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Company Secretary
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12 February 2010

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

Re: Leighton Holdings Limited – Half Year Report

In accordance with Listing Rule 4.2A please find attached a copy of the Company's Half Year Report to 31 December 2009.

We advise that this document will not be lodged separately with ASIC.

Also attached are copies of a Media Release dated 12 February 2010 and the CEO's Results Presentation for the half year to 31 December 2009.

Yours faithfully,

A. J. MOIR
Company Secretary

2009/10

**DECEMBER QUARTERLY UPDATE
& HALF YEAR REPORT**

TO 31 DECEMBER 2009 / ISSUED 12 FEBRUARY 2010

2009/10

**APPENDIX 4D
& INTERIM FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009
ISSUED 12 FEBRUARY 2010**

Results for Announcement to the Market

for the six months ended 31 December 2009

Name of Entity

LEIGHTON HOLDINGS LIMITED

				A\$'000
Revenue - Group, joint ventures and associates	Down	1%	to	9,012,269
Revenue - joint ventures and associates	Down	24%	to	1,982,381
Revenue	Up	7%	to	7,029,888
Profit attributable to members of the parent entity	Up	160%	to	288,882

For a brief explanation of the figures reported above: refer to pages 4 to 19 of this document.

Dividends	Amount per security	Franked amount per security	
Interim dividend	65.0¢	65.0¢	(100%)
Previous corresponding period	60.0¢	60.0¢	(100%)

Record date for determining entitlements to the dividend: 19 March 2010

Date for payment of dividend: 31 March 2010

Income Statement

for the six months ended 31 December 2009

	Note	Group	
		Dec 2009 \$'000	Dec 2008 \$'000
Revenue	2	7,029,888	6,551,116
Expenses	3	(6,650,454)	(6,364,583)
Impairments and loss on sale of investments	4	-	(239,260)
Finance costs	4	(81,408)	(84,971)
Share of profits of associates and joint venture entities		87,705	285,349
Profit before tax		385,731	147,651
Income tax expense		(97,024)	(37,579)
Profit for the period		288,707	110,072
Attributable to:			
Members of the parent entity		288,882	111,150
Minority interest		(175)	(1,078)
Profit for the period		288,707	110,072
Dividends per share - interim	6	65.0¢	60.0¢
Basic earnings per share		96.9¢	38.2¢
Diluted earnings per share		95.5¢	38.0¢

The income statement is to be read in conjunction with the notes to the interim financial report.

Statement of Comprehensive Income

for the six months ended 31 December 2009

	Group	
	Dec 2009 \$'000	Dec 2008 \$'000
Profit for the period	288,707	110,072
Other comprehensive income:		
- Foreign exchange translation differences (net of tax)	(98,454)	359,604
- Effective portion of changes in fair value of cash flow hedges (net of tax)	(14,118)	(27,436)
- Change in fair value of available-for-sale assets (net of tax)	(5,737)	(22,419)
- Change in value of associates' equity	6,333	540
Net gain/(loss) recognised directly in equity	(111,976)	310,289
Total comprehensive income for the period	176,731	420,361
Attributable to:		
Members of the parent entity	176,906	421,439
Minority interest	(175)	(1,078)
Total comprehensive income for the period	176,731	420,361

The statement of comprehensive income is to be read in conjunction with the notes to the interim financial report.

Balance Sheet

as at 31 December 2009

		Group	
	Note	Dec 2009 \$'000	Jun 2009 \$'000
Assets			
Cash and cash equivalents		901,313	665,793
Trade and other receivables		2,153,424	2,391,573
Current tax assets		36,356	79,471
Inventories		615,115	576,504
Investments accounted for using the equity method		1,655,700	1,730,563
Other investments		121,955	111,826
Deferred tax assets		278,715	192,148
Property, plant and equipment		1,915,723	1,820,158
Goodwill		124,738	124,278
Total assets		7,803,039	7,692,314
Liabilities			
Trade and other payables		3,273,883	3,615,283
Current tax liabilities		105,486	-
Provisions		465,366	459,639
Interest bearing liabilities	10	934,071	621,114
Interest bearing liabilities - limited recourse	10	652,281	657,711
Total liabilities		5,431,087	5,353,747
Net assets		2,371,952	2,338,567
Equity			
Share capital		1,188,474	1,171,826
Reserves		(60,617)	47,959
Retained earnings		1,244,410	1,119,521
Total equity attributable to equity holders of the parent		2,372,267	2,339,306
Minority interest		(315)	(739)
Total equity		2,371,952	2,338,567

The balance sheet is to be read in conjunction with the notes to the interim financial report.

Statement of Changes in Equity

for the six months ended 31 December 2009

	Share Capital	Reserves	Retained Earnings	Attributable to Equity Holders	Minority Interest	Total Equity
Total equity at 1 July 2008	480,988	(90,632)	1,094,635	1,484,991	223	1,485,214
Total comprehensive income	-	128,494	440,044	568,538	(813)	567,725
Transactions with owners in their capacity as owners:						
- Contributions of equity	690,838			690,838		690,838
- Dividends			(415,158)	(415,158)	(149)	(415,307)
- Share based payments		10,097		10,097		10,097
Total transactions with owners	690,838	10,097	(415,158)	285,777	(149)	285,628
Total equity at 30 June 2009	1,171,826	47,959	1,119,521	2,339,306	(739)	2,338,567
Total comprehensive income	-	(111,976)	288,882	176,906	(175)	176,731
Transactions with owners in their capacity as owners:						
- Contributions of equity	16,648			16,648		16,648
- Dividends			(163,993)	(163,993)		(163,993)
- Share based payments		3,400		3,400		3,400
- Other					599	599
Total transactions with owners	16,648	3,400	(163,993)	(143,945)	599	(143,346)
Total equity at 31 December 2009	1,188,474	(60,617)	1,244,410	2,372,267	(315)	2,371,952

The statement of changes in equity is to be read in conjunction with the notes to the interim financial report.

Statement of Cash Flows

for the six months ended 31 December 2009

	Group	
	Dec 2009 \$'000	Dec 2008 \$'000
Cash flows from operating activities		
Cash receipts in the course of operations (including GST)	8,031,329	7,175,494
Cash payments in the course of operations (including GST)	(7,392,398)	(6,718,792)
Cash flows from operating activities	638,931	456,702
Dividends received	1,382	14,863
Interest received	9,617	8,813
Finance costs paid	(71,016)	(82,313)
Income taxes paid	(44,647)	(221,093)
Net cash from operating activities	534,267	176,972
Cash flows from investing activities		
Payments for plant and equipment	(381,419)	(489,475)
Proceeds from sale of property, plant and equipment	90,471	39,846
Payments for investments in controlled entities and businesses	(880)	(57,700)
Payments for other investments	-	(24,104)
Proceeds from sale of other investments	37,756	99,313
Net cash from investing activities	(254,072)	(432,120)
Cash flows from financing activities		
Proceeds from share issues	16,648	690,838
Proceeds from borrowings	409,294	730,689
Repayment of borrowings	(279,680)	(875,747)
Dividends paid	(163,993)	(236,375)
Net cash from financing activities	(17,731)	309,405
Net increase/(decrease) in cash held	262,464	54,257
Net cash at the beginning of the period	665,793	686,563
Effects of exchange rate fluctuations on cash held	(26,944)	58,925
Net cash at reporting date	901,313	799,745

The statement of cash flows is to be read in conjunction with the notes to the interim financial report.

Notes to the Interim Financial Report

for the six months ended 31 December 2009

1. BASIS OF PREPARATION

Leighton Holdings Limited (the "Company") is a company domiciled in Australia. The interim financial report of the Company for the six months ended 31 December 2009 comprises the Company and its controlled entities (the "Consolidated Entity" or "Group") and the Group's interests in associates and jointly controlled entities.

The interim financial report is presented in Australian dollars and has been prepared on an historical cost basis, except for derivative financial instruments and available-for-sale assets that have been measured at fair value at reporting date.

From 1 July 2009 the Group has adopted the following new and revised accounting standards: AASB 8 *Operating Segments*; AASB 101 *Presentation of Financial Statements*; and, AASB 123 *Borrowing Costs*. Certain comparative amounts have been reclassified to conform to the current half-year's presentation.

The interim financial report was approved by the Directors on 12 February 2010.

Statement of Compliance

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, and complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

The interim financial report does not include all of the information required for an annual financial report and should be read in conjunction with the annual financial report of the Group for the year ended 30 June 2009. The Company is a company of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the interim financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Significant Accounting Policies

The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in the annual financial report for the year ended 30 June 2009.

Accounting Estimates and Judgements

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing the interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2009.

Notes continued

for the six months ended 31 December 2009

2. REVENUE

	Group	
	Dec 2009 \$'000	Dec 2008 \$'000
Construction contracting services	3,928,847	3,467,209
Mining contracting services	2,409,580	2,372,421
Property development revenue	46,143	6,584
Other services revenue	637,792	676,962
Revenue from external customers	7,022,362	6,523,176
Interest	6,144	10,157
Dividends/distributions	1,382	17,783
Other revenue	7,526	27,940
Total revenue	7,029,888	6,551,116

Notes continued

for the six months ended 31 December 2009

3. EXPENSES

	Group	
	Dec 2009 \$'000	Dec 2008 \$'000
Materials	1,547,729	1,633,721
Subcontractors	1,716,637	1,493,324
Plant costs	659,636	668,204
Personnel costs	1,763,544	1,678,791
Depreciation of property, plant and equipment	411,665	329,375
Operating lease payments - plant and equipment	199,115	169,243
Operating lease payments - other	39,594	40,994
Foreign exchange (gains)/losses	465	(46,943)
Net (gain)/loss on sale of assets	(21,768)	(16,014)
Professional and management fees	102,570	109,911
Property development and property joint venture write-downs	-	11,524
Property development - cost of goods sold	49,790	6,141
Other expenses	181,477	286,312
Total expenses	6,650,454	6,364,583

Notes continued

for the six months ended 31 December 2009

4. ITEMS INCLUDED IN PROFIT BEFORE TAX

	Group	
	Dec 2009 \$'000	Dec 2008 \$'000
Finance costs		
Related parties	4	6
Other parties	81,404	84,965
Total finance costs	81,408	84,971
Depreciation of property, plant and equipment		
Buildings	1,464	1,693
Plant and equipment	401,944	319,423
Leasehold land, buildings and improvements	7,031	6,757
Waste management assets	1,226	1,502
Total depreciation	411,665	329,375
Net (gain)/loss on sale of assets		
Land and buildings	(339)	-
Other investments	(15,527)	(6,000)
Plant and equipment	(5,902)	(10,014)
Total (gain)/loss	(21,768)	(16,014)
Impairments and loss on sale of investments		
Impairments of:		
- Investments in infrastructure toll road companies	-	153,800
- Investments accounted for using the equity method	-	62,342
Loss on sale of:		
- Investment in infrastructure toll road companies	-	23,118
Total impairments and loss on sale of investments	-	239,260

Notes continued

for the six months ended 31 December 2009

5. SEGMENT INFORMATION

	Thiess \$'000	Leighton Contractors \$'000	John Holland \$'000	Leighton International \$'000	Leighton Asia \$'000	Leighton Properties \$'000	Corporate \$'000	Elimination \$'000	Total \$'000
December 2009									
Revenue									
Segment revenue	3,181,141	2,725,439	1,783,993	834,820	515,183	51,123	408	(79,838)	9,012,269
Inter-segment revenue	17,895	60,203	-	-	1,740	-	-	(79,838)	-
Segment joint venture and associate revenue	550,883	488,695	225,897	563,541	151,394	1,971	-	-	1,982,381
External revenue	2,612,363	2,176,541	1,558,096	271,279	362,049	49,152	408	-	7,029,888
Result									
Segment result before impairments	168,724	110,938	108,579	5,190	44,444	(18,245)	(33,899)	-	385,731
Impairments and loss on sale of investments	-	-	-	-	-	-	-	-	-
Segment result	168,724	110,938	108,579	5,190	44,444	(18,245)	(33,899)	-	385,731
December 2008									
Revenue									
Segment revenue	2,750,949	2,873,010	1,696,275	1,475,155	288,557	92,753	1,546	(31,924)	9,146,321
Inter-segment revenue	26,694	4,505	725	-	-	-	-	(31,924)	-
Segment joint venture and associate revenue	309,330	675,106	413,208	957,766	192,684	47,111	-	-	2,595,205
External revenue	2,414,925	2,193,399	1,282,342	517,389	95,873	45,642	1,546	-	6,551,116
Result									
Segment result before impairments	101,311	161,664	100,061	87,600	2,388	(12,005)	(54,108)	-	386,911
Impairments and loss on sale of investments	(70,059)	(36,800)	(70,059)	-	-	-	(62,342)	-	(239,260)
Segment result	31,252	124,864	30,002	87,600	2,388	(12,005)	(116,450)	-	147,651

The Leighton Group is structured on a decentralised basis comprising the main operating companies noted above and a corporate head office. The performance of each operating company forms the primary basis for all management reporting to the Leighton Group chief operating decision maker. The percentage share of revenue from joint ventures is included in the revenue reported for each applicable operating company.

The corporate segment represents the corporate head office, comprising Group finance, taxation, treasury, corporate secretarial and certain strategic investments. Differences in the reporting for management and financial accounting are individually, and in total, not material. These differences are contained in the results of the corporate segment and include:

1. Interest capitalised on property developments held indirectly through joint ventures and associates.
2. Adjustments for tax on earnings from equity accounted investments. Earnings from equity accounted investments are reported on a pre-tax basis in the applicable operating company.

Notes continued

for the six months ended 31 December 2009

6. DIVIDENDS

	Cents per share	\$'000
2010 interim dividend		
Subsequent to reporting date the Company announced a 100% franked interim dividend in respect of the year ending 30 June 2010. The dividend is payable on 31 March 2010. This dividend has not been provided for in the balance sheet.	65.0	194,226
Dividends recognised in the reporting period to 31 December 2009		
2009 final ordinary dividend 100% franked paid on 30 September 2009	55.0	163,993
Dividends recognised in the reporting period to 30 June 2009		
2009 interim ordinary dividend 100% franked paid on 31 March 2009	60.0	178,783
2008 final ordinary dividend 100% franked paid on 30 September 2008	85.0	236,375
		415,158

7. ASSETS AND (LIABILITIES) EXPECTED TO BE REALISED/(SETTLED) WITHIN 12 MONTHS

	Group	
	Dec 2009 \$'000	Jun 2009 \$'000
Cash and cash equivalents	901,313	665,793
Trade and other receivables	2,134,721	2,387,868
Current tax assets	36,356	79,471
Other Investments	56,000	62,700
Inventories	438,720	381,102
Property, plant and equipment	1,859	58,152
Trade and other payables	(2,890,429)	(3,269,325)
Current tax liabilities	(105,486)	-
Provisions	(245,824)	(243,581)
Interest bearing liabilities	(103,719)	(75,434)
Interest bearing liabilities - limited recourse	(140,733)	(70,229)

8. NET TANGIBLE ASSET BACKING

	Dec 2009	Jun 2009
Net tangible asset backing per ordinary share	\$7.52	\$7.43

Notes continued

for the six months ended 31 December 2009

9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name of entity	Principal activity	Group Ownership Interest	
		Dec 2009 %	Jun 2009 %
400 George Street Partnership	Property development	50	50
Al Habtoor Engineering Enterprises LLC	Construction	45	45
Aspire Schools Financing (Qld) Pty Limited	Financing	50	50
Aspire Schools Holdings (Qld) Pty Limited	Investing	50	50
Bac Devco Pty Limited	Property development	33	33
Bayview Project Noosa Partnership	Property development	50	50
Beenyup Alliance	Construction	47	47
BJB joint venture	Maintenance	38	38
Blacktop joint venture (Auckland Road Maintenance Alliance)	Maintenance	50	50
Brisbane Motorway Services Pty Limited	Facilities management	50	50
China State - Leighton joint venture	Construction	50	50
City West Property Holdings Trust (Section 63 Trust)	Property development	50	50
Cockatoo Mining Pty Limited	Mining	50	50
Complete joint venture	Construction	-	50
Cotter Googong Bulk Transfer joint venture	Construction	50	50
Dam Improvement Services joint venture	Construction	40	40
Hamilton Harbour Unit Trust	Property development	50	50
Degremont Thiess Services joint venture	Facilities management	40	-
Devine Limited	Property development	44	44
Dunsborough Lakes Village Syndicate	Property development	20	20
Folkestone/Leighton JV Pty Limited	Property development	50	50
Gateway Motorway Services Pty Limited	Facilities management	50	50
Hassall Street Trust	Property development	50	50
Hazell Brothers John Holland joint venture	Construction	50	50
Holland York joint venture	Construction	50	50
HPAL Freehold Pty Limited	Property development	50	50
Infocus Infrastructure Management Pty Limited	Facilities management	50	50
James Fielding Infrastructure Pty Limited	Investing	50	50
JM joint venture	Construction	50	50
JM JV SIA joint venture	Construction	80	80
John Holland Abigroup Contractors joint venture (Bulk Water)	Construction	50	50
John Holland Abigroup Contractors joint venture (Coffs Infrastructure)	Construction	50	50
John Holland Asia Limited/Namprasert Construction Company Limited joint venture	Process engineering	50	50
John Holland Barclay Mowlem joint venture	Construction	50	50
John Holland BRW joint venture	Construction	50	50
John Holland Coleman Rail joint venture	Construction	50	50

