in-depth knowledge of our clients’ requirements makes her the ideal person to match our planning, engineering, process safety, construction, and environmental expertise to their operational priorities.

“That’s why I came to URS. With a network of experts throughout the world, we can respond rapidly—and proactively—to the requirements of these global companies,” Birgit says. “I believe that the scope of URS’ capabilities is unmatched by any other company. Also, our vast international footprint makes our professional staff accessible to automotive facilities virtually anywhere in the world.”

**I am a business line director.
I build partnerships with
clients in the automotive
industry.
I am URS.**



RAJ

“Quality is at the heart of everything we do,” says Raj Rangaraj. “Our success as a company is judged by the quality of our work product—whether it’s a highway design, the construction of a military facility, or the completion of an environmental assessment for a Fortune 500 client.” With a doctorate in engineering, an MBA, and Six Sigma Black Belt certification in process improvement, Raj has facilitated the implementation of quality management programs for the past seven years to ensure the high quality of our work.

According to Raj, the most important component of such a program is to foster a culture in which employees commit to quality. “You need to establish policies and procedures and provide tools, but ingraining quality in your day-to-day business activities is really the key.

“Our ultimate goal is to ensure the consistent delivery of high-quality projects to our customers. When clients come to us, we want them to be confident that we will solve their problems and deliver favorable outcomes.” URS has built its reputation for delivering quality over several decades. Under Raj’s capable leadership, the quality management program is designed to ensure it stays that way.



**I am a mechanical engineer.
I oversee quality management
programs worldwide.
I am URS.**





**I am a corporate attorney.
I support our ethics and
anti-corruption programs.
I am URS.**

MIKE

URS is committed to maintaining the highest standard of ethical behavior. It's Mike Kostiw's mission as head of URS' anti-corruption compliance program to reinforce that standard in the nearly 50 countries where we operate. "Ethics is an integral part of how we do business," Mike says. "When URS does business internationally, in addition to following the laws of the host country, we must scrupulously abide by the anti-corruption laws of many countries, including Australia, Brazil, the United Kingdom, and the United States."

Mike experienced firsthand how cultural differences influence behavior. As a major in the U.S. Marine Corps, he was stationed throughout the world, including Japan and Iraq. While second-in-command at the Iraqi Officer Academy, he introduced the principles of competitive bidding and ethical procurement to the Iraqi military.

Now speaking to URS employees worldwide, Mike emphasizes that the Company's commitment to ethics is endorsed by senior management. "The ultimate effectiveness of the program really hinges on strong leadership at all levels of the organization," says Mike. As a lead ambassador of ethics, Mike knows the ultimate responsibility rests with each and every URS employee. He adds, "Our integrity as a company begins with our integrity as individuals."





**I am a geotechnical engineer.
I design dams around the world.
I am URS.**

LELIO

Lelio Mejia has spent the past 28 years—most of his career—at URS. “I love my job,” says Lelio, a geotechnical engineer specializing in dam engineering, earthquake engineering, and soil dynamics. “I am inspired by the opportunity to work on interesting projects that serve our society and are technically complex.”

Lelio’s current assignment fits the bill. He is serving as project manager for the design and construction of a dam that is part of a massive \$5.25 billion expansion of the Panama Canal—one of the largest projects of its kind in history and one of the most challenging.

Weak soils, which caused huge landslides during construction of the original canal, were a major consideration during design, as were potential seismic risks. Lelio’s previous work on more than 15 major dams, along with his expertise in soil-structure interaction and seismic analysis, made him the perfect engineer for the job. “Working on the Panama Canal expansion has been the highlight of my career. It isn’t every day you get to solve difficult technical issues and be part of something with such a significant impact on the world economy.”





Borinquen 1E Dam, Panama Canal, Panama

Shaping the Future of Infrastructure

With the in-house capabilities to support every stage of large-scale projects, URS is at the forefront of ongoing efforts to build, expand, and modernize critical infrastructure systems. In Panama, we are managing the design and construction of a dam that is part of the multibillion-dollar expansion of the Panama Canal. Worldwide, our infrastructure expertise encompasses highways and bridges, airports, rail and mass transit, water resources, and public and commercial facilities. Whatever the challenge, we can deliver innovative, cost-effective, and sustainable solutions for moving people and goods efficiently, while promoting economic prosperity.





CYNTHIA

Cynthia Crutchfield has always been fascinated by computer science. During a 30-year career working on critical programs for a variety of U.S. military agencies, her assignments have included providing software engineering solutions for ammunition inventory systems on Navy ships, as well as designing and implementing information technology systems for the Air Force and the U.S. intelligence community.

Today, as the leader of mission support operations at URS, Cynthia is responsible for managing multiple manned and unmanned aircraft maintenance and modification programs throughout the United States for the Department of Defense. She also oversees helicopter pilot training at Fort Rucker, Alabama, and various projects for the Missile Defense Agency in Huntsville, Alabama.

“As technically interesting as each of these programs is, what I really love is having the opportunity to help the government achieve its mission-readiness goals alongside a group of very engaged colleagues,” says Cynthia. “The members of our team are truly committed to working together to ensure the success of these programs.”

**I am the head of mission support operations.
I help ensure the readiness of the U.S. military.
I am URS.**



JON

Jon Varndell's distinguished career has spanned the world. He started in London, moved to Hong Kong, and for the last seven years, has worked for URS in New Zealand. For more than two decades, he has managed the design of a variety of infrastructure projects, including bridges, roadways, railways, and hydropower facilities.

But, as the design manager for the Newmarket Viaduct, Jon was presented with the most challenging project of his career—a complex design-build project that involved the deconstruction of a 45-year-old viaduct and the construction of a replacement structure. “To complicate matters,” Jon says, “since the viaduct is a critical link to and from the city of Auckland, all of this work had to be accomplished while 160,000 vehicles continued to flow in both directions every day.”

