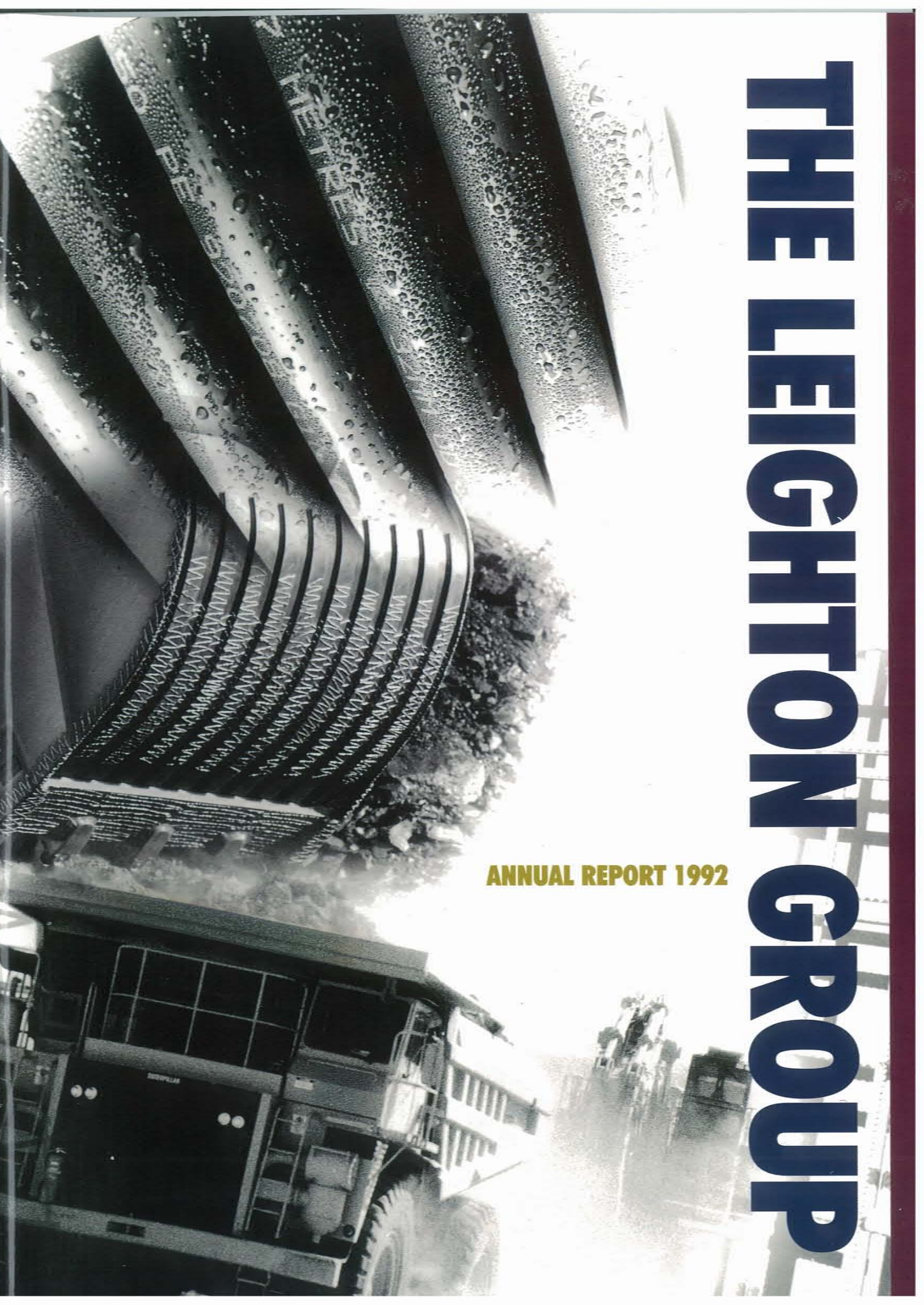


# THE LEIGHTON GROUP

**ANNUAL REPORT 1992**



## THE LEIGHTON GROUP ANNUAL REPORT

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### Leighton Holdings Limited

A.C.N. 004 482 982

### Notice of Annual General Meeting 1992

To: The Shareholders

Notice is hereby given that the Annual General Meeting of the members of Leighton Holdings Limited will be held in the Ballroom, The Regent of Sydney, 199 George Street, Sydney, NSW on Wednesday, 4 November 1992 at 10.30 am.

A separate Notice of Meeting and Proxy Form is enclosed.

After the meeting, a short presentation on the Group's operations will be given by Wal King, the Group's Chief Executive Officer, following which all present are invited to join the Directors for light refreshments.



# CORPORATE REPORT



## FINANCIAL OVERVIEW

	1992 \$'000	1991 \$'000	% Change
<i>Total Revenue*</i>	<b>1,733,835</b>	1,710,044	+1.4
<i>Value of Uncompleted Work in Hand*</i>	<b>1,580,905</b>	1,373,226	+15.1
<i>Value of Contracts Awarded*</i>	<b>1,428,887</b>	1,335,866	+7.0
<i>Operating Profit before Tax</i>	<b>38,468</b>	33,861	+13.6
<i>Income Tax</i>	<b>(15,959)</b>	(12,832)	+24.4
<i>Operating Profit after Tax</i>	<b>22,509</b>	21,029	+7.0
<i>Dividends</i>	<b>15,438</b>	12,668	+21.9
<i>Total Capital and Reserves</i>	<b>249,059</b>	238,453 <sup>#</sup>	+4.4
<i>Total Assets<sup>(1)</sup></i>	<b>871,466</b>	743,682 <sup>(2)</sup>	
<i>Net Tangible Assets per Ordinary Share</i>	<b>126¢</b>	123¢	+2.4
<i>Earnings per Ordinary Share</i>	<b>11.8¢</b>	16.1¢	-26.7
<i>Dividends per Ordinary Share</i>	<b>8.0¢</b>	8.0¢	-

\* Includes Leighton's share of Associated Companies

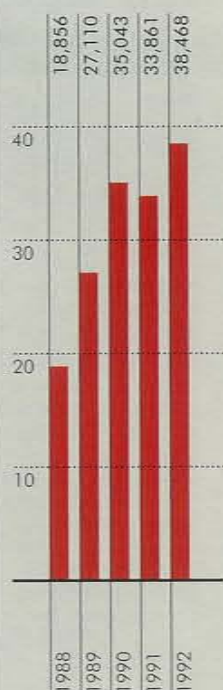
<sup>#</sup> Includes Subordinated Loans

<sup>(1)</sup> Assets in 1992 include Controlled Entities consolidated pursuant to Accounting Standard AASB1024

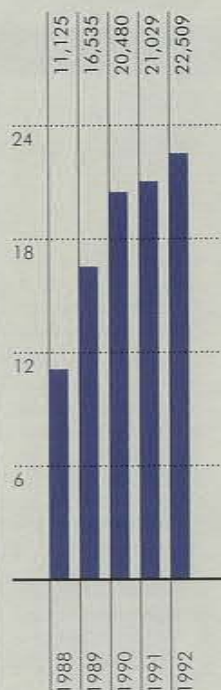
<sup>(2)</sup> Not directly comparable due to change in Accounting Standards



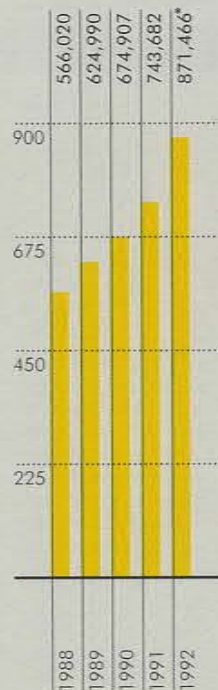
**Operating Profit  
Before Tax \$'000**



**Operating Profit  
After Tax \$'000**

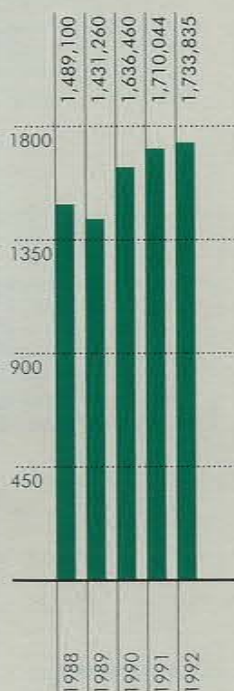


**Total Assets  
\$'000**

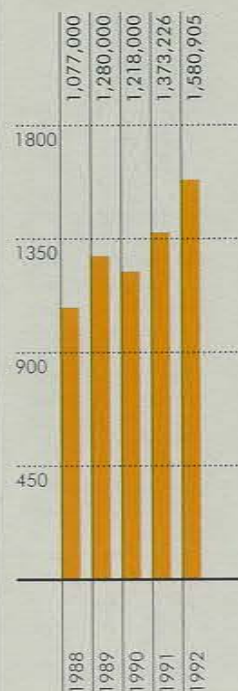


\* Includes Property Associates

**Total Revenue  
\$'000**



**Work In Hand  
\$'000**



# OPERATIONS OVERVIEW



## Leighton Holdings

Leighton Holdings is the parent public company of the Leighton Group. Its role is to provide strategic direction, financial management, market positioning and communication for Group activities.

Operating through various subsidiary and associated companies, the Group's business activities comprise civil and building design and construction, project management, contract mining, property development, specialist engineering, and waste and environmental management in Australia, Hong Kong, South-East Asia and specific regions in the USA. In addition, Leighton Holdings maintains a central Technical Resources division to provide commercial and technological support to Group operations.

Leighton Holdings' principal objective is to continue to develop and maintain a financially sound and competitively strong group of companies while recognising the needs and aspirations of clients, shareholders, employees, governments and other communities on which we depend for success.

To strengthen the Group's market position and technological capabilities, strategic business relationships continue to be forged with leading international companies, including our major shareholder HOCHTIEF, a diversified European construction group.



## Leighton Contractors



## Thiess Contractors



## Leighton Asia

	Leighton Contractors	Thiess Contractors	Leighton Asia
<b>Revenue</b>	\$571M	\$624M*	\$183M*
<b>Work in Hand</b>	\$375M	\$691M*	\$305M*
<b>Total Development Costs</b>	—	—	—
<b>No. of Employees</b>	1,327	2,981	1,182
<b>Profile</b>	<p>Established: 1949 Managing Director: <i>Keith Bennett</i></p> <p>Broad-based Australian construction contractor. Capabilities include civil and building design and construction, contract mining, project and construction management. Long-term participation in projects through operation and maintenance is an emerging area of activity.</p>	<p>Established: 1935 Managing Director: <i>Martin Albrecht</i></p> <p>Multidisciplinary contractor operating throughout Australia, the near Pacific region and Indonesia. Activities include civil engineering, contract mining, building, environmental and waste management, mechanical engineering, marine works and underground construction.</p>	<p>Established: 1975 Managing Director: <i>John Faulkner</i></p> <p>General contractor working throughout Asia with head office in Hong Kong and branch office in Thailand. Experienced in all aspects of engineering and building construction. Includes Leighton Brückner (60% owned), which specialises in foundation engineering.</p>
<b>Performance</b>	<ul style="list-style-type: none"> <li>Successfully managed marketplace fluctuations to achieve record profit.</li> <li>Revenue remained steady with civil engineering and contract mining major contributors.</li> <li>Selected as strategic supplier by Optus Communications for their telecommunications infrastructure.</li> <li>Completed Stage One of The M5 South West Motorway two years ahead of schedule.</li> <li>Increased productivity and reduced industrial disputation.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained steady profit.</li> <li>Indonesian operations performed very well.</li> <li>Won AFCC Construction Achievement Award for Sydney Harbour Tunnel marine works.</li> <li>Began 15 year operation of BHP's Port Kembla water treatment plant.</li> <li>Awarded substantial engineering projects including Dawesville Channel in WA.</li> <li>June Correctional Centre in NSW an excellent model for workplace reform.</li> <li>Secured significant new mining contracts.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained profitability despite drop in revenue.</li> <li>Successfully pursued other Asian markets to counter delays in Hong Kong.</li> <li>Work in hand rose 50%.</li> <li>Awarded major residential development in Thailand.</li> <li>Award of major earthworks contract marked start of involvement with PADS.</li> <li>Decentralised operation structure to improve management of projects.</li> <li>Leighton Brückner's profit below objectives due to tight margins.</li> </ul>
<b>Prospects</b>	<ul style="list-style-type: none"> <li>Expect opportunities in private sector infrastructure development over next 4 to 5 years.</li> <li>Will pursue further prospects for strategic alliances and involvement in long-term projects.</li> <li>Focus on profitable civil opportunities to offset decline in building.</li> <li>Confident of achieving profitability and cashflow objectives.</li> </ul>	<ul style="list-style-type: none"> <li>Civil engineering and contract mining to underpin performance.</li> <li>Well positioned to realise emerging opportunities in Asia Pacific Rim.</li> <li>Will pursue partnering arrangements for long-term operating contracts.</li> <li>Should achieve satisfactory overall returns.</li> </ul>	<ul style="list-style-type: none"> <li>Renewed activity in Hong Kong likely with PADS progressing.</li> <li>Well positioned to secure further work in Thailand.</li> <li>Expect improved prospects in Hong Kong for Leighton Brückner.</li> <li>Should achieve strong performance in year ahead.</li> </ul>

\* Including minority interests

\* Including minority interests





Leighton Properties	Multicon Holdings	The Ipco Group	Green Holdings	Welded Mesh	Technical Resources
\$50M	\$66M	\$101M*	\$196M*	\$62M*	—
—	\$25M	\$147M*	\$198M*	—	—
\$228M	—	—	—	—	—
22*	224	617	1,057	170	42
Established: 1972 Managing Director: <i>Vyril Vella</i>	Established: 1973 General Manager: <i>Jim Holt</i>	Established: 1975 Managing Director: <i>Charles Hardeman</i>	Established: 1929 President: <i>J David McClung</i>	Established: 1984 Managing Director: <i>John Hicks</i>	Established: 1980 Managing Director: <i>Bob Gussey</i>
Developer of commercial, industrial, retail and residential property in Australia. Undertakes selective land developments and provides development management services, property asset review and relocation studies. Also has operating subsidiary, Pacific Parking Pty Limited.	An engineering contractor providing mechanical, electrical and structural engineering design, manufacture and construction in NSW with projects undertaken on a case by case basis in other states.	Project development, engineering and construction company (45% owned). Operates on a world-wide basis with particular emphasis in the South-East Asia region. Key markets include marine facilities, ports and harbours, energy and resources, oil and gas, power and water supply as well as civil and industrial works.	Diversified USA construction company (50% owned). Mainland USA activities include civil engineering, building and contract mining. Alaskan interests focus on heavy civil construction and mining. Engaged in contract mining in Guyana, South America.	Manufactures and supplies reinforcing steel and mesh for the construction and mining industries, as well as a range of allied products. Head office is in Sydney with plants in Sydney, Melbourne and Perth. (90% owned).	Provides centralised expertise to all Group companies in the commercial, engineering, technical and marketing disciplines associated with construction and property development. Operates throughout Australia and targeted areas of the Asia Pacific region.
<ul style="list-style-type: none"> <li>– Operated at a loss.</li> <li>– Continued to downsize operations and reduce holding costs.</li> <li>– Sold \$30m of projects in Sydney and Brisbane.</li> <li>– Secured long-term lease from Mobil Oil for 95% of St Kilda Road complex.</li> <li>– Residential land development in south-east Queensland provided good returns.</li> <li>– Pacific Parking performance affected by poor economy and property market.</li> </ul>	<ul style="list-style-type: none"> <li>– Reported a loss.</li> <li>– Business significantly downsized in line with anticipated revenue.</li> <li>– Implemented new reporting structures and revised operating guidelines and controls.</li> <li>– Delivered the project at BHP's Whyalla steelworks ahead of schedule.</li> </ul>	<ul style="list-style-type: none"> <li>– Significant increase in revenue and profit contribution to the Leighton Group.</li> <li>– Related businesses and core business investments performed well.</li> <li>– Awarded contract for Indonesia's first privately funded and developed power station.</li> <li>– Successfully completed Nigerian pipeline and jetty project.</li> </ul>	<ul style="list-style-type: none"> <li>– Reported a breakeven result.</li> <li>– Tight market did not enable an acceptable level of return on assets.</li> <li>– Secured additional building work in California.</li> <li>– Broadened mining expertise into coal.</li> <li>– Activities in Alaska frustrated by weak oil prices and very strict environmental regulations.</li> </ul>	<ul style="list-style-type: none"> <li>– Achieved modest profit in spite of an extremely competitive market.</li> <li>– Established operations in Perth and made good inroads into the local market.</li> <li>– Building downturn turned focus to civil engineering, infrastructure and mining works.</li> <li>– Awarded 3 year contract from NSW State Government.</li> </ul>	<ul style="list-style-type: none"> <li>– Achieved efficient technology transfer to Group operating companies.</li> <li>– Consolidated controls management system into Project Plan Guidelines.</li> <li>– Assisted with start of the operation and maintenance phase of the M5 South West Motorway.</li> <li>– Identified key privatised infrastructure prospects.</li> <li>– Secured exclusive Australian rights to German de-inking technology.</li> </ul>
<ul style="list-style-type: none"> <li>– Lack of economic growth and continued market oversupply signify another difficult year.</li> <li>– Will pursue viable lease or sale prospects.</li> <li>– Core skills to be used in non-speculative projects.</li> <li>– Will make effort to reduce budgeted loss.</li> </ul>	<ul style="list-style-type: none"> <li>– Focus on timely, cost-efficient completion of work in hand.</li> <li>– Core capabilities to be maintained in significantly consolidated form.</li> <li>– Operation substantially restricted until adequate returns are achieved.</li> </ul>	<ul style="list-style-type: none"> <li>– Good prospects in privatised infrastructure development.</li> <li>– Plans to significantly expand and develop group's capabilities.</li> <li>– Confident of capitalising on development opportunities in Asia Pacific region.</li> </ul>	<ul style="list-style-type: none"> <li>– Expect weak construction market to continue.</li> <li>– Good building and civil engineering prospects along the West Coast.</li> <li>– Aim to achieve performance objectives by targeting proven market sectors and efficiently progressing existing contracts.</li> </ul>	<ul style="list-style-type: none"> <li>– Optimistic of strong performance in 1992/93.</li> <li>– Aim to consolidate geographic representation.</li> <li>– Well positioned to continue trend of steady growth.</li> </ul>	<ul style="list-style-type: none"> <li>– Advance prospects in privatised infrastructure development.</li> <li>– Support operating companies in industrial markets.</li> <li>– Forge strategic links with Australian and overseas specialists.</li> </ul>
*In addition, Pacific Parking has some 56 employees.		*100% Ipco Group values	*100% Green Holdings values	*100% Welded Mesh values	

# FROM THE CHAIRMAN

*The Leighton Group's ability to secure profitable work and provide acceptable returns to shareholders is a significant achievement in such difficult market conditions.*

The past financial year was a testing time for the Company as the predicted upturn in Australia's economy failed to materialise. Consequently, the Leighton Group's ability to secure profitable work and produce acceptable returns to shareholders was again challenged. In these circumstances, your Company has performed extremely well to maintain revenue growth and achieve profit objectives.

Operating profit after tax rose 7% to \$22.5m. This represents earnings of 11.8 cents per share and the Directors have recommended a fully franked final dividend of 4 cents per share. Combined with the interim dividend of 4 cents per share, the fully franked dividend for the year will be 8 cents.

Strong performances by Leighton Contractors and Thiess Contractors helped maintain overall profitability.

The result was held back by the costs associated with holding Leighton Properties' assets and the continued poor performance of Multicon.

The Commonwealth Government's reform initiatives, aimed at increasing productivity and cost efficiency in the construction industry, are commendable. The process of reform, however, is being compromised by government agencies which continue to issue contract documentation in conflict with industry standards.

Dr Enno Vocke has announced his intention to retire from the Board at the Annual General Meeting. This follows his retirement from the Executive Board of HOCHTIEF. Your Directors are grateful to Dr Vocke for his positive contribution to Leighton over many years. His wise counsel and substantial knowledge of the international construction industry will be missed.



The Directors are pictured left to right as follows:  
WM King Chief Executive Officer, MA (Tim) Besley Chairman,  
RM Wylie Deputy Chairman, DS Adamsas, KL Bennett,  
Dr H Hehner, Dr HP Keitel, PJ North, DP Robinson, Dr EF Vocke.



The new Chairman of HOCHTIEF, Dr Hans-Peter Keitel, was elected to the Board in August and stands for re-election at the Annual General Meeting. I am sure we will derive great benefit from Dr Keitel's experience and look forward to a long and rewarding association with him.

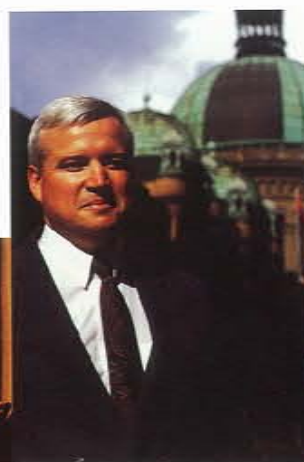
While it has been difficult to keep the traditional balance of civil engineering, contract mining and building work, Group companies successfully targeted a number of major projects which met profit objectives. Our operations in Asia performed well, and significant contracts were won in Hong Kong, Indonesia and Thailand. The Leighton Group is well positioned to take advantage of prospects resulting from strong economic growth throughout South-East Asia.

Some economists believe that after almost two years of contraction, the slump in the Australian economy has 'bottomed out'. However, economic instability in the USA, Europe and Japan could hold back Australia's economic recovery. I believe any upturn will be slow to register and that 1992/93 will be at least as testing as the year just passed.

I thank my Board colleagues for their support and counsel, and our shareholders for their commitment to Leighton. I also express my appreciation to management and staff for responding so successfully to the year's challenges. The Group's strong performance gives me confidence that we will continue to maintain revenue, profitability and acceptable returns to shareholders. □

**M A (Tim) Besley**

*Chairman*



*Based on the strong performance of our major Australian construction companies, the Group achieved an increased operating profit in what proved to be a tough economic year. The civil engineering and contract mining sectors provided a stable workload whilst the building sector continued to decrease. □ Our overall direction and business strategy remains the same. However, substantial change is anticipated in all of our markets over the next few years, focusing management attention on a number of strategic issues which are central to our future success. □ In the year ahead, political uncertainty in Australia will impact on investment decisions. We enter 1992/93 with a good level of work in hand across our operations and with substantial opportunities in Asia. The Group is well placed to at least maintain levels of revenue and operating profit over the next 12 months. □*

# CHIEF EXECUTIVE'S REPORT

## Performance Overview

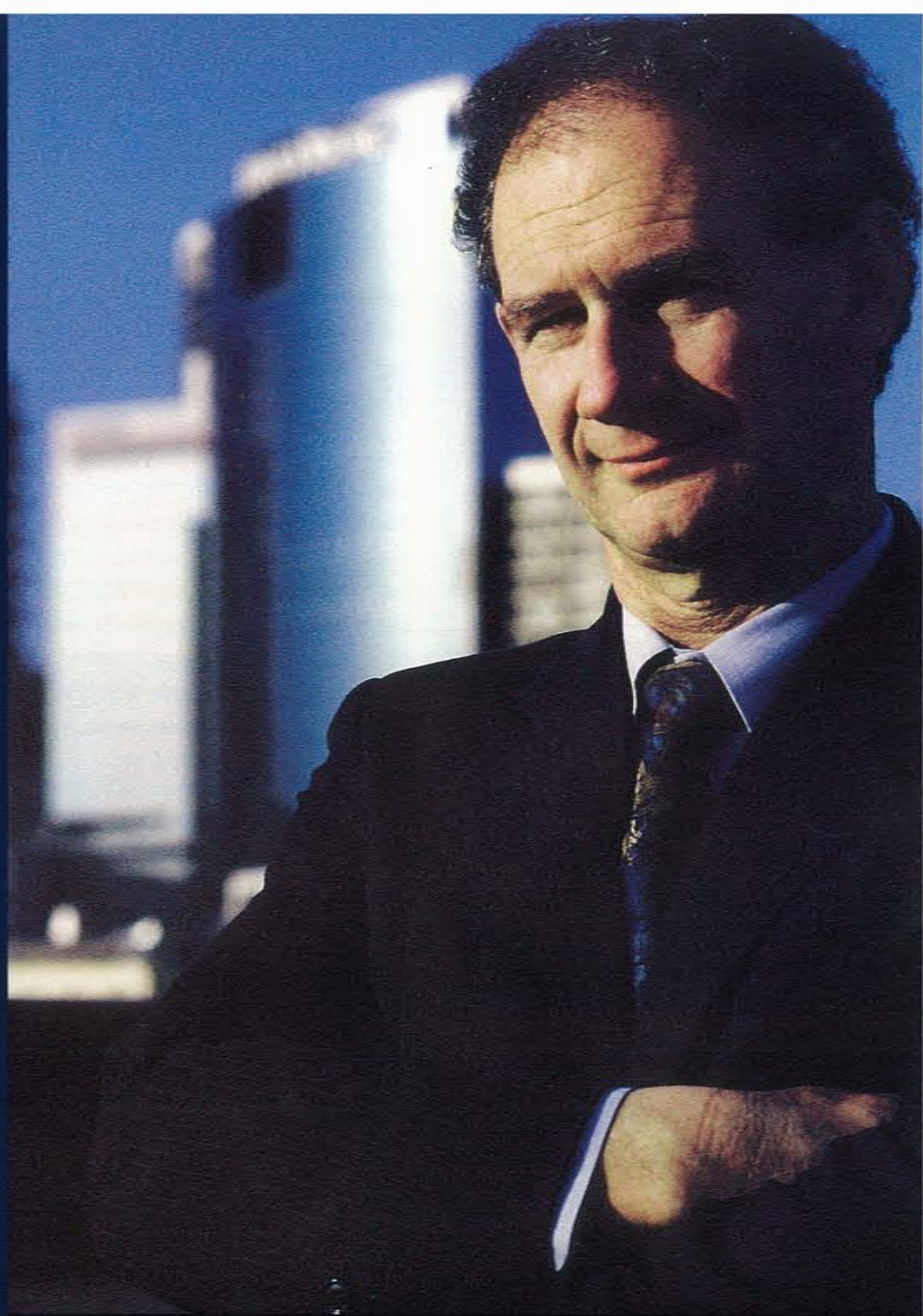
I am pleased to report that the Group was able to maintain revenue over the last year and achieve a 7% increase in operating profit despite the Australian recession. After tax operating profit was \$22.5m, comprising a first half result of \$10.5m and second half profit of \$12.0m. Total Group operating revenue, including associated companies, was \$1.73bn – similar to our 1990/91 performance.

Traditional Australian markets remained highly competitive and restrained with the non-residential building sector down by more than 20% on the previous year. However, the civil engineering and contract mining sectors provided a stable workload and enabled the Group to achieve a satisfactory profit.

Excellent performances by Leighton Contractors and Thiess Contractors underpinned this result. Strong focus on field performance and accountability has allowed them to strengthen their client base. In spite of the lacklustre Australian economy, this has been a year of achievement for both companies.

Four years ago, Welded Mesh was acquired as a strategic investment to complement our core business activities. The company has steadily grown into a significant business with annual sales now exceeding \$60m. A detailed review of its activities has been included in this report. ▽





**Wal King** Chief Executive Officer

*Wal King*

## CHIEF EXECUTIVE'S REPORT

Multicon, our Australian mechanical engineering company, performed unsatisfactorily and reported a greater than forecast loss. The company has now been significantly downsized within a revised reporting structure, and exposure has been reduced. If the fundamentals of the business do not improve in the medium-term the company will be closed progressively as contracts are completed.

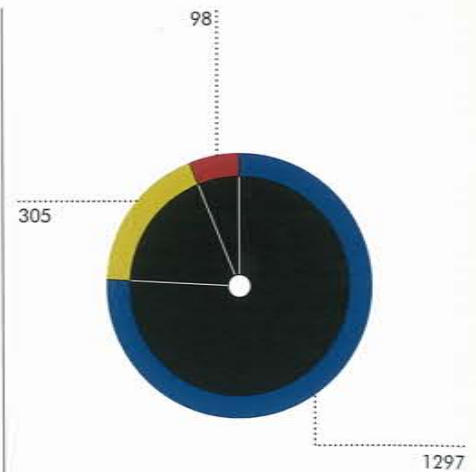
The weakened Australian economy combined with the depressed Australian property market constrained planned rationalisation of our property portfolio. However, some progress was achieved with projects valued at approximately \$30m being sold and a satisfactory level of leasing commitments particularly at our St Kilda Road property in Melbourne. Holding costs associated with development projects resulted in a substantial loss for Leighton Properties which was generally in line with expectations.

Consistent with previously stated policy, we continue to carry at cost all major development projects. We intend to retain these projects until the return of a realistic market and expect to achieve sales at these values within a reasonable time period.

In the USA, the winding down of our property investment arm, Leighton Pacific Developments, is proceeding to plan. The construction market there remains difficult and highly competitive with over capacity in all sectors. The construction operations of our associate Green Holdings continued to trade around breakeven.

The Group's penetration of the Asian markets has progressed with additional contracts being obtained and increased profits being reported from the region.

Leighton Asia achieved profit objectives, despite a reduction in revenue caused largely by government delays in approval of infrastructure projects in Hong Kong.



**Total Group Operating Revenue \$M  
By Geographic Area**

■ Australia  
■ Asia  
■ USA

Work has commenced on the massive Port and Airport Development Scheme where the company recently won a major earthworks project. Another highlight was the award of a large building contract in Thailand.

In Indonesia, Thiess Contractors further consolidated its position as a leading contractor in the resource sector when it secured a long term mining contract at East Senakin Coal Mine in Kalimantan and another in nearby Sarawak, Malaysia.

Also in Asia, our associate The Ipco Group increased profitability and revenue during the year and secured four major new contracts. Notable among these was the Cikarang Power Station – Indonesia's first privately funded and developed power station.

### Strategic Issues

Our ability to identify and manage change will have a large impact on the Group's future success. Whilst substantial change is anticipated in all of our markets, our overall direction remains focused on achieving profitable construction projects.

