DIRECTORY AND OFFICES

LEIGHTON HOLDINGS LIMITED DIRECTORY

Board of Directors
David Allen Mortimer AO
Wallace MacArthur King AO
Dieter Siegfried Adamsas
Achim Drescher
Peter Allan Gregg
Robert Douglas Humphris OAM
Dr Burkhard Lohr
Dr Heribert Heinemann Lütkestratkötter
Ian John Macfarlane AC
Dr Peter Michael Noé
Wayne Geoffrey Osborn
David Paul Robinson

Alternate Directors
Dr Karl Reinitzhuber
Robert Leslie Seidler

Associate Directors
Louis Scott Charlton
Mark Charles Gray
Peter John McMorrow
Glenn Michael Palin
David George Savage
Hamish Gordon Tyrwhitt
William Joseph Wild

Secretaries
Ashley John Moir
Vanessa Robyn Rees

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Chairman and CEO Reviews
Corporate Governance Report
Directors’ Report
Concise Financial Report

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WHO WE ARE
Founded in Australia in 1949, Leighton Holdings Limited listed on the Australian Securities Exchange in 1962. Now one of the world’s major project development and contracting organisations, we are also the world’s largest contract miner. Leighton Holdings has its head office in Sydney, Australia. Leighton Holdings owns six diverse and independent companies: Thiess, Leighton Contractors, John Holland Group, Leighton Asia, Leighton International and Leighton Properties. They operate in more than 30 countries from headquarters in Australia, Hong Kong and Dubai. Each operating company functions independently with its own Board and Managing Director. These operating companies directly employ around 40,000 people with management encouraged to innovate and be successful in an autonomous manner. However, this autonomy occurs within a corporate governance framework defined by Leighton Holdings, which sets standards for: ethics and financial performance; health, safety and rehabilitation; and community and environmental matters.

WHAT WE DO
Leighton Holdings provides a corporate governance structure and financial strength to enable our operating companies to compete effectively in the global market place. This structure includes setting policies and operating guidelines, reviewing risk management and performance, and approving of strategic development, acquisitions and investments. Our key resources include the experience and guidance of a large serving management team and a strong balance sheet, which we use to support the growth of our companies and operations. The operating companies offer a broad range of project development and contracting services and skills to public and private sector clients across a wide range of industries and geographic locations. These skills include: engineering and infrastructure construction, infrastructure development (e.g. toll roads), property development and building construction (residential and non-residential), contract mining, and operations and maintenance. Leighton Holdings is focused on sustainability, which we see as delivering comprehensive and excellent shareholder returns, and meeting or exceeding the needs of our operating companies’ clients whilst maintaining good relationships with the communities in which our companies work.

LEIGHTON HOLDINGS LIMITED
ACN 004 482 982 ABN 57 004 482 982

NOTICE OF ANNUAL GENERAL MEETING 2009 LEIGHTON HOLDINGS LIMITED
ACN 004 482 982 ABN 57 004 482 982
To: The Shareholders
Notice is hereby given that the Annual General Meeting of the members of Leighton Holdings Limited will be held at the Four Seasons Hotel Sydney at 199 George Street, Sydney, on Thursday, November 5, 2009, at 10.00 a.m. A separate Notice of Meeting and Proxy Form is enclosed. During the course of the meeting, a short presentation on the Group’s operations will be given by Mr. Wai King AO, Chief Executive Officer. All present are invited to join the Directors for light refreshments after the meeting.

OUR VALUES
Leighton Holdings’ core values are to:
– be commercially competitive;
– provide a safe and healthy workplace;
– act with integrity and fairness;
– promote individual responsibility with clear lines of accountability;
– create a fun, challenging and performance driven culture;
– protect the environment;
– recognise the needs of the community;
– encourage innovation and technological leadership.

5 YEAR STATUTORY SUMMARY

$'000 $'000 $'000 $'000 $'000
Summary of Financial Position
Share capital 1,271,826 1,006,251 740,816 479,744 528,851
Total equity attributable to equity holders of the parent 2,339,306 1,848,791 1,350,473 1,102,901 893,207
Total equity 2,358,067 1,858,891 1,356,599 1,103,269 894,495
Total liabilities 5,555,747 4,079,061 3,390,601 2,700,039 2,111,977
Total assets 7,692,314 6,646,427 4,765,262 3,803,288 3,015,692
Summary of Financial Performance
Revenue – Group, joint ventures and associates 18,315,291 14,642,218 11,891,489 10,033,593 7,607,564
Profit before finance costs and tax 746,892 900,684 618,352 399,721 325,722
Profit before tax 596,253 760,668 584,996 371,314 299,380
Income tax expense 146,022 138,857 128,860 93,764 82,176
Profit for the year 450,231 621,811 451,136 277,547 217,206
Profit for the year attributable to members of the parent entity 440,044 602,888 450,042 276,069 215,191
Financial Statistics
Dividends per ordinary share 115.0¢ 145.0¢ 110.0¢ 66.0¢ 50.0¢
Earnings per ordinary share
– basic 149.5¢ 218.6¢ 162.3¢ 100.2¢ 78.9¢
– diluted 149.0¢ 216.1¢ 162.0¢ 100.0¢ 78.9¢
Return on average equity attributable to members of the parent entity 23.0% 42.9% 36.7% 27.7% 26.8%
Return on total assets 5.7% 9.4% 9.5% 7.3% 7.2%
Profit before finance costs and tax to total revenue 4.1% 6.2% 5.2% 4.0% 4.3%
Profit for the year attributable to members of the parent entity to total revenue 2.4% 4.2% 3.8% 2.8% 2.8%
Dividend times covered 1.3% 1.5 1.5 1.5 1.5
Dividend payout ratio 77.9% 66.3% 68.0% 66.5% 65.8%
Interest times covered 4.7 6.7 18.1 15.5 12.4
Net tangible assets per ordinary share 47.43 46.91 46.56 57.27 51.37
Current ratio 1.0 0.8 1.0 1.2 1.1
Total equity to total assets 30.4% 25.0% 28.5% 29.0% 29.8%
Total equity to total liabilities 43.7% 29.8% 40.0% 40.9% 42.4%
Gross Borrowings to total equity 54.7% 103.5% 26.7% 55.5% 28.8%
Number of employees 39,347 32,182 27,834 25,695 21,279
The Group has recorded a solid operating performance in a year which was impacted by impairments of investment values brought on by an almost unprecedented meltdown in the global economy. There are many positives to take away from the year and the future of the company remains very positive.
CHAIRMAN’S REVIEW

High levels of work in hand, significant spending by Governments to stimulate economic activity – both in Australia and overseas – and a resurgence of growth in China, supports a flat operating performance in 2010 before the Group returns to growth.

David Mortimer AO

FINANCIAL PERFORMANCE

The Leighton Group has successfully weathered an extremely turbulent year brought on by the global financial crisis (GFC). While our profit result has been below our initial expectations, the Group’s operating performance remains solid and we have much to be proud of this year.

The directors reported a profit after tax and minority interests for the year of $440m. The Group’s operating profit after tax was $610m, similar to the 2008 result of $608m. Even with the investment impairments, the Group managed to earn an average return on shareholders fund of 23% which placed the Company 28th out of the top 100 listed Australian companies by market capitalisation.

The profit was impacted by a reduced property development contribution and an impairment of investment values for ConnectEast, RiverCity Motorway, BrisConnections, Devine and Macmahon. The Group recognised one-off pre-tax asset impairments of $245m.

The Group remains committed to taking stakes in selected infrastructure projects but on a much more risk averse basis. Future investments will be more tightly limited in terms of dollars and percentage commitments.

DIVIDENDS AND RETURNS TO SHAREHOLDERS

The directors also announced that a fully franked final dividend of 55 cents per share (85 cents per share fully franked last year) would be paid, taking the full year dividend to $2.15 cents per share (145 cents per share last year). The dividend represents a payout ratio of 78% of the Group’s reported net profit after tax and a payout ratio of 57% of the operating profit after tax.

The Board believes that a prudent approach to the payment of dividends is appropriate given the impact of the GFC on debt markets. We also want to ensure the Company is in a strong position to take advantage of any strategic opportunities that may well arise from further industry and asset rationalisation.

BALANCE SHEET

The Group’s balance sheet was further strengthened during the period with the successful completion of a $700m equity raising in September. The majority of the funds have been invested in mining plant and equipment to support the Group’s resources based activities in Australia and Indonesia. The proceeds have also been used to redeem the Leighton Notes, which had a total face value of $200m.

The Group also improved its debt profile with the completion of a US$280m private placement of 5, 7 and 10 year Guaranteed Senior Notes and, in August 2009, a $280m 5-year Medium Term Notes issue to institutional investors.

As at 30 June, total assets were $7.7bn and net assets were $2.3bn. The value of the Group’s owned property, plant and equipment now stands at $1.8bn. The Group continued to utilise operating lease facilities to provide additional capacity and flexibility for the financing and risk management of its plant fleet. The value of major plant and equipment under operating leases now totals around $1.6bn.

As at 30 June, gross cash was $666m and the Group had total borrowing of $1.3bn for a net debt to equity ratio of 26%. Of the borrowings, $146m is short term and limited recourse borrowings stand at $658m. Undrawn facilities and guarantees amount to $1.0bn.
WORK IN HAND
At 30 June 2009, the Group’s work in hand was $37bn. This compares with $30.3bn at 30 June 2008 and $37.5bn at 31 December 2008.

The order book was boosted by the award of some $25bn worth of new work, extensions and variations during the period. The major construction projects awarded included the:
- $4.1bn Airport Link Project in Brisbane;
- $722m Royal North Shore Hospital in Sydney;
- $1bn for works at the Gorgon Project in WA; and
- $3bn for the Dubai Pearl.

New mining contracts or extensions were awarded at the Satui and Senakin coal mines for $1.65bn, the Wahana coal mine for $1bn and the Bayan FKP coal mines in Indonesia; the Ukhaakhudag coal mine in Mongolia; the Collinsville, Burton, Curragh North, Moorvale and Peak Downs coal mines in Qld; the Duralie coal mine in NSW and the Orebody 23/25 iron ore mine in WA.

ACQUISITIONS, INVESTMENTS AND SALES
The Group participated in an entitlement offer by Macmahon Holdings Limited which saw its stake increase to 19%. A number of joint ventures are continuing to be progressed and the relationship is proving beneficial to both companies.

Thiess and John Holland sold 95.7m ConnectEast shares, reducing their holding to 130.4m shares or 5.1% of issued capital, recognising a $23.1m loss for the period on the sale.

Leighton Contractors sold its 50% stake in Praeco, the consortium that owns and operates the new Defence Headquarters Joint Operations Command in NSW.

THE BOARD
On behalf of the Board I would like to thank Mr Martin Albrecht, who has retired after seven years of service as a Director and, prior to that, served as Managing Director of Thiess Pty Ltd for 15 years. Martin has made a valuable contribution to the growth and prosperity of the Company during 32 years of service with the Leighton Group.

We are pleased to welcome Mr Wayne Osborn as a Director of the Company. Wayne was formerly Chairman and Managing Director of Alcoa of Australia Ltd and has served as a Director of Thiess since 2005. In addition, Dr Karl Reinitzhuber has been appointed as an Alternate Director to Dr Peter Noé.

CORPORATE GOVERNANCE
The Board remains absolutely committed to best practice Corporate Governance and is continually seeking ways to improve its performance in this area. Corporate Governance is not a static concept but one that continues to evolve in light of changing circumstances. The Company reports under the Australian Securities Exchange (ASX) Corporate Governance Council’s Corporate Governance Principles and Recommendations which can be found on pages 17 – 26 of this report.

OUTLOOK
The Group’s outlook for the 2010 financial year remains solid despite the impacts of the GFC. While the underlying growth rates of some of the Group’s core markets will reduce in 2010, high levels of work in hand, significant spending by Governments to stimulate economic activity – both in Australia and overseas – and a resurgence of growth in China, supports a flat operating performance in 2010 before the Group returns to growth.

In summary, for the 2010 financial year the Group expects full year revenue to exceed $19bn and a net profit after tax of around $600m, subject to any further asset impairments. This result would represent a similar level of operating performance to 2009 which provides a good base for the longer term.

David Mortimer AO
Chairman
The Group is underpinned by a strong competitive position, a robust balance sheet and a recovery in growth across its core markets following the impacts of the global financial crisis.

Wal King AO

The Group has reported an operating profit after tax of $610m, a reduced profit after tax and minority interests for the year of $440m (versus $608m last year) and a fully franked final dividend of 55 cents per share. The profit was impacted by a reduced property development contribution and previously flagged investment impairments.

This is the Group’s third largest profit and recorded in a period when many peer companies and other businesses have reported losses. Even with the investment impairments the Group earned an average return on shareholders’ funds of 23%.

The Group’s solid operating result was based on sound contributions from the Australian infrastructure and resources markets; contract mining of coal in Indonesia, and construction projects in the Middle East delivered through the Al Habtoor Leighton Group.

Total revenue, including joint ventures and associates, was up 26% to $18.3bn ($14.5bn last year). Revenue from joint ventures and associates increased by 19% to $5bn. Revenue from the Group’s major markets was infrastructure $10.4bn, resources $5bn and property $2.9bn. The Group’s major activities in these markets were construction $11.7bn, contract mining $4.7bn, services (or operations and maintenance (O&M)) $1.6bn and development $384m.

AUSTRALIA/PACIFIC OPERATIONS

The Australia/Pacific operations contributed $471m of profit before tax, down 11% from revenue of $14.5bn. The reduction in profit in the Australia/Pacific Operations was due to the impairment of investments incurred by the Group. Work in hand increased by 9% to $25bn.

Infrastructure

Infrastructure was again the largest of the Group’s markets in the Australia/Pacific. Revenue for the 2009 year of $9.1bn was up 29% while work in hand increased by 21% to $13.7bn from the previous June.

Road construction remained the largest sector of the infrastructure market and the Group’s operating companies were awarded a number of major projects and made substantial progress on those already underway.

A highlight was the award to a consortium including Thiess and John Holland of the contract to design, construct, operate and maintain the $4.1bn Airport Link Project in Brisbane, Queensland. This 6.7km multi-lane toll road, a new section of the Northern Busway and a major upgrade of the Airport Roundabout will be built over 47 months. Despite some public issues regarding the share price, ownership and viability of the concession company BrisConnections, construction has started well for the consortium.

In Queensland, a Leighton Contractors led alliance was selected to deliver a 1km section of the Eastern Busway project in Brisbane. Leighton Contractors also progressed the construction of a number of major road projects including the $2.1bn Clem7 (formerly known as the North-South Bypass Tunnel), the $1.8bn Gateway Upgrade Project, the Ipswich Motorway Upgrade: Wacol to Darra and Ipswich/Logan Interchange, and an upgrade of the Bruce Highway.

Thiess made good progress on Stage 2 of the Boggo Road Busway Alliance in Brisbane.

In New South Wales, Leighton Contractors signed an agreement with the RTA to create the Tarcutta Hume Alliance to construct 7km of dual carriageway on the Hume Highway. Other Leighton Contractors led alliances continued work on the $491m Ballina Bypass and a $418m duplication of the Hume Highway.

Thiess progressed a $456m upgrade between Coopernook and Herons Creek on the Pacific Highway.

Leighton Contractors is extending its O&M work which provides long-term contracts with operational synergies to its construction activities. The major works in NSW are Sydney’s Eastern Distributor, Cross City Tunnel and M7 tollways.

The Victorian Government is undertaking a program to increase the capacity of Melbourne’s transport network. Thiess made significant progress on upgrading one of the state’s busiest roads as part of the $574m West Gate Freeway Alliance. John Holland commenced work on a $229m alliance contract to strengthen the West Gate Bridge. Thiess has also been awarded an alliance contract for a section of the $2.25bn M80 Ring Road Upgrade.

In Western Australia, Leighton Contractors approached the finalisation of the $677m Perth to Bunbury Highway and was awarded a 7km extension into Mandurah, worth approximately $130m.

In Auckland, New Zealand, an alliance including Leighton Contractors commenced a NZ$250m contract to maintain one-third of Auckland City Council’s road network for five years. New work was also awarded to re-construct the Newmarket viaduct in Auckland. The Leighton Contractors led Northern Gateway Alliance has completed a new highway link north of Auckland and good progress has been made on the Manukau Motorway Link.
Rail remains a major market for the Group, both in terms of construction and O&M work.

In New South Wales, John Holland was awarded a $260m contract to construct 43km of new track and related works in the Hunter Valley. John Holland is continuing with work on the $469m Southern Improvement Alliance, the Mildura freight rail line and the Cronulla line duplication in Sydney.

Leighton Contractors progressed the $437m Kingsgrove to Revesby Rail Duplication and also recently formed an alliance with the Australian Rail Track Corporation to deliver a $152m program of works on the Hunter Valley Rail corridor. Thiess successfully completed the Revesby Turnback rail project.

In Victoria, John Holland, as part a consortium, has been announced as preferred tenderer to operate and maintain Melbourne’s metropolitan rail network for an initial term of eight years. The contractual details were finalised in September 2009. John Holland was also awarded the Springvale Road Separation alliance in Melbourne.

In Queensland, Thiess continued work on four rail projects as part of the $561m TrackStar alliance completing the 13.7km Caboolture to Beerburrum track duplication while John Holland progressed the $497m Horizon Alliance, an integrated rail and road link in Brisbane.

Rail maintenance in Victoria, South Australia and Western Australia continued to provide John Holland with a good level of activity. John Holland was awarded new concrete resleepering and track upgrading work in Western Australia.

Construction and maintenance of utilities infrastructure also provided a good source of new and ongoing work.

Leighton Contractors formed an alliance with Energy Australia to support the delivery of a major electricity network upgrade and renewal program in New South Wales between 2009 and 2014, worth an estimated $250m. EnergyAustralia expects to provide the alliance with approximately $100m of over-flow project work per annum.

In Tasmania, John Holland was awarded the construction of a replacement high capacity transmission line, and in Queensland, construction of the Ross-Strathmore North power transmission link.

In Queensland, the John Holland/Veolia consortium is commissioning the $576m Gold Coast desalination project and John Holland commenced work on an alliance to upgrade the Murrumba Downs water treatment plant. Thiess reached the half-way milestone on a $316m contract to raise the Hinze Dam on the Gold Coast, a project that will double its water storage capacity.

In New South Wales, John Holland progressed well on the $980m Sydney Desalination Plant and, in the ACT, commenced work on three dam and pipeline projects which aim to secure future water supplies.

In Victoria, a Thiess Services led alliance has been awarded the $380m South East Water Capital Works Delivery Program, an extension of their existing operations and maintenance work. A John Holland led alliance is underway on a $625m contract to construct the 70km Sugarloaf Pipeline Project. John Holland also commenced another project under an alliance with Melbourne Water, worth $171m, which follows on from work already awarded.

A Thiess led consortium was announced as the preferred bidder in July 2009 to design, construct, finance, operate and maintain Victoria’s $3.5bn Desalination Plant Project. With planned production of 150bn litres of water per day it is expected to be the world’s second-largest desalination plant.

Thiess Services continued its $91m contract to operate and maintain the water utility network for Metro Water in Auckland, New Zealand.

Also in New Zealand, Leighton Contractors’ subsidiary Visionstream was awarded a telecommunication services and maintenance contract worth NZ$1bn over ten years. Visionstream will construct and maintain both new and existing copper and optic fibre access networks in the Auckland and Northland regions. The project will employ over 400 people when it ramps up.

Another new infrastructure project for the period was a $154m management contract for the redevelopment of RAAF Base Pearce in Western Australia awarded to John Holland.

Thiess Services maintained a good level of waste collection and recycling work across Victoria, New South Wales and Queensland. The operation, which services household and commercial businesses, has revenues of over $200m per annum and work in hand of over $1bn. Thiess Services has been successful in securing the initial stages of the Hunter River Remediation Project, the site of the former BHP steelworks in Newcastle, New South Wales.

**Resources**

The Australian resources market provided $3.8bn of revenue, up 28% relative to the corresponding period last year and work in hand has been broadly maintained at $8.8bn since June 2008.

The Group’s contract mining activities continue to be based primarily on coal with activities in Queensland, New South Wales and, to a lesser extent, Victoria contributing some 58% of Australian resources revenue.

In Queensland, Thiess was awarded new coal mining and pre-strip overburden removal work at the Curragh North Mine in the Bowen Basin worth $240m. Extensions were also awarded at the Burton and Collinsville coal mines. Thiess continued to perform well on their other coal contract mining projects and made a good contribution to the Group’s result.

Leighton Contractors was awarded a four year extension worth $145m at the Mooroyle coal mine, a three year extension at the Peak Downs coal mine, and new work at the Carborough coal mine, all in Central Queensland. Also awarded was a seven year extension at the Duralie coal mine in New South Wales’ Hunter Valley worth $350m.

Work progressed well for Leighton Contractors on their other contract coal mining projects in New South Wales and Queensland.

With exports of Australian resources constrained by port and rail facilities, Thiess and John Holland are working with clients to solve this problem. In New South Wales, Thiess was awarded a $120m contract to expand the Newcastle coal export terminal. In Queensland, John Holland continued construction work on two contracts worth $282m to upgrade coal loading facilities at Abbott Point.
Iron ore remains an important market contributing some 30% of Australian resources revenue. In Western Australia, HWE Mining was awarded a five year extension worth approximately $450m at the Orebody 23/25 iron ore mine in Western Australia’s Pilbara region. HWE Mining continued to provide contract mining services at three other iron ore mines in the Pilbara region in Western Australia, progressed mine development at the nearby Mesa A mine and continued work on the SMR iron ore mine in South Australia.

In other Western Australia iron ore projects, Leighton Contractors, in a joint venture with Macmahon, was awarded a contract valued at more than $500m to develop BHP Billiton’s Rapid Growth Project 5 rail project.

In other minerals, Leighton Contractors undertook work at four gold mines and a manganese mine and Thiess continued work at the Prominent Hill copper-gold mine in South Australia.

Construction of resources related infrastructure, particularly oil and gas related, provided some good opportunities. In Western Australia, a joint venture including Thiess was contracted to design and construct a $528m construction village on Barrow Island for Chevron’s $50bn Gorgon gas project. In a separate contract, worth approximately $500m, awarded in July 2009, Thiess will construct the site preparation and temporary facilities for Gorgon.

John Holland and Leighton Contractors were each awarded civil works packages at the Pluto LNG project in the North West of Western Australia by Woodside worth almost $300m.

Property

Revenue from building construction and property development was down 17% from June 2008 to $1.5bn, while work in hand was flat at $2.5bn versus June 2008.

Property development activity has all but stalled due to the impact of the global financial crisis (GFC). Leighton Properties was directly affected by changes in value across the local market and has reported a loss for the period, however, the company is continuing to develop a number of longer-term projects.

In Brisbane, Queensland, construction of Leighton Properties’ Green Square development was completed by Leighton Contractors. The building was recognised with a host of sustainability awards including the first 6 Star Green Star rating in Queensland.

In joint venture with Leighton Properties, Leighton Contractors is progressing well with the construction of two towers on Wickham Terrace where their new Queensland headquarters will be located. The towers are 82% leased. Thiess is nearing the completion of the 34 storey 400 George Street office tower, also for Leighton Properties, which was pre-sold in 2008 to HSBC Trinkhaus.