The Newmarket Viaduct project has been a great success, earning more than 20 industry awards. Jon attributes this remarkable achievement to teamwork among URS, the contractor, and the NZ Transport Agency. And, this spirit of teamwork continues to reap benefits. The relationships established among the partners are already resulting in new projects for URS. Jon states, “We strive to achieve the best outcomes for our clients and the Company; when we do, other work follows.”



**I am a project manager.
I develop innovative
designs for complex
transportation projects.
I am URS.**



DAVIDE

As the regional safety manager for southern Alberta, Canada, Davide Careddu is perpetually on the move, traveling between 15 oil and gas operations centers—many in remote locations that can experience harsh weather conditions. His mission is to ensure that URS employees, who fabricate facilities, move rigs, and provide plant maintenance throughout the region, return home safely each night.

To accomplish this, Davide promotes a collaborative safety culture. “We approach our project work as a team, so it makes sense to approach safety the same way.” And, he encourages the more seasoned staff to mentor their younger colleagues, often pairing new hires with experienced employees. Davide says, “Our team’s hard work and devotion to safety is paying off. Our recordable injuries continue to decline year after year as we move toward our goal of zero incidents.”

Davide points out that URS’ size and diversity is a real advantage. Safety professionals from across the Company communicate regularly, exchanging ideas, highlighting successful programs, and discussing lessons learned. He adds, “It is gratifying to work for a company that values safety as much as I do.”



**I am a regional safety manager.
I promote a culture of safety
in our oil and gas operations.
I am URS.**





BILL

When the Tennessee Valley Authority (TVA) needed new generating capacity, it turned to URS for engineering, procurement, and construction services for a major expansion project. Project engineering manager Bill Lam led the engineering team that delivered the award-winning 880-megawatt John Sevier Combined Cycle Plant in Tennessee—a signature project in TVA's regional efforts to expand capacity and improve air quality.

During his 23-year URS career, Bill has engineered every type of fossil fuel power plant. His expertise was invaluable when the TVA project presented a unique challenge. “TVA wanted to utilize a steam turbine generator from a cancelled project and combine it with new equipment,” says Bill. “Our challenge was to seamlessly integrate all the equipment and systems within the footprint of an existing four-unit operating power station.”

Bill and his team not only accomplished the task, but the project was completed one month ahead of schedule and approximately \$30 million under budget. “We’re proud of the accomplishment,” he says. “It’s a great result for our client.” Perhaps the best proof of the project’s success is that John Sevier was named a top plant of the year by two industry magazines.

**I am a project engineering manager.
I direct the design of major power plants.
I am URS.**



Helping to Meet the Demand for Power

URS' work at the John Sevier Combined Cycle Plant marks more than two decades of service to the Tennessee Valley Authority. Our experience serving TVA, and the power industry as a whole, encompasses virtually every type of power generating facility. We have engineered, built, and retrofitted coal-fired, gas-fired, and nuclear power plants, as well as alternative and renewable energy systems. URS also modernizes and expands transmission and distribution networks, and we design and install emissions control technologies to help power plants meet stringent air quality standards.





John Sevier Combined Cycle Plant, Rogersville, Tennessee



**I am a project director.
I manage airport redevelopment
programs.
I am URS.**

SUE

For the past eight years, URS has been supporting the redevelopment of Heathrow Airport's Central Terminal Area (CTA), which includes three terminals, car parks, and underground rail and bus stations. One of the centerpieces of the CTA is the new £2.5 billion Terminal 2, for which URS performed site preparation services under the watchful eye of URS aviation director Sue Thomas. A civil engineer, Sue has managed numerous infrastructure improvement projects during her 29-year career—experience she has applied at Heathrow, one of the world's busiest international airports.

Performing major construction at an operating airport is not easy—especially when it involves demolishing a control tower and realigning access roads. “Located between two runways, the site is very congested and constrained, with a massive amount of underground utilities,” Sue says. “Disrupting utilities or services vital to the airport's daily operations simply is not an option.”

Sue began her career with URS in 1985 as an engineering intern. “Back then,” she recalls, “there were few women in our profession, but I had great support from my supervisors. Today, I am lucky enough to be able to mentor recent graduates and ensure they get the appropriate experience to prepare for their charterhip. One of the most rewarding parts of my job is helping them advance in their careers.”





DANA

“URS is a great place to grow,” says Dana Mitchell. And, his professional trajectory certainly provides ample evidence of that. His career with URS started with a summer internship. Since returning to URS after graduate school, Dana has been exposed to multiple aspects of the business. Over the past 18 years, he has served as a project architect, project principal, and director of business development.

In 2013, Dana became manager of the Cleveland office, responsible for overseeing this 200-person operation. But, having come up through the ranks himself, it is the career development part of his job he enjoys most. “My greatest satisfaction comes from giving people opportunities and watching them develop,” Dana says.

Cleveland has rebounded in the last 15 years, and according to Dana, an Ohio native, “It’s a great thing to see my city grow and to know that our office has played a major role in that growth.” Today, Cleveland’s landscape is dotted with facilities designed by URS. This includes the recently completed Cleveland Convention Center and Global Center for Health Innovation, a state-of-the-art facility incorporating the latest principles in sustainable design. Not only is Dana living through Cleveland’s renaissance, he’s helping to shape it.

**I am an office manager.
I oversee our operations
in Cleveland.
I am URS.**





**I am a cybersecurity specialist.
I safeguard government and business operations.
I am URS.**

RON

Ron Hahn came to URS after a long and distinguished career in the U.S. Marine Corps, where he became a recognized expert on electronic warfare and communications technologies. Today Ron's job is to lead efforts that protect our federal and commercial clients' operational environments from security threats—whether he is in an office or a high-tech monitoring vehicle in the field.

Cybersecurity breaches can threaten national security, provide predators with access to sensitive financial data, or paralyze a multinational company. "What impressed me when I came to URS was the Company's extensive portfolio in both the public and private sectors," says Ron. "These days, commercial and industrial entities need to be just as vigilant in protecting their assets as the Department of Defense."

