

LEIGHTON HOLDINGS LIMITED

JUNE QUARTERLY UPDATE & PRELIMINARY FINAL REPORT

TO 30 JUNE 2003 - ISSUED 14 AUGUST 2003

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For more information please contact:

Wal King

Chief Executive Officer

Dieter Adamsas

Deputy Chief Executive Officer & CFO



Leighton Holdings Limited

A.C.N. 004 482 982

A.B.N. 57 004 482 982

472 Pacific Highway St Leonards

NSW 2065 Australia

Telephone: (61-2) 9925 6666

Facsimile: (61-2) 9925 6005

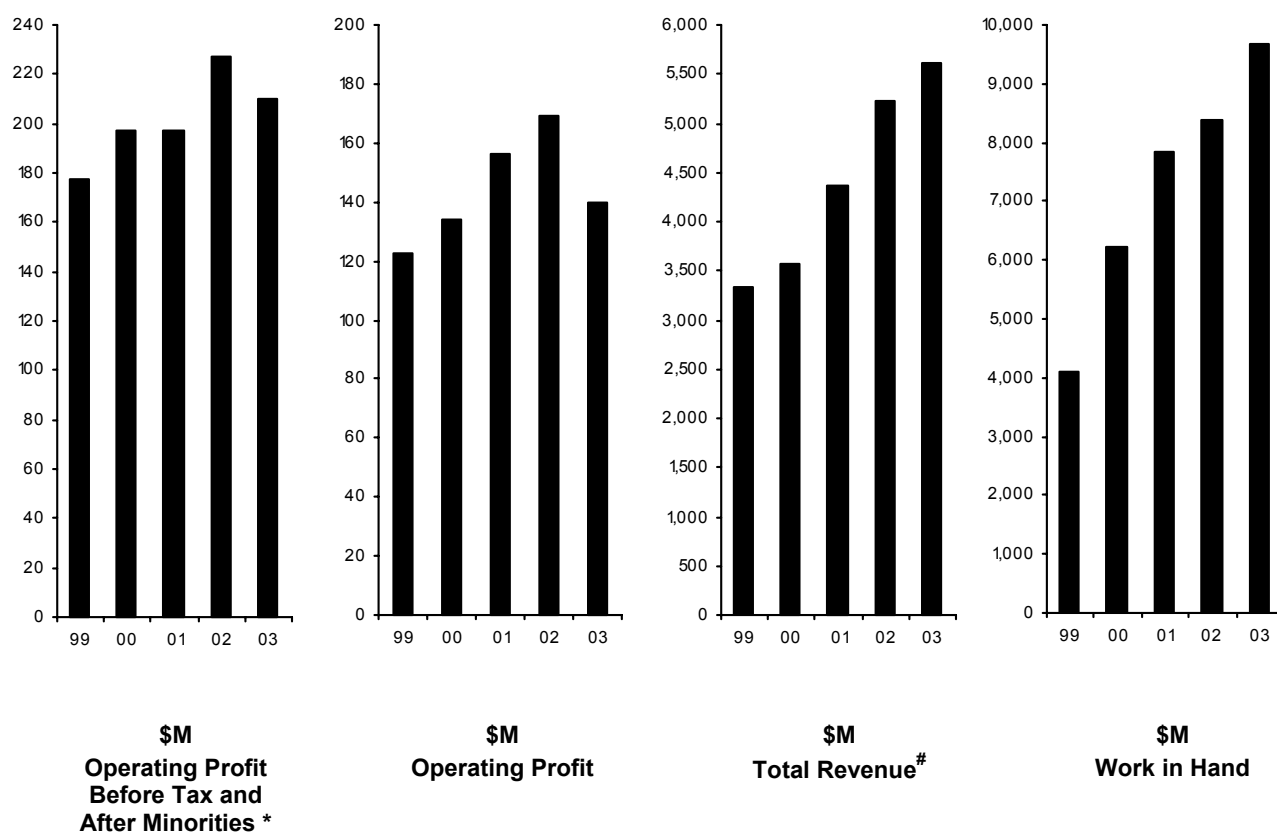
www.leighton.com.au

Financial Highlights

	30 June 2003 \$'000	30 June 2002 \$'000	% change
Operating Revenue - Group	4,848,540	4,979,581	-3
- Joint Venture Entities	597,327	240,612	+148
Other Revenue	174,369	55,264	+215
Total Revenue	5,620,236	5,275,457	+7
New Contracts, Extensions & Variations	6,802,221	5,552,432	+23
Value of Work in Hand [#]	9,662,240	8,371,040	+15
Profit from ordinary activities before tax *	209,797	227,285	-8
Income Tax	(71,565)	(59,450)	+20
Profit from ordinary activities after tax	140,014	169,222	-17
Total Capital and Reserves *	856,312	789,259	+8
Total Assets	2,146,276	2,317,774	-7
Cash net of Borrowings	387,385	524,017	-26
Undrawn Facilities and Guarantees	421,969	435,281	-3
Earnings per Ordinary Share	51.7¢	63.1¢	-18
Dividends per Ordinary Share	44.0¢	42.0¢	5

* Excludes outside equity interests

Key Performance Indicators for 12 month period to 30 June



* Excludes outside equity interests

Includes Joint Ventures

June Quarterly Update

Financial Performance

The directors are pleased to report that Group operating profit after tax and outside equity interests was \$140.0 million. This result includes the write-off of the investment in Nextgen Networks, which had a \$40 million impact after tax.

A fully franked final dividend of 27 cents per share will bring the full year dividend to a total of 44 cents per share. This compares with a total dividend of 42 cents per share last year representing a 5% increase.

The Group reported a strong underlying result, reflecting another very good performance across the diversified contracting activities in both Australia and Asia. In addition, Leighton Properties significantly increased its contribution from property development activities.

Total revenue, including joint ventures, was \$5.62 billion, up 7% from \$5.28 billion in the corresponding period last year. Revenue from joint ventures increased by 148% to \$597 million. Principal revenue sources were engineering and infrastructure \$1.86 billion, mining and resources \$1.95 billion, building and property development \$1.08 billion, telecommunications \$419 million and environmental services \$138 million. Management contracts worth \$222 million were also completed.

The Group's balance sheet remains strong with total assets of \$2.1 billion and net assets of \$871 million. Cash net of borrowings has improved since December to \$387 million while undrawn facilities increased to \$422 million.

Acquisitions, Investments and Sales

The Group has continued to diversify by pursuing acquisitions and using its financial strength to further develop its contracting operations.

John Holland completed the acquisition of Transfield's construction assets and contracts in January 2003. The acquisition increases specialist skills in the areas of structural, mechanical and process engineering; water and waste water; tunnelling and power transmission infrastructure. Over 800 Transfield employees have joined John Holland, a number in senior management positions.

Leighton Contractors increased its specialist building base completing the acquisition of 70% of the Western Australia based builder, Broad.

Leighton Properties acquired two sites for development into homemaker centers at Lyndhurst and Mornington, in Melbourne. It also acquired Telstra House, a CBD office building in Castlereagh Street, Sydney for redevelopment, in joint venture with Lend Lease Real Estate Partners 1 Limited.

Leighton Properties sold its interests in the Star City Management Company and the Macarthur Central Retail Centre while Thiess sold its 40% investment in the North Goonyella Coal Mine in Queensland's Bowen Basin. Leighton Contractors also sold its 30% interest in Reef Networks.

Work in Hand

At 30 June 2003, the Group's work in hand was \$9.7 billion. This compares with \$8.6 billion at 31 December 2002 and \$8.4 billion at 30 June 2002. The order book was boosted by finalisation of the Western Sydney Orbital, the Central Reclamation project in Hong Kong, the KENS property development project in Sydney and the acquisition of contracts from Transfield. A number of significant new mining contracts were also awarded during the year totalling some \$1.1 billion.

Australia/Pacific Operations

The Australia/Pacific operations contributed \$145 million profit before tax, up 3% from revenue of \$4.58 billion, which was up 15%.