The management and direction of the Group is brought together through a business planning process. This process ensures that key issues are understood and that commitment to addressing these issues is achieved. Business planning objectives are communicated



at the various management levels throughout the Group's decentralised structure.

The key elements of our business strategy, developed over previous years, remain essentially the same. However, over the next few years, management attention will focus on a number of issues such as:

- reinforcing the strength of our traditional operations in core markets within Australia and Asia
- taking steps to further improve the Group's financial position
- improving technical capability through research and development, and strategic relationships with local and overseas specialists
- reducing the Group's property exposure through leasing and sale where practical
- maintaining an acceptable risk/reward profile and cashflow from projects
- enhancing project performance by placing greater emphasis on controlling costs and improving productivity
- fostering mutually beneficial client relationships
- progressing reforms and training in the Australian construction industry
- implementing environmental safeguards
- continuing our commitment to employees by providing appropriate opportunities and rewards for performance
- developing long term income from areas such as waste management and the ongoing management of privatised infrastructure projects.

### Group Prospects

Whilst we believe the Australian economy is on a recovery path, it will remain weak due to low confidence and the impact of political uncertainty on investment decisions.

Increased infrastructure spending in the '90s should provide good opportunities for our Australian construction

operations. The stability of long-term mining contracts and opportunities for repeat business will reinforce our current level of mining activity and provide sound levels of cashflow. However, the non-residential building market will stay depressed and our work in this area will remain at a low level.

We do not envisage any improvement in Australia's property market during 1992/93 and we will continue to reduce exposure by selling and leasing existing properties where practical. Our aim is to have all remaining space leased by the end of 1993. Whilst Leighton Properties will trade at a loss over the next 12 months, we are confident that its performance will slowly improve as the current oversupply situation diminishes.

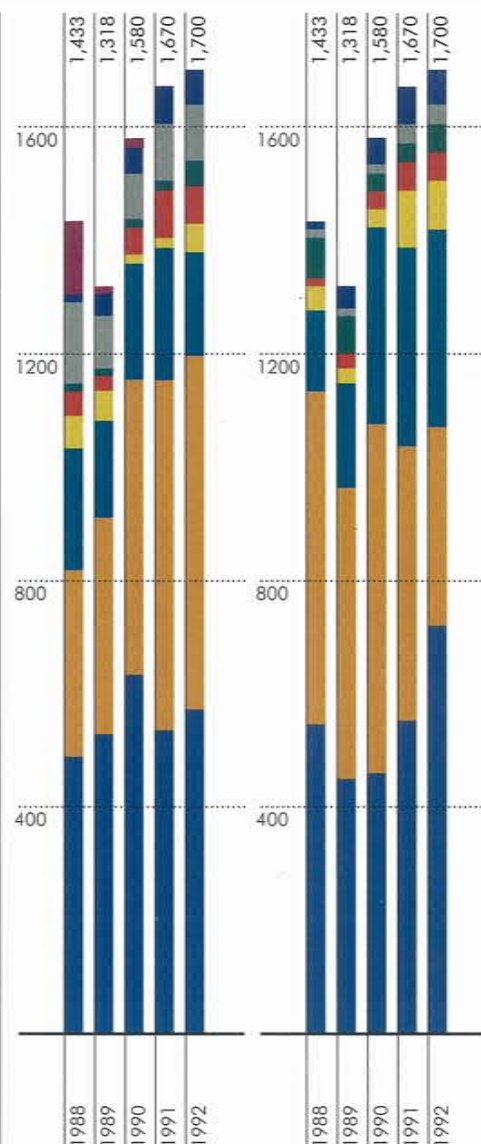
Although promising substantial growth in infrastructure projects over the medium-term, Asia remains competitive in the short-term. Hong Kong is expected to provide good prospects in the year ahead and Thailand presents an encouraging outlook for additional involvement in building and infrastructure. Also, we are confident of further resource prospects in Indonesia, Malaysia and Indo-China.

A key to the future success of the Leighton Group is its significant financial strength. Combined with its market position and technical strengths, the Group is favourably positioned to participate in privatised infrastructure projects expected to emerge in the years ahead.

We enter 1992/93 with a good level of work in hand across our Australian and Asian operations which should sustain our overall trading position. Although next year will be another year of challenge, we expect similar levels of revenue, operating profit and dividends to those achieved over the past few years. □

**Wal King**

*Chief Executive Officer*



**Total Group Operating Revenue \$M By Operating Company**

- Leighton Contractors
- Thiess Contractors
- Leighton Asia
- Leighton Properties
- Multicon Holdings
- The Ipco Group
- Green Holdings
- Welded Mesh
- Other

**Total Group Operating Revenue \$M By Market Segment**

- Civil Engineering
- Building
- Contract Mining
- Mechanical Engineering
- Foundation Engineering
- Property Development
- Waste and Environmental Management
- Construction Material Supply

# CORPORATE FINANCIAL MANAGEMENT

*The financial strength of the Group has improved over the past 12 months due to a good level of cashflow and a reduction in borrowings.*

## Financial Strength

The Group's financial position has been strengthened during the year building on the additional equity introduced at the end of 1990/91. A satisfactory liquidity position was maintained with operating companies continuing to generate a good level of cashflow. Gross cashflow per ordinary share was 57 cents.

Cash on deposit at year end amounted to \$106m, of which \$29m constituted accelerated contract receipts. With undrawn cash facilities of \$127m, the Group has more than adequate financial resources to underwrite business development initiatives or provide standby funding.

In line with changes to the Corporations Law in 1991/92, the Balance Sheet has been prepared in accordance with the provisions of AASB1024, thereby consolidating property associates which are controlled by Leighton Holdings. At June 1991, there was no requirement for associates to be consolidated.

Following this consolidation, total assets stand at \$871m, gross borrowings at \$204m and equity at \$249m. Taking into account the adjustment for associates, comparable figures from last year would have been \$870m total assets, \$260m gross borrowings and \$238m of equity. The 22% reduction in borrowings has been achieved through the sale of a number of properties and a steady cashflow from operating companies.

## Group Controls and Management Reporting

The Group's debt maturity profile is constantly reviewed to ensure an appropriate balance is maintained between short and long-term debt. Exposure to Australian and overseas interest rates is actively managed to achieve an optimum level of interest cost relative to borrowings.

While companies within the Group operate as individual profit centres, resources are allocated and financial goals are defined annually for all companies. An analysis of performance

against objectives is made quarterly and the performance of all senior line management is evaluated based on return on funds employed and other financial criteria relevant to their responsibilities.

## Financial Relationships and Investor Relations

Keeping our financial partners informed of the Group's activities and performance remains a key corporate activity. The support of our bankers, insurers, stockbrokers and other financial advisers is an important aspect of our approach to maintaining the Group's financial position.

In addition to our strong and long established relationship with our principal banker, The Commonwealth Bank of Australia, the Group maintains strategic links with a number of smaller significant local and overseas financial institutions which provide funding facilities through negative pledge arrangements.

An active programme of communication activities is maintained with shareholders, stockbrokers and potential investors. Also, business leaders, government, industry and media are kept up to date with the Group's operations through an ongoing communications programme.

## Future Priorities

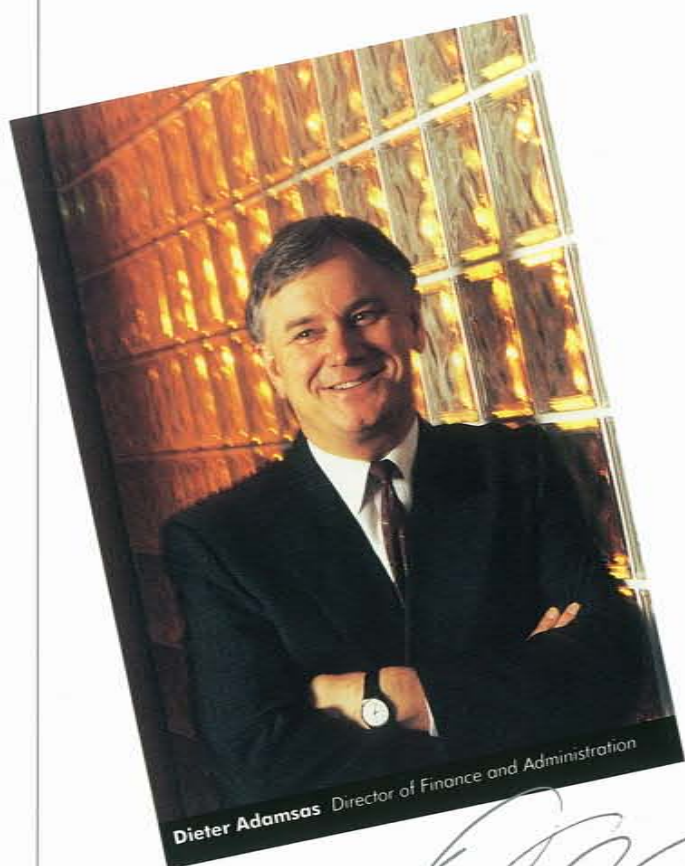
We continue to focus our financial strategies on reducing the Group's investment in the property area, and redirecting resources into profitable civil engineering, building and contract mining activities.



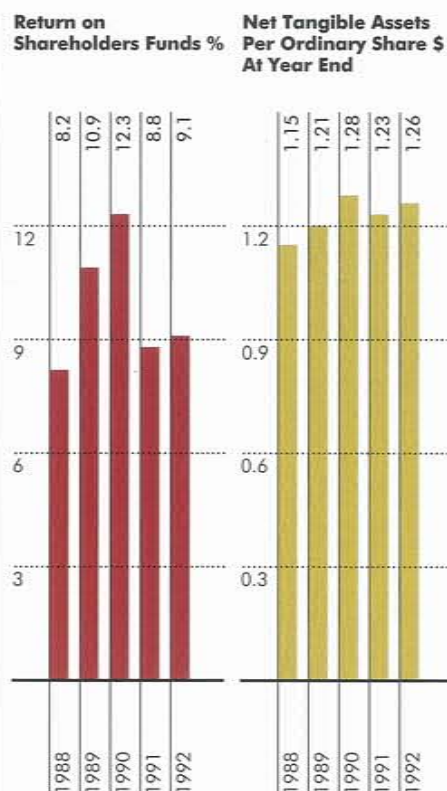
The strength of the Group's financial position will adequately support the efforts of our various operating companies in Australia and throughout Asia. Allocation of financial resources will be directed towards those companies with profitable opportunities and the proven ability to provide good returns. In particular, financial resources will be made available for pursuing privatised infrastructure projects. □

**Dieter Adamsas**

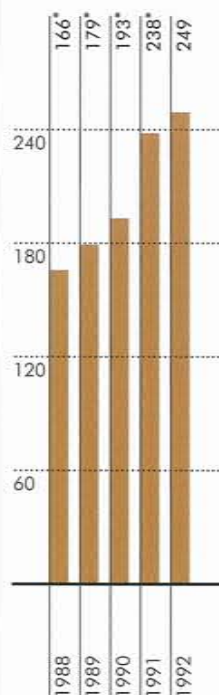
*Director of Finance and Administration*



**Dieter Adamsas** Director of Finance and Administration



**Total Shareholders Equity \$M**



\* Includes Subordinated Perpetual Loans





1970/72

**Early establishment**

In 1970, Indonesian based PT Thies Petrossea began its first construction project, an oil base at Natuna Island. The company operated into the mid '80s. In 1972, PT Leighton Construction was established in Indonesia. Local staff were recruited and work started on an anodising plant for PT Alcan.

1973/74

**First major projects**

Leighton pursued a number of major projects culminating in the construction of the Tanshui River Bridge in Taipei and the five year Philippines-Australia Development Assistance Programme project in the province of Zamboanga Del Sur. Also, Thies completed its first major international project – the Sembawang Premier Dry Dock in Singapore.

**SPECIAL FEATURE**

Leighton was one of the first Australian construction companies to recognise the long-term growth potential of expanding its operations into Asia. In 1970/71 plans were already underway to work in neighbouring Indonesia in joint venture with a local company. In those early days, Leighton recognised the importance of researching market opportunities, understanding the local culture and establishing a local presence. People have proven to be the strength of the Group in Asia. A programme of recruitment and training of local managerial and technical staff, led by a resident Australian management team, was an essential part of the establishment phase. These principles have provided the basis for the Group's current market strategy and operating philosophy in Asia.

PT Thies

# THE GROUP IN ASIA

1976

**Ipco establishes in Singapore**

IpcoMarine (later The Ipco Group), was founded in Singapore in 1975. Ipco's reputation grew from the development of cost effective Rapid Installation Technology. Ipco's first project in the region was an offshore oil field supply base at Pulau Kapas, Malaysia.

1979/83

**Leighton establishes base in Hong Kong**

Leighton (Asia) Limited was formed in 1976 as an administrative centre for operations in Indonesia, Malaysia and the Philippines. Hong Kong itself proved to be a significant market and Leighton soon commenced operations as a local contractor.

**Growth period for Leighton Asia**

In Hong Kong, work continued on two major site formation contracts won in 1979 – the Discovery Bay and Tsuen Mun projects. The new decade saw significant growth for Leighton Asia with offices opened in Singapore and Kuala Lumpur. Further site formation projects such as the massive Ap Lei Chau and Kohima Barracks contracts began in Hong Kong in 1982. In 1983, the company was granted a Hong Kong building licence.

Leighton Asia







#### Acquisitions and new countries

Leighton Holdings acquired 50% of The Ipco Group. Ipco won contracts in Malaysia for infrastructure work at the Siplang Pulp and Paper Mill, and marine facilities for the ASEAN Oil Supply Base. Leighton Asia was awarded a contract for the Brunei Airport Terminal extension and work commenced on the Teluk Intan Hospital in Malaysia. Leighton Brückner was established as a joint venture with HOCHTIEF subsidiary Brückner Grundbau.

## 1984/85



## 1985/86

#### Further diversification in Hong Kong

Leighton Asia further diversified operations with the Hong Kong Light Rail Transit system joint venture and its first major Hong Kong Housing Authority project at Ka Tin Court. Work started at the Lam Tin site formation project in 1986 and soon after the company secured its first major non-residential building contract, the Hong Kong Polytechnic.

## 1986/87

#### First moves into privatised projects

Ipco began its involvement in privately funded infrastructure when it entered a Build Operate Transfer (BOT) agreement for the Labuan Water Supply project in Malaysia. Soon after, Ipco was awarded the first privatised power project in Malaysia, the Labuan Beaufort Interconnection. Leighton Asia constructed the Chuk Yuen privatised housing development in Hong Kong in joint venture with Japan's Aoki Corporation.

#### Thiess back to Indonesia, Leighton to Thailand

PT Thiess re-established the Group's presence in Indonesia following a dormant period and won contracts at the Kaltim Prima Coal Mine and West Senakin Mine in Kalimantan. Leighton Asia opened an office in Bangkok on the strength of the Thai economy and secured project management contracts. In Hong Kong, work commenced on the Housing Authority's Ma On Shan project. Leighton Brückner secured the major Kwai Chung Container Terminal foundation contract.

## 1988/89



#### Thiess gains momentum in Indonesia

PT Thiess, in its first full year of operation, executed contract mining and mine infrastructure development work at five major mine sites. These initial contracts have resulted in additional new and repeat business, emphasising the importance of early involvement in major projects. Civil works included the Pulau Laut Coal Terminal and the Kelian gold project in Kalimantan, as well as the Lerokis gold project on Wofar Island near Timor.



Thai Leighton

Leighton Brückner



# 1990/91

Significant profit increase for Leighton Asia

Leighton Asia significantly increased its profit contribution to the Group as a result of improved operating efficiencies and a strong market position. Major projects in Hong Kong included the Mobil Oil Fuels Terminal site preparation, the Kwai Chung Container Road North-West Kowloon Sewage Treatment and Disposal Plant and additional contracts at the Ma On Shan housing development.



# 1991/92

Strong performance from all operations

Strong performances continued from all operating companies. Leighton Asia secured its first major residential building contract in Thailand, repeat business from Mobil Oil in Singapore, and one of the first contracts to be awarded for the Port and Airport Development Scheme (PADS) in Hong Kong. PT Thiess won its largest Indonesian mining contract at the East Senakin Coal Mine and a contract in Sarawak, Malaysia. Also, Thiess progressed the establishment of joint venture enterprises and co-operation agreements in Indo-China. Ipco achieved record levels of turnover and work in hand and won major contracts including the Cikarang Power Station and Bontang LNG Gas Pipeline in Indonesia, and the Tainapu Oil Terminal in Taiwan.



## THE FUTURE IN ASIA

The Asia-Pacific region is undoubtedly the fastest growing economic region in the world. Forecasts show it becoming the most dominant economic region over the next 25 years. Efficient transport, communication and other community infrastructure are essential to the development of many Asian nations. There is an increasing need, and ability to pay for, the development of their infrastructure and resources.

Opportunities for the Group are substantial in the core activities of infrastructure development, engineering, building and contract mining. Group companies are well positioned to benefit from these prospects, particularly as higher standards of safety and quality are required. Understanding the changing needs of increasingly prosperous societies, each with a unique culture and work ethic, is critical to future success.

A key element of Leighton Holdings' business strategy is the minimisation of risk. A segmented approach to the large and complex Asian marketplace allows only those Group companies with the most appropriate capability and experience to service specific geographic regions and market sectors. This market strategy also ensures that the Group's resources are appropriately allocated.

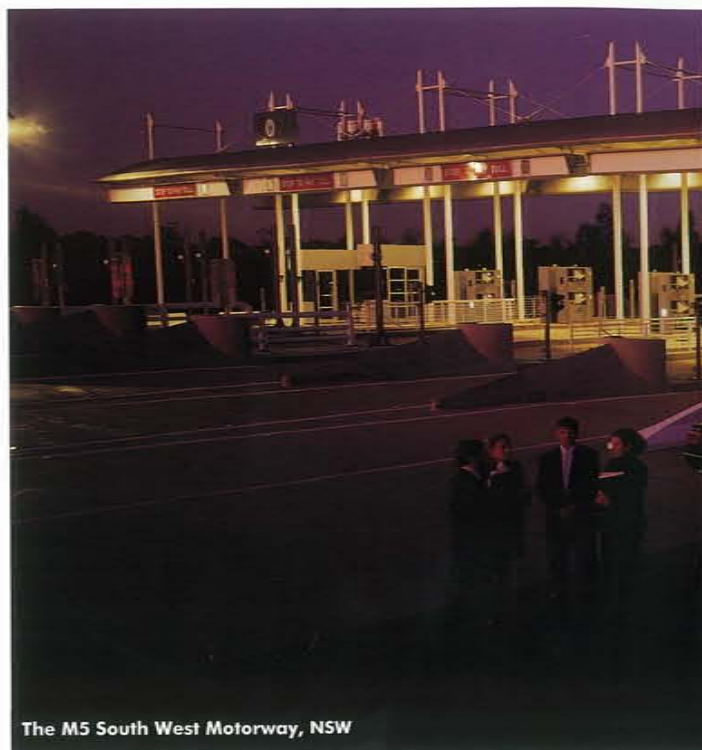
The Group's operations in Asia now account for about 20% of annual revenue and provide a significant contribution to operating profit. Group companies are expected to gradually expand their operations to take advantage of the substantial projects that are anticipated to commence in the years ahead. □



# REVIEW OF OPERATING COMPANIES



# LEIGHTON CONTRACTORS



The M5 South West Motorway, NSW

*Strong project delivery skills and our ability to optimise core business opportunities resulted in another record profit.*

## **Financial Performance**

During 1991/92, Leighton Contractors clearly demonstrated its ability to successfully manage marketplace fluctuations and continued to realise profitable opportunities in core business areas. Profit reached a record level, comfortably exceeding Group objectives, and return on funds was well within Group guidelines. Total revenue was similar to 1990/91 with civil engineering and contract mining being the major contributors.

Strong project delivery skills, broad-based contracting expertise and a healthy balance sheet are key features of the Company's performance in a difficult environment. The tough market conditions and our policy of maintaining satisfactory profit margins have contributed to a low level of work in hand at year end.

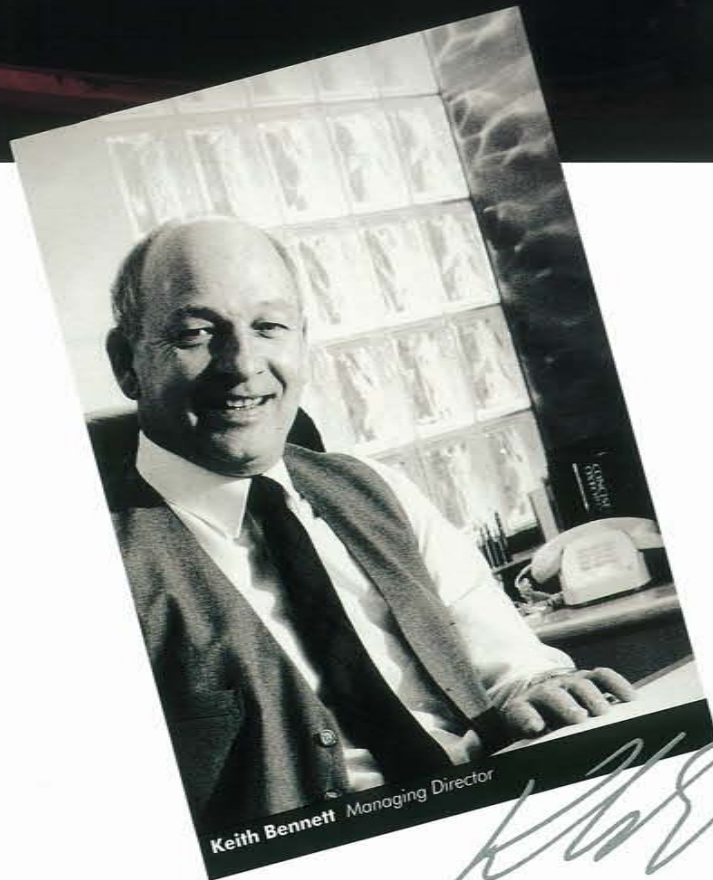
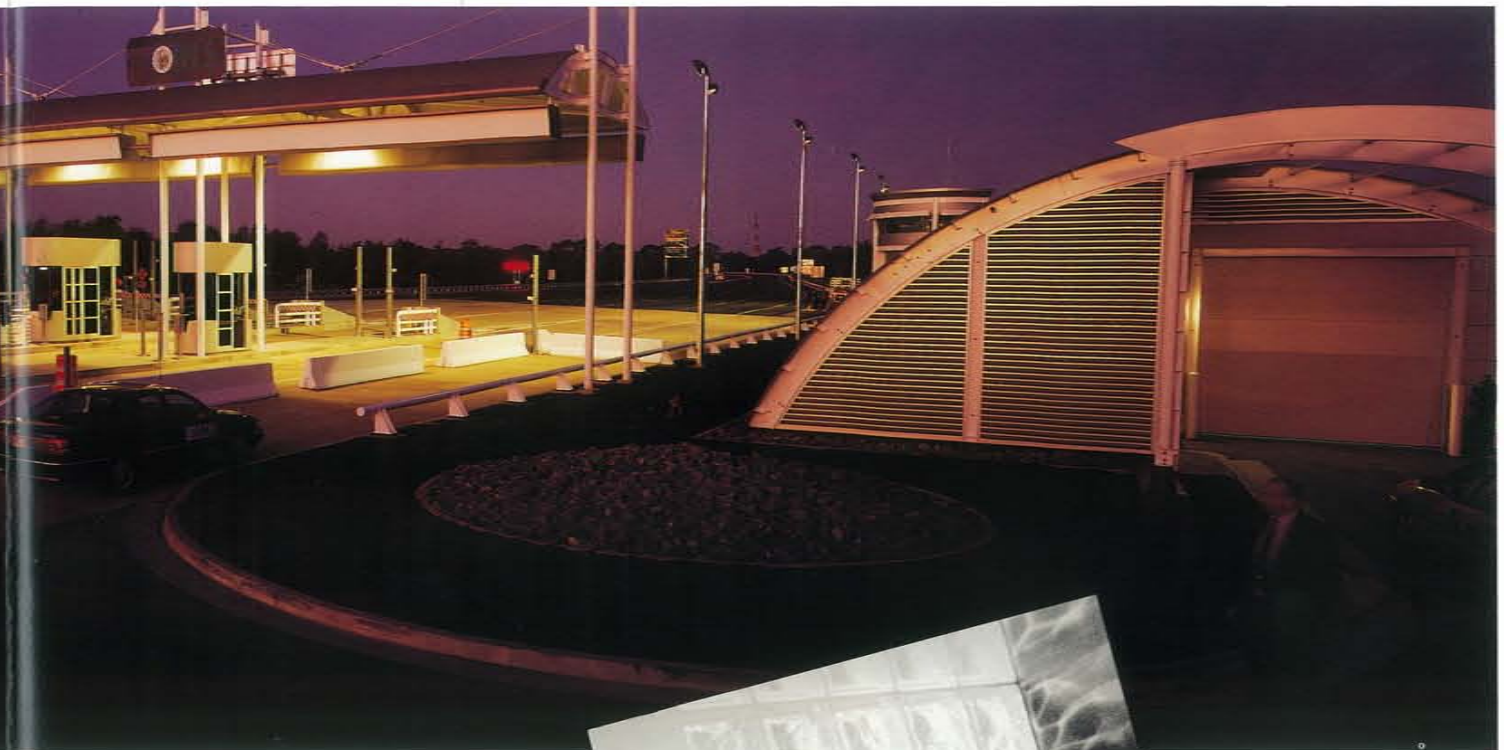
## **Review of Operations**

We maintained our focus on satisfactorily progressing current work and pursuing profitable civil engineering and infrastructure projects to offset the effect of diminished opportunities in the commercial building sector.

The decision to target privatised infrastructure opportunities was rewarded with the strategic supplier agreement with Optus Communications for infrastructure works around Australia. Contracts totalling \$50m to date involve the design and construction of Australia's newest telecommunications network. The project will be a team effort with Leighton bringing together the skills of the various consultants in close co-operation with Optus and its other strategic suppliers. ▽



"The operation and maintenance contract for The M5 represents a new direction for Leighton Contractors – long-term participation in projects."  
**Rick Turchini**  
 General Manager, NSW & ACT

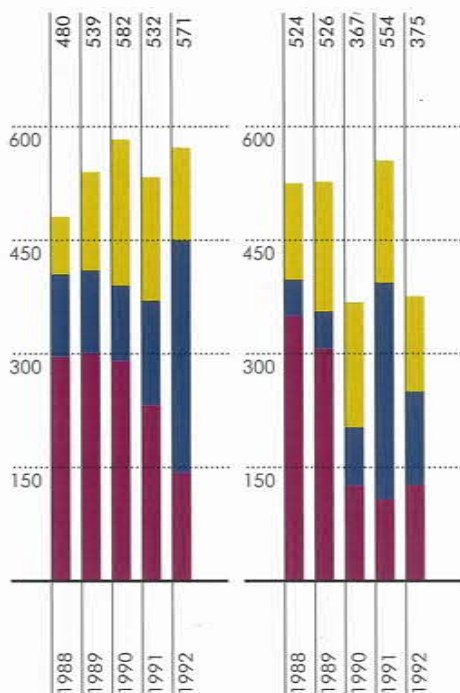


**Revenue \$M**

■ Building  
 ■ Civil Engineering  
 ■ Mining

**Work In Hand \$M**

■ Building  
 ■ Civil Engineering  
 ■ Mining





## LEIGHTON CONTRACTORS

A major public sector building project was added to our list of work in hand during the year. The \$60m design and construct contract for a new State Office Building in Brisbane City was awarded by the Queensland Government. Completion is expected by the end of 1993.

Project and construction management has figured prominently in Leighton Contractors' mix of work in hand with \$156m worth of contracts currently underway. In addition to the Optus contracts, we secured a project management contract for the fitout of 10 storeys of the Chifley Square office complex in Sydney. This project is unusual in that the fitout must take place while the building is still under construction, requiring exacting project management expertise and scheduling

skill. Construction management of the new \$126m blood plasma facility for Commonwealth Serum Laboratories in Melbourne continued to progress satisfactorily.

Our major civil engineering project – the \$214m contract for design and construction of The M5 South West Motorway in Sydney – progressed at an excellent rate. Stage One was completed in August 1992, more than two years ahead of schedule. Several factors were important in achieving this substantial time saving including the outstanding management skills of the project team and the absence of stoppages related to industrial or safety issues.

With the project moving into its operational phase we negotiated a contract with the developer of The M5 Motorway, Interlink Roads Pty Limited, to operate and maintain the road.

Optus Fibre Optic Cable Laying in Vic & NSW

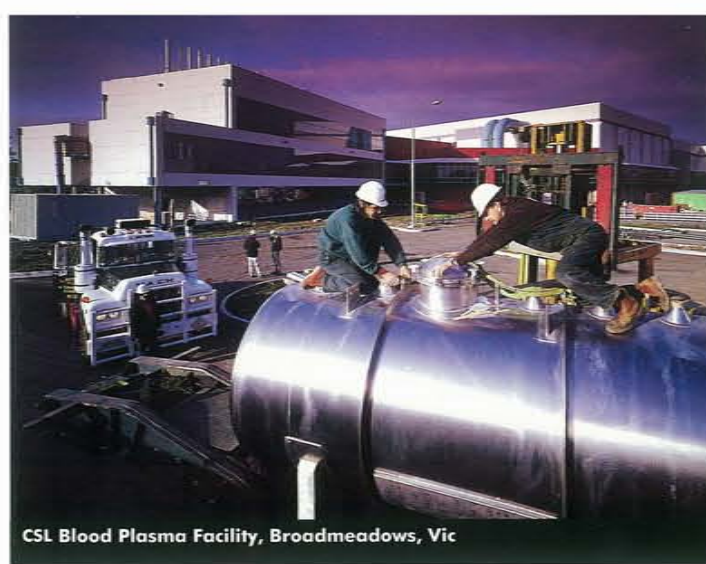




A number of private sector building projects were brought to completion during the year including Brisbane's \$24m Brookside shopping complex, the \$25m Chermside regional office block, also in Brisbane, and the \$16m Pepsi-Seven Up bottling plant in Sydney.

