



Perini
Corporation

2006 Annual Report

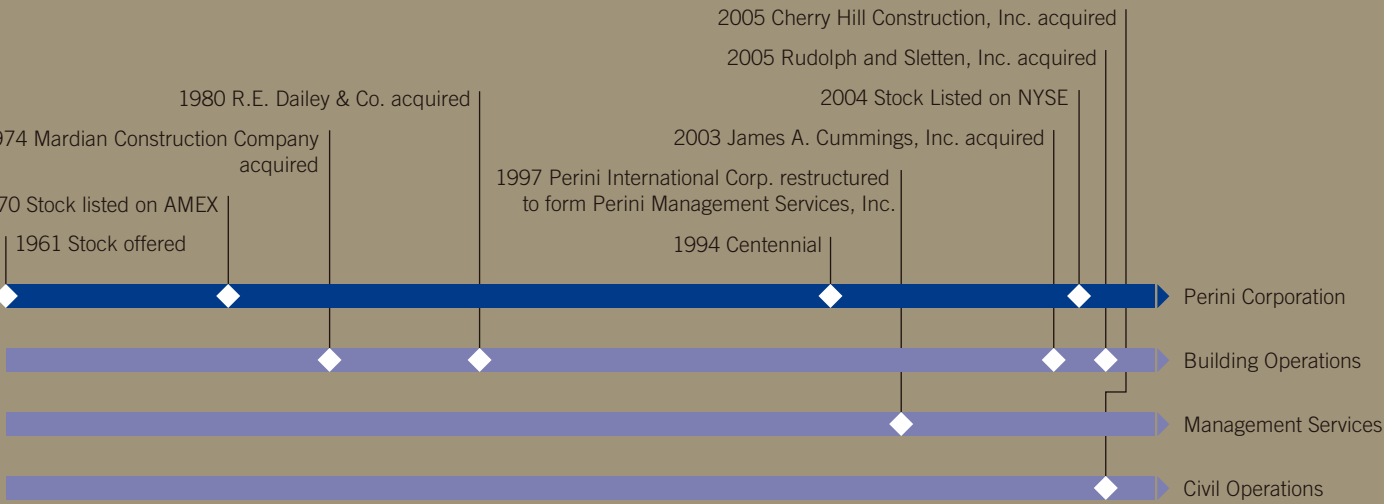


45 Years as a Publicly Traded Company
Perini Corporation, 1961–2006

2006 represented Perini Corporation’s forty-fifth year as a public company.

From 1894 to 1960, Perini evolved from a small, civil works contractor into one of the largest privately owned construction organizations in the United States with three construction lines of business, building, civil, and international. The Board of Directors voted to offer stock to the public in 1961 to set a market value of the company to gain access to new sources of capital to support expansion and to alleviate financial pressures exerted by an increasingly costly real estate venture in West Palm Beach, Florida (which later yielded significant revenues and profits).

Today, Perini seeks to increase shareholder value through the conscientious selection of projects that are well suited to the talents and capacity of the Company, the timely and profitable execution of the work, and the strategic acquisition of successful firms that strengthen existing operating segments, extend the Company’s geographic reach and contribute to its earnings.



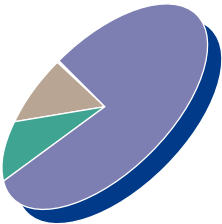
On the Cover
The 64-story, 1.52-million-square-foot Trump International Hotel & Tower is quickly becoming one of Las Vegas’ most recognizable landmarks (see Building Operations, page 7).

Financial Highlights

(In thousands, except per share data)	2006	2005	2004
Total Revenues	\$3,042,839	\$1,733,477	\$1,842,315
Pretax Income	\$ 69,689	\$ 6,921	\$ 44,926
Net Income	\$ 41,536	\$ 4,049	\$ 36,007
Basic Earnings per Common Share	\$ 1.56	\$ 0.21	\$ 1.47
Diluted Earnings per Common Share	\$ 1.54	\$ 0.20	\$ 1.39
New Contracts Awarded	\$3,596,436	\$8,479,786	\$1,327,326
Backlog at Year-End	\$8,451,381	\$7,897,784	\$1,151,475
Book Value per Common Share	\$ 9.18	\$ 6.86	\$ 6.34
Weighted Average Number of Common Shares Outstanding	26,308	25,518	23,724

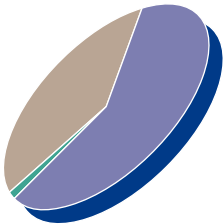
Revenues by Segment
(dollars in millions)

Building	\$2,515.1
Civil	281.1
Management Services	246.6
	<u>\$3,042.8</u>

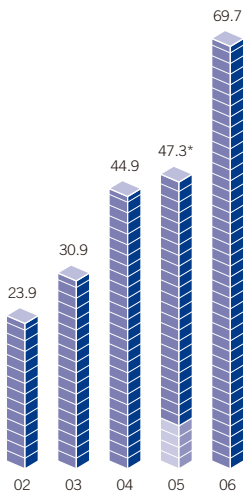


Income from Construction Operations by Segment
(dollars in millions)

