



Leighton
Holdings



3rd quarter results presentation to investors

Sydney, 6 May 2004



outline

- **Strong underlying performance**
- **Record work in hand of \$12.8bn**
- **3rd quarter results impacted by**
 - **Spencer Street Station**
 - **Sydney Hilton Hotel**
 - **Southland**
- **Outlook remains solid**

3rd quarter results*

	Mar 04 \$m	Mar 03 \$m
Revenue	4,095	3,709
Operating profit before tax	120	178
After allowing for:		
- Provision for losses	(70)	--
- Southland write-off	(28)	--
Net profit after tax	77.4	117.5
Work in hand	12,800	10,004
Dividend	expected to be 45c ff	
Profit outlook	similar to 2003	

* Unaudited results

A photograph of the Spencer Street Station in Dublin, Ireland, during its reconstruction. The image shows a complex steel truss structure for a new roof or canopy over the tracks. In the background, a dense urban skyline with various high-rise buildings is visible under a clear sky. The foreground shows the existing platform and tracks, with some construction equipment and materials scattered around. The overall scene is one of active construction in a city center.

Spencer Street Station

project description

- **Rebuilding a major regional/interstate rail terminus and metro rail station**
- **Existing station continues operation serving 66,000 people per day**
- **Complicated project, tight program, difficult site and complex design**
- **PPP between Vic Govt and Civic Nexus**
- **D&C contract to Leighton Contractors**

key issues

- **Project management issues**
- **Restricted working environment**
- **Timely site access**
 - **Demands of franchisee train operators**
- **Complex design variations**

Spencer Street Station, Vic Leighton Contractors



action taken

- **Taken project out of Victorian branch**
- **Now reporting to senior LHL executive, John Faulkner**
- **New project director appointed**
- **Additional senior project staff**
- **Actively working with stakeholders to address issues**

An architectural rendering of the Sydney Hilton Hotel, showing a modern glass and steel structure with multiple levels and a prominent 'Hilton' sign. The scene is viewed from a street-level perspective, with a person's head in the foreground and cars and pedestrians in the background. The entire image has a blue color cast.

Sydney Hilton Hotel

key issues / response

- **Major refurbish and rebuild project in Sydney CBD**
- **Changes in scope**
 - **Difficulties with client's design**
 - **Demolition exposed structural and mechanical problems**
- **Appointed new project director**
- **Negotiating with client to resolve issues**



Southland Colliery

final position

- **Took a \$12m provision at the half year**
- **Thiess unable to re-open mine**
- **Receiver called for expressions of interest to purchase mine**
- **Written-off the \$16m balance of our investment**
- **Pre-tax total of \$28m written-off in 2004**



Group overview

Thiess

- **Thiess continues to perform very well**
- **\$2bn of mining work in hand in Indonesia**
- **Strong position in mining in Australia**
- **Awarded \$383m new mining work in NSW**
- **Awarded \$119m Westmead Hospital**
- **Commencing work on Lane Cove Tunnel**

John Holland

- **Consolidation phase after period of significant growth**
- **Transfield integration successfully completed**
- **\$2bn of work in hand**
- **Diverse range of projects**
- **Number of new water alliance contracts**

Leighton Asia

- **Maintained a strong level of work across region and results on track**
- **Leighton Asia (Northern)**
 - **Construction resumed on \$259m Central Reclamation in Hong Kong**
 - **\$177m North Luzon Expressway in Philippines proceeding very well**
- **Leighton Asia (Southern)**
 - **Awaiting confirmation of financing on Putrajaya Highway in Malaysia**

Leighton Properties

- **Focused strategy continues to deliver**
- **Good level of activity along Eastern seaboard**
- **Projects including KENS are proceeding well**
- **Solid landbank of opportunities**
- **Expect another good contribution this year**

Leighton Contractors

- **Solid performance from other construction and mining projects**
- **\$1.5bn WestLink M7 proceeding well**
- **New management structure in place**
- **Strengthened risk management team**
- **Conservative approach to 2005**

conclusion

- **Work in hand remains strong at \$12.8bn**
- **Group continues to perform strongly, marred by Spencer Street and Hilton**
- **2004 result and dividend in line with last year**
- **Moderate improvement in profitability forecast for 2005**
- **Stronger performance in subsequent years**



Leighton
Holdings



3rd quarter results presentation to investors

Sydney, 6 May 2004