Work on the \$71m construction contract for the Thompsons Creek Dam in New South Wales progressed to schedule during the year and the project is due for completion in November 1992.

Contract mining continues to be an important source of profitable business representing 21% of total revenue for 1991/92. Significantly, the \$126m in current mining contracts mainly constitutes repeat business – either as extensions to contracts or additional works for existing clients. ▽



CSL Blood Plasma Facility, Broadmeadows, Vic



State Office Building, Brisbane, Qld



*"We recognise that managing environmental and community issues, particularly for projects such as laying the Optus fibre optic cable, is critical to the success of our work."*

**Phil Cooper**  
General Manager,  
Southern Region



400 Kent Street, Work Cover Authority Fitout, Sydney, NSW



## LEIGHTON CONTRACTORS

Our focus on industrial relations and employee co-operation continued to develop over the past year, resulting in increased productivity and reduced industrial disputation. Site-specific agreements with unions were negotiated on a number of new projects and our efforts in the industry-wide process of workplace restructuring are resulting in better work practices.

We have consolidated our management strength into four geographic areas, each with its own General Manager overseeing operations. Each area has solid second and third tier support from senior personnel promoted from within our own ranks.

### Prospects

Although no significant change in the state of the Australian economy is expected over the next 12 months, government initiatives to encourage private sector participation in

infrastructure development should provide substantial opportunities over the next four to five years.

Our requirement to achieve satisfactory profit levels on all projects will result in only limited involvement in the competitive commercial building sector.

Leighton Contractors will continue to focus on providing a high level of service to clients. In addition to pursuing traditional contracting work we will seek further strategic alliances and involvement in substantial long-term projects with innovative contract arrangements.

In 1992/93, we are confident of achieving profitability and cashflow objectives despite a reduced turnover. □

**Keith Bennett**

*Managing Director*

*"Long-term relationships with clients are very important to our business. We often work with mining operators for a significant part of the mine's life."*

**Ed Young**

*General Manager,  
Western Australia*



Plutonic Gold Mine, WA





Macquarie University, Science & Technology Building, NSW

#### Board

W M King –  
Chairman  
K L Bennett –  
Managing Director  
D S Adamsas  
B T Cattell  
P R Cooper  
R G Gussey  
R J Merkenhof  
R P Turchini  
P J Williams  
E E Young

Associate Director  
W A C Service

#### Secretaries

T R J Cooper  
K J Steen

#### Senior Executives

K L Bennett BE(Civ),  
FIEAust  
Managing Director  
P R Cooper BTech(Eng)  
General Manager,  
Southern Region  
I M Luck BTech(CivEng),  
MIEAust  
Manager, Vic  
R P Turchini MIEAust  
General Manager, NSW & ACT  
R J Merkenhof BEng  
Manager, NSW Building  
L W Voyer Assoc CivEng,  
FIEAust  
Manager, NSW Contracting  
P J Williams BEng,  
MEng, FIEAust  
General Manager, Qld & NT  
E E Young BE(Civ), MNZIE,  
MIEAust  
General Manager, WA  
B A Bowman  
Manager, Information  
Systems  
D Boyling MIEAust, CPEng  
National Plant Manager  
B T Cattell CPEng,  
MIEAust, MICE  
Manager, Central  
Engineering  
R G Collins BEng(Hons),  
CEng, MIEAust, MICE, AIAABA  
Manager, Contractual  
Services  
T R J Cooper CPA, MAICD  
General Manager,  
Commercial  
B C Duggin ASTC,  
LGE, FIEAust  
Estimating Manager  
E R Furney BArch, ARAIA,  
ACDA  
General Manager,  
National Business  
W A C Service BSc, BE,  
FIEAust, CPEng  
National Building Manager  
K J Steen ASA  
Administration Manager  
J T Walshe MSc, DipIndPsych  
Manager, Industrial  
Relations, Safety & Personnel







Lindeman Island Resort, north Qld



# THIESS CONTRACTORS

*Thiess maintained a steady profit contribution to the Group despite a difficult Australian marketplace. Our forward order book at year end was strong, both in Australia and Indonesia.*



Martin Albrecht Managing Director



## Financial Performance

Thiess reported a steady performance in 1991/92 to marginally increase profit and maintain revenue in line with last year's result. Indonesia performed particularly well and has proven to be a sound counter-cyclical move, offsetting the effect of the flat Australian market.

Contributions from the various profit centres in Australia were mixed, with north Queensland and Western Australia reporting very pleasing results. Revenue from mining continued to indicate steady growth while the traditional business sectors of civil engineering and building were down. Niche markets helped provide stability to our earnings base, with the Environmental Services division achieving an improved result and good long-term contracts.

## Review of Operations

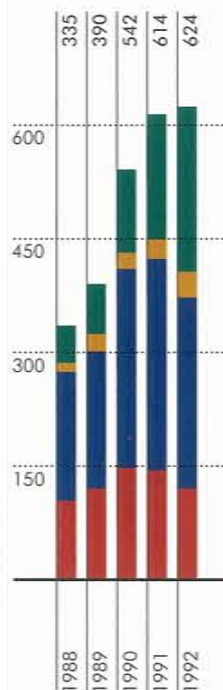
In Australia, infrastructure engineering opportunities were slower to materialise than anticipated. Some of the major privatised public sector prospects are proving difficult to pursue due to cumbersome contract arrangements and excessive lead times. In light of government reforms aimed at streamlining the construction industry, a review of this situation would seem timely.

However, some substantial engineering projects, such as the \$53m Dawesville Channel in Western Australia, were secured during the year. Also, \$50m worth of contracts were awarded by the Roads and Traffic Authority of New South Wales.

Contract mining continued to provide good opportunities both in Australia and Indonesia and accounted for 33% of our total revenue. New projects included the \$60m contract extension for Granny Smith Gold Mine in Western Australia where we secured an agreement with our client to work together for the life of the mine. In joint venture with Roche Bros and Linfox, Thiess secured a five year contract to mine and haul coal for the State Electricity Commission of Victoria in the Latrobe Valley. This ▽

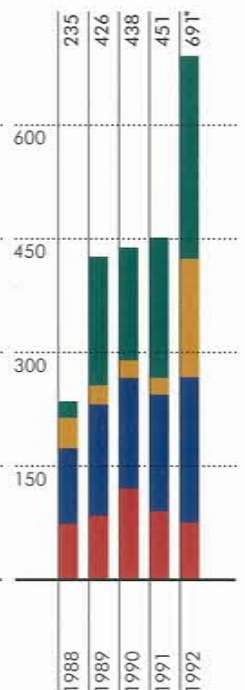
## Revenue \$M

■ Building  
■ Civil Engineering  
■ Waste Management  
■ Mining



## Work In Hand \$M

■ Building  
■ Civil Engineering  
■ Waste Management  
■ Mining



\* Includes \$84M in long-term waste contracts.

## THIESS CONTRACTORS

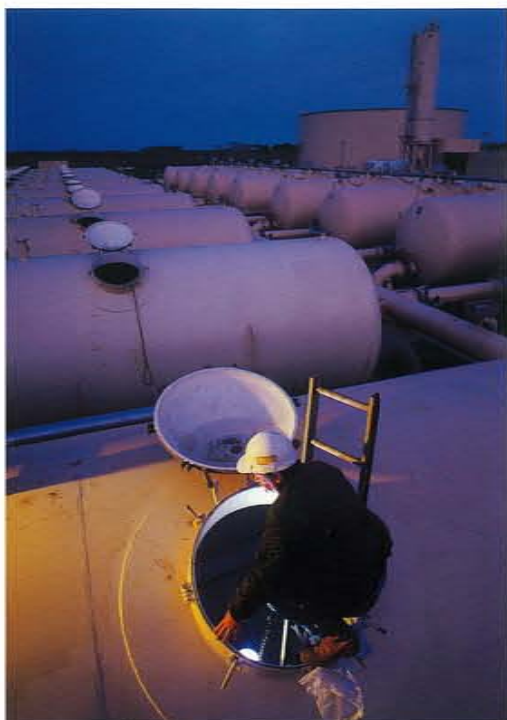
project has achieved the first registered enterprise agreement in the construction and mining industry.

In Indonesia, our contract mining expertise was recognised by the award of a \$97m five year contract for East Senakin Coal Mine in South Kalimantan.

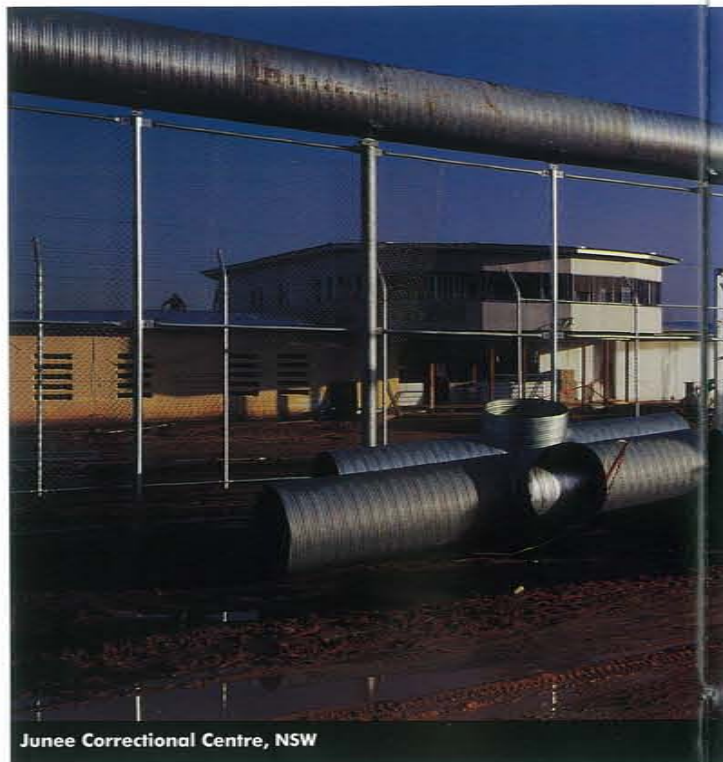
Building work was generally scarce and very competitive, reflecting the continued slump in the property market and associated lack of commercial building projects. However, target markets such as correctional services and tourism have provided profitable work. Construction of the privately managed prison at Junee in New South Wales is progressing well and has proven to be an excellent model for implementation of our workplace reform programme.

Thiess' continued focus on the development of tourist facilities resulted in a number of projects including the \$45m Cullen Bay marina and waterfront subdivision in Darwin. In a move to increase our involvement in resort development we are establishing ongoing partnerships with Japanese interests for resort infrastructure development in north Queensland.

A particular highlight for the year was the award of the prestigious AFCC Construction Achievement Award to the Thiess-Candac-WestHam joint venture for the marine works associated with the Sydney Harbour Tunnel. Currently there are limited opportunities in this specialised sector. However, we are confident that a number of short-listed prospects will come to fruition in the coming year.



Wurdee Boluc, Water Treatment Plant, Vic



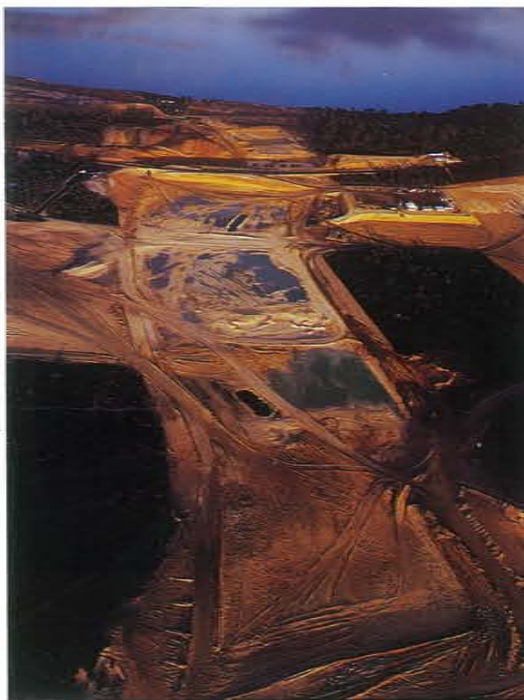
Junee Correctional Centre, NSW



Environmental and waste management services continue to improve their market position and returns to the Group. With construction of the waste water treatment plant at BHP's Port Kembla steelworks complete, Thiess has entered the 15 year operation phase of the facility. We also consolidated our waste collection business and added \$25m in long-term landfill management contracts to our order book.

### Prospects

Civil engineering and mining will remain our underlying strength with targeted opportunities in niche building markets also expected to provide reasonable returns. Environmental services should show steady, incremental growth, with a number of strategic opportunities anticipated in the near future. ▽



Darwinville Channel, WA

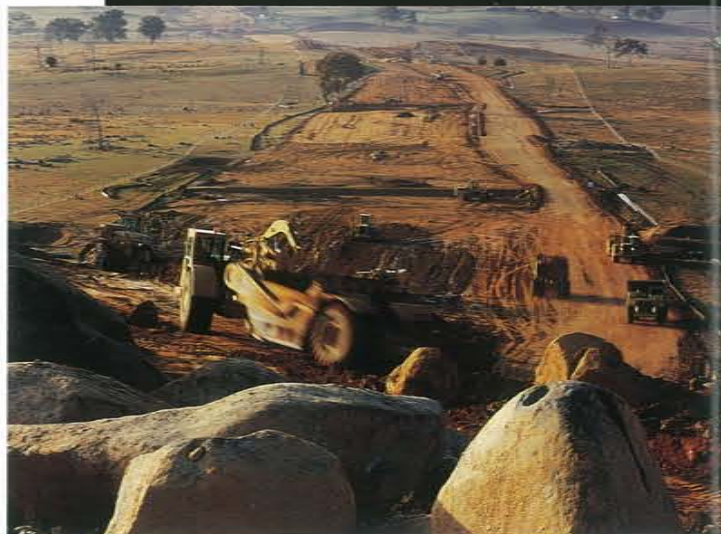


*"June is proving to be an excellent model for workplace reform with significant achievements in terms of quality and productivity."*

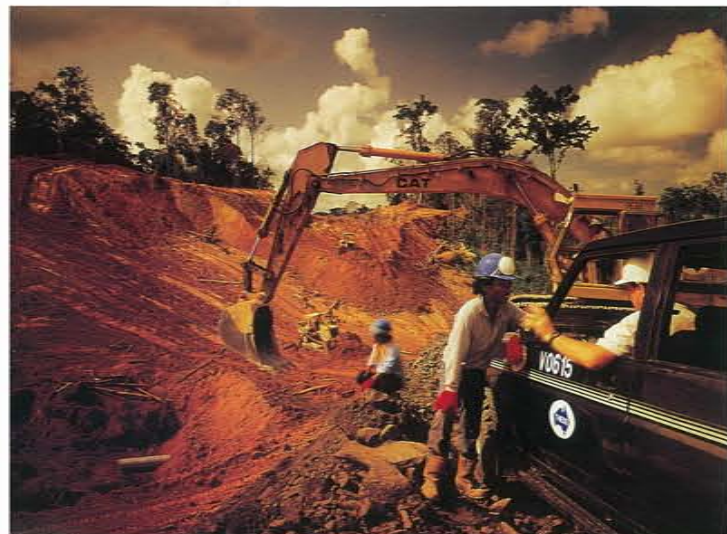
**Ian Buchan**

Manager, NSW & ACT  
Building

Yass Bypass, NSW



East Senakin Coal Mine, Kalimantan, Indonesia



*"The growth of our operations in Indonesia is a tribute to Thiess' people who have pioneered the establishment of mines in remote locations."*

**Robert Logan**  
General Manager,  
Indonesia

While privatisation in Australia should gain momentum, political uncertainty and pre-election spending paralysis may hinder approval of large projects in the next 12 months. To strengthen our competitive position as projects come on stream, Thiess will continue to seek joint ventures with international partners who can supply strategic technical expertise. We will also pursue partnering arrangements with clients for long-term operating contracts and business association.

The Asia Pacific Rim offers good prospects over the next few years. Thiess has already made substantial inroads to this region, successfully operating in Indonesia and recently starting work on our first project in Malaysia – a \$40m mining contract in Sarawak. We will selectively pursue other

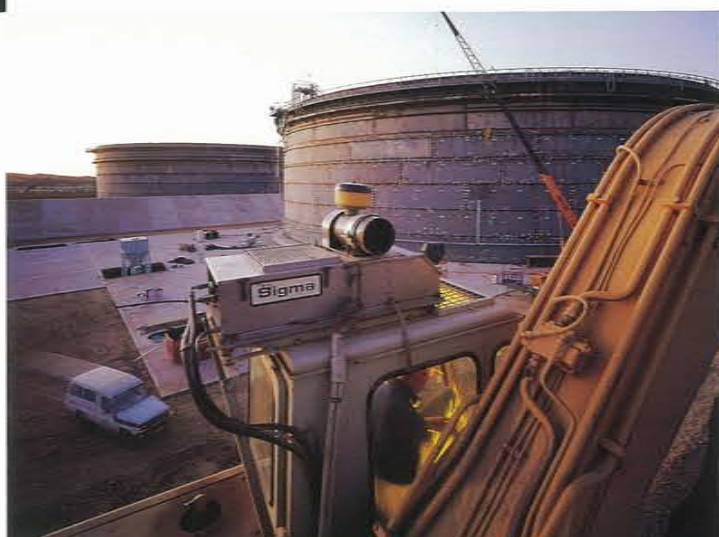
opportunities in resource development in the Asian region.

People are our single most important resource. We will give increased focus in 1992/93 to employee development through our in-house training programmes and their participation in the processes of quality improvement and workplace reform. Our pro-active approach to industrial relations and safety provides the catalyst for cultural change and continuous improvement in the quality of our services.

We face 1992/93 in a sound operational and financial position. With a relatively high level of committed work and good prospects, Thiess is confident of achieving a satisfactory operating profit in the coming year. □

**Martin Albrecht**  
Managing Director





Condensate Tanks, North-West Shelf, WA



#### Board

R M Wylie, OBE –  
*Chairman*  
M C Albrecht –  
*Managing Director*  
D S Adamsas  
D J Argent  
B J Campain  
A C Hardy  
W M King  
G S McDonald, OBE  
D G Young, ISO

#### Secretary

D J Argent

#### Senior Executives

M C Albrecht  
BTech (CivEng)  
*Managing Director*  
D J Argent BComm, CPA,  
FCIM, FCIS  
*Director, Finance &  
Administration*  
B J Campain BE(Civ),  
MIEAust  
*Executive Director,  
Operations/Services*  
R S H Aldis  
BE(Civ)Hons,  
*General Manager,  
NSW & ACT*  
N N Jukes BE(Civ)  
*General Manager,  
Operations*  
R A Logan DipCE,  
BE(Civ), MEngSc  
*General Manager,  
Indonesia*  
R R Sowter BE(Civ)Hons,  
MIEAust, CPEng  
*General Manager,  
International*  
R S Trundle BE(Civ),  
MIEAust, CPEng  
*General Manager, Qld*  
I R Buchan BSc(Tech),  
DipCE  
*Manager, NSW & ACT  
Building*  
D A Clark BE(Civ)  
*Manager, Vic, Tas, SA*  
P A Darrouzet BBus  
*Manager,  
Human Resources*  
J D Davis BE(Civ)  
*Manager,  
Environmental Services*  
R C Durant CPEng,  
MIEAust  
*Manager, Mechanical &  
Electrical*  
R W Ferguson BE(Civ)  
*Manager, NT*  
G Fitzsimmons HNC CE,  
MICE, MIEAust  
*Manager, Sth Qld Civil  
Engineering*  
R Magnusson BE(Civ)  
*Manager, NSW &  
ACT Civil*  
R J Moore BE, MIEAust,  
CPEng  
*Manager, Nth Qld*  
B J Roberts  
DipMechEng, MIEAust  
*National Plant Manager*  
D G Stewart BSc, BEng  
*Manager, Marine &  
Underground*  
J F Trio CPEng, MIEAust  
*Manager, WA*  
W G Turner BE(Mining),  
MAIMM  
*Manager, Engineering &  
Estimating*  
I D Wade BE(Civ)  
MIEAust, CPEng  
*Manager,  
Technical Services*

# LEIGHTON ASIA

*We successfully achieved profit objectives for 1991/92 and increased our profile in key Asian markets. Leighton Asia is well positioned for significant future growth.*

## **Financial Performance**

Leighton Asia achieved a pleasing result in 1991/92, maintaining profitability despite a 25% reduction in revenue and increased overheads associated with pursuing large infrastructure projects in Hong Kong. The level of assets employed, while still well within Group operating guidelines, rose slightly during 1991/92.

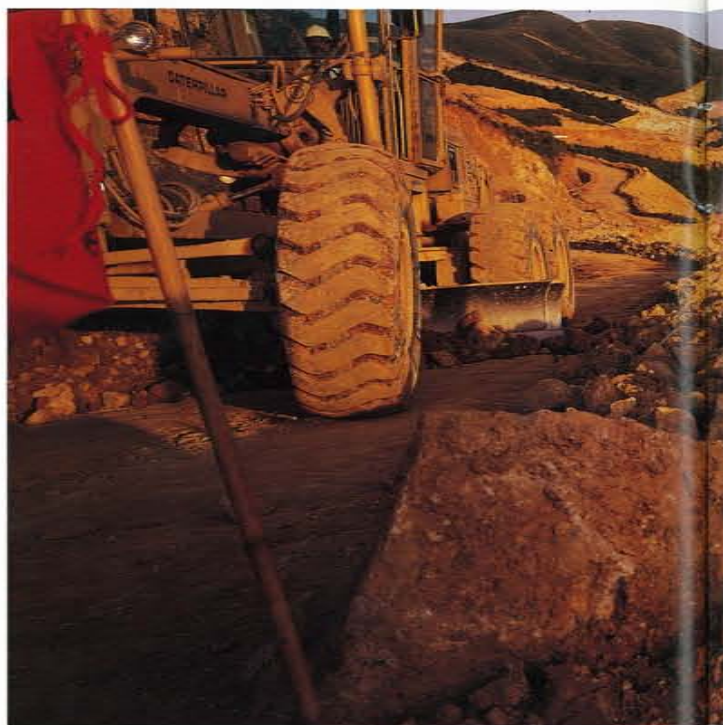
As predicted, the twin factors of high inflation and a significant fall in tendering prices resulted in a highly competitive marketplace in Hong Kong. To counter this slump in our traditional operating sector we pursued profitable opportunities in other countries, with good results.

The success of new business initiatives is apparent in the level of work in hand at year end – up 50% to \$305m, compared with \$202m at end June 1991.

## **Review of Operations**

Government delays associated with finance arrangements for the massive Port and Airport Development Scheme (PADS) in Hong Kong, and the resultant slowdown in private sector confidence prompted us to further strengthen our presence in other Asian countries.

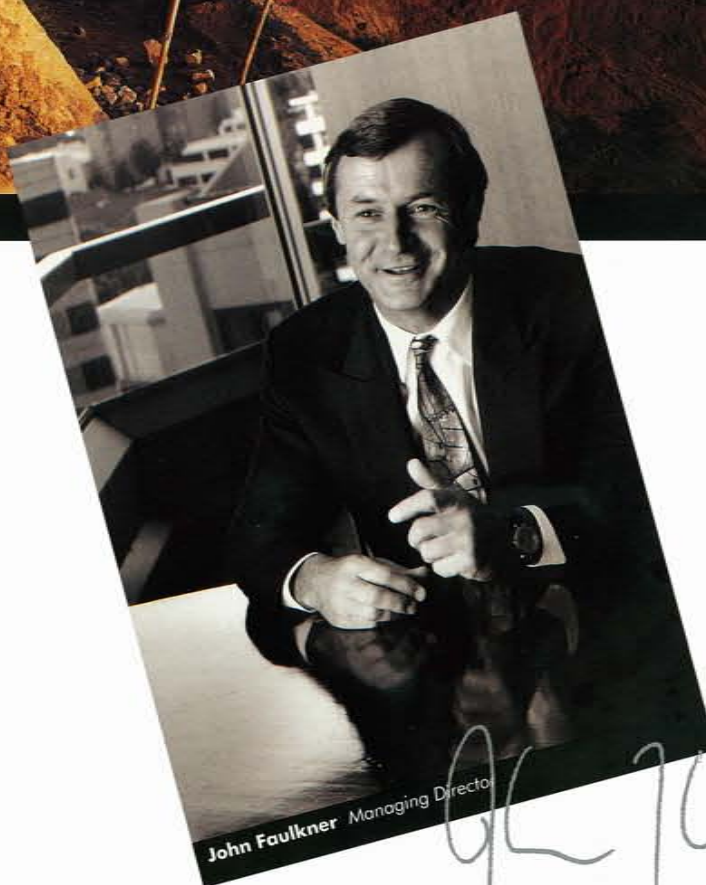
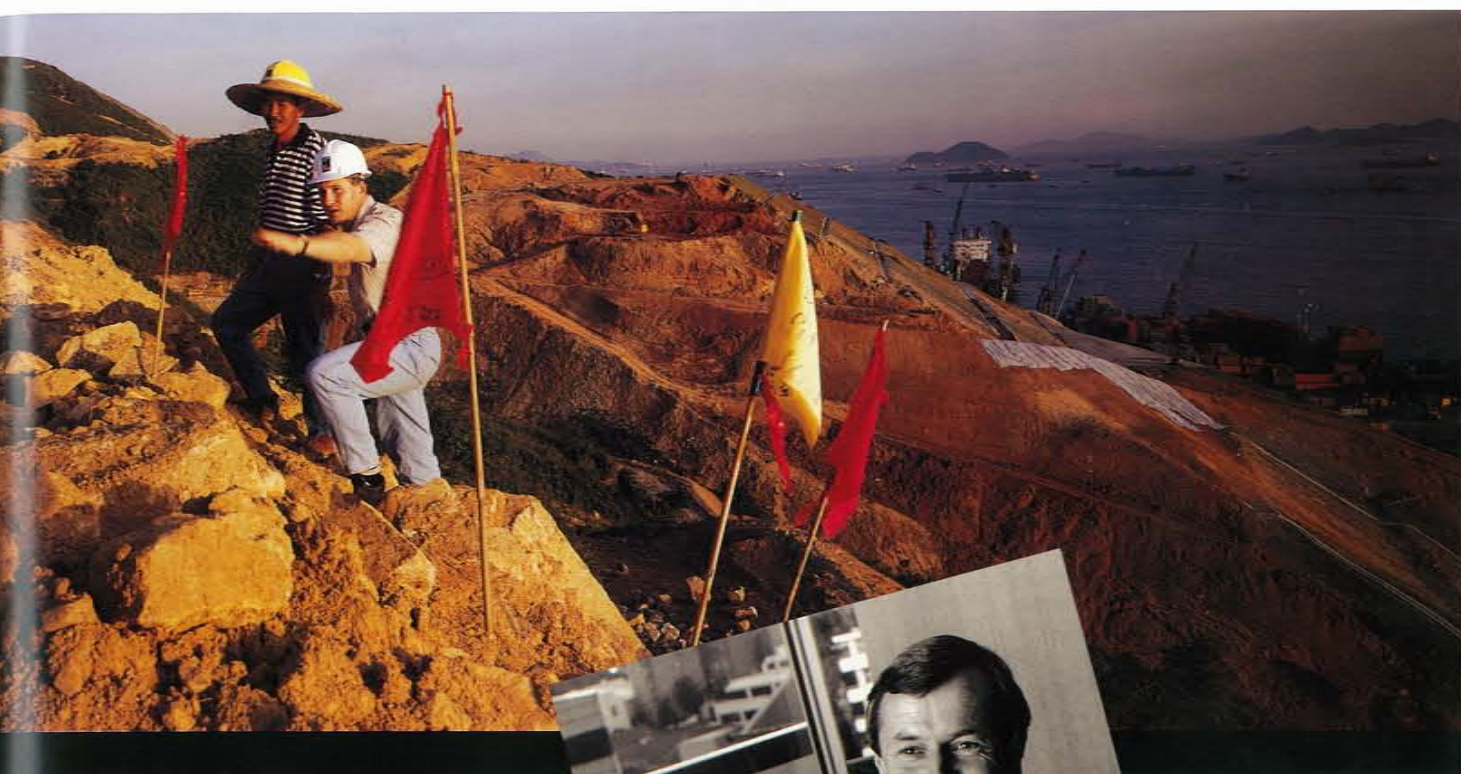
This strategy proved particularly successful in Thailand, where we were awarded a \$125m design and construct contract by Bangkok Land Company for Muang Thong Bang Na residential development. In joint venture with a local company, we secured a \$40m project management contract for Baan Chao-Phraya condominiums, also in Bangkok. ▽



PADS Route 3/Lantau Fixed Crossing Interchange, Hong Kong



"The Route 3 project marks  
the beginning of our  
involvement with PADS."  
**Bill Wild**  
General Manager, Leighton  
Contractors Asia Limited

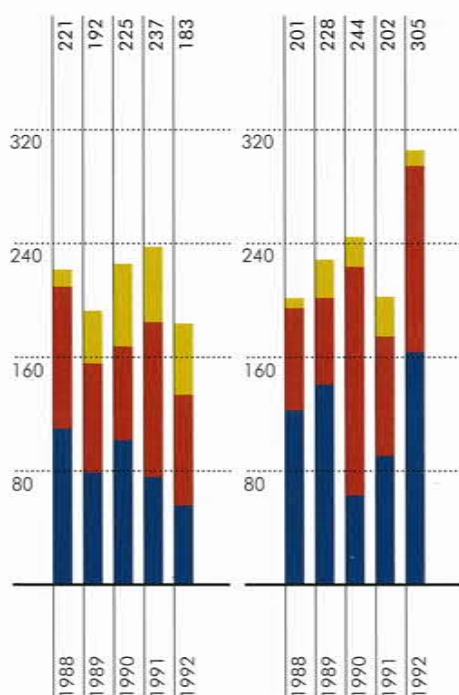


#### Revenue \$M

■ Building  
■ Civil Engineering  
■ Foundation Engineering

#### Work In Hand \$M

■ Building  
■ Civil Engineering  
■ Foundation Engineering



## LEIGHTON ASIA

In Hong Kong, the award of a \$100m contract for the Route 3/Lantau Fixed Crossing Interchange advance earthworks on Tsing Yi Island marked the beginning of our involvement with PADS associated work.