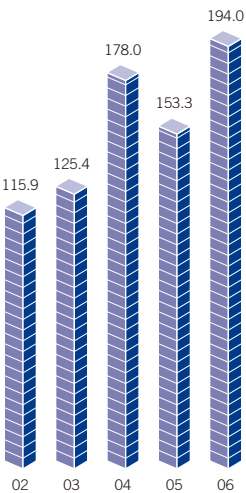
Building	\$59.3
Civil	1.8
Management Services	<u>34.3</u>
	<u>\$95.4</u>



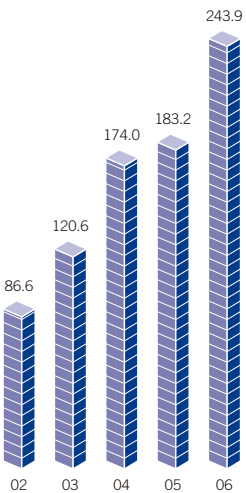
Income Before Taxes
(dollars in millions)



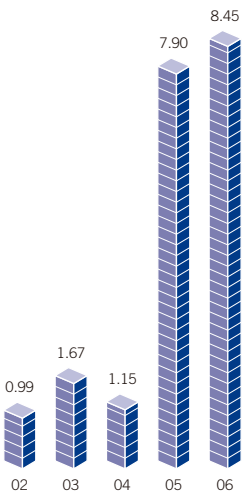
Working Capital
(dollars in millions)



Net Worth
(dollars in millions)



Backlog
(dollars in billions)



* Adjusted to exclude the \$40.4 million charge resulting from the WMATA judgment



Ronald N. Tutor
Chairman &
Chief Executive Officer

2006 was an outstanding year for Perini Corporation. We entered the year with record backlog of \$7.9 billion and successfully converted this into record revenues of \$3.0 billion and net income of \$41.5 million. Our success was largely the result of growth in our building segment and consistent and steady execution on each of our large-scale projects. Both Perini Building Company and Rudolph and Sletten, in its first full year as part of our Company, had outstanding performances. Our civil segment saw an increase in revenues, and our management services segment experienced increased margins. Our management services segment continued its work for the U.S. government and selected other clients, receiving additional work in Iraq from the U.S. Army Corps of Engineers and its first award under the U.S. Air Force’s Heavy Engineering, Repair and Construction (HERC) program. We closed the year with \$8.5 billion in backlog, up 7% from 2005 year end.

Financial Performance

Full year 2006 revenues were a record \$3.0 billion, up 76% from \$1.7 billion in 2005. Our building segment contributed the majority of this growth, with \$2.5 billion in 2006 revenues. This represents a 113% increase from 2005 and was the result of work on several large-scale hospitality and gaming projects that began in the second half of 2005, as well as the inclusion of Rudolph and Sletten for the full year. Civil segment revenues increased slightly to \$281 million due to a larger backlog of civil construction work at the beginning of 2006. The management services segment generated \$247 million in revenues, down 11% from last year due to a decreased volume of work in Afghanistan.

Gross profit was \$169 million, or 5.6% of revenues, in 2006 compared to \$70 million, or 4.0% of revenues, in 2005. Income from construction operations was \$70.9 million compared to \$8.0 million in 2005. Income before taxes was \$69.7 million versus \$6.9 million last year. Net income was \$41.5 million in 2006, or \$1.54 per diluted share for the year, compared to \$4.0 million, or \$0.20 per diluted share, in 2005. Results in 2005 were impacted by a \$23.6 million after-tax charge related to the adverse U.S. District Court ruling against two Perini joint ventures in favor of the Washington Metropolitan Area Transit Authority, or WMATA, on our civil segment’s financial results.

Our balance sheet is stronger than ever, with \$226 million in cash, \$49 million in debt and stockholders’ equity of \$244 million at year end.

In February of 2007, we entered into a new five-year, \$125 million credit agreement with Bank of America and three participant banks. This new facility reflects our improved financial strength and provides substantial capacity to support our growing organization.



Robert Band
President &
Chief Operating Officer

New Work Acquisition
by Segment
(dollars in billions)

Building	\$3.167
Civil	.287
Management Services	.142
	<u>\$3.596</u>



Consistent Execution on Large-Scale Projects

We entered 2006 with backlog at a record level of \$7.9 billion, up almost six-fold from the prior year end. This significant increase in the volume of new work presented some challenges for us, but we were confident in our expertise and ability to manage this growth in a controlled manner. As such, our number one priority in 2006 was the consistent execution of each of our major projects to successfully convert this significant backlog into revenues and profits.

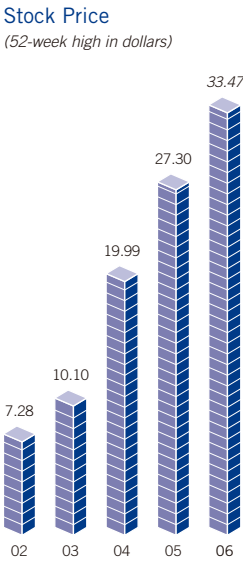
Our building segment rose to the challenge and provided exceptional performance that further solidified our reputation as the builder of choice in the Las Vegas market. In April, Perini delivered Phase I of the Red Rock Casino-Resort-Spa in Las Vegas on time and on budget. Phase I was completed in just 22 months and involved the construction of a 415-room hotel tower, casino, nine full-service restaurants, 94,000 square feet of meeting and convention space and a three-acre pool area. We are now nearing completion of Phase II, which will add an additional 435 rooms. In addition, all of our major projects in the Las Vegas market are progressing on or ahead of schedule. These include the \$4.3 billion CityCenter for MGM MIRAGE, \$1.6 billion Cosmopolitan Resort and Casino and the \$365 million Trump International Hotel and Tower.