Engineering and Infrastructure

Engineering and infrastructure provided a significant contribution to Australian revenue at \$1.48 billion, up 24%. Work in hand was up strongly by 45% to \$3.11 billion.

The rail sector has been a major contributor with Thiess commencing construction on the Epping-Chatswood section of the Parramatta Rail Link in Sydney. John Holland made good progress on the Alice Springs-Darwin railway line, which is now expected to be complete several months ahead of schedule.

The award to a consortium including Leighton Contractors of the \$1.5 billion WestLink M7, formerly known as the Western Sydney Orbital, has boosted road construction activity. Leighton Contractors progressed well on upgrading a section of the Bruce Highway in Queensland and completed the Port of Brisbane Motorway and the Roe Highway extension in Western Australia. Thiess progressed well on the new Brisbane Inner Northern Busways and work at Karuah and Charleston in New South Wales. John Holland, through its acquired Transfield operations, was awarded work on the Roe and Tonkin Highway extensions in Western Australia.

Other new engineering contracts include the award to John Holland of construction of BHP Billiton's Finucane Island berth, a seawater supply line on the Burrup peninsula and the Karratha desalination plant, all in Western Australia, and the Western Sydney dragway. John Holland has also secured a major water alliance in Brisbane and the Werribee sludge plant. Leighton Contractors has been awarded construction of the Port of Brisbane seawall and the new Coode Island chemical storage facility.

John Holland is installing sections of Telstra/Eriksson's mobile network while Leighton Contractors is progressing the rollout of Hutchinson's 3G network in New South Wales, Queensland and Victoria. Visionstream is installing a fibre-optic network along Victoria's four new fast rail corridors.

Mining and Resources

The mining and resources sector was the largest single contributor with revenue up 52% to \$1.52 billion while work in hand increased 23% to \$3.03 billion. Contract coal mining was again the dominant contributor to this sector.

Thiess is undertaking work at 8 coalmines across New South Wales, Queensland and Victoria and mined in excess of 40 million tonnes this year. A number of these mines are of a long-term nature with contracts extending well beyond the next five years.

Thiess was awarded new contract mining work at the Yallourn and Hazelwood coalmines in Victoria and at the South Walker Creek mine in Queensland. In New South Wales, Hunter Valley Earthmoving was awarded extensions to mining contracts at the Liddell and Westside coalmines. However, Thiess' mining operations at the North Goonyella Coal Mine in Queensland were taken over by RAG Australia Coal.

Thiess was appointed construction manager for work at the Olympic Dam mine in South Australia and awarded a significant mining contract at the Mt Keith nickel mine in Western Australia. Both Thiess and John Holland are undertaking construction work on Comalco's Gladstone alumina refinery and QAL's Gladstone alumina plant.

John Holland has completed construction of mine infrastructure at Mount Arthur in New South Wales. Both Thiess and John Holland completed construction work on the North West Shelf expansion in Western Australia and Thiess has recently been awarded work on the new Phillips LNG plant in Darwin and a North Queensland gas pipeline alliance.

Leighton Contractors was awarded a major extension to its contract at BHP Billiton's Yarrrie Niningarra iron ore mine in Western Australia and new work at the Moorvale coalmine in Queensland. Leighton Contractors progressed work at two other coal mines in Queensland.

Over \$380 million worth of work was completed by Leighton Contractors on AMC's Stanwell Magnesium project before the project was suspended in June. AMC and Leighton Contractors have entered into a joint venture arrangement to preserve and develop project assets for future development.

Building and Property Development

Building and property revenue remained steady at \$910 million, while work in hand was up strongly by 128% to \$1.43 billion with a number of Leighton Properties' projects fuelling activity levels.

A highlight for the period was the commencement of the \$630m KENS property development in Sydney's CBD. This office tower is to be built by Leighton Contractors, who is also building another office tower at 700 Collins Street in Melbourne for the Leighton Properties/Folkestone joint venture.

Leighton Properties, in joint venture with Ariadne, opened the new retail mall component of the Macarthur Chambers project in Brisbane and then on-sold the mall. A major tenant was secured to underwrite construction of the office tower phase of the development. Leighton Properties, again in joint venture with Ariadne, finalised the purchase of the Bayview Noosa property and commenced the development of an integrated residential/resort precinct, which is being built by John Holland.

John Holland was awarded construction of a new hospital building at Newcastle in New South Wales, the new elephant enclosure at Sydney's Taronga Park Zoo, an apartment block in Melbourne and the redevelopment of a shopping centre in Brisbane. Good progress was also made on the Lucas Heights research facility and a correctional facility at Kempsey.

Leighton Contractors began work on the redevelopment of Spencer Street Station in Melbourne and the refurbishment of the Sydney Hilton Hotel. Other new work includes an extension to the Amcor bottling plant in South Australia and, in Western Australia through Broad, a new retirement village and an extension to the Mt Lawley High School.

Thiess is nearing completion on the Royal Prince Alfred Hospital redevelopment in Sydney, made good progress on a rail maintenance facility in Western Australia and been awarded construction of an office tower at Southbank in Brisbane.

Group companies undertook significant levels of defence work during the period. In Queensland, Thiess continued the upgrading of the Lavarack Barracks in Townsville while Leighton Contractors undertook work at the RAAF base in Townsville and at the Oakey Army Aviation Centre.

Operations and Maintenance

Revenue from operations and maintenance (O&M) activity was up by 5% to \$528 million and work in hand decreased by 22% to \$1.01 billion, mainly due to the loss of the Nextgen O&M contract. The Group has continued to build a presence in the O&M market, securing work on completed construction projects and winning other outsourced work.

Thiess Services maintained a steady level of activity through the servicing of utilities such as water, sewerage, gas and electricity. New environmental work won included the operation of a materials recycling facility in Canberra, the operation of three transfer stations in Sydney and new waste services work in Melbourne. Thiess Services is rehabilitating Telstra's network while Thiess' Silcar Maintenance Services is maintaining Telstra's National Telepower Network. In Western Australia, Thiess was awarded a five-year contract for the operation and maintenance of water, wastewater and drainage systems in Perth's northern suburbs.

Leighton Contractors has launched Leighton Services, which brings together existing O&M work in roads, telecommunications and building, and will focus on other external opportunities. Leighton Services has an O&M contract on Sydney's Eastern Distributor and has entered into a long-term contract on the WestLink M7. Visionstream is undertaking a solid base load of telecommunications O&M work on the Reef Network and on the Telstra network. Infocus, a joint venture between Leighton Services and James Fielding, has secured a long-term facilities management contract on the KENS development in Sydney.

John Holland continues to work on the WestNet rail maintenance contract in Western Australia and will undertake maintenance on the Alice Springs to Darwin rail line on its completion. John Holland continued to provide facilities management services for the Department of Defence across a number of sites in New South Wales and has a power line inspection and maintenance contract in Queensland.

Asian Operations

The Group again reported an improved contribution of \$81 million profit before tax from Asia on reduced revenue of \$996 million. The appreciation of the Australian dollar negatively impacted revenue by \$71 million.

Indonesia

Indonesia continues to be a major contributor from the Asian region and work in hand has remained strong at \$680 million. Thiess Indonesia's contract coal mining activities performed solidly at the Satui and Senakin mines while work at the Kideco mine is largely completed. New work awarded to Thiess Indonesia includes contract mining work at the

Melawan Pit for KPC and civil works at the Batu Hijau mine in Sumbawa.

Construction proceeded well on a rail project in West Java for Leighton Asia (Southern) while its contract-mining activities also progressed well.

Hong Kong

A highlight for the period was the award of Leighton Asia (Northern)'s largest ever project, a \$700 million joint venture contract to reclaim a key section of Hong Kong Harbour. Leighton Asia (Northern), in joint venture with Thiess Services, was also awarded a contract for remediation of the Penny's Bay site on Lantau Island.