Leighton Properties and Devine are progressing their joint venture, mixed-use developments at Southbank in Townsville and at Hamilton Harbour in Brisbane, which has pre-sold about 85% of the units in the first residential block of a phased longer-term development. The commercial joint venture at Ann Street in Brisbane has secured 75% pre-lease commitments and anticipates construction starting in 2010.

In Sydney, New South Wales, a highlight was the selection of a Leighton Properties/Mirvac joint venture as preferred partner of Landcom to deliver the first phase of the $1bn Green Square Town Centre. Set to commence in 2010, this urban renewal project will see the development of 6 hectares of a new town centre, ultimately providing over 1,000 homes and offices for 7,000 workers when completed over a number of years.

In Victoria, the Hallam Central Business Park, a 48-lot industrial subdivision in Melbourne’s South East, is nearing completion and 23 of the 27 lots have been pre-sold. Settlement of the lots will occur over the next six months.

Despite the slow down in property development activity levels the general building market has remained reasonably solid. A highlight was the award to a consortium, including Thiess, of a contract to deliver the Royal North Shore Hospital and Community Health Services Project. The $950m redevelopment over five years will consolidate 53 outdated buildings into two purpose-built, patient-centred facilities that can expand to meet future healthcare needs. Thiess has a design and construction contract worth $722m and a 28-year facilities management concession to undertake building, plant and equipment maintenance.

Spending by the Federal and various State Governments on education is ramping up leading to a number of opportunities. In South-East Queensland, a consortium including Leighton Contractors will build seven new state schools in a Public Private Partnership (PPP) worth $1.1bn. The construction project will be carried out by Leighton Contractors’ subsidiary Broad Construction and is expected to be worth approximately $232m, generating around 2,150 jobs over a 4½ year period.

John Holland was awarded the construction of a student village at South Bank in Queensland and completed the nearby South Bank TAFE PPP. In Western Australia, John Holland was awarded a $140m contract to provide infrastructure for 88 schools as part of the Federal stimulus package.

In North Queensland, Thiess was awarded a $370m contract to construct a 300 bed expansion of a correctional centre near Mareeba. Thiess also progressed a $280m management contract for Stage 4 of the Lavarrack Barracks Redevelopment in Townsville.

Leighton Contractors continued with the construction of a $338m 44 storey office tower at 111 Eagle Street in Brisbane.

In other building work, John Holland was awarded the $70m worth of Defence construction work in Queensland. In Western Australia, John Holland commenced the construction of a new performing arts centre and the new Joondalup Health Campus Redevelopment.

In Sydney, New South Wales, John Holland continued to construct a new rail maintenance facility for the Reliance Rail PPP and defence facilities at the Holsworthy base. Thiess made good progress on a 21 storey commercial office tower in North Sydney.

Broad Construction progressed well with construction of the $120m Alluvion Office development in the Perth CBD.
ASIAN AND MIDDLE EAST OPERATIONS

The Group’s Asian and Middle East operations reported a profit before tax of $256m, down from $246m in the previous period, from revenue of $3.9bn. Last year’s profit included a non-operating gain on the sale of the Group’s Gulf Leighton operations into Al Habtoor Engineering and therefore the Group’s underlying operating result was substantially up on the previous year. Work in hand increased by 60% since June 2008 to $12.1bn, boosted by the award of some large contract mining extensions in Indonesia.

Middle East

Although later to arrive, the GFC has impacted the Middle East like most markets around the world. Most affected has been Dubai which, due to the speculative nature of much of its property market, has experienced a sharp contraction. Abu Dhabi and Qatar are however faring much better.

In Dubai, a highlight was the award to the Al Habtoor Leighton Group of the $3bn Dubai Pearl mixed-use development. The 1,500,000m² project involves the construction of an integrated city which on completion will be the largest building in the world by floor space.

A joint venture including the Al Habtoor Leighton Group has mutually agreed to withdraw from the Dubai Airport Concourse 3 project due to the parties’ inability to conclude an acceptable contract. Other works deferred or stopped include the Esplanade, Trump Tower, the Dubai Police Academy, Habtoor Grand Palm Resort, and the Olgana & Hilliana Towers, all of which were in Dubai.

Other ongoing work in Dubai is progressing well and, with no projects cancelled since mid-April, it is expected that this market has stabilised but with a lower level of activity.

In Abu Dhabi, the Al Habtoor Leighton Group was awarded, in July 2009, a $490m contract to construct onshore port facilities at the Khalifa Port and Industrial Zone. The project includes the construction of 47 buildings and associated infrastructure works including road networks, bridges, utility installations and hard and soft landscaping.

The Al Habtoor Leighton Group, in joint venture, was also awarded a $1bn contract for the design and construction of the new Zayed University campus, a $755m contract for the Al Bustan mixed-use development and the enabling works for the construction of the Tourism Development and Investment Company’s new headquarters.

Thiess Services and the Al Habtoor Leighton Group signed a 15 year concession agreement worth $475m for the management of construction and demolition debris in Abu Dhabi. This contract establishes a base in the Middle East for Thiess Services.

In Qatar, work progressed well on the Al Habtoor Leighton Group’s major projects including the Al Shaqab Equestrian Centre and a number of high-rise developments. The Equestrian Centre is expected to be opened by the end of September.

Indonesia

In Indonesia, the operations of Thiess and Leighton Asia remain based almost entirely on the contract mining of coal which supported an increased level of activity.

Thiess was awarded a new contract at the Teguh Sinar Abadi and Firman Ketaun Perkasa coal mines for mine planning, overburden removal, coal mining, plus loading and transportation of coal from the mine to the river port. The five year contract is worth $1bn.

Thiess was also awarded a $1.65bn contract extension for the operation of the Senakin and Satui coal mines in South Kalimantan. The new contract is an extension to the existing contract and covers an additional seven year period, extending a relationship which commenced at Senakin in 1989 and at Satui in 1998.

Leighton Asia was awarded new mine infrastructure development work at the Haju coal mine, progressed the development of the Wahana coal mine with a major extension worth $1bn and continued with contract mining works at the MSJ and MHU coal mines in Kalimantan.

India

India is still offering numerous construction opportunities and a good level of oil and gas, and building work has been maintained.

Leighton International progressed the engineering, procurement and installation of over 200km of offshore petroleum pipelines off the west coast of India in a contract worth $734m. The project will be delivered over a three-year period.

New work was awarded on an offshore pipeline at Paradip in Orissa and construction was completed on pipeline work at the Bina Refinery at Jamnagar in Western India.

In July 2009, Leighton International signed a project alliance agreement for the delivery of a new IT Park in Chennai, India. The project, worth approximately $230m, involves the design, construction and commissioning of over 570,000m² of built up area comprising a mixture of IT offices, a convention centre, retail, residential, hospitality, entertainment and car park facilities.

Leighton International progressed work on two toll road projects; the 45km of National Highway 2 between Agra and Bharatpur, near Delhi, which was opened in early July; and 72km of National Highway 3 between Indore and Khalghat, south of Delhi, which will be completed later this year. Leighton has a 49% ownership interest in these toll roads.

Hong Kong/Macau

In Hong Kong, Leighton Asia was awarded a contract worth $185m for the design and construction of the 3.7km Lai Chi Kok storm water drainage tunnels and a $201m expansion and redevelopment of the Ocean Park theme park.

In July 2009, a joint venture including Leighton Asia was awarded a $410m contract for the construction of a sewage conveyance system from Aberdeen to Sai Ying Pun on Hong Kong Island. Works to be undertaken include the design and construction of 7.5km of deep sewerage tunnels at depths ranging from 70m to 120m.
Work progressed on the existing Central Reclamation project in Hong Kong Harbour and Leighton Asia was awarded a $247m variation to the project to facilitate the construction of a future freeway. The contract, which commenced in 2003, will complete in 2011.

Other current Leighton Asia work on the Permanent Aviation Fuel Facility and an aircraft maintenance hangar progressed well and the Kowloon Southern Rail Link, in joint venture with John Holland, is near to completion.

In Macau, construction of the US$2bn City of Dreams resort progressed with the first phase opened on time to the public in June. The third phase of the Wynn Resorts hotel and casino complex progressed well for Leighton Asia.

Other Countries
In other countries, Leighton Asia completed the construction of the new Australian Embassy in Phnom Penh, Cambodia and continued work on the design and construction of a gold processing plant at the Masbate gold mine in the Philippines. In Thailand, Leighton Asia commenced the construction of a new Conrad Resort and residential complex on Koh Samui Island.

In Mongolia, Leighton Asia has secured a $230m, six-year mining contract for the Ulaahkudag coal mine project which involves the removal of overburden and mining of the coal, plus provision of mining planning and engineering services.

GROUP PROSPECTS
The Leighton Group remains committed to its strategy of seeking diversity; by brands, by markets and products, by geography and by delivery systems, and this strategy provides a platform to pursue future growth. The Group is underpinned by a strong competitive position, a robust balance sheet and a recovery in growth across its core markets following the impacts of the GFC.

Infrastructure
The Australian economic and social infrastructure market is forecast to stay at high levels, supported by Federal Government spending, although the overall infrastructure market is expected to decline in 2010 before recovering in 2011.

The Federal Government has announced a $22bn Nation Building stimulus, focusing on economic and social infrastructure, with $8.5bn allocated to new transport investment. This package follows on from the $43bn National Broadband Network (NBN). The NBN project should offer the Group significant construction opportunities with the first of these being a $250m Regional Backbone Blackspots Program which is currently out to tender. In addition, there may be a role for the Group’s Nextgen Networks fibre-optic cable to participate in the NBN however this will depend on the commercial and regulatory regime put in place.

High levels of investment are set to continue in the telecommunications sector driven by the new $3bn National Broadband Network (NBN). The NBN project should offer the Group significant construction opportunities with the first of these being a $250m Regional Backbone Blackspots Program which is currently out to tender. In addition, there may be a role for the Group’s Nextgen Networks fibre-optic cable to participate in the NBN however this will depend on the commercial and regulatory regime put in place.

Resources
Commodity prices have stabilised at a level above the long-term trend, after substantial decline from the peak last year. Australian iron ore and coal volumes, together with Indonesian coal volumes, are expected to continue to grow.

Australian iron ore producers have gained global export shares from Brazilian and Indian competitors in the past two years, driven by quality and their close proximity to China. Production is forecast to continue to grow as China’s economic growth accelerates. The Government’s stimulus package, coupled with China’s industrialisation and urbanisation will help support steel commodities in both the short to medium term.

Despite recent falls in its relative share of global exports, Australian coking coal export volumes are estimated to grow by 9% p.a. over the next two years, driven by growth from India and China becoming a net importer.

Australian thermal coal production is expected to resume modest growth in the next few years given the resilience in demand for Australian exports due to the dependence of coal-fired power generation in Japan and South Korea.

Resources based engineering construction activities in Australia is forecast to decline by around 20% in 2010 and a further 14% in 2011 due to the impact of the GFC. However, a major highlight is the gas sector as Australian LNG and Coal seam gas (CSG) volumes and infrastructure investment are expected to grow significantly. A number of large LNG projects dominate the investment landscape, with over $32bn worth of projects committed and another $86bn at a number of road and rail projects starting earlier than previously forecast. New South Wales has proposed a $60+bn infrastructure program over the next four years which will see the $5bn CBD Metro progressing. In Victoria, public investment is set to stay strong based on a $38bn Transport Action Plan which includes several major road and rail projects.

Queensland remains committed to maintaining its $107bn long-term infrastructure plan, despite a worsening deficit and a ratings downgrade. In Western Australia, the resources slowdown and the risk of a ratings downgrade may limit spending, albeit a number of major projects remain in planning. In South Australia, the major project being progressed is the $1.7bn Royal Adelaide Hospital.

Spending on utilities is expected to come off peak levels from 2010 as some major water and electricity projects near completion but remain at historically high levels. Longer-term, another major round of investment is required in electricity generation and transmission as demand growth will exceed supply.

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various stages of planning and development. CSG is expected to meet the growing demand for gas on the east coast of Australia, driven by increased demand for gas-fired electricity generation and the potential for exports from Gladstone.

While the resources capex spend has slowed there are still some $20bn of iron ore projects either committed or under construction, with an additional $25bn of projects at various stages of development. Over $10bn worth of coal projects also remain committed or at construction stage, with another $36bn in the development pipeline.

Property
The downturn in global credit markets and economic conditions has led to a sharp reduction in property projects in all Australian states, affecting all sectors, especially commercial offices. A lack of financing availability and challenges in securing pre-commitment levels is combining with increasing pressures to sell assets, in a market with poor investment appetite, to further weaken property prices.

The commercial and industrial sectors face continued weakness before a recovery is predicted to begin from 2011. However the construction market is forecast to grow by close to 50% over the three years from 2011 to 2014, driven by improved access to funds, economic growth recovering, improved business confidence and employment growth returning. Modest supply levels and vacancy rates, relative to previous property downturns, particularly in Sydney and Melbourne, are forecast to assist A-grade commercial property to recover from 2011, with a slow recovery for the industrial sector expected from 2012.

The residential sector is expected to experience an upswing from 2010, driven by underlying demand growth, supply shortages, low interest rates and improving affordability.

Middle East
The Middle East’s construction market continues to remain sizeable, reaching US$26.6tr, with the UAE accounting for nearly 40% of the market. However, an additional $500bn worth of projects, predominantly in Dubai, have been put on hold since the GFC. Private funding difficulties and reduced commercial viability are impacting project commencements.

Most Gulf countries were impacted by the volatility in oil prices last year. While fiscal revenues have been impacted and GDP growth slowed, Gulf Cooperative Council (GCC) countries retain large financial reserves accumulated over the past five years which will help support them through the economic downturn. The growth of Middle East countries is forecast to decelerate but not derail, with 2% growth expected in 2009 and recovery to 4% in 2010.

Abu Dhabi remains the most promising market in the Middle East for the Group with significant infrastructure and building projects underway and planned.

Dubai’s property market has stalled, with significant project cancellations and delays. Excess supply in Dubai will take several years to re-balance and building construction opportunities will be muted in the short term. While Dubai’s stellar growth rate has slowed dramatically there should still be some select opportunities, mainly in transport infrastructure.

Qatar is expected to grow by at least 10% p.a. over the next two years, supported by its strong fiscal position and major LNG projects coming online.

Saudi Arabia and Kuwait are also expected to remain strong, given their relatively large and strong fiscal positions. However, the business and cultural environments in these regions are significantly more challenging.

Asia
Indonesian thermal coal production is forecast to grow, driven by domestic demand, export growth to India, and a comparative cost of production and shipping advantage. The country should continue to support a good level of contract mining activity and may offer opportunities for resources infrastructure projects.

The Hong Kong Government has announced a substantial stimulus package with infrastructure spending forecast to double in 2010 and increase further in 2011 from its current level. Over HK$200bn worth of projects are in the pipeline with approximately HK$105bn of spending on major rail projects expected over the next five years. This spend should offer a good level of construction opportunities.

The outlook for India has improved in recent months following a decisive election win for the existing Government and upgrades to economic growth forecasts from the IMF. The Government has a large infrastructure and mining program to underpin social demographic changes and growth. India’s latest budget has included increased spending allocations for infrastructure development, despite India’s worsening fiscal deficit position.

The World Bank has recommended US$5bn of infrastructure investment to support Mongolia’s major mine development and resources export potential. The country’s enormous reserves of natural resources offer a range of contract mining and resources construction opportunities.

SUMMARY
The Group’s long-term outlook remains positive based on a strong competitive position in its core markets, a solid level of work in hand and a forecast rebound from the GFC. Substantial government spending on infrastructure – across both Australia and Asia, demand for resources fuelled by the economic growth of China, and an eventual recovery in the property market augurs well for the Group’s prospects. In the longer term, the Leighton Group is well positioned, after a relatively flat operating performance in 2010, to revert to growth in 2011 and beyond, and to continue to deliver positive returns to shareholders.

Wal King AO
Chief Executive Officer
FINANCIAL REVIEW

<table>
<thead>
<tr>
<th></th>
<th>30 June 2009</th>
<th>30 June 2008</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue – Group</td>
<td>$13,275,384</td>
<td>$10,321,705</td>
<td>29%</td>
</tr>
<tr>
<td>– Joint Ventures and Associates</td>
<td>$5,039,907</td>
<td>$4,220,513</td>
<td>19%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$18,315,291</td>
<td>$14,542,218</td>
<td>26%</td>
</tr>
<tr>
<td>New Contracts, Extensions and Variations</td>
<td>$25,092,791</td>
<td>$22,901,314</td>
<td>10%</td>
</tr>
<tr>
<td>Value of Work in Hand‡</td>
<td>$37,004,872</td>
<td>$30,302,729</td>
<td>22%</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>$585,253</td>
<td>$767,948</td>
<td>(24%)</td>
</tr>
<tr>
<td>Income Tax Expense</td>
<td>$(146,022)</td>
<td>$(158,857)</td>
<td>(8%)</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>$439,231</td>
<td>$609,091</td>
<td>(28%)</td>
</tr>
<tr>
<td>Profit Attributable to Minority Interests</td>
<td>$813</td>
<td>$(1,203)</td>
<td>168%</td>
</tr>
<tr>
<td>Profit Attributable to Members</td>
<td>$440,044</td>
<td>$607,888</td>
<td>(28%)</td>
</tr>
<tr>
<td>Earnings Per Ordinary Share</td>
<td>$149.5¢</td>
<td>$218.6¢</td>
<td>(32%)</td>
</tr>
<tr>
<td>Dividends Per Ordinary Share</td>
<td>$115.0¢</td>
<td>$145.0¢</td>
<td>(21%)</td>
</tr>
<tr>
<td>Total Capital and Reserves*</td>
<td>$2,339,306</td>
<td>$1,484,991</td>
<td>58%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$7,692,314</td>
<td>$6,464,227</td>
<td>19%</td>
</tr>
<tr>
<td>Cash Net of Recourse Borrowings†</td>
<td>$44,679</td>
<td>$(81,848)</td>
<td>155%</td>
</tr>
<tr>
<td>Undrawn Facilities and Guarantees</td>
<td>$1,036,615</td>
<td>$1,216,241</td>
<td>(15%)</td>
</tr>
</tbody>
</table>

* Excludes minority interests
‡ Includes the Group’s share of Joint Ventures and Associates
† Excludes Leighton Notes and Limited Recourse Loans

KEY PERFORMANCE INDICATORS

for the 12 month period to 30 June

<table>
<thead>
<tr>
<th>Total Revenue</th>
<th>Work in Hand‡</th>
<th>Profit Before Tax</th>
<th>Profit Attributable to members</th>
</tr>
</thead>
<tbody>
<tr>
<td>$million</td>
<td>$million</td>
<td>$million</td>
<td>$million</td>
</tr>
<tr>
<td>7,697</td>
<td>10,094</td>
<td>1,180</td>
<td>4,154</td>
</tr>
<tr>
<td>15,471</td>
<td>16,038</td>
<td>2,108</td>
<td>30,083</td>
</tr>
<tr>
<td>289</td>
<td>371</td>
<td>584</td>
<td>758</td>
</tr>
<tr>
<td>586</td>
<td>215</td>
<td>276</td>
<td>608</td>
</tr>
</tbody>
</table>

# Includes the Group’s share of Joint Ventures and Associates
### OPERATING REVENUE <sup>1,2</sup>

<table>
<thead>
<tr>
<th>Group by Company</th>
<th>June 2009</th>
<th>June 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leighton Contractors</td>
<td>5,735 (31)</td>
<td>4,562 (31)</td>
</tr>
<tr>
<td>Thiess</td>
<td>5,438 (30)</td>
<td>4,468 (31)</td>
</tr>
<tr>
<td>John Holland</td>
<td>3,704 (20)</td>
<td>2,195 (20)</td>
</tr>
<tr>
<td>Leighton International</td>
<td>2,376 (13)</td>
<td>1,495 (10)</td>
</tr>
<tr>
<td>Leighton Asia</td>
<td>678 (4)</td>
<td>413 (3)</td>
</tr>
<tr>
<td>Leighton Properties</td>
<td>384 (2)</td>
<td>709 (5)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>18,315 (100)</strong></td>
<td><strong>14,542 (100)</strong></td>
</tr>
</tbody>
</table>

1 Operating revenue includes the Group’s share of joint venture and associated entities’ revenue.

2 See Note 5 ‘Segment information, Primary segment – Geographical’ on pages 58 and 59 of this Concise Annual Report for further detail.

### WORK IN HAND <sup>3,4</sup>

<table>
<thead>
<tr>
<th>Group by Company</th>
<th>June 2009</th>
<th>June 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leighton Contractors</td>
<td>9,466 (26)</td>
<td>9,405 (31)</td>
</tr>
<tr>
<td>Thiess</td>
<td>14,783 (40)</td>
<td>9,493 (32)</td>
</tr>
<tr>
<td>John Holland</td>
<td>4,936 (13)</td>
<td>4,630 (15)</td>
</tr>
<tr>
<td>Leighton International</td>
<td>4,198 (11)</td>
<td>5,222 (17)</td>
</tr>
<tr>
<td>Leighton Asia</td>
<td>3,178 (9)</td>
<td>706 (2)</td>
</tr>
<tr>
<td>Leighton Properties</td>
<td>444 (1)</td>
<td>847 (3)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>37,005 (100)</strong></td>
<td><strong>30,303 (100)</strong></td>
</tr>
</tbody>
</table>

3 Work in hand includes the Group’s share of work in hand from joint ventures and associates.

4 Work in hand only includes work for five years from the reporting date. The value of long-term contracts running past June 2014 is not included.
The Directors during or since the end of the year are:

**D A MORTIMER AO (64)**
BEc (Hons), FCPA
An Independent Non-executive Director since 1997. Elected Chairman from 1 June 2007. Chairman of Australia Post and Crescent Capital Partners. A Director of Macquarie Infrastructure Investment Management Limited and Governor of the Australia Israel Chamber of Commerce. Former Chair of the Defence Procurement Advisory Board and former Managing Director and Chief Executive Officer of TNT Limited.

As at 30 June 2009, Mr Mortimer was a Director of the following ASX listed companies: Petsec Energy Limited since 1985 and Macquarie Infrastructure Group since 2000. He was formerly a Director of ASX listed companies Sigma Pharmaceuticals Ltd from 2002 to July 2007, Adsteam Marine from 1997 to March 2007, Citect Corporation Limited from 1997 to 2006 and Virgin Blue Holdings Limited from 2003 to 2006.

**W M KING AO (65)**
BE, MEngSc, Hon DSc, Hon, FIEAust, CPEng, FAICD, FAIM, FAIB, FTSE
A graduate of The University of NSW. An Executive Director since 1975. Appointed Chief Executive Officer in 1987. A civil engineer who joined Leighton Contractors in 1968 and became Managing Director of that company in 1977. Appointed Deputy Managing Director of Leighton Holdings in 1983. A Director of the Kimberley Foundation Australia Ltd, the UNSW Foundation Limited and a Member of the Council of The University of NSW. Participates in construction industry affairs and is the President of the Australian Constructors Association. Member of the Business Council of Australia. Honorary Fellow of the Institute of Engineers and Fellow of the Australian Institute of Company Directors, the Australian Institute of Management, the Australian Institute of Building and the Academy of Technological Sciences and Engineering. Member of the American Society of Civil Engineers. Founding Councillor of the Australia Business Arts Foundation.

