

6 May 2014

Singapore Exchange (SGX)
2 Shenton Way
#19-00 SGX Centre 1
Singapore 068804

RE: Leighton reports 1Q14 NPAT of A\$152m, reiterates guidance

Please find attached a copy of a media release to be issued today by Leighton Holdings Limited, parent company of Leighton Finance (USA) Pty Ltd.

Yours faithfully
LEIGHTON HOLDINGS LIMITED

VANESSA REES
Group Company Secretary



Vanessa Rees
Group Company Secretary

Leighton Holdings Limited
ABN 57 004 482 982

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6 May 2014

ASX Market Announcements
Australian Securities Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Re: Leighton reports 1Q14 NPAT of A\$152m, reiterates guidance

Please find attached a copy of a media release to be issued today by Leighton Holdings Limited.

Yours faithfully
LEIGHTON HOLDINGS LIMITED

VANESSA REES
Group Company Secretary

6 May 2014

Leighton reports 1Q14 NPAT of A\$152m, reiterates guidance

Leighton Holdings Limited today announced its results for the three months to 31 March 2014:

- Revenue of A\$5.7 billion, up 7% on 1Q13
- Net Profit after Tax (NPAT) of A\$152 million, up 24% on 1Q13
- Underlying NPAT¹ (UNPAT) of A\$159 million, up 29% on 1Q13
- Underlying NPAT margin of 2.8%, an absolute increase of 0.5% on 1Q13
- Gearing² of 38.5%, compared to 29.2% at 4Q13 and 47.2% at 1Q13
- New work orders of \$4.4 billion, up 10% on 1Q13
- Work in hand of A\$40.9 billion, down 3% on 4Q13

Chief Executive Officer, Mr Marcelino Fernández Verdes, said: “The Group succeeded in expanding its net margin during the period, delivering a 29% increase in UNPAT on a 7% increase in revenue. This result was driven by strong performances in infrastructure and oil and gas construction, and our ongoing focus on margin expansion initiatives.

“At the end of the quarter, our gearing had improved to 38.5% from 47.2% in the prior comparative period. This was in line with our expectations and is consistent with historical seasonal working capital requirements in the first quarter of the year. We confirm our guidance range of 20 – 35% at year end. Our ongoing disciplined approach to investment in plant and equipment saw capital expenditure reduce 34% when compared to the prior comparative period.

“We have a substantial level of work in hand of \$40.9 billion which underpins our profitability for the next few years. During the quarter we secured \$4.4 billion of new contracts, extensions and variations which was approximately 10% higher than new work orders awarded in the prior comparative period. New work announced included a A\$453 million contract to construct the Central - Wanchai Bypass tunnel in Hong Kong and a \$1.9 billion³ joint venture contract for the construction of a highway in Qatar, and we have announced some significant awards since the end of the quarter. The Group remains focused on winning high quality projects that we can successfully deliver to the benefit of our clients and our shareholders.

“Our markets are continuing to offer a good range of new project opportunities especially in infrastructure construction and we are confident that we are well positioned to participate.

“Subject to market conditions and unforeseen circumstances, we reiterate our market guidance to deliver an underlying net profit after tax in the range of \$540 million to \$620 million in 2014,” said Mr Fernández Verdes.

ENDS

¹ Underlying NPAT is NPAT adjusted for non-underlying items including gains or losses on sale, impairments and restructuring costs – see Appendix 2.

² Gearing is expressed as the ratio of net debt and operating leases to net debt, operating leases and shareholder equity – see Appendix 1.

³ Value to HLG \$1 billion

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

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LEIGHTON HOLDINGS LIMITED, founded in Australia in 1949, is the parent company of the Leighton Group, one of the world's leading international contractors. The Group is also the world's largest contract miner. Listed on the Australian Stock Exchange since 1962, Leighton Holdings has its head office in Sydney, Australia. Leighton Holdings owns and operates through a number of diverse and independent operating companies: Leighton Contractors; Thiess; John Holland; Leighton Asia, India and Offshore; and Leighton Properties. The Leighton Group also has a 45% investment in the Habtoor Leighton Group. These 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, the Middle East and Southern Africa. The Leighton Group directly employed approximately 53,000 people, as at 31 March 2014.

APPENDIX 1

KEY PERFORMANCE FEATURES FOR THE 3 MONTHS ENDED 31 MARCH

Unaudited	3 months to 31 March 2014	3 months to 31 March 2013	Percentage change
Income Statement information	\$m	\$m	%
Revenue - Group	5,348	4,863	10
- Joint Ventures and Associates	356	488	(27)
Total Revenue	5,704	5,351	7
EBITDA ⁴	443	440	1
EBITA	270	206	31
EBIT	262	200	31
Profit before tax	212	151	40
Income tax	(60)	(30)	100
Loss attributable to minority interests	-	2	(100)
NPAT (Profit after tax attributable to members)	152	123	24
Of which – UNPAT	159	123	29
- Non-underlying items after tax ⁵	(7)	-	n/a
Net margin (UNPAT to total revenue)	2.8%	2.3%	22
Capital Expenditure	184	279	(34)

⁴ EBITDA equals profit before tax adding back finance costs of \$50m (Mar 13: \$49m), amortisation of \$8m (Mar 13: \$6m) and depreciation of \$173m (Mar 13: \$234m).

⁵ Refer Appendix 2.

APPENDIX 1 (continued)

KEY PERFORMANCE FEATURES FOR THE 3 MONTHS ENDED 31 MARCH

Unaudited	As at 31 March 2014	As at 31 December 2013	As at 30 March 2013
	\$m	\$m	\$m
Balance Sheet information			
Total assets	11,996	12,076	11,390
Total liabilities	8,780	8,830	8,590
Net assets	3,216	3,246	2,800
Net Debt	1,128	404	1,928
Operating Leases	881	934	572
	2,009	1,338	2,500
Gearing	38.5%	29.2%	47.2% ⁶
New contracts, extensions, variations and F/X	4,440	23,096 ⁷	4,072
Work in Hand ⁸	40,906	42,171	42,207

⁶ Previously disclosed gearing of 47.7% included assets and liabilities held for sale. It has now been restated to be comparable to Dec 2013 and Mar 2014.

⁷ For the year ended 31 Dec 2013.

⁸ Work in Hand includes the Group's share of joint ventures and associates.

APPENDIX 2
NPAT TO UNPAT RECONCILIATION FOR THE 3 MONTHS ENDED 31 MARCH
Unaudited

3 months to 31 March 2014

	PBT	Tax	Minorities	UNPAT
	\$m	\$m	\$m	\$m
Reported	212	(60)	-	152
Plus restructuring costs	10	(3)	-	7
Underlying	222	(63)	-	159