As a result of his training, Ron brings a military-grade level of service to URS' clients. He and his team use a three-dimensional approach to cybersecurity and enterprise management, not only focusing on digital software and wireless communications, but also on the potential vulnerabilities of the facilities in which equipment is housed. "Our talented team of professionals offers industry-leading expertise in enterprise risk analysis and security," Ron adds. "It's one of URS' greatest strengths—the caliber of the people we can recruit and retain is second to none."





ARIES

According to Aries Zhang, as a young engineer, one of the advantages of “growing up” in a multidisciplinary company like URS is the ability to work on a variety of different projects. He’s gotten his wish since joining URS in 2011. So far, his assignments have included a diesel engine manufacturing plant, a large store for an international home furnishing retailer, and most recently, a new Asian production and product development hub in Shenzhen for W. L. Gore & Associates, Inc., maker of GORE-TEX® fabrics and other innovative products.

When Gore wanted to build this new hub, it turned to URS to help manage the construction. The facility is equipped with state-of-the-art manufacturing equipment, offices, and laboratories. A significant portion of the new space is dedicated to these laboratories to enhance product testing and support product and technology innovations. Aries worked to ensure the efficiency of the engineered building systems, which are critical to the facility and will help Gore maintain its high global standards of product quality.

“I was able to suggest improvements to these systems, and it gave me great pride when my modifications became part of the final design,” he says. “It really makes me feel that I can make a difference at URS—like I belong.”

**I am an electrical engineer.
I manage electrical installations
at industrial facilities.
I am URS.**







Meeting the Challenges Facing Industry

URS helps industrial clients meet their environmental, operational, and safety challenges. We have forged long-term business relationships with some of the world's leading companies across the manufacturing, mining, chemical and pharmaceutical, forest products, computer and semiconductor, automotive, consumer products, and food and beverage industries. Our customers include such well-known names as W. L. Gore & Associates—the makers of GORE-TEX® fabrics and other innovative products—for which we recently provided construction management services for its Asian production and product development hub in China. With global resources and the expertise to serve every phase of the project life cycle, we help companies around the world increase productivity, reduce costs, and optimize the performance and safety of their operations.



Financials

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Summary of Condensed Consolidated Financial Statements

The following pages contain summary financial data for our fiscal year ended January 3, 2014. Complete financial information can be found in our latest Annual Report on Form 10-K, which accompanies this Annual Report to Stockholders and is deemed appended hereto and was filed with the Securities and Exchange Commission on March 3, 2014.

SELECTED FINANCIAL DATA

The following selected financial data was derived from our consolidated financial statements. You should read the selected financial data presented below in conjunction with the information contained in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and the notes thereto contained in Item 8, "Consolidated Financial Statements and Supplementary Data," included in our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, which accompanies this Annual Report to Stockholders and is deemed appended hereto.

(In millions, except per share data)	Year Ended January 3, 2014 ¹	Year Ended December 28, 2012 ^{1,2}	Year Ended December 30, 2011 ^{1,2}	Year Ended December 31, 2010 ^{1,2}	Year Ended January 1, 2010 ¹
Income Statement Data:					
Revenues	\$ 10,990.7	\$ 10,972.5	\$ 9,545.0	\$ 9,177.1	\$ 9,249.1
Cost of revenues	(10,416.0)	(10,294.5)	(8,988.8)	(8,609.5)	(8,772.4)
General and administrative expenses	(77.5)	(83.6)	(79.5)	(71.0)	(75.8)
Acquisition-related expenses ²	—	(16.1)	(1.0)	(11.9)	—
Restructuring costs ³	—	—	(5.5)	(10.6)	—
Goodwill impairment ⁴	—	—	(351.3)	—	—
Impairment of an intangible asset ⁵	—	—	—	—	(32.8)
Equity in income of unconsolidated joint ventures ⁶	93.6	107.6	132.2	70.3	100.9
Operating income	590.8	685.9	251.1	544.4	469.0
Other income (expenses) ⁷	(7.7)	0.5	—	—	47.9
Net income (loss) attributable to URS	247.2	310.6	(42.9)	287.9	269.1
Earnings (loss) per share:					
Basic	\$ 3.35	\$ 4.18	\$ (0.56)	\$ 3.56	\$ 3.31
Diluted	\$ 3.31	\$ 4.17	\$ (0.56)	\$ 3.54	\$ 3.29
Cash dividends declared per share ⁸	\$ 0.84	\$ 0.80	\$ —	\$ —	\$ —
Balance Sheet Data					
(As of the end of the period):					
Total assets	\$ 8,718.0	\$ 9,261.0	\$ 7,337.1	\$ 7,351.4	\$ 6,904.4
Total long-term debt ⁹	\$ 1,666.9	\$ 1,992.5	\$ 737.0	\$ 641.3	\$ 689.7
Total URS stockholders' equity ⁸	\$ 4,081.2	\$ 4,044.0	\$ 3,800.1	\$ 4,117.2	\$ 3,905.8
Total noncontrolling interests	\$ 145.8	\$ 141.9	\$ 107.2	\$ 83.8	\$ 44.7
Total stockholders' equity	\$ 4,227.0	\$ 4,185.9	\$ 3,907.3	\$ 4,201.0	\$ 3,950.5

¹ Our fiscal year is the 52/53-week period ending on the Friday closest to December 31. Our fiscal year ended January 3, 2014 contained 53 weeks.

² We completed the acquisitions of Flint Energy Services Ltd. ("Flint"), Apptis Holdings, Inc. ("Apptis") and Scott Wilson Group plc ("Scott Wilson") in May 2012, June 2011 and September 2010, respectively. The operating results of Flint, Apptis and Scott Wilson, since their respective acquisition dates, are included in our consolidated financial statements under the Oil & Gas Division, Federal Services Division and the Infrastructure & Environment Division, respectively.

³ For the years ended December 30, 2011 and December 31, 2010, we recorded restructuring costs in our international businesses.