As at 30 June 2009, Mr King was a Director of the following ASX listed company: Coca-Cola Amatil Limited since 2002.

**P A GREGG (54)**
BEc
An Independent Non-executive Director since 2006. Director of Stanwell Corporation Limited, Skilled Group Limited, Skilled Rail Services Pty Ltd and QR Limited (Queensland Railways) a Queensland Government owned Corporation. Fellow of the Finance and Treasury Association, a Member of the Australian Institute of Company Directors and holds a Bachelor of Economics degree from Queensland University. Former Chief Financial Officer and Executive General Manager Strategy for the Qantas Group, Former Director of Qantas Airways Limited. Former Chairman of the Singapore-based Jetstar, and its parent company Orungestar.

As at 30 June 2009, Mr Gregg was a Director of the following ASX listed companies Sigma Pharmaceuticals Ltd from 2002 to July 2007, Adsteam Marine from 1997 to March 2007, Citect Corporation Limited from 1997 to 2006 and Virgin Blue Holdings Limited from 2003 to 2006.

**R D HUMPHRIS OAM (67)**
ARSM, BSc (Eng) Hons, CEng, FIMMM, FAIMM

As at 30 June 2009, Mr Humphris was a Director of the following ASX listed entity: Australian Infrastructure Fund Limited since 2006.
D S ADAMSAS (66)
B.Com, FAICD
A graduate of the University of NSW. A Non-executive Director since 1 July 2007. An Executive Director from 1988 until 30 June 2007 with responsibility for overall Group management reporting, statutory accounting, auditing, treasury, taxation and insurance. Deputy Chief Executive Officer of the Leighton Group from June 2001 until 30 June 2007. Joined the Company in 1971 and held various senior accounting and commercial positions within the Leighton Group, Chairman of Leighton Contractors Pty Ltd and Leighton Asia Ltd. Life Member of the Financial Executives International of Australia. Fellow of the Australian Institute of Company Directors.

A DRESCHER (69)
B.Ec.
A graduate in Economics from Hamburg University, Germany. An Independent Non-executive Director since 1996. A former Managing Director (1989 – 2002) and Chairman (2002 – 2005) of Columbus Line Australia Limited. A Non-executive Director of Leighton Contractors Pty Limited, RM Gold (Aust) Limited, Sabre Securitisation Limited, Sword Securitisation Limited and Seaswift Pty Ltd. Chairman of the “Young Endeavour Youth Scheme” (RAN). In 1997 Mr Drescher was awarded the “Cross of the Order of Merit” by the Federal Republic of Germany.

Mr Drescher was formerly a Director of ASX listed company Adsteam Marine Limited from 2001 until March 2007.

DR B LOHR (46)
Dr. rer.pol.
Appointed a Non-executive Director on 28 May 2008. Previously an Alternate Director for Dr P M Noé from July 2007. A graduate in Business Studies from Cologne University with a Doctorate from the Technical University of Braunschweig. Joined HOCHTIEF AG in 1982 and has held various senior accounting and commercial positions within that Company. He is currently the CFO of HOCHTIEF AG and has responsibility for Accounting, Tax, Risk Management, Financial, Human Resources and Investor Relations and Controlling. He has been a member of the Executive Board of HOCHTIEF AG since January 2006.

DR H H LÜTKESTRATKÖTTER (59)
Dr.-Ing.
Appointed a Non-executive Director on 14 February 2007. Studied mechanical engineering and gained a Doctorate in Civil Engineering at Aachen Technical University. Member of the Executive Board of HOCHTIEF AG since December 2003 with responsibility for the Corporate Division HOCHTIEF Americas as well as the Strategic Corporate Development department. Appointed Deputy Chief Executive Officer of HOCHTIEF management Board in November 2006 and became Chief Executive Officer of HOCHTIEF AG in April 2007.

Prior to joining HOCHTIEF AG, Dr Lütkestratkötter had a wide range of experience in the industry having served for over 25 years in international engineering and construction businesses. He is also a Director of HOCHTIEF Australia Holdings Limited.
I J MACFARLANE AC (63)
BSc (Hons), MSc

As at 30 June 2009, Mr Macfarlane was a Director of the following ASX listed companies: Woolworths Limited since 2007 and ANZ Bank Limited since 2007.

DR P M NOÉ (52)
Dr. rer.pol.
A graduate of the University of Cologne in business management studies. A Non-executive Director since 2003. Elected Deputy Chairman in April 2007. Since February 2002 has been a member of the Executive Board of HOCHTIEF AG with his responsibilities including the Asia Pacific division from December 2003, Airport division from June 2004 and Concessions division from July 2008. Since August 2007, Chairman of the Supervisory Board, Budapest Airport Zrt. A Non-executive director of the Supervisory Board of Athens International Airport S.A., currently Vice Chairman of the Supervisory Board of Flughafen Dusseldorfer GmbH since January 2008. A Director of HOCHTIEF Australia Holdings Limited.

W G OSBORN (58)
Dip EE, MBA, FSTE, MIE Aust, MAICD
Appointed an Independent Non-executive Director on 6 November 2008. A Director of Thiess Pty Ltd since 2005 (Chair since October 2008), Chair of GESB Mutual Ltd, Board Member of the Australia Business Arts Foundation, Trustee of Western Australian Museum, Fellow of Australian Academy of Technological Sciences & Engineering, Fellow of the Explorers Club – New York, Member of the Institution of Engineers Australia and former Chair Australian Aluminium Council.
Mr Osborn has 35 years of experience in the Australian mining, resources and manufacturing sectors and was a former Chairman and Managing Director of Alcoa of Australia Ltd.

D P ROBINSON (53)
MCom, BSc, FCA, FTIA
A graduate of the University of Sydney. A Non-executive Director since 1990. Registered company auditor and tax agent. A chartered accountant and principal of the firm Harveys Chartered Accountants in Sydney. Advisor to local and overseas companies with interests in Australia. Participates in construction industry affairs. A Director of Windsor Farm Foods Group Limited. A trustee of Mary Aikenhead Ministries the responsible entity for the health, aged care and education works of the Sisters of Charity in Australia. A Director of HOCHTIEF Australia Holdings Limited.
**Alternate Directors**

**R L Seidler** (60)
LLB
An Alternate Director for Dr H H Lütkestratkötter since July 2007. Previously an Alternate Director for Dr H-P Keitel from 2003 until July 2007. A graduate of the University of Sydney, Partner of Blake Dawson, Chairman of Hunter Philip Japan Limited. A member of the investment advisory board of the Australian Prime Property Fund and a member of the Australian Government’s Corporations and Markets Advisory Committee. A Director of Valad Funds Management Limited.

As at 30 June 2009, Mr Seidler was a Director of the following ASX listed entities: Valad Property Group since 2005 and Valad Opportunity Fund No.11 since 2005.

**DR K Reinitzhuber** (42)
Appointed an Alternate Director for Dr Peter Noé on 7 April 2009. Dr Reinitzhuber joined HOCHTIEF AG in 1997 and since that time has held various senior financial and executive management roles within the HOCHTIEF Group. A Director of HOCHTIEF Australia Holdings Limited.

**Retired Director**

**M C Albrecht AC**
BTech (Civil), FTSE, FIA Aust, FAICD, FAIM, DUniv (QUT), HonDEng (Qld)

**Secretaries**

**A J Moir**
FCPA, FCIS, MAICD
Was appointed to the position of Company Secretary in April 1990. He was previously Company Secretary of Australian National Industries Limited. Mr Moir is a former Director and Chairman of Chartered Secretaries Australia (“CSA”) Limited and is a member of the NSW Council of CSA.

**V R Rees**
Dip Law, FCIS
Was appointed to the position of Company Secretary in April 2009. She has a financial and legal background and has held various Company Secretarial positions the most recent being with Ascalon Capital Managers Limited and previously within the Investa Property Group. Ms Rees is on the Professional Development Committee and a Fellow of Chartered Secretaries Australia.

**Leighton Holdings Limited Board**

D A Mortimer AO, Chairman
Dr P M Noé, Deputy Chairman
W M King AO, Chief Executive
D S Adamsas
A Drescher
P A Gregg
R D Humphris OAM
Dr B Lohr
Dr H H Lütkestratkötter
I J Macfarlane AC
W G Osborn
D P Robinson

**Alternate Directors**

R L Seidler
Dr K Reinitzhuber

**Associate Directors**

L S Charlton
M C Gray
P J McMorrow
G M Palin
D G Savage
D K Saxelby
D G Stewart
H G Tyrwhitt
W J Wild

**Secretaries**

A J Moir, Company Secretary
V R Rees, Company Secretary

**Audit Committee**

P A Gregg, Chairman
D A Mortimer AO
D P Robinson

**Remuneration and Nominations Committee**

D A Mortimer AO, Chairman
A Drescher
W M King AO
Dr P M Noé
R L Seidler

**Ethics and Compliance Committee**

W G Osborn, Chairman
R D Humphris OAM
W M King AO
R L Seidler

**Plan Committee**

D A Mortimer AO, Chairman
W M King AO
D P Robinson

**Executive Committee**

W M King AO, Chairman
P Bingham-Hall
L S Charlton
M C Gray
A T Mason
P J McMorrow
A J Moir
G M Palin
D G Savage
D K Saxelby
D G Stewart
H G Tyrwhitt
W J Wild
PROPERTY DEVELOPMENTS

- **Matraville**: Leighton Properties owns a site and is developing an industrial strata complex at Matraville, Sydney.
- **Sydney Airports**: Leighton Properties holds a 33⅓% stake in leasehold development land at Bankstown airport, a 25% interest in leasehold land at Camden airport and a 50% stake in freehold development land at Hoxton Park airport, in Sydney.
- **Hassall St**: Leighton Properties is a 50% owner and joint venture development partner to develop a commercial building in Parramatta, Sydney.
- **486 Pacific Hwy**: Leighton Properties owns a commercial office building which is proposed for redevelopment in Sydney.
- **Kingscliff**: Leighton Properties holds a long-term lease on a site which is being developed into an eco-tourism resort in northern New South Wales.
- **Section 63**: Leighton Properties is a 50% owner and joint venture development partner in a commercial development property in Canberra.
- **HQ Development**: Leighton Properties and Leighton Contractors jointly own and are developing a commercial office on Wickham Terrace, Brisbane.
- **Viridian Noosa**: Leighton Properties is a 50% owner and joint venture development partner in a resort development at Noosa, Queensland.
- **400 George Street**: Leighton Properties is completing a 34-storey commercial building in Brisbane which has been sold.
- **Beckmans Green**: Leighton Properties owns and is selling the residential land subdivision site at Noosaville, Queensland.
- **Ann Street**: Leighton Properties and Devine jointly hold an option on a property where a commercial office tower is proposed to be developed in Brisbane.
- **Hamilton Harbour**: Leighton Properties and Devine jointly own a property where a mixed use residential and office precinct is being developed in Brisbane.
- **Townsville**: Leighton Properties and Devine jointly own a property where a mixed use residential and office precinct is being developed in Townsville.
- **Toorak Road**: Leighton Properties' development site in Toorak, Melbourne is under contract for sale as of July 2009.
- **Bay Road**: Leighton Properties owns a development site where a suburban office park and industrial precinct is under development at Cheltenham in Melbourne.
- **567 Collins Street**: Leighton Properties is a 50% owner and joint venture development partner of a site where a commercial building is proposed in Melbourne.
- **Hallam**: Leighton Properties is a 50% owner and joint venture development partner of a site where industrial lots are being developed in Melbourne.
- **Merinda Park**: Leighton Properties owns a development site in Melbourne.
- **Deer Park**: Leighton Properties is a 50% owner and joint venture partner of an industrial site in Victoria.

ENGINEERING & INFRASTRUCTURE

- **Connector Motorways**: Thiess and John Holland have 11% of the company that owns, operates and maintains the Lane Cove Tunnel in Sydney.
- **Cross City Motorway**: Leighton Contractors has 6% of the company that owns, operates and maintains the Cross City Tunnel in Sydney.
- **ConnectEast Group**: Thiess and John Holland have 5.1% of the company that owns, operates and maintains the EastLink Project in Melbourne.
- **RiverCity Motorway**: Leighton Contractors will have to invest $80 million in the company that will own, operate and maintain the RiverCity Motorway in Brisbane.
- **BrisConnections**: Thiess and John Holland will invest $200 million in the company that will own, operate and maintain the Airport Link Project in Brisbane.
- **North Luzon Expressway**: Leighton holds a 16.5% stake in the Manila North Tollway Corporation in the Philippines.
- **Oriental Pathways (Agra)**: Leighton International holds a 49% stake in the consortium developing a tollway between Agra and Bharatpur in India.
- **Oriental Pathways (Indore)**: Leighton International holds a 49% stake in the consortium developing a tollway between Indore to Khalghat in India.

MINING AND RESOURCES

- **Burton Coal Mine**: Thiess holds a 5% investment in the Burton Coal Mine in Queensland.
As a company listed on the Australian Securities Exchange (ASX) Leighton Holdings Limited (the Company) is required to report against the ASX Corporate Governance Council’s (Council) Corporate Governance Principles and Recommendations.

As recognised by the Council, corporate governance is the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations. It encompasses the mechanisms by which companies, and those in control, are held to account. It influences how the objectives of the company are set and achieved, how risk is monitored and assessed and how performance is optimised. There is no single model of good corporate governance. Corporate governance practices will evolve in light of the changing circumstances of a company and must be tailored to meet those circumstances.

This Corporate Governance Report:
– sets out the eight core Principles and 27 Recommendations identified by the Council as guidelines designed to produce a governance outcome that is effective and of high quality and integrity; and
– complies with ASX Listing Rule 4.10.3 by disclosing the extent to which the Company has followed these Recommendations during the Financial Year.

The Group has followed all of the Corporate Governance Principles and Recommendations set by the Council for the full financial year ended 30 June 2009 (Financial Year), other than Council Recommendation 2.1. An explanation of why this recommendation was not followed is set out in the Company’s response to Recommendation 2.1 below.

This Corporate Governance Statement references a number of documents which are located on the Company’s website. These documents, and this Statement, may be accessed within the Corporate Governance section of the Shareholder Centre at www.leighton.com.au

1.0 ROLE OF THE BOARD AND MANAGEMENT

Council Principle 1
Lay solid foundations for management and oversight

Council Recommendation 1.1:
Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.

Leighton practice: During the Financial Year a strategic balance was maintained between the responsibilities of the Board and those delegated to the Chief Executive Officer (CEO), Mr W M King AO and his senior management team.

The Company’s Board is responsible to shareholders for the Group’s overall corporate governance. This responsibility includes:
– reviewing and determining the Group’s strategic direction and operational policies;
– establishing goals for management and monitoring the achievement of these goals;
– reviewing and approving the Group’s Business Plan;
– appointing, monitoring and rewarding the CEO;
– approving all significant business transactions including acquisitions, divestments, property developments, project tenders and capital expenditure;
– monitoring business risk exposures and risk management systems;
– approving and monitoring financial and other reporting;
– approving donations and sponsorship budgets; and
– reporting to shareholders.

On appointment, each director receives a formal letter of appointment which sets out the key terms and conditions relating to that appointment.

The CEO is accountable to the Board for the management of the Group and has the authority to approve capital expenditure and business transactions within the policy and authority levels prescribed in the Group’s Business Plan, which is reviewed and approved by the Board each year.

The CEO’s specific responsibilities include:
– ensuring business development and tendering activities are in accordance with the Group’s overall business;
– strategy and Group Tendering Guidelines;
– keeping the Board informed of all major project proposals in Australia and overseas by way of specific reports; and
– approving the remuneration levels and bonus payments of all personnel, except for the senior executives reporting directly to him.

The Chief Financial Officer (CFO) is responsible for maintaining financial control across the Group. In this capacity he is responsible for statutory accounting, auditing, treasury and taxation with his specific responsibilities including:
– monitoring financial performance and planning against the financial control guidelines which govern the allocation and management of financial resources throughout the Group;
– ensuring that appropriate financial reporting was provided to the Board on a monthly, quarterly and annual basis; and
– management of relations with investors and analysts.

Each senior executive also has a formal letter of appointment, or contract of employment detailing the key terms and conditions relevant to their employment.
Council Recommendation 1.2:  
*Companies should disclose the process for evaluating the performance of senior executives.*

**Leighton practice:** The CEO reviews the performance of all direct report senior executives by way of an annual assessment and through additional informal discussions as appropriate throughout the year. As part of the review process the CEO considers internal feedback, the individual’s performance against their KPIs, and actively monitors their contribution to all aspects of the Company’s performance and culture.

In addition to the CEO’s assessment of performance, the Board has in place a number of supporting measures which enable it to closely monitor senior executive performance, including:
- regular monthly reporting submitted to the Board and attendance at all Board Meetings by the CEO, Chief Operating Officer (COO) and CFO;
- an evaluation of detailed presentations made by the CEO and his direct reports during business planning/strategy review meetings, which are convened annually by the Board and held over a two- to three-day period towards the end of each financial year; and
- regular reporting from the Chairman of the Remuneration and Nominations Committee which monitors the performance of the Group’s key executives to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the Company. The minutes of each Remuneration and Nominations Committee Meeting are circulated to all Directors.

The performance of senior executives was reviewed during the Financial Year in accordance with this process.

Council Recommendation 1.3:  
*Companies should provide the information indicated in the Guide to reporting on Principle 1.*

**Leighton practice:** This Corporate Governance Statement, which summarises matters reserved for the Board and those delegated to senior executives, is available on the Company’s website.

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2.0 COMPOSITION OF THE BOARD

Council Principle 2
Structure the board to add value

Council Recommendation 2.1:  
*A majority of the board should be independent directors.*

**Leighton practice:** The Board regularly assesses the independence of its Non-executive Directors. Where a director’s independence status changes, the Company has procedures in place to provide a timely disclosure to the market of the change. In assessing the independence of each Director the Board considers, amongst other things, whether the Director:
- is a substantial shareholder of the Company (as defined by the Corporations Act) or an officer of, or otherwise associated directly with a substantial shareholder of the Company;
- within the last three years has been employed in an executive capacity by the Company or another Group member, or been a Director after ceasing to hold any such employment;
- within the last three years has been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has a material contractual relationship with the Company or another Group member other than as a Director of the Company;
- has served on the board for a period which could or could reasonably be perceived to materially interfere with the Director’s ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director’s ability to act in the best interests of the Company.

Materiality is assessed on a case-by-case basis with reference to each Director’s individual circumstances, rather than by applying general materiality thresholds.
The table below sets out for each Director their standing Board Committee memberships and also their independence status as at the date of this Concise Annual Report. Details of the qualifications and experience of each Director is set out in pages 12 to 15 of this Concise Annual Report.

<table>
<thead>
<tr>
<th>Directors</th>
<th>Independent/ Non independent</th>
<th>Audit Committee</th>
<th>Remuneration and Nominations Committee</th>
<th>Ethics and Compliance Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>D A Mortimer AO</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td>Member</td>
<td>Chairman</td>
</tr>
<tr>
<td>M C Albrecht¹</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td>Member</td>
<td>Chairman¹</td>
</tr>
<tr>
<td>A Drescher</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>P A Gregg</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td>Chairman</td>
<td></td>
</tr>
<tr>
<td>R D Humphris OAM</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td>Member</td>
<td></td>
</tr>
<tr>
<td>I J Macfarlane AC</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>W G Osborn²</td>
<td>Non-executive Director</td>
<td>Independent</td>
<td>Chairman²</td>
<td></td>
</tr>
<tr>
<td>W M King AO</td>
<td>Chief Executive Officer</td>
<td>Non-independent</td>
<td>Member</td>
<td>Member</td>
</tr>
<tr>
<td>D S Adamsas</td>
<td>Non-executive Director</td>
<td>Non-independent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr H H Lütkestratkötter⁴</td>
<td>Non-executive Director</td>
<td>Non-independent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr P M Noé⁵</td>
<td>Non-executive Director (Deputy Chairman)</td>
<td>Non-independent</td>
<td></td>
<td>Member</td>
</tr>
<tr>
<td>D P Robinson</td>
<td>Non-executive Director</td>
<td>Non-independent</td>
<td></td>
<td>Member</td>
</tr>
<tr>
<td>Dr B Lohr</td>
<td>Non-executive Director</td>
<td>Non-independent</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Until his retirement on 6 November 2008.
² From his appointment on 6 November 2008.
³ Representing Leighton’s majority shareholder, HOCHTIEF.
⁴ R L Seidler is the alternate director for H H Lütkestratkötter and is a member of the Remuneration and Nominations Committee and the Ethics and Compliance Committee.
⁵ Dr R Reinitzhuber is the alternate director for P M Noé.

Although one half of the Board are Independent Directors, the Board does not have a majority of Independent Directors and consequently the Board’s composition does not comply with recommendation 2.1 in the Council’s Guidelines.

Notwithstanding its non-compliance with recommendation 2.1, the Board has adopted a number of policy measures to ensure that independent judgement is achieved and maintained in respect of its decision-making processes, which include the following:
- the Chairman is an Independent Director and has a casting vote at Board meetings in the event of a deadlock;
- Directors are entitled to seek independent professional advice at the Company’s expense, subject to the approval of the Board;
- Directors who have a conflict of interest in relation to a particular item of business must absent themselves from the Board meeting before commencement of discussion on the topic; and
- Non-executive Directors confer on a needs basis without management in attendance.

The Board is balanced in its composition with each Director bringing a range of complementary skills and experience to the Group. The relevant skills, experience, tenure and expertise of each Director are set out on pages 12 to 15 of this 2009 Concise Annual Report. Furthermore, the Board considers HOCHTIEF’s Board representation to be reasonable and appropriate given that HOCHTIEF presently owns a majority interest of 54.98% of Leighton.
To assist the Board in discharging its responsibilities, the Board has established a number of Board Committees including an Audit Committee, a Remuneration and Nominations Committee, and an Ethics and Compliance Committee. Copies of the Terms of Reference and Procedures of each of these Committees are available on the Company’s website.

It is the Board’s policy that Board Committees should:
– be chaired by a Non-executive Director;
– comprise a majority of Non-executive Directors;
– be entitled to obtain independent professional or other advice at the cost of the Company; and
– be entitled to obtain such resources and information from the Group, including direct access to employees of and advisers to the Group, as they may require.

**Council Recommendation 2.2:**
*The chairperson should be an independent director.*

**Leighton practice:** The Board is satisfied that the Company’s Chairman Mr D A Mortimer was an independent director throughout the Financial Year.

**Council Recommendation 2.3:**
*The roles of the chairperson and chief executive officer should not be exercised by the same individual.*

**Leighton practice:** At all times during the Financial Year, the roles of Chairman of the Board and CEO have been held by different individuals.

**Council Recommendation 2.4:**
*The board should establish a nomination committee.*

**Leighton practice:** A Nominations Committee was established in August 1992. The responsibilities of the Nominations Committee were amalgamated with those of the Remuneration Committee to form the Remuneration and Nominations Committee with effect from 1 October 2004.

