

10 November 2005

**Leighton 1<sup>st</sup> quarter profit up 32% to \$50.6 million**

At Leighton Holdings Limited 44th Annual General Meeting held in Sydney today, Chairman, Mr Geoff Ashton, reported that the Company achieved a record profit of \$205 million in 2004/05, reflecting solid contributions from a range of infrastructure and resources related projects, both in Australia and Asia.

“The Leighton Group has returned to more normal levels of performance and we are well placed for continued growth going forward,” said Mr Ashton.

“Total operating revenue, including joint ventures, was up by 28% to \$7.7 billion. The Group reported an average return on shareholders funds of 23.6%, placing us in the top quartile of Australia’s 100 largest listed companies.

“The Directors were pleased to announce an increased final ordinary dividend of 30 cents per share, which was paid on 30 September. The total dividend for the year rose by 11% to 50 cents per share.

“The new financial year has also started well for the Group. Operating revenue for the first quarter to 30 September 2005 was \$2.3 billion, generating an operating profit after tax (unaudited) of \$50.6 million.

“Work in hand at 30 September 2005 stood at \$15 billion, a small decrease for the quarter. A summary of financial information for the first quarter of the 2005/06 financial year is attached in Appendix A.

“I am also pleased to advise shareholders that a new contract of employment has been finalised with Mr King, whose services have been retained for a further three years until 30 November 2008, with an option to extend until 30 November 2009.

“Mr King’s leadership and experience will be invaluable in steering the company through the strong market upswing, which is likely to continue to run for a number of years.

Chief Executive Officer, Mr Wal King, said in his presentation to shareholders that he remained very positive about the outlook.

“We are in the midst of an extraordinary growth period, driven by the underlying strength of the Australian economy, strong investment in Australian infrastructure - following a long period of under-investment - and a resources boom fuelled by the growth of China,” said Mr King.

“A broad range of construction and resource opportunities are still emerging in Australia, which will sustain activity for a number of years. State Government initiated transport infrastructure will remain a key driver of activity over the next few years.

“We expect the non-residential property market will remain buoyant and continue to provide opportunities across market sectors such as offices, industrial and bulky goods.

(continued...)

“Demand for resources is fuelling a major investment in resources infrastructure in Australia, particularly for base metals, thermal coal and the steel sector. The Leighton Group is benefiting from this investment as it currently has around \$1 billion worth of process engineering work in hand,” said Mr King

“Asia will also continue to offer good opportunities supported by a solid base load of work in Hong Kong and Indonesia.

“Given the large number of opportunities that are still coming through we remain selective about bidding work. The Group is matching resources to opportunities rather than searching for opportunities for our resources.

As a result of the Leighton Group's momentum and a sustained upswing in both the infrastructure and resources sectors, the Board expects to post solid profit growth in the year ahead.

ENDS

**Issued by Leighton Holdings Limited** ABN 57 004 482 982 [www.leighton.com.au](http://www.leighton.com.au)

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LEIGHTON HOLDINGS LIMITED is the parent company of Australia's largest project development and contracting group. Founded in 1949, the organisation has grown into a diversified group that includes Thiess, Leighton Contractors, Leighton Asia, John Holland and Leighton Properties. Leighton Group companies undertake activity for public and private sector clients in the engineering and infrastructure, building and property, mining and resources, telecommunications and environmental services markets. A range of services are offered including project development, construction, operation and maintenance. With over 22, 700 employees, the Group's operations are spread all around the Asia-Pacific region on projects in Australia, Hong Kong, Indonesia, Malaysia, the Philippines, Thailand, Vietnam, China and New Zealand. Leighton Holdings is listed on the Australian Stock Exchange and has its head office in Sydney.

(continued...)

**APPENDIX A**
**KEY PERFORMANCE FEATURES FOR THE 3 MONTHS ENDED 30 SEPTEMBER 2005**

	3 months ended 30 September 2005 Unaudited	3 months ended 30 September 2004 Unaudited
<b>Financial performance information</b>	<b>\$'000</b>	<b>\$'000</b>
Revenue - Group	1,993,132	1,425,804
- Joint ventures	349,689	320,010
<b>Total Revenue</b>	<b>2,342,821</b>	<b>1,745,814</b>
<b>Operating profit from ordinary activities before income tax</b>	<b>72,445</b>	<b>56,394</b>
Income tax expense	(21,807)	(16,672)
Profit from ordinary activities after tax	50,638	39,722
Net profit attributed to outside equity interests	(88)	(1,484)
<b>Net profit attributed to members</b>	<b>50,550</b>	<b>38,238</b>
<b>Financial position information</b>		
Total assets	2,864,623	2,623,448
Total liabilities	1,965,802	1,802,951
<b>Net assets</b>	<b>898,821</b>	<b>820,497</b>
Net tangible assets	874,328	795,711
Net tangible assets per ordinary share (\$)	\$3.17	\$2.92
Earnings per share	18.3¢	14.0¢
Number of employees	22,733	17,967