Construction progressed very well on three major rail contracts. Other projects underway include the construction of six residential housing towers, a satellite earth station and a sewerage system on Hong Kong Island.

Malaysia

Leighton Asia (Southern) has commenced construction of the first phase of the Duta Plaza commercial and retail development in central Kuala Lumpur. Work has progressed on the design and installation of mobile phone base stations throughout Malaysia for Maxis.

Philippines

Construction of the North Luzon Expressway in the Philippines commenced, providing a good level of activity while the Philip Morris manufacturing facility has been completed.

Other Countries

Leighton Asia (Northern) is nearing completion of the civil works for a new power station near Ho Chi Minh City in Vietnam and has commenced construction on the track laying for the high-speed rail line in Taiwan.

Leighton Asia (Southern) has completed the construction of an offshore/ onshore pipeline in Sri Lanka.

South America

Thiess has wound up all operations in South America.

Group Prospects

Outlook for 2003/04

The Group has a record level of work in hand and the prospect of maintaining work at around \$10 billion given the number of construction opportunities still emerging in Australia. This large workload will translate into increased revenue in 2003/04. The directors are confident the Group will post an improved result in 2003/04.

Transport infrastructure will be a key driver of growth this year as a number of major projects awarded over the last 12 months begin to ramp up. In New South Wales, two consortia have been shortlisted for Sydney's Lane Cove Tunnel, one including Leighton Contractors and the other including Thiess and John Holland. This project is expected to be awarded early in 2004.

Activity in the mining and resource sector will continue to be driven by a number of substantial long-term contract mining projects, particularly in the coal industry. Engineering work for a range of minerals and energy processing facilities should also provide a solid contribution.

Building and property activity levels should remain strong, driven in part, by a number of Leighton Properties initiated developments.

The contribution from the Group's operations in Asia is likely to remain flat due to the subdued economic outlook for Asia. A few large projects in Hong Kong and the Philippines, as well as contract mining operations in Indonesia, should support activity levels.

Long-Term Outlook

The longer-term outlook remains very positive for the Group with significant momentum being provided by record levels of work in hand and the upswing in civil engineering and building construction in Australia.

The engineering and infrastructure market continues to be boosted by a number of large transport related projects, which are proposed or in planning. Major infrastructure projects set to proceed in New South Wales over the next few years includes the M4 East Motorway connection, the F3 Freeway connection, the Albury Bypass and the Epping-Parramatta leg of the Parramatta Rail Link.

In Melbourne, two consortia have lodged expressions of interest to develop the Mitcham-Frankston Freeway and again, both include Group companies. This project is expected to be awarded during 2004/05. Other projects around the country include the Pakenham Bypass in Victoria, the Perth-Mandurah rail line in Western Australia, for which Group companies are also shortlisted and the Gateway Bridge duplication in Queensland.

The outlook for the contract mining market remains good with some growth forecast for the next few years, particularly in the black coal industry. The Group is the largest contract miner in Australia with a strong position in coal through Thiess. Other minerals such as gold, iron ore and nickel are likely to offer select opportunities for new contract mining work.

Capital expenditure in the resources sector has been increasing significantly driven largely by development of oil and gas projects. There remains potential for further growth in resources investment with a significant number of advanced projects in the pipeline and less advanced ones in detailed planning stages. A key determinant for the outlook for a number of these projects will be the value of the Australian dollar and its impact on the cost-effectiveness of processing facilities.

The outlook for the non-residential building and property market remains positive with an investment led upswing forecast through to the middle of the decade. The Sydney commercial market continues to provide opportunities and a number of select industrial and commercial developments continue to be pursued along the east coast. Leighton Properties, with around \$1.7 billion of property developments currently underway, is set to capitalise on this property upswing.

Real increases in investment by the Federal Government on defence infrastructure and further outsourcing of maintenance activities should provide opportunities. A range of health, education and correctional facility prospects should also arise from further state government Public-Private Partnership initiatives.

The Group is actively pursuing the operations and maintenance services market, which is estimated to be worth around \$20 billion per year in Australia. Maintenance activity is forecast to experience growth with heavy and light manufacturing, roads, mining and non-residential building expected to provide opportunities. Waste management and utilities such as water, electricity and gas should continue to support a steady level of work. The Group will continue to selectively pursue telecommunications work with most opportunities related to the upgrading of existing networks.

The outlook for the Asian region remains positive in the longer term. Asia is highly leveraged to the US and while we expect that the region will rebound strongly, individual countries will vary.

The Group has a strong presence in the resources sector in Indonesia and is pursuing some major contract mining opportunities. These projects will be carefully evaluated against the potential risks of committing further investment in this country. Selected civil engineering and rail project are also being pursued.

In Hong Kong the government remains committed to investing in the development of transport related infrastructure, which should continue to drive construction activity, particularly in the rail sector.

In Malaysia, the Group is pursuing a number of power station, transport infrastructure and dam projects as well as some building opportunities.

The North Luzon Expressway will underpin activity levels for the next few years in the Philippines. Taiwan continues to offer opportunities for further work on the high-speed rail line while Thailand offers some select prospects. Demand for power generation infrastructure and other industrial facilities may provide some opportunities in Vietnam. The Group is evaluating rail, pipeline and building opportunities in Singapore, Sri Lanka and India, and other regional coal mining opportunities.

The Group expects that its record level of work will be maintained. There is further upside in the engineering, building and resources markets across Australia with some very large projects being pursued. These work levels will deliver revenue growth for the next few years, which should provide improving returns for shareholders in the future. The Group's balance sheet strength remains a source of competitive advantage and will continue to be used to support and grow the business.

Investments

Engineering Infrastructure

- **Asia Pacific Transport Consortium:** John Holland has a 14.6% holding in the concession company for operation of the Alice Springs to Darwin railway.
- **WestLink Motorway Limited:** Leighton Contractors has 10% of the consortium to design, build, maintain and operate the M7 WestLink Motorway.

Mining and Resources

- **Southland Colliery:** Thiess has a 10% share in the Southland Colliery underground coal mine in the NSW Hunter Valley. Gympie Gold holds 90%.
- **Burton Coal Mine:** Thiess retains a 5% investment in Burton Coal Mine in Queensland. The other 95% is owned by RAG.
- **Portman Mining Limited:** Thiess holds 23.1 million shares in Portman.

Property Development

- **James Fielding Group:** Leighton Holdings owns a 7.4% stake in the James Fielding Group.
- **MacArthur Chambers:** Leighton Properties holds a 50% share in a Brisbane CBD property where a 16-storey commercial tower is currently being developed.
- **Bayview Noosa:** Leighton Properties holds a 50% share in a property at Noosa in Queensland where a residential/resort development is being developed.
- **100 Pacific Highway:** Leighton Properties holds a 50% share in a development property in North Sydney.
- **Parramatta:** Leighton Properties holds a 50% share in a development property in the Parramatta CBD.
- **700 Collins Street:** Leighton Properties holds a 50% share in a Melbourne CBD property where a 17-storey commercial office tower is currently being developed.
- **Mulgrave:** Leighton Properties owns a suburban office park in Melbourne.
- **Thomastown:** Leighton Properties is developing an office/industrial development on a ten-hectare site in Melbourne.
- **Lyndhurst:** Leighton Properties is developing a Homemaker Centre on a site in Lyndhurst, Melbourne.
- **Mornington:** Leighton Properties is developing a Homemaker Centre on a site in Mornington, Melbourne.