Rudolph and Sletten: Successful Transition into Gaming Projects

It is just over a year following our acquisition of Rudolph and Sletten, and already this unit has proven to be a valuable addition to the Perini family of companies. One of our main goals in 2006 was to introduce Rudolph and Sletten into some of our hospitality and gaming projects. In the first half of the year, we began this process by involving Rudolph and Sletten in the preconstruction and design stages of some of our Native American gaming projects. By year end, we had successfully transitioned Rudolph and Sletten into the construction stages on several projects. Given this new experience with gaming projects as well as its existing expertise in the construction of corporate campuses, healthcare and high-tech projects, we believe that Rudolph and Sletten will continue to significantly contribute to Perini’s growth and profitability well into the future.

New Awards and Expansion of Existing Projects

In 2006, the markets we operated in experienced another year of growth, resulting in \$3.6 billion in new work awards. Our building segment produced the lion’s share of these, adding \$3.2 billion of new work to our backlog. The civil and management services segments provided \$287 million and \$142 million in new work awards, respectively. At year end, our backlog stood at \$8.5 billion.



Much of the new work in the building segment was the result of additional work to our existing contracts. As our large-scale projects progressed, we were asked to perform enhancements and improvements, a testament to Perini’s strong reputation and expertise. A good example of this is the additional work at MGM MIRAGE’s CityCenter we received this year. Our projects at Cosmopolitan Resort and Casino, Gaylord National Hotel and Convention Center in Maryland and the Foxwoods Resort and Casino in Southeastern Connecticut also grew in size and scope. Other notable building segment awards in 2006 were \$965 million in new work awards at Rudolph and Sletten, the largest of which is the construction of the \$296 million El Camino Hospital in Mountain View, California. Our James A. Cummings unit was awarded \$264 million of school construction work in Florida.

In our civil segment, we were successful in our efforts to increase the size of the projects performed by Cherry Hill Construction. This unit received a number of sizable new projects, including highway work and two bridge projects. Our management services segment received \$37 million in new task orders for work in Iraq. In addition, we received the first task order under the U.S. Air Force’s HERC program for a communications project in Europe.

Outlook for 2007

Our backlog remains near record levels, providing continued visibility into our future revenue stream. In the coming year, we expect most of our new work awards to come from a mix of new projects and further expansion of existing contracts. We anticipate another year of increased revenues and profitability, driven primarily by our building segment. We also expect a strong profit contribution from our management services segment and profitable performance from our civil segment.

In closing, we would like to thank all of our partners, clients and employees who have contributed to our exceptional performance this year. We continue to strive to maximize value to our shareholders, and we thank you for your continued support.

Robert Band
President and Chief Operating Officer

Ronald N. Tutor
Chairman and Chief Executive Officer

2006: Project Selection, Performance and Profitability

Perini Corporation is a leading construction services company offering diversified general contracting, construction management and design/build services to private clients and public agencies in a broad range of growth oriented end markets including hospitality and gaming, high-tech, infrastructure repair and replacement, and U.S. government contracts.

We performed work on approximately 250 construction projects in 2006. At year end, we reported record revenues of \$3.0 billion and a record backlog of \$8.5 billion. In 2006, new work was added at a faster pace than revenue burn-off, resulting in a 7% increase in backlog. Much of this growth may be attributed to our building segment’s top-ranked position in the robust hospitality and gaming market and its solid performance in the healthcare market in California.

On construction sites throughout the world, we aspire to raise the standards of performance every day. As a public company, we seek to earn the confidence of our shareholders through a continued focus on project selection, performance and profitability.



Building Operations

As construction manager or general contractor, our building segment—Perini Building Company, Rudolph and Sletten and James A. Cummings—foster partnership, client advocacy and professional collaboration. We are recognized as the largest builder of hospitality and gaming projects in the U.S. In addition, we execute projects in specialized niche building markets including healthcare, high-tech, sports and entertainment, retail and mixed use, commercial, residential and senior living, corrections, education, convention facilities and transportation.