The key objectives of the Remuneration and Nominations Committee, as set out in its Terms of Reference and Procedures include:
– reviewing and approving the remuneration of CEO and the CEO’s direct reports; and
– reviewing and making recommendations to the Board on:
  – remuneration of Non-executive Directors,
  – remuneration policies and practices for the Group generally including the incentive plan, share schemes and other benefits,
  – superannuation arrangements,
  – membership of the Board, including proposed new appointments, and
  – succession planning for the Board, CEO and the CEO’s direct reports.

The Committee has established policies and procedures to achieve the above objectives.

The members of the Remuneration and Nominations Committee as at the date of this report are disclosed on page 20 of this Concise Annual Report.

As CEO, Mr King absents himself from the meetings before any discussion by the Committee in relation to his own remuneration.

The number of Committee meetings that were held over the reporting period and the attendance of the Committee members at those meetings are set out on pages 32 and 33 of this Concise Annual Report.

In considering the selection, appointment and re-election of Directors, the Remuneration and Nominations Committee implements the Company’s policy of maintaining a Board with a mix of skills and experience suitable for the Company’s current and future circumstances. Independent consultants are engaged, where appropriate, to identify possible new candidates for the Board. The Committee assesses candidates against a range of criteria developed for the role and in doing so considers their background, experience, personal qualities and professional skills. Following this assessment, the Committee provides its recommendation of the preferred candidates for the Board to consider prior to making the appointment. This process was undertaken during the Financial Year with the selection and appointment of Mr W G Osborn as a Director.

Where incumbent Directors are to be nominated for re-election, their performance is reviewed by the Committee. The Committee then makes recommendations to the Board as to their nomination for re-election.

**Council Recommendation 2.5:**
*Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.*

**Leighton practice:** The Company has a number of practices in place to support the effectiveness of Board performance.

Upon appointment, Directors receive an induction pack including: a letter of appointment; a Directors’ interests disclosure agreement; Deed of Indemnity, Insurance and Access; and copies of relevant Company policies including securities trading, market disclosure and safety and environmental frameworks. At this time Directors are also introduced to the senior management team.

The Company recognises the importance of providing continuing education to Directors so as to enhance their knowledge of the Company and the industries in which it operates. As part of the Board’s ongoing development program, Directors attend an annual off-site planning session which includes visits to and briefings on current project sites. Directors also have the opportunity to attend other domestic and international site visits with the CEO throughout the year.
CORPORATE GOVERNANCE REPORT

continued

All Directors also have open and direct access to the Company Secretaries who support the effectiveness of the Board in all governance matters. The Board has adopted a self-evaluation process to measure its own performance and the performance of its Committees during the Financial Year. The process is conducted through the review and analysis of responses to a confidential questionnaire completed by each Director, which poses specific questions on issues surrounding meeting logistics, work program, interaction with management and any perceived strengths and weaknesses of the Board and its Committees.

Following a review of the content of the questionnaires by the Chairman, a summary of the overall results is distributed to and discussed by Directors. Significant issues identified or changes recommended are actioned in the Board’s ongoing development program.

The performance of individual Directors is assessed by the Chairman, having regard to the broader Board review findings and other feedback received from Directors and management. A review was carried out in accordance with the process outlined above in July and August 2009.

**Council Recommendation 2.6:**

Companies should provide the information indicated in the Guide to reporting on Principle 2.

**Leighton practice:** In addition to the information provided above, the Remuneration & Nominations Committee Terms of Reference is available on the Company’s website.

### 3.0 ETHICAL AND RESPONSIBLE DECISION-MAKING

**Council Principle 3:**

Promote ethical and responsible decision-making

**Council Recommendation 3.1:**

Companies should establish a code of conduct and disclose the code or a summary of the code as to:

- the practices necessary to maintain confidence in the company’s integrity;
- the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and
- the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

**Leighton practice:** Leighton’s objective is to maintain and further develop a diversified contracting and project development business that creates wealth for shareholders and adds value for clients and other stakeholders.

In September 1995, the Company’s Board adopted a Code of Ethics that sets out the principles and standards with which all Group officers and employees are expected to comply in the performance of their respective functions. Under the Code, officers and employees are expected to:

- comply with the law;
- act honestly and with integrity;
- not place themselves in situations which result in divided loyalties;
- use Leighton’s assets responsibly and in the interests of Leighton; and
- be responsible and accountable for their actions.

To ensure this occurs, the Group conducts its business within the abovementioned Code of Ethics and the Group’s core values, which are to:

- be commercially competitive;
- provide a safe and healthy workplace;
- act with integrity and fairness;
- promote individual responsibility with clear lines of accountability;
- create a fun, challenging and performance driven culture;
- protect the environment;
- recognise the needs of the community; and
- encourage innovation and technological leadership.

In November 1998, the Board established an Ethics Committee whose principal function was initially to review and make recommendations to the Board regarding the maintenance of ethical standards and practices generally within the Group.

Subsequently, each of the Group’s main operating companies established an Ethics Committee which co-ordinates with the Company’s Ethics Committee in monitoring and formulating the Group’s ethical policy direction and reporting. In this regard the Code of Ethics is actively promoted throughout the Group, with all existing employees having received a copy at adoption and new employees provided with the Code at induction. The Group’s Ethical Dimension Reporting system requires each major operating company to submit a quarterly report to the Board with a view to ensuring the maintenance of ethical practices within the Group and the achievement of continual improvement in this area. Breaches of the Code reported in this process are examined and necessary action taken, which may include appropriate disciplinary measures.

In June 2004, the Ethics Committee was renamed the Ethics and Compliance Committee and its Terms of Reference were expanded. In addition to its responsibilities with regard to ethical standards and practices in the Group in general, specific responsibilities were added with regard to reviewing and monitoring compliance with laws and regulations which impact upon the Group’s business and operations generally as well as Group standards and practices in the areas of occupational health and safety and the environment.

The Code of Ethics is regularly reviewed by the Company’s Ethics and Compliance Committee.

The members of the Ethics and Compliance Committee as at the date of this report are disclosed on page 20 of this Concise Annual Report.
Council Recommendation 3.2:
Companies should establish a policy concerning trading in company securities by directors, senior executives and employees and disclose the policy or a summary of that policy.

Leighton practice: The Company’s Constitution requires Directors to hold at least 1,000 shares in the Company but additional shareholdings by Directors are encouraged on the basis that it increases the alignment between directors’ and shareholders’ interests.

To guard against the risk of insider trading, the Company has a published policy which restricts the times and circumstances in which Directors, senior executives and certain employees may buy or sell shares in the Company to specified short trading window periods after announcements are made to the ASX of the Company’s quarterly, half-year and annual financial results. This policy prohibits both ‘speculative trading’ in the Company’s listed securities and entering into ‘protection arrangements’ over vested or unvested securities in the Company (including hedges, derivatives and warrants).

During the Financial Year the Company introduced an internal on-line notification system for these trading window periods and a question and answer guide to assist Directors, senior executives and relevant employees in understanding their obligations.

Directors must advise the Company, which in turn advises the ASX, of any transactions conducted by them in the Company’s securities within five business days after the transaction occurs.

Council Recommendation 3.3:
Companies should provide the information indicated in the Guide to reporting on Principle 3.

Leighton practice: In addition to the information provided above, the following policies and charters are available on the Company’s website:
- Code of Ethics; and
- Securities Trading Policy.

4.0 INTEGRITY OF FINANCIAL REPORTING

Council Principle 4
Safeguard integrity in financial reporting

Council Recommendation 4.1:
The board should establish an audit committee.

Leighton practice: An Audit Committee was established by the Board in June 1990.

The responsibilities of the Audit Committee, as set out in its Terms of Reference and Procedures, relate to its objective to assist the Board in fulfilling its statutory responsibilities in relation to financial reporting, risk management and internal control and include:

- reviewing the integrity of the Group’s financial reporting;
- ensuring a process is in place for continuous disclosure to the ASX;
- seeking the independent judgement of the auditor regarding the appropriateness of Group accounting policies;
- reviewing and monitoring related party transactions;
- monitoring risk management processes and assessing their effectiveness; and
- reviewing and making recommendations to the Board on the appointment, remuneration, effectiveness and independence of the external auditor.

Council Recommendation 4.2:
The audit committee should be structured so that it:
- consists only of non-executive directors;
- consists of a majority of independent directors;
- is chaired by an independent chair, who is not chair of the board; and
- has at least three members.

Leighton practice: The Terms of Reference and Procedures for the Audit Committee contain the following guidelines regarding the composition of the Committee:
- the Audit Committee must consist of at least three Non-executive Directors with the appropriate technical expertise appointed by the Board;
- a majority of the Committee members must be Independent Directors; and
- the Chair of the Committee must be an Independent Director.

All Directors who are not Committee members may attend meetings in an ex officio capacity. Further, the Committee may invite other such persons to its meetings as it deems necessary, including senior executives and external advisors.

The members of the Audit Committee as at the date of this report are disclosed on page 20 of this Concise Annual Report. Details of the relevant skills and qualifications of these directors are set out in pages 12 to 15 of this Concise Annual Report and indicate that each of them is suitably qualified to be a member of the Audit Committee (based on their financial expertise and industry experience). The number of Committee meetings that were held over the reporting period and the attendance of the Committee members at those meetings are set out on pages 32 and 33 of this 2009 Concise Annual Report.
6.0 COMMUNICATION WITH SHAREHOLDERS

Council Principle 6
Respect the rights of shareholders

Council Recommendation 6.1:
Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

Leighton practice: The Company’s policy is to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Company. The policy provides for the use of systems involving communiqués and technologies that ensure shareholders are provided with regular and timely release of information about the Group. Mechanisms employed include:
- regular shareholder communications such as Quarterly Updates, Half Yearly and Annual Reports and, the Financial Report;
- shareholder access to communications through the use of information technology such as:
  - the Company’s website, where the above shareholder communications as well as newsletters, media releases, presentations to analysts and ASX Announcements are accessible, and
  - webcasting of important events including proceedings at financial results presentations and the Company’s Annual General Meeting; and
- utilising Computershare, the Group’s share registry service provider, to facilitate the electronic delivery of reports to shareholders.

The Board encourages full participation of shareholders at the AGM to ensure a high level of accountability and understanding of the Group’s strategy and goals. Important issues are presented to shareholders as single resolutions and proceedings of the AGM are webcast live to maximise communication with shareholders. A video of proceedings at the AGM is also made available on the Leighton website for viewing by shareholders for a period of at least six months after the AGM.

Council Recommendation 6.2:
Companies should provide the information indicated in the Guide to reporting on Principle 6.

Leighton practice: In addition to the information provided above, the Group Policy Shareholder Communications is available on the Company’s website.

5.0 CONTINUOUS DISCLOSURE TO ASX

Council Principle 5
Make timely and balanced disclosure

Council Recommendation 5.1:
Companies should establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

Leighton practice: The Company has established comprehensive policies and procedures to identify matters that are likely to have a material effect on the price of the Company’s securities and to ensure those matters are notified to the ASX in accordance with its Listing Rule disclosure requirements. The CEO and CFO are responsible for implementing and monitoring the Company’s disclosure policy and procedures. The Company Secretary is responsible for communications with the ASX.

Periodically, the Board reviews the Market Disclosure Policy and Procedure to ensure it is effective and remains consistent with relevant regulations.

Council Recommendation 5.2:
Companies should provide the information indicated in the Guide to reporting on Principle 5.

Leighton practice: In addition to the information provided above, the Market Disclosure Policy and Procedure is available on the Company’s website.
7.0 RISK MANAGEMENT

Council Principle 7
Recognise and manage risk

Council Recommendation 7.1:
Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.

Leighton practice: The Board is responsible for the oversight of the Group’s risk management and control framework. The Audit Committee assists the Board in fulfilling its responsibilities in this regard by reviewing and monitoring the financial and reporting aspects of the Group’s risk management and control framework. Risk exposures stem from the Group’s broad business risk profile, which covers areas including operations, reputation, regulation, contract, finance, information and strategy.

The Group has implemented a policy framework designed to ensure that the Group’s material business risks are identified and that adequate controls are in place and function effectively. This framework incorporates the maintenance of comprehensive policies, procedures and guidelines which span the Group’s diverse contracting and project development activities. It covers areas such as tendering and contract negotiation, design and project management, occupational health and safety, environmental management, trade practices, interest rate and foreign currency exposures, ethical conduct, gathering and release of material information, crisis management and IT disaster recovery and business continuity planning.

Responsibility for control and risk management is delegated to the appropriate level of management within the Group with the CEO, COO and CFO having ultimate accountability to the Board for the risk management and control framework.

Areas of material business risk to the Group are highlighted in the Business Plan presented to the Board by the CEO each year.

The Board reviews and approves the parameters under which significant business risks will be managed before adopting the Business Plan.

Council Recommendation 7.2:
The board should require management to design and implement the risk management and internal control system to manage the company’s material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company’s management of its material business risks.

Leighton practice: Arrangements put in place by the Board to monitor risk management include:
– regular monthly reporting to the Board in respect of operations, the financial position of the Group and new contracts;
– regular reports made to the Audit Committee by the Company’s Project Review team concerning the program for, and results of, project and tender reviews and regular reports by the Executive General Manager (EGM) Internal Audit;
– quarterly reports made to the Ethics and Compliance Committee by the Group’s main operating subsidiaries concerning compliance with laws and regulations which impact on the Group’s business and operations generally and the maintenance of ethical practices;
– reports by the Chairmen of both the Audit Committee and the Ethics and Compliance Committee and circulation to the Board of the minutes of each meeting held by both of these committees;
– attendance and reports by the Managing Directors of the Group’s main operating subsidiaries at Board Meetings on at least a quarterly basis;
– presentations made to the Board or Committees of the Board throughout the year by the COO, EGM- Risk and by other appropriate members of the Group’s management team (and/or independent advisers, where necessary) on the nature of particular risks and details of the measures which are either in place or can be adopted to manage or mitigate the risk; and
– any Director may request that financial, operational and project audits be undertaken by the Company’s Project Review team or by the EGM Internal Audit.

The Board has also adopted reporting and other procedures which allow it to:
– monitor the Group’s compliance with the continuous disclosure requirements of the ASX Listing Rules; and
– assess the effectiveness of its risk management system and its implementation.

In accordance with the systems and procedures outlined above, management regularly reported to the Board as to the effectiveness of the Company’s management of its material business risks during the Financial Year.
The Company’s Executive Director and senior executives are remunerated in accordance with the principles described in the Company’s Remuneration Report. The Company ensures that the payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders.

Further details regarding Executive Director and senior executive remuneration are set out in the Remuneration Report on pages 36 to 49 of this Concise Annual Report.

Council Recommendation 8.3: 
*Companies should provide the information indicated in the Guide to reporting on Principle 8.*

**Leighton practice:** In addition to the information provided above, the Remuneration and Nominations Committee’s Terms of Reference is available on the Company’s website.

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**COUNCIL PRINCIPLE 8:**
*Remunerate fairly and responsibly*

**Council Recommendation 8.1:**
*The board should establish a remuneration committee.*

**Leighton practice:** Details of the functions, composition and current membership of the Remuneration and Nominations Committee are set out in the discussion relating to recommendation 2.4.

**Council Recommendation 8.2:**
*Companies should clearly distinguish the structure of non-executive directors’ remuneration from that of executive directors and senior executives.*

**Leighton practice:** The Company’s Non-executive Directors receive fees as remuneration for acting as a Director of the Company and in some cases as a Director of a subsidiary and/or member of a standing committee of the Board. The amount of each Non-executive Director’s fees depends on the extent of the Director’s responsibilities.

Further details regarding Non-executive Directors’ remuneration, including quantum, limits, superannuation and retirement benefits are set out in the Remuneration Report on pages 36 to 49 of this Concise Annual Report.
DIRECTORS’ REPORT

The Directors of Leighton Holdings Limited (‘the Company’) present their report for the financial year ended 30 June 2009 in respect of the consolidated entity constituted by the Company and the entities it controlled during the financial year (referred to in this report as the ‘Group’). This report has been prepared in accordance with the requirements of Division 1 of part 2M.3 of the Corporations Act 2001.

Review of operations
A review of the Group’s operations during the financial year and of the results of those operations is contained on pages 2 to 11 of this Concise Annual Report.

Significant changes
Significant changes in the state of affairs of the Group during the financial year were as follows:
- Successful completion of a $700m equity raising in September 2008, with the proceeds used to redeem the $200m face value of the Leighton Notes and the majority of remaining funds invested in mining plant and equipment to support the Group’s resources based activities in Australia and Indonesia.
- Completion of a US$280m private placement of 5, 7 and 10 year Guarenteed Senior Notes.
- Reduced property development contribution.
- Impairment of asset values for ConnectEast, RiverCity Motorway, BrisConnections, Devine and Macmahon (as set out in Note 3 on page 57 of this Concise Annual Report).
- Transfer of operational responsibility for Leighton International’s Indonesian activities to Leighton Asia to better align the geography of the market with the management of the Group’s operations in Asia.

Further details regarding these significant changes in the state of affairs of the Group are provided throughout this Concise Annual Report and the Full Financial Report.

Financial results
Total revenue, including joint venture and associates revenue, for the Group for the financial year was up by 26% to $18.3bn. Operating profit after tax attributable to members of the Company was $440 million.

Dividends
A final fully franked dividend of 55 cents per share was announced on 14 August 2009 and will be paid on 30 September 2009. Together with the fully franked interim ordinary dividend of 60 cents per share, which was paid on 31 March 2009, the total dividend payment for the financial year will be $1.15 per share and will amount to $608m. Profit after tax and minority interests for the year was $610m, similar to the 2008 result of $343 million.

Principal activities
During the financial year there were no significant changes in the nature of the Group’s principal activities which were building, civil engineering construction, contract mining, telecommunications, environmental services, property development and project management in Australia, the Gulf region and selected parts of Asia.

Events after end of financial year
The Directors are not aware of any specific developments, not outlined in the 2009 Concise Annual Report, that have or may have a significant affect on the Group’s state of affairs, its operations or its expected results in future financial years.

Note 8 on page 61 of this Concise Annual Report outlines events which have occurred since the end of the financial year, including the issue of $280 million Medium Term Notes by Leighton Finance Limited a wholly owned subsidiary of the Company.

Future developments
Likely developments in the operations of the Group in future financial years and their anticipated results are referred to on pages 2 to 9 of this Concise Annual Report. Further information on likely developments in the operations of the Group, including the expected results of those operations in future financial years, would in the Directors’ opinion result in unreasonable prejudice to the Group and has therefore not been included in this report.

The Concise Annual Report contains all information that members of the Company would reasonably require to make an informed assessment of the Group’s operations, financial position and business strategies and prospects for future financial years other than any information relating to the Group’s business strategies and prospects for future financial years which would, in the Directors’ opinion, result in unreasonable prejudice to the Group.

Health and Safety
Over the past year the Group’s safety performance – as measured by Lost Time Injury Frequency Rate (LTIFR) per million man-hours worked – rose from 2.1 to 2.5 in Australia and from 0.8 to 0.9 in our International operations. LTIFR measures the rate of occurrence of lost time injuries or industrial disease.

The Group’s Lost Time Injury Severity Rate (LTISR) – also measured per million man-hours worked – increased slightly from 35.9 to 38.8 for our Australian operating companies and increased from 38.2 to 46.3 in our international operations. LTISR is an indicator of the severity of the lost time injuries that occur.

The Board deeply regrets that ten workplace fatalities occurred at or in connection with Group operating company projects or joint ventures during the year.

Six of the fatalities were associated with International operations and four occurred within Australia.
Every incident has been thoroughly investigated by the relevant operating company or responsible joint venture and the incident reported to the Board.

The operating companies are also implementing a number of specific initiatives to address the critical risk categories that could result in serious injuries or fatalities.

Each operating company reports on a quarterly basis to the Company’s Ethics and Compliance Committee on their policies, systems, processes and performance.

The operating companies are expected to maintain best practice and to demonstrate continuous improvement through a cycle of performance review, audit and operational change.

<table>
<thead>
<tr>
<th>Environment</th>
</tr>
</thead>
</table>

Operating companies and their joint venture partners are responsible for environmental performance on projects under their control within the umbrella framework and targets set by the Company.

The Board continued to monitor and review the Group’s environmental performance. Quarterly reviews are provided to the Ethics and Compliance Committee, which include analysis of detailed performance statistics and incident reports.

The Group utilises a standard Environmental Incident Severity Classification, which categorises incidents into 12 types of impacts. The severity of the impact is reported as high (Level 1), medium (Level 2) or low (Level 3).

In our Australian operations there was one Level 1 incident which occurred in January 2009 at the South Walker Creek Mine, operated by Thiess, when a break in the tailings pipeline caused a volume of tailings (a waste product of coal processing consisting primarily of clays and coal fines) to enter a clean water diversion and lagoon within the mining lease site. Clean up and prevention activities were commenced on site as soon as practicable after Thiess was made aware of the spill and these were completed by June 2009.

There was an increase in the number of level 2 incidents in our Australian operations primarily as a result of high rainfall on the east coast of Australia which contributed to a number of problems such as flooding and overflow of sedimentation traps.

We measure the frequency of Level 1 and 2 incidents occurring on our projects using the Environmental Incident Frequency Rate (EIFR). This year, the EIFR has fallen from 0.31 to 0.27 in our Australian operations. The EIFR in our International operation has risen from 0.04 to 0.11, primarily due to a number of wastewater treatment issues on one mining project in New Zealand.
People and the Workplace

The Group experienced employment growth across its project workforce both within Australia and internationally, despite the challenging market conditions. Total Group workforce numbers (excluding the Al Habtoor Leighton Group) were up by 6% to 39,327. Of those employees, approximately 60% are engaged in our Australian and New Zealand projects and 40% are employed across our international projects.

The number of females employed across the workforce increased by 15% to 5,055, with females now comprising just under 13% of total employees. Increasing workplace diversity, succession planning and leadership training remain a continuing focus for our operating companies.

The Leighton Group has adopted an Indigenous Participation Policy to help guide and drive our commitment to improve indigenous employment outcomes across our companies and also to support the communities in which we operate. Each of our Australian Operating Companies is also working to improve indigenous employment outcomes across their operations.

Group Staffing Levels by Operating Companies

<table>
<thead>
<tr>
<th>Operating Company</th>
<th>Australia</th>
<th>International</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thiess</td>
<td>42%</td>
<td>16,682</td>
<td></td>
</tr>
<tr>
<td>Leighton Contractors</td>
<td>24%</td>
<td>9,609</td>
<td></td>
</tr>
<tr>
<td>John Holland</td>
<td>16%</td>
<td>6,305</td>
<td></td>
</tr>
<tr>
<td>Leighton Asia</td>
<td>15%</td>
<td>5,797</td>
<td></td>
</tr>
<tr>
<td>Leighton International</td>
<td>2%</td>
<td>706</td>
<td></td>
</tr>
<tr>
<td>Leighton Holdings</td>
<td>&lt;1%</td>
<td>182</td>
<td></td>
</tr>
<tr>
<td>Leighton Properties</td>
<td>&lt;1%</td>
<td>52</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>39,327</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Group Staffing Levels

- **Australia**: 61% 23,852
- **International**: 39% 15,475
- **Total**: 39,327

The Ethics and Compliance Committee is satisfied that improved procedures have been put in place to address the known causes of incidents.