Operating Revenue

Group by Company	June 2003		June 2002	
	\$M	(%)	\$M	(%)
Thiess	2,356	(43)	2,194	(42)
Leighton Contractors	1,405	(26)	1,255	(24)
John Holland	922	(18)	730	(14)
Leighton Asia (Northern)	399	(7)	451	(9)
Leighton Asia (Southern)	228	(4)	388	(7)
Leighton Properties	136	(2)	202	(4)
TOTAL	5,446	(100)	5,220	(100)

Work in Hand

Group by Company	June 2003		Dec 2002	June 2002	
	\$M	(%)	\$M (%)	\$M	(%)
Thiess	4,809	(50)	4,462 (52)	4,986	(59)
Leighton Contractors	2,411	(25)	2,064 (24)	900	(11)
John Holland	1,168	(11)	835 (10)	1,010	(12)
Leighton Asia (Northern)	844	(9)	1,228 (14)	1,025	(12)
Leighton Asia (Southern)	265	(3)	- -	450	(6)
Leighton Properties	165	(2)	- -	- -	-
TOTAL	9,662	(100)	8,589 (100)	8,371	(100)

Group by Market	June 2003		June 2002	
	\$M	(%)	\$M	(%)
Engineering & Infrastructure	1,863	(34)	1,846	(36)
Building & Property	1,077	(19)	1,163	(22)
Mining & Resources	1,949	(36)	1,406	(27)
Telecommunications	419	(8)	619	(11)
Environmental	138	(3)	186	(4)
TOTAL	5,446	(100)	5,220	(100)

Group by Market	June 2003		Dec 2002	June 2002	
	\$M	(%)	\$M (%)	\$M	(%)
Engineering & Infrastructure	3,814	(40)	2,541 (30)	3,103	(37)
Building & Property	1,715	(18)	1,083 (13)	924	(11)
Mining & Resources	3,571	(37)	4,210 (49)	3,393	(40)
Telecommunications	134	(1)	341 (4)	552	(7)
Environmental	428	(4)	414 (4)	399	(5)
TOTAL	9,662	(100)	8,589 (100)	8,371	(100)

Australia/Pacific by Market	June 2003		June 2002	
	\$M	(%)	\$M	(%)
Engineering & Infrastructure	1,483	(33)	1,194	(30)
Building & Property	910	(21)	916	(23)
Mining & Resources	1,524	(34)	1,000	(26)
Telecommunications	399	(9)	619	(16)
Environmental	125	(3)	186	(5)
TOTAL	4,441	(100)	3,915	(100)

Australia/Pacific by Market	June 2003		Dec 2002	June 2002	
	\$M	(%)	\$M (%)	\$M	(%)
Engineering & Infrastructure	3,112	(39)	1,734 (26)	2,144	(35)
Building & Property	1,428	(17)	863 (13)	626	(10)
Mining & Resources	3,026	(38)	3,316 (50)	2,463	(40)
Telecommunications	94	(1)	313 (5)	552	(9)
Environmental	401	(5)	365 (6)	379	(6)
TOTAL	8,061	(100)	6,591 (100)	6,164	(100)

Asia by Country	June 2003		June 2002	
	\$M	(%)	\$M	(%)
Hong Kong	237	(25)	301	(25)
Indonesia	478	(49)	469	(39)
Philippines	83	(9)	73	(6)
Malaysia	101	(11)	296	(24)
Other	60	(6)	80	(6)
TOTAL	959	(100)	1,219	(100)

Asia by Country	June 2003		Dec 2002	June 2002	
	\$M	(%)	\$M (%)	\$M	(%)
Hong Kong	639	(40)	546 (27)	611	(28)
Indonesia	680	(42)	975 (49)	1,020	(47)
Philippines	165	(10)	296 (15)	338	(16)
Malaysia	75	(5)	112 (6)	123	(6)
Other	42	(3)	65 (3)	78	(3)
TOTAL	1,601	(100)	1,994 (100)	2,170	(100)

Note 1: Operating revenue includes the Groups share of joint venture entities' revenue. Operating revenue does not include plant sales and miscellaneous revenue.

Note 2: These tables do not include revenue earned from the Americas. See Primary segment report - Geographic on page 8 of the Preliminary Financial Report for greater detail.

Note 1: Work in hand only includes work for 5 years from the reporting date. The value of long-term contracts running past June 2008 is not included.

Significant Current Contracts

Total Contract Values are shown for all projects including joint ventures

Thiess

- \$270m alliance contract for mining operations at Mt Keith Nickel mine, North Eastern Goldfields, WA, for WMC Resources.
- \$170m contract for mining and infrastructure works at South Walker Creek coal mine, Coppabella, Qld for BHP Mitsui Coal.
- \$88m contract to design and construct LNG tanks, Darwin, NT, for Bechtel Australia.
- \$78m contract for operation and maintenance of water, wastewater and drainage systems in Perth's northern suburbs, for Water Corporation of WA.
- \$78m alliance contract to design, procure and construct 390km of the gas pipeline, a compressor station and other facilities, between Moranbah and Townsville, Qld, for Enertrade. Thiess' share is \$39m.
- \$64m alliance contract for mining at Yallourn Mine, Latrobe Valley, Vic, for Yallourn Energy. Thiess' share is \$28m.
- \$31m contract for the removal of overburden and other ancillary works at Hazelwood mine, Latrobe Valley, Vic, for Hazelwood Power. Thiess' share is \$14m.
- \$1.4bn contract for mining and processing operations at Mt Owen coal mine, NSW, for Hunter Valley Coal Corporation.
- \$1bn contract for mining operations at Burton coal mine, Qld, for Burton Coal.
- \$878m joint venture contract to design and construct tunnels, stations, track, signal and communications work on the Parramatta Rail Link, Sydney, for NSW Department of Transport. Thiess' share is \$439m.
- \$761m contract for mining operations, washing and loading of coal at Collinsville coal mine, Qld, for Mt Isa Mines and Itochu Coal Resources Australia.
- \$447m in contracts for underground coal mining at Southland Colliery, NSW, for Southland Coal.
- \$231m management contract for redevelopment of Royal Prince Alfred Hospital, Sydney, NSW, for the Department of Public Works and Services.
- \$203m in alliance contracts for maintenance and renewal of infrastructure for M>Train and M>Tram, Melbourne, Vic, with National Express Australia. Thiess' share is \$101m.
- \$200m in contracts to design, construct and commission regional fast rail links, between Ballarat and Geelong, Vic, for the Department of Infrastructure. Thiess' share is \$100m.
- \$171m management contract for construction of Lavarack Barracks Stage 3, Townsville, Qld, for Department of Defence.
- \$169m joint venture contract for earthworks and mobile plant hire at Loy Yang power station, Gippsland, Vic, for SECV. Thiess' share is \$74m.
- \$160m contract for mining operations at Oaky Creek open cut mine, Qld, for Oaky Creek Coal.
- \$119m contract for design and construction of three calciners, Gladstone, Qld, for Queensland Alumina Limited.
- \$117m alliance contract to construct a river diversion aqueduct, including three conveyor tunnels at Morwell River, Yallourn, Vic, for Yallourn Energy. Thiess' share is \$51m.
- \$89m contract to design, construct and maintain the Karuah bypass, NSW, for RTA.
- \$87m joint venture contract to design, construct and commission the Hail Creek coal handling plant, Nebo, Qld, for Hail Creek Coal. Thiess' share is \$44m.
- \$87m joint venture contract for site and civil works at the Comalco alumina refinery, Gladstone, Qld, for Bechtel Australia. Thiess' share is \$57m.
- \$46m contract to construct two wharves at the Darwin East Arm Port Stage 2A, Darwin, NT, for Northern Territory Government.

PT Thiess Indonesia

- \$48m contract to remove overburden, mine and transport coal at the Melawan Pit, East Kalimantan, Indonesia, for Kaltim Prima Coal.
- \$17m contract for civil works and plant hire for 2003, Sumbawa, Indonesia, for PT Newmont Nusa Tenggara.
- \$842m contract for mining operations at the Satui and Senakin coal mines, South Kalimantan, Indonesia, for PT Arutmin Indonesia.
- \$367m contract for overburden removal and coal haulage at Kideco coal mine, Kalimantan, for PT Kideco Jaya Agung.
- \$18m contract to design and construct a coal terminal at Binugan coal mine, East Kalimantan, Indonesia, for PT Berau Coal.