⁴ During the year ended December 30, 2011, we recorded a goodwill impairment charge of \$351.3 million. On a net, after-tax basis, this charge resulted in decreases to net income and diluted earnings per share ("EPS") of \$309.4 million and \$3.99, respectively, for the year ended December 30, 2011. For further discussion, see Note 9, "Goodwill and Intangible Assets," to our "Consolidated Financial Statements and Supplementary Data" included under Item 8 in our Annual Report on Form 10-K for the fiscal year ended January 3, 2014.

⁵ During fiscal year 2009, we recorded a \$32.8 million charge for the impairment of our intangible asset related to the "Washington" trade name. On a net, after-tax basis, this transaction resulted in decreases to net income and EPS of \$19.6 million and \$0.24, respectively, for the year ended January 1, 2010.

⁶ In October 2010, we received notice of a ruling on the priority of claims against a bankrupt client made by one of our unconsolidated joint ventures related to the SR-125 road project in California. The judge ruled against our joint venture's position, finding that its mechanic's lien did not have priority over the senior lenders. As a result of the court's decision, we recorded a pre-tax non-cash asset impairment charge of \$25.0 million during fiscal year 2010. During the second quarter of 2011, we recognized a pre-tax favorable claim settlement of \$9.5 million on this project.

⁷ During fiscal year 2009, we recorded \$47.9 million of other income, net, consisting of a \$75.6 million gain associated with the sale of our equity investment in MIBRAG mbH ("MIBRAG"), net of \$5.2 million of sale-related costs. This gain was partially offset by a \$27.7 million loss on the settlement of a foreign currency forward contract, which primarily hedged our net investment in MIBRAG. On a net, after-tax basis, these two transactions resulted in increases to net income and diluted EPS of \$30.6 million and \$0.37, respectively, for the year ended January 1, 2010.

⁸ On February 24, 2012, our Board of Directors approved the initiation of a regular quarterly cash dividend program and authorized a \$0.20 per share quarterly dividend. On February 22, 2013, our Board of Directors approved the continuation of this program and authorized a \$0.21 per share quarterly dividend.

⁹ On December 19, 2013, we entered into an amendment to our 2011 Credit Facility by extending the maturity date by two years to December 19, 2018. On December 27, 2013, Flint redeemed all of its outstanding senior notes ("Canadian Notes"). During fiscal year 2012, we issued \$1.0 billion of Senior Notes in connection with the acquisition of Flint. During fiscal year 2011, we entered into our 2011 Credit Facility, which provided a term loan facility of \$700.0 million and revolving credit facilities of \$1.0 billion. For further discussion, see Note 11, "Indebtedness," to our "Consolidated Financial Statements and Supplementary Data" included under Item 8 in our Annual Report on Form 10-K for the fiscal year ended January 3, 2014.

URS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	January 3, 2014	December 28, 2012
(In millions, except per share data)		
Assets		
Current assets:		
Cash and cash equivalents	\$ 283.7	\$ 314.5
Accounts receivable, including retentions of \$116.6 and \$114.4, respectively	1,392.6	1,554.8
Costs and accrued earnings in excess of billings on contracts	1,521.5	1,384.3
Less receivable allowances	(65.1)	(69.7)
Net accounts receivable	2,849.0	2,869.4
Deferred tax assets	35.6	67.6
Inventory	49.2	61.5
Other current assets	173.2	204.2
Total current assets	3,390.7	3,517.2
Investments in and advances to unconsolidated joint ventures	245.6	278.3
Property and equipment, net	608.1	687.5
Intangible assets, net	569.7	692.2
Goodwill	3,695.6	3,721.6
Other long-term assets	208.3	364.2
Total assets	\$ 8,718.0	\$ 9,261.0
Liabilities and Equity		
Current liabilities:		
Current portion of long-term debt	\$ 44.6	\$ 71.8
Accounts payable and subcontractors payable, including retentions of \$29.2 and \$32.3, respectively	688.3	803.5
Accrued salaries and employee benefits	507.4	558.8
Billings in excess of costs and accrued earnings on contracts	233.1	289.1
Other current liabilities	365.2	277.8
Total current liabilities	1,838.6	2,001.0
Long-term debt	1,666.9	1,992.5
Deferred tax liabilities	444.2	379.9
Self-insurance reserves	127.2	129.8
Pension and post-retirement benefit obligations	285.7	300.9
Other long-term liabilities	128.4	271.0
Total liabilities	4,491.0	5,075.1
Commitments and contingencies		
URS stockholders' equity:		
Preferred stock, authorized 3.0 shares; no shares outstanding	—	—
Common stock, par value \$.01; authorized 200.0 shares; 89.1 and 88.9 shares issued, respectively; and 75.0 and 76.8 shares outstanding, respectively	0.9	0.9
Treasury stock, 14.1 and 12.1 shares at cost, respectively	(588.2)	(494.9)
Additional paid-in capital	3,038.1	3,003.9
Accumulated other comprehensive loss	(200.3)	(113.2)
Retained earnings	1,830.7	1,647.3
Total URS stockholders' equity	4,081.2	4,044.0
Noncontrolling interests	145.8	141.9
Total stockholders' equity	4,227.0	4,185.9
Total liabilities and stockholders' equity	\$ 8,718.0	\$ 9,261.0

Refer to our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, accompanying this Annual Report to Stockholders and deemed appended hereto, for a complete set of consolidated financial statements and their accompanying notes, which are an integral part of the above condensed financial statements.