This year the Group also continued to prepare for the reporting requirements under the National Greenhouse and Energy Reporting Act 2007, which requires the reporting of greenhouse gas emissions from major Australian based operations from 2008/09. The Company has been registered as a controlling corporation under the Act.

The Company also led industry efforts to secure amendments to carbon emissions reporting and draft trading scheme legislation. As a result, there will be more flexibility in the proposed Carbon Pollution Reduction Scheme (CPRS) to negotiate liabilities on major facilities, particularly with respect to contract mining.

The potential liability of the Group for any carbon costs will depend on the final design of the scheme and the decision as to who has operational control of any particular facility, which will be negotiated on a case by case basis. The Government has delayed the commencement of the CPRS until 2011.
Community Investment
The Company has an active Corporate Community Investment program, spending over $1.5 million through a mix of major partnerships, sponsorships and charitable donations and our workplace giving program. We continue to encourage our employees in their community endeavours and support their fundraising efforts for causes that are important to them.

Our partnerships include scholarships for rural and regional students to study engineering or commerce degrees at the University of NSW. We have renewed our partnership for another two years with the Sydney Symphony Orchestra where we have been a long-term supporter of the youth mentoring orchestra. We are proud to strengthen our support of the Australian Indigenous Engineering Summer School which provides an opportunity for 20 Indigenous students from around Australia to spend a residential week at university learning about life as an engineer.

The Company has also funded a pilot program for 12 primary schools in Western Sydney and New England run by Primary Science Matters. The program called ‘Science in a Box’ provides science materials and training for primary school students. This program has been very successful in the pilot schools and we are keen to extend our sponsorship to provide other areas with science resources they would otherwise not afford.

Our support of Landcare Australia has evolved and we now partner with the new Landcare CarbonSMART program where our foundation funding assists with training of assessors in the field.

During the year, the Company supported a workplace giving program which allowed staff to make pre-tax payroll deductions to a range of charities. Leighton Holdings matches donations by staff on a dollar-for-dollar basis and this year the donations have totalled over $82,000.

Each operating company has its own Community Investment program. In 2008/09, across the Group approximately $5 million was provided in sponsorships and donations to charitable groups.

The Group engages in a proactive government relations program which includes a bipartisan approach to political donations. These donations, which totalled $463,690 in 2008/09, are fully disclosed through the Australian Electoral Commission.


**DIRECTORS’ REPORT**

*continued*

**Directors and Directors’ interests**
The Directors of the Company in office at the date of this report are listed below together with details of their relevant interest in the securities of the Company at that date.

<table>
<thead>
<tr>
<th>Names</th>
<th>No. of ordinary shares in the company</th>
<th>No. of options over unissued ordinary shares in the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>David A Mortimer AO</td>
<td>27,859</td>
<td>–</td>
</tr>
<tr>
<td>Wallace M King AO</td>
<td>106,660</td>
<td>600,000</td>
</tr>
<tr>
<td>Dieter S Adamsas</td>
<td>171,851</td>
<td>400,000</td>
</tr>
<tr>
<td>Achim Drescher</td>
<td>2,143</td>
<td>–</td>
</tr>
<tr>
<td>Peter A Gregg</td>
<td>3,286</td>
<td>–</td>
</tr>
<tr>
<td>Robert D Humphris OAM</td>
<td>10,715</td>
<td>–</td>
</tr>
<tr>
<td>Dr Burkhard Lohr</td>
<td>1,672</td>
<td>–</td>
</tr>
<tr>
<td>Dr Herbert H Lütkestratkötter¹</td>
<td>1,072</td>
<td>–</td>
</tr>
<tr>
<td>Ian J Macfarlane AC</td>
<td>4,215</td>
<td>–</td>
</tr>
<tr>
<td>Dr Peter M Noé²</td>
<td>2,470</td>
<td>–</td>
</tr>
<tr>
<td>Wayne G Osborn</td>
<td>2,000</td>
<td>–</td>
</tr>
<tr>
<td>David P Robinson</td>
<td>1,340</td>
<td>–</td>
</tr>
</tbody>
</table>

¹ R L Seidl is the alternate director for Dr Herbert H Lütkestratkötter and holds nil ordinary shares and nil options over unissued ordinary shares in the Company.
² Dr K Reinitzhuber is the alternate director for Dr Peter M Noé and holds nil ordinary shares and nil options over unissued ordinary shares in the Company.

**Board and Committees**
Details of the membership of the Board and committees as well as relevant company officers are shown on page 15 of this Concise Annual Report. Details of the qualifications and experience of each Director and Secretary, including the period for which they have held office and their directorships of other listed companies, are also disclosed on pages 12 to 15 of this Concise Annual Report.

**Director and Senior Executive remuneration**
Details of the Company’s remuneration policy in respect of the Directors and group and company executives are detailed in the Remuneration Report on pages 36 to 49 of this Concise Annual Report. The Remuneration Report includes details of the remuneration paid to each Director and each named company and group executive.

**CEO/CFO Declaration**
The Chief Executive Officer and Chief Financial Officer have given a declaration to the Board concerning the Group’s financial statements in accordance with Section 295A(2) of the Corporations Act 2001 and recommendation 73 of the ASX Council’s Corporate Governance Principles and Recommendations.

**Indemnity for Group Officers and Auditors**
The Company’s constitution includes indemnities in favour of persons who are, or have been, an Officer or auditor of the Company.

- Briefly, to the extent permitted by law, the Company indemnifies every person who is or has been:
  - an Officer against any liability to any person (other than the Company or a related entity) incurred while acting in that capacity and in good faith; and
  - an Officer or auditor of the Company, against costs and expenses incurred by that person in that capacity in successfully defending legal proceedings and ancillary matters.

‘Officer’ for this purpose means any Director or Secretary of the Company and includes any other person who is concerned, or takes part, in the management of the Company.

The current Directors and Secretaries of the Company are named on pages 12 to 15 in this Concise Annual Report and the Company’s current auditors are KPMG.

**Deeds of Indemnity**
In prior financial years, by Deeds of Indemnity, each entered into between the Company and a particular officer or former Officer of the Company or a subsidiary, the Company has given similar indemnities in favour of that officer or former officer in respect of liabilities incurred by the officer while
acting as an officer of the Company or any subsidiary or while acting at the request of the Company or any subsidiary as an officer of a non-controlled entity.

The officers who have the benefit of such a Deed of Indemnity are or were at the time a Director of the Company, a Secretary of the Company and certain persons who are or were at the time Directors of a subsidiary or have or had the status of General Manager or Senior Manager within the Group.

Directors’ Deeds
Consistent with the shareholder approval obtained at the 1999 AGM, the Company has entered into a Deed of Indemnity, Insurance and Access (“Director’s Deed”) with current and former Directors of the Company. These Deeds formalise the arrangements between the Company and the Directors as to indemnities, insurance and access to board records. Under each Director’s Deed the Company indemnifies the Director to the extent permitted by law against any liability (including liability for legal defence costs) incurred by the Director as an officer or former officer of the Company or any subsidiary or while acting at the request of the Company or any subsidiary as an officer of a non-controlled entity.

No claims under the indemnities have been made against the Company during or since the end of the financial year.

Insurance for Group Officers
During and since the end of the financial year the Company has paid or agreed to pay premiums in respect of contracts insuring persons who are or have been a Group Officer against certain liabilities incurred in that capacity. ‘Group Officer’ for this purpose means any Director or Secretary of the Company or any subsidiary and includes any other person who is concerned, or takes part, in the management of the Company or of any subsidiary.

Under the above mentioned Deeds of Indemnity and Directors’ Deeds, the Company has undertaken to the relevant officer or former officer that it will insure the officer against certain liabilities incurred in his or her capacity as an officer of the Company or any subsidiary or as an officer of a non-controlled entity where the office is or was held at the request of the Company or any subsidiary.

The insurance contracts entered into by the Company prohibit disclosure of the specific nature of the liabilities covered by the insurance contracts and the amount of the premiums.
DIRECTORS’ REPORT
continued

Leighton Senior Executive Option Plan (“LSEOP”)
LSEOP was approved by shareholders at the 2006 AGM. Options over shares in Leighton Holdings Limited were first granted under LSEOP in 2006 (‘2006 Options’) and subsequently in 2008 (‘2008 Options’) and 2009 (‘2009 Options’). Each option entitles the holder to one fully paid ordinary share upon exercise (subject to satisfaction of exercise conditions). The total number of options over unissued ordinary shares in the Company outstanding under LSEOP at the date of this report are detailed in the table below.

<table>
<thead>
<tr>
<th>Plan</th>
<th>LSEOP</th>
<th>LSEOP</th>
<th>LSEOP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar Year</td>
<td>2006</td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td>of Grant</td>
<td>Options</td>
<td>Options</td>
<td>Options</td>
</tr>
<tr>
<td>No. of Executives participating</td>
<td>62</td>
<td>157</td>
<td>322</td>
</tr>
<tr>
<td>Date of Grant</td>
<td>15 December</td>
<td>25 January</td>
<td>4 May</td>
</tr>
<tr>
<td>Exercise Price</td>
<td>$19.89*</td>
<td>$45.53*</td>
<td>$19.49</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plan</th>
<th>No. of Options</th>
<th>No. of Options</th>
<th>No. of Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Grant</td>
<td>5,410,000</td>
<td>1,461,000</td>
<td>4,843,500</td>
</tr>
<tr>
<td>On Issue</td>
<td>5,410,000</td>
<td>1,461,000</td>
<td>–</td>
</tr>
<tr>
<td>1 September 2008**</td>
<td>–</td>
<td>–</td>
<td>4,843,500</td>
</tr>
<tr>
<td>Granted since</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1 September 2008**</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Exercised since</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1 September 2008**</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Lapsed since</td>
<td>105,000</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1 September 2008**</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>On Issue</td>
<td>5,305,000</td>
<td>1,461,000</td>
<td>4,843,500</td>
</tr>
<tr>
<td>7 September 2009</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Expiry Date</td>
<td>15 December 2011</td>
<td>25 January 2013</td>
<td>4 May 2014</td>
</tr>
</tbody>
</table>

* On 4 September 2009, the Exercise Price of the 2006 and 2008 Options was reduced in accordance with the LSEOP Plan Rules and ASX Listing Rule 6.22.2. Refer to page 44 of this Concise Annual Report for further information.

**Date of 2008 Concise Annual Report.

Details of the exercise conditions of options under LSEOP are contained in the Remuneration Report on page 40 of this Concise Annual Report.

The names of the persons who currently hold options under LSEOP are entered in the register of options kept by the Company pursuant to section 170 of the Corporations Act 2001.

These options do not entitle the holder to participate in any share issue prior to exercise.

There are no unissued shares in the Company under option as at the date of this report, other than those issued under LSEOP referred to above.

No options have been issued since the end of the financial year over unissued shares in the Company.

Audit
The declaration by the Group’s external auditor to the Directors of the Company in relation to the auditor’s compliance with the independence requirements of the Corporations Act 2001 and the professional code of conduct for external auditors is set out below.

No person who was an officer of the Company during the financial year was a director or partner of the Group’s external auditor at a time when the Group’s external auditors conducted an audit of the Group.

Non-audit services
Details of the amounts paid or payable to the auditor (KPMG) for non-audit services provided during the year to entities within the Group are set out below.

The Company’s Board of Directors has considered the position and, in accordance with the advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

– all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;
– none of the services undermine the general principles relating to auditor independence, including reviewing or auditing the auditor’s own work, acting in a management or decision making capacity for the Group, acting as advocate for the Group or jointly sharing economic risk and rewards; and
– the non-audit services supplied to entities within the Group by the Group’s external auditor, KPMG, and the amount paid or payable by type of non-audit service during the year to 30 June 2009 are as follows:

<table>
<thead>
<tr>
<th>Amount paid</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct and indirect tax compliance and advisory services</td>
<td>3,405</td>
</tr>
<tr>
<td>Other advisory services</td>
<td>445</td>
</tr>
</tbody>
</table>
Lead auditor’s independence declaration under Section 307C of the Corporations Act 2001

To the Directors of Leighton Holdings Limited:
I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2009 there have been:
– no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
– no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

S A Gatt
Partner, Sydney
7 September 2009

Rounding off of amounts

As the Company is a company of the kind referred to in ASIC Class Order 98/100 dated 10 July 1998, the Directors have chosen to round off amounts in this report and the accompanying Concise Financial Report to the nearest thousand dollars, unless otherwise indicated.
This Remuneration Report has been prepared for the purposes of Section 300A of the Corporations Act 2001. The following individuals were Key Management Personnel for the entire 30 June 2009 financial year, unless otherwise indicated. Individuals listed include the five highest remunerated Company Executives and Relevant Group Executives.

<table>
<thead>
<tr>
<th>Changes during the 2009 Financial Year</th>
</tr>
</thead>
</table>

**Executive Director:**

| W M King AO | Chief Executive Officer, Leighton Holdings |

**Non-executive Directors:**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D S Adamsas</td>
<td>Non-executive Director</td>
</tr>
<tr>
<td>M C Albrecht AC</td>
<td>Independent Non-executive Director</td>
</tr>
<tr>
<td>A Drescher</td>
<td>Independent Non-executive Director</td>
</tr>
<tr>
<td>P A Gregg</td>
<td>Independent Non-executive Director</td>
</tr>
<tr>
<td>R D Humphris OAM</td>
<td>Independent Non-executive Director</td>
</tr>
<tr>
<td>B Lohr</td>
<td>Non-executive Director</td>
</tr>
<tr>
<td>H H Lütkestratkötter</td>
<td>Non-executive Director</td>
</tr>
<tr>
<td>I J Macfarlane AC</td>
<td>Independent Non-executive Director</td>
</tr>
<tr>
<td>D A Mortimer AO</td>
<td>Independent Non-executive Director – Chairman</td>
</tr>
<tr>
<td>P M Noé</td>
<td>Non-executive Director – Deputy Chairman</td>
</tr>
<tr>
<td>W G Osborn</td>
<td>Independent Non-executive Director</td>
</tr>
<tr>
<td>D P Robinson</td>
<td>Non-executive Director</td>
</tr>
</tbody>
</table>

**Alternate Directors:**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>R L Seidler</td>
<td>Alternate for H H Lütkestratkötter</td>
</tr>
<tr>
<td>K Reinitzhuber</td>
<td>Alternate for P M Noé</td>
</tr>
</tbody>
</table>

**Executives:**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>L S Charlton</td>
<td>Chief Financial Officer, Leighton Holdings</td>
</tr>
<tr>
<td>M C Gray</td>
<td>Managing Director, Leighton Properties</td>
</tr>
<tr>
<td>P J McMorrow</td>
<td>Managing Director, Leighton Contractors</td>
</tr>
<tr>
<td>D G Savage</td>
<td>Managing Director, Leighton International</td>
</tr>
<tr>
<td>D K Saxelby</td>
<td>Managing Director, Thiess</td>
</tr>
<tr>
<td>D G Stewart</td>
<td>Managing Director, John Holland</td>
</tr>
<tr>
<td>H G Tyrwhitt</td>
<td>Managing Director, Leighton Asia</td>
</tr>
<tr>
<td>W J Wild</td>
<td>Chief Operating Officer, Leighton Holdings</td>
</tr>
</tbody>
</table>
GROUP EXECUTIVE REMUNERATION

Remuneration Policy and Framework
The overriding objective of the Group’s senior executive remuneration framework is to ensure remuneration provided to the Group’s senior executives is competitive in the markets in which the relevant Group companies operate and that it provides executives with appropriate motivation for high performance. The framework aligns executive remuneration with achievement of strategic objectives and the creation of value for shareholders. The Board’s objective is that the remuneration policy for senior executives satisfies the following principles:

– it attracts and retains high calibre executives;
– it is competitive and reasonable;
– it is acceptable to shareholders;
– it aligns executive compensation to responsibility and performance of the executive and the Group; and
– it is transparent.

The Group structures its executive remuneration framework to be market competitive and complementary to the Group’s remuneration strategy.

The framework is comprised of five components providing a mix of fixed remuneration and variable (“at risk”) remuneration:

– total fixed remuneration;
– short-term performance incentives (at risk);
– medium-term deferred incentives (at risk);
– long-term incentives (at risk); and
– retention/retirement benefits.

As executives gain seniority within the Group, the balance of fixed and variable remuneration shifts to a higher proportion of “at risk” rewards.

Fixed Remuneration

Total Fixed Remuneration
Senior executives are offered a base total fixed remuneration (“TFR”) package, which is delivered as a mix of cash and benefits as agreed between the employer and the executive. External remuneration consultants, market surveys and internal feedback as to market conditions provide analysis and advice to ensure a competitive TFR is set to reflect the market for a comparable role. TFR for senior executives is reviewed annually. An executive’s TFR may also be reviewed on promotion.

Non monetary benefits which may be provided as part of TFR include company motor vehicles, car allowances, novated car leases, superannuation contributions, fringe benefits and other salary sacrificed benefits agreed from time to time between the Group company and the relevant executive. Additional benefits may be provided to executives to assist in the relocation of their home for work purposes and, if in overseas locations, rental of accommodation, home leave travel, medical and hospital insurance assistance and dependant schooling assistance.

Retention/retirement benefits
Retirement benefits are delivered under various superannuation plans for Leighton group companies. The plans provide for specified contribution amounts for employees in accordance with government regulations and company policies. The Leighton Superannuation Plan has a defined benefit section which provides for benefits based on years of service and final average salary. The defined benefit section was closed to new employees on 1 July 1994 and at 30 June 2009 only 20 members were in this category. In addition, the AMEC Defined Benefit Plan was transferred into the Leighton Superannuation Plan on 1 December 2005, the defined benefit section is closed and at 30 June 2009 only seven members were in this category.

Members of the various superannuation plans are provided with life insurance and in some cases total and permanent disability insurance and salary continuance insurance through the relevant superannuation plans. Where salary continuance insurance is not provided through the superannuation plan, the employer may provide such cover directly to the executive.

Certain key executives are provided with additional retention/retirement benefits in accordance with their employment contracts. Such benefits are provided when the executive is considered an outstanding performer and it is also considered that the Group and its shareholders would benefit from providing additional incentives for the executive to remain with the Group. The retention benefits are normally payable to executives after the completion of 5 years eligible service or on retirement.

Variable Remuneration

Short-term performance incentives
The Group has an annual incentive plan under which cash bonuses are payable, should the Group and its individual businesses achieve pre-determined profit targets agreed by the Board on an annual basis. Annual incentives are payable in cash during August/September each year and are approved by the Remuneration and Nominations Committee for the Chief Executive Officer and his direct reports. Using a profit target ensures annual incentives can only be paid when value has been created for shareholders.

The annual incentive plan rewards performance above profit targets to provide an incentive for executive outperformance. Each executive has an annual incentive opportunity depending on the accountabilities of the role and their assessed impact on the Group or business unit performance. Annual incentive plan obligations are provided for in the annual profit result for the relevant financial year to which the annual incentive relates.

For the year ended 30 June 2009, the KPIs (key performance indicators) referable to annual incentive plans were based on either Group or individual business and development objectives. The KPIs to be met in achieving specific profit targets are the greater of a specified return on revenue and/or a specified return on funds employed by each business unit. These KPIs are generic across the senior executive team.
Annual incentive payments may be adjusted in line with under or over achievement against the target performance levels. Such adjustments are made at the discretion of the Remuneration and Nominations Committee for the Chief Executive Officer and his direct reports.

Medium-term deferred incentives

The Group has a deferred incentive plan under which, should the Group and/or its individual businesses achieve a year-on-year increase in profit, a pool of 5% of the profit increase is available for allocation to executives. Separate incentive pools are calculated following a year-on-year increase in profit of the relevant Group company or, for Leighton Holdings’ executives, a year-on-year increase in profit of the Leighton Holdings Group. The incentive pool is available for allocation to selected key executives. For the senior executives, who report directly to the Chief Executive Officer, participation in the deferred incentive plan and the level of awards under the plan are at the discretion of the Remuneration and Nominations Committee. The Chief Executive Officer does not participate in the deferred incentive plan.

As part of the retention strategy of the Group the deferred incentive is payable three years after award. For senior executives, up to 50% of the deferred incentive awarded may be reduced prior to payment should the profit of the Group or the relevant division reduce in any of the three financial years following the award. Executives who resign from the Group prior to the date the incentive is payable, forfeit any unpaid incentive unless retiring after 55 years of age, in which case a minimum of 50% of the award is payable.

The deferred incentive plan encourages the Company and its divisions to increase their profit results on a year-on-year basis. The structure of the plan ensures deferred incentives are only payable to executives when value has been created for shareholders. Deferred incentive plan obligations are provided for in the annual profit result for the relevant financial year to which the deferred incentive relates.

The Chief Executive Officer has a discrete deferred incentive plan under his employment contract. Under this plan the Group’s profit performance is assessed against profit targets which have been set by the Board. If the profit targets are fully achieved the maximum deferred incentive of 150% of the Chief Executive Officer’s Fixed Annual Salary is payable. The deferred incentive is payable 2.5 years after the relevant profit target is achieved or will be paid in full on termination of the employment of the Chief Executive Officer prior to that time.

Long-term incentives

The Group’s long-term incentive plan provides senior executives with an incentive should the Company exceed performance hurdles specified for the Company over a three to five-year period. The structure of the long-term incentive aligns the interests of senior executives with the interests of shareholders in maximizing both operational and sharemarket performance of the company over the period.

Long-term incentives have been provided to executives during the reporting period under the Leighton Senior Executive Option Plan (LSEOP) which provides participants with the opportunity to acquire shares in the Company. This Plan was approved by shareholders at the Annual General Meeting held on 9 November 2006.

Features of LSEOP are as follows:
- Options are granted at no cost to the employee.
- Each Option gives a participant the right to acquire one fully paid ordinary share in the company.
- Options will be able to be exercised by paying the exercise price (based on the volume weighted average price up to and including the date the grant was approved) following the achievement of the relevant hurdles.
- There are four test dates for options at 3, 3.5, 4 and 4.5 years after the date the options are issued. More than one test date has been specified as individual executives will generally not participate in LSEOP more often than once every three years.
- Not more than 50% of options may be exercised prior to the fourth anniversary of the date of grant.
- All options for which the performance hurdles have been achieved must be exercised by the fifth anniversary of the date of grant.
- Hurdles – 50% of each grant of options will be subject to a TSR hurdle (parcel A) and 50% subject to an EPS hurdle (parcel B).
- TSR hurdle – total shareholder return of Leighton Holdings Limited (LEI) as a percentile ranking compared to the ASX 100 over the performance period (from grant date to test date).

Due to a lack of listed companies with a comparable business to LEI, the ASX 100 was chosen as appropriate for the purposes of measuring relative TSR performance.