Thiess Services

- \$52m alliance contract to remediate the Penny's Bay site, Hong Kong, for China State Construction Engineering (HK) Ltd. Thiess Services share is \$26m.
- \$39m contract to operate and maintain a recycleable materials recovery facility, Canberra, ACT, for the Department of Urban Services.
- \$22m joint venture contract to operate waste transfer stations, Sydney, for Waste Services of NSW. Thiess Services' share is \$11m.
- \$21m contract for domestic collection services, Dandenong, Vic, for City of Greater Dandenong

Note: • indicates new project secured between 1 July 2002 – 30 June 2003
▪ Indicates significant on-going project

- \$618m in fixed plant maintenance and telecommunications contracts throughout Australia with Siemens as joint venture partner, trading as Silcar Maintenance Services. Thiess' share is \$309m.
- \$207m in waste collection and recycling services for various local government clients in NSW and ACT and the Waste Service of NSW at Chullora.
- \$138m joint venture contract to design and construct all access network outsourced activity with Siemens, in areas within Qld and NSW, for Telstra. Thiess' share is \$66m.
- \$112m long-term contract to operate the water treatment plant at Port Kembla, NSW, for BHP Steel.
- \$105m in contracts for the operation of transfer stations and landfills in Brisbane, Qld.
- \$66m in waste collection and recycling contracts for various local governments and councils in metropolitan Melbourne and regional Victoria.
- \$48m in contracts for the provision of hydrographic services to various water and irrigation clients throughout Victoria.
- \$42m in utilities maintenance contracts in Melbourne, Vic, Moorabbin and Mornington service areas, Vic, for United Energy.
- \$41m in sludge treatment contracts, throughout Australia, for public utility and local government clients.
- \$29m contract to design, construct and operate the pretreat facility in South Windsor, NSW, for Resource NSW.
- \$113m contract to design and construct the AMCOR Glass Manufacturing Facility, Gawler, SA, for AMCOR.
- \$83m contract to construct 700 Collins Street, Melbourne, Vic, for Folkstone/Leighton JV.
- \$82m contract to design and construct the Port of Brisbane seawall, Fisherman Island, Qld, for Port of Brisbane Corporation.
- \$39m contract to design and construct a hazardous chemical storage facility, Marstel Coode Island, Vic, for Marstel Terminals Coode Island.
- \$34m in contracts to design and construct the Kingsway Retirement Village stages 1, 2, 3 and 4, Kingsway, WA, for Caversham Property.
- \$92m contract for mining operations at St Ives gold mine, Kambalda, WA, for St Ives Gold Mining Company.
- \$73m management contract for Stage 2 of RAAF base redevelopment, Townsville, Qld, for Department of Defence.
- \$72m management contract for redevelopment of the Army Aviation Centre at Oakey, Qld, for Department of Defence.
- \$52m contract to construct the Yandina to Cooroy Bruce Highway upgrade, for Department of Main Roads Queensland.

Leighton Services

- \$94m contract to rehabilitate the Telstra network, throughout NSW and Vic, for Telstra Corporation.
- \$86m contract for operation and maintenance of Eastern Distributor motorway, NSW, for Airport Motorway.
- \$19m contract to design and construct a fibre-optic network along Victoria's four new fast rail corridors, for VicTrack Rail Corporation.
- \$18m contract to operate and maintain a fibre-optic network, between Brisbane and Cairns, Qld, for Reef Networks.

Hunter Valley Earthmoving

- \$366m contract for overburden removal, mining and transport of coal at Liddell open cut mine, NSW, for Liddell Coal Operation Pty Ltd.
- \$70m in contracts for overburden removal, mining, transport and processing at Westside coal mine, NSW, for Oceanic Coal Australia Limited.

Leighton Contractors

- \$1.54bn joint venture contract to design and construct the Westlink M7, Sydney, NSW, for Westlink Motorway. Leighton Contractors' share is \$770m.
- \$272m in contracts for management, design and construction of the KENS twin tower commercial building, Sydney, NSW, for Leighton Properties.
- \$294m contract to redevelop the Spencer Street Station and upgrade the track and signalling, Melbourne, Vic, for Civic Nexus.
- \$238m contract to strip overburden and mine the Moorvale Coal Mine - Stages 1 and 2, Coppabella, Qld, for Australian Premium Coals.
- \$182m contract for mining and train loading at the Yarrie Nimingarra open pit iron ore mine, 150 km east of Port Hedland, WA, for BHP Billiton Iron Ore.
- \$169m contract to refurbish and upgrade the Sydney Hilton, NSW, for Admiral III.

John Holland

- \$67m contract to design and construct the Bayview Noosa Resort and associated houses and villas stage 2, Qld, for Viridian Noosa.
- \$51m contract to construct an activated sludge plant and reconfiguration of existing effluent lagoons at the Werribee 25W main works, Werribee, Vic, for Melbourne Water.
- \$43m contract to construct the BHP Finucane Island berth and jetty, Port Hedland, WA, for BHP Iron Ore.
- \$34m joint venture contract to design and construct a seawater supply line as a part of the Burrup water supply, Karratha, WA, for Water Corporation. John Holland's share is \$17m.
- \$30m contract to design and construct the 280 Spencer Street Apartments, Melbourne, Vic, for SUT.

Note: • indicates new project secured between 1 July 2002 – 30 June 2003
 ▪ Indicates significant on-going project

- \$29m management contract for the construction of the NIB Hospital John Hunter campus, Newcastle, NSW, for NIB Private Hospital.
- \$29m contract to construct the Taronga Zoo elephant precinct, Sydney, NSW, for Taronga Zoo.
- \$28m contract to design and construct two desalination plants, Karratha, WA, for Water Corporation.
- \$1.1bn joint venture contract to design and construct the Alice to Darwin railway, NT, for APT. John Holland's share is \$220m.
- \$298m contract to design, construct and commission regional fast rail links, from Melbourne to Taralgon and Bendigo, Vic, for the Department of Infrastructure.
- \$235m alliance contract for sewerage services (the PSP Alliance), Sydney, NSW, for Sydney Water. John Holland's share is \$75m.
- \$160m contract to maintain all WestNet Rail rail infrastructure, WA.
- \$143m joint venture contract to design and construct a nuclear research reactor, Lucas Heights, NSW for ANSTO. John Holland's share is \$87m.
- \$140m joint venture management contract for facilities management of defence bases, across NSW, for Department of Defence. John Holland's share is \$70m.
- \$108m joint venture contract for the design and construction of the Tonkin Highway, Perth, WA. John Holland's share is \$54m.
- \$107m in contracts for steel structure fabrication and pre-assembly, and construction of an aluminium refinery, Gladstone, Qld, for Bechtel.
- \$72m joint venture contract to construct and maintain Kempsey Prison, for Department of Corrective Services, NSW. John Holland's share is \$36m.
- \$41m contract to refurbish an existing 26-storey office building at 250 Elizabeth St, Melbourne, Vic, for the Australand Group.
- \$29m contract to design and install an odour control system at the Subiaco waste water treatment plant, for WA Water Corporation.
- \$27m joint venture contract for the design and construction of the Roe Highway, Canningvale section, WA. John Holland's share is \$14m.

Leighton Asia (Northern)

- \$654m contract for reclamation of 18 hectares of land from Hong Kong harbour, construction of seawalls, ferry piers, a railway overrun tunnel, drainage and various M&E works for the Territory Development Department, HK Government. Leighton Asia's share is \$294m.
- \$52m alliance contract to remediate the Penny's Bay site, Hong Kong, for China State Construction Engineering (HK) Ltd. Leighton Asia's share is \$26m.
- \$208m contract for design and construction of 84km of expressway upgrades and expansions,

North Luzon, Philippines, for Manila North Tollways Corporation.

