



Leighton Holdings Limited

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6 December 2007

Company Announcements Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

Re: Leighton signs long-term joint venture agreement with TDIC in Abu Dhabi

Please find attached a copy of a press release made by Leighton International Limited, a wholly owned subsidiary of Leighton Holdings Limited.

Yours faithfully
LEIGHTON HOLDINGS LIMITED

PETER JANU
Secretary

Leighton signs long-term joint venture agreement with TDIC in Abu Dhabi

6 December 2007

Tourism Development & Investment Company (TDIC), the tourism asset development arm of the Abu Dhabi Tourism Authority (ADTA), has entered into a joint venture agreement with Gulf Leighton, one of the GCC's largest multi-disciplined contractors, to create a major new force on the UAE capital's construction scene.

Tourism Development & Investment Company (TDIC), the tourism asset development arm of the Abu Dhabi Tourism Authority (ADTA), has entered into a joint venture agreement with Gulf Leighton, one of the GCC's largest multi-disciplined contractors, to create a major new force on the UAE capital's construction scene.

The new 50:50 joint venture, TDIC-Leighton Contracting LLC, has been formed to undertake contracting for civil engineering and infrastructure, building, and mechanical and electrical projects, project and construction management and facilities management services for TDIC.

Initial projects covered by the agreement include the 6.5 kilometre, Saadiyat Link road (awarded to Leighton in September this year) which will connect Abu Dhabi's Shahama district to Saadiyat Island, the 27 square kilometre island lying offshore Abu Dhabi city and which is being transformed into a signature leisure, cultural and residential destination. The Saadiyat Link road will transverse the island and connect to the 10-lane Saadiyat Bridge, which is already under construction from Abu Dhabi's Mina Zayed area. The Saadiyat Link, which includes five lanes in each direction, is due for completion in 2009.

The contract award covers construction of Saadiyat Link and associated side roads; the main feeder road to the up-market Saadiyat Beach district providing easy access to the planned five-star resorts and golf course; seven bridges with a total deck length of 1.6 kilometres; three tunnels; 10.7 kilometres of storm water drainage; 22.3 kilometres of sewerage systems; a 30 kilometre potable water network with a ground storage tank and pump station various mechanical and electrical works and installation of all utilities required to service Saadiyat Link and the Saadiyat Beach district including all hotels, residential developments and road systems.

Other projects covered by the agreement including the Eastern Mangroves Hotel and the new TDIC headquarters being built adjacent to Maqta Bridge – the main gateway to Abu Dhabi city.

The agreement is expected to generate annual revenue from a minimum of US\$270 million in the first year, to a minimum of US \$1.4 billion in the fifth.

"In line with TDIC's overall ethos of employing best practices, this new joint venture will adhere to global standards in human resources, health, safety and environment deployment," said Lee Tabler, CEO, TDIC.

"While Gulf Leighton will bid for additional TDIC contracts, it will be judged on a purely professional and commercial basis in a transparent and competitive process.

"Gulf Leighton has repeatedly demonstrated long-term commitment to Abu Dhabi and the wider region in terms of investment – a factor which weighed heavily in its favour when selecting a joint venture partner. Once again, TDIC has demonstrated its own ability to forge partnerships with truly world-class providers raising the benchmark for quality delivery.

"The size, scope and complexity of some of the projects we are planning here require world-class contractors who prioritise environmental sustainability in the design and construction processes. Leighton is regarded as a world-leader in its field and is a good fit for what we are trying to achieve", added Tabler.

Managing Director of Al Habtoor Engineering and Leighton International, David Savage, says the agreement represents one of the Group's most significant partnerships, and will underwrite the company's business in Abu Dhabi for the foreseeable future.

"TDIC is one of Abu Dhabi's largest, most respected developers," he said. "We are delighted that it has selected us as its partner for its exciting development programme. We look forward to working with TDIC to develop Abu Dhabi into one of the world's leading tourist and cultural destinations."

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For further information, please contact:

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Tourism Development & Investment Company**

Tourism Development & Investment Company (TDIC) is a public joint stock company established under Law No: 12 of 2005 as decreed by the Abu Dhabi Ruler and UAE President, His Highness Sheikh Khalifa Bin Zayed Al Nahyan. TDIC is an independent organisation empowered to manage the tourism investment zones of the Abu Dhabi Tourism Authority (ADTA), which directs and implements strategy for the expansion of the emirate's tourism sector. TDIC will develop the real estate assets that support ADTA's mission of assisting UAE economic diversification through tourism development.

TDIC, launched with an initial paid-up capital of AED100 million (US \$27.5 million) with its shareholding fully owned by ADTA, operates along strictly commercial lines with its projects being self-sustaining and economically feasible. Its activities include creating development and tourism related concepts for specific sites and locations, disposing of, or repositioning, government-owned tourism related assets, entering into joint ventures with investment partners for assets such as hotels or residential products, as well as serving as the master developer for large scale projects.

For further information on TDIC, please visit: www.tdic.ae

About Al Habtoor Leighton Group

In September 2007, Leighton International merged its operations in the Arabian Gulf with Al Habtoor Engineering, forming the new, combined entity: the Al Habtoor Leighton Group. Gulf Leighton is part of this Group.