Route 3 and the housing contracts in Bangkok have enabled Leighton Asia to maintain a balance in revenue between building and civil works.

Major civil projects successfully completed include the \$72m joint venture construction of the North-West Kowloon Sewage Treatment and Disposal Plant on Stonecutters Island in Hong Kong Harbour, and the \$35m site works for Mobil Oil on Tsing Yi Island.

Our strategy of fostering long-term relationships with private sector clients was vindicated with the award of contracts for civil works worth \$45m from Mobil Oil in Singapore. The projects will be undertaken in joint venture with a local contractor.

Leighton Asia's involvement in Hong Kong's public sector housing market continued despite a scarcity of new projects. We were awarded one contract worth \$47m for the Hong Kong Housing Authority Shek Lei Estate project and work progressed satisfactorily on two other contracts worth \$87m. The \$76m Ma On Shan project and the \$14m Phase 3 construction of Lung Poon Court were completed.

Leighton Asia is an industry leader in safe working practices – a factor which reflects favourably on our ability to attract major contracts. Our Safety

*"Understanding Mobil's needs in terms of quality and safety was a key factor in securing further work from them, this time in Singapore."*

**Peter McMorrow**  
Construction Manager,  
Civil Engineering



Mobil Refinery Civil Works, Singapore





Management Committee enforces stringent safety standards, and regular site inspections ensure that safety remains a high priority on all projects.

Recognising the importance of achieving optimum quality on all our projects, we are currently striving toward the international standard which will become a necessary requirement for public sector housing involvement in Hong Kong next year.

Leighton Asia continues to sharpen both its operational performance and business development focus. To this end, we have evolved a geographically based structure which permits improved identification and management of projects. ▽



Shek Lei Estate Housing, Hong Kong

Hung Hom Marine Lot 6 Extensions, Hong Kong





### Leighton Brückner

Leighton Brückner's profit achievement was below the objectives for 1991/92, due to tight margins forcing profit down on the previous year. The lack of commercial building work in Hong Kong and an extremely competitive market in Thailand affected the company's performance.

Foundation work for Phase 2 of Kwai Chung container terminal was completed in Hong Kong during the year. In addition, work progressed satisfactorily on the \$24m foundation contract for Sham Shui Po, and a number of smaller projects.

### Prospects

With final ratification of PADS funding arrangements imminent, increased private sector confidence is expected to

generate renewed vigour in Hong Kong's construction market during the year ahead. Although margins will remain tight, the erratic pricing experienced recently is expected to return to normal.

Leighton Asia's strategic advantages remain the expertise and experience of its people, and a decentralised corporate structure. The Hong Kong marketplace will remain our major focus and we are confident of securing further contracts associated with PADS. Our strengthened presence in Bangkok should position us well to realise further prospects in Thailand.

We will also keep an active watch for profitable opportunities in other Asian regions, and a special projects group will pursue and manage contracts which meet our profit criteria.



Muang Thong Bang Na Housing, Thailand

*"Undertaking such a prominent building project has strengthened Leighton's presence in Bangkok and reflects our commitment to Thailand."*

**Will Hamilton**  
General Manager,  
Thai Leighton

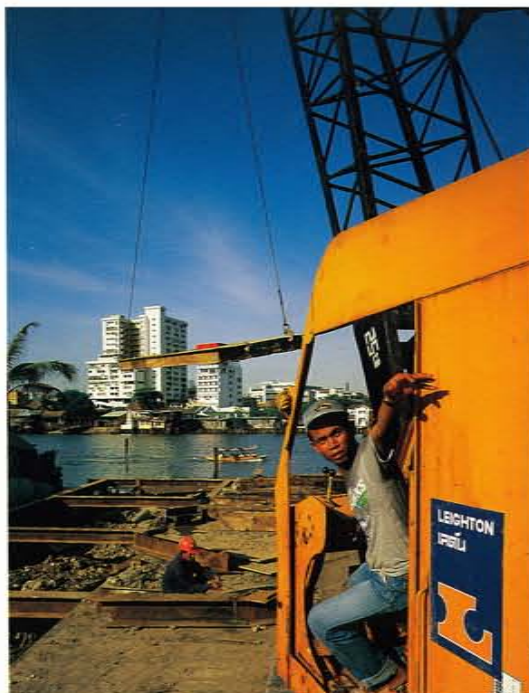




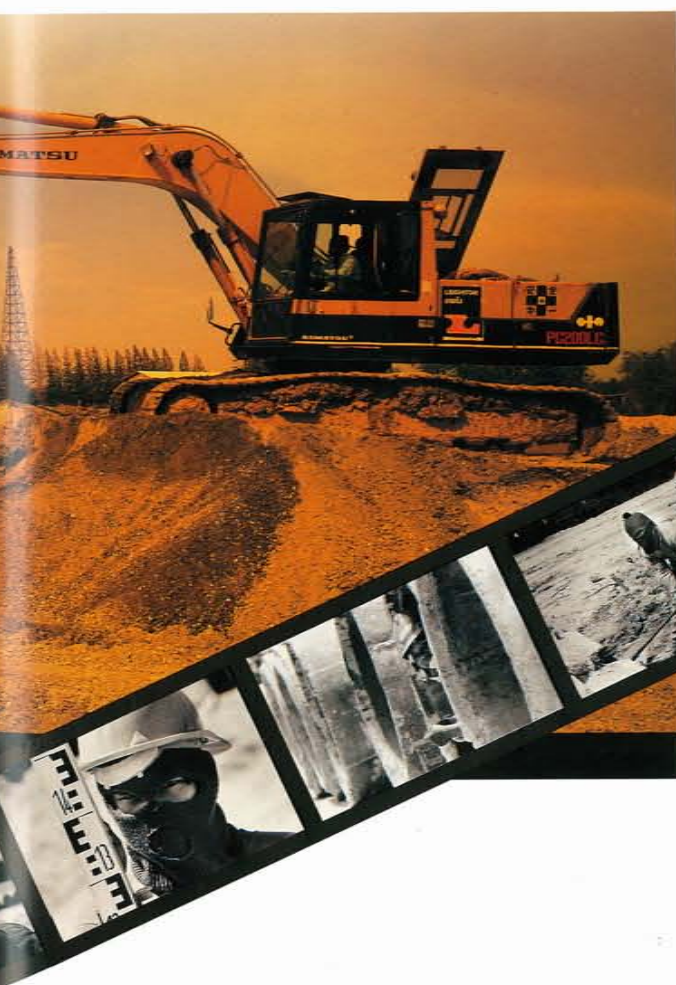
Leighton Brückner will remain similarly vigilant for opportunities in developing Asian economies. Its prospects in Hong Kong are expected to improve in the coming year in line with increased private sector activity as PADS gains momentum. However, Thailand's highly competitive marketplace will restrict opportunities in the short term.

Leighton Asia embarks on the 1992/93 year with a high level of work in hand and reasonable opportunities for increased profitability. With the expected growth in activity in Hong Kong and good prospects in Thailand, we should achieve a strong performance in the year ahead. □

**John Faulkner**  
*Managing Director*



**Baan Chao-Phraya Condominiums, Thailand**



#### **Board**

Sir G M Macwhinnie –  
*Chairman*  
J Faulkner –  
*Managing Director*  
D C Bray  
N K Chan  
R G McIntyre  
W M King  
P J North  
W J Wild

*Secretary*  
M Li

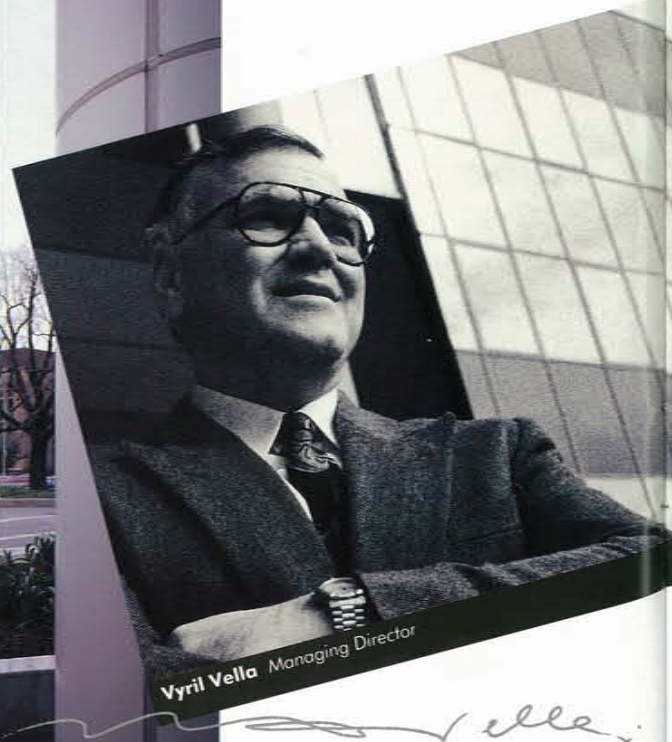
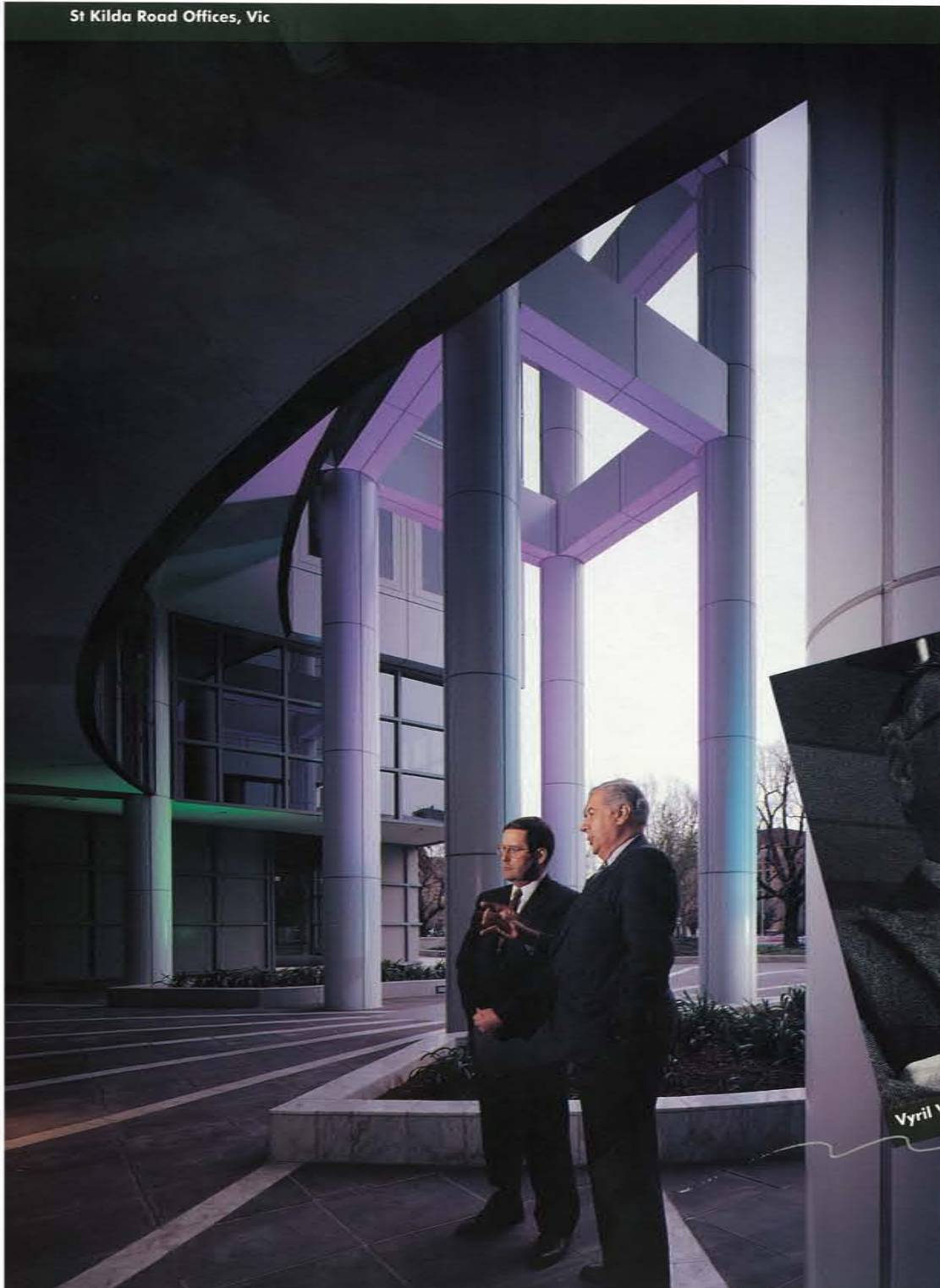
#### **Senior Executives**

Leighton Asia Limited  
J Faulkner  
*Managing Director*  
R G McIntyre  
*General Manager,*  
*Finance & Administration*  
G O White BA, MAIE,  
MIEAust  
*Business Development*  
*Manager*  
M Li BBA, ACCA, AHKSA  
*Company Secretary*  
Leighton Contractors  
Asia Limited  
W J Wild BE(Civ), MEngSc,  
MIEAust  
*Director &*  
*General Manager*  
D G Petridge RICS,  
*Commercial Manager*  
H S H Wu BSc (Eng), MSc,  
MIStructE, MHKIE  
*General Manager,*  
*Engineering & Technical*  
*Services*  
J D Nash BA(Hons),  
MEng(Civ)  
*Manager, Estimating*  
P J McMorrow  
*Assoc Highway Eng*  
*Construction Manager, Civil*  
*Engineering*  
R F Grosvenor Dip Bldg  
*Construction Manager,*  
*Building*  
M Chung  
*Chief Accountant*  
Leighton-Lama Joint Venture  
N M Hodge BSc(Civ),  
MIEAust  
*General Manager*  
Thai Leighton Limited  
W K Hamilton BE(Civ)  
*Director and General*  
*Manager*  
T Goodman BSc, MCIOB  
*Construction Services*  
*Manager*  
P E Gibney BBUS, MBA  
*Finance and Administration*  
*Manager*  
J V Barlass  
*Project Director*  
T Meesomklin BE  
*Contracts Manager*  
T J Ransome  
*Contracts Manager*  
P Withers  
*Chief Estimator*  
Leighton Brückner  
Foundation Engineering  
Limited (60% owned)  
C J Jesse BEng  
*Managing Director*  
B W Adcock  
BSc(Eng), ACGI, MICE,  
MHKIE  
*General Manager,*  
*Hong Kong*  
Leighton Brückner  
(Thailand) Limited  
(50% owned by Leighton  
Brückner)  
A M Burnett  
*General Manager*

# LEIGHTON PROPERTIES

*Leighton Properties continued to downsize its operation, reduce holding costs and seek viable options for existing sites.*

St Kilda Road Offices, Vic



Vyril Vella Managing Director

*Vella*



## Financial Performance

Leighton Properties continued to operate at a significant loss under the burden of holding costs associated with unsold or unleased projects. We moved into 1991/92 with a plan to further downsize our business in the wake of an extremely depressed property market. While some progress was made during the year to fulfil this objective, the protracted recession in Australia's economy continued to suppress investment activity and further depress the property market. This environment contributed to the poor result.

## Review of Operations

Major highlights for the year were the sale of a number of projects including Epicentre in Sydney and Nexus in Brisbane, and the long-term lease of 95% of the St Kilda Road office complex. Leasing commitments for the Cosmopolitan Centre in Adelaide are increasing and negotiations are continuing for additional leasing.

As reported last year, further work has been deferred on our prime commercial office site at 80 Pacific Highway North Sydney until a precommitment can be secured. Plans for our site at Waitara on Sydney's upper north shore have been reviewed and the staged development of residential units will begin during 1992/93. Currently we are evaluating

alternative-use proposals for other land holdings in Sydney and Brisbane.

Our residential land development near Beenleigh in south-east Queensland continued to provide good returns. Negotiations are proceeding to sell off larger parcels of this land to government and private developers for associated developments such as schools and retirement villages.

We have progressed ways to further utilise our core property skills in non-speculative projects where we assume a management role and a partner takes on the ownership risks. Current prospects include a major public hospital in Sydney where we are negotiating a total development package.

The impact of the economy and the property market has also affected the demand for car parking spaces for our car parking division Pacific Parking. However, the division's performance is expected to improve this year as a result of new lease arrangements entered into during the year.

In the USA, our property development operation is being wound down according to schedule and in line with Group objectives.

## Prospects

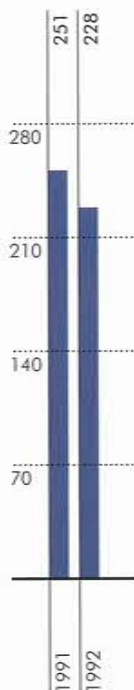
Lack of real economic growth and chronic oversupply in the commercial property market signify another difficult year for Leighton Properties. We believe the property sector will be slow to register any improvement in the general economic environment and political uncertainty could further affect investor confidence in the short-term.

In the year ahead, we will make every effort to reduce the budgeted loss by pursuing viable opportunities for lease or sale of existing property holdings. □

**Vyril Vella**

*Managing Director*

## Total Development Costs \$M



## Management Committee

V A Vella –  
*Managing Director*  
D S Adams  
W M King  
D P Robinson  
B W Clark

*Secretary*  
B W Clark

## Senior Executives

V A Vella BSc, BE(Hons),  
MEngSc, MIEAust  
*Managing Director*  
J C Barrett ARICS,  
AVLE(Val)  
*Southern Region Manager*  
R H Borger ASLE  
*Northern Region Manager*  
B W Clark ASA,  
DipTech(Acct)  
*Commercial Manager*  
M C Gray BSc(Arch),  
BArch(Hons)  
*Manager, NSW*  
G M Inberg BComm  
*Finance Manager*





# MULTICON HOLDINGS

*In spite of its demonstrated ability to deliver projects to the satisfaction of clients, Multicon reported a substantial loss. Focus will remain on achieving adequate returns.*

## Financial Performance

Although Multicon entered 1991/92 with almost \$90m worth of work in hand, a substantial loss has been reported for the year. This extremely unsatisfactory financial result has been addressed through a significant reduction in assets, new reporting structures and revised operating guidelines and controls.

## Review of Operations

While no new projects came onto Multicon's order book during the year, the company completed or progressed works to the satisfaction of clients.

Our major project, the \$111m continuous casting plant at BHP's Whyalla steelworks, was delivered ahead of schedule to exacting quality standards and within client cost objectives. This specialised project, undertaken by Multicon in joint venture with ASEA Brown Boveri and Voest Alpine, has been

nominated for the AFCC Construction Achievement Award in 1992.

Work is progressing satisfactorily on two separate contracts worth \$59m at Liddell Power Station in the Hunter Valley for Pacific Power. As well, the \$16m steel mini mill underway for BHP at Rooty Hill near Sydney is approaching satisfactory completion.

Major restructuring of our organisation has downsized the business in line with anticipated revenue, and further constraints have been placed on the financial administration of the company.

## Prospects

Multicon's primary objective in the year ahead will be the timely, cost-efficient completion of \$25m of work currently in hand.

Whyalla Caster Project, SA

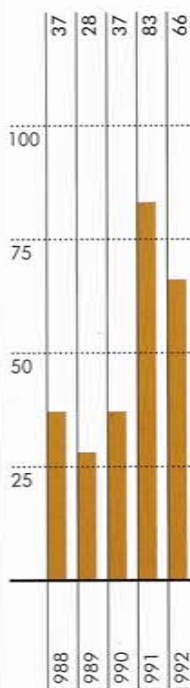




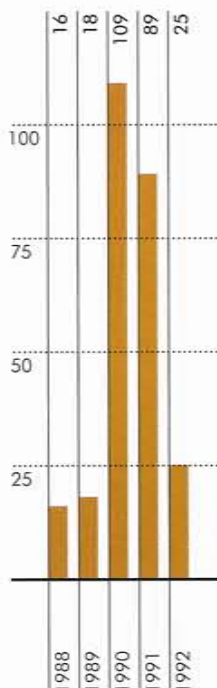
Core capabilities of the company are being maintained but in a significantly consolidated form. Multicon's operation will be very much restricted until adequate returns to the Group are achieved and only selected opportunities within NSW and those markets where Multicon has a proven track record will be pursued in the period ahead. □

**Jim Holt**  
General Manager

Revenue \$M



Work In Hand \$M



**Senior Executives**

J T Holt DipCivEng,  
MIEAust  
General Manager  
R P Gagliano BEc, CPA  
Finance & Administration  
Manager  
J Hutchings  
Estimating Manager



*"Multicon's contribution to our Whyalla development played a major part in the success of the project."*

**George Edgar**  
Group General Manager,  
Long Products Division  
BHP Steel



**Jim Holt** General Manager

*Jim Holt*

# IPCO GROUP

*Ipco's diverse construction expertise, operational strength and geographic flexibility underpins its ability to realise profitable opportunities in the Asia-Pacific region and in other selected countries.*

## Financial Performance

The successful completion of a number of major projects, together with the growth in income from related business investments contributed to a significant increase in Ipco's revenue and profit contribution to the Leighton Group.

Related businesses such as the Midcontinent Group continued to perform well, as did our core business investments in the Labuan Water Supply Sdn Bhd and LBI Sdn Bhd infrastructure developments.

The extensive resources deployed in new business development last year have been vindicated by the substantial growth in Ipco's forward order book.

## Review of Operations

A major highlight of the year was the award of the \$161m contract for finance, design and construction of the Cikarang Power project – Indonesia's first privately funded and developed power station. This project vindicates the strategy of expanding our core business capabilities and underlines Ipco's strong project development expertise in privately funded and developed infrastructure projects.

Other noteworthy projects awarded include the \$46.6m Talinpu marine engineering contract for the Chinese Petroleum Corporation in Taiwan, a joint venture undertaking to construct the \$68.6m Bontang gas pipeline in Indonesia, and the \$38m contract to design and construct three LPG storage facilities in eastern Nigeria. All three projects demonstrate our success in pursuing work with shorter development lead times.

A number of contracts were completed to client satisfaction during the year, among them the \$20m Nigerian pipeline and jetty project which is now in operation.

## Prospects

Prospects in the region remain strong despite some slowing of South-East Asia's rapid economic growth. Continued privatisation of infrastructure development is expected to provide

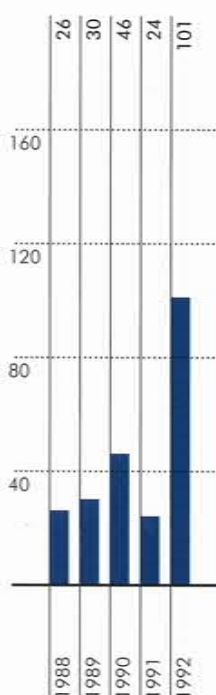
good opportunities and we anticipate further increases in revenue and profitability.

Ipco's key objectives for the year ahead are to secure new projects in core business sectors, continue to generate good income from our investments and further develop our organisational structure to take advantage of widespread opportunities. Long-term plans are to make Ipco a significantly larger and stronger development group capable of undertaking a broad range of large scale, high return engineering and construction related projects.

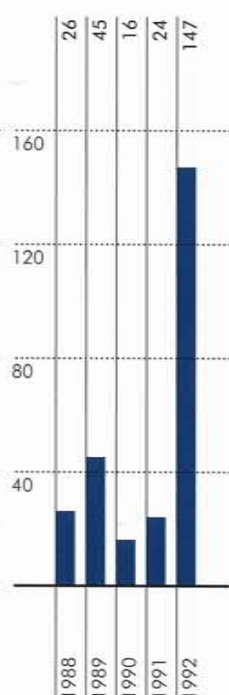
We are confident that our technical and financial strength and geographic flexibility will enable us to capitalise on development opportunities particularly in the Asia-Pacific region. □

**Charles Hardeman**  
Managing Director

**Revenue \$M**  
Total Company  
Operations



**Work In Hand \$M**  
Total Company  
Operations





# IPCO GROUP

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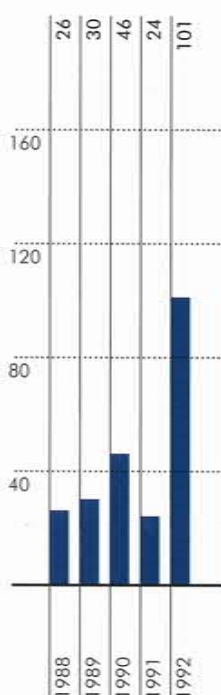
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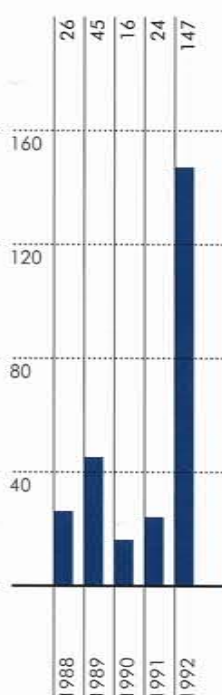
We are confident that our technical and financial strength and geographic flexibility will enable us to capitalise on development opportunities particularly in the Asia-Pacific region. □

**Charles Hardeman**  
Managing Director

**Revenue \$M**  
Total Company  
Operations



**Work In Hand \$M**  
Total Company  
Operations





#### Board

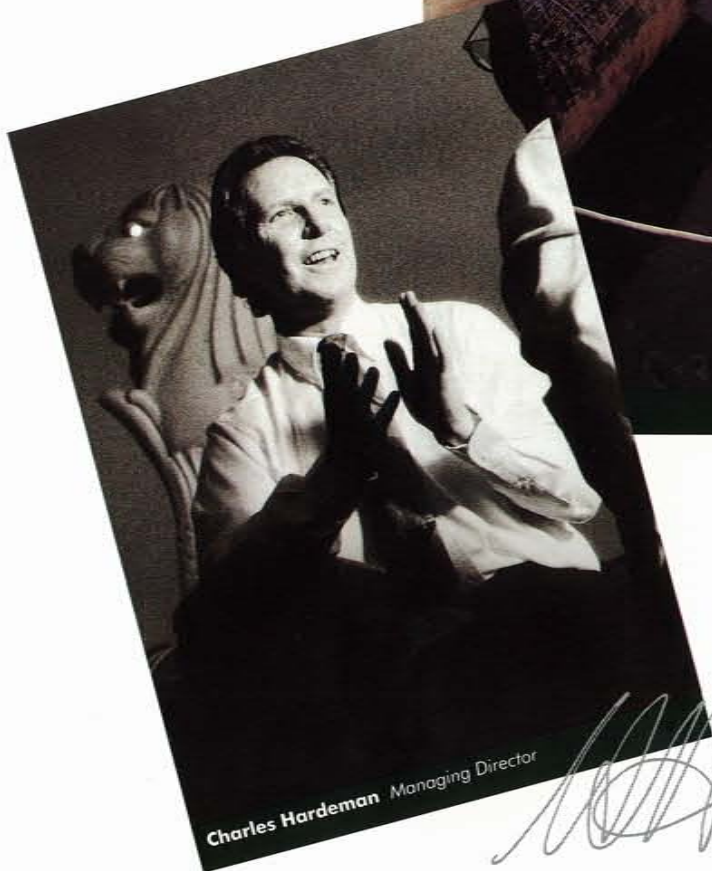
C S Hardeman –  
*Managing Director*  
A S Aurol  
B Chang  
Dr B Chang  
J Faulkner  
W M King  
W H West

#### Senior Executives

C S Hardeman BBA, BSc  
*Managing Director &  
President*  
B W Miller MICE, CEng  
*General Manager &  
Senior Executive  
Vice President*  
A Ling BSc(Econs)Hon,  
FCCA  
*Executive Vice President  
Finance, Administration  
& Investments*  
B J Youngman MBA  
*Executive Vice President  
International Business  
Development*



Train 'F' Bontang Gas Pipeline, East Kalimantan, Indonesia

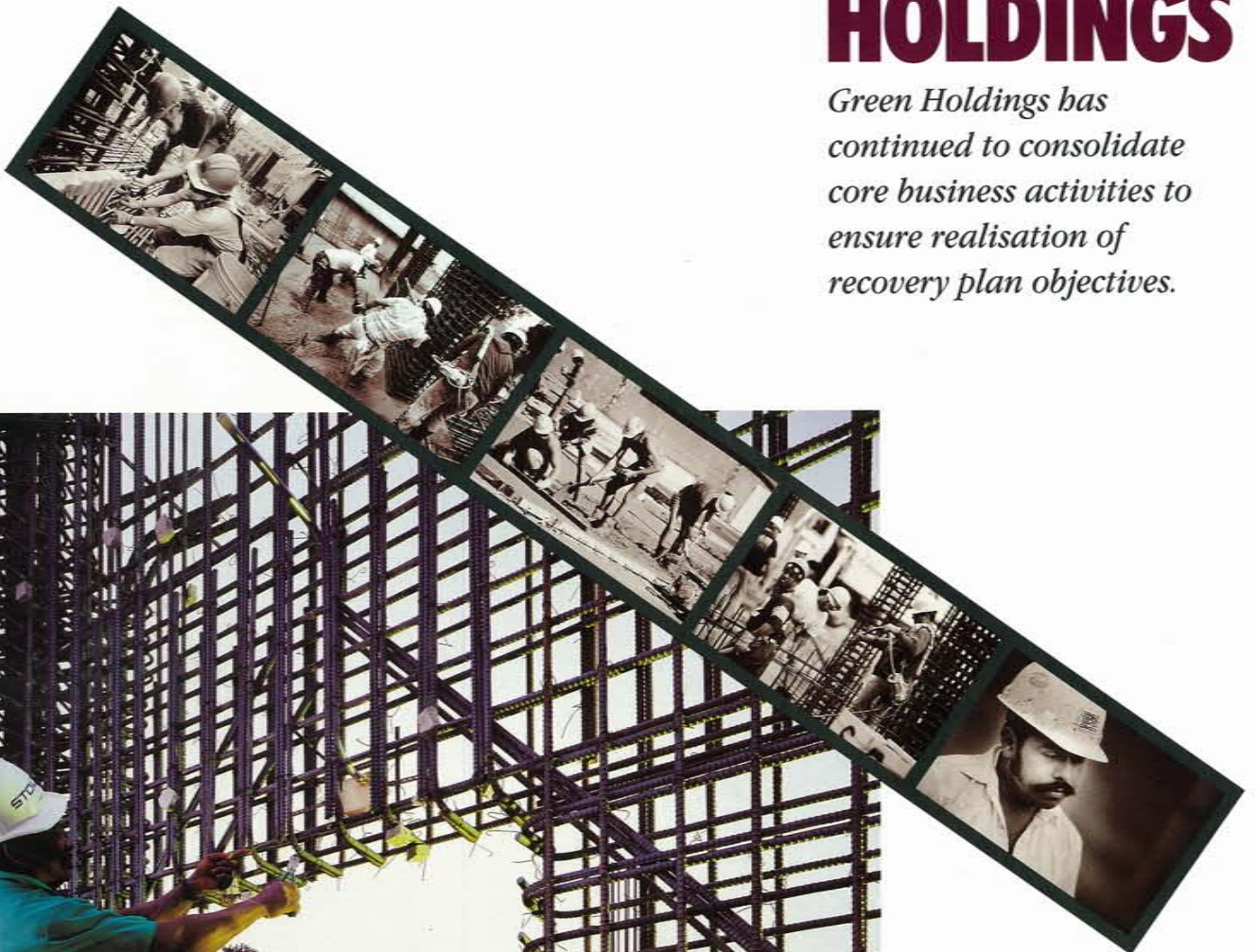


A large, stylized handwritten signature of Charles Hardeman.