URS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)			
	Year Ended January 3, 2014	Year Ended December 28, 2012	Year Ended December 30, 2011
Revenues	\$ 10,990.7	\$ 10,972.5	\$ 9,545.0
Cost of revenues	(10,416.0)	(10,294.5)	(8,988.8)
General and administrative expenses	(77.5)	(83.6)	(79.5)
Acquisition-related expenses	—	(16.1)	(1.0)
Restructuring costs	—	—	(5.5)
Goodwill impairment	—	—	(351.3)
Equity in income of unconsolidated joint ventures	93.6	107.6	132.2
Operating income	590.8	685.9	251.1
Interest expense	(86.1)	(70.7)	(22.1)
Other income (expenses)	(7.7)	0.5	—
Income before income taxes	497.0	615.7	229.0
Income tax expense	(167.7)	(189.9)	(143.4)
Net income including noncontrolling interests	329.3	425.8	85.6
Noncontrolling interests in income of consolidated subsidiaries	(82.1)	(115.2)	(128.5)
Net income (loss) attributable to URS	\$ 247.2	\$ 310.6	\$ (42.9)
Earnings (loss) per share:			
Basic	\$ 3.35	\$ 4.18	\$ (0.56)
Diluted	\$ 3.31	\$ 4.17	\$ (0.56)
Weighted-average shares outstanding:			
Basic	73.9	74.3	77.3
Diluted	74.7	74.5	77.3
Cash dividends declared per share	\$ 0.84	\$ 0.80	\$ —

Refer to our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, accompanying this Annual Report to Stockholders and deemed appended hereto, for a complete set of consolidated financial statements and their accompanying notes, which are an integral part of the above condensed financial statements.

URS CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Year Ended January 3, 2014	Year Ended December 28, 2012	Year Ended December 30, 2011
Cash flows from operating activities:			
Net income including noncontrolling interests	\$ 329.3	\$ 425.8	\$ 85.6
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	156.8	132.4	82.1
Amortization of intangible assets	107.4	101.2	60.6
Goodwill impairment	—	—	351.3
Write-off of Canadian Notes premium	(23.2)	—	—
Gain on disposal of property and equipment	(25.4)	(3.4)	(8.9)
Deferred income taxes	73.0	(16.6)	28.3
Stock-based compensation	31.8	43.6	45.3
Equity in income of unconsolidated joint ventures	(93.6)	(107.6)	(132.2)
Dividends received from unconsolidated joint ventures	113.0	88.7	107.3
Changes in operating assets, liabilities and other, net of effects of business acquisitions:			
Accounts receivable and costs and accrued earnings in excess of billings on contracts	364.3	(92.2)	10.6
Inventory	12.2	7.0	(11.9)
Other current assets	36.0	(27.0)	(7.3)
Other long-term assets	(200.5)	(62.2)	(91.2)
Accounts payable, accrued salaries and employee benefits, and other current liabilities	(219.5)	(13.7)	(40.5)
Billings in excess of costs and accrued earnings on contracts	(54.5)	(35.2)	13.8
Other long-term liabilities	7.1	(10.6)	13.0
Total adjustments and changes	284.9	4.4	420.3
Net cash from operating activities	614.2	430.2	505.9
Cash flows from investing activities:			
Payments for business acquisitions, net of cash acquired	—	(1,345.7)	(282.1)
Proceeds from disposal of property and equipment	63.7	25.3	14.1
Payments in settlement of foreign currency forward contract	—	(1,260.6)	—
Receipts in settlement of foreign currency forward contract	—	1,260.3	—
Investments in unconsolidated joint ventures	(0.2)	(4.4)	(19.6)
Changes in restricted cash	4.3	3.9	7.0
Capital expenditures, less equipment purchased through capital leases and equipment notes	(81.0)	(125.4)	(67.5)
Net cash from investing activities	(13.2)	(1,446.6)	(348.1)

Refer to our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, accompanying this Annual Report to Stockholders and deemed appended hereto, for a complete set of consolidated financial statements and their accompanying notes, which are an integral part of the above condensed financial statements.

URS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(In millions)	Year Ended January 3, 2014	Year Ended December 28, 2012	Year Ended December 30, 2011
Cash flows from financing activities:			
Borrowings from long-term debt	—	998.9	700.0
Payments on long-term debt	(220.5)	(38.0)	(632.6)
Borrowings from revolving line of credit	1,028.2	661.6	138.6
Payments on revolving line of credit	(1,124.1)	(583.6)	(115.7)
Net payments under foreign lines of credit and short-term notes	(26.6)	(20.5)	(16.4)
Net change in overdrafts	(54.9)	54.5	(18.0)
Payments on capital lease obligations	(18.0)	(14.6)	(10.9)
Payments of debt issuance costs and other financing activities	(0.8)	(8.7)	(3.1)
Proceeds from employee stock purchases and exercises of stock options	20.2	8.9	11.7
Distributions to noncontrolling interests	(79.0)	(83.8)	(111.7)
Contributions and advances from noncontrolling interests	0.5	2.3	6.6
Dividends paid	(62.2)	(44.7)	—
Repurchases of common stock	(93.3)	(40.0)	(242.8)
Net cash from financing activities	(630.5)	892.3	(294.3)
Net change in cash and cash equivalents	(29.5)	(124.1)	(136.5)
Effect of foreign exchange rate changes on cash and cash equivalents	(1.3)	2.6	(1.3)
Cash and cash equivalents at beginning of period	314.5	436.0	573.8
Cash and cash equivalents at end of period	\$ 283.7	\$ 314.5	\$ 436.0
Supplemental information:			
Interest paid	\$ 83.9	\$ 64.5	\$ 15.2
Taxes paid	\$ 101.3	\$ 150.6	\$ 177.3
Supplemental schedule of non-cash investing and financing activities:			
Equipment acquired with capital lease obligations and equipment note obligations	\$ 54.3	\$ 27.9	\$ 14.2
Purchase price adjustment and contingent consideration payable under acquisitions	\$ —	\$ —	\$ 7.9
Cash dividends declared but not paid	\$ 18.3	\$ 16.7	\$ —

Refer to our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, accompanying this Annual Report to Stockholders and deemed appended hereto, for a complete set of consolidated financial statements and their accompanying notes, which are an integral part of the above condensed financial statements.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as that term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles ("GAAP"). 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 GAAP, 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.

Management, with the participation of the CEO and CFO, assessed our internal control over financial reporting as of January 3, 2014, the end of our fiscal year. Management based its assessment on criteria established in *Internal Control-Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on management's assessment, management has concluded that our internal control over financial reporting was effective as of January 3, 2014.

