

**Registered Office:**  
Level 5, 472 Pacific Highway,  
St Leonards NSW 2065 Australia  
Fax number (02) 9925 6005

**Share Registrar:**  
Computershare Investor Services  
Pty Limited  
Level 3, 60 Carrington Street  
Sydney NSW 2000 Australia  
Fax number (03) 9473 2118

**Share Registrar's Postal Address:**  
Share Registry  
Computershare Investor Services  
Pty Limited  
GPO Box 242  
Melbourne VIC 8060 Australia

# Leighton Holdings Limited

ABN 57 004 482 982

## Notice of Annual General Meeting 2005

### To: The Shareholders

Notice is hereby given that the Annual General Meeting of Leighton Holdings Limited will be held in the Grand Ballroom, Sydney Four Seasons Hotel, 199 George Street, Sydney, New South Wales, on Thursday 10 November 2005 at 10.00am to transact the following business:

#### 1. Annual Financial Report and Directors' and Auditor's Reports

To receive and consider the Financial Report and Reports of the Directors and Auditor for the year ended 30 June 2005.

#### 2. Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2005.

#### 3. Election of Directors

- 3.1 D S Adams retires by rotation in accordance with Clause 18 of the Company's Constitution and being eligible offers himself for re-election.
- 3.2 M C Albrecht retires by rotation in accordance with Clause 18 of the Company's Constitution and being eligible offers himself for re-election.
- 3.3 G J Dixon retires by rotation in accordance with Clause 18 of the Company's Constitution and being eligible offers himself for re-election.
- 3.4 G J Ashton retires by rotation in accordance with Clause 18 of the Company's Constitution and being eligible offers himself for re-election.

**See the accompanying Explanatory Notes for information about the candidates.**

#### 4. Increase in the maximum annual remuneration of Non-Executive Directors

To consider and, if thought fit, pass the following resolution as an ordinary resolution in accordance with ASX Listing Rule 10.17 and Clause 20 of the Company's Constitution:

'THAT the maximum aggregate yearly sum that may be paid by the Company as remuneration for the services of the Company's Non-executive Directors be increased by \$700,000 from \$1,300,000 to \$2,000,000 with effect on and from 1 July 2005.'

**See the accompanying Explanatory Notes for information concerning this resolution.**

By Order of the Board  
A.J. Moir, Secretary  
Sydney 30 September 2005

### Invitation

After the meeting all shareholders are invited to join the Directors for light refreshments.

### Proxies

1. A proxy form accompanies this notice. Additional proxy forms will be provided by the Share Registrar on request.
2. A shareholder entitled to attend and vote at the meeting may appoint up to 2 proxies to attend and vote for the shareholder. A shareholder may specify the proportion or number of votes that the proxy may exercise. If a shareholder appoints 2 proxies and does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.
3. A proxy need not be a shareholder of the Company.
4. The proxy form must be signed by the shareholder or the shareholder's attorney. Proxies given by corporations must be executed either in accordance with section 127 of the Corporations Act 2001 or under the hand of a duly authorised officer or attorney.
5. The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy of the power of attorney or authority) must be received at or sent by fax to the Company's Share Registrar, Computershare Investor Services Pty Limited, not later than 48 hours before the time for holding the meeting. See above for the fax number and address of the Share Registrar.
6. **Online Lodgement:** You may lodge an electronic proxy online at [www.computershare.com](http://www.computershare.com) not later than 48 hours prior to the meeting. You will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and to confirm your postcode if you reside in Australia or country of residence if you reside outside Australia.

### Eligibility to Vote

For the purposes of the meeting, shares will be taken to be held by persons who are registered as members as at 7.00pm on 8 November 2005. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the meeting.

### Voting Exclusion

Any votes cast on Item 4 (Increase in the maximum annual remuneration of Non-Executive Directors) by a Director of the Company or by an associate of a Director of the Company will be disregarded except where the vote is cast:

- by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the chairman of the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

**Registered Office:**  
Level 5, 472 Pacific Highway,  
St Leonards NSW 2065 Australia  
Fax number (02) 9925 6005

**Share Registrar:**  
Computershare Investor Services  
Pty Limited  
Level 3, 60 Carrington Street  
Sydney NSW 2000 Australia  
Fax number (03) 9473 2118

**Share Registrar's Postal Address:**  
Share Registry  
Computershare Investor Services  
Pty Limited  
GPO Box 242  
Melbourne VIC 8060 Australia

# Leighton Holdings Limited

ABN 57 004 482 982

## Explanatory Notes

---

### Item 1 ANNUAL FINANCIAL REPORT AND DIRECTORS' AND AUDITOR'S REPORTS

Shareholders will have a reasonable opportunity at the meeting to ask questions about or make comments on the Reports and management of the Company.