# GREEN HOLDINGS

*Green Holdings has continued to consolidate core business activities to ensure realisation of recovery plan objectives.*



Sheriff's Facility San Francisco, USA



## Financial Performance

Despite operating in a US market that showed little sign of recovery during the year, Green Holdings remained on target with its recovery objectives achieving a breakeven result. As expected, revenue increased 10% due to projects absorbed after a major competitor collapsed in 1990. Work in hand at the end of 1991/92 was up 27% over last year.

The tight market conditions have not enabled our return on assets to reach an acceptable level. The return on assets will not improve until the US economy shows some signs of recovery.

## Review of Operations

During 1991/92, we continued to sharpen our focus on specific market sectors and geographic locations.

A number of commercial building contracts were completed with a good performance achieved. As predicted, Green's enhanced profile in the California market proved beneficial in attracting additional commercial

building work. We are also well positioned to take advantage of emerging civil engineering opportunities, particularly for major earthquake rehabilitation in California and along the West Coast.

Public transport infrastructure is another area offering good prospects. We recently completed \$53m railway station works for WMATA in Maryland, and are currently involved in \$49m of trackwork and associated light rail infrastructure for MARTA in Atlanta, Georgia.

The company broadened its mining expertise into coal and is negotiating additional contracts worth approximately \$60m per annum to manage the production of two surface coal mines in West Virginia. Further opportunities are expected to emerge in this sector.

Activities in Alaska were frustrated by weak oil prices and very strict environmental rules imposed on prospective mining opportunities. However, Green is committed to maintaining its presence in Alaska.

The Green-managed bauxite mine in Guyana, South America has been targeted for privatisation. We have been successful in broadening our client base in Guyana beyond government owned operations.

## Prospects

With the US Presidential elections due in November 1992, no significant government moves to improve the US economy are anticipated in the short term. As a result, Green expects to again face a weak construction market during 1992/93.

By pursuing profitable work in proven market sectors and steadily progressing our existing contracts, we are hopeful of achieving performance objectives and gradually improving our profit. □

**J David McClung**  
President

## Board

W M King - Chairman  
J D McClung - President  
D S Adamsas  
W A Brown  
D E Waitley

Secretary  
P J Moore

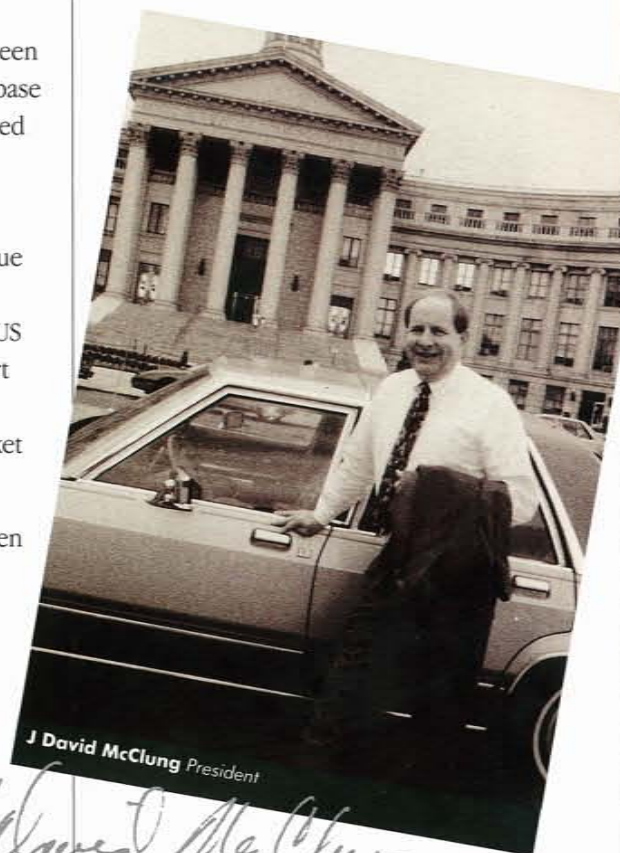
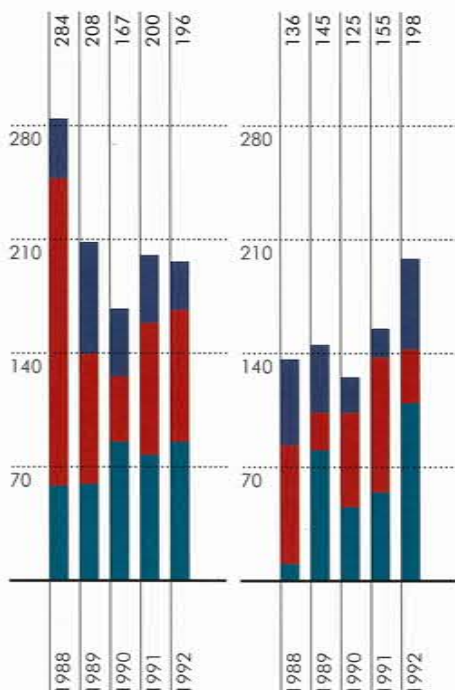
## Senior Executives

J D McClung BS, JD  
President and CEO  
P J Moore BBA, CPA  
Senior Vice President,  
Finance and  
Administration  
W J Roberts  
Vice President,  
Contract Services  
W G Scott AAS, CT  
Senior Vice President,  
President, Green  
Mining, Inc.  
W G McPhearson  
Vice President,  
Green Mining, Inc.  
M R Schipper  
Vice President,  
Administration,  
Green Mining, Inc.  
D L Finger AAS, ME  
President, CC Conley &  
Sons, Inc.  
G L Wilson BSCE, PE  
Vice President,  
Engineering  
R K Skerik BSCE  
Vice President, Estimating  
W G Jenkins BS  
Senior Vice President,  
President,  
Green Alaska, Co.  
D L Langerman BBS  
Vice President,  
Administration,  
Green Alaska, Co.  
L C Sudderth BSCE  
President, Stolte Division



**Revenue \$M**  
**Total Company**  
**Operations**  
■ Building  
■ Civil Engineering  
■ Mining

**Work In Hand \$M**  
**Total Company**  
**Operations**  
■ Building  
■ Civil Engineering  
■ Mining



*J David McClung*



# WELDED MESH

*Welded Mesh's commitment to maintaining steady growth is supported by a programme of strategic geographic diversification and optimised plant capacity.*

## Financial Performance

Operating in a competitive marketplace characterised by abnormally tight margins for most of the year, Welded Mesh managed to make a modest contribution to Group profit. Revenue fell slightly short of target and the inability to sustain satisfactory margins forced profit down on the previous year.

However, we continued to meet long-term production growth objectives – steadily increasing revenue from \$17m four years ago to \$62m in 1991/92. Welded Mesh is now Australia's third largest manufacturer of reinforced steel products, holding 10% of the national market.

## Review of Operations

During the year, we complemented our East Coast representation with a new manufacturing facility in Perth. This operation has already made inroads to the local market, securing orders for

specialised roof mesh for a number of Western Australia mines.

In Sydney, our largest facility and market, reinforcing was supplied for such diverse projects as the Park Lane Hotel in Sydney's CBD, Westfield's upgrading of Miranda shopping complex in Sydney's south, and extensions to potline facilities at Tomago Aluminium outside Newcastle. The Tomago project highlights our ability to achieve volume turnover while maintaining critical tolerances and product quality. Our Melbourne facility is currently supplying reinforcement for the Jacana tunnel, part of Melbourne's ring road works.

The severe downturn in commercial building prompted us to shift our focus to other prospective market sectors. We successfully targeted a number of civil



Supplying materials to Barclay Mowlem for a road bridge at Smithfield, NSW

engineering, infrastructure and mining projects and expect these areas to provide ongoing profitable work.

Our sales in NSW were boosted recently with the award of a three year State Government contract for reinforcing products worth approximately \$30m.

### Prospects

Welded Mesh is optimistic of a strong performance in 1992/93. The upgrade of our manufacturing facilities has substantially enhanced production efficiency and quality, and we are well positioned to continue the trend of steady, profitable growth.

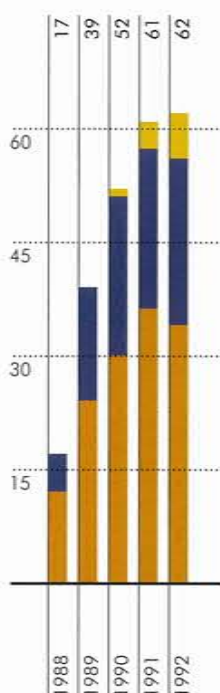
We expect the marketplace to remain relatively stable giving us the opportunity to further consolidate our geographic representation and strengthen customer relationships. □

**John Hicks**

*Managing Director*

### Revenue \$M Total Company Operations

- Processed Bar and Rod
- Welded Fabric
- Hard Drawn Wire



### Board

K L Bennett –  
*Chairman*  
J W Hicks –  
*Managing Director*  
T R J Cooper

### Secretary

T R J Cooper

### Senior Executives

John Hicks  
*Managing Director*  
Scott Linsted  
*Chief Financial  
Controller*  
Peter Scott  
*NSW Manager*  
Bob Brown  
*Vic Manager*  
Rob Sanders  
*WA Manager*



**John Hicks** *Managing Director*

*"Like some of our clients, we have moved our marketing focus to civil engineering infrastructure to compensate for the lack of commercial building opportunities."*

**Peter Scott**  
*NSW Manager*

*John W Hicks*



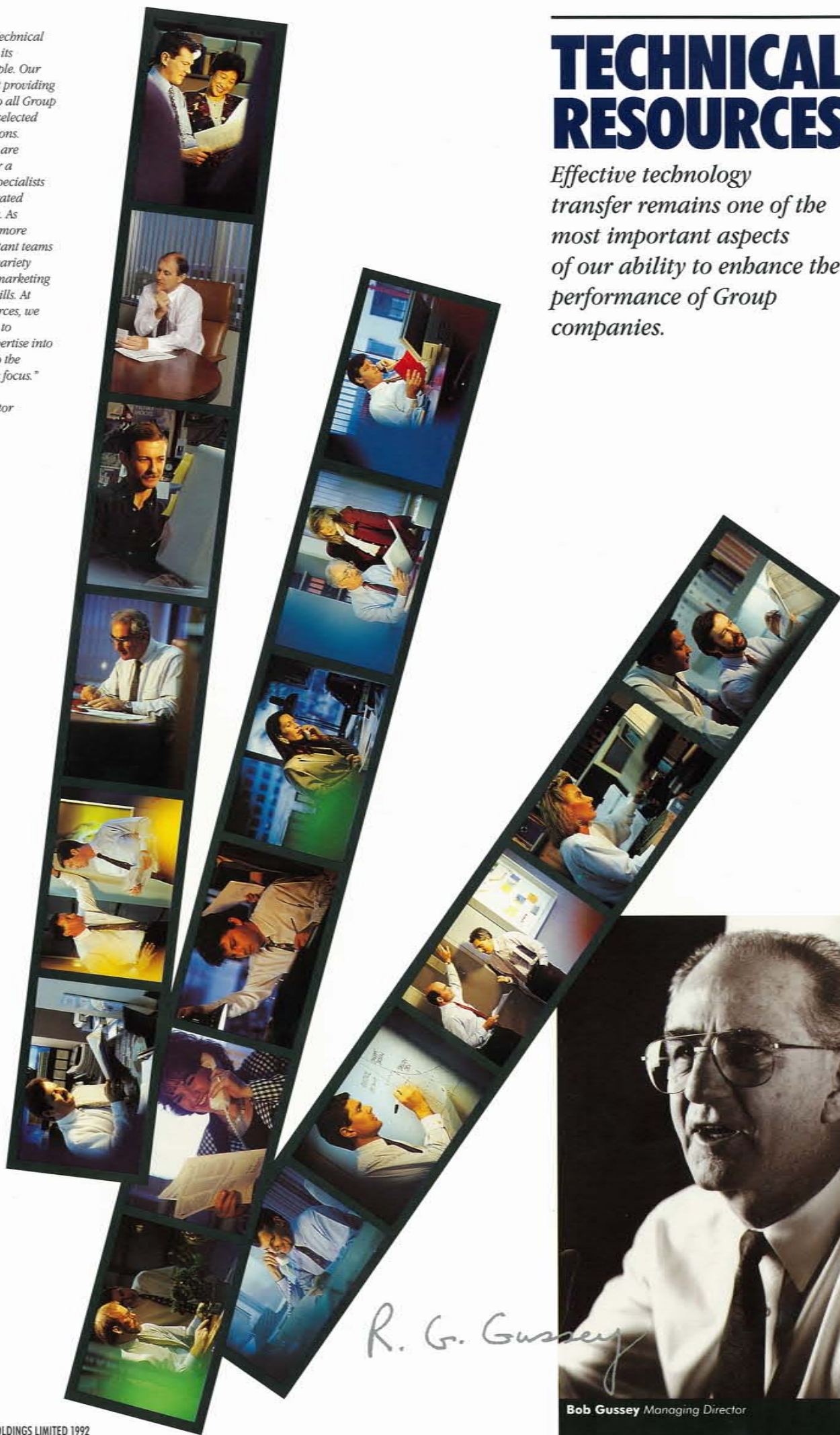
"The strength of Technical Resources lies in its professional people. Our business is about providing skilled services to all Group companies and selected client organisations. Increasingly, we are bringing together a number of our specialists to develop integrated project strategies. As projects become more complex, consultant teams must provide a variety of commercial, marketing and technical skills. At Technical Resources, we constantly strive to broaden our expertise into areas relevant to the Group's business focus."

**Bob Gussey**

Managing Director

# TECHNICAL RESOURCES

*Effective technology transfer remains one of the most important aspects of our ability to enhance the performance of Group companies.*



*R. G. Gussey*

**Bob Gussey** Managing Director



## Performance Review

During 1991/92, Technical Resources placed emphasis on business development, construction technology and communication activities. The development of integrated project strategies and the efficient transfer of these skills and technologies to Group operating companies were important achievements.

Engineering management support through all project phases remained a priority. Our controls management system was consolidated into a comprehensive volume of Project Plan Guidelines, and technical audits are being implemented on all Leighton Contractors major projects.

On The M5 South West Motorway project we assisted with the establishment of the operation and maintenance phase including a full marketing strategy. We are also supporting Leighton Contractors with key aspects of the strategic supplier agreement with Optus Communications. This involves training initiatives, design management and community relations.

While privatised infrastructure opportunities have been slow to emerge, we identified key projects around Australia and are working to advance these prospects. We continued to forge links with leading infrastructure operators, financial advisors, key engineering and architectural firms, major financial institutions and government.

Group communication activities ranged from investor and media relations to client presentations. We worked with Group companies to develop better communication with clients, consultants, other industry and general business associates.

Technical Resources entered into exclusive agreements with Steinbeis Temming Papier of Germany to secure the Australian rights to their paper deinking technology. This technology is proposed for use in a major Australian plant and we are involved in feasibility studies for this project.

## Future Strategies

As part of our charter to identify market sectors offering growth potential, Technical Resources will work with operating companies to penetrate industrial markets in Australia and Asia. Securing further privatised infrastructure work is also a key priority.

The evolution and tailoring of project delivery systems will remain an important part of our business development support. Another aspect of our work which is critical to the Group's participation in infrastructure development is maintaining productive relationships with government.

We will support operating companies in their efforts to attain Lloyd's quality assurance certification and to implement the Project Plan Guidelines. Technical and financial audits will be progressed to ensure that predictable project performance is achieved. Also, Technical Resources is adopting a more formal approach to research and technology development through stronger links with other research bodies.

In the year ahead, management attention will be directed towards broadening our expertise in managing environmental and community aspects of projects within the Group's core businesses. □

**Bob Gussey**  
*Managing Director*

## Board

**R G Gussey** –  
*Managing Director*  
**R L Hawkins**  
**R D F Hunter**  
**W M King**  
**N A Sallustio**

## Senior Executives

**R G Gussey**  
CP Eng, FIEAust, MICE,  
MNZIEng, MAIB, AAI Arb  
*Managing Director*  
**G R Andrews**  
BE(Hons), MIEAust  
*Technical Computer  
Services Manager*  
**P Bingham-Hall**  
BA(IndDes)  
*Group Communications  
Manager*  
**D R Eagar**  
BSc  
*Development &  
Marketing Manager*  
**R L Hawkins**  
BArch(Hons), ARAIA  
*Business Development  
Director*  
**R D F Hunter**  
BArch, MSc(Bldg)  
*Proposals & Design  
Director*  
**J M Malouf**  
*Group Information  
Manager*  
**N A Sallustio**  
ACE, MIEAust, CPEng  
*Project Services Director*  
**D R Stitt**  
Dip(M&E)Eng  
*Industrial & Process  
Engineering Manager*





# GROUP STRUCTURE

## Board of Directors

Chairman  
MA Besley  
Deputy Chairman  
RM Wylie  
WM King  
DS Adamsas  
KL Bennett  
H Hehner

HP Keitel  
PJ North  
DP Robinson  
EF Vocke  
Associates  
MC Albrecht  
J Faulkner  
VA Vella

## Leighton Holdings Limited Board

## Audit Committee

Chairman  
RM Wylie

DS Adamsas  
WM King  
DP Robinson  
Secretary  
AJ Moir

## Chief Executive Officer

WM King

## Executive Committee

Chairman  
WM King  
DS Adamsas  
MC Albrecht

KL Bennett  
J Faulkner  
RG Gussey  
AJ Moir  
VA Vella  
WH West

## Secretarial

Company Secretary  
AJ Moir

## Finance and Administration

Director  
DS Adamsas

## Technical Resources

Managing Director  
RG Gussey

## Investment

Manager  
WH West

**Leighton Contractors Pty Limited**  
Managing Director  
KL Bennett

**Thiess Contractors Pty Limited**  
Managing Director  
MC Albrecht

**Leighton Asia Limited**  
Managing Director  
J Faulkner

Executive Director  
KL Bennett

45% Owned

**The Ipco Group**  
Managing Director  
CS Hardeman

**Leighton Properties Pty Limited**  
Managing Director  
VA Vella

50% Owned

**Green Holdings Inc**  
President  
JD McClung

60% Owned

**Leighton Brückner Foundation Engineering**  
Managing Director  
CJ Jesse

90% Owned

**Multicon Holdings Pty Limited**  
General Manager  
JT Holt

**Welded Mesh Pty Limited**  
Managing Director  
JW Hicks

# FINANCIAL STATEMENTS

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## DIRECTORS' STATUTORY REPORT

This Report of the Directors of Leighton Holdings Limited is prepared in accordance with the requirements of Division 6 of Part 3.6 of the Corporations Law.

A review of the Economic Entity's operations, the results of those operations during the financial year and particulars regarding the Economic Entity's state of affairs are contained on pages 2 to 48 and form part of this Report.

We are pleased to state that total revenue levels for the financial year remained steady at \$1.6bn and that the Economic Entity achieved a 7.0% increase in operating profit after tax to \$22.5m.

A final ordinary dividend of 4 cents per share, 100% franked, has been recommended for payment on 4 November 1992. Together with the interim dividend of 4 cents per share, 100% franked, the total dividend payment for the year will be 8 cents per share and will amount to \$15.4m.

During the financial year, there were no significant changes to the Economic Entity's principal activities which were building, civil and mechanical engineering construction, contract mining, property development and project management in Australia, Hong Kong and selected parts of South-East Asia and the USA.

It is our opinion that there has not arisen since the end of the financial year any matter or circumstance that has significantly affected or may significantly affect the state of affairs of the Economic Entity, its operations or results in subsequent financial years. In addition, we are not aware of any specific developments, not covered generally in this Report, that are likely to have a significant effect on the operations of the Economic Entity or its expected results.

Likely developments in operations of the Economic Entity and their anticipated results have been reported as appropriate. Further information on likely developments in the operations of the Economic Entity, including the expected results of those operations in subsequent financial years, would in our opinion prejudice the interests of the Company and has therefore not been included in this report.

### Information regarding the Directors

(a) The Directors of Leighton Holdings Limited in office at the date of this Report are listed below together with details of their shareholdings in the Company:

Names	No of ordinary shares	No of options over unissued shares
Morrish Alexander Besley, AO	1,465	-
Wallace MacArthur King	6,075	45,000
Dieter Siegfried Adamsas	127,444	45,000
Keith Leslie Bennett	10,000	45,000
Holm Hehner	1,745*	-
Hans-Peter Keitel	1,000*	-
Peter John North	8,342	-
	12,847*	-
David Paul Robinson	1,250	-
Enno Friedrich Vocke	1,745*	-
Rodney Malcolm Wylie, OBE	34,464	-

\*Non-beneficially held

(b) The following change to the Board occurred during the year:  
Dr Hans-Peter Keitel was appointed a Non-Executive Director on 19 August 1992. Dr Keitel is Chairman of the Board of Executive Directors of HOCHTIEF AG.

(c) Other than disclosed in the Accounts no Director has declared any interest in a contract or proposed contract with the Company such as is required to be reported pursuant to Section 307(c) of the Corporations Law.

(d) Details of Directors' qualifications, experience, special responsibilities and interests in shares in the Company are set out on pages 50 and 51.

(e) Since the end of the previous financial year no Director of the Company has received or become entitled to receive a benefit, other than:

- (i) a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the Economic Entity's accounts, or
- (ii) the fixed salary of a full-time employee of the Company or of a related corporation, by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

### Additional Information

**Options.** Leighton Holdings Limited has granted to certain persons participating in The Leighton Staff Equity Participation Plan options to have issued to them shares in the Company. The date of expiration of the options is 31 July 1994.

(a) At the date of this Report there are 545,000 unissued ordinary shares of the Company under option. Particulars of these options, which were granted on 18 December 1989, were set out in the 1990 Annual Report.

(b) Options over 35,000 unissued shares lapsed during the period.

(c) During July 1992 there were 160,000 ordinary shares issued by virtue of the exercise of options at an exercise price of \$0.5775 per option.

**Rounding off of Amounts.** As the Company is of the kind referred to in Regulation 3.6.05(6) of the Corporations Regulations, the Directors have chosen to round off amounts in this Report and the accompanying accounts to the nearest thousand dollars in accordance with Section 311 of the Corporations Law and Regulation 3.6.05 of the Corporations Regulations, unless otherwise indicated.

Dated at Sydney this eleventh day of September 1992.

Signed and made in accordance with a resolution of the Directors.



M A Besley  
Chairman



W M King  
Chief Executive Officer

## DIRECTORS' RESUMES

### **M A (Tim) Besley, AO (65)**

BE(Civil), BLegS, FTS, FIEAust, FAIM

A graduate of the University of New Zealand and Macquarie University. A Non-Executive Director since 1989. Elected Chairman February 1990. Chairman of The Commonwealth Bank of Australia, The Commonwealth Industrial Gases Limited, and Redland Australia Limited. Other directorships include Amcor Limited, Clyde Industries Limited, Elgas Limited and Fujitsu Australia Limited. Councillor (NSW) and National President of the Metal Trades Industry Association of Australia. Member of the Board of Management, Australian Graduate School of Management.

### **W M King, (48)**

BE, MEngSc, FIEAust

A graduate of the University of NSW. An Executive Director since 1975. Appointed Chief Executive in 1987. A civil engineer who joined Leighton Contractors in 1968 and became Managing Director of that Company in 1977. Appointed Deputy Managing Director of Leighton Holdings in 1983. Participates in construction industry affairs. Member of the Business Council of Australia, the Australian Federation of Construction Contractors and the Institute of Directors in Australia.

### **D S Adamsas, (49)**

BComm

A graduate of the University of NSW. An Executive Director since 1988. Joined the Company in 1971 and has held various senior accounting and commercial positions within the Group. Appointed Associate Director in 1985. Responsible for overall Group management reporting, statutory accounting, auditing, treasury, taxation and insurance. Member of the Financial Executives Institute of Australia.

### **K L Bennett, (49)**

BE(Civil), FIEAust

A graduate of the University of Queensland. An Executive Director since 1987. A civil engineer who joined the Company in 1970 and became Managing Director of Leighton Contractors Pty Limited in 1984. Participates in construction industry affairs within Australia and is currently Vice President, Australian Federation of Construction Contractors.

### **Dr H Hehner, (62)**

MBA, Doctor of Economics

Graduate of Freie Universität, Berlin, Germany. A Non-Executive Director since 1983. Specialist in business administration, international trade and investments. Since 1978 General Manager of HOCHTIEF's international division. A Director of HOCHTIEF Limited.

### **Dr H P Keitel, (45)**

Dr. - Ing

A graduate in studies on civil engineering at Technical University Stuttgart and on business administration and economics at Technical University Munich, Germany. Appointed a Non-Executive Director on 19 August 1992. Joined HOCHTIEF in 1988 as Director to the Board responsible for international business. Became a member of the Board of Executive Directors in 1990 and was appointed Chairman of the Board of Executive Directors and member of the Board of RWE AG (Holding) in 1992. A Director of HOCHTIEF Limited.

### **P J North, (58)**

BE, MBA, FAIM

A graduate of the University of Sydney and Harvard University. A Non-Executive Director since 1981. Consultant specialising in corporate strategy and policy. Former chief executive in manufacturing industry. Director (former Chairman) Mildara Blass Ltd, Director Leighton Asia Limited and Director of The Warren Centre for Advanced Engineering (University of Sydney).

### **D P Robinson, (36)**

BEC, ACA

A graduate of the University of Sydney. A Non-Executive Director since 1990. Alternate Director for E F Vocke from 1987 to December 1990. A chartered accountant and partner with the firm of Harveys Chartered Accountants in Sydney. Responsible for a number of international corporations and management services within that firm. Participates in construction industry affairs. A Director of HOCHTIEF Limited.

### **Dr E F Vocke, (67)**

Dipl - Ing

A graduate of Technical University, Karlsruhe, Germany. A Non-Executive Director since 1983. A construction engineer who joined HOCHTIEF in 1969. Has been a full member of the Board of Executive Directors of HOCHTIEF since 1972 and its Chairman from 1981 to 1992. After retirement became a member of the Supervisory Board. A Director of HOCHTIEF Limited.

### **R M Wylie, OBE (64)**

BComm, BA, FCA

A graduate of the University of Queensland. A Non-Executive Director since 1985. Elected Deputy Chairman in February 1990. A chartered accountant, formerly senior partner in the Queensland practice of Peat Marwick Mitchell & Co. Chairman of Q.U.F. Industries Ltd and of Queensland Alumina Limited and a member of the Principal Board of the AMP Society. Former Chairman of the Queensland Branch Council and Federal Councillor of both the Institute of Chartered Accountants and the Institute of Directors in Australia.



## BALANCE SHEETS

as at 30 June 1992

	Note	Consolidated		Company	
		1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Current Assets</b>					
Cash	6	106,247	77,149	78,556	34,029
Receivables	7	160,765	171,673	6,529	6,054
Investments	8	11,424	18,430	-	108
Inventories	9	18,771	39,338	-	-
Other	10	4,009	7,484	768	766
<b>Total Current Assets</b>		<b>301,216</b>	<b>314,074</b>	<b>85,853</b>	<b>40,957</b>
<b>Non-Current Assets</b>					
Receivables	11	2,872	4,230	2,813	4,230
Investments	12	74,339	84,265	446,058	395,284
Inventories	13	193,839	42,009	-	-
Property, Plant and Equipment	14	263,323	266,976	21,555	23,476
Intangibles	15	5,094	3,761	-	-
Other	16	30,783	28,367	5,571	5,068
<b>Total Non-Current Assets</b>		<b>570,250</b>	<b>429,608</b>	<b>475,997</b>	<b>428,058</b>
<b>Total Assets</b>		<b>871,466</b>	<b>743,682</b>	<b>561,850</b>	<b>469,015</b>
<b>Current Liabilities</b>					
Creditors and Borrowings	17	258,615	248,829	6,420	6,416
Provisions	18	32,929	36,787	11,311	11,138
Other	19	659	1,977	-	-
<b>Total Current Liabilities</b>		<b>292,203</b>	<b>287,593</b>	<b>17,731</b>	<b>17,554</b>
<b>Non-Current Liabilities</b>					
Creditors and Borrowings	20	213,581	131,308	325,692	238,597
Provisions	21	116,623	86,328	10,825	8,156
<b>Total Non-Current Liabilities</b>		<b>330,204</b>	<b>217,636</b>	<b>336,517</b>	<b>246,753</b>
<b>Total Liabilities</b>		<b>622,407</b>	<b>505,229</b>	<b>354,248</b>	<b>264,307</b>
<b>Net Assets</b>		<b>249,059</b>	<b>238,453</b>	<b>207,602</b>	<b>204,708</b>
<b>Shareholders' Equity</b>					
Share Capital	22	96,721	92,569	96,721	92,569
Reserves	23	105,307	99,875	93,996	93,766
Retained Profits		41,924	34,605	16,885	12,405
Shareholders' Equity Attributable to Members of the Chief Entity		243,952	227,049	207,602	198,740
Outside Equity Interest in Controlled Entities	24	5,107	5,436	-	-
<b>Total Shareholders' Equity</b>		<b>249,059</b>	<b>232,485</b>	<b>207,602</b>	<b>198,740</b>
Subordinated Perpetual Loans	25	-	5,968	-	5,968
<b>Total Shareholders' Equity and Subordinated Perpetual Loans</b>		<b>249,059</b>	<b>238,453</b>	<b>207,602</b>	<b>204,708</b>

The balance sheets are to be read in conjunction with the notes to and forming part of the accounts set out on pages 55 to 76.