Our independent registered public accounting firm, PricewaterhouseCoopers LLP, audited the effectiveness of our internal control over financial reporting at January 3, 2014 as stated in their report appearing under Item 8 of our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, which accompanies this Annual Report to Stockholders and is deemed appended hereto.

INHERENT LIMITATIONS ON EFFECTIVENESS OF CONTROLS

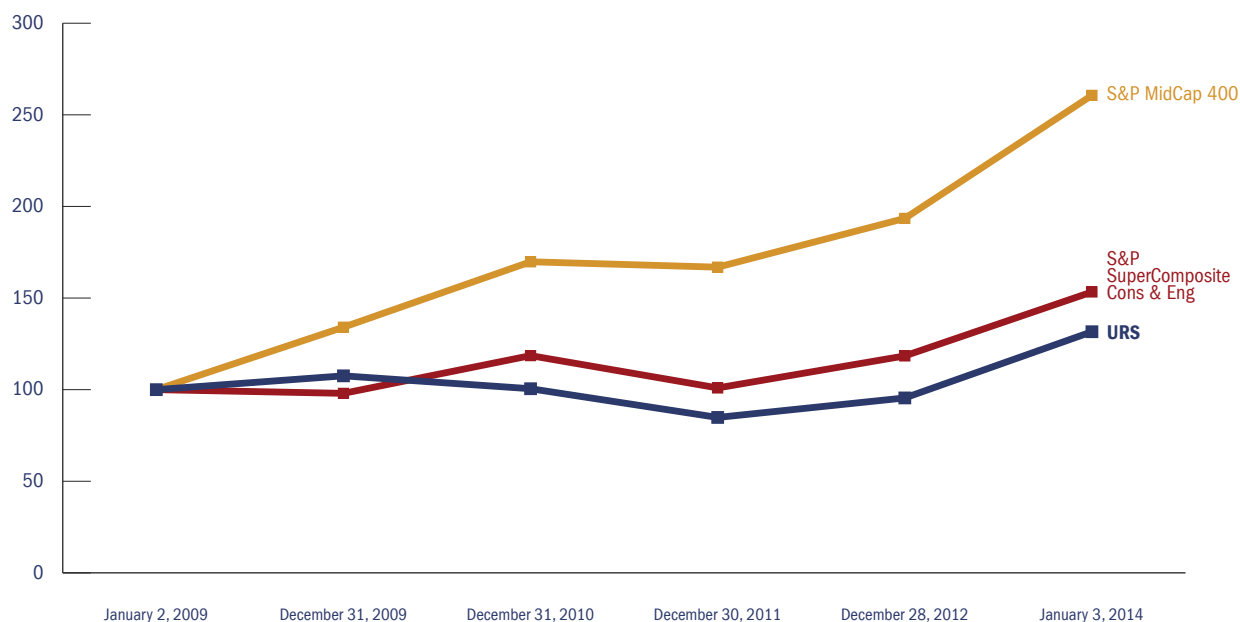
Our management, including the CEO and CFO, has designed our disclosure controls and procedures and our internal control over financial reporting to provide reasonable assurance that the controls' objectives will be met. However, management does not expect that disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any system's design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of a system's control effectiveness into future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PERFORMANCE MEASUREMENT COMPARISON¹

The following chart compares the cumulative total stockholder returns from a \$100 investment in our common stock for the last five fiscal years with the cumulative return of the Standard & Poor's MidCap 400 Index (the "MidCap Index") and the Standard & Poor's SuperComposite Construction & Engineering Component Index (the "Engineering Index")². We believe that the MidCap Index is an appropriate independent broad market index because it measures the performance of companies with mid-cap market capitalizations. In addition, we believe that the Engineering Index is an appropriate independent industry index because it measures the performance of construction and engineering companies.

Comparison of Five-Year Cumulative Total Return Among URS Corporation, S&P MidCap 400 Index, and S&P SuperComposite Construction & Engineering Component Index

(Total cumulative return—dollars)



¹ This section is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference in any of our filings under the Securities Act of 1933 or the Securities Exchange Act of 1934 whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

² The Engineering Index contains the following public companies: AECOM Technology Corporation; Aegion Corporation; Comfort Systems USA Inc.; Dycom Industries, Inc.; EMCOR Group, Inc.; Fluor Corporation; Granite Construction Inc.; Jacobs Engineering Group Inc.; KBR, Inc.; Orion Marine Group, Inc.; Quanta Services, Inc.; and URS Corporation.

**REPORT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders of URS Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of URS Corporation and its subsidiaries as of January 3, 2014 and December 28, 2012, and the related consolidated statements of operations, of comprehensive income, of changes in stockholders' equity and of cash flows for each of the three years in the period ended January 3, 2014 (not presented herein) appearing in URS Corporation's Annual Report on Form 10-K for the year ended January 3, 2014; and in our report dated March 3, 2014, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements appearing on pages 39 through 42 is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

/s/ PricewaterhouseCoopers LLP

San Francisco, California

March 3, 2014

CORPORATE DIRECTORY

DIRECTORS

Martin M. Koffel

Chairman of the Board and
Chief Executive Officer

Diane C. Creel

Chairman and Chief Executive Officer,
Ecovation, Inc. (Ret.)
(Waste-to-energy technology)

Mickey P. Foret

Executive Vice President and
Chief Financial Officer,
Northwest Airlines, Inc. (Ret.)
(Air transportation)

Senator William H. Frist, M.D.