Shareholders will also have a reasonable opportunity at the meeting to ask questions of the Company's external auditor, KPMG relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the Auditor's Report;
- c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

The Board recommends that shareholders vote in favour of the adoption of the Annual Financial Report, the Directors' Report and the Auditor's Report.

### Item 2 REMUNERATION REPORT

Shareholders will also have a reasonable opportunity at the meeting to ask questions about or make comments on the Remuneration Report. The Remuneration Report sets out the remuneration policy of the Company and reports on the remuneration arrangements in place for Non-Executive Directors, Executive Directors and the Group's senior management. As prescribed by the Corporations Act, the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company.

The Board recommends that shareholders vote in favour of the adoption of the Remuneration Report.

### Item 3 ELECTION OF DIRECTORS

Resumes of the candidates for election to the office of Director are as follows:

#### **D S Adamsas (62)**

BComm, FAICD

A graduate of the University of NSW. An Executive Director since 1988. Joined the Company in 1971 and has held various senior accounting and commercial positions within the Group. Appointed Associate Director in 1985. Responsible for overall Group management reporting, statutory accounting, auditing, treasury, taxation and insurance. Appointed Deputy Chief Executive Officer of the Leighton Group in June 2001. Director of the Committee for Economic Development of Australia (CEDA). President of the Financial Executives International of Australia. Fellow of the Australian Institute of Company Directors.

#### **M C Albrecht AC (66)**

B.Tech (Civil), FTSE, FIE Aust, FAICD, FAIM, DUniv (QUT)

A Non-executive Director since 2001. Chairman of Thiess Pty Ltd and Geodynamics Ltd. Member of the Queensland Premier's Business Round Table. Chairman of the Wesley Research Institute and the International Riverfoundation. Patron of the Brisbane Regional Youth Orchestra and the Life Stream Foundation for people with intellectual disabilities. Formerly managing director of Thiess Pty Ltd, a position he held for 15 years before retiring in October 2000, and a former director of Siemens Limited Advisory Board.

#### **G J Dixon (65)**

An Independent Non-executive Director since 1999. Appointed to the Board of Qantas Airways Limited in August 2000. Appointed Chief Executive Officer of Qantas Airways Limited in March 2001. Before joining Qantas held senior commercial positions with both Australian Airlines and Ansett Airlines. Is a board member of Air Pacific Limited and the Business Council of Australia and is a member of the Governing Board of the International Air Transport Association (IATA).

#### **G J Ashton AM (67)**

FAICD, FAIM

An Independent Non-executive Director since 1996. Elected Chairman in March 2004. Chairman of the Superannuation Trust of Australia. A Director of the NSW State Transit Authority and former Managing Director of Clyde Industries Limited and Monier Limited. Past National President of the Australian Industry Group.

The Board recommends that shareholders vote in favour of the resolutions electing the Directors.

**Item 4 INCREASE IN THE MAXIMUM ANNUAL REMUNERATION OF NON-EXECUTIVE DIRECTORS**

Shareholders last approved an increase in the maximum annual remuneration of Non-executive Directors at the 2001 Annual General Meeting. Over the four years since then, annual remuneration paid to Non-executive Directors has increased to a level just below the currently approved maximum of \$1.3million. Following a review of the remuneration arrangements presently in place for the Company's Non-executive Directors, which was undertaken by the Remuneration and Nominations Committee based on advice received from independent external remuneration consultants Egan Associates and the Hay Group, shareholder approval is being sought to increase the maximum aggregate yearly sum that may be paid by the Company as remuneration for the services of the Company's Non-executive Directors from \$1.3 million to \$2.0 million. The proposed increase in the maximum annual remuneration reflects the following factors:

- The additional responsibilities assumed by Directors under the Corporations Act and increase in the Group's activities in recent years have resulted in Non-executive Directors committing a greater amount of time to the Company;

- An increase in the activity levels of the Company's Board Committees has necessitated the introduction of fees for participation on a Board Committee;
- The closing of the Non-executive Directors retirement plan in November 2003 has resulted in Non-executive Directors appointed after that date receiving increased fees to compensate them for their non-participation in the plan.
- The responsibilities of public company directors are more onerous and demanding than ever before. The cost of attracting individuals of the highest calibre has risen accordingly.

It is not intended to fully utilise the increase sought in the maximum annual remuneration in the immediate future. The increase in the maximum sum is intended to provide the Company with the flexibility to compensate the Non-executive Directors for the next few years and to enable the Company to recruit and retain experienced and talented Non-executive Directors.

Mr Geoff Ashton, the Company's Chairman, will not vote as a shareholder. However, as a proxy for members who have directed him to vote as he decides, he intends to vote those proxies in favour of Resolution 4.