<table>
<thead>
<tr>
<th>TSR Percentile Ranking</th>
<th>% of Parcel A Exercisable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 50%</td>
<td>Nil</td>
</tr>
<tr>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>50% to 75%</td>
<td>Progressive 50% to 100% (straight line)</td>
</tr>
<tr>
<td>75% or greater</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EPS Growth per annum</th>
<th>% of Parcel B Exercisable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 8%</td>
<td>Nil</td>
</tr>
<tr>
<td>8%</td>
<td>20%</td>
</tr>
<tr>
<td>8% to 12%</td>
<td>Progressive 20% to 100% (straight line)</td>
</tr>
<tr>
<td>12% or greater</td>
<td>100%</td>
</tr>
</tbody>
</table>
These two performance hurdles were selected to strike a balance between rewarding the achievement of internal performance measures (which may or may not be reflected in the share price) through EPS growth and rewarding share price growth in a manner that takes into account the Company’s performance relative to the market through TSR.

Options lapse on the earlier of:
- Five years after grant.
- Termination of employment (subject to exceptions).
- The plan is administered by the Plan Committee which has a number of discretions and powers under the Plan Rules including in relation to reducing or waiving exercise conditions and the lapsing of options.

Under its Securities Trading Policy, the Company prohibits its senior executives from hedging their interests in shares in the Company including any interest in options over shares in the Company. This is enforced by obtaining an annual statement from the senior executives that they have complied with the Securities Trading Policy.

Relationship of Remuneration to Performance of the Group

The Group’s short-term incentive structure is linked directly to profitability in the financial year. The Group’s medium-term deferred incentive structure is linked directly to profitability over a three-year period. Profitability drives both return to shareholders through dividends and share price thereby aligning the ‘at risk’ rewards of senior management to the interests of shareholders.

Fifty percent of the potential benefit of long-term incentives provided through options can only be obtained by senior management where Total Shareholder Returns over the long term exceed the average performance of ASX 100 companies. The remaining fifty percent is only available when substantial growth in earnings per share is achieved. Attaining sustained EPS growth will be a major factor in driving the future share price growth of the company. Accordingly, the structure of the long term incentive plan provides senior management with additional motivation to improve the overall return to shareholders and aligns reward with the value created for shareholders.

Short term incentive outcomes

The Group’s performance against the KPIs to 30 June 2009 resulted in an average STI award for key management personnel of 58% of the maximum payable to all eligible employees. Whilst performance against financial KPIs was weaker for the year to 30 June 2009 compared to the previous 12 months, the Group maintained its strong operating performance.

Medium term incentive outcomes

In relation to the medium-term component, the performance KPIs are year-on-year increase in profit. The deferred incentive is payable three years after award and up to 50% of the deferred incentive awarded may be reduced prior to payment should the profit of the Group or the relevant individual business reduce in any of the three financial years following the award.

Leighton Holdings’ actual results and financial statistics for each of the previous five years are set out in the five year Statistical Summary on page 65 of this Concise Annual Report. The table below demonstrates Leighton Holdings’ compound growth in annual performance over the short, medium and long term.

<table>
<thead>
<tr>
<th>Year</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit After Tax</td>
<td>-28%</td>
<td>17%</td>
<td>32%</td>
<td>14%</td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td>-32%</td>
<td>14%</td>
<td>30%</td>
<td>12%</td>
</tr>
<tr>
<td>Dividends</td>
<td>-21%</td>
<td>20%</td>
<td>21%</td>
<td>14%</td>
</tr>
<tr>
<td>Share Price Appreciation</td>
<td>-53%</td>
<td>10%</td>
<td>21%</td>
<td>15%</td>
</tr>
<tr>
<td>LHL TSR*</td>
<td>-50%</td>
<td>14%</td>
<td>26%</td>
<td>20%</td>
</tr>
<tr>
<td>ASX 100 Accumulation Index</td>
<td>-18%</td>
<td>-4%</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

* Leighton Holdings TSR (Total Shareholder Return) based on reinvestment in the Company’s shares on the ex-dividend date of net dividends paid.

Leighton Holdings achieved a net profit result in 2009 which is down on the previous year’s results by 28%. Over a three year period the average compound annual growth (CAGR) in profitability was 17% whereas the long-term (ten year) CAGR was 14%.

Earnings per share (EPS) has delivered similar results, with 2009 EPS down from the previous year’s results by 32% and three and ten year EPS CAGR of 14% and 12% respectively.
Remuneration paid
Details of the remuneration paid to or accrued for Key Management Personnel who were executives of the Company and the Group in respect of the year ended 30 June 2009 are set out in the following table.

<table>
<thead>
<tr>
<th>Executive Director</th>
<th>Salary</th>
<th>Annual Bonus¹</th>
<th>Non Monetary Benefits¹</th>
<th>Super</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>W M King</td>
<td>2009</td>
<td>3,250,508</td>
<td>5,000,000</td>
<td>367,437</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>3,154,827</td>
<td>7,598,600</td>
<td>209,941</td>
<td>93,140</td>
</tr>
<tr>
<td>L S Charlton</td>
<td>2009</td>
<td>1,184,803</td>
<td>800,000</td>
<td>–</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>1,138,823</td>
<td>900,000</td>
<td>–</td>
<td>50,000</td>
</tr>
<tr>
<td>M C Gray</td>
<td>2009</td>
<td>781,922</td>
<td>–</td>
<td>3,264</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>731,154</td>
<td>930,000</td>
<td>2,953</td>
<td>99,997</td>
</tr>
<tr>
<td>P J McMorrow</td>
<td>2009</td>
<td>1,146,953</td>
<td>900,000</td>
<td>1,251</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>1,166,668</td>
<td>1,625,000</td>
<td>18,754</td>
<td>102,977</td>
</tr>
<tr>
<td>D G Savage</td>
<td>2009</td>
<td>1,151,037</td>
<td>2,469,136</td>
<td>–</td>
<td>73,670</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>1,047,705</td>
<td>1,144,916</td>
<td>28,999</td>
<td>94,513</td>
</tr>
<tr>
<td>D K Saxelby</td>
<td>2009</td>
<td>1,311,514</td>
<td>250,000</td>
<td>1,671</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>1,191,461</td>
<td>1,480,000</td>
<td>5,080</td>
<td>100,000</td>
</tr>
<tr>
<td>D G Stewart</td>
<td>2009</td>
<td>1,248,993</td>
<td>600,000</td>
<td>–</td>
<td>67,709</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>1,155,501</td>
<td>1,315,000</td>
<td>79,706</td>
<td>67,094</td>
</tr>
<tr>
<td>H G Tyrwhitt¹</td>
<td>2009</td>
<td>1,002,331</td>
<td>474,684</td>
<td>83,714</td>
<td>62,896</td>
</tr>
<tr>
<td></td>
<td>(From 1 Jan 2008)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>383,950</td>
<td>104,235</td>
<td>131,537</td>
<td>21,920</td>
</tr>
<tr>
<td>W J Wild</td>
<td>2009</td>
<td>1,425,489</td>
<td>1,250,000</td>
<td>117,330</td>
<td>93,752</td>
</tr>
<tr>
<td></td>
<td>2008</td>
<td>1,477,597</td>
<td>1,860,000</td>
<td>107,514</td>
<td>100,000</td>
</tr>
</tbody>
</table>

¹ Share based payments represent the fair value of options granted over shares in the company under the Leighton Senior Executive Option Plan plus the value of shares granted under the Leighton Employee Share Plan.
² Includes value of fringe benefits and fringe benefits tax but excludes the costs associated with spouse travel where the Company has specifically requested the attendance of spouses.
³ The amounts shown for contract/retention benefits are the amounts accrued during the period for benefits due under each executive’s service contract assuming the executive remains an employee for the whole retention period and earns his full benefit entitlement.
⁴ H G Tyrwhitt held the role of Managing Director, Leighton Asia from 1 January 2008. 2008 remuneration disclosed represents six months only.
⁵ Annual Bonus represents the short-term performance incentives earned in the financial year.
⁶ Deferred incentive represents the maximum value of the FY2009 award under the deferred incentive plan or in the case of the CEO per his discrete deferred incentive plan, the value of which will not be delivered to the executive until FY2012 and remains subject to profit performance in future financial years and the executive’s ongoing service (as discussed on page 40).
### Share Based Payments

<table>
<thead>
<tr>
<th>Medium Term</th>
<th>Long Term</th>
<th>Termination Benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deferred Incentive</strong></td>
<td><strong>Contract/Retention</strong></td>
<td></td>
<td><strong>Variable Bonuses Percentage of Total (%)</strong></td>
</tr>
<tr>
<td>3,238,246</td>
<td>–</td>
<td>–</td>
<td>601,500</td>
</tr>
<tr>
<td>4,836,750</td>
<td>–</td>
<td>–</td>
<td>601,500</td>
</tr>
<tr>
<td>–</td>
<td>155,771</td>
<td>–</td>
<td>263,625</td>
</tr>
<tr>
<td>911,971</td>
<td>91,491</td>
<td>–</td>
<td>176,125</td>
</tr>
<tr>
<td>–</td>
<td>187,926</td>
<td>–</td>
<td>208,552</td>
</tr>
<tr>
<td>–</td>
<td>169,933</td>
<td>–</td>
<td>163,750</td>
</tr>
<tr>
<td>–</td>
<td>525,717</td>
<td>–</td>
<td>212,021</td>
</tr>
<tr>
<td>1,108,925</td>
<td>507,980</td>
<td>–</td>
<td>201,500</td>
</tr>
<tr>
<td>–</td>
<td>70,002</td>
<td>–</td>
<td>159,266</td>
</tr>
<tr>
<td>628,137</td>
<td>361,213</td>
<td>–</td>
<td>151,375</td>
</tr>
<tr>
<td>–</td>
<td>261,329</td>
<td>–</td>
<td>361,458</td>
</tr>
<tr>
<td>107,017</td>
<td>336,644</td>
<td>–</td>
<td>238,625</td>
</tr>
<tr>
<td>–</td>
<td>300,685</td>
<td>–</td>
<td>212,021</td>
</tr>
<tr>
<td>449,175</td>
<td>318,521</td>
<td>–</td>
<td>201,500</td>
</tr>
<tr>
<td>–</td>
<td>621,581</td>
<td>–</td>
<td>262,146</td>
</tr>
<tr>
<td>1,284,258</td>
<td>603,623</td>
<td>–</td>
<td>251,625</td>
</tr>
</tbody>
</table>
Option Holdings

For each of the Key Management Personnel who were executives of the Company and the Group in respect of the year ended 30 June 2009, the movement in holdings of options in the Company during the year are summarised below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of options at 1 July 2008</th>
<th>Balance of options granted during FY 2009</th>
<th>Balance of options held at 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>W M King</td>
<td>600,000</td>
<td></td>
<td>600,000</td>
</tr>
<tr>
<td>L S Charlton</td>
<td>150,000</td>
<td>60,000</td>
<td>210,000</td>
</tr>
<tr>
<td>M C Gray</td>
<td>150,000</td>
<td>35,000</td>
<td>185,000</td>
</tr>
<tr>
<td>PJ Mc Morrow</td>
<td>200,000</td>
<td>50,000</td>
<td>250,000</td>
</tr>
<tr>
<td>D G Savage</td>
<td>150,000</td>
<td>37,500</td>
<td>187,500</td>
</tr>
<tr>
<td>D K Saxelby</td>
<td>200,000</td>
<td>50,000</td>
<td>250,000</td>
</tr>
<tr>
<td>D G Stewart</td>
<td>200,000</td>
<td>50,000</td>
<td>250,000</td>
</tr>
<tr>
<td>H G Tyrwhitt</td>
<td>70,000</td>
<td>80,000</td>
<td>150,000</td>
</tr>
<tr>
<td>W J Wild</td>
<td>250,000</td>
<td>50,000</td>
<td>300,000</td>
</tr>
</tbody>
</table>

1 For all options granted during the 2009 financial year:
   - Grant Date: 4 May 2009
   - Fair value of option subject to EPS hurdle: $5.09
   - Fair value of option subject to TSR hurdle: $5.00
   - Fair value per option at grant date: $5.05
   - Exercise price per option: $19.49
   - First Exercise Date: 4 May 2012
   - Expiry Date: 4 May 2014

2 W M King corresponding 2009 grant of Options (150,000) will be put to shareholders for approval at the Annual General Meeting in November 2009, with the intention being to grant the options shortly after the AGM.

3 For each of the Key Management Personnel, who are executives and are listed above, no options lapsed or were vested or exercised during the 2009 financial year.

4 On 18 August 2008, Leighton Holdings Limited launched a 1:14 Entitlement Offer which resulted in the issue of 19,883,768 shares to eligible shareholders. The LSEOP Rules, approved by shareholders on 9 November 2006, require that in the event of a pro-rata issue of shares the exercise price of Options on issue be reduced in accordance with the ASX Listing Rules. Accordingly, with effect from 4 September 2009, the amended exercise price for the 2006 and 2008 Options granted under the LSEOP will be as follows:

<table>
<thead>
<tr>
<th>Grant Date</th>
<th>Original Exercise Price</th>
<th>Amended Exercise Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 December 2006</td>
<td>$20.42</td>
<td>$19.89</td>
</tr>
<tr>
<td>25 January 2008</td>
<td>$46.06</td>
<td>$45.53</td>
</tr>
</tbody>
</table>

Service Agreements

Remuneration and other terms of employment for the Key Management Personnel who were executives of the Company and the Group as at 30 June 2009 are formalised in service agreements.

The terms of these agreements include:
   - an annual TFR package which is reviewed at least on an annual basis;
   - provision for participation in the annual incentive plan, when eligible;
   - provision for participation in the deferred incentive plans, when eligible;
   - the basis of termination or retirement and the benefits and conditions as a consequence;
   - pro-rata payment of the retention and termination benefits on resignation or retirement by the employee;
   - provision for participation in the long term incentive plan, when eligible;
   - agreed provisions in relation to annual leave and long service leave, confidential information and intellectual property;
   - a restrictive covenant preventing the executives from engaging in specified activities after their employment with the Group ceases; and
   - provision on death, incapacity or reduced mental health for pro-rata payment of entitled benefits.

The liability for retirement, retention and/or service benefits under each of these agreements is accrued annually based on the completed service at the reporting date and the executive’s current TFR. The amount accrued during the period is disclosed as remuneration under each executive’s long term employment benefits.

Other features of the service agreements with the Executive Directors and Specified Executives are:

W M King
Chief Executive Officer Leighton Holdings Limited

Date of Commencement: 13 May 1968 – 41 years total service

Termination Date and Notice in Current Agreement:
- Contract continues until notice is given – up to 12 months by employer or up to 6 months by employee until 30 June 2010. Thereafter 1 month’s notice by employer or 3 months by employee.
- Payment on the Termination Date of a fixed retirement benefit of $12.6 million (amount accrued under previous employment contract to 30 November 2005) and in consideration for agreeing to a three-year restraint period following termination, Mr King will receive $4.9 million over the restraint period.
- Annual incentive of up to 1.25% of net profit after tax.
- Deferred incentive of up to 150% of fixed annual salary (payable 2.5 years after the relevant financial year) should annual profit meet targets set by the Board.
- Transition bonus of up to $5 million on achieving satisfactory transition to a new CEO and leadership team – tested 6 months after the Termination Date.
I S Charlton  
*Chief Financial Officer Leighton Holdings Limited*  
Date of Commencement: 19 May 2003 – 6 years total service  
Termination Date of Current Agreement: 31 August 2024  
Notice: 3 months  
– Payment over the period to the Termination Date or on early termination of employment by the employer of a retention benefit of 40% of TFR in 3 payments on each of 1 January 2014, 1 January 2019 and 31 August 2024 and if early termination of employment by the employer a service benefit of 80% of final TFR (other than if terminated for gross misconduct).

M C Gray  
*Managing Director Leighton Properties Pty Limited*  
Date of Commencement: 2 March 1987 – 22 years total service  
Termination Date of Current Agreement: 30 June 2014  
Notice: 6 months  
– Payment on the Termination Date or on early termination of employment by the employer of a retention benefit of 70% of final TFR and a service benefit of 70% of final TFR (other than if terminated for gross misconduct).

P J McMorrow  
*Managing Director Leighton Contractors Pty Limited*  
Date of Commencement: 2 April 1990 – 19 years total service  
Termination Date of Current Agreement: 1 September 2012  
Notice: 6 months  
– Payment on the Termination Date or on early termination of employment by the employer of a retention benefit of 80% of final TFR and a service benefit of 80% of final TFR plus $500,000 (other than if terminated for gross misconduct).

D K Saxelby  
*Managing Director Thiess Pty Limited*  
Date of Commencement: 21 October 1993 – 16 years total service  
Termination Date of Current Agreement: 31 December 2013  
Notice: 6 months  
– Payment over the period to the Termination Date or on early termination of employment by the employer of a retention benefit of 80% of TFR in 3 parts, payment of 40% of TFR on 1 January 2010, 20% of TFR on 1 January 2012 and 20% of TFR on 31 December 2013 and a service benefit of 80% of final TFR plus $500,000 (other than if terminated for gross misconduct).

D G Savage  
*Managing Director Leighton International Limited*  
Date of Commencement: 1 February 1998 – 11 years total service  
Termination Date of Current Agreement: 31 October 2011  
Notice: 3 months  
– Payment on the Termination Date of a retention benefit of 80% of TFR. Special bonus USD2m on 31 July 2010, nil if employee resigns. Transition bonus USD2m paid on 31 July 2009 on achieving satisfactory transition of senior management within the Al Habtoor Leighton Group.

D G Stewart  
*Managing Director John Holland Group Pty Limited*  
Date of Commencement: 13 December 1986 – 23 years total service  
Termination Date of Current Agreement: 30 September 2013  
Notice: 6 months  
– Payment over the period to the Termination Date or on early termination of employment by the employer of a retention benefit of 80% of TFR in 3 parts, payment of 20% of TFR on 1 July 2010, 20% of TFR on 30 September 2013 and 40% of TFR was paid on 1 July 2008, plus payment of a service benefit of 80% of final TFR plus $500,000 (other than if terminated for gross misconduct).

H G Tyrwhitt  
*Managing Director Leighton Asia Limited*  
Date of Commencement: 1 December 2007 – 1.5 years total service  
Termination Date of Current Agreement: 1 January 2022  
Notice: 6 months  
– Payment over the period to the Termination Date or on early termination of employment by the employer of a retention benefit in 3 parts, 40% of TFR on 1 January 2013, 50% of TFR on 1 January 2017 and 60% of TFR on 1 January 2022 and a service benefit of 80% of final TFR (other than if terminated for gross misconduct).

W J Wild  
*Chief Operating Officer Leighton Holdings Limited*  
Date of Commencement: 24 July 1978 – 31 years total service  
Termination Date of Current Agreement: 30 June 2011  
Notice: 6 months  
– Payment on the Termination Date or on early termination of employment by the employer of a retention benefit of 103% of final TFR payable on 30 September 2009 plus retention benefit of 0.01667 of TFR for each completed month from 1 October 2009 and a service benefit of 83% of final TFR (other than if terminated for gross misconduct).
**NON-EXECUTIVE DIRECTOR REMUNERATION**

**Remuneration Policy**

Fees and payments to the Company’s Non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. The Remuneration and Nominations Committee reviews and makes recommendations to the Board with regard to Non-executive Directors’ fees annually. The Committee seeks advice from independent remuneration consultants in relation to their recommendations having regard to the level of fees paid to Non-executive Directors of other companies of similar size and stature. The fees are determined by the Board after considering the recommendations of the Committee. Non-executive Directors do not receive shares, options or any performance related incentives.

The responsibilities and activities of the committees of the Board have increased substantially in recent years. In recognition of the additional responsibilities and time commitment of committee chairmen and members, and in accordance with advice received from independent remuneration consultants, additional fees are paid to committee members.

The aggregate annual fees payable to the Company’s Non-executive Directors for their services as directors are limited to the maximum annual amount approved by the Company’s shareholders. This maximum annual amount is currently $3,500,000 as approved by shareholders at the 2007 Annual General Meeting.

Non-executive Directors may receive additional fees for acting as a Director of one or more major operating subsidiaries of the Company. Roles held by Non-executive Directors of the Company with subsidiaries of the Company during the 2009 financial year were as follows:

<table>
<thead>
<tr>
<th>Director</th>
<th>Subsidiary Company</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>D S Adamsas</td>
<td>Leighton Contractors Pty Limited</td>
<td>Non-executive Director and Chairman</td>
</tr>
<tr>
<td>D S Adamsas</td>
<td>Leighton Asia Limited</td>
<td>Non-executive Director and Chairman</td>
</tr>
<tr>
<td>W G Osborn</td>
<td>Thiess Pty Limited</td>
<td>Non-executive Director and Chairman</td>
</tr>
<tr>
<td>A Drescher</td>
<td>Leighton Contractors Pty Limited</td>
<td>Non-executive Director</td>
</tr>
<tr>
<td>R D Humphris</td>
<td>Leighton International Limited</td>
<td>Non-executive Director</td>
</tr>
<tr>
<td>D P Robinson</td>
<td>Leighton Properties Pty Limited</td>
<td>Non-executive Director</td>
</tr>
</tbody>
</table>

The Company does not pay directors’ fees to Alternate Directors. Financial arrangements for Alternate Directors are a private matter between the Non-executive Director and the relevant Alternate Director.

R Seidler is a partner of Blake Dawson and a member of both the Remuneration and Nominations and Ethics and Compliance committees. Mr Seidler does not receive committee membership fees, however consulting fees equivalent to the committee membership fees are paid by the Company to Blake Dawson.
Non-executive Director Fees from 1 July 2009
The following fees have been approved by the Board with effect from 1 July 2009.

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chairman</th>
<th>Deputy Chairman</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board</td>
<td>$574,600*</td>
<td>$213,200</td>
<td>$171,600</td>
</tr>
<tr>
<td>Audit Committee</td>
<td>$41,600</td>
<td>–</td>
<td>$20,800</td>
</tr>
<tr>
<td>Ethics and Compliance</td>
<td>$36,400</td>
<td>–</td>
<td>$18,200</td>
</tr>
<tr>
<td>Remuneration and Nominations Committee</td>
<td>$36,400*</td>
<td>–</td>
<td>$18,200</td>
</tr>
<tr>
<td>Plan Committee</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Special Tender Review</td>
<td>–</td>
<td>–</td>
<td>$3,650 per day</td>
</tr>
<tr>
<td>Committees</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

* The Chairman of the Board receives no standing committee fees in addition to his board fees.

In addition to the above fees, superannuation contributions will be made to the benefit of all Non-executive Directors capped at the maximum amount required under the Superannuation Guarantee Legislation.

Non-executive Director Retirement Plan
On 5 November 2003, the Board resolved to remove retirement benefits for Non-executive Directors appointed after that date and all Non-executive Directors appointed from this date were paid increased Board fees to compensate them for the removal of the retirement benefits. On 1 July 2008, the Board resolved to close the plan from that date. The effect of this resolution is that there will be no further increase in benefits payable to the Non-executive Directors remaining in the plan. As at 1 July 2009, three Non-executive Directors remained in the plan, namely A Drescher, D A Mortimer and D P Robinson. Each of these Directors will receive a maximum benefit on retirement limited to their entitlement under the plan as if they had retired on 1 July 2008.

The closure of the Retirement Plan means that from 1 July 2008 all Non-executive Directors are paid under the uniform fee structure detailed in the respective table.