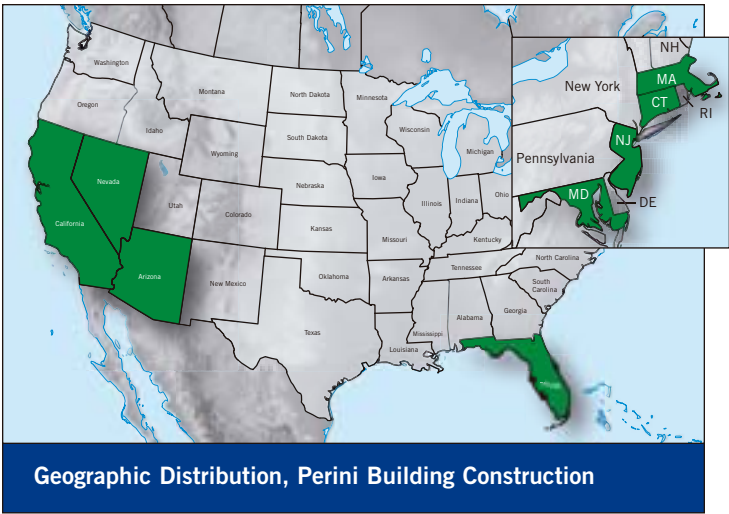
Civil Construction

Perini’s civil construction segment focuses on the repair and reconstruction of infrastructure in metropolitan New York, northern New Jersey, Baltimore/Washington, the Mid-Atlantic States and Florida. Perini Civil Construction and Cherry Hill Construction projects in 2006 included highways, bridges, mass transit/commuter rail systems and water treatment facilities.



Management Services

Perini Management Services, Inc. continues to play a significant role in support of U.S. government operations throughout the world. We provide design/build services on such diverse projects as overhead coverage structures that protect military installations and offer a full range of methods and technologies to support the design, construction, remodel and upgrade of facilities and infrastructure. In addition, our experience with the quickly evolving logistics required by overseas projects makes our detail-driven organization well suited to manage rapid response assignments such as contract completion projects for sureties.



Perini Building Company, Inc.
Phoenix, AZ (Headquarters), Framingham, MA and Las Vegas, NV
The majority of our building backlog (\$7.8 billion at year end) comes from repeat clients such as MGM MIRAGE, Gaylord Entertainment and Station Casinos who share our philosophy that successful projects are built through team-work and that relationships are built on trust. Major projects underway in 2006 were located in Arizona, Connecticut, Nevada, New Jersey, and Maryland.

We excel at the planning and construction of fast-track building programs, especially hotel resort and gaming developments. To maximize the return on a project owner's investment, we have brought the discipline of preconstruction planning to a new standard of professionalism. Our preconstruction teams work collaboratively with owners and

their design teams to establish reliable budgets and realistic schedules based on up-to-the-minute market experience. Our reputation for completing projects on time is a significant advantage in the markets that we serve.

We actively seek relationships with subcontractors who share our expectations for safety, quality and performance. We put subcontractors through a rigorous prequalification process, requiring three years of financial records and six trade references. We are also committed to advancing the standing of qualified MBE/WBE/DBE businesses through our Diversity Development Program, which is designed to recruit, mentor and retain qualified minority subcontractors and suppliers.

Rudolph and Sletten, Inc.
Redwood City (Headquarters), Irvine, Roseville and San Diego, CA
In California, Rudolph and Sletten (R&S) is a leading builder of high-tech, education, corporate campus and health-care facilities—projects that are the most technologically advanced structures in the world, demand cutting edge building technologies and controls. Our client roster contains many Fortune 500 names, including Genentech, Hewlett-Packard, Hitachi, Kaiser Permanente, Microsoft, and Verizon to name a few.

R&S is also a leader in the green building movement, which focuses on making efficient use of construction materials and resources and reducing the impact of building projects on the environment. We have more than 125 LEED (Leadership in Energy and Environmental Design) accredited professionals on our staff, ranking the Company among the top five green building contractors in the nation.

R&S enjoys a mutually advantageous relationship with Perini Building Company and has assumed leadership on Native American hospitality and gaming projects in California, a market on which Perini Corporation is aggressively focused.

James A. Cummings, Inc.
Ft. Lauderdale (Headquarters), W. Palm Beach and Celebration, FL
James A. Cummings, Inc. is recognized as one of Eastern Florida's leading builders of schools, libraries, college and university structures, and municipal facilities. We provide a variety of construction delivery systems to meet the needs of all clients: general contracting, construction management, and design/build. Further, our reputation is based on our dedication to building quality facilities on time, within budget and without litigation.

In 2006, we celebrated our 25th anniversary and expanded into Central Florida and the high-rise residential condominium market, capitalizing on the experience and resources of our employees and Perini Corporation.



Las Vegas at a Glance



1 MGM MIRAGE CityCenter
The 76-acre project consists of The Resort-Casino, a 61-story, 4,000-room hotel with convention space; Vdara Condo Hotel with 1,543 residential units; Veer Towers, a 37-story inclining glass condominium residence towers; The Harmon, a 400-room hotel with 209 condominium residences; Mandarin Oriental, approximately 227 luxury condominiums atop a hotel; and a retail/entertainment district.



4 Trump International Hotel & Tower
This 64-story hotel/condominium tower (approximately 1,523,000 square feet) features gold glass windows with white accents and 1,282 guestrooms, private spa and fitness center, an elevated pool deck, jacuzzis, barbecues, fire pits, lobby, lounge, gourmet restaurant, retail, back-of-house space, and a 467-space parking facility.



2 Cosmopolitan Resort & Casino
Under construction, Cosmopolitan features two hotel/condominium towers containing approximately 3,000 rooms, casino, convention and conference space, exclusive and brand-name retail boutiques, fine dining restaurants, entertainment facilities, spa, salon, fitness center, nightclubs, 2,000-seat theater, below grade parking structure, and five-acre pool deck overlooking Las Vegas Boulevard.