## PROFIT AND LOSS STATEMENTS

for the year ended 30 June 1992

	Note	Consolidated		Company	
		1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
Operating Profit	1,2,3	39,306	35,583	18,322	21,883
Income Tax Attributable to Operating Profit	4	(15,959)	(12,832)	(2,312)	(2,583)
<b>Operating Profit After Income Tax</b>	36	<b>23,347</b>	<b>22,751</b>	<b>16,010</b>	<b>19,300</b>
Outside Equity Interest in Operating Profit after Income Tax		(838)	(1,722)	-	-
<b>Operating Profit After Income Tax Attributable to Members of the Chief Entity</b>		<b>22,509</b>	<b>21,029</b>	<b>16,010</b>	<b>19,300</b>
Loss on Extraordinary Items		-	(6,623)	-	-
Income Tax Attributable to Loss on Extraordinary Items		-	2,623	-	-
Loss on Extraordinary Items after Income Tax	5	-	(4,000)	-	-
<b>Operating Profit and Extraordinary Items after Income Tax Attributable to Members of the Chief Entity</b>		<b>22,509</b>	<b>17,029</b>	<b>16,010</b>	<b>19,300</b>
Retained Profits at the Beginning of the Financial Year		34,605	31,611	12,405	4,707
Adjustment for adoption of AASB1024	38	253	-	-	-
<b>Total Available for Appropriation</b>		<b>57,367</b>	<b>48,640</b>	<b>28,415</b>	<b>24,007</b>
<b>Dividends provided for or paid</b>		<b>(15,438)</b>	<b>(12,668)</b>	<b>(15,438)</b>	<b>(12,668)</b>
Aggregate of Amounts Transferred to Reserves	23	(5)	(1,367)	3,908	1,066
<b>Retained Profits at the End of the Financial Year</b>		<b>41,924</b>	<b>34,605</b>	<b>16,885</b>	<b>12,405</b>

The profit and loss statements are to be read in conjunction with the notes to and forming part of the accounts set out on pages 55 to 76.



# STATEMENT OF CASH FLOWS

for the year ended 30 June 1992

	Consolidated		Company	
	1992	1991	1992	1991
Note	\$'000	\$'000	\$'000	\$'000
<b>Cash Flows From Operating Activities</b>				
Cash receipts in the course of operations	1,542,182	1,511,415	19,672	12,470
Cash payments in the course of operations	(1,347,724)	(1,382,197)	(25,855)	(26,743)
Dividends received	1,070	507	10,213	17,551
Interest received	4,977	4,715	9,418	7,332
Interest paid	(27,011)	(20,381)	(9,601)	(16,069)
Income taxes paid	(11,950)	(5,129)	(3,522)	-
<b>Net cash used in operating activities</b>	41 161,544	108,930	325	(5,459)
<b>Cash Flows From Investing Activities</b>				
(Increase) in Investment in Controlled Entities	-	-	(71,976)	(48,544)
Decrease in Investment in Controlled Entities	-	-	12,680	-
Payments for property, plant and equipment	(84,815)	(97,838)	(265)	(793)
Proceeds from sale of non-current assets	28,488	34,350	59	391
(Increase) in Investment in Other Entities	(21,067)	(38,765)	(1,891)	(7,764)
Decrease in Investment in Other Entities	7,055	11,964	-	-
Loan Repayments by Executives and Staff Shareholders	1,417	991	1,417	991
<b>Net cash used in investing activities</b>	(68,922)	(89,298)	(59,976)	(55,719)
<b>Cash Flows From Financing Activities</b>				
Proceeds from Share Issues*	3,793	53,163	3,002	52,426
Proceeds from Borrowings	34,498	25,006	18,083	10,095
Repayment of Borrowings	(86,127)	(60,923)	-	(27,820)
Loans from Related Entities	-	-	391,555	373,298
Repayment of Loans to Related Entities	-	-	(293,347)	(321,103)
Repayment of Subordinated Perpetual Loan	(2,910)	(17,090)	(2,910)	(17,090)
Dividends Paid*	(12,836)	(6,841)	(12,205)	(6,575)
<b>Net cash used in financing activities</b>	(63,582)	(6,685)	104,178	63,231
<b>Net increase (decrease) in cash held</b>	29,040	12,947	44,527	2,053
<b>Net cash at the beginning of the financial year</b>	41 77,008	64,297	34,029	31,974
<b>Effects of exchange rate changes on the balances of cash held in foreign currencies at the beginning of the year</b>	199	(236)	-	2
<b>Net cash at the end of the financial year</b>	41 106,247	77,008	78,556	34,029

The statements of cash flows are to be read in conjunction with the notes to and forming part of the accounts set out on pages 55 to 76.

\*Net of Dividend Reinvestment Plan of \$2,951 (1991 - \$3,657)

## STATEMENT OF ACCOUNTING PRINCIPLES AND METHODS

The accounting methods adopted by the Economic Entity are in accord with the accounting concepts, standards and disclosure requirements of the Australian accounting bodies, applicable accounting standards and the requirements of law. The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The carrying amounts of all applicable non-current assets are reviewed to determine whether they are in excess of their recoverable amount and in assessing recoverable amounts net present value methods have not been used. The accounts of the Chief Entity (Company) and the Economic Entity (Consolidated) have been prepared in accordance with the provisions of Schedule 5 to the Corporations Regulations. Set out below is a summary of the significant accounting methods adopted where there exists a choice between acceptable methods.

### (a) Consolidation

The consolidated accounts comprise the accounts of Leighton Holdings Limited, being the Chief Entity and its controlled entities. This represents a change in accounting policy which is disclosed in note 38. These controlled entities are listed in note 36 to the accounts.

The Economic Entity's interests in entities which are not controlled entities are shown in the accounts as investments and where applicable dividends are included in operating profit. The investment in associated companies in the consolidated balance sheet has been revalued by the Directors at balance date to reflect the Economic Entity's share of the net assets or market value of the associated companies at that date.

The Economic Entity has included in its investment in associated companies those corporations in which it exercises significant influence. Associated companies included in the Economic Entity accounts are listed in note 26. Interests in partnerships are shown in the accounts at cost with the addition of the Economic Entity's proportion of profits and losses. Profits and losses of controlled entities are included in the consolidated profit and loss from the date control is obtained and excluded from the date the entity is no longer controlled. Transactions and balances between entities within the Economic Entity have been eliminated in full.

### (b) Trade Debtors

Trade debtors includes all net receivables and is the progressive valuation of work completed on construction contracts represented by amounts billed to and receivable from clients less cash received. The valuation of work completed is made after bringing to account a proportion of the estimated contract profits available and after recognising all known losses.

### (c) Profit Recognition

- (i) Profit is recognised on construction contracts on the basis of the value of work completed.
- (ii) The whole of any expected loss on a construction contract is recognised in the accounts as soon as a loss has become apparent.
- (iii) The Economic Entity recognises each year its proportion of revenue and profits from partnerships on the basis of the value of work completed. The whole of any expected loss is brought to account as soon as it becomes apparent.
- (iv) Holding charges comprising rates, taxes and interest on properties currently being developed are capitalised. Holding charges on all other development properties are written off as incurred.
- (v) Profits from property development, housing and land sales are recognised on settlement of the contracts.

### (d) Property, Plant and Equipment

- (i) Depreciation is calculated so as to write off the net book value of property, plant and equipment over their estimated effective working lives using in the case of:
  - freehold buildings – the straight line method;
  - major plant and equipment – the cumulative number of hours worked;
  - other equipment – the diminishing value method.
- (ii) Leasehold properties and improvements and carpark leases are amortised over the terms of the leases.
- (iii) Land and buildings are revalued at least every three years and any potential capital gains tax in relation to assets acquired after 19 September 1985 has not been taken into account as the Directors believe it is unlikely the Economic Entity will be liable for this tax on the basis there is no intention to sell the applicable properties.
- (iv) Where fixed assets are acquired by means of finance leases, the present value of the lease rentals and residuals is included as an asset in the balance sheet and is depreciated over the expected effective working life of those assets. The net present value of future finance lease rentals and residuals is included in the balance sheet as a leasing liability. Operating lease rentals are charged to the profit and loss account as incurred.

### (e) Income Tax

The Economic Entity adopts the liability method of tax effect accounting in accordance with the Approved Accounting Standard AASB1020.

### (f) Foreign Exchange

Overseas controlled entities' accounts, investments, loans and borrowings are translated in accordance with the Approved Accounting Standard AASB1012 "Foreign Currency Translation".

### (g) Inventories

- (i) Development Properties  
Land and buildings and development expenses, including holding costs, are capitalised at the lower of cost and realisable value for properties which are in the process of being developed for re-sale. The holding costs on properties not currently being developed and development properties after completion are charged to the profit and loss account.
- (ii) Trading Inventories  
Finished goods and raw materials are carried at the lower of cost and net realisable value.

### (h) Employee Benefits

The Economic Entity includes in its accounts the liability to its employees for annual leave and for long service leave in Australia after five years' service has been completed and as required by law in overseas subsidiaries. Employee superannuation funds exist to provide benefits for eligible employees or their dependants. Contributions by members of the Economic Entity are charged against profits.

### (i) Property, Contract and Plant Maintenance

Members of the Economic Entity provide for maintenance on construction contracts, repairs and maintenance on plant and equipment over the estimated effective working life of the equipment and for possible losses or costs on sale of development properties held for resale. The provisions at 30 June 1992 (refer notes 18 and 21) represent anticipated costs or possible losses not yet incurred.

### (j) Bills Payable and Promissory Notes

The Economic Entity's liability for bills payable and promissory notes is shown at face value.

### (k) Goodwill

The excess of the purchase consideration of investments in associated companies and for the acquisition of controlled entity operations over the net assets acquired is amortised over the period during which the benefits are expected to arise, which period at present does not exceed ten years (note 15).

### (l) Mining Tenements

The tenements are capitalised at cost and are amortised over the economic life of the investment from the commencement of mining operations.

### (m) Rounding off of Amounts

As the Company is of the kind referred to in Regulation 3.6.05(6) of the Corporations Regulations amounts in the accounts and notes to the accounts have been rounded to the nearest thousand dollars in accordance with Section 311 of the Corporations Law and Regulation 3.6.05 of the Corporations Regulations, unless otherwise indicated.

### (n) Comparative Figures

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures stated in the current year.



## NOTES TO THE ACCOUNTS

		Consolidated		Company	
		1992	1991	1992	1991
		\$'000	\$'000	\$'000	\$'000
<b>Note 1 Revenue</b>	Operating Revenue	1,556,403	1,559,832	-	-
	Other Revenue	5,305	4,959	33,313	46,075
	Proceeds from Sales of Non-Current Assets	28,488	34,350	492	391
	Total Revenue of the Economic Entity	1,590,196	1,599,141	33,805	46,466
<b>Note 2 Operating Profit</b>	The operating profit before income tax is arrived at after crediting and charging the following specific items:				
	<b>Crediting as Revenue:</b>				
	Profit on Sales of Non-Current Assets	5,087	3,967	5	3
	Dividends Received/Receivable				
	- Related Corporations	-	-	10,213	17,551
	- Related Entities	3,784	-	-	-
	Net increment in the value of the investment in associated companies	-	2,421	-	-
	<b>Charging as Expense:</b>				
	Depreciation and Amortisation				
	- Company Owned Assets and Leaseholds	58,965	58,211	967	1,054
	- Finance Leased Plant and Equipment	2,765	1,831	-	-
	Operating Lease Rental Expense	44,101	36,071	56	59
	Bad Debts Written Off	-	1,168	-	-
	Auditors' Remuneration				
	- Amounts received or due and receivable for audit services by:				
	Auditors of the Company	631	509	567	466
	Other Auditors	63	3	-	-
	- Amounts received or due and receivable for other services by:				
	Auditors of the Company	402	284	238	198
	Other Auditors	35	-	-	-
	Loss on Sales of Non-Current Assets	3,283	1,827	8	161
	Loss on Foreign Exchange	-	-	1,523	1,748
	Goodwill Written Off	1,521	1,322	-	-
	Revaluation of Investments	-	-	2,979	-
	Gross Amount Charged to Provisions	83,693	74,016	3,084	1,559
	Provision for possible losses or costs on sale of development properties held for resale	-	10,000	-	-
	Share issue expenses written off (Includes \$3 (1991-\$86) fees to Auditors of the Chief Entity)	35	910	35	910

## NOTES CONTINUED

		Consolidated		Company	
		1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 3</b>					
<b>Interest Expense and Income</b>	The operating profit before income tax is arrived at after crediting and charging the following specific items:				
	<b>Interest Expense</b>				
	Related Entities	293	3,806	293	3,806
	Other Corporations				
	– on Borrowings	12,096	17,034	8,744	12,419
	– on Property Development Partnerships	13,963	3,073	–	–
		<b>26,352</b>	<b>23,913</b>	<b>9,037</b>	<b>16,225</b>
	<b>Interest Income</b>				
	Related Corporations	–	–	20,969	26,562
	Related Entities	1,795	2,109	110	145
	Other Corporations	3,512	2,850	2,021	1,817
		<b>5,307</b>	<b>4,959</b>	<b>23,100</b>	<b>28,524</b>
	<b>Interest previously Capitalised expensed against property sale proceeds</b>	<b>3,904</b>	<b>1,120</b>	<b>–</b>	<b>–</b>
	<b>Finance Charges</b>				
	Finance Leased Assets	896	685	–	–
<b>Note 4</b>					
<b>Income Tax Expense</b>	Operating profit before income tax	39,306	35,583	18,322	21,883
	Net (increment) in the value of the investment in associated companies (note 26)	–	(2,421)	–	–
	Operating profit before income tax – excluding associated companies	<b>39,306</b>	<b>33,162</b>	<b>18,322</b>	<b>21,883</b>
	Prima facie income tax expense at 39%	<b>15,329</b>	<b>12,933</b>	<b>7,146</b>	<b>8,534</b>
	The following items have affected income tax expense for the period:				
	– Rebateable dividends	–	–	(7,517)	(6,845)
	– Fringe benefits tax and other non-allowable items	3,134	3,658	430	634
	– Revaluation of investments	–	–	1,162	–
	– Depreciation and amortisation not allowable for tax	699	452	114	114
	– Capital (profits)/losses non-taxable	(76)	(148)	(1)	63
	– Building allowance	(833)	–	–	–
	– Recoupment of tax losses not previously recognised in the accounts	(1,679)	(2,640)	–	–
	– Overseas income tax rate differential	(1,078)	(934)	880	–
	Current period income tax expense	<b>15,496</b>	<b>13,321</b>	<b>2,214</b>	<b>2,500</b>
	– Under/(over) provision for prior year	463	(489)	98	83
	<b>Total Income Tax Expense</b>	<b>15,959</b>	<b>12,832</b>	<b>2,312</b>	<b>2,583</b>
	<b>Provision for Income Tax</b>				
	Income tax expense	<b>15,959</b>	<b>12,832</b>	<b>2,312</b>	<b>2,583</b>
	Taxable foreign currency gains/(losses)	(729)	(552)	–	–
	Net timing differences	(6,273)	427	870	597
	<b>Income Tax Payable (note 18)</b>	<b>8,957</b>	<b>12,707</b>	<b>3,182</b>	<b>3,180</b>



## NOTES CONTINUED

		Consolidated		Company	
		1992	1991	1992	1991
		\$'000	\$'000	\$'000	\$'000
<b>Note 4</b>	<b>Future Income Tax Benefits</b>				
<b>Income Tax Expense (continued)</b>	Included in future income tax benefit (note 16) is \$583 (1991 – \$1,432) attributable to operating and capital gains tax losses, \$20,838 (1991 – \$17,068) in provisions not currently allowable as an income tax deduction and \$5,236 (1991 – \$5,741) in increased contract profit recognition for taxation purposes. The unrecorded future tax benefit available to some members of the Economic Entity at 30 June 1992 at the applicable rates of tax was \$597 (1991 – \$3,867). The benefit of these income tax losses will be utilised only if those entities earn sufficient profit in the future and continue to comply with the provisions of the income tax legislation relating to the deduction of carried forward tax losses.				
	The Company is taxed as a public company.				
	The Economic Entity is currently under audit by the Australian Taxation Office as part of its large case audit programme. The directors and the Economic Entity's taxation advisers believe the Economic Entity has adequately provided for its taxation liabilities.				
<b>Note 5</b>	<b>Extraordinary Items (Net of Tax)</b>				
	Provision for loss on closure of development property business in USA (1991 Income tax benefit – \$2,623)	–	(4,000)	–	–
<b>Note 6</b>	<b>Funds on Deposit – General</b>	<b>70,473</b>	62,600	<b>40,165</b>	24,910
<b>Current Assets</b>	– Accelerated Contract Receipts	<b>29,502</b>	–	<b>29,502</b>	–
<b>– Cash</b>	Cash at Bank and in Hand	<b>6,272</b>	14,549	<b>8,889</b>	9,119
		<b>106,247</b>	77,149	<b>78,556</b>	34,029
<b>Note 7</b>	<b>Trade Debtors Receivable</b>	<b>136,566</b>	149,195	–	–
<b>Current Assets</b>	<b>Other Amounts Receivable</b>	<b>24,199</b>	22,478	<b>6,529</b>	6,054
<b>– Receivables</b>		<b>160,765</b>	171,673	<b>6,529</b>	6,054
	<b>Contract Valuations</b>				
	Progressive value of work completed at 30 June	<b>3,780,444</b>	3,212,243	–	–
	<b>Progressive Billings</b>				
	Contract Receivables	<b>115,647</b>	133,690	–	–
	Retentions held by Clients	<b>20,919</b>	15,505	–	–
	<b>Trade Debtors Receivable from Clients</b>	<b>136,566</b>	149,195	–	–
	Cash received to date	<b>3,643,878</b>	3,063,048	–	–
	<b>Total Progress Billings</b>	<b>3,780,444</b>	3,212,243	–	–
<b>Note 8</b>	<b>Interest in construction and property partnerships</b>	<b>7,424</b>	12,598	–	–
<b>Current Assets</b>	<b>Associated Companies – Advances (note 26)</b>	<b>4,000</b>	5,832	–	108
<b>– Investments</b>		<b>11,424</b>	18,430	–	108
<b>Note 9</b>	<b>Development Properties Inventories</b>				
<b>Current Assets</b>	<b>Cost</b>	<b>3,531</b>	14,832	–	–
<b>– Inventories</b>	Development expenses capitalised	<b>8,403</b>	15,944	–	–
	Rates, taxes, interest, etc, capitalised	<b>885</b>	3,643	–	–
	<b>Total Project Costs</b>	<b>12,819</b>	34,419	–	–
	<b>Trading Inventories</b>				
	Finished Goods – at cost	<b>2,770</b>	2,855	–	–
	Raw Materials – at cost	<b>3,182</b>	2,064	–	–
		<b>5,952</b>	4,919	–	–
		<b>18,771</b>	39,338	–	–

Development properties are held at cost. The net realisable value of the properties is expected to be not less than cost.

Trading Inventory represents finished reinforcing steel and raw steel stocks. The net realisable value of the trading inventories is expected to be not less than cost.

# NOTES CONTINUED

		Consolidated		Company	
		1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 10</b>	Prepayments	<b>4,009</b>	7,484	<b>768</b>	766
<b>Other Current Assets</b>					
<b>Note 11</b>	Loans	<b>2,872</b>	4,230	<b>2,813</b>	4,230
<b>Non-Current Assets – Receivables</b>					
<b>Note 12</b>	<b>Shares and Securities</b>				
<b>Non-Current Assets – Investments</b>	Government and semi-government securities – cost	–	121	–	–
	<b>Controlled Entities</b>				
	Shares not quoted on a prescribed Stock Exchange – cost (note 36)	–	–	<b>349,610</b>	290,313
	Amounts receivable from controlled entities	–	–	<b>66,043</b>	83,682
	Provision for diminution in value	–	–	<b>(5,065)</b>	(5,065)
		–	–	<b>60,978</b>	78,617
	<b>Total Investment in Controlled Entities</b>	–	–	<b>410,588</b>	368,930
	<b>Other Entities**</b>				
	Interest in Trusts – Cost	–	157	–	–
	– Valuation	<b>449</b>	–	–	–
	Interest in Partnerships* – Cost	–	10,590	–	4,531
	– Valuation	<b>4,852</b>	–	<b>4,852</b>	–
	Shares not quoted on a prescribed Stock Exchange – Cost	–	4,238	–	4,182
	– Valuation	<b>1,338</b>	–	<b>1,338</b>	–
		<b>6,639</b>	14,985	<b>6,190</b>	8,713
	<b>Associated Companies (note 26)**</b>				
	Shares not quoted on a prescribed Stock Exchange – valuation – June 1992	<b>47,572</b>	–	<b>25,373</b>	–
	– valuation – June 1991	–	35,243	–	14,333
	Advances – at cost	–	33,916	–	3,308
	– at valuation	<b>20,128</b>	–	<b>3,907</b>	–
		<b>67,700</b>	69,159	<b>29,280</b>	17,641
	<b>Total Investments</b>	<b>74,339</b>	84,265	<b>446,058</b>	395,284

\*Leighton Holdings Ltd has granted a registered charge over its interest in Australia's Wonderland to provide funding to the partners for the development. No claim is anticipated against this charge as the assets of the partnership exceed its liabilities.

\*\*All non-current investments in non controlled entities have been revalued at June 1992 by the Directors and the net increase on revaluation has been taken to reserves. The revaluation was based on an officers assessment of the non controlled entity and the revaluation was not made in accordance with a policy of regular revaluation of this class of assets. In revaluing this class of assets the potential capital gains tax has not been taken into account as the Directors believe it is unlikely the Economic Entity will be liable for this tax. At June 1991 all retained earnings or accumulated retained losses and other reserves of the associated companies were included in the carrying amount of the investment. This method of assessment of the carrying value of the investment in associated companies resulted in the Economic Entity accounts effectively recognising the Economic Entity's equity share of profits from the associated companies. This policy had been adopted pursuant to the provisions of applicable accounting standards AASB1010 and AASB1018 since the recognition of such equity share of profits reflected a partial reversal of a diminution in value of the investment in associated companies expensed against group profits in prior years.



## NOTES CONTINUED

		Consolidated		Company	
		1992	1991	1992	1991
		\$'000	\$'000	\$'000	\$'000
<b>Note 13</b>	<b>Development Properties – Australia</b>				
<b>Non-Current</b>	Cost	97,776	11,173	-	-
<b>Assets</b>	Development expenses capitalised	80,573	1,111	-	-
<b>– Inventories</b>	Rates, taxes, interest, etc, capitalised	39,645	4,016	-	-
		217,994	16,300	-	-
	Less: External Australian borrowings secured under non-recourse loan facilities	52,178	-	-	-
		165,816	16,300	-	-
	<b>Development Properties – USA</b>				
	Cost	27,416	8,555	-	-
	Development expenses capitalised	41,477	23,929	-	-
	Rates, taxes, interest, etc, capitalised	2,378	2,316	-	-
		71,271	34,800	-	-
	Less: External USA borrowings secured under non-recourse loan facilities	43,248	9,091	-	-
		28,023	25,709	-	-
	<b>Total Development Properties*</b>	193,839	42,009	-	-

\*The comparative 1991 development properties total if controlled entity properties had been consolidated under AASB1024 would be \$178,006.

Development properties are held at cost. The net realisable value of the properties is expected to be not less than cost. Given the current low level of demand for investment properties and high vacancy factors, it can be assumed that the development properties would be sold at a loss if they were to be sold in the present depressed property market. The Economic Entity plans to retain the development properties until the market improves and they can be sold at acceptable prices. The Economic Entity has the financial capacity to hold the properties. The development costs includes the major developments within Leighton Properties of: St Kilda Office – \$90 million, Adelaide Retail/Car Park – \$28 million, North Sydney Land – \$37 million.

## NOTES CONTINUED

		Consolidated		Company	
		1992	1991	1992	1991
		\$'000	\$'000	\$'000	\$'000
<b>Note 14</b>	<b>Land</b>				
<b>Non-Current Assets</b>	Cost	-	3,382	-	107
<b>- Property, Plant and Equipment</b>	Independent valuation - December 1988	-	15,596	-	9,592
	- June 1992	16,146	-	6,320	-
		16,146	18,978	6,320	9,699
	<b>Buildings</b>				
	Cost	-	4,575	-	327
	Independent valuation - December 1988	-	20,367	-	11,640
	- June 1992	24,416	-	13,130	-
		24,416	24,942	13,130	11,967
	Provision for depreciation	-	(1,487)	-	(725)
		24,416	23,455	13,130	11,242
	<b>Leasehold Land and Building</b>				
	Independent valuation - December 1988	-	1,700	-	-
	- June 1992	1,000	-	-	-
		1,000	1,700	-	-
	Provision for Amortisation	-	(441)	-	-
		1,000	1,259	-	-
	<b>Leasehold Improvements</b>				
	Cost	6,666	7,331	-	-
	Provision for Amortisation	(1,804)	(959)	-	-
		4,862	6,372	-	-
	<b>Plant and Equipment</b>				
	Cost	395,516	370,133	6,358	6,638
	Provision for depreciation	(186,879)	(164,765)	(4,253)	(4,103)
		208,637	205,368	2,105	2,535
	<b>Leased Plant and Equipment</b>				
	Cost	12,463	13,684	-	-
	Provision for depreciation	(4,201)	(2,140)	-	-
		8,262	11,544	-	-
		216,899	216,912	2,105	2,535
	<b>Total Property Plant and Equipment</b>	263,323	266,976	21,555	23,476

Plant and Equipment includes motor vehicles, office furniture and equipment and construction equipment. Land and buildings are independently revalued at least every three years and included in the financial statements at the revalued amounts. As part of this policy all properties were revalued during the year on an open market basis by C.N.P. Breach [FRICS, FVLE (Econ), AVLE (Val)] of Jones Lang Wootton in Australia.



## NOTES CONTINUED

		Consolidated		Company	
		1992	1991	1992	1991
		\$'000	\$'000	\$'000	\$'000
<b>Note 15</b>	Unamortised balance of goodwill in controlled entities	3,761	4,321	-	-
<b>Non-Current Assets</b>	Goodwill acquired during the period	2,079	60	-	-
<b>- Intangibles</b>	Less: goodwill written off during the year	746	620	-	-
	Cost less amounts written off	5,094	3,761	-	-
	Unamortised balance of goodwill in an associated company	3,397	4,099	-	-
	Less: goodwill written off during the year	775	702	-	-
	Less: written back on revaluation	2,622	-	-	-
	Cost less amounts written off*	-	3,397	-	-
*1991 - Included in Investment in Associated Companies at valuation (note 26)					
Goodwill from the acquisition of controlled entity operations of \$8,638 is being written off over a period of 10 years or the period the benefit is expected to arise, whichever is the lesser. The unamortised balance of the original Goodwill of \$8,522 arising from the purchase of an investment in an associated company has been written back on revaluation of the investment.					
<b>Note 16</b>	Future Income Tax Benefit (note 4)	26,657	24,241	5,571	5,068
<b>Other Assets</b>	Mining Tenements - Cost*	4,126	4,126	-	-
		30,783	28,367	5,571	5,068
*The tenements are capitalised at cost and will be amortised over the economic life of the investment from commencement of the mining operations. The recoupment of these costs is dependent on successful development or sale. The tenements are under exploration assessment.					
<b>Note 17</b>	Trade Creditors	235,146	229,803	4,283	6,088
<b>Current</b>	Other Creditors	19,299	14,424	2,137	328
<b>Liabilities</b>	Bank Overdraft	-	141	-	-
<b>- Creditors &amp; Borrowings</b>	Leasing Liabilities (note 35)	3,760	3,893	-	-
	Unsecured Loans	410	568	-	-
		258,615	248,829	6,420	6,416
<b>Note 18</b>	Income Tax Payable (note 4)	8,957	12,707	3,182	3,180
<b>Current</b>	Employee Benefits	11,179	10,799	385	495
<b>Liabilities</b>	Dividend	7,744	7,463	7,744	7,463
<b>- Provisions</b>	Contract and Plant Maintenance Provisions	5,049	5,818	-	-
		32,929	36,787	11,311	11,138
<b>Note 19</b>	Amounts Payable to Partnerships	659	1,977	-	-
<b>Other Current Liabilities</b>					
<b>Note 20</b>	Trade Creditors	13,409	2,515	-	-
<b>Non-Current</b>	Unsecured Loans*	177,191	101,619	85,333	67,622
<b>Liabilities</b>	Bills Payable	20,000	20,000	20,000	20,000
<b>- Creditors &amp; Borrowings</b>	Leasing Liability (note 35)	2,981	7,174	-	-
	Payable to Controlled Entities	-	-	220,359	150,975
		213,581	131,308	325,692	238,597

\*Increase in unsecured loans in 1992 includes consolidation of controlled entity loans under AASB1024.