In accordance with the terms of the Retirement Plan, the maximum benefit payable under the plan when the director has served on the Board for at least ten years is an aggregate of the last five years’ fees paid to the relevant director. Director fees relevant for the determination of Director retirement benefits exclude Board committee fees. The retirement benefits payable under the plan are funded by the Company to the extent that the amount payable to each director out of the Company’s superannuation fund and attributable to the amounts paid into the fund by the Company prior to 1 July 2008, is insufficient to meet the retirement benefits. The Company’s liability for Non-executive Director retirement benefits has been accrued annually up until 30 June 2008 based on completed service of each relevant director at the end of each financial year.
Remuneration
Details of the remuneration paid to or accrued for Key Management Personnel who were Non-executive Directors of the Company in respect of the year ended 30 June 2009 is set out in the following table.

<table>
<thead>
<tr>
<th>Non-executive Directors</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>D S Adamsas</td>
<td>165,000</td>
<td>148,500</td>
</tr>
<tr>
<td></td>
<td>218,863</td>
<td>188,800</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>10,225</td>
</tr>
<tr>
<td>M C Albrecht (until 6/11/2008)</td>
<td>70,834</td>
<td>147,500</td>
</tr>
<tr>
<td></td>
<td>37,742</td>
<td>62,500</td>
</tr>
<tr>
<td></td>
<td>57,121</td>
<td>5,787</td>
</tr>
<tr>
<td>A Drescher</td>
<td>182,500</td>
<td>146,250</td>
</tr>
<tr>
<td></td>
<td>96,818</td>
<td>35,000</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>6,926</td>
</tr>
<tr>
<td>P A Gregg</td>
<td>205,000</td>
<td>190,250</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>R D Humphris</td>
<td>131,453</td>
<td>180,250</td>
</tr>
<tr>
<td></td>
<td>60,000</td>
<td>43,209</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>6,700</td>
</tr>
<tr>
<td>B Lohr (from 28 May 2008)</td>
<td>165,000</td>
<td>13,871</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>H H Lütkestratkötter</td>
<td>165,000</td>
<td>148,500</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Í J Macfarlane</td>
<td>165,000</td>
<td>148,500</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>8,151</td>
</tr>
<tr>
<td>D A Mortimer</td>
<td>562,265</td>
<td>330,250</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>6,926</td>
</tr>
<tr>
<td>P M Noé</td>
<td>222,500</td>
<td>203,500</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>W G Osborn (from 6/11/2008)</td>
<td>136,084</td>
<td>200,750</td>
</tr>
<tr>
<td></td>
<td>103,589</td>
<td>146,000</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>6,920</td>
</tr>
</tbody>
</table>

1 These fees are paid to Non-executive Directors of the Company for the performance of extra services as Directors of subsidiary companies.
2 Includes value of fringe benefits and fringe benefits tax but excludes the costs associated with spouse travel where the Company has specifically requested the attendance of spouses.
3 Includes accrual for retirement benefits during the reporting period.
4 D S Adamsas is the principal of Frenjune Pty Limited which provided the Group with strategic consultancy services during the period in accordance with the terms of a two year contract between the Group and Frenjune commencing 1 October 2007. Following advice received from independent expert remuneration consultants, the terms of the consulting contract entered into with Frenjune were approved by the Board as reasonable in the circumstances and no more favourable than if the Company and Mr Adamsas were dealing at arm's length. The Incentive Fee was paid to Frenjune in October 2008 as per the terms of the consultancy agreement as agreed by the Board.
5 M C Albrecht resigned as a Director on 6 November 2008.
6 W G Osborn was appointed a Director on 6 November 2008.
7 Non-executive Directors do not receive short-term or long-term incentives or share based payments.
8 Alternate Directors are not remunerated by Leighton Holdings Limited.
The Leighton Holdings Limited Directors’ Report for the financial year ended 30 June 2009 is signed at Sydney the 7th day of September 2009 in accordance with a resolution of the Directors.

<table>
<thead>
<tr>
<th>Post Employment</th>
<th>Total</th>
<th>Remuneration for Services as a Non-executive Director</th>
<th>Remuneration for Other Services</th>
<th>Incentive Fee Per Consultancy Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Super</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>397,615</td>
<td>1,970,994^</td>
<td>1,590,000^</td>
</tr>
<tr>
<td>24,099</td>
<td>–</td>
<td>371,624</td>
<td>1,828,978</td>
<td>–</td>
</tr>
<tr>
<td>9,276</td>
<td>270,020</td>
<td>444,993</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>19,838</td>
<td>54,481</td>
<td>290,106</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>293,070</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>16,663</td>
<td>18,338</td>
<td>223,177</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>218,752</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>17,122</td>
<td>–</td>
<td>207,372</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>81,004</td>
<td>–</td>
<td>272,457</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>16,223</td>
<td>–</td>
<td>246,382</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>178,752</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1,248</td>
<td>–</td>
<td>15,119</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>178,752</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,365</td>
<td>–</td>
<td>161,865</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>178,752</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,365</td>
<td>–</td>
<td>170,016</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>576,017</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>29,723</td>
<td>195,132</td>
<td>562,031</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>236,252</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>19,839</td>
<td>–</td>
<td>223,339</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>20,528</td>
<td>–</td>
<td>260,201</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,752</td>
<td>–</td>
<td>214,502</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13,140</td>
<td>18,360</td>
<td>184,420</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>
## CONCISE FINANCIAL REPORT

### INCOME STATEMENT

for the year ended 30 June 2009

<table>
<thead>
<tr>
<th>Note</th>
<th>Group</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Revenue</td>
<td>2</td>
<td>13,275,384</td>
<td>10,321,705</td>
</tr>
<tr>
<td>Expenses</td>
<td>3</td>
<td>(12,909,320)</td>
<td>(9,762,643)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>4</td>
<td>(159,639)</td>
<td>(134,736)</td>
</tr>
<tr>
<td>Share of profits of associates and joint venture entities</td>
<td></td>
<td>378,828</td>
<td>343,622</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td></td>
<td><strong>585,253</strong></td>
<td><strong>767,948</strong></td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td>(146,022)</td>
<td>(158,857)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td></td>
<td><strong>439,231</strong></td>
<td><strong>609,091</strong></td>
</tr>
</tbody>
</table>

Attributable to:

| | | 2009 | 2008 |
| | | $'000 | $'000 |
| Members of the parent entity | | 440,044 | 607,888 |
| Minority interest | | (813) | 1,203 |
| **Profit for the year** | | **439,231** | **609,091** |

Dividends per share

| | | 2009 | 2008 |
| | | | |
| – Interim | 6 | 60.0¢ | 60.0¢ |
| – Final | 6 | 55.0¢ | 85.0¢ |

Basic earnings per share | 149.5¢ | 218.6¢ |

Diluted earnings per share | 149.0¢ | 216.1¢

The Income Statement is to be read in conjunction with the notes to the Concise Financial Report.
**CONCISE FINANCIAL REPORT continued**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE**
for the year ended 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009 $’000</td>
<td>2008 $’000</td>
</tr>
<tr>
<td>Foreign exchange translation differences (net of tax)</td>
<td>163,138</td>
<td>(83,998)</td>
</tr>
<tr>
<td>Effective portion of changes in fair value of cash flow hedges (net of tax)</td>
<td>(18,436)</td>
<td>(69,611)</td>
</tr>
<tr>
<td>Change in fair value of available-for-sale assets (net of tax)</td>
<td>(17,940)</td>
<td>11,044</td>
</tr>
<tr>
<td>Change in value of associate’s equity</td>
<td>1,732</td>
<td>8,855</td>
</tr>
<tr>
<td><strong>Net gain/(loss) recognised directly in equity</strong></td>
<td><strong>128,494</strong></td>
<td><strong>(133,716)</strong></td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td><strong>439,231</strong></td>
<td><strong>609,091</strong></td>
</tr>
<tr>
<td><strong>Total recognised income and expense for the year</strong></td>
<td><strong>567,725</strong></td>
<td><strong>475,381</strong></td>
</tr>
</tbody>
</table>

Attributable to:

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009 $’000</td>
<td>2008 $’000</td>
</tr>
<tr>
<td>Members of the parent entity</td>
<td>568,538</td>
<td>474,178</td>
</tr>
<tr>
<td>Minority interest</td>
<td>(813)</td>
<td>1,203</td>
</tr>
<tr>
<td><strong>Total recognised income and expense for the year</strong></td>
<td><strong>567,725</strong></td>
<td><strong>475,381</strong></td>
</tr>
</tbody>
</table>

The Statement of Recognised Income and Expense is to be read in conjunction with the Notes to the Concise Financial Report.
## CONCISE FINANCIAL REPORT continued

### BALANCE SHEET

as at 30 June 2009

<table>
<thead>
<tr>
<th>Note</th>
<th>$'000</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>665,793</td>
<td>686,563</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2,391,573</td>
<td>1,689,092</td>
</tr>
<tr>
<td>Current tax assets</td>
<td>79,471</td>
<td>42,642</td>
</tr>
<tr>
<td>Inventories</td>
<td>576,504</td>
<td>371,327</td>
</tr>
<tr>
<td>Investments accounted for using the equity method</td>
<td>1,730,563</td>
<td>1,497,529</td>
</tr>
<tr>
<td>Other investments</td>
<td>111,826</td>
<td>411,126</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>192,148</td>
<td>184,036</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>1,820,158</td>
<td>1,461,492</td>
</tr>
<tr>
<td>Goodwill</td>
<td>124,278</td>
<td>120,420</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>7,692,314</td>
<td>6,464,227</td>
</tr>
</tbody>
</table>

| **Liabilities** | | |
| Trade and other payables | 3,615,283 | 2,885,237 |
| Current tax liabilities | – | 162,644 |
| Provisions | 459,639 | 393,053 |
| Interest-bearing loans | 621,114 | 768,411 |
| Interest-bearing limited recourse loans | 657,711 | 569,668 |
| Leighton Notes | – | 200,000 |
| **Total liabilities** | 5,353,747 | 4,979,013 |

| **Net assets** | 2,338,567 | 1,485,214 |

| **Equity** | | |
| Share capital | 1,171,826 | 480,988 |
| Reserves | 47,959 | (90,632) |
| Retained earnings | 1,119,521 | 1,094,635 |

| **Total equity attributable to equity holders of the parent** | 2,339,306 | 1,484,991 |
| Minority interest | (739) | 223 |
| **Total equity** | 2,338,567 | 1,485,214 |

The Balance Sheet is to be read in conjunction with the Notes to the Concise Financial Report.
The Statement of Cash Flows is to be read in conjunction with the Notes to the Concise Financial Report.
**CONCISE ANNUAL REPORT 2009**

**LEIGHTON HOLDINGS LIMITED**

**CONCISE FINANCIAL REPORT continued**

**NOTES TO THE CONCISE FINANCIAL REPORT**

for the year ended 30 June 2009

**Note 1 Basis of preparation of the Concise Financial Report**

The concise financial report has been prepared in accordance with the Corporations Act 2001, Accounting Standard Concise Financial Reports (AASB 1039). The financial statements and specific disclosures required by AASB 1039 have been derived from the Consolidated Entity’s full financial report for the financial year. Other information included in the concise financial report is consistent with the Consolidated Entity’s full financial report. The concise financial report does not, and can not be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group, as the full financial report. Further financial information can be obtained from the Consolidated Entity’s full financial report which is available free of charge on request.

The concise financial report is presented in Australian dollars and has been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale assets that have been measured at fair value at reporting date. The Consolidated Entity’s accounting policies have been consistently applied by each entity in the Group and are consistent with those in the previous year. A full description of the accounting policies adopted by the Consolidated Entity may be found in the Consolidated Entity’s full financial report.

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction contracting services</td>
<td>8,006,439</td>
<td>5,708,117</td>
</tr>
<tr>
<td>Mining contracting services</td>
<td>4,603,986</td>
<td>3,478,105</td>
</tr>
<tr>
<td>Property development revenue</td>
<td>25,069</td>
<td>424,323</td>
</tr>
<tr>
<td>Other services revenue</td>
<td>600,054</td>
<td>658,578</td>
</tr>
<tr>
<td><strong>Revenue from external customers</strong></td>
<td><strong>13,235,548</strong></td>
<td><strong>10,269,123</strong></td>
</tr>
<tr>
<td>Interest</td>
<td>18,572</td>
<td>26,588</td>
</tr>
<tr>
<td>Dividends/distributions</td>
<td>21,264</td>
<td>25,994</td>
</tr>
<tr>
<td><strong>Other revenue</strong></td>
<td><strong>39,836</strong></td>
<td><strong>52,582</strong></td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>13,275,384</strong></td>
<td><strong>10,321,705</strong></td>
</tr>
</tbody>
</table>

The Consolidated Entity’s share of revenue from joint ventures and associates is excluded from revenue noted above and from the income statement in accordance with Accounting Standards. The delivery of a number of projects by the Consolidated Entity is through various joint venture and associate arrangements. Details of the Consolidated Entity’s share of joint ventures and associates’ revenue are provided as additional information below as ‘Revenue – Group, joint ventures and associates’. ‘Revenue – joint ventures and associates’ represents the Group’s share of the operations of the joint venture or associated entity.

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue – Group, joint ventures and associates</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue – Group</td>
<td>13,275,384</td>
<td>10,321,705</td>
</tr>
<tr>
<td>Revenue – joint ventures and associates</td>
<td>5,039,907</td>
<td>4,220,513</td>
</tr>
<tr>
<td><strong>Revenue – Group, joint ventures and associates</strong></td>
<td><strong>18,315,291</strong></td>
<td><strong>14,542,218</strong></td>
</tr>
</tbody>
</table>
## Group Expenses

<table>
<thead>
<tr>
<th>Note 3 Expenses</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials</td>
<td>3,533,836</td>
<td>2,545,354</td>
</tr>
<tr>
<td>Subcontractors</td>
<td>2,956,026</td>
<td>2,283,902</td>
</tr>
<tr>
<td>Plant costs</td>
<td>1,160,508</td>
<td>920,622</td>
</tr>
<tr>
<td>Personnel costs</td>
<td>3,402,557</td>
<td>2,623,609</td>
</tr>
<tr>
<td>Depreciation of property, plant and equipment</td>
<td>642,101</td>
<td>442,480</td>
</tr>
<tr>
<td>Operating lease payments - plant and equipment</td>
<td>369,836</td>
<td>249,216</td>
</tr>
<tr>
<td>Operating lease payments - other</td>
<td>61,684</td>
<td>64,766</td>
</tr>
<tr>
<td>Foreign exchange (gains)/losses</td>
<td>(49,094)</td>
<td>(2,171)</td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>12,058</td>
<td>–</td>
</tr>
<tr>
<td>Impairment of investments in equity accounted associates</td>
<td>62,342</td>
<td>–</td>
</tr>
<tr>
<td>Impairment of investments in infrastructure toll road companies</td>
<td>183,400</td>
<td>142,003*</td>
</tr>
<tr>
<td>Net (gain)/loss on sale of assets</td>
<td>(32,054)</td>
<td>(315,501)</td>
</tr>
<tr>
<td>Professional and management fees</td>
<td>228,455</td>
<td>212,258</td>
</tr>
<tr>
<td>Property development and property joint venture write-downs</td>
<td>49,016</td>
<td>–</td>
</tr>
<tr>
<td>Property development - cost of goods sold</td>
<td>25,849</td>
<td>328,371</td>
</tr>
<tr>
<td>Other expenses</td>
<td>302,800</td>
<td>267,734</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>12,909,320</strong></td>
<td><strong>9,762,643</strong></td>
</tr>
</tbody>
</table>

*In 2008, a further impairment loss on investments in infrastructure toll road companies of $91,328 was incurred through our associate company JF Infrastructure Pty Ltd and is included in the share of profits of associates and joint venture entities in the income statement.

Further information in relation to expense items noted above:

<table>
<thead>
<tr>
<th>Depreciation of property, plant and equipment</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>– Buildings</td>
<td>2,202</td>
<td>1,824</td>
</tr>
<tr>
<td>– Plant and equipment</td>
<td>417,563</td>
<td>301,187</td>
</tr>
<tr>
<td>– Plant and equipment - major component parts</td>
<td>200,669</td>
<td>127,291</td>
</tr>
<tr>
<td>– Leasehold land, buildings and improvements</td>
<td>14,071</td>
<td>8,848</td>
</tr>
<tr>
<td>– Waste management assets</td>
<td>7,596</td>
<td>3,330</td>
</tr>
<tr>
<td><strong>Total depreciation</strong></td>
<td><strong>642,101</strong></td>
<td><strong>442,480</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net (gain)/loss on sale of assets</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>– Controlled entities</td>
<td>–</td>
<td>(210,721)</td>
</tr>
<tr>
<td>– Land and buildings</td>
<td>141</td>
<td>(38,401)</td>
</tr>
<tr>
<td>– Other investments</td>
<td>2,925</td>
<td>(37,981)</td>
</tr>
<tr>
<td>– Plant and equipment</td>
<td>(35,120)</td>
<td>(28,398)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(32,054)</strong></td>
<td><strong>(315,501)</strong></td>
</tr>
</tbody>
</table>

## Note 4 Finance Costs

<table>
<thead>
<tr>
<th>Finance Costs</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related parties</td>
<td>2,510</td>
<td>21</td>
</tr>
<tr>
<td>Other parties</td>
<td>157,129</td>
<td>134,715</td>
</tr>
<tr>
<td><strong>Total finance costs</strong></td>
<td><strong>159,639</strong></td>
<td><strong>134,736</strong></td>
</tr>
</tbody>
</table>
Note 5 Segment information
Details of total revenue including the Group’s share of joint ventures and associates revenue are provided as additional information.

<table>
<thead>
<tr>
<th>Australia/</th>
<th>Pacific</th>
<th>Asia</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

Primary segment – geographical
2009
Revenue – Group, joint ventures and associates 14,414,848 3,900,443 – 18,315,291
Segment revenue 11,397,817 1,858,995 – 13,256,812
Interest revenue 18,572

Revenue 13,275,384

Segment result 520,902 84,312 – 605,214
Property development and joint venture write-downs (49,016) – – (49,016)
Foreign exchange gains 49,094 – – 49,094
Share of profit of associates and joint venture entities 207,477 171,351 – 378,828
Impairment of goodwill (12,058) – – (12,058)
Impairment of investments in equity accounted associates (62,342) – – (62,342)
Impairment of investments in infrastructure toll road companies (183,400) – – (183,400)

470,657 255,663 – 726,320
Interest revenue 18,572
Finance costs (159,639)
Profit before tax 585,253
Income tax expense (146,522)
Profit for the year 439,231

Depreciation of property, plant and equipment 453,347 188,754 – 642,101
Other non-cash expenses 270,763 36,833 – 307,596
Segment assets 5,459,873 1,543,203 (1,312,944) 5,690,132
Eliminations (1,312,944) – 1,312,944 –
Segment assets after eliminations 4,146,929 1,543,203 – 5,690,132
Investments accounted for using the equity method 371,271 1,359,292 – 1,730,563
Current tax assets 79,471
Deferred tax assets 192,148
Total assets 7,692,314

Acquisition of segment assets 743,520 365,871 – 1,109,391
Segment liabilities 3,177,183 1,984,594 (1,086,855) 4,074,922
Eliminations – (1,086,855) 1,086,855 –
Segment liabilities after eliminations 3,177,183 897,739 – 4,074,922
Interest-bearing loans and limited recourse loans 1,278,825
Current tax liabilities –
Total liabilities 5,353,747
## Note 5 Segment information – continued

<table>
<thead>
<tr>
<th></th>
<th>Australia/Pacific $'000</th>
<th>Asia $'000</th>
<th>Eliminations $'000</th>
<th>Total $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary segment – geographical 2008</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue – Group, joint ventures and associates</td>
<td>12,381,913</td>
<td>2,160,305</td>
<td>–</td>
<td>14,542,218</td>
</tr>
<tr>
<td>Segment revenue</td>
<td>9,219,037</td>
<td>1,076,080</td>
<td>–</td>
<td>10,295,117</td>
</tr>
<tr>
<td>Interest revenue</td>
<td>26,588</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>10,321,705</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Segment result</td>
<td>420,322</td>
<td>43,434</td>
<td>–</td>
<td>463,756</td>
</tr>
<tr>
<td>Share of profit of associates and joint venture entities</td>
<td>251,912</td>
<td>91,710</td>
<td>–</td>
<td>343,622</td>
</tr>
<tr>
<td>Impairment of investments in infrastructure toll road companies</td>
<td>(142,003)</td>
<td>–</td>
<td>–</td>
<td>(142,003)</td>
</tr>
<tr>
<td>Gain on sale of controlled entities</td>
<td>–</td>
<td>210,721</td>
<td>–</td>
<td>210,721</td>
</tr>
<tr>
<td><strong>530,231</strong></td>
<td><strong>345,865</strong></td>
<td></td>
<td></td>
<td>876,096</td>
</tr>
<tr>
<td>Interest revenue</td>
<td>26,588</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>(134,736)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td><strong>767,948</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(158,857)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td><strong>609,091</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation of property, plant and equipment</td>
<td>354,793</td>
<td>87,687</td>
<td>–</td>
<td>442,480</td>
</tr>
<tr>
<td>Other non-cash expenses</td>
<td>259,064</td>
<td>24,876</td>
<td>–</td>
<td>283,940</td>
</tr>
<tr>
<td>Segment assets</td>
<td>4,516,798</td>
<td>751,058</td>
<td>(527,836)</td>
<td>4,740,020</td>
</tr>
<tr>
<td>Eliminations</td>
<td>(527,836)</td>
<td>–</td>
<td>527,836</td>
<td>–</td>
</tr>
<tr>
<td>Segment assets after eliminations</td>
<td>3,988,962</td>
<td>751,058</td>
<td>–</td>
<td>4,740,020</td>
</tr>
<tr>
<td>Investments accounted for using the equity method</td>
<td>502,214</td>
<td>995,315</td>
<td>–</td>
<td>1,497,529</td>
</tr>
<tr>
<td>Current tax assets</td>
<td>42,642</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>184,036</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>6,464,227</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of segment assets</td>
<td>744,522</td>
<td>138,674</td>
<td>–</td>
<td>883,196</td>
</tr>
<tr>
<td>Segment liabilities</td>
<td>2,694,802</td>
<td>897,630</td>
<td>(314,142)</td>
<td>3,278,290</td>
</tr>
<tr>
<td>Eliminations</td>
<td>–</td>
<td>(314,142)</td>
<td>314,142</td>
<td>–</td>
</tr>
<tr>
<td>Segment liabilities after eliminations</td>
<td>2,694,802</td>
<td>583,488</td>
<td>–</td>
<td>3,278,290</td>
</tr>
<tr>
<td>Interest-bearing loans, Notes and limited recourse loans</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Current tax liabilities</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>4,979,013</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Note 6 Dividends
2009 final dividend
Subsequent to reporting date the Company announced a 100% franked final dividend in respect of the year ended 30 June 2009. The dividend is payable on 30 September 2009. This dividend has not been provided for in the balance sheet.