5 Paris Las Vegas
Harrah's Entertainment's 34-story hotel/casino offers 2,916 guest rooms including 295 suites, a 85,000-square-foot casino, race and sports book, 13 dining and beverage facilities, retail space, a 25,000-square-foot health spa, 140,000 square feet of meeting space and a 50-story replica of the Eiffel tower featuring a gourmet restaurant-bar and observation deck.

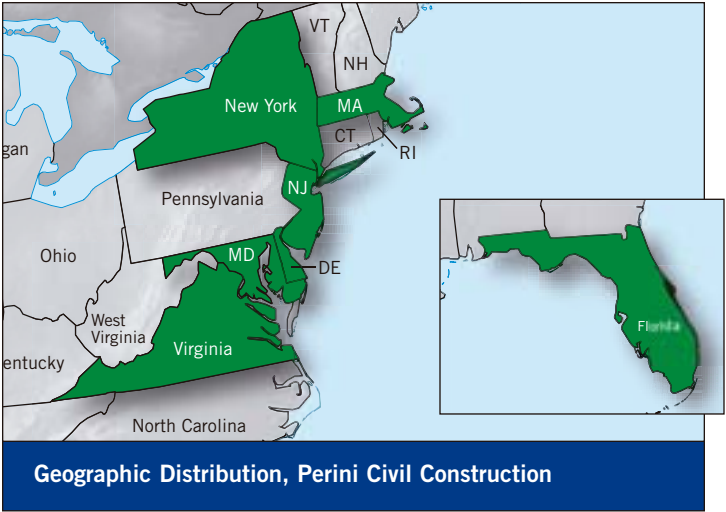


3 Caesars Palace
We have been responsible for many projects at Caesars, restoring the famed Las Vegas property to its rightful place among Vegas' largest hotel resort properties. Perini's most recent portfolio of work at Caesars Palace includes the 29-story Palace Tower; the 26-story Augustus Tower; the 304,000-square-foot addition to the Forum Shops; and the 4,148-seat Showroom Colosseum.



6 MGM Grand
Perini-led joint ventures with M/W/DBE contractors remodeled floors 1–14 of the Emerald Tower and the 29th floor at MGM Grand, demolishing and reconstructing high-roller suites, creating 51 multi-floor luxury "Skylifts". Additional projects completed recently at MGM Grand include the Dome and Centrifuge Bar and Race and Sports Book.

Civil Construction Operations



Large urban infrastructure projects such as repair, replacement and construction of bridges, highways, mass transit systems, and water treatment facilities continue to be the focus of Perini’s civil construction operations. Our success in this market—as Perini Civil Construction and Cherry Hill Construction—relies on accurate estimates, competitive bids, and timely execution of the work.

Perini Civil Construction

In Metropolitan New York and Northern New Jersey, we are well positioned to pursue new and innovative projects based on our broad experience. For example, replacing the road decking on the Triborough Bridge several years ago positioned us to successfully bid and build similar projects on the Bronx-Whitestone Bridge (awarded in 2003) and the Tappan Zee Bridge (awarded to us in August 2006).

Our experience with prefabricated steel orthotropic decking is well suited to the Federal Highway Administration’s Accelerated Construction Technology Transfer Initiative, or ACTT, a process determined to lower costs, increase quality, speed construction, enhance safety and mitigate traffic impacts.

Deck replacement on the six-lane Bronx-Whitestone Bridge for the Metropolitan Transportation Authority, Bridges and Tunnels is nearing completion. In accordance with procurement specifications, we were allowed to solicit bids from foreign sources for steel orthotropic decking, resulting in favorable pricing for the Authority. Over 400 steel deck panels were required to replace the 2,300-foot-long main deck and side spans.

The deck replacement project on the 50-year-old Tappan Zee Bridge, a critical lifeline structure connecting New York City with points north and west, will be performed under ACTT guidelines due largely to the immediate need for repairs and the unrelenting stream of traffic (up to 170,000 vehicles per day).

In 2006, work continued on the reconstruction of the Brooklyn-Queens Expressway (61st Street to Broadway) for the New York State Department of Transportation. We are also reconstructing the Passaic River Bridge on the New Jersey Turnpike and renovating commuter rail stations along the Metro-North Railroad—Hudson Line, including repair and/or replacement of platforms, overpasses, stairs, ramps, and retaining walls.

Cherry Hill Construction, Inc.

Cherry Hill Construction has successfully completed all types of civil construction jobs for public owners and private industry under competitive bid, negotiated and design/build contracts.

Over the past five years, approximately 52% of our revenues were earned from federal, state, and local governmental agencies. Regional Departments of Transportation (Maryland, Virginia, and Florida for example) historically have been the Company’s largest customers, accounting for about 34% of annual revenues.

In addition to highway and bridge work in 2006, we were site development subcontractors at the Chancery Building of the Embassy of the People’s Republic of China in Washington, DC, as well as the 42-acre Gaylord National Resort and Convention Center in Prince Georges County, MD, a project managed by a Perini Building Company-led joint venture. We also completed the Masonville Marine Terminal (Phase II) for Mercedes-Benz USA, LLC, constructing a 38-acre import/export parking facility in Baltimore that accommodates over 5,000 vehicles.