- \$169m contract for upgrading and extending an existing light rail system, Hong Kong, for Kowloon Canton Railway Corporation.
- \$152m management contract for the construction of Fisherman's Wharf, Macau, for Macau Fisherman's Wharf International Investment.
- \$143m joint venture contract to design and construct trackwork for the Taiwan High Speed Rail Link, Taipei, for Taiwan High Speed Rail Corporation. Leighton Asia's share is \$40m.
- \$141m contract to construct three 47-storey and three 41-storey housing blocks, near the Eastern Harbour crossing, for Hong Kong Housing Authority.
- \$124m contract to design and construct an aviation fuel facility at Hong Kong International Airport, for ECO Aviation Fuel Developments Ltd.
- \$82m joint venture contract to construct a new sewerage system between Wanchai East and North Point, for the Hong Kong Government's Drainage Services. Leighton Asia's share is \$42m.

Leighton Asia (Southern)

- \$46m contract to construct the Duta Plaza commercial, retail and residential development, Kuala Lumpur, Malaysia, for City Properties Sdn Bhd.
- \$17m contract to decommission and decontaminate an existing process plant and construct a cell for disposal of contaminated material, Kuala Lumpur, Malaysia, for Asian Rare Earths Sdn Bhd
- \$187m contract for mining, infrastructure, operation and maintenance at Sebuku coal mine, Indonesia, for PT Bahari Cakrawala Sebuku.
- \$131m contract to mine, remove overburden, transport coal and maintain haul roads at the ABK Loa Janan coal mine, East Kalimantan, Indonesia, for PT Anugerah Bara Kaltim.
- \$61m joint venture contract for the construction of 65km of rail track between Cikampek and Cirebon, West Java, Indonesia, for the Ministry of Communications. Leighton Asia's share is \$17m.
- \$54m contract to design and construct a series of mobile phone transceiver stations, throughout Malaysia, for Maxis Mobile Sdn Bhd.
- \$30m contract for mining, haulage and maintenance at Malinau coal mine, Kalimantan, Indonesia, for PT Baradinamika Mudasukkses.

Note: • indicates new project secured between 1 July 2002 – 30 June 2003
 ▪ Indicates significant on-going project

LEIGHTON HOLDINGS LIMITED

PRELIMINARY FINAL REPORT

TO 30 JUNE 2003 - ISSUED 14 AUGUST 2003

APPENDIX 4E



Leighton Holdings Limited

A.C.N. 004 482 982

A.B.N. 57 004 482 982

472 Pacific Highway St Leonards

NSW 2065 Australia

Telephone: (61-2) 9925 6666

Facsimile: (61-2) 9925 6005

www.leighton.com.au

Results For Announcement to the Market

for the year ended 30 June 2003

Name of entity

LEIGHTON HOLDINGS LIMITED

ACN

004 482 982

\$A'000

Revenues from ordinary activities - Group	down 0.2%	to	5,022,909
Revenues from ordinary activities - Joint Venture Entities	up 148%	to	597,327
Revenues from ordinary activities - Group and Joint Venture Entities	up 7%	to	5,620,236
Profit from ordinary activities after tax attributable to members	down 17%	to	140,014
Net profit for the period attributable to members	down 17%	to	140,014
Dividends	Amount per security	Franked amount per security	
Final dividend	27.0¢	27.0¢ (100%)	
Previous corresponding period	26.0¢	18.2¢ (70%)	
Record date for determining entitlements to the dividend:	12 September 2003		
The annual meeting will be held as follows:			
Place	The Grand Ballroom Four Seasons Hotel 199 George Street, Sydney		
Date	6 November 2003		
Time	10.00am		
Approximate date the annual report will be available	Late September 2003		

Commentary on the Results

for the year ended 30 June 2003

Revenue from ordinary activities for the Group (including joint venture entities) of \$5.6 billion was an increase of 7% on the previous year. The revenue from ordinary activities within the Group was similar to 2002 at \$5.0 billion whilst revenue from Leighton's participation in joint venture increased from \$240 million to \$600 million. The major sources of revenue including joint ventures during the year were:

	\$ millions
Engineering and infrastructure	1,863
Building and property development	1,077
Mining and resources	1,949

The revenue reflects strong contributions from the Australian operations whilst the Asian operations have reduced marginally during the current year.

Group operating profit after tax was \$140 million after a write-down on the Nextgen Networks project of \$40 million. Pre tax profits after outside equity interests and excluding the Nextgen write-off was up 17% to \$268 million with the increased profitability coming mainly from the Australian operations. The Asian operations maintained a good contribution to the Group for the year of \$81 million, however a loss was recorded in the closing of the South American operations of \$17 million.

Australia produced an improved profit over 2002. Leighton Properties strengthened its contribution to the Group in 2003 on an increased level of activity. John Holland continued its recovery plan and again increased its contribution to the Group and has increased its size and scope of operations with the acquisition of the construction activities of Transfield Construction during the year. Mining remained a good contributor particularly for Thiess.

The performance in Asia remained strong after taking into account the effect of the appreciation of the Australian dollar. As a majority of contracts in Asia are in US dollars or currency linked to US dollars the appreciation of the Australian dollar contributed to the reduced revenue. Good contributions were reported in all major Asian countries including Malaysia, Hong Kong, Indonesia and the Philippines. The mining operations in Indonesia maintained its strong performance with good results achieved on rail and road projects in Hong Kong and the Philippines.

The Group has a record level of work in hand of \$9.7 billion and this large workload will translate into increased revenue in 2003/04. The directors are confident the Group will post an improved result in 2003/04.

The return on average shareholders' funds was 17% for the year (22% before Nextgen write-off) compared with 21.1% in 2002. A final dividend declared by the directors on 14 August 2003 of 27¢ per share fully franked will bring the full year's ordinary dividend to 44¢ per share, representing an 5% increase over the 2002 dividend.

The Groups total assets at \$2.15 billion is \$172 million lower than 2002 and results from a lower net investment in plant and equipment and the funding of the Nextgen Networks which was written-off in the 2003 year. The level of net cash held by the Group at June 2003 was \$387 million compared to \$524 million at June 2002.

The Group's total equity stands at \$871 million compared to \$795 million at June 2002. The \$76 million increase is primarily due the introduction of a change in the accounting standard relating to the provision of dividends AASB1044 where the dividend for 2003 has not been provided against the total equity on the balance sheet. The net tangible assets per ordinary share have increased from \$2.83¢ at June 2002 to \$3.10¢ at June 2003.

Cash from customers was strong at \$5 billion reflecting the Group's level of revenue. Net cash compared to 2002 was affected by the funding of Nextgen and a decrease in payables. The Group repaid borrowings of \$43 million in the year in accordance with loan agreements entered into with third parties. Short-term borrowings were required during certain periods of the financial year but were repaid by year-end.

Dividends paid during the financial year were \$116 million compared to \$110 million in the corresponding year.

The appreciation of the Australian dollar during the financial year has also had the effect of reducing the Australian dollar value of the Group's opening cash balance for overseas currencies by \$24 million. The Group's undrawn facilities have remained strong at \$422 million.

