



Ashley Moir
Company Secretary

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

**RE: Leighton enters agreement to sell strategic stake in Indian business to
Welspun Corp**

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

Yours faithfully,

A.J. MOIR
Company Secretary

29 December 2010

Leighton enters agreement to sell strategic stake in Indian business to Welspun Corp

Leighton Holdings Limited today announced that its subsidiary Leighton International had entered into an agreement to sell a strategic 35% stake in its Indian operations to Welspun Corp Limited, a leading diversified Indian conglomerate, for approximately US\$104 million.

Leighton Holdings' Chief Executive Officer elect, Mr David Stewart, said that this agreement was about building a strategic partnership that could capitalise on the huge opportunities in the Indian infrastructure sector.

"We have been working successfully in India for 7 years and see the transaction as very important in taking our Indian business to the next stage of its development. Having a local partner clearly provides greater access to the market, particularly when Welspun has such a complementary portfolio of businesses," said Mr Stewart.

"Operating since 1985, Welspun Group Limited has interests in infrastructure, the oil and gas sectors, steel, steel pipes, and home textiles. The Company has a global presence, operating in more than 50 countries and in 2009/10 had annual revenues of around US\$1.6 billion.

"The transaction will generate US\$80 million in cash and result in a one-off gain to Leighton Holdings of approximately US\$200 million," said Mr Stewart.

"In addition, Oriental Structural Engineers (P) Ltd (OSE) has elected to take up its pre-emptive rights to acquire Leighton International's 49% stakes in two toll roads for approximately US\$40 million. The two operating toll roads: a 4 lane, 75 kilometer toll way between Agra and Bharatpur and a 4 lane, 45 kilometer tollway between Indore and Khalghat were successfully constructed by a joint venture between Leighton International and OSE.

"Today's announcement represents an exciting new phase in the development of our already successful Indian business and we look forward to working with Welspun. We see them as a very complementary strategic partner to Leighton International and are optimistic about pursuing many new opportunities together," said Mr Stewart.

ENDS

(continued...)

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

Further information:

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LEIGHTON HOLDINGS LIMITED, founded in Australia in 1949, is the parent company of one of the world's major project development and contracting organisations. We are also the world's largest contract miner. Listed on the Australian Stock Exchange since 1962, Leighton Holdings is a top 30 company by market capitalisation and has its head office in Sydney, Australia. Leighton Holdings owns seven diverse and independent operating companies: Leighton Contractors, Thiess, Leighton International, John Holland, Leighton Asia, Al Habtoor Leighton Group and Leighton Properties. These operating companies provide development, construction, contract mining, and operation and maintenance services to the infrastructure, resources and property markets. They operate in more than 20 countries throughout Australia, Asia and the Middle East from headquarters in Australia, Hong Kong, Kuala Lumpur and Dubai. These operating companies directly employ around 47,300 employees and each function autonomously with its own Board and Managing Director.