Civil Construction Operations

1 Metro-North Railroad, Hudson Line

Throughout 2006, Perini Civil Construction reconstructed nine stations along the Metro North Railroad’s Hudson Line, a major mass transit commuter route from Westchester County to New York City and Long Island. Major elements of the multi-phase reconstruction program included the replacement of platforms and installation of longer canopies and heated waiting areas. Existing overpasses were also raised to increase clearances for freight trains. Phase I of the project won “Project of the Year” honors from the Lower Hudson Valley Chapter of the American Society of Civil Engineers.

3 Chinese Embassy, Washington, DC

Completed in May 2006, Cherry Hill performed site excavation (including footings) and support of excavation for this highly sensitive \$10.7 million project. In accordance with the project’s strict schedule, we were required to complete our work by the 280th day without impacting local communities and neighboring embassies. The project had a narrow support of excavation and excavation tolerances along with a 65-foot vertical soil nail wall. Despite variable soil conditions, underground structures/obstacles and contaminated materials, Cherry Hill completed the project two weeks ahead of schedule.

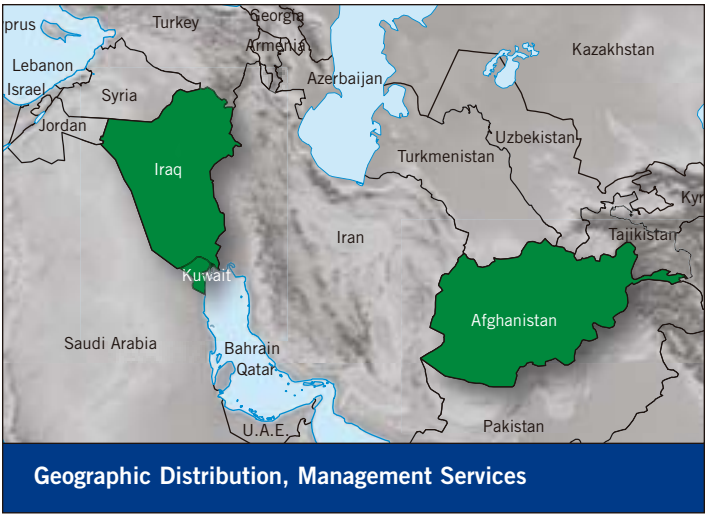
2 Passaic River Bridge Replacement

Perini is replacing the roadway bridge deck on the 56-year-old Passaic River Bridge near Newark, NJ. The six-lane, 6,955-foot-long plate girder bridge is the largest structure on the 118-mile New Jersey Turnpike. The bridge work includes deck removal and reconstruction and girder bearing replacement. Maintenance of traffic is especially critical on such projects, requiring multiple construction stages to ensure public safety, limit traffic delays and enable the work to progress in accordance with the critical path schedule.

4 Gaylord National Resort & Convention Center, Prince Georges County, MD

Cherry Hill is the site development contractor at the 42-acre Gaylord National Resort and Convention Center, a 1,503-room hotel and 400,000-square-foot convention center under construction on the Potomac River outside of Washington, DC by a Perini Building Company-led joint venture. Cherry Hill was originally contracted to perform excavation work, but as the project progressed, its responsibilities expanded to include mechanically stabilized earth walls and site utilities.

Management Services



Perini Management Services, Inc. continues to set the standard for American contractors specialized in providing rapid response construction management and design/build services to the U.S. military and government agencies throughout the world. Our proven performance in planning and logistics, cost and schedule control, rapid deployment, partnering and team leadership differentiates us from our peers.

In 2006, we were ranked among the top 25 U.S. firms working abroad by *Engineering News-Record*, a McGraw-Hill publication.

CENTCOM

We completed two major projects in Afghanistan in 2006 for brigade facilities for the Afghan National Army in Gardez and Mazar-e-Sharif under Task Orders awarded through

Indefinite Delivery/Indefinite Quantity contracts to provide design/build services to the U.S. Army Corps of Engineers (within the 25-country Central Command, or CENTCOM, Area of Operations).

As part of the Electrical Transmission and Distribution projects for the Iraq Reconstruction Program, we constructed 14 new 33/11kV electrical substations, resulting in more equitable distribution of electric power in five provinces in Southern and Central Iraq.

Further, in support of the U.S. Army's Kuwait Iraq C4 Commercialization program, we installed 31 manholes, 70,000 feet of fiber optic and copper cable and 9,000 feet of concrete encased duct bank at LSA Anaconda, Iraq. The goal of the program is to establish a state-of-the-art information infrastructure compatible to the Global Information Grid in support of CENTCOM operations.

In September 2005, we were awarded Task Order contracts in multiple locations in Iraq by the U.S. Army Corps of Engineers to design and construct overhead coverage systems to protect U.S. military bases. The structures, built over high-density gathering facilities such as dining halls, gymnasiums and PXs, are engineered to absorb the explosive impacts of mortar rounds and rocket propelled grenades. Twenty-five of these structures were completed in 2006 and were awarded the "Platinum Award for Engineering Excellence" from the Mass. Chapter, American Council of Engineering Companies. Perini has also been selected to construct overhead coverage systems to protect U.S. Department of State personnel in select locations. The program has been expanded with three additional Task Orders, bringing the total value of the overhead coverage systems contracts to \$291 million.