Partner, Cressey & Company LP
(Private equity firm)

Lydia H. Kennard

Principal, Airport Property Ventures
(Operation and development of
aviation facilities)

Donald R. Knauss

Chairman and Chief Executive
Officer, The Clorox Company
(Consumer products manufacturer)

Timothy R. McLevish

Executive Vice President,
Kraft Foods Group, Inc.
(Consumer products manufacturer)

Joseph W. Ralston

General, U.S. Air Force (Ret.)
Vice Chairman, The Cohen Group
(International business consulting
services)

John D. Roach

Chairman and Chief Executive
Officer, Stonegate International
(Private investment and advisory
services)

William H. Schumann, III

Executive Vice President and
Chief Financial Officer,
FMC Technologies, Inc. (Ret.)
(Oilfield equipment and services
provider)

David N. Siegel

President and Chief Executive Officer,
Frontier Airlines, Inc.
(Air transportation)

Douglas W. Stotlar

President and Chief Executive
Officer, Con-way Inc.
(Transportation and logistics)

William P. Sullivan

President and Chief Executive Officer,
Agilent Technologies, Inc.
(Scientific measurement instruments)

V. Paul Unruh

Vice Chairman,
Bechtel Group, Inc. (Ret.)
(Engineering and construction)

CORPORATE EXECUTIVE OFFICERS

Martin M. Koffel

Chairman of the Board and
Chief Executive Officer

H. Thomas Hicks

Executive Vice President and
Chief Financial Officer

Thomas W. Bishop

Vice President

Reed N. Brimhall

Vice President,
Chief Accounting Officer

Michael M. Dreiling

Corporate Information Technology

Henry A. Gusman

Vice President, Internal Audit
and Financial Compliance

William K. Harnagel

Corporate Controller

Joy L. Harris

Vice President, Tax

Gary V. Jandegian

Vice President

Susan B. Kilgannon

Vice President,
Corporate Communications

Joseph Masters

Vice President, General
Counsel and Secretary

George L. Nash

Vice President

Olga Perković

Vice President,
Corporate Strategic Planning

Sreeram Ramraj

Vice President,
Investor Relations

Judy L. Rodgers

Vice President,
Corporate Treasurer

Wayne S. Shaw

Vice President

Randall A. Wotring

Vice President

Robert W. Zaist

Vice President

Thomas H. Zarges

Vice President

ENERGY & CONSTRUCTION DIVISION

George L. Nash

President

Mark A. Costello

Group General Manager,
Industrial/Process

Michael G. Hubbard

President,
Rust Constructors Inc.

Arthur Lembo

Group General Manager,
Power

John P. Schmerber

Group General Manager,
Project Services

Robert A. Smith

Senior Vice President,
Business Development

Bruce A. Trott

Group General Manager,
Civil Construction & Mining

FEDERAL SERVICES DIVISION

Randall A. Wotring

President

John C. Vollmer

Executive Vice President,
Operations

Jill Bruning

Group General Manager,
Global Security

Mark Gray

Group General Manager,
Systems Engineering &
Information Solutions

Karl E. Spinnenweber

Group General Manager,
Mission Readiness

David W. Swindle, Jr.

Executive Vice President,
International & Special Projects

James N. Taylor

Group General Manager,
Global Management &
Operations Services

Thomas T. Wrenn

Vice President,
Planning & Development

INFRASTRUCTURE & ENVIRONMENT DIVISION

Gary V. Jandegian

President

Paul M. Boechler

Executive Vice President and
Chief Operating Officer

Louis J. Armstrong

Group General Manager,
Pacific

Thomas W. Bishop

Executive Chairman,
UK, Europe, Middle East & India

Stephen C. Brinigar

Group General Manager,
Mountain/South Central

Dhamo S. Dhamotharan

Executive Vice President,
Private Sector Business Development

Michael R. Just

Group General Manager,
Midwest/Northeast

Timothy H. Keener

Group General Manager,
Mid-Atlantic/South

E. Steven Pearson

Executive Chairman,
Asia-Pacific

Martin S. Tanzer

Executive Vice President,
Public Sector Business Development

OIL & GAS DIVISION

Wayne S. Shaw

President

Gerald Catonio

Senior Vice President,
Projects North America

Glen Greenshields

Senior Vice President,
Canadian Regional Operations

Joel J. Jarding

Senior Vice President,
Business Development

Steve Russom

Senior Vice President,
USA Operations

Roger Van Den Bossche

Senior Vice President,
Projects & Pipelines Canada

GOVERNMENT RELATIONS

Cynthia M. Stinger

Vice President

CORPORATE INFORMATION

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 San Francisco, CA 94111-2728
 Tel: 415.774.2700
 Fax: 415.398.1905
 Email: investor.relations@urs.com
 Website: www.urs.com

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP

REGISTRAR AND TRANSFER AGENT

Computershare
 P.O. Box 43006
 Providence, RI 02940-3006
 or
 250 Royall Street
 Canton, MA 02021
 Tel: 800.874.1991

TDD for the Hearing Impaired: 800.231.5469
 Foreign Stockholders: 201.680.6578
 Website: www.computershare.com/investor

CORPORATE COUNSEL

Cooley LLP

FORM 10-K

The Annual Report on Form 10-K for the fiscal year ended January 3, 2014 may be accessed at investors.urs.com. Printed copies may be obtained by our stockholders without charge. Requests should be sent to our Investor Relations Department at our corporate office address (above), via email at investor.relations@urs.com, or by calling 877.877.8970.

Supplementary financial information and selected financial data required by Rule 14a-3(b) of Regulation 14A of the Securities Exchange Act of 1934, as amended, are included in our Annual Report on Form 10-K for the fiscal year ended January 3, 2014, which accompanies this Annual Report to Stockholders and is deemed appended hereto.

ANNUAL MEETING

The Annual Meeting of Stockholders of URS Corporation will be held on Thursday, May 29, 2014, at the offices of Cooley LLP, 101 California Street, 5th Floor, San Francisco, California.