Notes continued

for the six months ended 31 December 2009

9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD CONTINUED

Name of entity	Principal activity	Group Ownership Interest	
		Dec 2009 %	Jun 2009 %
John Holland Colin Joss joint venture	Construction	50	50
John Holland Downer EDI joint venture	Construction	60	60
John Holland Downer EDI Engineering Power joint venture	Construction	65	65
John Holland Downes Graderway joint venture	Construction	50	50
John Holland Fairbrother joint venture	Construction	50	50
John Holland Fulton Hogan joint venture	Construction	50	50
John Holland Laing O'Rourke joint venture	Construction	50	50
John Holland Macmahon joint venture (Bell Bay)	Construction	80	80
John Holland Macmahon joint venture (Roe and Tonkin Highways)	Construction	50	50
John Holland Macmahon joint venture (Ross River Dam)	Construction	50	50
John Holland McConnell Dowell joint venture	Construction	50	50
John Holland MVM joint venture	Construction	50	50
John Holland Tenix Alliance joint venture	Construction	50	50
John Holland Thames Water joint venture	Construction	50	50
John Holland United Group Infrastructure joint venture	Construction	47	47
John Holland Veolia Water Australia joint venture (Gold Coast Desalination Plant)	Construction	64	65
John Holland Veolia Water Australia joint venture (Blue Water)	Construction	74	63
Leighton Abigroup joint venture	Construction	50	50
Leighton BMD joint venture (SAFElint Alliance)	Construction	50	50
Leighton China State John Holland joint venture (City of Dreams)	Construction	70	70
Leighton China State joint venture (Wynn Resort)	Construction	50	50
Leighton-China State-Van Oord joint venture	Construction	45	45
Leighton Construction India Pvt Limited	Construction	50	50
Leighton Contractors & Boulderstone Hornibrook Bilfinger Berger joint venture	Construction	50	50
Leighton Hsin Chong joint venture	Construction	50	50
Leighton-Kier joint venture	Construction	-	50
Leighton Kumagai joint venture (MetroRail)	Construction	55	55
Leighton Kumagai joint venture (Route 9-Eagle's Nest Tunnel)	Construction	51	51
Leighton Kumagai joint venture (Wanchai East & North Point Trunk Sewers)	Construction	51	51
Leighton Offshore Middle East	Construction	50	-
Leighton-Oriental Structural Engineers joint venture	Construction	50	50
Leighton Works (Manukau Motorway)	Construction	50	50
Link 200 joint venture	Construction	48	48
Link 200 Station joint venture	Construction	60	60
Link 200 Tunnel joint venture	Construction	60	60

Notes continued

for the six months ended 31 December 2009

9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD CONTINUED

Name of entity	Principal activity	Group Ownership Interest	
		Dec 2009 %	Jun 2009 %
Macmahon Holdings Limited	Construction/contract mining	19	19
Macmahon Leighton joint venture	Construction	50	50
Metro Trains Melbourne Pty Limited	Train operation and maintenance	20	-
Ngarda Civil and Mining Pty Limited	Mining	50	50
Ngarda Civil and Mining Pty Limited and Leighton Contractors Pty Limited	Construction	50	50
Northern Gateway Alliance	Construction	50	50
Norton Street Investments Pty Ltd	Property development	45	45
Oriental Pathways (Agra) Pvt Limited	Investing	49	49
Oriental Pathways (Indore) Pvt Limited	Investing	49	49
Promet Engineers Pty Limited	Design	50	50
Rail Link joint venture	Construction	65	65
River Links Unincorporated joint venture	Construction	18	18
Roche Thiess Linfox joint venture	Mobile plant/ earthmoving	44	44
Sedgman Limited	Design	32	36
Silcar Pty Limited	Telecommunications	50	50
Southern Gateway Alliance	Construction	70	70
St Ives Gold Project joint venture	Construction	-	50
Taiwan Track Partners joint venture	Construction	28	28
Thiess Alstom joint venture	Construction	50	50
Thiess Black and Veatch joint venture	Construction	50	50
Thiess Decmil Kentz joint venture (Gorgon village)	Construction	33	-
Thiess Degremont joint venture (Victorian Desalination Plant)	Construction	65	-
Thiess Degremont Nacap joint venture	Construction	33	-
Thiess Downer EDI Works joint venture	Construction	75	75
Thiess Hochtief joint venture	Construction	50	50
Thiess Kentz Pty Limited	Construction	50	50
Thiess Sedgman joint venture	Construction	50	50
Thiess Services Middle East LLC	Facilities management	50	50
Thiess United Group joint venture	Construction	50	50
Townsville City Project Trust	Property development	50	50
Universal Portfolio Services Pty Limited	Property development	50	50
Viridian Noosa Pty Limited	Property development	50	50
Viridian Noosa Trust	Property development	50	50
Wedgwood Road Hallam Trust	Property development	50	50
Westlink (Services) Pty Limited	Facilities management	50	50

Notes continued

for the six months ended 31 December 2009

10. INTEREST BEARING LIABILITIES

	Group	
	Dec 2009 \$'000	June 2009 \$'000
Interest bearing loans	655,290	621,114
Finance lease liabilities	278,781	-
Interest bearing liabilities	934,071	621,114
Limited recourse loans	530,059	521,909
Leighton Finance International Notes	122,222	135,802
Interest bearing liabilities - limited recourse	652,281	657,711

Interest Bearing Loans

Syndicated Loan

On 10 October 2008, Leighton Finance Limited, a wholly owned subsidiary of the Company, entered into a syndicated bank facility for \$520 million, maturing on 10 October 2011. Amount outstanding as at 31 December 2009: \$nil (30 June 2009: \$200 million).

Guaranteed Senior Notes

On 15 October 2008, Leighton Finance Limited, a wholly owned subsidiary of the Company, issued a total of US\$280 million Guaranteed Senior Notes in three series:

- Series A Notes: US\$111 million Guaranteed Senior Notes at the rate of 6.91% maturing on 15 October 2013
- Series B Notes: US\$90 million Guaranteed Senior Notes at the rate of 7.19% maturing on 15 October 2015
- Series C Notes: US\$79 million Guaranteed Senior Notes at the rate of 7.66% maturing on 15 October 2018

Interest on the above notes will be paid semi-annually on the 15th day of April and October in each year. Amount outstanding as at 31 December 2009: \$311 million (30 June 2009: \$345 million).

Medium Term Notes

Leighton Finance Limited, a wholly owned subsidiary of the Company, issued a total of \$280 million Medium Term Notes on the following dates:

- 28 July 2009: \$230 million
- 12 August 2009: \$50 million

The Notes bear interest at the rate of 9.5% and mature on 28 July 2014.

Other unsecured loans outstanding as at 31 December 2009: \$64 million (30 June 2009: \$76 million).

Notes continued

for the six months ended 31 December 2009

10. INTEREST BEARING LIABILITIES CONTINUED

Finance Lease Liabilities

The Group has leased mining plant and equipment in Indonesia under finance leases that expire within six years of the reporting date.

Limited Recourse Loans

On 14 September 2007 LMENA No.1 Pty Limited, a wholly owned subsidiary of the Company, entered into a syndicated bank loan for US\$434 million loan maturing on 30 September 2012 to finance its investment in Al Habtoor Engineering Enterprises LLC. The loan is recourse only to the investment in Al Habtoor Engineering Enterprises LLC. Amount outstanding as at 31 December 2009: US\$385 million (30 June 2009: US\$399 million) equivalent to \$427 million (30 June 2009: \$492 million). Repayment instalments totalling US\$34 million are due within 12 months of the reporting date.

The Group has limited recourse property development loans secured against certain property development assets of the Group. Amount outstanding as at 31 December 2009: \$103 million (30 June 2009: \$30 million).

Leighton Finance International Notes

On 16 May 2006, Leighton Finance International Limited (the "Issuer"), a wholly owned subsidiary of the Company, issued US\$110 million of 5-Year Fixed-Rate Guaranteed Notes ("Leighton Finance International Notes").

Leighton Finance International Notes will mature on 16 May 2011 unless previously redeemed or purchased and cancelled and are subject to redemption in whole at their principal amount at the option of the Issuer at any time in the event of certain changes affecting taxation in Australia or Indonesia.

PT Thiess Contractors Indonesia and PT Leighton Contractors Indonesia, both wholly owned subsidiaries of the Company, jointly and severally guarantee the obligations of Leighton Finance International Limited and Noteholders have no recourse to other Group companies.

11. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since 30 June 2009.

12. EVENTS SUBSEQUENT TO REPORTING DATE

There were no material events subsequent to the reporting date that have not been disclosed in the interim financial report.

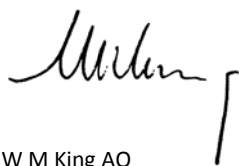
Directors' Declaration

In the opinion of the Directors of Leighton Holdings Limited ("the Company"):

- 1) the interim financial report and notes set out on pages 4 to 19, are in accordance with the *Corporations Act 2001* including:
 - a) giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2009 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and
 - b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- 2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 12th day of February 2010.

Signed in accordance with a resolution of Directors:



W M King AO
Director



Independent auditor's review report to the members of Leighton Holdings Limited

We have reviewed the accompanying interim financial report of Leighton Holdings Limited, which comprises the consolidated interim balance sheet as at 31 December 2009, consolidated income statement and statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a description of accounting policies and other explanatory notes 1 to 12 and the Directors' Declaration set out on pages 4 to 20 of the Consolidated Entity comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the interim financial report

The directors of the Company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Leighton Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Leighton Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

A W Young
Partner

Sydney
12 February 2010



Lead Auditor's Independence Declaration under Section 307C
of the *Corporations Act 2001*

To: The Directors of Leighton Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2009 there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
2. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of the KPMG representative, appearing as 'KPMG' in a stylized, cursive script.

KPMG

A handwritten signature of A W Young, appearing as 'A W Young' in a cursive script.

A W Young
Partner

Sydney
12 February 2010

2009/10

DECEMBER QUARTERLY UPDATE & HALF YEAR REPORT

TO 31 DECEMBER 2009 / ISSUED 12 FEBRUARY 2010

For more information please contact:

Wal King AO
Chief Executive Officer

Peter Gregg
Chief Financial Officer

Cover: Pluto LNG Project Civil Works, Leighton Contractors, WA

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 **Leighton**
Holdings

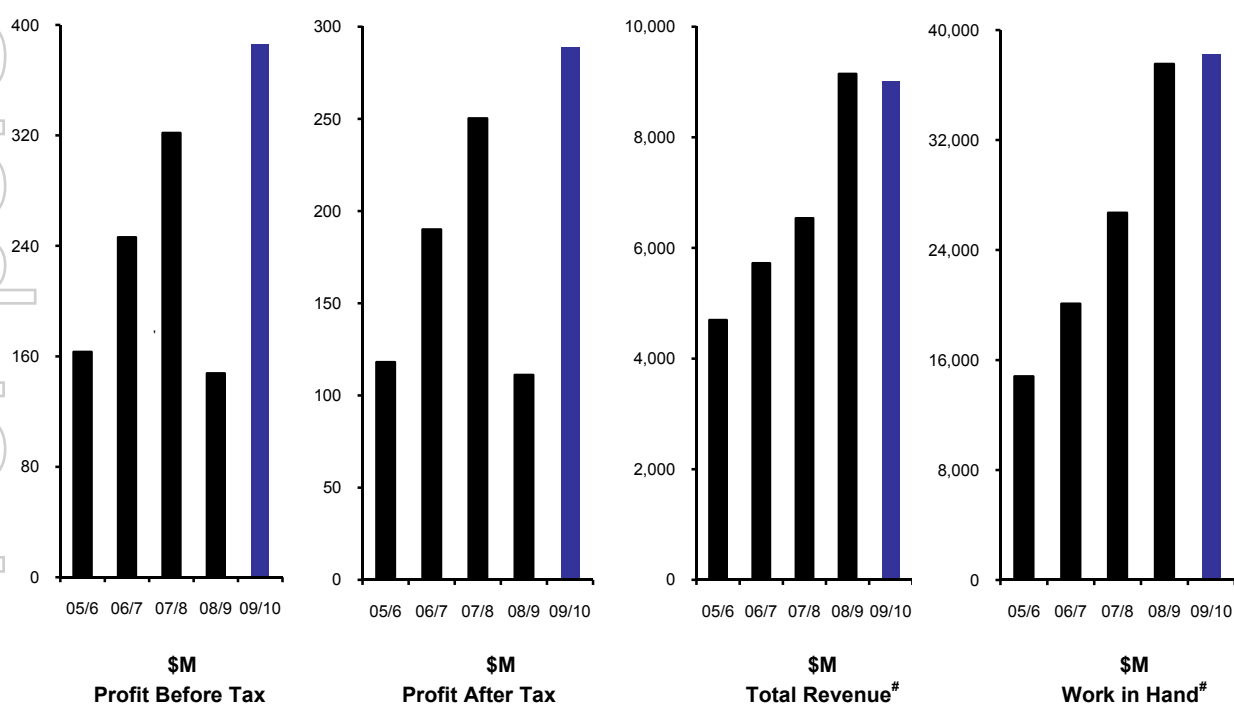
Financial Highlights

	31 Dec 2009 \$'000	31 Dec 2008 \$'000	% Change
Revenue - Group	7,029,888	6,551,116	7%
- Joint Ventures and Associates	1,982,381	2,595,205	(24%)
Total Revenue #	9,012,269	9,146,321	(1%)
New Contracts, Extensions & Variations	11,741,612	14,051,455	(16%)
Value of Work in Hand #	38,434,469	37,532,775	2%
Profit before tax	385,731	147,651	161%
Income tax expense	(97,024)	(37,579)	158%
Profit after tax	288,707	110,072	162%
Profit attributable to minority interests	175	1,078	(84%)
Profit attributable to members	288,882	111,150	160%
Earnings per Ordinary Share	96.9¢	38.2¢	154%
Dividends per Ordinary Share	65.0¢	60.0¢	8%

	31 Dec 2009 \$'000	30 June 2009 \$'000	% Change
Total Capital and Reserves	2,371,952	2,338,567	1%
Total Assets	7,803,039	7,692,314	1%
Cash and cash equivalents	901,313	665,793	35%
Interest bearing liabilities (recourse and limited recourse)	1,586,352	1,278,825	24%
Undrawn Facilities and Guarantees	1,559,205	1,036,615	50%

Includes the Group's share of Joint Ventures and Associates

Key Performance Indicators for the Half Year period to 31 December



Includes the Group's share of Joint Ventures and Associates

December Quarterly Update

Financial Performance

The directors are pleased to report that the Group's profit after tax and minority interests for the half year was up by 160% to \$289 million versus \$111 million last year. The comparable result included a write down on investment values.

Total revenue, including joint ventures and associates, was down 1% to \$9.0 billion (\$9.1 billion last year). Revenue from joint ventures and associates decreased by 24% to \$2.0 billion.

The Group's major markets generating revenue were infrastructure \$5.2 billion, resources \$2.6 billion and property \$1.2 billion. The Group's major activities in these markets were construction \$5.7 billion, contract mining \$2.4 billion and services (or operations and maintenance (O&M)) \$893 million.

A fully franked interim dividend of 65 cents per share (60 cents per share fully franked last half year) was announced by directors.

Balance Sheet

The Group's balance sheet remained solid and a source of competitive advantage in tendering for work.

As at 31 December 2009, total assets were \$7.8 billion and net assets were \$2.4 billion. During the period the Group acquired plant and equipment worth \$280 million, \$127 million of which was acquired via operating lease facilities. The total book value of plant and equipment, both on and off balance sheet is approximately \$3 billion.

Gross cash was \$901 million with \$244 million of short term borrowings. Limited recourse borrowings stand at \$652 million and undrawn cash facilities and guarantees increased to a total of \$1.6 billion.

The Group successfully issued \$280 million of Five-Year Fixed Medium Term Notes. The proceeds of the Notes issuance have been used to replace existing bank debt facilities and help to further diversify the Group's funding sources. The Notes program has a maximum limit available of \$1 billion which provides flexibility to re-tap the market if further expansion or investment opportunities arise in the future.

The Group also successfully completed a \$670 million Syndicated Performance Bond Facility with a consortium of Australian and international lenders. The facility will be used to provide the performance bond obligations of the various Leighton Group operating companies as they take on and deliver additional projects.

These capital planning initiatives are an integral element of strategic planning and the Group is diligent in matching its aspirations with its financial resources, seeking to ensure that the appropriate financial resources are in place before they are required.

Work in Hand

At 31 December 2009, the Group's work in hand of \$38.4 billion was 2% higher than the December 2008 value of \$37.5 billion and 4% higher than \$37.0 billion as at 30 June 2009. The work in hand has been reduced by approximately \$1.3 billion due to the strengthening of the currency.

The order book was boosted by the award of some \$11.7 billion worth of new work, extensions and variations during the period. The major construction projects awarded included the \$3.5 billion Melbourne Desalination Project, some \$1.4 billion worth of work at the Gorgon LNG plant in Western Australia and the Khalifa Port in Abu Dhabi. New mining work in Mongolia and extensions in Queensland supported the Group's contract mining activities. Services work remained strong on the back of telecommunications work won by Nextgen and maintenance of water and sewerage infrastructure in Melbourne.

Investments, Acquisitions and Sales

Leighton Asia's 16.5% stake in the Manila North Tollway Corporation, the owner of the North Luzon Expressway, was sold during the period at a profit.

There were no material impairments to the Group's investments in the current reporting period. The share prices of the listed investments all improved since 30 June 2009.

Operational Performance

The Group reported a strong result for the period of \$386 million before tax, up 161% on the previous year. The operating result reflected good contributions from infrastructure construction in Australia, the contract mining of iron ore and coal in Australia and coal in Indonesia, and construction in Hong Kong.

Thiess

Thiess earned a profit before tax of \$169 million for the half year to 31 December 2009, up 440% (versus \$31 million in the half to December 2008) from revenue of \$3.2 billion, up 16% (versus \$2.7 billion in the comparable half). The 2008 result included a write-down on investment values of \$70 million. Thiess' work in hand rose by 24% to \$16.1 billion as at 31 December 2009 versus \$13 billion at 31 December 2008. In addition, Thiess Services has WIH past 5 years of \$1.4 billion. Thiess also has considerable mining work past 5 years.

Thiess' performance was built on positive results from its major infrastructure projects and a solid contract mining performance in Australia and Indonesia.

In Queensland, activity on the Airport Link project for the Thiess John Holland JV continues across all sectors with overall progress substantially to plan. Other major projects including the Hinze Dam Stage 3 and Trackstar Alliance continued and made good progress.

The Eastern Busway section was completed by the Thiess led Boggo Road Busway Alliance.

In New South Wales, a consortium including Thiess has been chosen to enter into an alliance to develop the eastern section (F3 Freeway to Kurri Kurri) of the Hunter Expressway. The \$1.7 billion new four-lane Expressway will be constructed under two contracts, the eastern alliance and the western section (Kurri Kurri to Branxton), to be developed under a design and construct contract. Thiess and Leighton Contractors are 2 of the 3 companies shortlisted for the western section.

In Victoria, a highlight was the award to the AquaSure consortium - made up of Thiess, Suez Environnement (Degremont) and Macquarie Capital - of a \$3.5 billion contract to build Australia's biggest desalination plant, which will secure Victoria's water supplies. The project includes the construction of the plant, inlet and outlet tunnels, a new 84 kilometre underground transfer pipeline linking the plant into the network, an underground power supply and an ecological restoration program to create a 225 hectare marine coastal park, Victoria's largest, featuring more than 150,000 trees and 3.5 million plants. Site establishment and earthworks are progressing well.