Dividends recognised in the reporting period to 30 June 2009
2009 interim ordinary dividend 100% franked paid on 31 March 2009
2008 final ordinary dividend 100% franked paid on 30 September 2008

Dividends recognised in the reporting period to 30 June 2008
2008 interim ordinary dividend 50% franked paid on 31 March 2008
2007 final ordinary dividend 50% franked paid on 28 September 2007

Group

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>$’000</td>
<td>$’000</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing loans – unsecured</td>
<td>621,114</td>
<td>768,411</td>
</tr>
<tr>
<td>Limited recourse loans</td>
<td>521,909</td>
<td>453,879</td>
</tr>
<tr>
<td>Leighton Finance International Notes</td>
<td>135,802</td>
<td>115,789</td>
</tr>
<tr>
<td>Interest-bearing limited recourse loans</td>
<td>657,711</td>
<td>569,668</td>
</tr>
<tr>
<td>Leighton Notes</td>
<td>–</td>
<td>200,000</td>
</tr>
</tbody>
</table>

Interest-bearing loans - unsecured

Syndicated Loan
On 10 October 2008, Leighton Finance Limited, a wholly-owned subsidiary of the Company, entered into a syndicated bank facility for $520 million, maturing on 10 October 2011. $200 million was outstanding under this agreement as at 30 June 2009.

Guaranteed Senior Notes
On 15 October 2008, Leighton Finance Limited, a wholly-owned subsidiary of the Company, issued a total of US$280 million Guaranteed Senior Notes in three series:
– Series A Notes: US$111 million Guaranteed Senior Notes at the rate of 6.91% maturing on 15 October 2013
– Series B Notes: US$90 million Guaranteed Senior Notes at the rate of 7.19% maturing on 15 October 2015
– Series C Notes: US$79 million Guaranteed Senior Notes at the rate of 7.66% maturing on 15 October 2018

$345 million was outstanding as at 30 June 2009. Interest on the above notes will be paid semi-annually on the 15th day of April and October in each year.

Other unsecured loans outstanding as at 30 June 2009 totalled $76 million.
Note 7 Interest-bearing liabilities – continued
Interest-bearing limited recourse loans
On 14 September 2007 LMENA No.1 Pty Limited, a wholly owned subsidiary of the Company, entered into a syndicated bank loan for US$434 million loan maturing on 30 September 2012 to finance its investment in Al Habtoor Engineering Enterprises LLC. The loan is recourse only to the investment in Al Habtoor Engineering Enterprises LLC. US$399 million ($492 million) was outstanding as at 30 June 2009. Repayment instalments totalling US$33 million are due within 12 months of the reporting date.

The Group has limited recourse property development loans of $30 million as at 30 June 2009 secured against certain property development assets of the Group.

Leighton Finance International Notes

Leighton Finance International Notes will mature on 16 May 2011 unless previously redeemed or purchased and cancelled and are subject to redemption in whole at their principal amount at the option of the Issuer at any time in the event of certain changes affecting taxation in Australia or Indonesia.

PT Thiess Contractors Indonesia and PT Leighton Contractors Indonesia, both wholly-owned subsidiaries of the Company, jointly and severally guarantee the obligations of Leighton Finance International Limited and Noteholders have no recourse to other Group companies.

Leighton Notes
2,000,000 Convertible Unsecured Subordinated Resettable Notes of $100 each were repaid to the Noteholders on 1 December 2008.

Note 8 Events subsequent to reporting date
Subsequent to reporting date:
– The Group declared a final dividend of 55 cents 100% franked.
– Leighton Finance Limited, a wholly-owned subsidiary of the Company, issued a total of $280 million Medium Term Notes at the rate of 9.5% maturing on 28 July 2014, on the following dates:
  – 28 July 2009: $230 million
  – 12 August 2009: $50 million
CONCISE FINANCIAL REPORT continued

STATUTORY STATEMENTS

DIRECTORS’ DECLARATION

In the opinion of the directors of Leighton Holdings Limited, the accompanying concise financial report of the Consolidated Entity, comprising Leighton Holdings Limited and the entities it controlled for the financial year ended 30 June 2009 set out on pages 52 to 61:

a) has been derived from or is consistent with the full financial report for the financial year; and


Signed for and on behalf of the Board in accordance with a resolution of the directors:

D A Mortimer AO W M King AO
Chairman Chief Executive Officer

Dated at Sydney this 7th day of September 2009

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF LEIGHTON HOLDINGS LIMITED

Report on the concise financial report

The accompanying concise financial report of Leighton Holdings Limited (the “Consolidated Entity”), comprising Leighton Holdings Limited (the “Company”) and its controlled entities comprises the balance sheet as at 30 June 2009, and the income statement, statement of recognised income and expense and statement of cash flows for the year ended on that date, and related notes 1 to 8 derived from the audited financial report of Leighton Holdings Limited for the year ended 30 June 2009. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Directors’ responsibility for the financial report

The directors of the Consolidated Entity are responsible for the preparation and fair presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039 Concise Financial Reports and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor’s responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit in accordance with Australian Auditing Standards, of the financial report of Leighton Holdings Limited for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on 7 September 2009 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free of material misstatement.

Our procedures in respect of the concise financial report include testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Australian Accounting Standard AASB 1039 Concise Financial Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor’s opinion

In our opinion, the concise financial report of Leighton Holdings Limited and its controlled entities complies with Australian Accounting Standard AASB 1039 Concise Financial Reports.

Report on the remuneration report

We have audited the Remuneration Report included in pages 36 to 49 of the directors’ report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor’s opinion

In our opinion, the remuneration report of Leighton Holdings Limited for the year ended 30 June 2009, complies with Section 300A of the Corporations Act 2001.

KPMG S A Gatt
Partner, Sydney
7 September 2009
SHAREHOLDINGS

Information as to shareholdings on 7 September 2009 is as follows:

**Substantial Shareholdings**
The names of the substantial shareholders and the numbers of equity securities in which they have a relevant interest, as disclosed in substantial holding notices given to the Company, are:

<table>
<thead>
<tr>
<th>Name</th>
<th>No. of Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOCHTIEF Australia Holdings Limited</td>
<td>163,844,626</td>
</tr>
</tbody>
</table>

The following companies hold a relevant interest in these shares.
- HOCHTIEF Asia Pacific GmbH,
  (the parent company of HOCHTIEF Australia Holdings Limited)
- HOCHTIEF Aktiengesellschaft, (“HOCHTIEF AG”), (the ultimate holding company of HOCHTIEF Australia Limited.)

Number of holders of the Company’s ordinary shares (which have equal voting rights*)
The Company has no other class of shares on issue as at 7 September 2009.

* Voting Rights: On a show of hands every member present in person or by proxy or attorney or duly appointed representative has one vote and on a poll every member so present has one vote for each share of which he/she is the holder.

Distribution Schedule Category  No. of Shareholders
1 – 1,000                        48,052
1,001 – 5,000                     13,297
5,001 – 10,000                    1,340
10,001 – 100,000                  683
100,001 and over                  45
**Total**                         **63,417**

There were 401 shareholders with less than a marketable parcel (14 shares).

**Twenty Largest Shareholders**
The percentage of the total holding of the 20 largest shareholders, as shown in the Company’s Register of Members, is 76.13% and their names and numbers of shares are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number</th>
<th>Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOCHTIEF Australia Holdings Limited</td>
<td>163,839,412</td>
<td>54.98%</td>
</tr>
<tr>
<td>J P Morgan Nominees Australia Limited</td>
<td>16,042,195</td>
<td>5.38%</td>
</tr>
<tr>
<td>ANZ Nominees Limited (Cash Income A/C)</td>
<td>13,239,914</td>
<td>4.44%</td>
</tr>
<tr>
<td>HSBC Custody Nominees (Australia) Limited</td>
<td>10,139,529</td>
<td>3.40%</td>
</tr>
<tr>
<td>National Nominees Limited</td>
<td>9,649,807</td>
<td>3.24%</td>
</tr>
<tr>
<td>Cogent Nominees Pty Limited</td>
<td>2,451,921</td>
<td>0.82%</td>
</tr>
<tr>
<td>Citicorp Nominees Pty Limited</td>
<td>2,237,506</td>
<td>0.75%</td>
</tr>
<tr>
<td>Credit Suisse Securities (Europe) Ltd (Collateral A/C)</td>
<td>1,350,000</td>
<td>0.45%</td>
</tr>
<tr>
<td>ANZ Nominees Limited (SL Cash Income A/C)</td>
<td>1,198,276</td>
<td>0.40%</td>
</tr>
<tr>
<td>Queensland Investment Corporation</td>
<td>1,125,939</td>
<td>0.38%</td>
</tr>
<tr>
<td>Perpetual Trustee Company Limited</td>
<td>768,527</td>
<td>0.26%</td>
</tr>
<tr>
<td>Gwynvill Investments Pty Limited</td>
<td>683,500</td>
<td>0.23%</td>
</tr>
<tr>
<td>AMP Life Limited</td>
<td>654,218</td>
<td>0.22%</td>
</tr>
<tr>
<td>Warbont Nominees Pty Ltd (Settlement Entrepot A/C)</td>
<td>605,579</td>
<td>0.20%</td>
</tr>
<tr>
<td>Milton Corporation Limited</td>
<td>587,468</td>
<td>0.20%</td>
</tr>
<tr>
<td>Argo Investments Limited</td>
<td>583,572</td>
<td>0.20%</td>
</tr>
<tr>
<td>RBC Dexia Investor Services Australia Nominees Pty Limited (MLCI A/C)</td>
<td>549,339</td>
<td>0.18%</td>
</tr>
<tr>
<td>UBS Wealth Management Australia Nominees Pty Ltd</td>
<td>546,276</td>
<td>0.18%</td>
</tr>
<tr>
<td>Merrill Lynch (Australia) Nominees Pty Ltd</td>
<td>310,023</td>
<td>0.10%</td>
</tr>
<tr>
<td>HSBC Custody Nominees (Australia) Limited – A/C 2</td>
<td>296,432</td>
<td>0.10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>226,859,433</strong></td>
<td>76.13%</td>
</tr>
</tbody>
</table>
**SHAREHOLDER INFORMATION**

**2009 Financial report**
A copy of the Group’s 2009 Financial Report, including the independent Audit Report, is available to all shareholders, and will be sent to shareholders without charge upon request. The Financial Report can be requested by telephone from our Public Information Coordinator on (02) 9925 6636 and is available from the Leighton website www.leighton.com.au

**Enquiries**
If you have any questions about your shareholding, dividend payments, tax file number, change of address etc, you should contact the Company’s Shareholder Enquiry Line at Computershare Investor Services Pty Limited:
- by phone on 1300 855 080 (local) or +61 3 9415 4000 (international);
- or by fax on 03 9473 2500 (local) or +61 3 9473 2500 (international); or
- by email at web.queries@computershare.com.au or
- write to:
  - Computershare Investor Services Pty Limited
  - GPO Box 2975
  - Melbourne VIC 3001

**Dividend payment**
The final dividend of 55 cents per share will be paid on 30 September 2009 and will be franked to the extent of 100%.

**Direct dividend deposit into bank accounts**
If you are an Australian resident shareholder, your Leighton dividends will be paid directly into your nominated bank, building society or credit union account in Australia on the dividend payment date. Details of the dividend payment will be confirmed either by an advice mailed or emailed to you on that date.

If you have not provided your bank account details you will not receive your dividend until you do so. You can provide your bank account details by contacting our share registrar, Computershare Investor Services Pty Limited. If you subsequently change your bank account details, please promptly notify the registrar in writing quoting your old bank account number as an added security check.

**Tax file numbers**
Since 1 July 1991, all companies have been obliged to deduct tax at the top marginal rate from unfranked dividends paid to investors, resident in Australia, who have not supplied them with a tax file number or exemption particulars. Tax will not be deducted from the franked portion of a dividend.

If you have not already done so, a Tax File Number Notification form or Tax File Number Exemption form should be completed for each holding and returned to our Registrars, Computershare Investor Services Pty Limited at the above address. Please note you are not required by law to provide your tax file number if you do not wish to do so.

**Stock exchange listings**
The Company is listed on the Australian Securities Exchange (ASX). The home branch is Sydney. Leighton Finance International Notes are listed on the Singapore Exchange (SGX).

**Shareholding information**
Information regarding Substantial Shareholders, Twenty Largest Shareholders, and the distribution schedule is on page 63 of this Concise Annual Report.

**Share buy-back**
Leighton Holdings does not have a current on market buyback program.

**Other available publications**
In addition to the Concise Annual Report the Company distributes Quarterly Updates including the Annual Review to all shareholders who have indicated their preference to receive these publications. Should other interested parties wish to receive any of these documents, please contact the Public Information Coordinator on (02) 9925 6636.

**Financial Calendar**

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>Shares begin trading ex Dividend</td>
<td>7 September</td>
</tr>
<tr>
<td></td>
<td>Books close for Final Dividend</td>
<td>11 September</td>
</tr>
<tr>
<td></td>
<td>Final Dividend Paid</td>
<td>30 September</td>
</tr>
<tr>
<td></td>
<td>Annual General Meeting</td>
<td>5 November</td>
</tr>
<tr>
<td>2010</td>
<td>Half year Results announced</td>
<td>12 February</td>
</tr>
<tr>
<td></td>
<td>Shares begin trading ex Dividend</td>
<td>15 March</td>
</tr>
<tr>
<td></td>
<td>Books close for Interim Dividend</td>
<td>19 March</td>
</tr>
<tr>
<td></td>
<td>Interim Dividend paid</td>
<td>31 March</td>
</tr>
<tr>
<td></td>
<td>Year end</td>
<td>30 June</td>
</tr>
<tr>
<td></td>
<td>Preliminary Final Results Announced</td>
<td>16 August</td>
</tr>
<tr>
<td></td>
<td>Shares begin trading ex Dividend</td>
<td>6 September</td>
</tr>
<tr>
<td></td>
<td>Books close for Final Dividend</td>
<td>10 September</td>
</tr>
<tr>
<td></td>
<td>Final Dividend Paid</td>
<td>30 September</td>
</tr>
<tr>
<td></td>
<td>Annual General Meeting</td>
<td>4 November</td>
</tr>
</tbody>
</table>

*Note timing of events can be subject to change*
6.0 Communication with Shareholders

– encourage innovation and technological leadership.
– recognise the needs of the community;
– create a fun, challenging and performance driven culture;
– promote individual responsibility with clear lines of accountability;
– act with integrity and fairness;
– provide a safe and healthy workplace;
– be commercially competitive;

Leighton Holdings’ core values are to:

WHO WE ARE

Founded in Australia in 1949, Leighton Holdings Limited listed on the Australian Securities Exchange in 1962. Now one of the world’s major project development and contracting organisations, we are also the world’s largest contractor in Asia. Leighton Holdings has its head office in Sydney, Australia. Leighton Holdings owns six diverse and independent companies: Thiess, Leighton Contractors, John Holland Group, Leighton Asia, Leighton International and Leighton Properties. They operate in more than 20 countries from headquarters in Australia, Hong Kong and Dubai. Each operating company functions independently with its own Board and Managing Director. These operating companies directly employ around 40,000 people with management encouraged to innovate and be successful in an autonomous manner. However, this autonomy occurs within a corporate governance framework defined by Leighton Holdings, which sets standards for: ethics and financial performance; health, safety and rehabilitation; and community and environmental matters.

WHAT WE DO

Leighton Holdings provides a corporate governance structure and financial strength to enable our operating companies to compete effectively in the global market place. This structure includes setting policies and operating guidelines, reviewing risk management and performance, and approving of strategic development, acquisitions and investments. Our key resources include the experience and guidance of a long serving management team and a strong balance sheet, which we use to support the growth of our companies and operations. The operating companies offer a broad range of project development and contracting services and skills to public and private sector clients across a wide range of industries and geographic locations. These skills include: engineering and infrastructure construction, infrastructure development (e.g. toll roads), property development and building construction (residential and non-residential), contract mining, and operations and maintenance. Leighton Holdings is focused on sustainability, which we see as delivering comprehensive shareholder returns, and meeting or exceeding the needs of our operating companies’ clients whilst maintaining good relationships with the communities in which our companies work.

OUR VALUES

Leighton Holdings’ core values are to:

27 DIRECTORS’ REPORT

– be commercially competitive;
– provide a safe and healthy workplace;
– act with integrity and fairness;
– promote individual responsibility with clear lines of accountability;
– create a fun, challenging and performance driven culture;
– protect the environment;
– recognise the needs of the community;
– encourage innovation and technological leadership.

2.0 Composition of the Board

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NOTICE OF ANNUAL GENERAL MEETING 2009

ACN 604 343 982 ABN 57 004 343 982

To The Shareholders:

Notice is hereby given that the Annual General Meeting of the members of Leighton Holdings Limited will be held at the Four Seasons Hotel Sydney at 199 George Street, Sydney, on Thursday, 2 November 2000, at 10.00 am. A separate Notice of Meeting and Proxy Form is enclosed. During the course of the meeting, a short presentation on the Group’s operations will be given by Mr Wal King AO, Chief Executive Officer. All present are invited to join the Directors for light refreshments after the meeting.

5 YEAR STATISTICAL SUMMARY

2009

2008

2007

2006

2005

$’000

$’000

$’000

$’000

$’000

Summary of Financial Position

Share capital

1,171,826

480,988

480,988

479,744

421,851

Total equity attributable to equity holders of the parent

2,339,306

1,484,291

1,359,473

1,102,901

893,207

Total equity

2,358,067

1,485,284

1,356,599

1,103,269

894,495

Total liabilities

5,553,747

4,079,013

3,390,601

2,790,019

2,131,197

Total assets

7,692,314

6,464,247

4,765,202

3,803,288

3,065,692

Summary of Financial Performance

Revenue – Group, joint ventures and associates

15,315,291

14,442,218

11,891,489

10,073,593

7,607,564

Profit before finance costs and tax

246,892

903,684

618,352

396,719

205,732

Profit before tax

582,453

1,106,687

784,096

371,133

299,189

Income tax expense

146,022

318,857

128,860

93,764

82,176

Profit for the year

439,231

787,830

655,236

277,369

212,006

Profit for the year attributable to members of the parent entity

440,044

803,504

650,042

276,069

215,191

Financial Statistics

Dividends per ordinary share

115.0¢

145.0¢

110.0¢

66.0¢

50.0¢

Earnings per ordinary share – basic

149.5¢

218.6¢

162.3¢

100.2¢

78.9¢

– diluted

149.0¢

218.1¢

162.0¢

100.0¢

78.9¢

Return on average equity attributable to members of the parent entity

22.0%

42.9%

36.7%

27.7%

26.8%

Return on total assets

5.7%

9.4%

9.5%

7.3%

7.2%

Profit before finance costs and tax to total revenue

4.1%

6.2%

5.2%

4.0%

4.3%

Profit for the year attributable to members of the parent entity to total revenue

2.4%

4.2%

3.8%

2.8%

2.8%

Dividend times covered

1.3%

1.5

1.5

1.0

1.6

Dividend payout ratio

77.9%

66.1%

68.0%

66.5%

65.8%

Interest times covered

4.7

6.7

18.1

15.5

12.8

Net tangible assets per ordinary share

$7.63

$8.91

$8.56

$7.27

$11.17

Current ratio

1.0

0.8

1.0

1.2

1.1

Total equity to total assets

30.4%

25.0%

28.5%

29.0%

28.8%

Total equity to total liabilities

43.7%

29.8%

40.0%

40.9%

42.4%

Gross Borrowings to total equity

54.7%

103.6%

26.7%

55.5%

28.8%

Number of employees

39,327

32,342

27,874

25,695

21,279

65
DIRECTORY AND OFFICES

LEIGHTON HOLDINGS LIMITED DIRECTORY

Board of Directors
David Allen Mortimer AO
Wallace MacArthur King AO
Dierer Siegfried Adamsas
Achim Drechsel
Peter Allan Gregg
Robert Douglas Humphris OAM
Dr Burkhard Lohr
Dr Herbert Hermann Lütkestratkötter
Ian John Macfarlane AC
Dr Peter Michael Noé
Wayne Geoffrey Osborn
David Paul Robinson
Alternate Directors
Dr Karl Reinitzhuber
Robert Leslie Seidler
Associate Directors
Louis Scott Charlton
Mark Charles Gray
Peter John McMorrow
Glenn Michael Palin
David George Savage
Hamish Gordon Tyrwhitt
William Joseph Wild
Secretaries
Ashley John Moir
Vanessa Robyn Rees

PRINCIPAL REGISTERED OFFICE IN AUSTRALIA

Leighton Holdings Limited
ABN 57 004 482 982
Head Office
472 Pacific Highway
St Leonards NSW 2065
Australia
T: +61 2 9925 6666
F: +61 2 9925 6005
www.leighton.com.au
E: leighton@leighton.com.au

Principal Bankers
Commonwealth Bank of Australia
48 Martin Place
Sydney NSW 2000 Australia
National Australia Bank Limited
255 George Street
Sydney NSW 2000 Australia

Auditors
KPMG
The KPMG Centre
10 Shelley Street
Sydney NSW 2000 Australia

Share Registrar Office
Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
Sydney NSW 2000 Australia
T: +61 2 8224 6666

KEY SUBSIDIARIES

Leighton Contractors Pty Limited
ABN 98 000 893 667
Head Office
Level 8, Tower 1
495 Victoria Avenue
Chatswood NSW 2067
Australia
T: +61 2 8688 6000
F: +61 2 8688 8444
www.leightoncontractors.com.au
E: enquiries@leicon.com.au

Thiess Pty Ltd
ABN 87 010 221 486
Head Office
Thiess Centre
179 Grey Street
South Bank QLD 4101
Locked Bag 2009
South Brisbane QLD 4101
Australia
T: +61 7 3002 9000
F: +61 7 3002 9000
www.thiess.com.au

John Holland Group Pty Ltd
ABN 37 050 242 147
Head Office
70 Treasury Crescent
Abbotsford Vic 3067
Australia
T: +61 3 9934 2099
F: +61 3 9934 2273
www.johnholland.com.au

Leighton International FZ LLC
Head Office
PO Box 502656
DMC #14, Dubai Internet City
Office No. G01, G/F EIB Building
No. 05
Al Sufouh, Dubai
United Arab Emirates
T: +971 4 423 0300
F: +971 4 427 8415
www.leightonint.com
E: info@leightonint.com

Leighton Asia Limited
Head Office
39th Floor
Sun Hung Kai Centre
30 Harbour Road
Hong Kong
T: +852 2823 1111
F: +852 2388 6119
www.leightonasia.com
E: info@leightonasia.com

Leighton Properties Pty Limited
ABN 41 009 765 379
Head Office
472 Pacific Highway
St Leonards NSW 2065
Australia
T: +61 2 9925 6666
F: +61 2 9925 6152
www.leightonproperties.com.au
E: admin@lppl.com.au

Chairman and CEO Reviews
Corporate Governance Report
Directors’ Report
Concise Financial Report

Produced by Communications,
Leighton Holdings Limited
Designed by Frost Design, Sydney
Project Photography by Kraig Carlstrom
People Photography by Karl Schwerdtfeger
Print Management by MIXinc
Printing by Conentra

Mixed Sources
Leighton group from well established forums, contract sources and registered media at site.

www.fsc.org/cert/US/04/05/001007
© 1996 Forest Stewardship Council

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Designed by Frost Design, Sydney
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