## NOTES CONTINUED

		Consolidated		Company	
		1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 21</b>	Deferred Income Tax	40,691	30,516	1,723	2,156
<b>Non-Current</b>	Employee Benefits	23,460	18,564	8,234	5,312
<b>Liabilities</b>	Contract and Plant Maintenance Provisions	37,287	20,625	868	688
<b>- Provisions</b>	Property Provision*	15,185	16,623	-	-
		<b>116,623</b>	<b>86,328</b>	<b>10,825</b>	<b>8,156</b>

\*Provision for loss on closure of development property business in USA and provision for possible losses or costs on sale of development properties held for resale in Australia.

<b>Note 22</b>	<b>Authorised</b>				
<b>Share Capital</b>	600,000,000 Ordinary shares of 50¢ each (1991 - 199,400,000)	300,000	99,700	300,000	99,700
	3,000,000 first ranking cumulative redeemable non participating preference shares of 10¢ each	-	300	-	300
		<b>300,000</b>	<b>100,000</b>	<b>300,000</b>	<b>100,000</b>
	<b>Issued</b>				
	193,442,415 Ordinary shares of 50¢ each fully paid (1991 - 185,138,464)	96,721	92,569	96,721	92,569
	<b>Increase in Issued Capital During the Year</b>				
	4,488,460 ordinary shares of 50¢ each issued under the Dividend Reinvestment Plan at a premium of 17¢ per share	-	2,244	-	2,244
	607,298 ordinary shares of 50¢ each issued under the Dividend Reinvestment Plan at a premium of 57¢ per share	-	304	-	304
	13,050,000 ordinary shares of 50¢ each issued by share placement at a premium of 68¢ per share	-	6,525	-	6,525
	4,312,950 ordinary shares of 50¢ each converted from Subordinated Perpetual Convertible Loan at a premium of 45¢ per share	-	2,156	-	2,156
	37,027,165 ordinary shares of 50¢ each issued by 1 for 4 rights issue at a premium of 50¢ per share	-	18,514	-	18,514
	1,242,315 ordinary shares of 50¢ each issued under the Dividend Reinvestment Plan at a premium of 68¢ per share	621	-	621	-
	185,000 ordinary shares of 50¢ each issued under the Leighton Staff Equity Participation Plan at a premium of 15.75¢ per share	93	-	93	-
	3,218,470 ordinary shares of 50¢ each converted from Subordinated Perpetual Convertible Loan at a premium of 45¢ per share	1,609	-	1,609	-
	2,549,309 shares of 50¢ each allotted to Hochtief at a premium of 63¢ per share	1,275	-	1,275	-
	1,108,857 ordinary shares of 50¢ each issued under the Dividend Reinvestment Plan at a premium of 84¢ per share	554	-	554	-

Options: As at 30 June 1992, on issue were 730,000 options convertible to 730,000 shares exercisable before 31 July 1994 pursuant to the Leighton Staff Equity Participation Plan. Since 30 June 1992, 160,000 options have been exercised.



# NOTES CONTINUED

		Consolidated		Company	
		1992	1991	1992	1991
		\$'000	\$'000	\$'000	\$'000
<b>Note 23 Reserves</b>	General	25	25	25	25
	Redemption	60	60	60	60
	Capital Profits	11,603	9,960	4,997	3,393
	Foreign Currency Translation	(2,961)	(3,365)	(518)	411
	Asset Revaluation	8,772	10,247	1,624	6,929
	Share Premium	87,808	82,948	87,808	82,948
		<b>105,307</b>	<b>99,875</b>	<b>93,996</b>	<b>93,766</b>
	<b>Movements</b>				
	<b>Capital Profits</b>				
	Opening Balance	9,960	9,184	3,393	3,393
	Profit on sale of non-current assets transferred from:				
	– Asset revaluation	1,638	98	1,604	–
	– Profit and Loss Account	5	678	–	–
	Closing Balance	<b>11,603</b>	<b>9,960</b>	<b>4,997</b>	<b>3,393</b>
	<b>Foreign Currency Translation</b>				
	Opening Balance	(3,365)	(2,869)	411	1,477
	Translation of overseas controlled entity accounts & borrowings applicable to overseas investments	404	(496)	–	–
	Transfer from Profit and Loss Account	–	–	(929)	(1,066)
	Closing Balance	<b>(2,961)</b>	<b>(3,365)</b>	<b>(518)</b>	<b>411</b>
	<b>Asset Revaluation</b>				
	Opening Balance	10,247	9,656	6,929	6,929
	Transfer to capital profits reserve	(1,638)	(98)	(1,604)	–
	Transfer from Profit and Loss Account	–	689	(2,979)	–
	Surplus/(Deficiency) on Revaluations	163	–	(722)	–
	Closing Balance	<b>8,772</b>	<b>10,247</b>	<b>1,624</b>	<b>6,929</b>
	<b>Share Premium</b>				
	Opening Balance	82,948	52,511	82,948	52,511
	Ordinary Shares issued at a premium				
	– 59,485,873 shares in 1990/91	–	30,437	–	30,437
	– 8,303,951 shares in 1991/92	4,860	–	4,860	–
	Closing Balance	<b>87,808</b>	<b>82,948</b>	<b>87,808</b>	<b>82,948</b>
<b>Note 24 Outside Equity Interest in Controlled Entities</b>	Share Capital	3,949	3,203	–	–
	Reserves	41	72	–	–
	Retained Profits	1,117	2,161	–	–
		<b>5,107</b>	<b>5,436</b>	<b>–</b>	<b>–</b>
<b>Note 25 Subordinated Perpetual Loans</b>	Subordinated Perpetual Convertible Loan	–	3,058	–	3,058
	Subordinated Perpetual Loan	–	2,910	–	2,910
		<b>–</b>	<b>5,968</b>	<b>–</b>	<b>5,968</b>

The Subordinated Perpetual Convertible Loan was converted to ordinary shares during the year. The Subordinated Perpetual Loan was repaid to Hochtief during the year, Hochtief subsequently increased their shareholding by a similar amount in the company.

## NOTES CONTINUED

### Note 26 Investments – Associated Companies

Associated Company	Balance Date	Activity	Location	Economic Entity Interest at Year End	
				1992	1991
				%	%
Green Holdings, Inc.	31 Dec 1991	Civil Engineering, Building & Mining	USA	50	50
Ipcos Marine Group	30 June 1992	Marine & Civil Engineering	Asia	45	45
Adelaide Terrace Investments Pty Ltd	30 June 1992	Property Development	Aust	*	24
Kaparidge Pty Limited	30 June 1992	Property Development	Aust	50	50
Dovida Pty Limited	30 June 1992	Property Development	Aust	*	50
Comserv (No. 1776) Pty Limited	30 June 1992	Property Development	Aust	*	50
Thai Leighton Limited	30 June 1992	Civil Engineering, Building	Thai	*	49
Leighton-Brückner (Thailand) Co Ltd	30 June 1992	Foundation Engineering	Thai	30	30
Mamasan Pty Limited	30 June 1992	Property Development	Aust	*	50
Interlink Roads Pty Limited	30 June 1992	Tollroad Operations	Aust	50	50
Pluteus ACT (No. 7) Pty Limited	30 June 1992	Property Development	Aust	24	24

\*Consolidated as controlled entities in 1992 pursuant to accounting standard AASB1024.

Associated Company	Carrying Value of Shares		Advances		Dividends Received/ Receivable	
	1992	1991	1992	1991	1992	1991
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Green Holdings, Inc.	25,502	14,462	4,958	11,529	–	–
Ipcos Marine Group	21,869	19,477	–	–	4,854	507
Adelaide Terrace Investments Pty Ltd	–	5	–	15,305	–	–
Kaparidge Pty Limited	–	–	9,273	3,050	–	–
Dovida Pty Limited	–	–	–	1,069	–	–
Comserv (No. 1776) Pty Limited	–	–	–	1,667	–	–
Thai Leighton Limited	–	15	–	585	–	–
Leighton-Brückner (Thailand) Co Ltd	201	1,278	1,096	25	–	–
Mamasan Pty Limited	–	–	–	6	–	–
Interlink Roads Pty Limited	–	–	5,601	2,563	–	–
Pluteus ACT (No. 7) Pty Limited	–	–	3,200	3,212	–	–
Other	–	6	–	737	–	–
	47,572	35,243	24,128	39,748	4,854	507

The details of Associated Companies disclosed are for the Economic Entity. The only material investment held by the Chief Entity is in Green Holdings Inc where the details are identical except that the advances from Leighton Holdings Ltd were \$3.907 million (1991 – \$3.308 million).

	Consolidated	
	1992	1991
	\$'000	\$'000
Shares and Securities (note 12)	–	121
Other Entities (note 12)	6,639	14,985
	6,639	15,106
Associated Companies		
– Investments at Cost	–	120,320
– Cumulative Profit/Loss since Acquisition	–	(20,834)
– Dividends Received since Acquisition	–	(25,202)
– Goodwill Written Off	–	(5,125)
– At Valuation – June 1992	67,700	–
Net Investments in Associates (note 12)	67,700	69,159
Non Current Investments	74,339	84,265
Associated Companies		
– Advances (note 8)	4,000	5,832
– Net Investment (note 12)	67,700	69,159
	71,700	74,991



## NOTES CONTINUED

	Consolidated		Company	
	1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 26</b>				
<b>Investments</b>				
<b>– Associated Companies</b>				
<b>(continued)</b>				
Associate Companies Revenue	143,636	110,903		
<b>Associate Companies Profit</b>				
Associate Companies Profit before Income Tax	4,862	2,924		
Income Tax Expense	(1,078)	(503)		
Net Profit of associated companies (note 12)	3,784	2,421		
Dividends received or receivable – Final Dividend 1991	1,070	507		
– Final Dividend 1992	3,784	–		
	<b>4,854</b>	<b>507</b>		
There were no post balance date events which would materially affect the financial position or performance of any associated company and there were no dissimilar accounting policies used by the associated companies.				
The investment in associated companies has been revalued based on officers' assessment at June 1992. Previously, revaluations reflected a reversal of a provision for diminution in value for such investments expensed in prior years, no longer required.				
As at 30 June 1992 Green Mining in the USA had an overseas overdue trade receivable from a foreign government owned company of \$US10.905 million (1991 – \$US8.855 million) which is in the process to recover the debt under an overseas trade indemnity insurance policy.				
The Economic Entity has interests in other associated companies which, at 30 June 1992, were not of a material size or contribution to the Economic Entity's activities to warrant separate disclosure.				
<b>Note 27</b>				
<b>Capital</b>				
<b>Commitments</b>				
Plant and Equipment	31,234	6,725	–	–
All capital commitments contracted are payable within one year.				
<b>Note 28</b>				
<b>Bank Guarantees</b>				
<b>Insurance Bonds</b>				
<b>and Letters</b>				
<b>of Credit</b>				
Contingent liability under indemnities given on behalf of subsidiaries in respect of:				
i) Bank Guarantees	115,963	109,315	115,963	109,315
ii) Insurance Performance & Payment Bonds	44,230	45,664	44,230	45,664
iii) Letters of Credit	9,004	3,752	9,004	3,752
Contingent liability under indemnities given on behalf of an associated company in respect of:				
i) Letters of Credit	7,734	7,532	7,734	7,532
The Company has indemnified a bonding company which has provided bonds to an associated company, Green Holdings Inc and its subsidiaries. The value of these bonds is \$US232 million (1991 – \$US204 million) of which \$US134 million (1991 – \$US50 million) is related to uncompleted work. The above amounts are the face value of the relevant securities and no claims are anticipated under the indemnities.				

## NOTES CONTINUED

	Consolidated		Company	
	1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 29 Other Contingent Liabilities</b>				
(i) Guarantees and undertakings given in respect of borrowings by:				
– Controlled Entities			31,990	42,778
– Associated Companies	\$US9,634	\$US12,800	\$US9,634	\$US12,800
(ii) The Company is called upon to give in the ordinary course of business guarantees and indemnities in respect of the performance by controlled entities, associated companies and related parties of their contractual and financial obligations. These guarantees and indemnities are indeterminable in amount.				
(iii) Some entities in the Economic Entity have entered into put and call options over shares in various controlled entities in connection with their project finance facilities. The options are not material.				
(iv) A liability may exist under the Leighton Staff Equity Participation Plan in the event of the share price being lower than the issue price for the sale of shares on termination of employment of participating employees.				
(v) There exists in some members of the Economic Entity the normal design liability in relation to completed design and construction projects. The Directors are of the opinion that there is adequate insurance cover for this liability.				
(vi) Certain members of the Economic Entity have the normal contractor's liability for the completion of construction contracts which liability may include litigation by or against the entities.				
(vii) Controlled entities have entered into various partnership and trust arrangements under which the controlled entity may be jointly and severally liable for the liabilities of the partnership or trust.				
(viii) At 30 June 1991 under the terms of the Class Order issued pursuant to Section 273(5) of the Companies (Victoria) Code the Company had entered into approved deeds of indemnity for the cross-guarantee of liabilities with participating Australian controlled bodies corporate. This Class Order has now been cancelled and the guarantees revoked.				
(ix) There are no contingent liabilities of the Company or the Economic Entity for termination benefits.				
No claims are anticipated in respect of contingent liabilities.				

Note 30 Result by Segments	Contracting & Project Management		Property Development	Unallocated	Total
	\$'000		\$'000	\$'000	\$'000
Industry					
1992					
Total Revenue	1,534,306	50,091	5,799	1,590,196	
Operating Profit/(Loss)					
Before Tax	79,229	(31,912)	(8,011)	39,306	
Total Assets	550,114	224,723*	96,629	871,466	
1991					
Total Revenue	1,565,042	29,140	4,959	1,599,141	
Operating Profit/(Loss)					
Before Tax	71,903	(24,323)	(11,997)	35,583	
Total Assets	564,612	108,924	70,146	743,682	
Geographic	Australia	S.E. Asia	U.S.A.	Total	
	\$'000	\$'000	\$'000	\$'000	
1992					
Total Revenue	1,326,697	262,334	1,165	1,590,196	
Operating Profit/(Loss)					
Before Tax	22,600	16,906	(200)	39,306	
Total Assets	641,058	171,418	58,990	871,466	
1991					
Total Revenue	1,257,742	331,931	9,468	1,599,141	
Operating Profit/(Loss)					
Before Tax	23,136	14,196	(1,749)	35,583	
Total Assets	516,424	172,140	55,118	743,682	

All transactions with related parties are made on normal commercial terms and conditions and the aggregate of related party transactions are not material in the overall operations of the Economic Entity or the Chief Entity except for the provision of subordinated loans from HOCHTIEF Limited as shown in note 25 on which interest was paid in accordance with the loan agreements.

The division of the operating profit/(loss) and assets into industry and geographic segments has been ascertained by reference to direct identification of assets and revenue/cost centres. Other expenses and assets which cannot be allocated to an industry segment are reported as unallocated.

\*Increase in total assets in Property Development is due to the consolidation of controlled entities' assets as required by accounting standard AASB1024.



## NOTES CONTINUED

	Consolidated		Company	
	1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 31 Directors' Emoluments</b>				
Amounts received, or due and receivable, by Directors of Leighton Holdings Limited and executive and non-executive directors of controlled entities (excludes Superannuation payment included in note 33)	11,268	9,829	3,133	2,468
Number of Directors of Leighton Holdings Limited whose remuneration, which includes salary and allowances, performance bonus, provision of motor vehicles, fringe benefits and accommodation costs, were within the following bands:				
\$ 10,000 - \$ 19,999			-	2
\$ 30,000 - \$ 39,999			-	3
\$ 40,000 - \$ 49,999			4	1
\$ 70,000 - \$ 79,999			1	1
\$ 80,000 - \$ 89,999			1	-
\$ 440,000 - \$ 449,999			-	1
\$ 450,000 - \$ 459,999			1	-
\$ 880,000 - \$ 889,999			-	2
\$ 900,000 - \$ 910,000			1	-
\$1,440,000 - \$1,449,999			1	-
<b>Note 32 Remuneration of Executives</b>				
Amounts received, or due and receivable by executive officers, whose remuneration equals or exceeds \$100,000.	10,539	8,669	3,361	2,775
Number of executive officers whose remuneration, which includes salary and allowances, performance bonus, provision of motor vehicles, fringe benefits and accommodation costs, equals or exceeds \$100,000 were within the following bands:				
\$ 140,000 - \$ 149,999	1	-	-	-
\$ 150,000 - \$ 159,999	1	-	-	-
\$ 160,000 - \$ 169,999	1	1	-	-
\$ 170,000 - \$ 179,999	1	1	-	-
\$ 180,000 - \$ 189,999	-	1	-	-
\$ 200,000 - \$ 209,999	2	-	-	-
\$ 210,000 - \$ 219,999	1	-	-	-
\$ 220,000 - \$ 229,999	-	1	-	-
\$ 230,000 - \$ 239,999	2	4	-	-
\$ 240,000 - \$ 249,999	3	3	-	-
\$ 250,000 - \$ 259,999	-	4	-	-
\$ 260,000 - \$ 269,999	2	-	-	-
\$ 270,000 - \$ 279,999	3	1	2	1
\$ 280,000 - \$ 289,999	1	1	-	1
\$ 290,000 - \$ 299,999	2	1	-	-
\$ 300,000 - \$ 309,999	1	1	-	-
\$ 360,000 - \$ 369,999	2	1	-	-
\$ 420,000 - \$ 429,999	1	-	-	-
\$ 430,000 - \$ 439,999	1	-	-	-
\$ 440,000 - \$ 449,999	-	1	-	1
\$ 450,000 - \$ 459,999	1	1	1	-
\$ 490,000 - \$ 499,999	1	1	-	-
\$ 500,000 - \$ 509,999	-	1	-	-
\$ 590,000 - \$ 599,999	1	-	-	-
\$ 880,000 - \$ 889,999	-	2	-	2
\$ 900,000 - \$ 910,000	1	-	1	-
\$1,440,000 - \$1,449,999	1	-	1	-

## NOTES CONTINUED

	Consolidated		Company	
	1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 33 Superannuation Benefits and Commitments</b>	<p>Superannuation and Retirement Benefits:</p> <p>Amounts paid to superannuation funds for Executive Directors of Leighton Holdings Limited and controlled entities are disclosed in aggregate as the Directors believe the provision of full particulars would be unreasonable</p>			
	623	571	78	50
	<p>An executive director of a controlled entity received a retirement benefit of \$355 thousand from the entity in consequence of his termination of office.</p> <p>On termination, employees are entitled to benefits under the various funds. The superannuation plans provide defined benefits based on years of service and final average salary or accumulated benefits based on the employee's contribution and the actual earnings of the fund.</p> <p>Employees contribute to the plans at various percentages of their salaries or wages. The Company and its controlled entities also contribute to the plans at various percentages of the employee's salary or wages. Future contributions to superannuation funds sponsored by the Economic Entity are not legally enforceable provided that vested benefits are fully funded.</p> <p>The Economic Entity also contributes to various industry award funds in accordance with the relevant awards. Contributions are enforceable in accordance with the relevant award.</p> <p>Actuarial assessments of the applicable plans were last made at 30 June 1991 by Mercer Campbell Cook &amp; Knight Pty Ltd and the Wyatt Company, and at 1 January 1990 by Buck Consultants Pty Limited. Based on these assessments, the Directors are of the view that the assets of each of the funds are sufficient to satisfy all benefits that would have vested under the plans in the event of termination of the plans, and voluntary or compulsory termination of employment of each employee.</p>			
<b>Note 34 Loans to Executive Directors</b>	<p>Approval was given by shareholders for the establishment of the Leighton Staff Equity Participation Plan on 22 July 1981 and a senior executive loan plan on 29 October 1982. Under both plans loans amounting to \$1,160,421 (1991 - \$1,595,859) and ranging from \$1,772 to \$150,000 (1991 - \$2,212 to \$150,000) have been made to 31 (1991 - 29) Executive Directors of Leighton Holdings Limited and related entities. Interest of \$114,325 (1991 - \$144,860) was received on senior executive loans.</p> <p>Loans under the Staff Equity Participation Plan are interest free and repayable from dividend income earned by the shares acquired under the Plan. The loans are secured by a charge over the shares issued under the Plan. During the year repayments totalling \$329,651 (1991 - \$378,563) were received in respect of the Plan from D. Adamsas, L. Ainsworth, M. Albrecht, D. Argent, K. Bennett, B. Bush, B. Campaign, B. Cattell, B. Clark, P. Cooper, T. Cooper, J. Faulkner, C. Firmin, E. Furney, M. Gray, R. Gussey, R. Hawkins, J. Holt, R. Hunter, C. Jesse, W. King, R. Logan, G. McOrist, R. Merkenhof, E. Mitchell, N. Sallustio, A. Spink, R. Turchini, V. Vella, W. West, W. Wild, P. Williams, H. Wu, E. Young and T. Young. Repayments in respect of senior executive loans totalling \$165,000 (1991 - \$125,000) were received from T. Cooper, G. McOrist and V. Vella.</p> <p>The amounts in this note have not been rounded off to the nearest thousand dollars.</p>			



## NOTES CONTINUED

	Consolidated		Company	
	1992 \$'000	1991 \$'000	1992 \$'000	1991 \$'000
<b>Note 35</b>				
<b>Lease &amp; Rental Commitments</b>				
<b>Finance Leases</b>				
Lease Commitments capitalised				
- Not later than one year	4,115	4,791	-	-
- Later than one year but not later than two years	2,392	4,592	-	-
- Later than two years but not later than five years	673	3,266	-	-
- Later than five years	-	-	-	-
	7,180	12,649	-	-
Less future finance charges	439	1,582	-	-
Present value of leasing liability	6,741	11,067	-	-
Current Liability (note 17)	3,760	3,893	-	-
Non Current Liability (note 20)	2,981	7,174	-	-
<b>Operating Leases</b>				
Plant & Equipment Leases	24,023	54,591	66	167
Carpark Leases	46,571	56,781	-	-
Property Leases	14,848	15,333	-	-
	85,442	126,705	66	167
Lease Commitments not capitalised				
- Not later than one year	31,955	41,072	41	52
- Later than one year but not later than two years	15,185	32,159	25	50
- Later than two years but not later than five years	23,921	27,293	-	65
- Later than five years	14,381	26,181	-	-
	85,442	126,705	66	167

Plant and Equipment used in contract mining and civil engineering is leased over its economic life and the leases are structured to match income from contracts. Pacific Parking Pty Ltd has entered into long-term leases up to 10 years for car parking facilities.

<b>Note 36</b> <b>Leighton Holdings Limited and Controlled Entities</b>	All controlled entities carry on business in the country of incorporation except where noted	Class of Shares	Entity's Investment \$'000	Entity's Share of Equity	Place of Incorporation	Contribution to Economic Entity Operating Profit/(Loss) After Income Tax	
						1992 \$'000	1991 \$'000
+Leighton Holdings Limited					Vic.	4,805	4,488
#Aus. Construction and Dredging B.V. (3)		Ord.	60	100%	Netherlands	130	(117)
*Solomon Insurance Pte Ltd		Ord.	662	100%	Singapore	(8)	126
+Atchison Investments Pty Ltd		Ord.	13,500	100%	N.S.W.	1,017	(228)
Leighton Finance Limited		Ord.	5\$	100%	N.S.W.	1,420	1,397
+Leighton Major Projects Pty Limited		Ord.	30,000	100%	N.S.W.	23	117
+Leighton Nominees Pty Ltd		Ord.	9	100%	Vic.	-	-
+Leighton Staff Shares Pty Ltd		Ord.	2\$	100%	Vic.	-	-
+Leighton Superannuation Pty Ltd		Ord.	2\$	100%	N.S.W.	-	-
+Lomo Pty Ltd		Ord.	15,091	100%	Qld.	-	-
+Technical Resources Pty Ltd		Ord.	2\$	100%	N.S.W.	178	153
+Leighton Contractors Pty Ltd (1)		Ord.	99,060	100%	N.S.W.	30,126	23,150
# Welded Mesh Pty Limited		Ord.	900\$	90%	N.S.W.	-	-
# Welded Mesh Unit Trust		Ord. } Red. Pref. }	994 9,067	90%	N.S.W.	467	-

# NOTES CONTINUED

## Note 36 Leighton Holdings Limited and Controlled Entities (continued)

All controlled entities carry on business in the country of incorporation except where noted	Class of Shares	Entity's Investment \$'000	Entity's Share of Equity	Place of Incorporation	Contribution to Economic Entity Operating Profit/(Loss) After Income Tax	
					1992 \$'000	1991 \$'000
* Leighton Contractors (PNG) Pty Ltd	Ord.	2\$	100%	P.N.G.	-	-
+ Bonedale Pty Ltd	Ord.	2\$	100%	A.C.T.	-	-
+ Leighton Contractors (S.A.) Pty Ltd (Liquid)	Ord.	0	100%	S.A.	-	-
+ Rosejoss Properties Pty Ltd (Liquid)	Ord.	0	100%	A.C.T.	-	-
Leighton Interlink Pty Ltd	Ord.	2\$	100%	N.S.W.	8,853	1,829
+Leighton Properties (Qld) Pty Ltd	Ord.	1\$	100%	Qld.	(313)	(551)
+ Ridgewood Development Pty Ltd	Ord.	3\$	100%	Qld.	(533)	(80)
+Leighton Properties Pty Ltd	Ord.	50,000	100%	N.S.W.	(14,371)	(14,822)
+ Actrip Pty Ltd	Ord.	2\$	100%	A.C.T.	(932)	(645)
+ Algester Properties Pty Ltd	Ord.	2\$	100%	Qld.	-	-
+ Burton Properties Pty Ltd	Ord.	1\$	100%	N.S.W.	-	-
+ Gapwell Pty Ltd	Ord.	2\$	100%	Qld.	(277)	-
+ Landetting Nominees Pty Ltd	Ord.	2\$	100%	Vic.	-	335
+ LB Developments Pty Ltd	Ord.	2\$	100%	Qld.	(569)	(531)
+ Leighton Properties (Vic) Pty Ltd	Ord.	1\$	100%	Vic.	(581)	(119)
+ Moussewood Pty Ltd	Ord.	2\$	100%	Qld.	(382)	(817)
+ Pacific Parking Pty Ltd	Ord.	2\$	100%	N.S.W.	(877)	(801)
Adelaide Terrace Investments Pty Ltd (3)	Ord. 'A'	20	100%	S.A.	(232)	-
	Ord. 'B'					
Apical Pty Ltd	Ord.	2\$	100%	N.S.W.	-	-
Comserv (No. 1776) Pty Ltd (4)	Ord. 'A'	101\$	100%	N.S.W.	1,225	-
Gabeze Pty Limited	Ord.	2\$	100%	N.S.W.	(146)	-
Dovida Pty Limited (4)	Ord. 'A'	49\$	50%	N.S.W.	-	-
		1\$				
Leighton Properties Pty Limited/ HOCHTIEF Limited Dovida Partn. (4)	-	500\$	99.9%	N.S.W.	(3,036)	-
Mamasan Pty Limited (4)	Ord. 'A'	2\$	50%	A.C.T.	1,362	-
	Red. Pref.	300\$				
Leighton Properties Pty Limited/ Lucrum Partnership (4)	-	-	99.9%	N.S.W.	(3,500)	-
Yifta Pty Limited (4)	Ord. 'A'	49\$	50%	N.S.W.	299	-
		1\$				
Leighton Properties Pty Limited/ HOCHTIEF Limited Yifta Partnership (4)	-	500\$	99.9%	N.S.W.	(1,699)	-
Block 200 Partnership (4)	-	-	99.9%	N.S.W.	(969)	-
Leighton Lifestyle Pty Ltd	Ord.	2\$	100%	N.S.W.	-	-
Pittwater Palms Pty Limited	Ord.	2\$	100%	N.S.W.	207	-
+Thiess Contractors Pty Ltd	Ord.	27,365	100%	Qld.	6,779	7,465
* Thiess Contractors (PNG) Pty Ltd	Ord.	110\$	100%	P.N.G.	-	-
* Thiess Contractors (Malaysia) Sdn. Bhd.	Ord.	88	100%	Malaysia	(5)	-
+ Thiess Construction Ltd	Ord.	794	100%	Qld.	-	-
+ Thiess Superannuation Nominees Pty Ltd	Ord.	2\$	100%	Qld.	-	-
Cullen Bay Estate Pty Ltd	Ord.	-	50%	NT	-	-
Integrated Concrete Repairs Pty Ltd	Ord.	1\$	50%	A.C.T.	-	33
Rail Waste Technology Pty Ltd	Ord.	100\$	100%	Qld.	-	-
Thiess Contractors (International) Pty Ltd (formerly Thiess Contractors (Qld) Pty Ltd)	Ord.	1	100%	Qld.	-	-
Thiess OGB (Yan Yean) Pty Ltd (5)	Ord.	2\$	100%	N.S.W.	-	-
* Ausindo Holdings Pte Ltd	Ord.	1,247	80%	Singapore	-	(27)
* PT Thiess Contractors Indonesia	Ord.	1,404	80%	Indonesia	2,647	2,634
+Multicon Holdings Pty Limited	Ord.	17,517	100%	N.S.W.	-	(964)
+ Multicon Engineering Pty Limited	Ord.	500	100%	N.S.W.	(15,548)	(4,984)
+ Altikar Pty Limited	Ord.	208	100%	N.S.W.	-	(22)
+ Multicon Engineering (WA) Pty Limited	Ord.	60	100%	N.S.W.	-	(25)



## NOTES CONTINUED

### Note 36 Leighton Holdings Limited and Controlled Entities (continued)

All controlled entities carry on business in the country of incorporation except where noted	Class of Shares	Entity's Investment \$'000	Entity's Share of Equity	Place of Incorporation	Contribution to Economic Entity Operating Profit/(Loss) After Income Tax	
					1992 \$'000	1991 \$'000
+ Bymer Pty Ltd	Ord.	200\$	100%	N.S.W.	-	-
+ C.L. Mine Management (N.Q.) P/L (in Liq)	Ord.	2\$	100%	N.S.W.	-	-
+ Leighton Resources Pty Ltd	Ord.	2\$	100%	N.S.W.	393	-
+ Mount Sugarloaf Collieries Pty Ltd	Ord.	668	100%	N.S.W.	54	(262)
+ Black Hill Mining Pty Limited (in Liq)	Ord.	2\$	100%	N.S.W.	4	-
* Leighton USA Holdings Inc.	Ord.	47,814	100%	U.S.A.	1,646	1,453
* Leighton Pacific Developments Inc.	Ord.	50,882	100%	U.S.A.	7	(573)
* Leighton Contractors Inc.	Ord.	2,315	100%	U.S.A.	36	(3)
* Empire/Leighton Associates Partn. (4)	-	-	50%	U.S.A.	(546)	-
* Northcrest Development Inc. (5)	Ord.	2,667	100%	U.S.A.	(91)	-
* Leighton Asia Limited	Ord. } Red. Pref. }	500 48,031	100%	Hong Kong	(37)	486
* Crighton Management Sdn. Bhd. (in Liq.)	Ord.	6	100%	Brunei	(3)	-
* Price Property Developers & Managers Sdn. Bhd. (Liquid)	Ord.	-	100%	Brunei	-	(5)
* Lai Lap Foundation Engineering Ltd	Ord.	897	100%	Hong Kong	(21)	(6)
* Leighton Asia Waste Services Ltd	Ord.	-	100%	Hong Kong	-	-
* Leighton Brückner Foundation Engineering Ltd	Ord.	2,243	60%	Hong Kong	1,252	2,447
* Leighton Contractors (Malaysia) Sdn. Bhd.	Ord.	1,018	100%	Malaysia	(117)	238
* Leighton Contractors (Middle East) Ltd (2)	Ord.	2,736	100%	Hong Kong	(2,501)	(2,067)
* Leighton Contractors (Singapore) Pte Ltd	Ord. } Red. Pref. }	1,040	100%	Singapore	(11)	(6)
* Leighton-Ipco Limited	Ord.	13	100%	Hong Kong	3,005	(758)
* Leighton Chemical Waste Ltd	Ord.	-	100%	Hong Kong	-	-
* Thai Leighton Ltd (4)	Ord.	239	49%	Thailand	(914)	-
* Leighton Contractors (Asia) Ltd	Ord. } Red. Pref. }	15,214	100%	Hong Kong	5,620	2,341
* Leighton Asia Fund Management Limited	Ord.	-	100%	Hong Kong	-	-
* Asia Chemical Waste Services Ltd	Ord.	-	100%	Hong Kong	-	-
* Giddens Investment Ltd	Ord.	-	100%	Hong Kong	11	51
* Hong Kong Landfills Ltd	Ord.	-	100%	Hong Kong	-	-
* Leighton-Ted Partnership (2)	-	-	66.7%	Hong Kong	-	-
Contribution to Equity Consolidated Operating Profit					23,347	20,330
Reversal of diminution of investment in Associated Companies (note 12)					-	2,421
Contribution to Consolidated Operating Profit					23,347	22,751
		443,933				
Elimination of investments other than in directly controlled entities		94,323				
		349,610				

Names inset indicates that the investment is held by entity immediately above the inset.