Thiess has been awarded a significant alliance contract for the Tullamarine Fwy to Sydney Rd section of the \$2.25 billion M80 Ring Road Upgrade in Melbourne and is currently developing the total outturn cost for the project. Construction on the West Gate Freeway Alliance remains on track for completion of the civil works early next year.

In Tasmania, a joint venture of Thiess and VEC was awarded an \$84 million contract for the northern section of the Brighton Bypass, the largest infrastructure project in the state's history.

Thiess' Australian mining operations performed to expectations with stronger production volumes in the December quarter offsetting some lower production in the first quarter. Some mines, including Prominent Hill and Curragh North, were impacted by rain delays. A \$140 million contract extension was awarded on the Tarong energy project.

The oil and gas market continues to provide opportunities and Thiess was contracted to construct the site preparation and temporary facilities for the Gorgon Project on Barrow Island for Chevron Australia. The contract value is approximately \$505 million. This follows on the back of earlier works awarded last financial year to a joint venture including Thiess to design and construct a \$520 million construction village on Barrow Island. Both projects have commenced and are working through the start up phase.

In Indonesia, production was on target in aggregate and work commenced at a new pit at the Satui mine.

Thiess Services made a solid contribution with a strong performance from the Hunter River Remediation Project - Stage 2.

In Melbourne, Thiess Services, in conjunction with its 'us' Utility Services Alliance partners, secured a capital works program for South East Water worth \$380 million over the next four years.

Thiess has signed a \$123 million contract with Leighton Properties to build a 27 storey office tower, King George Central, at 145 Ann Street in Brisbane's CBD. In New South Wales, Thiess is nearing completion of The Ark, a 21 storey office tower in North Sydney. In Brisbane, the \$198 million, 32 storey building at 400 George Street was successfully completed.

Construction of the \$722 million Royal North Shore Hospital redevelopment continued to make good progress. Thiess was also awarded a \$66 million contract to upgrade the Townsville hospital.

Thiess has been commissioned as the managing contractor for the planning phase of the RAAF Base East Sale Redevelopment to create Australia's newest Super Training Air Base.

Leighton Contractors

Leighton Contractors earned a profit before tax of \$111 million for the half year to 31 December 2009, down 11% (versus \$125 million in the half to December 2008) from revenue of \$2.7 billion, down 7% (versus \$2.9 billion in the comparable half). The 2008 half year result included a \$37 million write down in investment values.

Leighton Contractors' work in hand rose by 6% to \$8.8 billion as at 31 December 2009 versus \$8.3 billion at 31 December 2008.

Infrastructure remained a major market with a number of large projects making a substantial contribution to Leighton Contractors' result.

In Queensland, progress on the \$2.1 billion North-South Bypass Tunnel remains well ahead of schedule and the tollway is set for an early opening. Leighton Contractors will invest on completion in the RiverCity Motorway, the concessionaire for the CLEM7 tollroad, taking an expected 8.5% stake. Similarly, the \$1.524 billion Gateway Upgrade remains ahead of schedule.

The Ipswich/Logan interchange of the Ipswich Motorway Upgrade was completed and work continues on the other major component of the project, the Wacol to Darra road section.

Leighton Contractors, in an alliance, was awarded a combined \$242 million contract to deliver the Eastern Busway - Buranda to Main Avenue - to expand Brisbane's unique busway network.

In New South Wales, the \$434 million Hume Alliance road was successfully completed and the \$491 million Ballina Bypass, also an alliance contract, is progressing well.

In new road work, Leighton Contractors was selected as preferred contractor for the \$550 million upgrade of the Hills M2 motorway in North West Sydney. In northern New South Wales, the Kempsey Bypass Alliance, including Leighton Contractors, has been selected as the preferred proponent to deliver the first of two major works packages on the Kempsey Bypass project.

Rail continues to support a reasonable level of work and the Kingsgrove to Revesby Quadruplication project in NSW is progressing well.

The Australian Rail Track Corporation signed an agreement with Leighton Contractors to create the Upper Hunter Valley Alliance which will deliver a \$150 million program of works on the Hunter Valley Rail corridor. Construction works are now underway on the \$236 million Richmond Line Duplication - Stage 1, which is being delivered by the Richmond Line Alliance.

In Victoria, Leighton Contractors was appointed managing contractor for the Westall Rail Upgrade, a \$151 million project in outer Melbourne to construct 3km of new third track and to significantly upgrade an existing rail station and platform.

In New Zealand, work progressed well on the Manukau Motorway Link and the Newmarket Viaduct project remains on track after year one of its four year construction program.

Leighton Contractors Telecommunications Division performed well with a number of new contracts awarded to network services provider Nextgen Networks and leading telco infrastructure provider and maintainer Visionstream.

Visionstream successfully entered the New Zealand market by securing a NZ\$1 billion, 10-year contract to provide telecommunications field services to Chorus, the network operating arm of Telecom New Zealand.

The Federal Government advised that Nextgen was the successful tenderer for the \$256 million Regional Backbone Blackspots Program which will deploy nearly 6,000km of new backbone broadband infrastructure for regional Australia. Nextgen will build fibre optic cable networks from Toowoomba to Darwin, Perth to Geraldton, Shepparton through Mildura to Adelaide, Mildura to Broken Hill, Sale to Wonthaggi, and Adelaide to Victor Harbour and on to Mount Barker. The program is designed to reduce the cost of broadband services into regional areas by bringing competing wholesale backhaul services to some of Australia's highest priced locations for wholesale telecommunications transmission, reducing the cost of broadband services, and increasing consumer choice of providers for both fixed line (DSL) and mobile services.

In the resources market, coal volumes have remained strong and additional equipment has been put into place at the Poitrel and Peaks Downs in Central Queensland mines to meet demand. Leighton Contractors was awarded a three-year contract extension worth \$300 million at Peak Downs to undertake the project management, surface mining, and engineering and maintenance work required to deliver the overburden removal services.

At the Broadmeadow coal mine in Central Queensland, contract works have been completed and site demobilised. At the Rotowara coal mine in New Zealand, industrial action hampered production.

Iron ore volumes remain strong with both the Yandi and Area C mines working at capacity to meet the client's demands.

The oil and gas market continues to provide opportunities. Leighton Contractors and Saipem were awarded a \$900 million contract to develop a jetty and marine structures for the Gorgon LNG project. The scope of work consists of the design, material supply, fabrication, construction and commissioning of the 2.1km jetty. The scope also includes supply, fabrication and construction of marine structures including a heavy lift facility, tug pens and navigation aids.

Work on the Pluto LNG project saw the Gap Ridge Village completed and the Pluto B civil works close to completion.

In property related work, Leighton Contractors was awarded a contract to manage the \$205 million design and construction of the new Science and Technology Precinct and Community Hub Project at the Gardens Point Campus, for the Queensland University of Technology. Leighton Contractors was also appointed project manager for the design and construction of the new Australian Broadcasting Corporation headquarters in Brisbane, including television and radio studios.

John Holland

John Holland earned a profit before tax of \$109 million for the half year to 31 December 2009, up 261% (versus \$30 million in the half to December 2008) from revenue of \$1.8 billion, up 5% (versus \$1.7 billion in the comparable half). The 2008 profit result included a \$70 million write down in investment values. John Holland's work in hand fell by 12% to \$5.5 billion as at 31 December 2009 versus \$6.2 billion at 31 December 2008.

In Queensland, good progress was made on the Airport Link project by the Thiess John Holland joint venture. Road header excavation continues and the delivery of tunnel boring machine equipment commenced as scheduled in November.

The first stage of the \$469 million Darra to Springfield Transport Corridor project to construct road and rail links was completed by the Horizon Alliance on time in December contributing solidly.

The Gold Coast Desalination project was completed in December. The \$1 billion plant is supplying high quality water to the South East Queensland Water Grid in accordance with specifications.

In New South Wales, the \$1 billion Sydney Desalination Plant was commissioned and pumped water into the Sydney system in January. Final testing will be completed through January and February.

At the Cronulla Rail Alliance in Sydney, works continue to progress well with track laying continuing and wire installation occurring in greenfield areas.

In Victoria, an alliance including John Holland was selected to construct the \$200 million new Western Freeway route between Melton and Bacchus Marsh, west of Melbourne. Meanwhile, activity on the \$226 million West Gate Bridge Strengthening project has stepped up since the Christmas break.

John Holland was appointed to deliver the \$173 million first stage of Barwon Water's Capital Works Program Alliance. The alliance will be responsible for more than 100 projects over the initial four year contract, with the potential for an additional two-year contract extension. The total value of the six-year program is \$355 million.

John Holland was appointed to deliver the \$173 million first stage of Barwon Water's Capital Works Program Alliance. The alliance will be responsible for more than 100 projects over the initial four year contract, with the potential for an additional two-year contract extension. The total value of the six-year program is \$355 million.

The 70km, \$409 million Sugarloaf Water Pipeline project in Victoria is on track for completion in the second half of this financial year and has performed well.

John Holland, as part of the Metro Trains Melbourne (MTM) Consortium with the Mass Transit Railway Corporation, Hong Kong, and United Group, was contracted by Victoria's Department of Transport to operate and maintain Melbourne's metropolitan passenger train franchise. MTM assumed operation and maintenance of the Melbourne metropolitan passenger train network on 30 November 2009 for an initial period of eight years, with options for up to an additional seven years. John Holland expects revenue from its share in MTM of approximately \$160 million per year. Additional revenue is expected to be generated from capital works projects associated with the Melbourne rail franchise.

During the period, Thiess John Holland entered into an agreement with ConnectEast Group on an amended calculation and payment terms in relation to the early completion bonus of EastLink in Melbourne. This agreement resolves a number of commercial issues in the close out of the construction contract.

Power transmission lines remain a niche market for John Holland. Work progressed well on the Ross to Strathmore line in Queensland, the Waddamana to Lindisfarne line in Tasmania and in New South Wales the Wollar to Wellington line was completed.

In November, John Holland was appointed to deliver and install NBN Tasmania's backhaul cable as part of Stage 1 of the National Broadband Network rollout in Tasmania. The contract represents a significant strategic win for John Holland.

In the resources market, John Holland is targeting oil and gas opportunities and secured a \$160 million contract to deliver Apache Energy's Devil Creek Development Project. The contract is for construction of a new onshore gas plant in Western Australia's Pilbara region.

In January 2010, John Holland secured a 30 month mine operations contract to deliver works at the Isaac Plains coal mine in Central Queensland valued at approximately \$260 million. John Holland will provide full service mining operations at Isaac Plains, including clearing, topsoil stripping, drill and blast, truck excavator waste removal, coal mining, rejects haulage, dump profiling and rehabilitation works. This new contract consolidates John Holland's existing mining capabilities and will provide further opportunities for growth in this area of their business.

In property related work, John Holland was awarded another phase of the Federal Government's Building the Education Revolution program worth \$85 million for the construction of 67 buildings across 39 schools in South East Queensland. This follows work already awarded and underway in Western Australia which is generally on or ahead of schedule.

John Holland also secured a \$270 million contract for the redevelopment of the Joondalup Health Campus in Perth, Western Australia.

In South Australia, John Holland's construction of a new purpose built student accommodation facility for Urbanest at 140 North Terrace in Adelaide is progressing well. South Australia continues to present a growing number of opportunities for John Holland and remains a key focus looking ahead.

Leighton International / Middle East

Leighton International / Middle East earned a reduced profit before tax of \$5 million for the half year to 31 December 2009 (versus \$88 million in the half to December 2008) from revenue of \$835 million, down 43% (versus \$1.5 billion in the comparable half). Work in hand fell by 56% to \$3.7 billion as at 31 December 2009 versus \$8.5 billion at 31 December 2008 however some \$1.8 billion of the decline came from the transfer of control of the Leighton International business in Indonesia to Leighton Asia earlier last year.

In India, Leighton International signed a Project Alliance Agreement for the delivery of the new Ramanujan IT Park in Chennai for Tata, India. The alliance will be responsible for the design, construction and commissioning of the project, worth approximately US\$230 million, which involves the construction of over 570,000 m² of built up area comprising a mixture of IT offices, a convention centre, retail, residential, hospitality, entertainment and car park facilities.

In other works, India completed both its toll road projects, 75km of road from Indore to Khalghat and 45km from Agra to Bharatpur. Both roads are operating and the traffic ramp-up phase is going well.

Oil and gas is a core market for Leighton International and projects were progressed in India and Saudi Arabia. The \$685 million 200km Pipeline Replacement Project off the west coast of India is progressing in line with expectation despite some delays due to poor weather. Other oil and gas projects are proceeding within expectations.

In Malaysia, Leighton International was awarded a \$356 million contract to double track the existing rail line between Ipoh and Padang Besar, a distance of 329km. This project follows the successful duplication of 320km of rail line between Rawang and Ipoh, completed in 2007.

While Al Habtoor Leighton has seen a great focus on the debt and related property issues facing Dubai, the rest of the Middle East region continues to flourish supported by a recovery in oil prices to around US\$75/barrel after a fall to around US\$31/barrel in February 2009.

A slowdown has been underway in Dubai for some time and existing projects are gradually drawing to completion with the exception of the \$2.4 billion Dubai Pearl which is continuing, albeit at a relatively slow pace. Whilst some entities related to the Dubai Government are facing difficulties in meeting their financial obligations, we remain confident of our ability to recover outstanding payments from clients however the timing of these payments remains uncertain.

In Abu Dhabi, the Habtoor Leighton Group was awarded a \$431 million project at the Khalifa Port and Industrial Zone. The scope of work includes the construction of the on-shore port facilities and construction of 47 buildings, the largest being the central facilities building which is over 300 metres long and five stories high.

A joint venture between of Al Habtoor and Murray & Roberts was awarded a \$604 million project to construct the St Regis Hotel and Residences on Saadiyat Island in Abu Dhabi.

Other projects in Abu Dhabi are progressing satisfactorily with a number including the Al Jazira Towers, the Sorbonne University and the ADNOC Capital Gate project nearing completion.

In Qatar, Habtoor Leighton was awarded a \$206 million water infrastructure project to connect two Qatari communities. The scope of works includes construction of six concrete reservoirs, a pump house and associated buildings, road works and landscaping, and the installation of a 15.9km water distribution pipeline.

At the \$317 million Al Shaqab Equestrian Centre, client design changes have impacted progress however certain sections of the project should be handed over from February. Elsewhere in Qatar, construction work is proceeding as scheduled on a number of building projects.

Leighton Asia

Leighton Asia earned a profit before tax of \$44 million for the half year to 31 December 2009, up substantially (versus \$2 million in the half to December 2008) from revenue of \$513 million, up 78% (versus \$289 million in the comparable half). Leighton Asia's work in hand rose by 210% to \$3.7 billion as at 31 December 2009 versus \$1.2 billion at 31 December 2008. As previously noted, Leighton Asia gained some \$1.8 billion worth of work from the transfer of Leighton International's Indonesian business.

Leighton Asia's major markets performed well with a good level of construction activity in Hong Kong, a solid performance from mining operations in Indonesia and new work awarded in Mongolia.

The \$306 million Kowloon Southern Rail Link was completed during the period. Other projects including the Central Reclamation, Lai Chi Kok Transfer Scheme and the Ocean Park redevelopment progressed well. Leighton Asia, in joint venture, was awarded a \$365 million contract for the construction of a 7.5km sewage conveyance system from Aberdeen to Sai Ying Pun on Hong Kong Island.

In Indonesia, the performances on most coal mines remained solid and were a good contributor to Leighton Asia's profit result. Demand for volume remains strong and stabilising coal prices are expected to sustain output.

Mongolia is emerging as a significant potential market based on that country's vast reserves of natural resources. Since being awarded an initial contract in September 2008 to develop the Ukhaakhudag metallurgical coal mine, Leighton Asia has been awarded a \$195 million extension. The expansion will ramp up production rates from a current level of 2.5 million tonnes per year to 5 million tonnes per year by December 2010.

In addition, Leighton Asia has secured a US\$338 million contract to design and build the Ukhaakhudag to Gashuun Sukhait freight railway in the South Gobi region of Mongolia to transport coal from the southern Mongolian coal fields to China. The railway travels 225 kilometres to the international border crossing between Mongolia and China, and will be designed for an annual capacity of 28 million tonnes of coal per annum which will be carried in 1.8km long trains. The contract also includes the maintenance of the infrastructure for a period of four years.

Leighton Asia has also been chosen as the preferred mining contractor for the development of the Khushuut coal mine project in western Mongolia. Leighton Asia will prepare the mine for production, including associated mobilisation of pre-mining equipment and personnel, and prepare a detailed mine plan for 3 million tonnes per annum of production. Leighton Asia is finalising a definitive 6-year contract to provide resources to carry out the mining operations.

In the Philippines, Leighton Asia was awarded a contract to construct the Zuellig Building, a 33 level, 66,000 square metre office tower in Makati City, Philippines.

Leighton Properties

Leighton Properties recorded a loss before tax of \$18 million for the half year to 31 December 2009 versus a loss of \$12 million in the half to December 2008. Leighton Properties' development in hand total over the next ten-year period is valued at \$3.7 billion

Leighton Properties remains impacted by general property market weakness negatively influencing the sales price of properties. Constraints on the availability of construction finance and low business confidence have hampered development plans in the current period.

A highlight for the period was the pre-sale of the 27 storey, 28,000sqm King George Central A-grade office tower at 145 Ann Street, Brisbane to Commonwealth Property Office Fund for \$210 million. The development is already more than 65 per cent pre-leased and Thiess has commenced construction with completion scheduled for early 2012.

The 400 George Street development, also in Brisbane, reached practical completion and leasing commitments stand at 93%. At the HQ Development on Wickham Street in Brisbane's Fortitude Valley practical completion is on track for March 2010. Leasing is at 75% and the marketing program for the development has now commenced.

Construction of the 198 unit Viridian Village in Noosa is on track to complete in June. Outrigger Resorts will operate the 5-star resort which includes a major conference facility capable of accommodating 350 people.

In January, the industrial section of the former Hoxton Park Airport in Sydney was sold to Mirvac while a number of sales were recorded on the Matraville industrial strata complex.

In Melbourne, Leighton Properties' Toorak development site was sold and a number of sales were made on industrial lots in Cheltenham and Hallam.

Group Prospects

Outlook for the Full Year

For the 2009/10 financial year the Group expects to report full year revenue of around \$19 billion and net profit after tax in excess of \$600 million. The final result and full year dividend are however subject to market conditions for the remainder of this financial year.