Surety Services Program

Contract completion assignments, offered by sureties as a result of contractor failures, continue to contribute to our solid reputation and backlog. At the Marine Corps Air Station in Beaufort, SC for example, we are completing an aircraft engine testing facility, or "hush house," requiring us to demolish and replace concrete work that was placed by the original contractor and rejected by the U.S. Navy.



Management Services

1 Aircraft Acoustical Enclosure, Beaufort, SC

North American sureties draw upon the rapid response and versatility of Perini Management Services to complete work impacted by contractor termination. At the Marine Corps Air Station in Beaufort, South Carolina, Perini was brought in to complete construction of a "hush house," an acoustical hangar that houses a 90' elliptical augmentor and 50' exhaust stack for "in frame" testing and maintenance of military aircraft and engines. The facility can accommodate jet aircraft and significantly reduces residual noise levels.

3 Electrical Transmission and Distribution, Iraq

Perini completed a \$123.5 million design/build rehabilitation program in 2006 for electrical transmission and distribution projects in Southern and Central Iraq. As part of the contract, Perini performed on-site evaluations and assessments in five Iraqi provinces and provided design/build services for 14 new 33/11 kV electrical substations.

2 Afghan National Army Brigade Facility, Mazar-e-Sharif, Afghanistan

In May 2006, Perini delivered the design/build regional brigade facility for the Afghan National Army in Mazar-e-Sharif, the last of four regional command facilities in Afghanistan built as task orders awarded through a contract with the U.S. Army Corps of Engineers. Perini installed all utilities (water, sewer, a 6-MW power plant) and over 90 structures—barracks, administrative buildings, warehouses and maintenance facilities (shown) and a helipad.

4 Overhead Coverage Systems, Iraq

Throughout Iraq and under several contracts, Perini Management Services, Inc. has been responsible for the design and construction of overhead coverage systems (OCS) for selected high-density gathering places such as the movie theater above. Their purpose is to protect U.S. Military troops from mortar and rocket-propelled grenade attacks. The U.S. Army Corps of Engineers has also selected Perini to construct OCS for the Department of State to protect personnel at a Regional Embassy Office.

Company Milestones 2006

First Quarter

Perini Corporation announces Q4 2005 Results and Record Backlog of \$7.9 billion

Perini Building Company, Inc. signs contract for the new \$198 million Sheraton Phoenix Downtown Hotel

James A. Cummings, Inc. (Cummings) receives \$61.7 million contract for the Palm Beach International (Airport) Parking Garage

Cummings is selected to build \$71.6 million Ft. Pierce Central High School (FL)

Rudolph and Sletten, Inc. (R&S) signs contract for \$44.5 million addition to Cal Poly Pomona Library

R&S signs two contracts for additional work at Kaiser Vacaville Medical Center, valued at \$107.8 million

R&S completes the Molecular Foundry, an \$85 million nanotechnology lab at the Lawrence Berkeley National Laboratory

Perini Civil Construction project—Hudson Line Station Rehabilitation Project, Phase I receives “Project of the Year” Award from the Lower Hudson Valley Section of the American Society of Civil Engineers

Second Quarter

Perini Corporation announces redemption of remaining \$2.125 Depositary Convertible Exchangeable Preferred Shares

Perini Building Company, Inc. (PBC) awarded “AGC/Willis Construction Safety Excellence Award—Over 1 Million Work Hours” at the Associated General Contractors of America (AGC) Annual Convention

PBC completes Phase I of Station Casinos’ Red Rock Casino-Resort-Spa in Las Vegas

Lorrinda Gray-Davis, Director of Diversity, PBC awarded “Corporate Advocate of the Year” by the Grand Canyon Minority Supplier Development Council, Phoenix Chapter

PBC awarded “Top General Contractor of the Year—Arizona, Nevada and New Mexico” by Southwest Contractor Magazine, a McGraw-Hill publication

San Manuel Indian Bingo & Casino, built by PBC wins “Distinguished Project Award” from Western Council of Construction Consumers

James A. Cummings, Inc. (Cummings) celebrates 25-year anniversary

Cummings is selected to build \$22 million Pompano Beach Middle School, a two-phase replacement facility

Rudolph and Sletten, Inc. signs contract to construct the \$296.1 million El Camino Hospital, Mountain View, CA

Perini Management Services, Inc. receives U.S. Air Force contract award for “Heavy Engineering, Repair and Construction” (HERC) worldwide

Third Quarter

Red Rock Casino-Resort-Spa, Phase I, built by Perini Building Company, Inc. is awarded “Best Private Project Over \$5 million” by Southwest Contractor Magazine, a McGraw-Hill Publication

James A Cummings, Inc. awarded additional contracts valued at \$103.4 million with Miami-Dade County for construction of three middle schools

Rudolph and Sletten, Inc. signs contracts valued at \$55.7 million for Hitachi in San Jose, CA

Tappan Zee Bridge Deck Replacement Project awarded to Perini/Tutor-Saliba, JV, by the New York State Thruway Authority

Cherry Hill Construction selected as contractor for \$120 million in highway/bridge work in Baltimore/Washington area and Florida

Perini Management Services, Inc. signs with USACE/DOS for Overhead Coverage contract valued at \$35 million