Statements of Financial Performance

for the year ended 30 June 2003

	Consolidated	
	2003 \$'000	2002 \$'000
Revenues from ordinary activities	5,022,909	5,034,845
Expenses from ordinary activities	(4,845,551)	(4,817,566)
Borrowing costs	(9,284)	(6,817)
Share of net profits of associates and joint venture entities	54,466	23,201
Profit from ordinary activities before income tax expense	222,540	233,663
Income tax expense relating to ordinary activities	(71,565)	(59,450)
Profit from ordinary activities after income tax expense	150,975	174,213
Net profit attributable to outside equity interest	(10,961)	(4,991)
Net profit attributable to members of the parent entity	140,014	169,222
Other changes in equity attributable to members of the parent entity		
Increase in asset revaluation reserve	1,138	-
Net exchange difference on translation of financial statements of self-sustaining foreign operations	(42,133)	(27,351)
Total other changes in equity attributable to members of the parent entity	(40,995)	(27,351)
Total changes in equity from non-owner transactions attributable to the members of the parent entity	99,019	141,871
Basic earnings - cents per share	51.7	63.1
Diluted earnings - cents per share	51.6	62.8
Dividends - cents per share	17.0	16.0
- Interim		
- Final	27.0	26.0

Statements of Financial Position

as at 30 June 2003

	Consolidated	
	2003 \$'000	2002 \$'000
Assets		
Cash assets	408,266	588,363
Receivables	836,312	804,268
Inventories	49,385	53,596
Investments accounted for using the equity method	85,979	49,217
Investments in other entities	63,484	84,691
Deferred tax assets	99,290	88,697
Property, plant and equipment	574,736	614,249
Goodwill	28,824	34,693
Total assets	2,146,276	2,317,774
Liabilities		
Payables	997,198	1,182,861
Current tax liabilities	5,208	18,525
Provisions	236,827	251,764
Interest bearing liabilities	20,881	64,346
Deferred tax liabilities	15,518	5,732
Total liabilities	1,275,632	1,523,228
Net assets	870,644	794,546
Equity		
Contributed equity	414,798	399,391
Reserves	(66,043)	(25,048)
Retained profits	507,557	414,916
Total parent entity interest	856,312	789,259
Outside equity interest	14,332	5,287
Total equity	870,644	794,546

Statements of Cash Flows

for the year ended 30 June 2003

	Consolidated	
	2003 \$'000	2002 \$'000
Cash flows from operating activities		
Cash receipts in the course of operations	4,982,574	4,875,965
Cash payments in the course of operations	(4,618,680)	(4,122,205)
Dividends received	4,011	2,020
Interest received	9,972	17,556
Borrowing costs paid	(7,988)	(7,130)
Income taxes paid	(88,037)	(108,949)
Net cash provided by operating activities	281,852	657,257
Cash flows from investing activities		
Payments for investments in controlled entities and businesses	(38,149)	(33,270)
(Proceeds) from sale of investments in controlled entities and businesses	23,439	-
Payments for property, plant and equipment	(306,897)	(446,212)
Proceeds from sale of assets	84,254	37,465
Proceeds from (payments for) investments in other entities	(54,611)	11,841
(Loans to)/repayments by executives	220	497
Net cash used in investing activities	(291,744)	(429,679)
Cash flows from financing activities		
Proceeds from share issues	15,407	20,793
Proceeds from borrowings	219,910	-
Repayment of borrowings	(263,375)	(27,867)
Distributions to outside equity interests	(1,916)	-
Dividends paid	(116,443)	(109,971)
Net cash used in financing activities	(146,417)	(117,045)
Net increase/(decrease) in cash held	(156,309)	110,533
Net cash at the beginning of the financial year	588,363	500,133
Effects of exchange rate changes on the balances of cash held in foreign currencies at the beginning of the year	(23,788)	(22,303)
Net cash at reporting date	408,266	588,363

Notes to the Preliminary Final Report

for the year ended 30 June 2003

1 Basis of preparation of the Preliminary Final Report

This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issue Group Consensus Views or other standards acceptable to ASX. This report is based on accounts, which are in the process of being audited. The company does not expect that there will be any qualifications to its financial statements.

	Consolidated	
	2003 \$'000	2002 \$'000
2 Revenues - Group		
Construction contracting services	4,578,317	4,585,413
Other contracting services	181,571	186,241
Income from investment in coal mines	5,123	12,182
Sale of development properties	18,935	129,064
Other development property revenue	64,594	66,681
Revenue from operating activities	4,848,540	4,979,581
Interest		
- Related parties	471	264
- Other parties	9,194	15,204
Dividends/distributions		
- Other parties	4,011	2,331
Proceeds from sale of other assets	160,693	37,465
Revenues from ordinary activities - Group	5,022,909	5,034,845

The Group's share of revenues from Joint Ventures is excluded from Revenues – Group noted above and is excluded from the Statement of Financial Performance in accordance with Accounting Standards. The delivery of major projects by the Group is increasingly in the form of Joint Ventures. Details of the Group's share of Joint Ventures' revenues is provided as additional information and included in Revenues – Group and Joint Venture Entities noted below.

Revenues - Group and Joint Ventures

Revenue from operating activities - Group	4,848,540	4,979,581
Revenue from operating activities - Joint Ventures	597,327	240,612
Total Revenue from operating activities - Group and Joint Ventures	5,445,867	5,220,193
Other Revenues	174,369	55,264
Revenues from ordinary activities - Group and Joint Ventures	5,620,236	5,275,457

3 Profit from ordinary activities before income tax expense

Profit from ordinary activities before income tax expense includes the following specific net gains and expenses

Net gains on sales of

- Investments	9,445	323
- Property, plant and equipment	17,416	6,262

Expenses

- Amortisation of non current assets	13,359	10,797
- Depreciation of non current assets	296,495	302,994

Notes continued

	Consolidated	
	2003 \$'000	2002 \$'000
4 Expenses		
Materials	1,034,699	1,308,727
Subcontractors	1,659,780	1,516,979
Plant costs	766,392	751,911
Labour	927,452	803,076
Insurance	29,889	22,262
Amortisation of goodwill	8,280	6,037
Operating leases - minimum lease payments	58,498	58,441
Professional fees	90,297	96,911
Foreign exchange (gains) / losses	2,004	(1,952)
Book value of assets sold	133,832	30,880
Cost of development properties sold	17,219	118,821
Nextgen project written off	58,000	45,000
Other expenses	59,209	60,473
Expenses from ordinary activities	4,845,551	4,817,566

	Australia/ Pacific \$'000	South East Asia \$'000	Americas \$'000	Eliminations \$'000	Total \$'000
5 Segment Information					
Primary segment - geographical					
2003					
Total revenue - group and joint ventures	4,577,591	996,335	46,310	-	5,620,236
Segment revenue	3,995,180	967,748	46,305		5,009,233
Other unallocated revenue					13,676
Revenue from ordinary activities					5,022,909
Segment result	103,339	77,975	(16,699)	-	164,615
Share of net profit of equity accounted investments	50,499	3,967	-	-	54,466
Borrowing costs	(8,602)	(682)	-	-	(9,284)
Profit/(loss) attributable to members before tax	145,236	81,260	(16,699)	-	209,797
Profit attributable to outside equity interest					12,743
Profit from ordinary activities before income tax expenses					222,540
Income tax expense relating to ordinary activities					(71,565)
Profit from ordinary activities after income tax expense					150,975
Depreciation and amortisation	221,913	84,874	3,067	-	309,854
Other non-cash expenses	115,474	12,311	735	-	128,520
Assets	1,842,974	535,192	176	(232,066)	2,146,276
Equity accounted investments	82,422	3,557	-	-	85,979
Acquisition of segment assets	271,680	77,150	-	-	348,830
Liabilities	1,034,177	325,724	25,494	(109,763)	1,275,632

Notes continued

	Australia/ Pacific \$'000	South East Asia \$'000	Americas \$'000	Eliminations \$'000	Total \$'000
5 Segment Information continued					
Primary segment - geographical					
2002					
Total revenue - group and joint ventures	3,964,987	1,224,540	85,930	-	5,275,457
Segment revenue	3,706,576	1,224,540	85,930	-	5,017,046
Other unallocated revenue					17,799
Revenue from ordinary activities					5,034,845
Segment result	124,021	77,692	9,188	-	210,901
Share of net profit of equity accounted investments	23,207	(6)	-	-	23,201
Borrowing costs	(6,222)	(595)	-	-	(6,817)
Profit/(loss) attributable to members before tax	141,006	77,091	9,188	-	227,285
Profit attributable to outside equity interest					6,378
Profit from ordinary activities before income tax expenses					233,663
Income tax expense relating to ordinary activities					(59,450)
Profit from ordinary activities after income tax expenses					174,213
Depreciation and amortisation	213,408	94,518	5,865	-	313,791
Other non-cash expenses	143,239	12,779	611	-	156,629
Assets	1,789,691	565,345	25,759	(63,021)	2,317,774
Equity accounted investments	48,424	793	-	-	49,217
Acquisition of segment assets	333,271	103,794	4,264	-	441,329
Liabilities	1,247,697	387,094	26,875	(138,438)	1,523,228