Long-Term Outlook

The Group's longer term outlook remains solid based on a record level of work in hand, a strong competitive position and a forecast rebound in the Group's core markets from the recent uncertainty of the global financial crisis. While the timing of recovery in the various markets will vary, the outlook is positive and the Group is well positioned to take advantage of the opportunities that are being presented.

Infrastructure

The comparatively strong performance of the Australian economy has driven growth in infrastructure work, which is expected to increase by 20% in 2010 and stabilise above 2009 levels, supported largely by public projects in the education, transport and water utilities sectors. Public projects are a key contributor, accounting for 56% of total spend in 2010, and the major initiatives include:

- National Building Stimulus: \$16.2 billion of education building has been approved and projects are being tendered for delivery over the next two years, as well as \$5.5 billion of social and defence housing with around \$4.5 billion yet to be initiated;
- Water for the Future: \$12.9 billion in Federal and State programs, addressing projects over the next 2 years;
- State stimulus: such as NSW's \$23.6 billion commitment to transport over the next 4 years and hospital infrastructure plans.

The recovery of privately funded construction work should support opportunities as government funding inevitably rolls back, with the contribution from the private sector expected to grow to around 57% of total construction funding by 2014, up from 45% in 2010.

Public infrastructure works have supported construction growth in most States in 2010, and medium term growth will be driven predominantly by some large-scale transport initiatives including; the \$10 billion Sydney CBD/West Metro rail and \$9.6 billion M4 East motorway in New South Wales; the delivery of the \$38 billion Victorian Transport Plan, most of which is planned for investment by 2016; and upgrades to the Bruce Highway worth \$2.4 billion and the \$6 billion Brisbane inner-city rail expansion, both in Queensland.

Whilst water projects have driven recent growth in the utility sector, electricity and telecommunications are forecast to continue providing opportunities, growing at 7% and 8% per annum respectively until 2014. Opportunities include: the \$1.6 billion Lytton Desalination Plant in Brisbane, Queensland; the \$1.9 billion Macquarie Bayswater power station in New South Wales; the \$1.2 billion Yallourn replacement power station in Victoria; and AGL's \$7000 million Cooper's gap wind farm in Queensland.

The Federal Government's \$43 billion National Broadband Network, scheduled to be commenced in 2010, should provide construction opportunities and scope for the Group's national design, construction and maintenance businesses.

The Federal Government's education agenda will drive the social infrastructure market through to 2012, whilst growth in health building is forecast to grow at 4% per annum from 2009 to 2014, supported by State infrastructure budgets. Health opportunities include: the \$1 billion Parkville Cancer Centre in Victoria; the \$1.8 billion Gold Coast University Hospital and the \$1.6 billion Sunshine Coast University Hospital, both in Queensland; the \$1.7 billion Royal Adelaide Hospital in South Australia; and the \$800 million relocation of the Princess Margaret Children's Hospital in Western Australia.

A sustained level of infrastructure spending over the next few years should provide a good level of construction opportunities for the Group's Australian based operating companies.

Resources

Commodity prices have rallied since mid-2009, driven by an improving global outlook and increased import demand from China, production cuts undertaken during the downturn which reduced supply, and the weakening US dollar which is the denomination for most commodity prices and creates cheaper prices in other currencies. In addition to increased consumption, the rebuilding of stocks drawn on during the downturn in many advanced economies is also providing additional support for commodity markets.

Iron ore production is forecasted to continue to increase in Australia, driven by a stabilising Chinese steel industry and a recovery in non-China demand. Australian iron ore production has maintained growth through the downturn and is forecast to grow by 9% in 2010. The Australian outlook also received a positive boost this year with the Indian government recently announcing a 5% taxation on iron ore exports to protect its own steel industry, reducing the competitiveness of Indian exports.

Australia will continue to be a dominant iron ore producer in the future, increasing its share of global exports due to its lower costs of production compared to most global counterparts which augers well for sustained levels of contract mining work.

Currently \$20 billion worth of iron ore projects are either committed or under construction, with an additional \$26 billion of projects at various stages of development. Major initiatives that may present construction opportunities include Rio Tinto's \$1.8 billion Pilbara 320 railway project, the \$3 billion Cape Lambert port expansion and BHP Billiton's \$2 billion Rapid Growth Project 6 port project, which was committed to in late January.

Australia's thermal coal production has bucked the downturn and is forecast to rise 5% in 2010. Strong growth in demand will be predominantly driven by Asia, with Indian demand forecast to expand an average 8% per annum until 2012.

China has undergone a significant shift from net exporter to net importer of coal over recent years, driven by the inability of local production to meet rapid consumption growth and its high costs of production. The outlook for Australian coking coal production therefore remains strong, aided by continued Chinese growth and a recovery of demand in other markets. Port and rail infrastructure improvements in Australia over the last year are expected to alleviate capacity constraints through 2010 to help meet growing export demand for coal.

The improved outlook for commodity markets has lifted the forecast for the related construction work, with real output remaining above 2008 levels; oil & gas and other minerals will provide the lion's share of growth. Over \$9 billion of coal projects are currently committed or at construction stage, with \$40 billion of coal-related projects in the development pipeline proving construction opportunities for the Group.

The greatest growth in infrastructure expenditure in 2010 is forecasted for the oil and gas sector at 13%, driven largely by a rebound of oil prices, the growth of the LNG market, and the recent announcements of a number of large development projects. Demand for LNG in the Asia-Pacific is forecast to surge from 2010 onwards, driven by the competitive costs of production, continued economic growth and a trend toward cleaner-burning fuels.

A large number of LNG projects in and near Australia have been committed or planned based on the proximity to China, the quality of the resource and the stable political situation. The Leighton Group's companies are currently working on or have completed work at the \$12 billion Pluto project, the \$43 billion Gorgon project and the \$900 million Devil Creek project, and see this market as offering significant opportunities over the next few years.

Property

Commercial and industrial property construction will continue to be slow in 2010 and 2011. The market's outlook will be driven by a sustained recovery in the broader economy and, in particular, a return of employment growth, business confidence and credit markets.

Residential property has weathered the downturn resiliently largely due to low interest rates, the first home buyers housing stimulus and significant population growth, which has created a distinct housing shortage. These factors should sustain annual growth in residential construction of 6% through to 2014.

Asia and the Gulf

Developing Asia has weathered the recession significantly better than most other regions, with an estimated GDP growth of 6% in 2009, driven by growth of 8.7% in China and 5.4% in India. Despite credit tightening, the Chinese economy is forecast to continue to grow at ~10% over the next few years, underpinned by a high level of fixed asset investment and growth in household consumption. China's growth obviously has a significant impact on demand for resources as described in the earlier outlook section but also has a flow on effect to other economies throughout Asia.

Infrastructure spending in Hong Kong is expected to increase significantly as the Government leverages its large financial reserves to stimulate growth and catch up on delayed infrastructure projects. After some years of declining infrastructure spending the Hong Kong construction sector is expected to grow at 5% per annum over the next five years, driven by major public transport projects to encourage economic growth and the enhancement of transport linkages with mainland China. Leighton Asia is well placed to construct some of this major infrastructure.

The Indian economy performed well during the downturn, remaining one of the world's fastest growing economies and is forecast to continue to grow at over 7% from 2010. The progressive coalition government was re-elected in the second half of 2009, leading to continued infrastructure spending and pro-business reforms. India's construction sector enjoys a positive outlook since improving the country's ailing infrastructure remains at the top of the government's priorities, and construction is forecast to account for over 8% of GDP by 2012. Leighton International will continue to selectively pursue infrastructure, building, and oil and gas opportunities in India.

The Group's presence and opportunities in Indonesia remain driven primarily by the contract mining of coal. Indonesia's coal exports are forecast to grow at an average of 12% per annum until 2012 based on relatively low production costs, high quality assets and a proximity to Asia which ensures the competitiveness of Indonesian coal on the seaborne market.

Mongolia's mining industry is forecast to grow significantly over the next 5 years, driven by rising commodity prices, proximity to China, a wealth of natural resources and increasing interest from foreign players. With the resurgence of commodity prices and renewed interest in Mongolia's reserves, the IMF forecast that the economy will grow by 3% in 2010 and then average 10% per annum from 2011 to 2013. According to the former PM Sanjaa Bayar, the country is seeking US\$25 billion of overseas investments in mining in the next five years to develop some of its assets.

Whilst gold and copper mining are traditionally its largest export industries, coal mining has undergone significant growth in recent years with increased interest from foreign miners such as Ivanhoe, who is targeting 1% of China's imports within 10 years, and others such as BHP Billiton, Vale and Xstrata. In the longer term, Mongolia is expected to grow its exports to China with foreign and local miners expanding local operations given there are estimated to be approximately 100 billion tonnes of coal reserves in the country.

Economic growth in the Middle East is expected to rebound to close to 5% from 2010, supported by a resurgence in oil prices, strong public spending, declining inflation and improved financing conditions. Higher oil prices underpinned by the global economic recovery helped rebuild the fiscal reserves of most Middle East countries in 2009 and this should sustain public spending on infrastructure and social development as key features of economic policy in the region.

Construction in the Middle East remains at high levels with US\$2.8 trillion of projects in the pipeline including US\$2.3 trillion in the Gulf Cooperative Council (GCC) countries. While total construction expenditure was down 11% from January 2009 to January 2010, it remained 40% up on January 2008. The decline in total spend in 2009 was driven by some large scale projects, predominantly in Dubai, put on hold due to the financial crisis

Over US\$136 billion worth of new projects were awarded in the GCC in the last six months in 2009, the highest level in the past two years, driven by new projects in Saudi Arabia and Abu Dhabi. Oil and gas, commercial and economic infrastructure projects continue to support the market, whilst investment in education and other social infrastructure is expected to grow. A rapidly evolving market for energy and alternative energy development is also emerging. These opportunities in the Middle East should provide a solid base of construction work for the Habtoor Leighton Group for the foreseeable future.

Summary

The Group is well placed with a strong competitive base in Australia and leverage - both directly and indirectly - to the growth markets of Asia. The Group's strategy of diversification; by brands, market, geography and delivery systems continues to provide opportunities for growth in the longer term which should continue to support good returns for shareholders.

Investments

Engineering & Infrastructure

- **ConnectEast Group:** Thiess and John Holland have 3.4% of the company that owns, operates and maintains 45 kilometre of predominantly three-lane capacity tollway running from Mitcham to Frankston in Melbourne's eastern suburbs.
- **AquaSure:** Thiess has a 5.2% share of the consortium that will finance, design, build, operate and maintain the \$3.5 billion Victorian Desalination Project.
- **RiverCity Motorway:** Leighton Contractors will have to invest \$80 million in the company that will own, operate and maintain the RiverCity Motorway in Brisbane.
- **BrisConnections:** Thiess and John Holland will invest \$200 million in the consortium that will own, operate and maintain the Airport Link Project in Brisbane.
- **Aspire Schools:** Leighton Contractors has a 50% share of the consortium that will finance, design, construct and maintain over 30 years, 7 schools in South East Queensland.
- **Connector Motorways:** Thiess and John Holland have 11% of the company that owns, operates and maintains the Lane Cove Tunnel in Sydney.
- **Cross City Motorway:** Leighton Contractors has 6% of the company that owns, operates and maintains the Cross City Tunnel in Sydney.
- **Oriental Pathways (Agra):** Leighton International holds a 49% stake in the consortium which operates a 4 lane, 75 kilometre tollway between Agra and Bharatpur in India.
- **Oriental Pathways (Indore):** Leighton International holds a 49% stake in the consortium which operates a 4 lane, 45 kilometre tollway between Indore to Khalghat in India.

Mining and Resources

- **Burton Coal Mine:** Thiess holds a 5% investment in the Burton Coal Mine in Queensland.

Listed Entities

- **Devine Limited:** Leighton Holdings owns 43.7% of the listed residential property development company which is headquartered in Brisbane.
- **Sedgman Limited:** Thiess owns 31.7% of the listed resources engineering company.
- **Macmahon Holdings Limited:** Leighton Holdings owns 19% of the listed engineering and mining contracting company.

Operational Analysis

Operating Revenue

Group by Company	Dec 2009		Dec 2008	
	\$M	(%)	\$M	(%)
Thiess	3,163	(35)	2,724	(30)
Leighton Contractors	2,666	(30)	2,869	(31)
John Holland	1,784	(20)	1,696	(19)
Leighton International	835	(9)	1,475	(16)
Leighton Asia	513	(5)	289	(3)
Leighton Properties	51	(1)	93	(1)
TOTAL	9,012	(100)	9,146	(100)

Group by Market	Dec 2009		Dec 2008	
	\$M	(%)	\$M	(%)
Infrastructure	5,230	(58)	5,172	(56)
Resources	2,624	(29)	2,519	(28)
Property	1,158	(13)	1,455	(16)
TOTAL	9,012	(100)	9,146	(100)

Group By Activity	Dec 2009		Dec 2008	
	\$M	(%)	\$M	(%)
Construction	5,658	(63)	5,858	(64)
Contract Mining	2,410	(26)	2,404	(26)
Services	893	(10)	791	(9)
Development	51	(1)	93	(1)
TOTAL	9,012	(100)	9,146	(100)

Australia/Pacific by Market	Dec 2009		Dec 2008	
	\$M	(%)	\$M	(%)
Infrastructure	4,684	(65)	4,460	(63)
Resources	2,005	(28)	1,910	(27)
Property	558	(7)	681	(10)
TOTAL	7,247	(100)	7,051	(100)

Asia and Middle East by Country	Dec 2009		Dec 2008	
	\$M	(%)	\$M	(%)
Indonesia	586	(33)	566	(27)
Middle East	556	(32)	862	(41)
India	201	(11)	293	(14)
Hong Kong/Macau	287	(16)	253	(12)
Mongolia	20	(1)	1	(0)
Other	115	(7)	120	(6)
TOTAL	1,765	(100)	2,095	(100)

Work in Hand

Group by Company	Dec 2009		June 2009		Dec 2008	
	\$M	(%)	\$M	(%)	\$M	(%)
Thiess	16,060	(42)	14,783	(40)	12,972	(34)
Leighton Contractors	8,827	(23)	9,466	(26)	8,343	(22)
John Holland	5,486	(14)	4,936	(13)	6,227	(17)
Leighton International	3,726	(10)	4,198	(11)	8,488	(23)
Leighton Asia	3,700	(9)	3,178	(9)	1,193	(3)
Leighton Properties	636	(2)	444	(1)	310	(1)
TOTAL	38,435	(100)	37,005	(100)	37,533	(100)

Group by Market	Dec 2009		June 2009		Dec 2008	
	\$M	(%)	\$M	(%)	\$M	(%)
Infrastructure	18,370	(48)	14,988	(40)	17,159	(46)
Resources	14,633	(38)	15,736	(43)	13,954	(37)
Property	5,432	(14)	6,281	(17)	6,420	(17)
TOTAL	38,435	(100)	37,005	(100)	37,533	(100)

Group By Activity	Dec 2009		June 2009		Dec 2008	
	\$M	(%)	\$M	(%)	\$M	(%)
Construction	19,075	(49)	17,816	(48)	20,862	(55)
Contract Mining	14,146	(37)	15,438	(42)	13,522	(36)
Services	4,578	(12)	3,307	(9)	2,839	(8)
Development	636	(2)	444	(1)	310	(1)
TOTAL	38,435	(100)	37,005	(100)	37,533	(100)

Australia/Pacific by Market	Dec 2009		June 2009		Dec 2008	
	\$M	(%)	\$M	(%)	\$M	(%)
Infrastructure	16,230	(61)	13,664	(55)	14,108	(56)
Resources	7,645	(29)	8,770	(35)	8,923	(36)
Property	2,592	(10)	2,513	(10)	1,958	(8)
TOTAL	26,467	(100)	24,947	(100)	24,989	(100)

Asia and Middle East by Country	Dec 2009		June 2009		Dec 2008	
	\$M	(%)	\$M	(%)	\$M	(%)
Indonesia	6,446	(54)	6,759	(56)	4,563	(36)
Middle East	2,982	(25)	3,189	(26)	5,276	(42)
India	499	(4)	581	(5)	935	(8)
Hong Kong/Macau	616	(5)	583	(5)	894	(7)
Mongolia	719	(6)	223	(2)	-	-
Other	706	(6)	723	(6)	876	(7)
TOTAL	11,968	(100)	12,058	(100)	12,544	(100)

Note 1: Operating revenue includes the Group's share of joint venture and associates revenue.

Note 2: See Note 5 Segment information on page 13 of the Appendix 4D & Interim Financial Report for greater detail.

Note 1: Work in hand includes the Group's share of work in hand from joint ventures and associates.

Note 2: Work in hand only includes work for 5 years from the reporting date. The value of long-term contracts running past Dec 2014 is not included.

Significant Current Contracts and Property Developments

- Total contract values are shown in A\$ for all projects (less than 95% complete), including joint ventures (JVs) and associates, with the figures in brackets indicating the operating company's share of the contract.
- For long term contracts extending beyond five years, the total contract value shown includes the value of work completed to date plus five years worth of work in hand.



