

Turner Office Network

THE TURNER CORPORATION

901 Main Street
Suite 4900
Dallas, Texas 75202
(214) 915-9600

TURNER CONSTRUCTION COMPANY

Headquarters
375 Hudson Street
New York, N.Y. 10014
(212) 229-6000

Arizona

Tempe
(480) 557-4700

California

Los Angeles* •
(213) 891-3000

Oakland
(510) 267-8100

Orange County
Irvine
(949) 798-8100

Sacramento*
(916) 614-9311

San Diego
(619) 692-0960

San Francisco* •
(415) 705-8900

San Jose*
(408) 295-7598

Colorado

Denver*
(303) 753-9600

Connecticut

Milford*
(203) 783-8800

Florida

Miami* •
(786) 621-9000

Orlando*
Maitland
(407) 210-2500

Tampa
(813) 287-9420

Georgia

Atlanta* •
(404) 504-3700

Illinois

Arlington Heights
(312) 327-2770

Champaign
(217) 353-7890

Chicago* •
(312) 327-2770

Indiana

Indianapolis
(317) 573-2828

Maryland

Columbia
(410) 715-7260

Massachusetts

Boston* •
(617) 247-6400

Michigan

Detroit
(313) 596-0500

Special Projects Division

Farmington Hills
(248) 699-2600

Missouri

Kansas City*
(816) 283-0555

New Jersey

Somerset*
(732) 627-8300

New York

Albany
(518) 432-0277

Buffalo
(716) 853-1900

Long Island/
Melville
(631) 424-5900

New York* •
(212) 229-6000

North Carolina

Charlotte
(704) 554-1001

Raleigh-Durham
(919) 788-2021

Ohio

Cincinnati
(513) 721-4224

Special Projects Division

Cincinnati
(513) 542-8801

Cleveland
(216) 522-1180

Columbus*
Worthington
(614) 781-8550

Oregon

Portland
(503) 226-9825

Pennsylvania

Philadelphia*
(215) 496-8800

Pittsburgh*
(412) 255-5400

South Carolina

Spartanburg
(864) 515-9008

Texas

Dallas*
(214) 721-8400

Houston*
(713) 840-8441

Washington

Seattle* •
(206) 505-6600

Washington, D.C.

Arlington, Va.* •
(703) 841-5200

TURNER UNIVERSAL

Huntsville, Ala.
(256) 461-0568

Nashville*
Brentwood, Tenn.
(615) 231-6300

TURNER INTERNATIONAL

New York, N.Y.
(212) 229-6388

THE LATHROP COMPANY, INC.

Maumee, Ohio
(419) 893-7000

Service Products

Buildings, Inc.
Maumee, Ohio
(419) 897-0708

Auburdale Co., Inc.

Toledo, Ohio
(419) 476-7300

CASUALTY AND SURETY

Woodcliff Lake, N.J.
(201) 722-3800

HOMELAND SECURITY

Arlington, Va.
(703) 841-5200

LOGISTICS

Hawthorne, N.Y.
(914) 593-6500

MARKET SEGMENTS

Advanced Technologies
(480) 557-4700

Aviation

(703) 841-7021

eTechnologies

(212) 229-6178

Healthcare

(615) 324-3880

Industrial

(256) 461-0568

Interiors

(212) 229-6178

Justice

(317) 573-2828

K-12 Education

(312) 327-2770

Pharmaceutical & Biotechnology

(732) 652-7705

Public Assembly

(703) 841-7080

Sports

(703) 841-7080

Office includes

* **Turner** ≡ Special Projects

• **Turner** ≡ Interiors

Turner

Third Quarter Report 2003

Third Quarter Report 2003

Turner achieved solid results for the nine-month period ending September 30, 2003. The value of new contracts secured was \$5.2 billion, one of the highest nine-month sales figures in the company's history, while gross sales earnings, at \$189 million, were the second-highest ever reported.

The value of construction completed was \$4.5 billion, while earnings from construction contracts were \$150 million. The company's backlog earnings were \$234 million, a record setter. Construction backlog volume as of September 30 was \$6.8 billion.

Looking to the future, Turner will build on its performance by continuing to meet new construction challenges and exceed client expectations. A case in point is "green" or sustainable construction. Built to be considerate of the environment and natural resources while promoting occupant comfort, health and productivity, green buildings were typically small-scale, high-concept niche structures when Turner took on its first "official" sustainable project in the mid 1990's—the Southern California Gas Energy Resource Center in Downey.

This project was a complicated large-scale renovation where the client wanted Turner to reuse much of the original structure. It was made more difficult because there was simply a lack of green building products and services at the time. To get the job done, Turner and the project team performed its own research, sourcing, developing and testing of the building materials to be used. In the end, project team members exceeded the client's expectations: the Southern California Gas Energy Resource Center not only became an award-winning facility, but a seminal project in the history of green buildings in America.

As more clients expressed interest in green buildings, Turner knew it had to find a way to make sustainable construction competitive on a first cost basis with conventional construction even though green buildings enjoy lower operating costs. To better demonstrate economic feasibility to the client, Turner

devised strategies such as providing analysis of a building's life-cycle costs so owners could better decide how green they should go. The company's strategies met with great success. And today, sustainable construction is entering the mainstream in America, with Turner at the forefront.



Heliostats and powered mirrors track sunlight and reflect it into the atrium at Genzyme Center, Boston, Mass.

To date, Turner has completed 20 sustainable projects. From straightforward office complexes and school buildings to skyscrapers, biopharmaceutical laboratories, hospitals and convention centers, many are sustainable "firsts." Among the "firsts" were projects completed during the third quarter of 2003, such as The Solaire in Manhattan, the nation's first green high-rise apartment building, as well as Pittsburgh's David L. Lawrence Convention Center, the largest green building in the world and site of the United States Green Building Council's 2003 Convention.

Across the nation, there are 26 sustainable projects currently under design or construction; together their budgets total nearly \$3.4 billion. On the East Coast, for example, Turner is building a corporate headquarters for a global biopharmaceutical company in Massachusetts and a major medical research facility in Virginia. Out West, a high-tech high school along with a 500,000-sq.-ft. administrative office building in California are under construction. In between, Turner builders are just completing a university science center in Ohio and a cancer institute for a major Georgia university.

Whether sustainable or conventional, Turner will continue to meet new construction challenges, bringing to every project the precise expertise and resources that can fulfill client needs and exceed expectations. Indeed Turner, the nation's leading general builder, enthusiastically welcomes all "firsts."

Sales:	Building Types	
Value of New Contracts Secured	Commercial/Retail	22%
First Nine Months 2003	Manufacturing	10%
\$5.2 Billion	Education/Science	29%
	Healthcare	16%
	Public	2%
	Entertainment/Sports	5%
	Residential/Hotel	5%
	Aviation	8%
	Other	3%
		100%

The Turner Corporation and Subsidiaries Consolidated Financial Highlights

(in thousands; unaudited)

For the nine months ended September 30,	2003	2002
New contracts secured	\$5,245,317	\$5,761,860
Value of construction completed	\$4,479,096	\$4,589,479
Revenue from construction contracts	\$4,390,132	\$4,416,567
Cost of construction contracts	4,240,021	4,257,175
Earnings from construction contracts	\$150,111	\$159,392