	Civil and Building \$'000	Mining and Resource \$'000	Property Develop- ment \$'000	Telecom- munications \$'000	Environ- mental \$'000	Corporate \$'000	Unallocated \$'000	Total \$'000
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5 Segment information continued

Secondary segment - business

2003

Total revenue	2,841,273	1,949,351	135,798	418,584	138,065	-	137,165	5,620,236
Segment revenue	2,422,703	1,949,351	83,829	291,796	138,065	-	123,489	5,009,233
Assets	865,953	532,101	182,382	75,607	113,086	377,147	-	2,146,276

2002

Total revenue	2,814,168	1,405,515	195,745	618,534	186,241	-	55,254	5,275,457
Segment revenue	2,646,966	1,405,515	195,745	545,114	186,241	-	37,465	5,017,046
Assets	788,432	673,739	111,315	134,022	112,789	497,477	-	2,317,774

The segment analysis is reported after eliminating the minority interest pre tax profits to reflect the pre tax profits attributable to the members. Details of total revenue including the Group's share of Joint Ventures' revenues is provided as additional information.

Notes continued

		Consolidated	
		2003	2002
		\$'000	\$'000
6	Retained profits		
	Balance at beginning of financial year	414,916	359,269
	Net profit attributable to members of the parent entity	140,014	169,222
	Dividends	(116,443)	(113,575)
	Prior year net effect of changes in accounting policies		
	- Prior year adjustment in accordance with revised accounting standard AASB 1044 - Provisions, in respect of 2002 final dividend provided in Statement of Financial Performance for the year ended 30 June 2002.	69,899	-
	- Prior year adjustment in respect of first time application of revised accounting standard AASB 1028 - Employee Benefits.	(829)	-
	Balance at reporting date	507,557	414,916
7	Dividends		
	Interim dividend paid		
	A fully franked interim ordinary dividend of 17 cents per share (2002: 16 cents per share 70% franked) was paid on 31 March 2003.	46,137	43,006
	2002 Final dividend paid		
	A partially franked (70% franked) final ordinary dividend of 26 cents per share was paid on 30 September 2002.	70,306	-
	2002 Final dividend provided	-	69,899
	2001 Final dividend paid on shares issued post reporting date	-	670
	Dividends paid by the Company (2002 paid and provided)	116,443	113,575
8	Liquidity analysis		
	Assets and (liabilities) expected to be realised / settled within 12 months		
	Cash	408,266	588,363
	Receivables	814,350	804,268
	Inventories	21,398	26,744
	Investments (equity accounted)	67,659	-
	Payables	(997,198)	(1,165,824)
	Current year tax liabilities	(5,208)	(18,525)
	Provisions	(64,275)	(62,359)
	Interest bearing liabilities	(19,841)	(26,558)
9	Net tangible asset backing		
	Net tangible asset backing per ordinary security	\$3.10	\$2.83

Notes continued

		Consolidated	
		2003	2002
10	Equity accounted investments	%	%
	Associates		
	Principal activities		
	Vina Leighton Ltd	50	50
	Infrastructure Technologies Limited	45	45
	Defence Maintenance Management Pty Ltd	50	50
	Newood Holdings Pty Limited	50	-
	Sedgman Pty Ltd	50	50
	Joint venture entities		
	233 Castlereagh Street joint venture	50	-
	Abigroup - Leighton joint venture	50	-
	ADrail joint venture	20	20
	BJB joint venture	38	38
	Folkestone - Leighton joint venture	50	-
	JH SEMF joint venture	50	50
	JM joint venture	60	50
	John Holland Barclay Mowlem joint venture	50	50
	John Holland BRW joint venture	50	-
	John Holland Downer EDI joint venture	60	60
	John Holland Lahey joint venture	50	50
	John Holland MacMahon joint venture	50	-
	John Holland McConnell Dowell joint venture	50	-
	Hail Creek joint venture	50	50
	Leighton-Kumagai joint venture	50	-
	Leighton-China State-Van Oord joint venture	45	-
	Macarthur Chambers joint venture	50	50
	Noosa joint venture	50	50
	Roche Thiess Linfox joint venture	44	44
	Silcar Maintenance Services	50	50
	STCJV Services	50	50
	Taiwan Track Partners joint venture	28	-
	Details of aggregate share of profits (losses) of associates and joint venture entities	2003	2002
		\$'000	\$'000
	Revenues from ordinary activities	597,327	240,612
	Expenses from ordinary activities	(542,861)	(217,411)
	Profit (loss) from ordinary activities before tax	54,466	23,201
	Income tax on ordinary activities	-	-
	Profit (loss) from ordinary activities after tax	54,466	23,201
	Extraordinary items net of tax	-	-
	Net profit (loss)	54,466	23,201
	Adjustments	-	-
	Share of net profit of associates and joint venture entities	54,466	23,201
	Income tax incurred by the Group on its share of net profit of associates and joint venture entities	(15,766)	(6,960)
	Aggregate contribution	38,700	16,241

Notes continued

	Consolidated	
	2003 \$'000	2002 \$'000
11 Cash flow information		
Reconciliation of profit from ordinary activities after income tax expense to net cash provided by operating activities		
Profit from ordinary activities after income tax expense	150,975	174,213
Add (less) non-cash items		
Depreciation	301,574	307,754
Amortisation of goodwill	8,280	6,037
Amounts set aside to provisions	128,520	156,629
Foreign currency (gains)/losses	2,004	(1,952)
(Gain)/loss on sales of assets	(26,861)	(6,585)
Net changes in assets/liabilities		
(Increase)/decrease in receivables and joint ventures	(92,723)	(139,241)
(Increase)/decrease in inventories	7,303	94,048
(Decrease)/increase in payables	(85,115)	175,598
(Decrease)/increase in provisions	(100,039)	(66,199)
Income tax payable	(12,066)	(43,045)
Net cash provided by operating activities	281,852	657,257

Details of credit facilities

The Consolidated Entity has a total of \$1.6 billion (2002: \$1.34 billion) loan and guarantee facilities of which \$422 million (2002: \$435 million) were undrawn as at 30 June 2003. These facilities include a private unsecured loan placement in the USA of US\$12 million (2002: US\$23 million). These facilities have maturity dates up to August 2006. The facilities are provided under negative pledge agreements with financial institutions.

Fair value of assets of controlled entities and businesses acquired

Cash consideration	38,149	-
Property, plant and equipment	28,367	-
Receivables	21,934	-
Inventories	3,092	-
Payables	(9,646)	-
Provisions	(7,931)	-
Net assets acquired	35,816	-
Goodwill on acquisition	2,333	-

Acquisition and disposal of controlled entities and businesses

Name	Date Acquired/Disposed	Proportion Acquired
Broad Construction Services Pty Ltd	1 July 2002	70%
Acquisition of the assets and selected contracts of Lurgi Pacific Pty and Lurgi Construction Pty Ltd	1 Oct 2002	n/a
Acquisition of the assets and selected contracts of Transfield Construction Pty Ltd	1 Feb 2003	n/a

Notes continued

		Consolidated	
		2003	2002
		\$'000	\$'000
11	Cash flow information continued		
	Disposal of controlled entities and businesses		
	Name		Date Disposed
	Thiess NG Pty Ltd		31 October 2002
	NGCM Pty Ltd		31 October 2002
	Assets and liabilities of controlled entities disposed		
	Consideration received	23,439	-
	Cash	978	-
	Property, plant and equipment	278	-
	Investments	28,044	-
	Receivables	10,384	-
	Payables	(11,441)	-
	Provisions	(2,746)	-
	Tax liabilities	(2,058)	-
	Net assets disposed	23,439	-