Thiess

- \$3.46bn to design and construct the Victorian Desalination Project, Wonthaggi, Vic, for the Department of Sustainability and Environment.
- \$123m for the construction of King George Central, Brisbane, Qld, for Leighton Properties.
- \$66m for the construction of the Townsville Hospital Upgrade, Townsville, Qld, for Queensland Health.
- \$4.1bn (\$2.05bn) for the construction of the Airport Link tollroad, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade, Brisbane, Qld, for BrisConnections.
- \$2.33bn for mining operations at the Mt Owen coal mine, Singleton, NSW, for Xstrata.
- \$2.18bn for mining operations at the Collinsville coal mine, Collinsville, Qld, for the Collinsville Coal Company.
- \$2.16bn for mining operations at the Burton coal mine, Glenden, Qld, for Peabody Energy Australia.
- \$856m for mining operations at the Prominent Hill copper-gold mine, SA, for Oz Minerals.
- \$821m for mining operations and related works at the South Walker Creek coal mine, Coppabella, Qld, for BHP Mitsui Coal Pty Ltd.
- \$722m for the construction of the Royal North Shore Hospital Redevelopment, Sydney, NSW, for Infrashore.
- \$714m for mining services at the Lake Vermont coal mine, Dysart, Qld, for Lake Vermont Resources.
- \$559m for mining operations at the Curragh North coal project, Blackwater, Qld, for Wesfarmers Curragh Pty Ltd.
- \$544m (\$247m) alliance to construct the Monash Citylink West Gate Upgrade, Vic, for VicRoads.
- \$533m for mining services at the Wilpinjong coal mine, Wollar, NSW, for Peabody Energy Australia.
- \$520m (\$172m) for engineering, procurement and construction of the Gorgon Village, Barrow Island, WA, for Chevron Australia.
- \$517m for mining and coal processing at the Tarong coal project, Kingaroy, Qld, for Tarong Energy Corporation Limited.
- \$505m for site preparation and temporary construction facilities at the Gorgon LNG Project, Barrow Island, WA, for Chevron Australia.
- \$479m alliance to upgrade the Coopernook to Herons Creek section of the Pacific Highway, NSW, for the NSW Roads & Traffic Authority.
- \$367m to design and construct the Lotus Glen Correctional Centre, Mareeba, Qld, for Queensland Corrective Services.
- \$345m for civil and infrastructure works at Yandi, WA, for BHP Billiton Iron Ore.
- \$313m to design and construct Stage 3 of the Hinze Dam upgrade, Advancetown, Qld, for the Gold Coast City Council.
- \$302m (\$151m) JV for upgrades to the Metro Alliance wastewater treatment plants, WA, for Water Corporation of WA.
- \$214m (\$107m) for rail infrastructure works as part of the Trackstar Alliance from Robina to Varisty Lakes, Qld, for Queensland Rail.
- \$208m for project management of Stage 4 of the Lavarack Barracks Redevelopment, Townsville, Qld, for Department of Defence.
- \$198m to construct the 400 George Street commercial building, Brisbane, Qld, for Leighton Properties and Grosvenor Australia.
- \$184m to design and construct Stages 1 and 2 of the Boggo Road Busway, Brisbane, Qld, for the Queensland Department of Transport.
- \$164m to design and construct the northern section of the Brighton Bypass, Tasmania, for the Dept of Infrastructure, Energy and Resources.
- \$163m (\$82m) for rail infrastructure works as part of the TrackStar Alliance from Caboolture to Beerburum, Qld, for Queensland Rail.
- \$162m for earthworks at the Sino iron project, WA, for MCC Mining.
- \$158m (\$79m) for rail infrastructure works as part of the TrackStar Alliance from Corinda to Darra, Brisbane, Qld, for Queensland Rail.
- \$123m for construction of the Newcastle coal export terminal, NSW, for Newcastle Coal Infrastructure Group.
- \$103m for the construction of The Ark commercial building at 16-40 Mount Street, North Sydney, NSW, for Investa Commercial Developments.
- \$84m (\$42m) for Berth 10 reconstruction and deepening works at the Fremantle Inner Harbour, WA, for the Fremantle Port Authority.
- \$80m (\$62m) to extend a light rail network, Adelaide, SA, for the Dept for Transport, Energy and Infrastructure.
- \$77m for earthworks for new alumina refinery facilities, WA, for Worsley Alumina.
- \$58m (\$29m) to construct the South Road/ANZAC Highway Underpass, Adelaide, SA, for South Australia Department for Transport.
- \$55m to construct the City West cable tunnel, Pyrmont, NSW, for Energy Australia.

Note: ■ Indicates new project secured between 1 July 2009 - 31 December 2009
 ■ Indicates significant on-going project

- \$3.7bn for contract mining at the Senakin and Satui coal mines, South Kalimantan, Indonesia, for PT Arutmin Indonesia.
- \$2.3bn for mining services and related works at the KPC (Sangatta) coal mine, East Kalimantan, Indonesia, for Kaltim Prima Coal.
- \$1bn for mining services at the Bayan FKP coal mine, East Kalimantan, Indonesia, for Gunung Bayan Pratama Coal PT.
- \$60m to mine overburden at the Tabang coal upgrade project, Indonesia, for Kaltim Supacoal PT.

- \$169m (\$67m) to operate and maintain the Victorian Desalination Plant, Melbourne, Vic, for Aquasure.
- \$694m for operations, maintenance and capital works under the 'us' Alliance, Vic, for South East Water.
- \$384m (\$192m) JV with Siemens for installation and maintenance of Broadband and Access Services (SIMBA), NSW and Qld, for Telstra.
- \$261m to provide waste collection and recycling services, VIC, for various local Governments.
- \$304m to provide maintenance services and minor capital works under the Melbourne Water Alliance, Vic, for Melbourne Water.
- \$213m alliance for the operation of transfer stations and a landfill, Qld, for the Brisbane City Council.
- \$201m to provide waste collection and recycling services, ACT/NSW, for various local governments.
- \$190m (\$95m) JV with Siemens for fixed plant maintenance for Bluescope Steel, across Australia, for various clients.
- \$180m (\$90m) JV with Siemens for fixed plant maintenance across Australia, for Paperlinx.
- \$161m to provide waste and recycling services, NSW, for the Gosford and Wyong Councils.
- \$156m for remediation work at the Hunter River, Newcastle, NSW, for BHP Billiton.
- \$148m (\$74m) JV with Sentinar to provide telepower operations and maintenance services, across Australia, for Telstra.
- \$86m to operate and maintain the Metro Water utility network, Auckland, NZ, for Metro Water.
- \$84m for site remediation projects at Homebush Bay and the Rhodes Peninsula, NSW, for RHB/Meriton & Waterways.
- \$65m to operate and maintain the Airport Link toll road, Brisbane, Qld, for BrisConnections.
- \$59m for electrical construction and maintenance services in North Brisbane, QLD, for Energex.
- \$59m (\$29m) for the management of waste and debris, UAE, for the Abu Dhabi Government.
- \$47m for Royal North Shore Hospital Facilities Management, NSW, Infrashore Consortium

- \$492m for mining services at the Liddell coal mine, Ravensworth, NSW, for Liddell Coal Operation.
- \$67m for mining operations at the Westside coal mine, Newcastle, NSW, for Oceanic Coal Australia Ltd.

- \$900m (\$677m) JV to design and construct jetty and marine structures for the Gorgon project, Barrow Island, WA, for Chevron Australia.
- \$116m (\$80m) JV to design and construct the Mandurah Entrance Road, Perth, WA, for Main Roads.
- \$31m for mining services at Wattle Dam gold mine, Perth, WA, for Ramelius Resources.
- \$2.08bn (\$1.04bn) JV to design and construct the North South Bypass Tunnel, Qld, for RiverCity Motorway.
- \$1.52bn (\$760m) JV to design, construct and upgrade Gateway Bridge, Qld, for Qld Motorways.
- \$806m (\$322m) JV for rail duplication at the RGP5 project, Port Hedland, WA, for BHP Billiton Iron Ore.
- \$706m (\$353m) alliance to upgrade the Ipswich Motorway between Wacol and Darra, Qld, for Department of Main Roads.
- \$496m to design and construct the Ballina Bypass Alliance, NSW, for the RTA.
- \$486m for mining services at the Poitrel coal mine, Qld, for BHP Mitsui Coal.
- \$437m alliance to design and construct the Kingsgrove to Revesby Rail Quadruplication (K2RQ), NSW, for the Transport Infrastructure Development Corp.
- \$353m for mining services at the Duralie coal mine, Gloucester, NSW, for Duralie Coal.
- \$335m to design and construct a commercial office tower at 111 Eagle St, Brisbane, Qld, for GPT Funds Management.
- \$312m for contract mining services at the Peak Downs coal mine Mackay, Qld, for BM Alliance Coal Operations.
- \$309m for contract mining services at the Sonoma Coal Mine Collinsville, Qld, for Sonoma Mine Management.
- \$250m alliance to design and construct 132kv substations, Sydney, NSW, for Energy Australia.
- \$282m (\$242m) alliance for the construction of the Eastern Busway II, Brisbane, Qld, for the Department of Main Roads.
- \$224m mining services at the Rotowaro coal mine, Huntley, North Island, NZ, for Solid Energy New Zealand.
- \$215m (\$108m) to design and construct the Manukau Motorway Link, NZ, for Transit NZ.
- \$214m alliance for bypass and road construction works at Tarcutta on the Hume Highway, NSW, for the RTA.
- \$174m (\$84m) to construct housing and infrastructure for indigenous communities (SIHIP), Darwin, NT, for the Australian and Northern Territory Governments.
- \$174m to design and construct the commercial HQ Development, Brisbane, Qld, for Leighton Properties.
- \$150m alliance to upgrade the rail line in the Upper Hunter Valley, Sydney, NSW, for the Australian Rail Track Corporation.
- \$148m for contract mining services at the Moorvale coal mine, Coppabella, Qld, for Macarthur Coal P/L.
- \$139m to design and construct the City West Offices, Canberra, NSW, for Walker Canberra.
- \$128m for the operations and maintenance of the Eastern Distributor Motorway, NSW, for Airport Motorway.
- \$98m to construct Stage 3 of a glass bottling facility Amcor Glass, Gawler, SA, for Amcor Packaging Aust Pty Ltd.

Note: ■ Indicates new project secured between 1 July 2009 - 31 December 2009
 ■ Indicates significant on-going project

- \$236m (\$90m) alliance to construct an additional track between Quakers Hill and a relocated Schofield station on the Richmond Line, NSW, for the Transport Infrastructure Development Corporation.
- \$89m alliance to provide maintenance services for the Auckland road network, NZ, for Auckland City Council.
- \$68m for the development of Coal Connect, Newlands, Qld, for Queensland Rail.
- \$68m for the operation and maintenance of the Cross City Tunnel, Sydney, NSW, for Cross City Motorway.
- \$62m for construction works at the Newmarket Viaduct, Auckland, NZ, for NZ Transport Agency.



HWE Mining

- \$1.39bn for contract mining services at the Yandi iron ore mine, near Newman, WA, for BHP Billiton.
- \$739m for contract mining services at the Area C iron ore mine, near Newman, WA, for BHP Billiton.
- \$626m for contract mining operations at the SMR Magnet iron ore mine, Whyalla, SA, for OneSteel Manufacturing.
- \$482m for contract mining services at the Orebody 23/25 iron ore mine, Newman, WA, for BHP Billiton.
- \$399m alliance for mining services at the Callie gold mine, near Alice Springs, NT, for Newmont.
- \$372m for mine development services at the Mesa A iron ore mine, Robe River, WA, for Robe River Mining.
- \$215m for mining operations at the Challenger gold mine, north west of Adelaide, SA, for Dominion Mining.
- \$121m for mining operations at the Favona gold mine, Waihi, Nth Island, NZ, for Newmont.



Broad

- \$174m (\$42m) to construct houses for the Strategic Indigenous Housing and Infrastructure Program (SIHIP), Perth, WA, for the Western Australian and Federal Governments
- \$78m (\$39m) for the design and construction of new state schools, Brisbane, Qld, for Aspire Schools.
- \$33m for construction of the Stage 3 upgrade of RAAF Amberly, Brisbane, Qld, for Department of Defence.
- \$122m to design and construct the Alluvion office development at 54-58 Mounts Bay Rd Office, WA, for Cape Bouvard Investments and th Charter Hall Group.



Telecommunications

- \$NZ1billion to provide telecommunication field services, Auckland, NZ, for Chorus (Telecom New Zealand) with initial 5 year value of approximately A\$450m.
- \$253m to provide installation and maintenance services, Vic, for Telstra.
- \$250m to provide fibre construction, design and project management for the Department of Broadband Communications & the Digital Economy.
- \$63m to operate and maintain an emergency alerting system, across various areas, Vic, for the Department of Justice.
- \$40m to provide installation services at the Gateway Upgrade project, Brisbane, Qld, for the Leighton Abigroup JV.
- \$40m for the design and construction of an optic fibre cable at the RGP5 project, Pilbara, WA, for the Macmahon Leighton JV.

- \$27m to provide installation and maintenance services across various locations, Melbourne, Vic, for VicRoads.



John Holland

- \$3.79bn (\$758m) to operate and maintain Metro Trains Melbourne, Melbourne, Vic, for the Department of Transport.
- \$294m for mining operations at the Isaac Plains coal mine, Moranbah, Qld, for Isaac Plains Coal Management.
- \$161m to construct the Devil Creek Development Project, WA, for Apache Energy.
- \$141m alliance for pipeline installation, Barwon Region, Vic, for Barwon Region Water Corporation.
- \$125m alliance to construct the Western Highway Realignment, Bacchus Marsh, Vic, for VicRoads.
- \$102m (\$56m) JV to construct the Brighton Bypass - Southern, Tas, for the Department of Infrastructure, Energy and Resources.
- \$90m to construct the Middlemount coal rail loop, Qld, for Middlemount Coal.
- \$85m (\$43m) to construct extra facilities and infrastructure as part of Stage 1 of the Kapooka project, Kapooka, NSW, for the Department of Defence.
- \$64m to construct 19km of pipeline from Mardi to Mangrove dam, Central Coast, NSW, for the Wyong Shire Council.
- \$41m to construct the North Terrace Student Accommodation building, Adelaide, SA, for Urbanest.
- \$35m to construct the Keepit Dam, New England, NSW, for the State Water Corporation.
- \$4.1bn (\$2.05bn) for the construction of the Airport Link tollroad, Northern Busway (Windsor to Kedron) and Airport Roundabout Upgrade, Brisbane, QLD, for BrisConnections.
- \$989m (\$630m) JV to design, construct and operate the Sydney Desalination Plant, Kurnell, NSW, for Sydney Water.
- \$484m (\$242m) alliance to construct water infrastructure, Canberra, ACT, for ACTEW Corporation.
- \$475m (\$380m) alliance to upgrade the southern portion of the Sydney to Melbourne rail line (the Southern Improvement Alliance), NSW/Vic, for Australian Rail Track Corp.
- \$469m alliance to construct road and rail links between Darra and Springfield, Qld, for Queensland Rail and the Department of Main Roads.
- \$409m alliance to construct the Sugarloaf Water Pipeline project, Goulbourn Valley, VIC, for Melbourne Water.
- \$292m to construct Stage 1 of the Northern Sewerage project, Melbourne suburbs, VIC, for Melbourne Water.
- \$263m alliance to construct rail works between Maitland and Whittingham, NSW, for the Australian Rail Track Corporation.
- \$236m to maintain rail infrastructures, WA, for WestNet Rail.
- \$226m alliance to strengthen the Westgate Bridge, Melbourne, VIC, for Vic Roads.
- \$223m to construct the Melbourne Airport terminal expansion, Vic, for Australia Pacific Airports.
- \$188m for the construction and refurbishment of schools, Perth, WA, for the Government of WA.
- \$186m to expand the Abbot Point coal loading facility, Qld, for the Ports Corporation.

Note: ■ Indicates new project secured between 1 July 2009 - 31 December 2009
 ■ Indicates significant on-going project

- \$185m to construct the Cronulla rail line duplication, NSW, for Transport Infrastructure Development Corp.
- \$170m for the replacement of sewers, Melbourne suburbs, VIC, for Melbourne Water.
- \$154m to construct Stage 2 of the Northern Sewerage project, Yarra Valley, Vic, for Yarra Valley Water.
- \$146m to design and construct the Reliance Rail PPP train maintenance facility, Sydney, NSW, for EDI Rail.
- \$138m for the construction of new alumina refinery processing facilities, Collie, WA, for Worsley Alumina.
- \$131m to upgrade the Murrumba Downs waste water treatment plant, Qld, for Moreton Bay Regional Council.
- \$106m for construction works at the Pluto LNG project, Karratha, WA, for Woodside Burrup
- \$103m for the construction of a marine shiploader at Abbot Point, Qld, for the Ports Corporation.
- \$85m alliance for infrastructure works at Springvale Rd, Melbourne, Vic, for VicRoads.
- \$83m (\$38m) alliance for infrastructure construction and maintenance of the North Head sewerage treatment plant, Manly, NSW, for Sydney Water.
- \$79m (\$39m) JV for the construction of rail infrastructure works at the RGP5 project, Port Hedland, WA, for BHP Billiton Iron Ore.
- \$75m for the construction of a new 220KV transmission line at Wadamanna, Tas, for Transend.
- \$69m alliance for the provision of rail track services, Sydney, NSW, for Rail Corp.
- \$69m to construct a New Performing Arts Centre, Perth, WA, for The Ministry of Works.
- \$63m to construct a new 275KV transmission line between Ross and Strathmore, Qld, for Powerlink.
- \$56m to construct the Southbank Student Village, Brisbane, Qld, for ECC Southbank.
- \$53m alliance to install communication links at various sites, NSW, for TransGrid.
- \$50m (\$18m) to maintain the railway line from Tarcoola to Alice Springs to Darwin, SA and NT, for Freightlink.



Leighton Asia

- \$365m (\$292m) JV for the construction of Stage 2A of the Harbour Area Treatment Scheme (HATS), Hong Kong, for Hong Kong Drainage Service Department.
- \$2bn for mining operations at the Wahana coal mine, Indonesia, for PT Wahana Baratama Mining.
- \$536m for mining operations at MSJ coal mine, Indonesia, for PT Mahakam Sumber Jaya.
- \$474m (\$237m) for the construction of the Wynn Resorts Diamond Suites Expansion, Macau, for Wynn Resorts Macau.
- \$460m (\$207m) for the reclamation and construction of Phase 3 of the Central Reclamation project, Hong Kong, for the Civil Engineering & Development Department of the Hong Kong Government.
- \$419m for mining services at the Ukhaakhudag (UHG) coal mine, Mongolia, for Energy Resources LLC.
- \$300m (\$150m) for installation, deep excavation and protection works for the Central Reclamation project, Hong Kong, for the Civil Engineering & Development Department of the Hong Kong Government.
- \$195m for mining operations at the Masbate gold mine, Philippines, for the Philippines Gold Processing & Refining Corporation.
- \$190m for the redevelopment of the Ocean Park theme park, Hong Kong, for Ocean Park Hong Kong.
- \$170m to design and construct the Hong Kong International Aviation fuel facility, Hong Kong, for ECO Aviation Fuel Developments.
- \$161m to construct drainage tunnels at the Lai Chi Kok Transfer Scheme, Hong Kong, for the Hong Kong Drainage Service Department.
- \$66m to construct a Conrad Resort and Spa, Koh Samui, Thailand, for Hillcrest Resorts.



Leighton International

- \$78m for a decommissioning and disposal project, Lahat, Perak, Malaysia, for GSM Consultancy (M) Sdn Bhd.
- \$70m for the installation of marine facilities off the Bhogat Terminal for the Mangala Development Pipeline Project, India, for Cairn Energy.
- \$685m to construct a pipeline replacement project India, for Oil & Natural Gas Corp.
- \$295m to construct the Ramanujan IT Park, Chennai, India, for Tata Realty and Infrastructure.
- \$356m (\$159m) JV for the installation of approx 330km of double rail track between Ipoh and Padang Besar, Malaysia, for the MMC Gamuda Joint Venture.
- \$92m to install and commission a SPM and PLEM system and offshore pipeline for a Methanol Plant, Belait District, Brunei, for the Brunei Economic Development Board (BEDB).
- \$71m to construct a new SPBM and offshore pipeline infrastructure, Sri Lanka, for Ceylon Petroleum Storage Terminal Ltd.
- \$69m for the installation of two independent water and power plant and pre-commissioning of offshore fuel oil pipelines, Saudi Arabia, for Zelan Saudi Arabia Co. Ltd.
- \$64m for offshore pipeline works at the HPCL Visag SPM Project, Visag, India, for Hindustan Petroleum Construction Company.