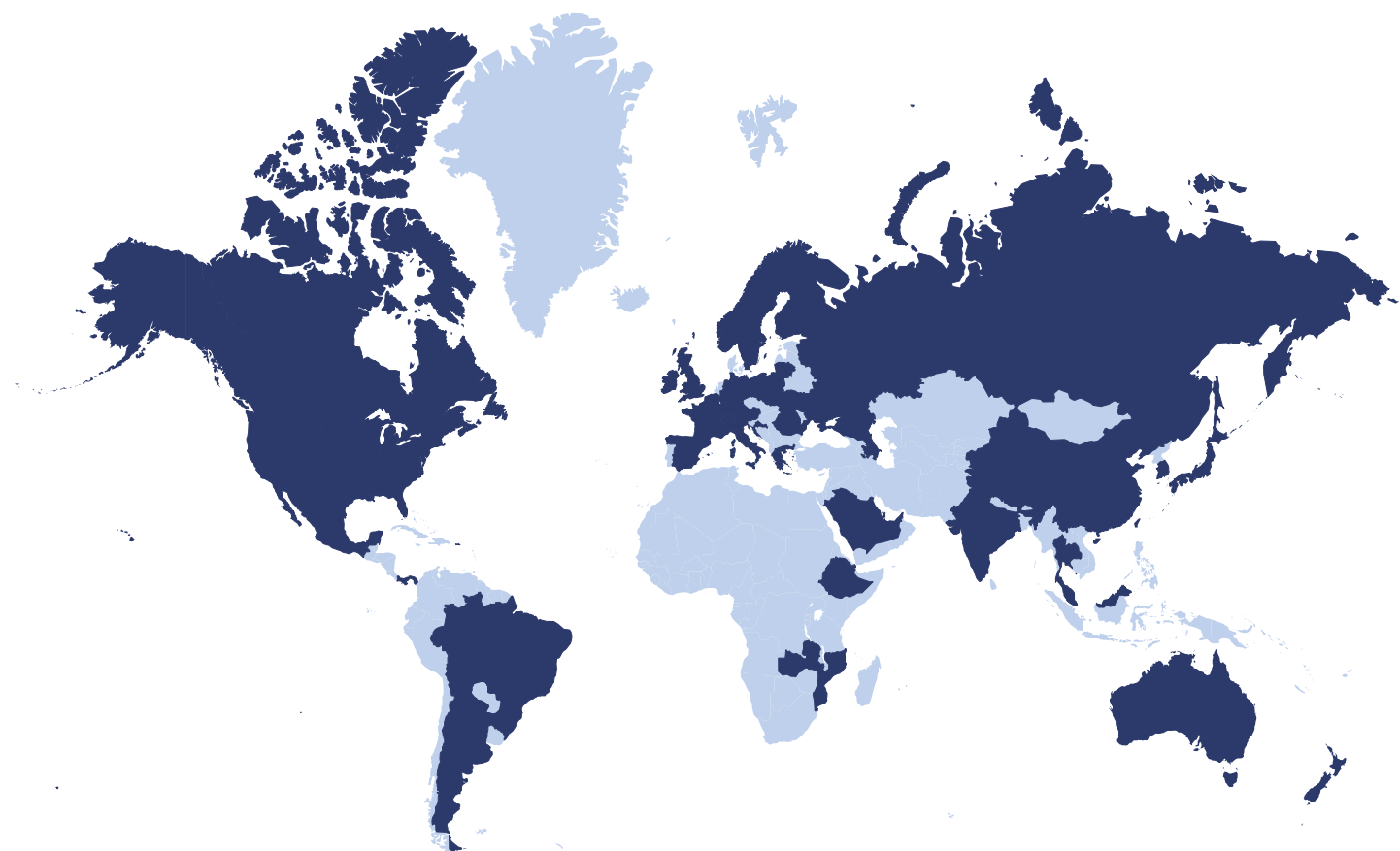
STOCK LISTING

The shares of our common stock are listed on the New York Stock Exchange under the symbol *URS*. As of April 1, 2014, we had approximately 2,400 stockholders of record. The following table sets forth the low and high sale prices of our common stock, as reported by *The Wall Street Journal*, as well as dividend information, for the periods indicated.

	Sales Price Per Share		Dividends Declared Per Share
	Low	High	
FISCAL PERIOD			
2012:			
First Quarter	\$ 35.40	\$ 47.16	\$ 0.20
Second Quarter	\$ 32.13	\$ 43.64	\$ 0.20
Third Quarter	\$ 32.76	\$ 38.88	\$ 0.20
Fourth Quarter	\$ 33.20	\$ 40.27	\$ 0.20
2013:			
First Quarter	\$ 38.38	\$ 47.49	\$ 0.21
Second Quarter	\$ 42.44	\$ 49.45	\$ 0.21
Third Quarter	\$ 45.21	\$ 55.79	\$ 0.21
Fourth Quarter	\$ 50.10	\$ 55.68	\$ 0.21
2014:			
First Quarter	\$ 41.62	\$ 53.79	\$ 0.22

On February 28, 2014, our Board of Directors approved and authorized a \$0.22 per share quarterly dividend. Future dividends are subject to approval by our Board of Directors or the Audit Committee of the Board of Directors.

OFFICE LOCATIONS WORLDWIDE

**UNITED STATES**

Alabama
Alaska
Arizona
Arkansas
California
Colorado
Connecticut
Delaware
District of
Columbia
Florida
Georgia
Hawaii
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Minnesota

Mississippi
Missouri
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Puerto Rico
Rhode Island
South Carolina
Tennessee
Texas
Utah
Virginia
Washington
West Virginia
Wisconsin
Wyoming

AMERICAS

Argentina
Bolivia
Brazil
Canada
Mexico
Panama

EUROPE

Austria
Belgium
Croatia
Finland
France
Germany
Greece
Ireland
Italy
Lithuania
Norway
Poland
Romania
Russia
Spain
Sweden
Switzerland
Ukraine
United Kingdom

MIDDLE EAST

Azerbaijan
Bahrain
Kuwait
Qatar
Saudi Arabia
United Arab
Emirates

AFRICA

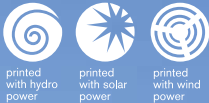
Ethiopia
Mozambique
Zambia

ASIA/PACIFIC

Australia
China
Hong Kong
India
Japan
Malaysia
New Zealand
Singapore
South Korea
Taiwan
Thailand

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