Fourth Quarter

Perini Building Company, Inc. named “Safest Contractor of Year” by Nevada Contractors Association

James A. Cummings, Inc. begins construction of \$75.7 million high school for Miami-Dade County Public Schools

Rudolph and Sletten, Inc. (R&S) signs \$103.1 million contact with Pechanga Band of Luiseño Indians to continue expansion of award-winning facility originally built by Perini Building Company

R&S wins LEED GOLD CI Award for the green tenant build out of its corporate headquarters in Redwood City, CA

R&S is named construction manager for the \$59 million Green Music Center at Sonoma State University, Rohnert Park, CA

R&S wins Construction Employers’ Association Excellence in Safety Award

Perini Management Services, Inc. signs with USACE/DOS for an additional Overhead Coverage contract valued at \$34 million

Perini Civil Construction receives 2006 Safety Award from the Allied Building Metal Industries (NY)

Officers and Directors

Corporate Executive Officers

Ronald N. Tutor
Chairman &
Chief Executive Officer

Robert Band
President &
Chief Operating Officer

John A . Loftus
President
Perini Civil

Craig W. Shaw
President
Perini Building Company, Inc.

Richard J. Rizzo
Executive Vice President
Business Development

Michael E. Ciskey
Vice President &
Chief Financial Officer

Susan C. Mellace
Vice President &
Treasurer

Peter J. Martinkus
Vice President &
Controller

Anthony J. Buccitelli
Vice President
Legal

Douglas V. Mure
Vice President
Human Resources &
Risk Management

Construction Operations

Perini Building Company, Inc.

Richard J. Rizzo
Chairman

Craig W. Shaw
President

Rudolph and Sletten, Inc.

Martin B. Sisemore
President and CEO

James A. Cummings, Inc.

James A. Cummings
Chairman and CEO

William R. Derrer
President

Perini Civil

John A. Loftus
President

Cherry Hill Construction, Inc.

John A. Loftus
President and CEO

Perini Management Services, Inc.

Robert Band
President

Claude K. Olsen
Senior Vice President
Operations

Board of Directors

Ronald N. Tutor
Chairman &
Chief Executive Officer
President,
Tutor-Saliba Corporation
Age: 66 Elected Director: 1997

Michael R. Klein (1,2,3*)
Vice Chairman
Chairman, CoStar Group
Age: 65 Elected Director: 1997

Peter Arkley (3)
Managing Principal,
AON Risk Services, Inc.
Age: 52 Elected Director: 2000

Robert Band
President &
Chief Operating Officer
Age: 59 Elected Director: 1999

Willard W. Brittain, Jr. (1*)
Chairman &
Chief Executive Officer,
Professional Resources
on Demand
Age: 59 Elected Director: 2004

James A. Cummings
Chairman &
Chief Executive Officer,
James A. Cummings, Inc.
Age: 62 Elected Director: 2003

Robert A. Kennedy (1)
Retired Executive
Age: 71 Elected Director: 2000

Robert L. Miller (2)
Private Investor and
Real Estate Developer
Age: 66 Elected Director: 2004

Raymond R. Oneglia (1,2*,3)
Vice Chairman,
O&G Industries, Inc.
Age: 59 Elected Director: 2000

(1) Audit Committee
(2) Compensation Committee
(3) Corporate Governance &
Nominating Committee
* Chairman

Stockholder Information

Annual Meeting

All stockholders are invited to attend the annual meeting to be held May 17, 2007 at 9:00 a.m. at the Crowne Plaza, Rte. 9, Natick, MA. Proxy materials and the formal notice of the meeting will be mailed on or about April 17, 2007.

Stockholder Mailings

Stockholders who are registered under brokers’ names and who wish to receive direct mailings of the Company’s stockholder communications may do so by writing to the Investor Relations Department of the Company at Framingham, MA 01701.

Stock Listing

The Company’s Common Stock (trading symbol: PCR) is listed on the New York Stock Exchange.

Transfer Agent & Registrar

Computershare Investor Services
250 Royall Street
Canton, MA 02021

Investor Relations

Telephone (508) 628-2295 or submit inquiries via the internet at perini.com.

Availability of Form 10-K

Stockholders who wish an additional copy of the Company’s Form 10-K, filed annually with the Securities and Exchange Commission in Washington, DC, may obtain one without charge via the internet at perini.com or by writing to the Investor Relations Department of the Company at Framingham, MA 01701.

EEO Policy

Perini Corporation is committed to the principles of Equal Employment Opportunity and Affirmative Action. This commitment requires that the Corporation comply with all applicable statutes, regulations, and government orders pertaining to non-discriminating employment practices and also that we provide an atmosphere within the Corporation that will assure all persons the opportunity to succeed on their own merit, without regard to race, color, religion, national origin, sex, age, disability or their status as a special disabled veteran or Vietnam-era veteran.

Annual Report
Project Management: Field Communications
Creative: Beagan Design
Photography: Charles Field / various

Compliance with NYSE Corporate Governance Listing Standards

Annually, our Chief Executive Officer is required to certify to the New York Stock Exchange that he is not aware of any violation by the company of NYSE corporate governance listing standards as of the date of that certification, qualifying that certification to the extent necessary.

On June 6, 2006, our Chief Executive Officer submitted such certification, which contained no qualification.



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