Note: ■ Indicates new project secured between 1 July 2009 - 31 December 2009
 ▪ Indicates significant on-going project

Al Habtoor Leighton Group

- \$431m (\$194m) JV to construct the Khalifa Port and industrial zone, Abu Dhabi, UAE, for the Abu Dhabi Ports Company (ADPC).
- \$206m for the construction of the Duhaile and Umm Qarn water reservoirs, Qatar, for Qatar General Electricity & Water Corporation.
- \$2.41bn (\$1.205bn) for the construction of the Dubai Pearl, Dubai, UAE, for Pearl Dubai FZ LLC.
- \$1bn (\$206m) for the construction of the Zayed University, Abu Dhabi, UAE, for Mubadala Development PJSC.
- \$887m (\$9m) for the construction of and information technology and communication complex, Riyadh, Saudi Arabia, for the Public Pension Agency (PPA).
- \$755m (\$257m) for the construction of the Al Bustan mixed use development, Abu Dhabi, UAE, for the Al Hamid Group.
- \$690m (\$322m) for the construction of the Saadiyat Link project, Abu Dhabi, UAE, for the Tourism Development and Investment Company.
- \$642m (\$279m) for the construction of the Jafza Convention Centre, Dubai, UAE, for the Jebel Ali Free Zone Authority.
- \$604m (\$123m) for the construction of the St Regis Hotel, Abu Dhabi, UAE, for the Tourism Development and Investment Company.
- \$563m (\$268m) for the construction of the City Centre expansion at Doha, Qatar, for the Al Rayyan Tourism Investment Company.
- \$483m (\$104m) for the construction of the 72 storey Landmark Tower, Abu Dhabi, UAE, for the Department of Presidential Affairs.
- \$317m for the construction of the Al Shaqab Equestrian Centre, Doha, Qatar, for the Qatar Foundation.
- \$464m (\$128m) for the construction of the Dubai Tower, Qatar, for Dubai International Properties.
- \$444m (\$170m) for the construction of the P9 mixed use development, Abu Dhabi, UAE, for United Holdings.
- \$403m (\$82m) for the construction of the Paris-Sorbonne University, Abu Dhabi, UAE, for Mubadala Development PJSC.
- \$363m (\$194m) for the construction of a JW Marriott Hotel, Abu Dhabi, UAE, for Abu Dhabi National Hotels.
- \$334m (\$188m) for the construction of the Al Ghurair city expansion, Dubai, UAE, for Al Ghurair Centre LLC.
- \$293m (\$105m) for the construction of the Emerald Palace, Dubai, UAE, for The Emerald Palace Group.
- \$248m (\$138m) for the construction of the Feature Tower, Abu Dhabi, UAE, for the Abu Dhabi National Exhibition Company.
- \$228m (\$63m) for the construction of the Saadiyat Island labour camp, UAE, for the Tourism Development & Investment Company.
- \$100m (\$46m) for the construction of the Faisal Tower, Qatar, for Sheikh Faisal Bin Qassem Al Thani.
- \$95m (\$44m) for the construction of the Samriya Tower, Qatar, for Sheikh Faisal Bin Qassem Al Thani.
- \$86m (\$49m) for the construction of the Iris Bay commercial development, Dubai, UAE, for Sheth Estate (International) Ltd.
- \$77m (\$35m) for the construction of the Dareen Tower, Qatar, for Sheikh Faisal Bin Qassem Al Thani.
- \$76m (\$30m) for the construction of enabling works for the Eastern Mangroves project, UAE, for the Tourism Development & Investment Company.

Leighton Properties

- Mosaic: Leighton Properties has an option to develop a 250 unit residential site in Church Street, Fortitude Valley, Brisbane.
- Port Central: Leighton Properties owns, and is developing and selling a site and is developing an industrial strata complex at Matraville, Sydney.
- Bankstown Airport: Leighton Properties holds a 33⅓% stake in leasehold development land at the Bankstown airport, Sydney, NSW.
- Hoxton Park Airport: Leighton Properties holds a 50% stake in freehold development land at Hoxton Park airport, Sydney, NSW.
- Hassall St: Leighton Properties is a 50% owner and joint venture development partner to develop a commercial building in Parramatta, Sydney.
- 486 Pacific Hwy: Leighton Properties and Leighton Holdings own a commercial office building which is proposed for redevelopment in Sydney.
- Kingscliff: Leighton Properties holds a long term lease on a site which will be developed into an eco-tourism resort in northern New South Wales.
- Section 63: Leighton Properties is a 50% owner and joint venture development partner in a planned commercial development property in Canberra.
- HQ Development: Leighton Properties and Leighton Contractors are jointly developing two commercial office towers worth \$300m on Wickham Terrace in Fortitude Valley, Brisbane.
- Viridian Noosa: Leighton Properties is a 50% owner and joint venture development partner in a 200 unit resort development at Noosa, Queensland.
- Beckmans Green: Leighton Properties owns and is selling residential land in a subdivision site at Noosaville, Queensland.
- King George Central: Leighton Properties is developing a \$210m commercial office tower at 145 Ann Street in Brisbane which has been sold to Commonwealth Property Office Fund (CPA).
- Hamilton Harbour: Leighton Properties and Devine jointly own a property where a proposed mixed use residential and office precinct will be developed in Hamilton, Brisbane.
- Townsville: Leighton Properties and Devine jointly own a property where a mixed use residential and office precinct is proposed for development in Townsville.
- Bay Road: Leighton Properties owns a development site where a suburban office park and industrial precinct is under development at Cheltenham in Melbourne.
- 567 Collins Street: Leighton Properties is a 50% owner and joint venture development partner of a site where a commercial building is proposed in Melbourne.
- Hallam: Leighton Properties is a 50% owner and joint venture development partner of a site where industrial lots are being developed in Melbourne.
- Merinda Park: Leighton Properties owns a 16 hectare development site in Melbourne.
- Deer Park: Leighton Properties is a joint venture partner in an industrial site on 77 hectares in Victoria.
- Cranbourne West: Leighton Properties is an owner and developer of an 120 hectare industrial site on Westernport Hwy, Cranbourne, Melbourne.

Note: ■ Indicates new project secured between 1 July 2009 - 31 December 2009
■ Indicates significant on-going project

Directors' Report

The Directors of Leighton Holdings Limited present their report for the half-year ended 31 December 2009 in respect of the Consolidated Entity constituted by the Company and the entities it controlled during the half-year. A review of the operations of the Consolidated Entity and the results of those operations during the half-year are contained on pages 24 to 38 and form part of this report.

The Consolidated Entity's interim financial report for the half-year ended 31 December 2009 and the auditor's review report are presented on pages 3 to 21.

Information regarding Directors

The Directors of the Company at any time during or since the end of the half-year are:

David A Mortimer AO <i>Chairman</i> An Independent Non-executive Director since 1997.	Dr Peter M Noé <i>Deputy Chairman</i> A Non-executive Director since 2003.
Wallace M King AO <i>Chief Executive</i> An Executive Director since 1975. Appointed Chief Executive in 1987.	Dieter S Adamsas A Non-executive Director since 1 July 2007. An Executive Director from 1988 to 30 June 2007.
Achim Drescher An Independent Non-executive Director since 1996.	Robert D Humphris OAM An Independent Non-executive Director since 2004.
Stephen P Johns Appointed an Independent Non-executive Director on 21 December 2009.	Dr Burkhard Lohr A Non-executive Director since May 2008.
Dr Herbert H Lütkestratkötter A Non-executive Director since 2007.	Ian J Macfarlane AC An Independent Non-executive Director since 2007.
Wayne G Osborn An Independent Non-executive Director since 2008.	David P Robinson A Non-executive Director since 1990.

Alternate Directors:

Robert L Seidler An Alternate Director for Dr Herbert Lütkestratkötter since July 2007. Previously an Alternate Director for Dr Hans-Peter Keitel from 2003 until July 2007.
Dr Karl Reinitzhuber An alternate Director for Dr Peter Noé since April 2009.

Retired Director:

Peter A Gregg An Independent Non-executive Director since 2006. Resigned from the Board on 14 October 2009.
--

The lead auditor's independence declaration is set out on page 22 and forms part of the Directors' Report for the half-year ended 31 December 2009.

Rounding Off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the interim financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Dated at Sydney this 12th day of February 2010.

Signed in accordance with a resolution of the Directors:


W M King AO
Director

12 February 2010

Leighton profit increases to \$289m and work in hand increased to \$38.4bn

The directors of Leighton Holdings Limited today announced that the Group had reported a profit after tax of \$289m up 160% for the 6 months to December 2009 versus \$111m last year. This is despite the negative impact of the US\$/A\$ currency on overseas income. A fully franked interim dividend of 65 cents per share was announced by directors, up 8% on the previous half year.

Chief Executive, Mr Wal King, said this is a pleasing result which reflected good contributions from infrastructure construction in Australia, contract mining in Australia and Indonesia, and construction in Hong Kong.

"Total revenue, including JV's and associates, was down 1% to \$9.0bn versus \$9.1bn last year, due to currency movements negatively affecting revenue by approximately \$500m. The Group's major markets generating revenue were infrastructure \$5.2bn, resources \$2.6bn and property \$1.2bn," he said.

"Work in hand at 31 December 2009 was \$38.4bn, 4% higher than \$37.0bn as at 30 June 2009. The order book was boosted by the award of some \$11.7bn worth of new work, extensions and variations during the period.

"The major construction projects awarded include the \$3.5bn Melbourne Desalination Project, some \$1.4bn worth of work at the Gorgon LNG plant in Western Australia and the \$430m Khalifa Port in Abu Dhabi. New mining work in Mongolia and extensions in Queensland supported the Group's contract mining activities. Services work remained strong on the back of telecommunications work won by Nextgen and maintenance of water and sewerage infrastructure in Melbourne," he said.

"Our balance sheet remains solid and a source of competitive advantage in tendering for work. Total assets were \$7.8bn as at 31 December 2009 with net assets of \$2.4bn and gross cash of \$901m.

"The Group successfully secured finance through the issuance of \$280m of Five-Year Fixed Medium Term Notes and a \$670m Syndicated Performance Bond Facility. These capital management initiatives are an integral element of strategic planning, ensuring we have the appropriate financial resources in place to provide the flexibility we require.

"The Group's longer term outlook remains solid based on a record level of work in hand, a strong competitive position and a forecast rebound in the Group's core markets from the uncertainty of the global financial crisis. While the timing of recovery in the various markets will vary, the outlook is positive and the Group is well positioned to take advantage of the opportunities being presented," said Mr King.

"A sustained level of infrastructure spending over the next few years should provide a good level of construction opportunities for the Group's Australian based operating companies. Opportunities include the National Building Stimulus, to be spent on education building; Federal and State Water programs over the next few years; the Federal Government's National Broadband Network, to be commenced in 2010; and numerous large-scale transport initiatives," he said.

(continued...)

"The resources sector is largely back to its best with good opportunities in Australia, Indonesia and Mongolia driven by strong demand in Asia. Indonesia's coal exports are forecast to continue to grow which should underwrite solid levels of work for Thiess and Leighton Asia.

"A large number of LNG projects in and near Australia have been committed or planned. The Leighton Group's companies are currently working on or have completed work on the \$12bn Pluto project, the \$43bn Gorgon project and the \$900m Devil Creek project. We see this market as offering significant potential over the next few years," said Mr King.

"Infrastructure spending in Hong Kong is expected to increase significantly as the Government uses its large financial reserves to stimulate growth and catch up on delayed infrastructure projects. Leighton Asia is well placed to construct some of this infrastructure. Leighton International will continue to selectively pursue infrastructure, building, and oil and gas opportunities in India," Mr King said.

"Mongolia's mining industry is forecast to grow substantially over the next 5 years and Leighton Asia is positive about the prospects for contract mining and construction in this market.

"Construction in the Middle East remains at high levels, despite the recent issues in Dubai, with oil and gas, commercial and economic infrastructure projects continuing to support the market, whilst investment in education and other social infrastructure is expected to grow. The opportunities in the Middle East will provide a good base of construction work for the Habtoor Leighton Group for the foreseeable future," he said.

"The Group is well placed with a very strong competitive base in Australia and leverage – both directly and indirectly – to the growth markets of Asia and the Middle East. Our Group's strategy of diversification; by brand, market, geography and delivery systems continues to provide opportunities for growth which will continue to support good returns for shareholders.

"For the 2009/10 financial year the Group expects to report full year revenue of around \$19bn, net profit after tax in excess of \$600m and work in hand of around \$40bn. The final result and full year dividend are, of course, subject to market conditions for the remainder of this financial year," said Mr King.

ENDS

Issued by Leighton Holdings Limited ABN 57 004 482 982 www.leighton.com.au

Further information:

MR WAL KING AO Chief Executive Officer T (02) 9925 6912 or

MR PETER GREGG Chief Financial Officer T (02) 9925 6048

LEIGHTON HOLDINGS LIMITED, founded in Australia in 1949, is the parent company of one of the world's major project development and contracting organisations. We are also the world's largest contract miner. Listed on the Australian Stock Exchange since 1962, Leighton Holdings is a top 25 company by market capitalisation and has its head office in Sydney, Australia. Leighton Holdings owns six diverse and independent operating companies: Leighton Contractors, Thiess, Leighton International, John Holland, Leighton Asia and Leighton Properties. These operating companies provide development, construction, contract mining, and operation and maintenance services to the infrastructure, resources and property markets. They operate in more than 20 countries throughout Australia, Asia and the Middle East from headquarters in Australia, Hong Kong and Dubai. These operating companies directly employ around 42,900 employees and each functions autonomously with its own Board and Managing Director.



Half Year Report



February 2010

PRESENTATION OUTLINE

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Results highlights

Operational update

Financial statements

Strategy and outlook

Results Highlights

Financial Highlights

	Dec 09 (\$m)	Dec 08 (\$m)	% change
Total revenue	9,012	9,146	(1)
New contracts, extensions and variations	11,742	14,051	(16)
Value of work in hand	38,434	37,533	2
Profit before tax and impairments	386	387	0
Profit after tax	289	111	160
Dividends per ordinary share	65c	60c	8

Operational Update

The Group Has A Diverse Portfolio Of Brands

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Company

Leighton Holdings

Thiess

Leighton Contractors

John Holland

Leighton Asia

Leighton International

Habtoor Leighton

Leighton Properties

Investments, subsidiaries and associates

Operating subsidiaries and strategic stakes in Devine & Macmahon

Thiess Services, Hunter Valley Earthmoving, Silcar, Sedgman

HWE Mining, Visionstream, Broad, Nextgen, Menette, Ngarda

DMM, John Holland Aviation Services

Regional – same brand

Regional – same brand

Al Habtoor Specon, Al Habtoor ISG, Al Habtoor STFA Soil Group, Al Habtoor ATCO



Monash-CityLink-West Gate Upgrade VIC, Thiess

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Yandi Iron Ore Mine Extension WA, HWE (Leighton Contractors)



Sydney Desalination Plant NSW, John Holland

An aerial photograph of Hong Kong, showing the dense urban landscape and the Victoria Harbour. The Central Reclamation area is highlighted with a red overlay, indicating the focus of the project. The skyline is dominated by numerous skyscrapers, and the water is a deep blue-green. In the background, the mountains of Hong Kong are visible under a clear sky.

