

7 October 2013

Leighton Holdings Limited

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

RE: Statement by Leighton Holdings

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

Yours faithfully LEIGHTON HOLDINGS LIMITED

VANESSA REES Group Company Secretary



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Statement by Leighton Holdings

Leighton Holdings Limited today responded to further articles published in The Age, Sydney Morning Herald and The Australian Financial Review.

It is important that media reports about matters the subject of the Australian Federal Police (AFP) investigation are fair and balanced and do not resort to broad-based accusations of impropriety.

Leighton employs 61,000 people across 25 countries. Those employees have a right to be proud of the quality of the work they do for our clients, across more than 400 projects. Unnecessary and unfounded damage to Leighton's reputation as a result of unbalanced media reporting will have an effect on our staff, clients and shareholders.

Leighton does not propose to correct all of the inaccuracies contained in a number of media articles. It is not appropriate for Leighton to descend to a debate over matters of fact and matters of error when those matters are the subject of investigatory and court processes.

Notwithstanding the seriousness of the matters raised, Leighton takes exception to the sweeping criticisms of its governance structures, processes and integrity. Leighton's Board and management condemn any form of corrupt or fraudulent behavior.

As to the particular issues underlying the articles, it is necessary to again note the following:

- When the Leighton Board became aware of David Stewart's handwritten file note it referred the matter to the AFP and has been cooperating with the AFP since that time. The note was brought to the attention of the Board in November 2011 and was referred to the AFP in November 2011. To facilitate the collection of evidence, Leighton, in cooperation with the AFP, kept the information confidential until, with the AFP's approval, an announcement was able to be made in February 2012.
- Media coverage of the possible employee fraud concerning the construction of a barge has deflected the fact that this issue was investigated on more than one occasion and ultimately by external auditors, engineers and lawyers. The investigations have led to court proceedings being brought against the ex-employee, with Leighton seeking the recovery of \$5.6 million. These steps were taken before media reporting on the matter, not in reaction to it. The attempt by some media, or their sources, to characterise this issue as a foreign bribery matter is misguided and incorrect.

The Directors of Leighton Holdings, and its subsidiary companies, are aware of their responsibilities and execute their duties with the appropriate care and diligence, and in the best interests of each relevant company.

ENDS



Media release

Issued by Leighton Holdings Limited ABN 57 004 482 982 <u>www.leighton.com.au</u> **Further information:**

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LEIGHTON HOLDINGS LIMITED, founded in Australia in 1949, is the parent company of the Leighton Group, one of the world's leading international contractors. The Group is also the world's largest contract miner. Listed on the Australian Stock Exchange since 1962, Leighton Holdings has its head office in Sydney, Australia. Leighton Holdings owns and operates through a number of diverse and independent operating companies: Leighton Contractors; Thiess; John Holland; Leighton Asia, India and Offshore; and Leighton Properties. The Leighton Group also has a 45% investment in the Habtoor Leighton Group. These companies provide development, construction, contract mining, and operation and maintenance services to the infrastructure, resources and property markets. They operate in more than 20 countries throughout Australia, Asia, the Middle East and Southern Africa. The Leighton Group directly employed 61,000 people, as at 30 June 2013.