(1) Carries on business in Hong Kong

(2) Carries on business in the Middle East

(3) Carries on business in Australia

(4) Entities controlled 1991 but not consolidated.

Entities controlled by profit share agreements.

(5) Incorporated in 1992 year.

\* Audited by overseas KPMG Peat Marwick member firms

# Audited by firms other than KPMG Peat Marwick

+ Companies participating in the Class Order - 1991

\$ These amounts have not been rounded off to the nearest thousand dollars.

## NOTES CONTINUED

### Note 37 Acquisition and Disposal of Controlled Entities and Businesses

Name	Date Acquired	Proportion Acquired	Cash Consideration \$	Net Tangible Assets at Acquisition \$
<b>Entities Acquired</b>				
*Adelaide Terrace Investments Pty Ltd	July 91	76%	15,200	19,993
*Comserv (No. 1776) Pty Ltd	Sept 91	50%	50	100
Apical Pty Ltd	Sept 91	100%	2	2
Thiess Contractors (Malaysia) Sdn. Bhd.	Oct 91	100%	88,512	88,512
<b>Businesses Acquired</b>				
Wollondilly Waste	Feb 92	–	2,014,219	636,600

Name	Date Disposed	Proportion Retained	Profit on Sale \$	Net Tangible Assets at Disposal \$
------	------------------	------------------------	-------------------------	---

#### Disposal of Entities

Cullen Bay Estate Pty Ltd	Mar 92	50%	–	2
---------------------------	--------	-----	---	---

\*At 30 June 1991 these entities were not consolidated due to the then prevailing companies legislation. During the 1992 year the capital held by outside interests was purchased by the Economic Entity. Details of the assets and liabilities of these entities consolidated as controlled entities are set out in the note below.

The amounts in this note have not been rounded to the nearest thousand dollars.

### Note 38 Consolidation of Controlled Entities

As a result of the adoption of accounting standard AASB1024, "Consolidated Accounts" and changes to the Corporations Law, all entities which the Chief Entity controls are now consolidated. This is a change in accounting policy from previous years when only companies which met the then companies legislation definition of subsidiaries were consolidated. The entities now consolidated are shown in note 36.

The effect of the aggregate increases and decreases in assets, liabilities and equities of the Economic Entity at the beginning of the financial year resulting from the inclusion of these controlled entities in the consolidated accounts are:

	Amended June 1991	AASB1024 Adjustment	Original June 1991
Current Assets	323,832	9,758	314,074
Non-Current Assets – Inventories	178,006	135,997	42,009
– Other	368,195	(19,404)	387,599
	870,033	126,351	743,682
Current Liabilities	301,007	3,414	297,593
Non-Current Liabilities – Creditors and Borrowings	254,249	122,941	131,308
– Other	76,974	646	76,328
	632,230	127,001	505,229
<b>Net Assets</b>	237,803	(650)	238,453
Capital & Reserves	192,444	–	192,444
Retained Earnings	34,858	253	34,605
Outside Equity Interest	4,533	(903)	5,436
Subordinated Loans	5,968	–	5,968
<b>Shareholders Funds</b>	237,803	(650)	238,453

The increase in assets is due to the consolidation of development properties which in the previous period were not consolidated. The liabilities increased by a corresponding amount.



# NOTES CONTINUED

## Note 39 Outside Equity Holdings in Controlled Entities

Name	Number of Shares Held by Outside Interests		Total Issued and Paid Up Capital		Equity Holdings of Outside Interests	
	1992 No.	1991 No.	1992 \$'000	1991 \$'000	1992 %	1991 %
Welded Mesh Pty Ltd						
Ordinary Shares of \$1 each	100	175	1	1	10	17.5
Welded Mesh Unit Trust						
Ordinary Units of \$1 each	100	175	1	1	10	17.5
Redeemable Pref Unit of \$1 each	520	420	5	5	10	17.5
Mamasan Pty Ltd						
Ordinary Shares of \$1 each	2	2	4\$	4\$	50	50
Non Participating Red.						
Pref. Shares of \$1 paid to \$0.01	-	-	300\$	300\$	-	-
Dovida Pty Ltd						
Ordinary Shares of \$1 each	50	50	99\$	99\$	50	50
'A' Class Shares of \$1 each	-	-	1\$	1\$		
Yifta Pty Ltd						
Ordinary Shares of \$1 each	50	50	99\$	99\$	50	50
'A' Class Shares of \$1 each	-	-	1\$	1\$		
Ausindo Holdings Pte Ltd						
Ordinary 'A' Shares of \$S1 each	-	-	4\$	4\$	20	20
Ordinary 'B' Shares of \$S1 each	1	1	1\$	1\$		
Red. Pref 'A' Shares of \$S1 each	-	-	1,268	1,268		
Red. Pref 'B' Shares of \$S1 each	424,800	424,800	317	317		
PT Thiess Indonesia						
Ordinary Shares of \$US1,000 each	300	300	1,948	1,948	20	20
Leighton Brückner Foundation Engineering Limited						
Ordinary 'A' Class of \$US1 each	-	-	2,182	2,182	40	40
Ordinary 'B' Class of \$US1 each	1,120,000	1,120,000	1,455	1,455		

§These amounts have not been rounded off to the nearest thousand dollars.

## NOTES CONTINUED

### Note 40 Related Party Information

#### Directors

The Directors who held office as Directors of Leighton Holdings Limited during the year ended 30 June 1992 were:

Morrish Alexander Besley, AO	Peter John North
Wallace MacArthur King	David Paul Robinson
Dieter Siegfried Adamsas	Enno Friedrich Vocke
Keith Leslie Bennett	Rodney Malcolm Wylie, OBE
Holm Hehner	

Hans-Peter Keitel was elected a Director of Leighton Holdings Limited on 19 August 1992.

#### Directors' Transactions

During the year dividends were paid to Directors on their shareholdings on the same basis as other shareholders.

Banking services and facilities are provided by The Commonwealth Bank of Australia on normal commercial terms to the Economic Entity. M.A. Besley is Chairman of the Commonwealth Bank.

M.A. Besley is a Director of CIG, Clyde Industries Limited and Amcor Limited. A.C. Hardy, a Director of a controlled entity, is a Director of the Frankpile Group. These companies may provide from time to time on normal commercial terms general construction materials and services.

Legal services and consulting services are provided to members of the Economic Entity on normal commercial terms and conditions by firms in which G.J. Lay, G.C. Berkeley and P.G. Champlin, who are Directors of certain controlled entities, are partners.

#### Transactions with Related Parties

The Economic Entity has interests in a number of construction partnerships and trading trusts which are included in other related parties. Transactions with related parties are made on normal commercial terms and conditions and the aggregate of the related party transactions was not material in the overall operations of the Economic Entity or the Chief Entity except for the provision of subordinated and convertible loans from HOCHTIEF Limited as shown in note 25 on which interest was paid in accordance with the loan agreements and advances to property development partnerships and associates as shown in notes 8 and 12. Certain indemnities and undertakings have been given by the Company to HOCHTIEF Limited regarding guarantees given by HOCHTIEF Limited in respect of project development finance provided to certain controlled entities. These indemnities are limited to the shortfall, if any, arising from the sale of the relevant development. No shortfall is anticipated. Dividends were received or receivable during the year from associated companies as disclosed in note 26. Interests held in associated and controlled entities are set out in notes 26 and 36 to the accounts.

#### Amounts Receivable from and Payable to Related Parties

##### Companies aggregate amounts receivable at balance date from

– Directors:				
– Non Current	1,160	1,596	239	257
Other related parties:				
– Associated Companies				
– Current	7,784	6,571	–	738
– Non Current	20,128	33,916	3,907	4,046
– Other				
– Current	7,424	12,598	–	–
– Non Current	–	6,060	–	–

##### Aggregate amounts payable at balance date to

Other related parties				
– Hochtief				
– Current	–	1,178	–	1,178
– Non Current	–	4,790	–	4,790
– Other				
– Current	659	1,977	–	–



# NOTES CONTINUED

## Note 41 Cash Flow Information

### Reconciliation of Cash Balances

For the purposes of the Statements of Cash Flows, cash includes cash on hand, at bank and short term deposits at call, net of outstanding overdrafts. Cash as at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the balance sheet as follows:

	Consolidated		Company	
	1992	1991	1992	1991
	\$'000	\$'000	\$'000	\$'000
Cash at Bank and on Hand	6,272	14,549	8,889	9,119
Interest Bearing Deposits	99,975	62,600	69,667	24,910
Bank Overdraft	-	(141)	-	-
	<b>106,247</b>	<b>77,008</b>	<b>78,556</b>	<b>34,029</b>

### Reconciliation of Operating Profit After Income Tax to Net Cash Provided by Operating Activities

Operating profit after income tax	23,347	22,751	16,010	19,300
Add (less) non-cash items				
Depreciation	61,730	60,042	967	1,060
Amortisation of Goodwill	1,521	1,322	-	-
Amounts set aside to provisions	83,693	84,016	3,084	1,559
Bad Debts Writeoff	-	1,168	-	-
Revaluation of investments	-	-	2,979	-
Unrealised Foreign Currency (Gains)/Losses	-	-	(371)	604
Income Tax Payable	4,009	7,703	(1,211)	2,583
(Gain)/Loss on Sales of Non Current Assets	(1,804)	(2,140)	3	158
Equity Profit Associated Companies	-	(2,421)	-	-
Partnership results	1,870	(3,415)	1,540	1,895
Intercompany transactions	-	-	(23,003)	(30,362)
Net cash provided by operating activities before changes in assets and liabilities	<b>151,019</b>	<b>146,275</b>	<b>(16,012)</b>	<b>(22,503)</b>
Changes in Net Assets/Liabilities				
(Increase)/Decrease in Prepayments	3,475	(3,209)	(3)	475
(Increase)/Decrease in Other Receivables	(1,721)	4,531	419	(721)
(Decrease)/Increase in Trade Creditors	16,794	11,016	(1,806)	(480)
(Decrease)/Increase in Other Creditors	4,277	(2,275)	1,809	(1,530)
(Decrease)/Increase in Provisions	(61,558)	(66,372)	(92)	-
Proceeds of Sales of Development Properties	28,460	4,508	-	-
(Other Net Movement) in Development Properties	(13,547)	(11,110)	-	-
(Increase)/Decrease in Shares in Associates	550	507	-	-
(Increase)/Decrease in Trade Debtors	11,481	7,227	-	-
(Increase)/Decrease in Inventory	(1,033)	(4,919)	-	-
	<b>(12,822)</b>	<b>(60,096)</b>	<b>327</b>	<b>(2,256)</b>
<b>Net cash provided by operating activities</b>	<b>161,544</b>	<b>108,930</b>	<b>325</b>	<b>(5,459)</b>

### Details of Credit Facilities

The Economic Entity has a total of \$270 million (1991 - \$280 million) committed facilities of which \$127 million (1991 - \$147 million) were undrawn as at 30 June 1992. These include a \$US93 million (1991 - \$US 84 million) TLC facility provided by a syndicate of banks. The facilities have fixed maturity dates ranging between November 1992 and January 1995.

### Non-Cash Financing and Investing Activities

During the year \$2.951 million (1991 - \$3.657 million) of dividends was reinvested as capital in the Chief Entity pursuant to the Dividend Reinvestment Plan. Also, \$3.058 million (1991 - \$4.077 million) of the Subordinated Perpetual Convertible Loan was converted to capital in the Chief Entity.

The value of equipment acquired by finance leases was \$Nil (1991 - \$11.548 million).

## STATUTORY STATEMENTS

### Statement by Directors on the Financial Statements set out on pages 52 to 76

In the opinion of the Directors of Leighton Holdings Limited

- (a) the profit and loss statement gives a true and fair view of the Company's profit for the financial year ended 30 June 1992;
- (b) the balance sheet gives a true and fair view of the Company's state of affairs as at 30 June 1992;
- (c) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due;
- (d) the consolidated accounts:
  - (i) have been made out in accordance with Divisions 4A and 4B of Part 3.6 of the Corporations Law; and
  - (ii) in particular, give a true and fair view of the matters with which they deal.
- (e) the financial statements have been made out in accordance with Statements of Accounting Concepts and applicable Accounting Standards.

Dated at Sydney this eleventh day of September, 1992.

Signed in accordance with a resolution of the Directors.



M A Besley  
Chairman



W M King  
Chief Executive Officer

### Auditors' Report to the Members of Leighton Holdings Limited Scope

We have audited the financial statements of Leighton Holdings Limited for the financial year ended 30 June 1992, consisting of the profit and loss accounts, balance sheets, statements of cash flows, accompanying notes, and the statement by Directors set out on pages 52 to 77. The financial statements comprise the accounts of the Company and the consolidated accounts of the Economic Entity, being the Company and its controlled entities. The Company's Directors are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion of them to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian accounting concepts and standards and statutory requirements so as to present a view which is consistent with our understanding of the Company's and the Economic Entity's financial position and the results of their operations.

The names of the controlled entities of which we have not acted as auditors are set out in note 36. We have received sufficient information and explanations concerning these controlled entities to enable us to form an opinion on the consolidated accounts.

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In our opinion, the financial statements of Leighton Holdings Limited are properly drawn up:

- (a) so as to give a true and fair view of:
  - (i) the state of affairs of the Company and the Economic Entity at 30 June 1992, and the results and cash flows of the Company and the Economic Entity for the financial year ended on that date; and
  - (ii) the other matters required by Divisions 4, 4A and 4B of Part 3.6 of the Corporations Law to be dealt with in the financial statements;
- (b) in accordance with the provisions of the Corporations Law; and
- (c) in accordance with Statements of Accounting Concepts and applicable Accounting Standards.

Dated at Sydney this eleventh day of September, 1992.



KPMG Peat Marwick  
Chartered Accountants



John H Richardson  
Partner



## SHAREHOLDINGS

Information as to shareholdings on 11 September 1992 is as follows:

### Substantial Shareholdings

The names of the substantial shareholders and the numbers of the equity securities in which they have an interest, as shown in the Company's Register of Substantial Shareholders, are:

Name	No. of Shares
HOCHTIEF Limited	91,214,479
The following companies hold a relevant interest in these shares.	
HOCHTIEF Aktiengesellschaft ("HOCHTIEF AG") (The parent company of HOCHTIEF Limited.)	
RWE Aktiengesellschaft (A majority shareholder in HOCHTIEF AG.)	
Oppenheimer Global Fund	10,240,725
(Registered in the name of ANZ Nominees Limited)	

HOCHTIEF has entered into formal agreements with the Company which ensure the continuing independence of Leighton and which also provide Leighton with continual access to HOCHTIEF's extensive, specialised technological know-how.

### Number of Shareholders

Of ordinary shares which have equal voting rights\* 5,296

#### \*Voting Rights:

On a show of hands every member present in person or by proxy or attorney or duly appointed representative shall have one vote and on a poll every member present as aforesaid shall have one vote for each share of which he is the holder.

### Distribution Schedule

Category	No. of Shareholders
1-1,000	1,307
1,001-5,000	2,435
5,001-10,000	811
10,001 and over	743
	5,296

There were 189 shareholders with less than a marketable parcel (100 shares).

### Twenty Largest Shareholders

The percentage of the total holding of the 20 largest shareholders, as shown in the Company's Register of Members, is 81.24% and their names and numbers of shares are as follows:

Name	Number	Percentage of Total Shareholdings
HOCHTIEF Limited	91,210,989	47.11
ANZ Nominees Limited	26,854,744	13.87
Chase Manhattan Nominees Limited	11,604,180	5.99
National Nominees Limited	10,049,076	5.19
Bank of New South Wales Nominees Pty Limited	2,570,257	1.33
Citicorp Nominees Pty Limited	2,178,449	1.13
Winchcombe Carson Trustee Company Limited	1,770,000	0.91
Tyndall Life Insurance Company Limited	1,581,640	0.82
Gas & Fuel Corporation	1,375,000	0.71
Suncorp Insurance & Finance	993,548	0.52
IOOF Australia Trustees Limited	976,640	0.51
State Superannuation Board of Victoria	907,687	0.47
Indosuez Nominees Pty Limited	888,182	0.46
Perpetual Trustee Company Limited	818,711	0.42
Permanent Depository Limited	755,828	0.39
Labrador Pty Limited	683,500	0.35
Barclays Australia Custodian Services Limited	532,382	0.27
Wardley Australia Nominees Pty Ltd	521,663	0.27
Commonwealth Funds Management Limited	503,000	0.26
J P Morgan Nominees Pty Limited	500,284	0.26
	157,275,760	81.24

# SHAREHOLDER INFORMATION AND FINANCIAL CALENDAR

## Financial Calendar

1992	
30 September	Shares begin trading ex Dividend
9 October	Books close for Final Dividend
4 November	Annual General Meeting
4 November	Final Dividend paid
31 December	Half year end
1993	
17 February	Half Yearly Results announced
5 March	Shares begin trading ex Dividend
16 March	Books close for Interim Dividend
31 March	Interim Dividend paid
30 June	Year end
18 August	Preliminary Final Results announced

## Enquiries

If you have any questions about your shareholding, dividend payments, Tax File Number, change of address etc, you should telephone the Company's Shareholder Enquiry Line at Coopers & Lybrand on (02) 285 7111.

## Dividend Payment

The final dividend of 4.0 cents per share, if approved at the Annual General Meeting on 4 November 1992, will be paid on 4 November 1992. For Australian tax purposes the dividend will be fully franked. Overseas shareholders will benefit by having no Australian withholding tax deducted from their franked dividends.

## Dividend Reinvestment Plan

Through the Leighton Dividend Reinvestment Plan, shareholders may reinvest all or part of their dividends to acquire additional shares with no transaction costs and at a 10% discount on market price. A booklet providing full details of the Plan and including the necessary forms, is available either from the Company Secretary on (02) 925 6672 or Coopers & Lybrand on the aforementioned enquiry line.

## Tax File Numbers

From 1 July 1991 all companies have been obliged to deduct tax at the top marginal rate from unfranked dividends paid to investors, resident in Australia, who have not supplied them with a Tax File Number or Exemption particulars. Tax will not be deducted from the franked portion of a dividend.

If you have not already done so, a Tax File Number Notification form or Tax File Number Exemption form should be completed for each holding and returned to our Registrars, Coopers & Lybrand, PO Box H245, Australia Square, NSW 2000.

Please note you are not required by law to provide your Tax File Number if you do not wish to do so.

## Stock Exchange Listing

The company is listed on the Australian Stock Exchanges. The home Exchange is Sydney.

## Share Information

Details of share capital and issued shares are contained in note 22 to the Accounts on page 63. Information regarding substantial shareholders, the 20 largest holders and shareholding distribution is on page 78.

## Other Available Publications

In addition to the Annual Report the Company distributes the Chairman's Address, the Half Yearly Report and the Preliminary Final Statement to all shareholders.

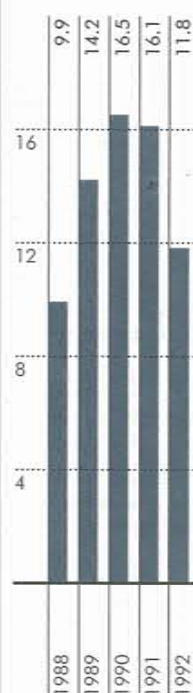
Newsletters are published bi-monthly and are available on request. Should you wish to be put on the mailing list, please contact the Group Information Manager on (02) 925 6612.

## Removal from Annual Report

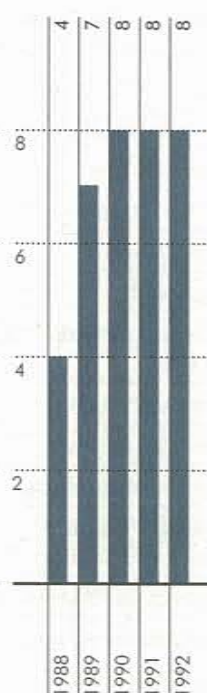
### Mailing List

If you do not wish to receive an Annual Report please advise the Company in writing.

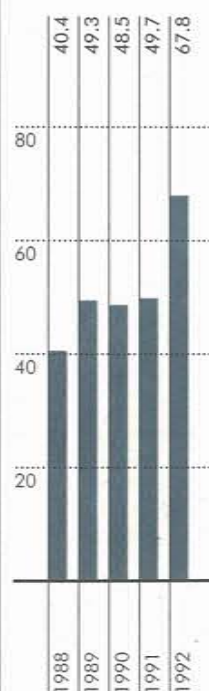
Earnings Per Ordinary Share ¢



Dividends Per Ordinary Share ¢



Dividend Payout Ratio %





## STATISTICAL SUMMARY

for the ten years 1983-1992

	1992 \$'000	1991 \$'000	1990 \$'000	1989 \$'000	1988 \$'000	1987 \$'000	1986 \$'000	1985 \$'000	1984 \$'000	1983 \$'000
<b>Summary of Balance Sheets*</b>										
Issued and Paid-up Capital	96,721	92,569	62,826	60,706	56,502	56,007	51,793	49,961	39,696	27,015
Total Capital and Reserves	249,059	238,453	193,403	178,866	165,612	151,041	148,643	137,365	104,267	67,124
Non-Current Liabilities	330,204	207,636	195,499	173,556	141,715	157,468	157,953	133,771	60,205	17,272
Current Liabilities	292,203	297,593	286,005	272,568	258,693	241,383	211,542	192,098	169,724	78,435
Non-Current Assets	570,250	429,608	363,741	320,224	265,938	287,054	284,923	250,502	154,959	70,707
Current Assets	301,216	314,074	311,166	304,766	300,082	262,838	233,215	212,732	179,281	92,184
Total Assets	871,466	743,682	674,907	624,990	566,020	549,892	518,138	463,234	334,240	162,891
<b>Summary of Profit and Loss Statements<sup>o</sup></b>										
Revenue	1,590,196	1,710,044	1,636,460	1,431,260	1,489,100	1,355,345	1,138,338	850,179	653,066	335,288
Operating Profit Before Tax	38,468	34,364	35,043	27,110	18,856	16,731	(14,487)	14,808	25,446	21,581
Income Tax Expense	15,959	13,335	14,563	10,575	7,731	10,016	(1,777)	1,805	5,457	6,902
Operating Profit after Tax	22,509	21,029	20,480	16,535	11,125	6,715	(12,710)	13,003	19,989	14,679
<b>Financial Statistics</b>										
Earnings per Ordinary Share	11.8¢	16.1¢	16.5¢	14.2¢	9.9¢	6.2¢	—	13.7¢	24.7¢	26.3¢
Dividends per Ordinary Share	8.0¢	8.0¢	8.0¢	7.0¢	4.0¢	—	—	12.0¢	12.0¢	12.0¢
Dividend Times Covered	1.4	1.7	2.0	2.0	2.5	—	—	0.9	2.2	1.9
Net Tangible Assets per Ordinary Share	126¢	123¢	128¢	121¢	115¢	113¢	111¢	127¢	121¢	109¢
Current Ratio	1.03	1.06	1.09	1.12	1.15	1.09	1.10	1.11	1.06	1.18

\*Includes consolidation of controlled entities under AASB1024 from 1992.

<sup>o</sup>Prior to 1992, the Summary of Profit and Loss Statements reflected the equity accounted revenue and profit and loss of associated companies.

# DIRECTORY AND OFFICES

## Leighton Holdings Limited

**Head Office**  
472 Pacific Highway  
St Leonards NSW 2065  
Tel. (02) 925 6666  
Fax. (02) 925 6005

### Directory

#### Board of Directors

Morrish Alexander Besley, AO  
Wallace MacArthur King  
Dieter Siegfried Adamsas  
Keith Leslie Bennett  
Holm Hehner  
Hans-Peter Keitel  
Peter John North  
David Paul Robinson  
Enno Friedrich Vocke  
Rodney Malcolm Wylie, OBE

#### Associate Directors

Martin Carl Albrecht  
John Faulkner  
Vyril Anthony Vella

#### Secretary

Ashley John Moir

#### Principal Registered Office in Australia

Level 5, 472 Pacific Highway  
St Leonards NSW 2065  
Tel. (02) 925 6666

#### Principal Banker

The Commonwealth Bank  
of Australia  
48 Martin Place  
Sydney NSW 2000

#### Financial Advisor

Lloyds Corporate Advisory  
Services Pty Limited  
35 Pitt Street  
Sydney NSW 2000

#### Auditor

KPMG Peat Marwick  
Chartered Accountants  
Tower Building,  
Australia Square  
Sydney NSW 2000

#### Share Register Office

c/- Coopers & Lybrand  
Level 8  
580 George Street  
Sydney NSW 2000  
Tel. (02) 285 7111

## Corporate Management Leighton Holdings Limited

W M King  
BE, MEngSc, FIEAust  
Chief Executive Officer

D S Adamsas

BComm

Director of Finance and  
Administration

A J Moir

FCPA, FCIS, FCIM

Company Secretary

G E McOrist

CPA

General Manager,  
Treasury

W H West

BSc(Tech), MIEAust  
Manager, Investment

T G Young

BBS, DipTech(Comm), CPA,

FTIA, FCIS

Group Financial  
Controller

## Leighton Contractors Pty Limited

**Head Office**  
472 Pacific Highway  
St Leonards NSW 2065  
Tel. (02) 925 6666  
Fax. (02) 925 6004  
Telex 23681

### Australian Capital Territory

75 Denison Street  
Deakin ACT 2600  
Tel. (06) 281 0611  
Fax. (06) 282 4360

### New South Wales

Levels 9 and 10  
12 Help Street  
Chatswood NSW 2067  
Tel. (02) 414 3333  
Fax. (02) 415 2509/10

### Queensland

19 Lang Parade  
Milton QLD 4064  
Tel. (07) 870 3355  
Fax. (07) 870 1451  
Telex 41024

### South Australia

Data House  
43 Greenhill Road  
Wayville SA 5034  
Tel. (08) 272 0300  
Fax. (08) 271 9807

### Victoria

Level 1  
5 Queens Road  
St Kilda VIC 3004  
Tel. (03) 828 5800  
Fax. (03) 866 8870

### Western Australia

1 Altona Street  
West Perth WA 6005  
Tel. (09) 324 1166  
Fax. (09) 481 2449

## Thiess Contractors Pty Limited

**Head Office**  
146 Kerry Road  
Archerfield QLD 4108  
Tel. (07) 275 8500  
Fax. (07) 275 8517  
Telex 41236

### Australian Capital Territory

14 Napier Close  
Deakin ACT 2600  
Tel. (06) 285 4088  
Fax. (06) 285 4078

### New South Wales

2-10 Parraweena Road  
Taren Point NSW 2229  
Tel. (02) 526 9444  
Fax. (02) 525 7135  
Telex 20513

### North Queensland

788-794 Ingham Road  
Bohle  
Townsville QLD 4816  
Tel. (077) 74 9900  
Fax. (077) 74 5650

### Northern Territory

1627 Coonawarra Road  
Winnellie NT 0820  
Tel. (089) 84 3288  
Fax. (089) 84 4150

### Victoria

Level 2  
493 St Kilda Road  
Melbourne VIC 3004  
Tel. (03) 820 2000  
Fax. (03) 820 9717

### Western Australia

Level 6, East Tower  
The Capital Centre  
254 St Georges Terrace  
Perth WA 6000  
Tel. (09) 481 0199  
Fax. (09) 321 1222

### Waste Hawk

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### PT Thiess Contractors

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## Leighton Properties Pty Limited

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## Multicon Holdings Pty Limited

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