Central Reclamation Protection Works Hong Kong, Leighton Asia



Ipoh to Padang Double Tracking Malaysia, Leighton International



Saadiyat Link Expressway Abu Dhabi, Leighton International

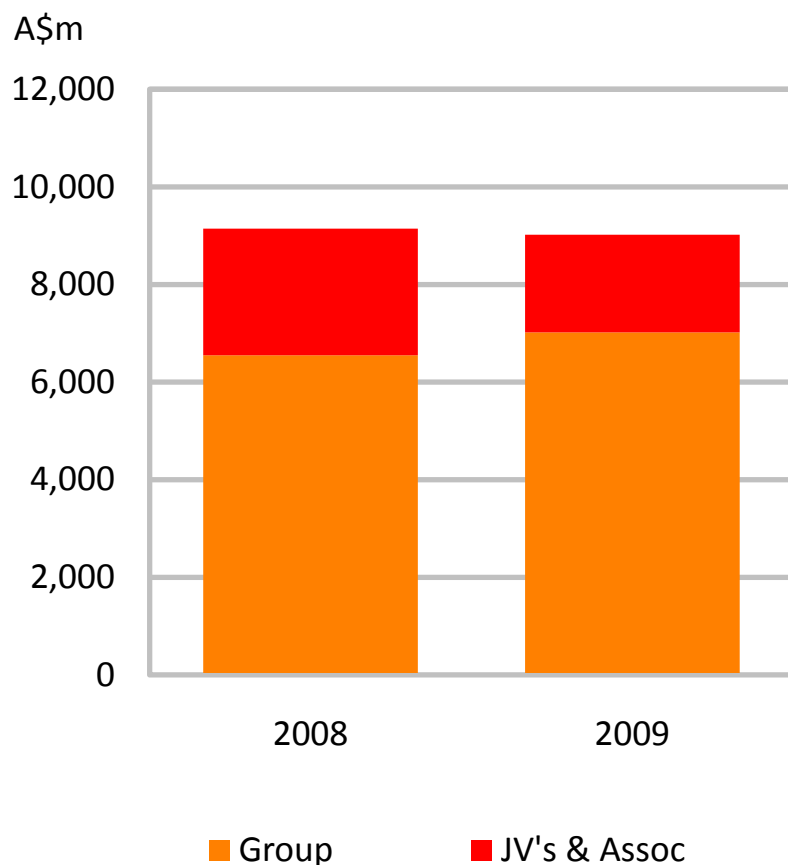


400 George Street QLD, Leighton Properties/Thiess

Financial Statements

Revenue Was Flat Over The Period

REVENUE - BY GROUP AND JOINT VENTURES & ASSOCIATES

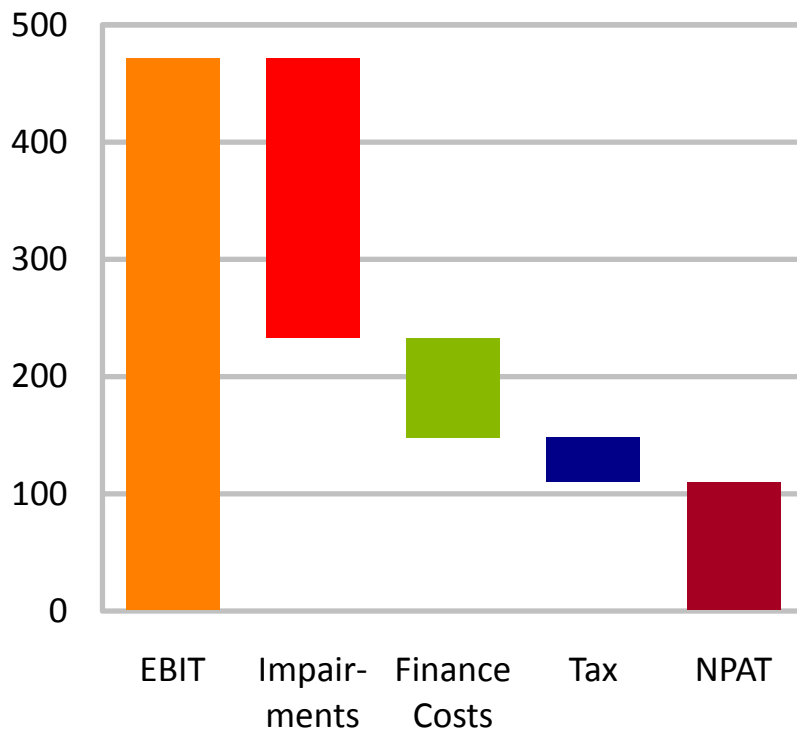


- Total revenue down 1%
- Negative FX impact of \$200m
- Group revenue up 7%
- JV & Associates down 24%
- Dividend increased to 65cps fully franked

Profit Before And After Tax

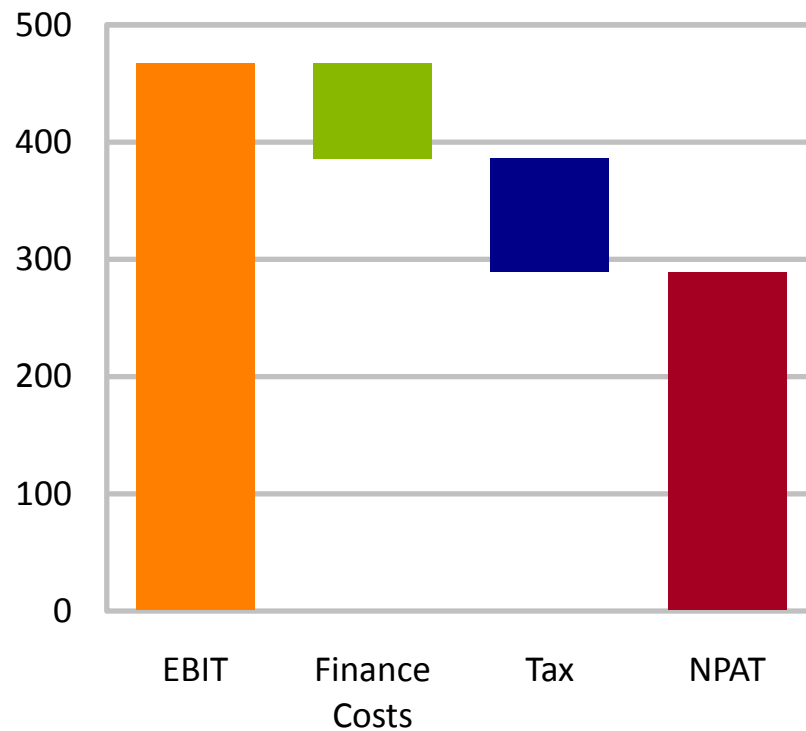
DEC 2008

A\$m



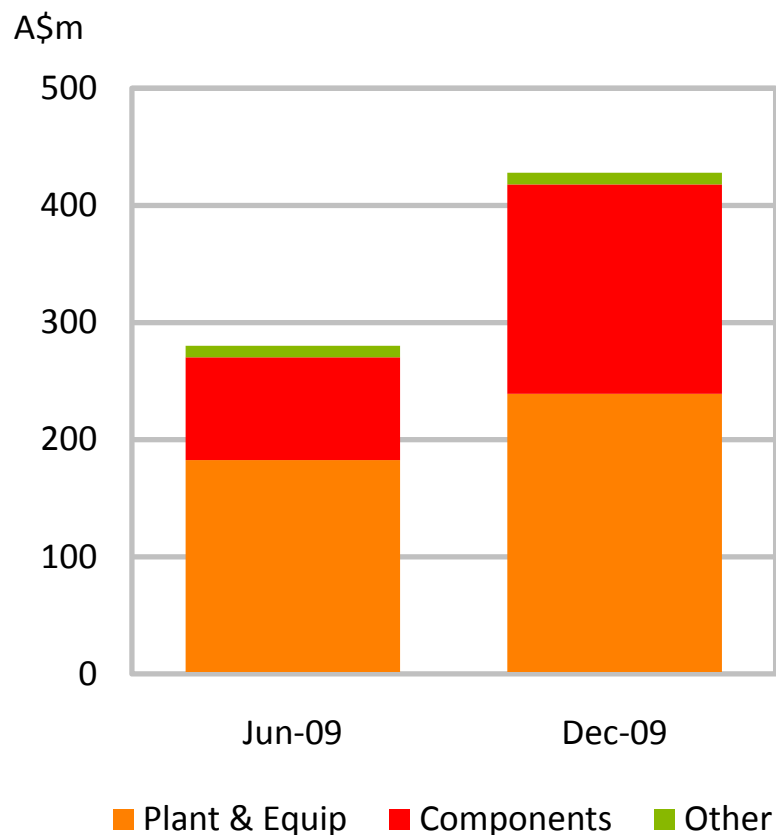
DEC 2009

A\$m



Increased Depreciation A Function Of Volumes

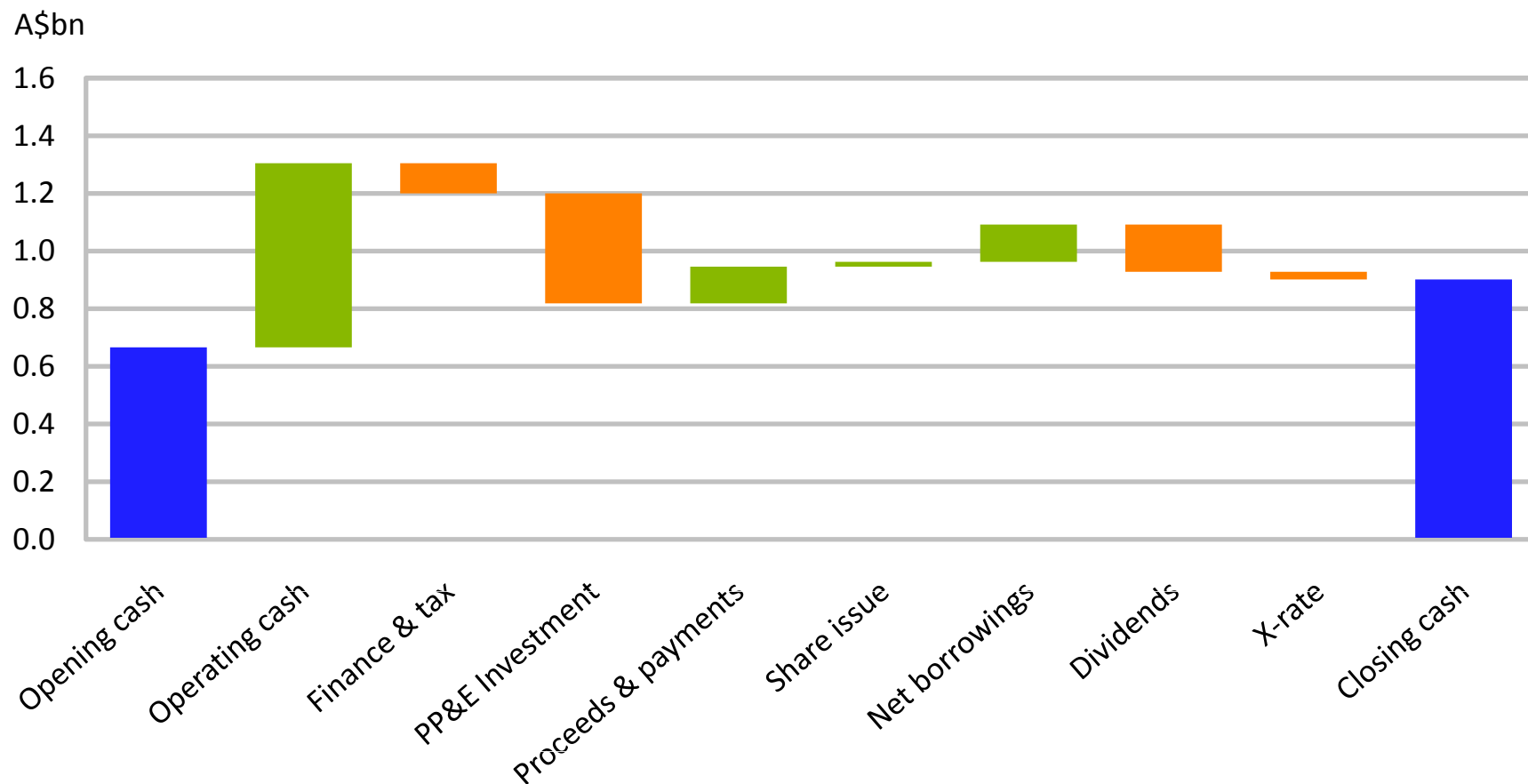
DEPRECIATION EXPENSES



- Total depreciation of \$412m
- Operating lease payments of \$199m
- Depreciation to remain around these levels

Solid Operating Cash Flow

JUNE - DEC 2008 CASH FLOW RECONCILIATION



Balance Sheet Healthy With A Good Level Of Cash

Assets	Dec 2009 (\$'000)	June 2009 (\$'000)	% change
Cash & cash equivalents	901,313	665,793	35
Trade & other receivables	2,153,424	2,391,573	(10)
Current tax assets	36,356	79,471	(54)
Inventories	615,115	576,504	7
Investments – equity	1,655,700	1,730,563	(4)
Other investments	121,955	111,826	9
Deferred tax assets	278,715	192,148	45
Property, plant & equipment	1,915,723	1,820,158	5
Goodwill	124,738	124,278	0
Total Assets	7,803,039	7,692,314	1

Liabilities Up In Line With Assets

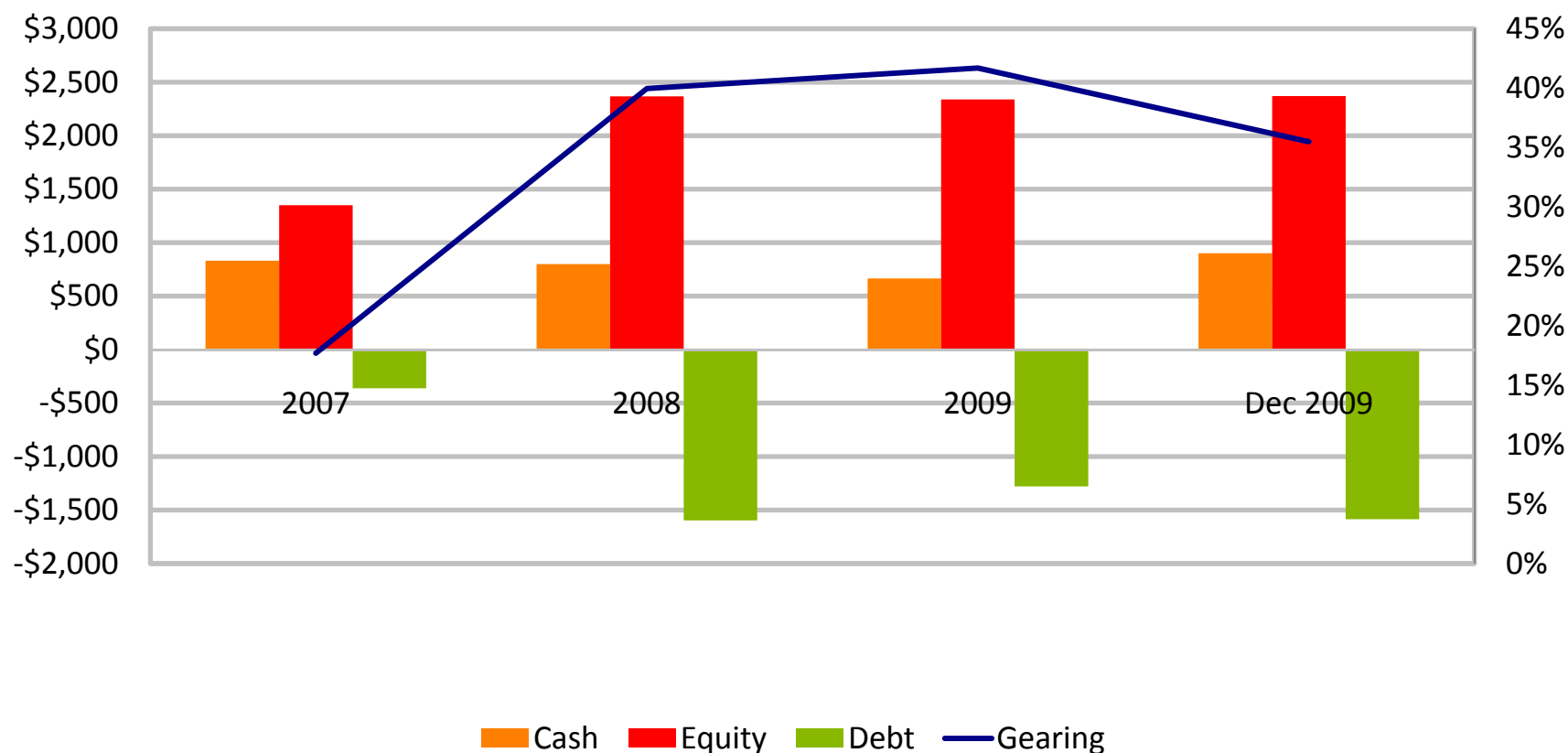
Liabilities	Dec 2009 (\$'000)	June 2009 (\$'000)	% change
Trade & other payables	3,273,883	3,615,283	(9)
Current tax liabilities	105,486	-	--
Provisions	465,366	459,639	1
Interest bearing loans	934,071	621,114	50
Interest bearing limited recourse loans	652,281	657,711	(1)
Total	5,431,087	5,353,747	1

Debt Portfolio In Good Shape

	Limit	Term	Maturity
Term Debt			
Al Habtoor limited-recourse loan	US\$385m	5 years	Sept 2012
Indonesian bond	US\$110m	5 years	May 2011
Medium Term Notes	A\$280m	5 years	July 2014
US Private Placement	US\$280m	5, 7, 10 years	Oct 2013, 2015, 2018
Working capital			
Syndicated loan	A\$520m	3 years	Oct 2011
Bilateral facility	A\$100m	2 years	Aug 2010
Bilateral facilities	A\$120m	1 year	Aug 2010
Bonding/Guarantees			
Aggregate facilities	A\$3,850m	1-3 years	2010-2012

The Group Has Conservative Leverage

BALANCE SHEET ITEMS (\$M) AND LEVERAGE (%)



Gearing – Net on Balance Sheet debt plus off Balance sheet Operating leases / Debt including Off Balance Sheet Operating leases plus Shareholders equity

Strategy And Outlook

Group's Strategy Remains Consistent

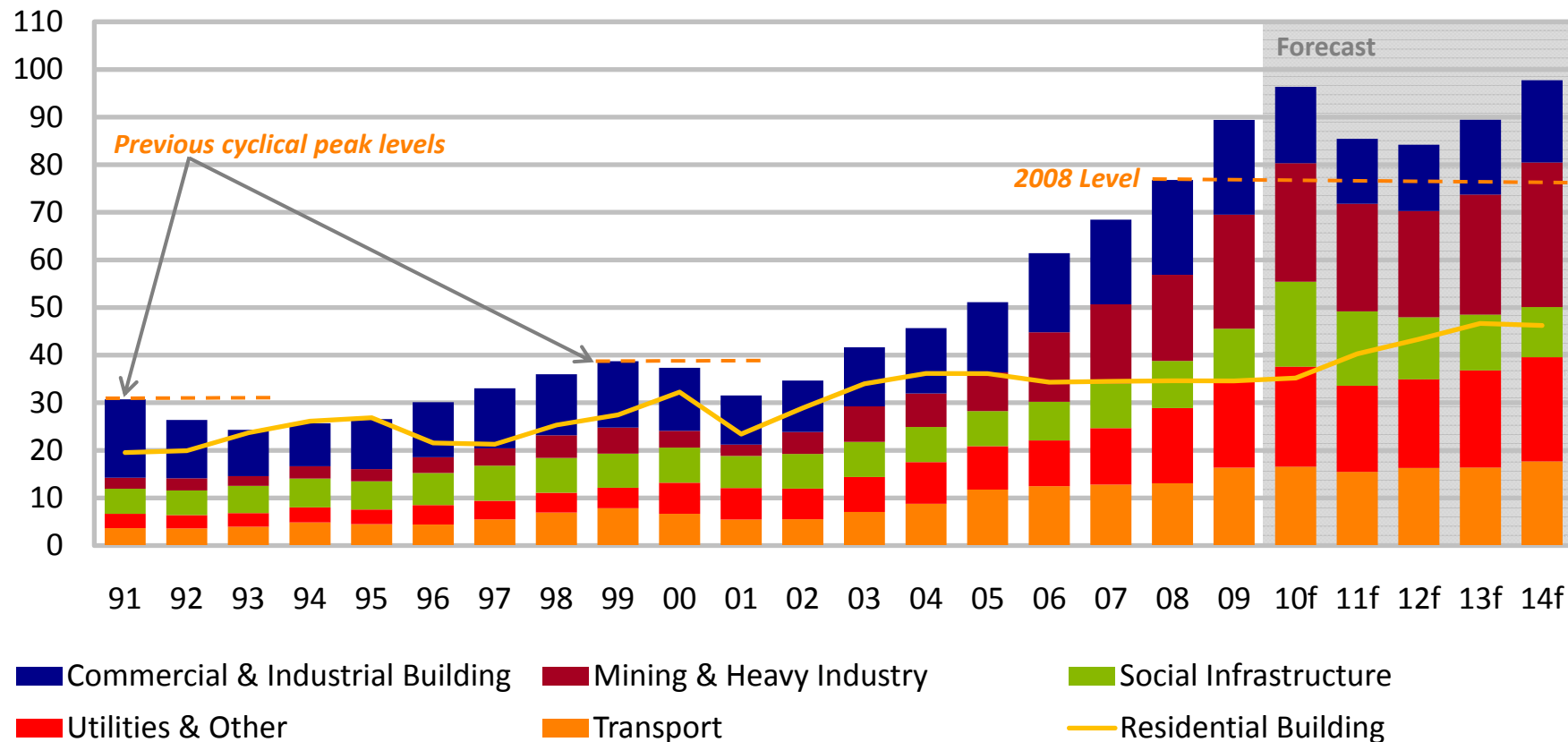
- Diversity
 - Brands
 - Markets and activities
 - Geography
 - Delivery systems
- Financial strength
- People

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Construction To Remain At High Levels

TOTAL CONSTRUCTION VALUE OF WORK DONE BY PRIVATE SECTOR

\$Bn (constant 06/07 prices)



Source: BIS Shrapnel Jan 2010 forecasts. Total value of work done by the Private sector. Year end June



Gateway Upgrade Project QLD, Leighton Contractors

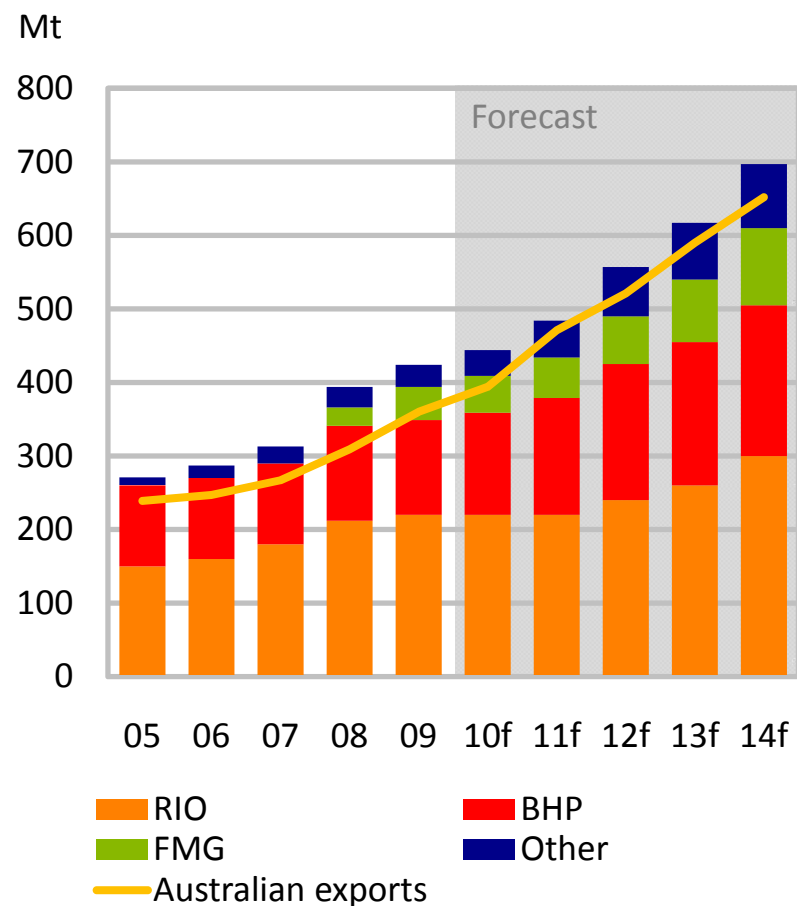


Melbourne Main Sewer Replacement VIC, John Holland

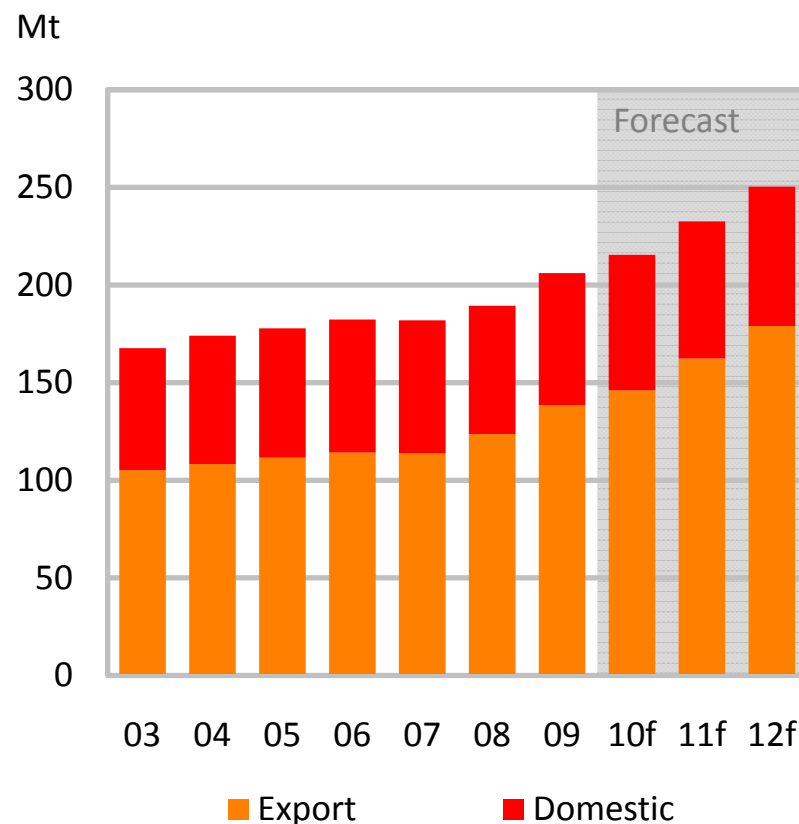
Resources Outlook Remains Positive

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AUSTRALIAN EXPORTS AND COMPANY EXPORT CAPACITY



AUSTRALIAN THERMAL COAL PRODUCTION



Source ABARE Dec 2009; Macquarie Research Dec 2009, Wood McKenzie Dec 2009

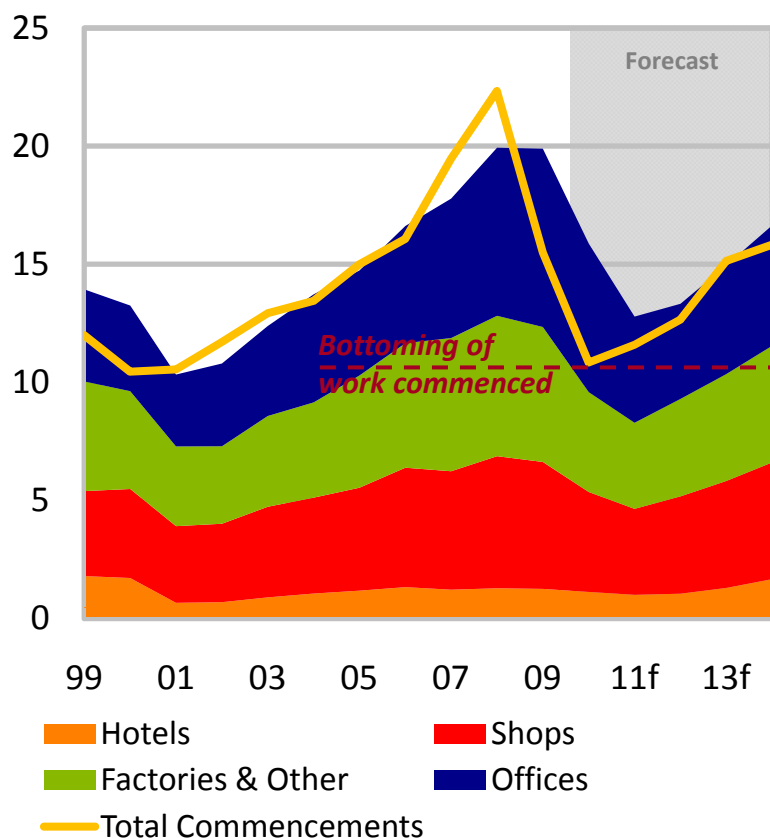


Tarong Coal Mine QLD, Thiess

Property Predicted To Bottom Out In 2011

COMMERCIAL AND INDUSTRIAL PROPERTY VALUE OF WORK DONE

\$Bn (constant 06/07 prices)



- Commercial and industrial property construction will continue to be slow in 2010 and 2011
- Predicted to bottom out in 2011, driven by a steady decline in office vacancies, increasing credit, reducing levels of corporate debt and an improving employment outlook

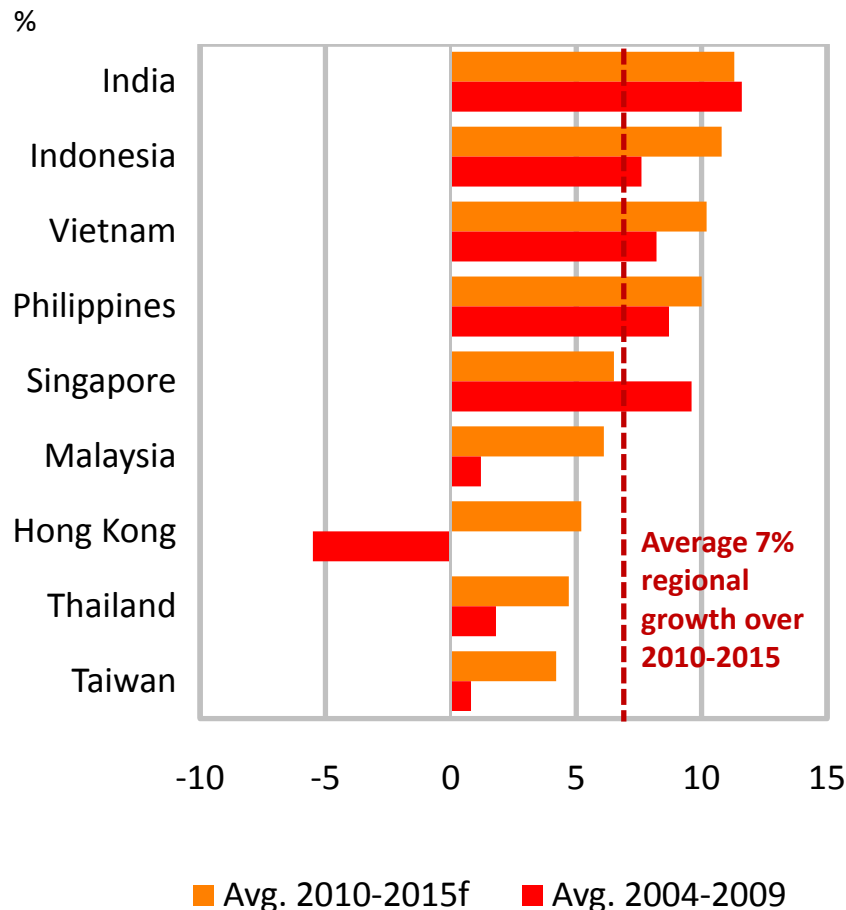
Source: BIS Shrapnel, Building in Australia Jan 2010 & Building Commencements Nov 2009. Year end June



**Viridian Noosa, QLD,
Leighton Properties/John Holland**

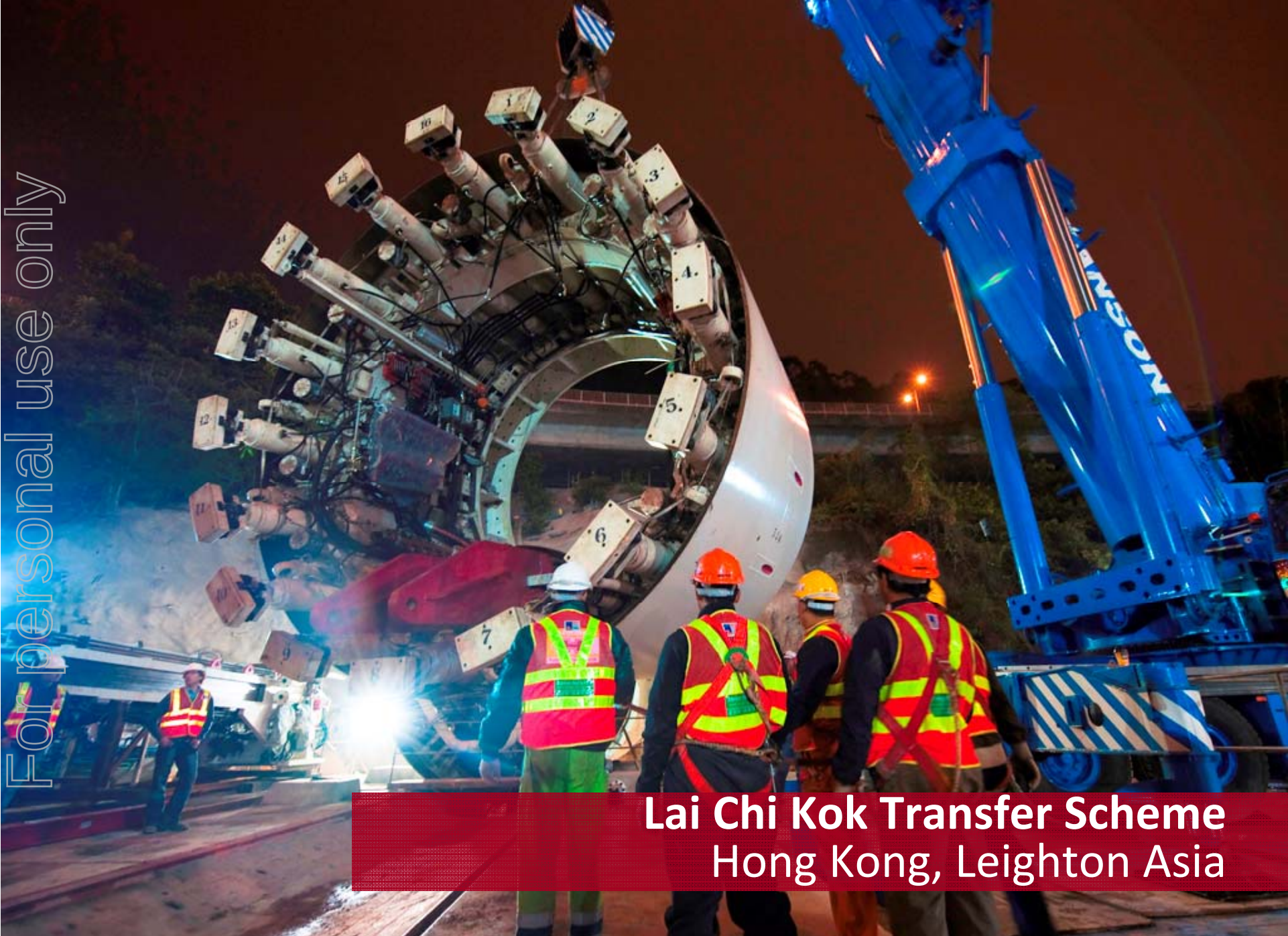
Asian Region To Experience Construction Growth

REAL GROWTH IN CONSTRUCTION OUTPUT



- Asian construction industry to grow by an average 7% per annum over the next 5 years
- The growth driven by increased government spending and domestic demand underpinned by economic growth

Source: IMA Asia, Q4 2009 Forecasts



Lai Chi Kok Transfer Scheme Hong Kong, Leighton Asia



Melak Coal Mine Indonesia, Thiess

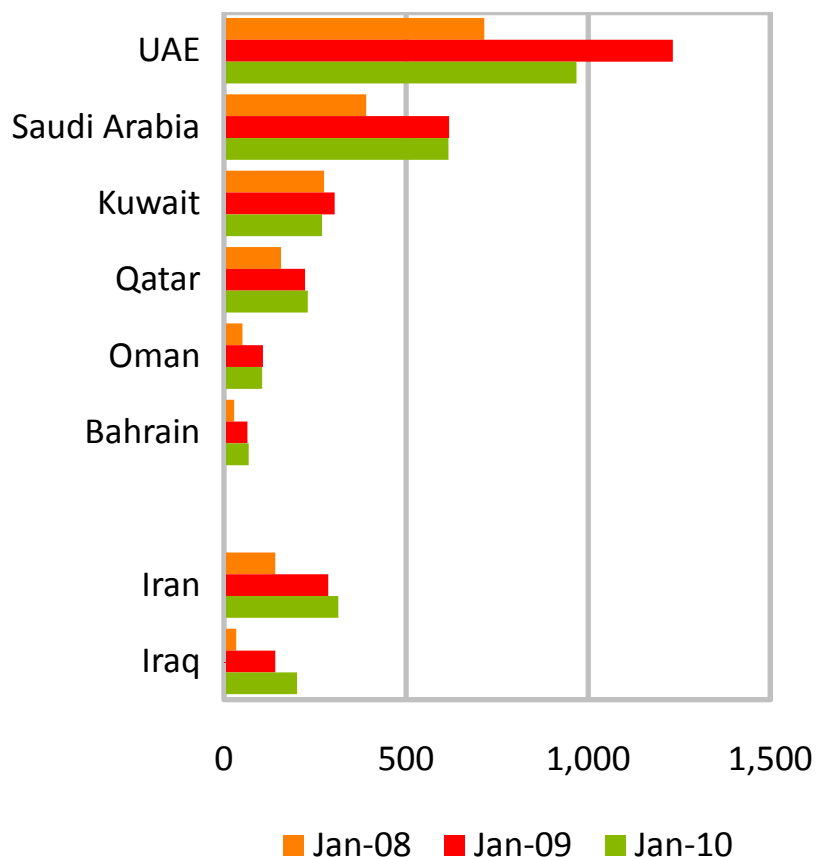


Ukhaakhudag (UHG) Coal Mine Mongolia, Leighton Asia

Middle East Economies Are Recovering

UNDERWAY AND PLANNED CONSTRUCTION PROJECTS

US\$Bn, Jan 2009



- Economic growth supported by a resurgence in oil prices, strong public spending, declining inflation and improved financing conditions
- Oil and gas, commercial, and economic infrastructure projects to provide opportunities

Source: MEED Projects, Jan 2009

Summary

- Solid balance sheet and strong competitive position
- Opportunities to maintain work in hand
- Expect revenue and profit growth
- Positive long term outlook

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Half Year Report



February 2010