



HLG LAUNCHES NEW BRAND

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CHAIRMAN'S MESSAGE



Welcome to the first issue of the revamped Akhbar AIDar, Habtoor Leighton Group's (HLG) external magazine.

This issue introduces the new HLG brand (see story page 6), which came into effect on 1 June 2011. Our new brand represents the beginning of an important new era of growth for the Group, and aims to reflect the unified, integrated group that we have become.

The Group has had an especially active start to 2011. We have secured new projects worth almost AED4 billion in the first four months of the year, and we are poised to secure as much as an additional AED5 billion over the coming months.

I hope you like our new brand, and the new-look Akhbar AIDar as well.

Riad T. Sadik
Chairman

CEO AND MD'S MESSAGE



As you can see from the cover of this new-look issue of Akhbar AIDar, HLG has a fresh new brand.

The new brand is an exciting step in HLG's development, and I believe it highlights our positive, unified approach to the future. Over the coming months, you will see the new brand begin to appear on the Group's project sites, offices and plant across the region.

One of the first sites to be re-branded will be the new Mafrq Hospital project in Abu Dhabi, which we secured in joint-venture with Murray and Roberts in April (see story page 20). Mafrq is exactly the type of project on which HLG excels – a large-scale, technically-challenging undertaking that will enhance the community in which we operate. We expect to secure a number of additional projects of similar scale across the region over the next few months.

I trust you find the new Akhbar AIDar interesting and informative.

Laurie Voyer
CEO and Managing Director

AKHBAR ALDAR

Akhbar AIDar, which in Arabic means "news of the house", is the corporate magazine of the Habtoor Leighton Group (HLG).

HLG is one of the leading diversified international contractors in the Middle East and North Africa. The Group employs more than 25,000 people, making it one of the largest construction groups in the region.

HLG is part of the Leighton Group, Australia's largest project development and contracting group with annual revenues exceeding US\$18 billion. The Leighton Group's major shareholder is HOCHTIEF AG, the world's largest international contractor.

HLG focuses on five core market sectors:

Infrastructure

Building

Rail

Oil and Gas

Mining

The Group also operates a diverse range of complementary Associated Businesses, offering clients a one-stop solution for all their construction, development and asset management needs.

HLG has an extensive track record in large-scale projects across the region. For more than 40 years it has built a strong and loyal client base across both the public and private sectors.

Cover picture: HLG Chairman Riad T. Sadik and CEO and Managing Director Laurie Voyer launch the new HLG brand.

HLG awarded more than AED3.2 billion in new projects

Habtoor Leighton Group (HLG) has been awarded more than AED3.2 billion in projects across the UAE to date, in 2011.

The Group was awarded an AED2.2 billion contract for the construction of the new Mafraq Hospital for SEHA, the Abu Dhabi Health Services Company.

It has also been awarded the AED510 million Qusahwira Phase 1 building and services project in Abu Dhabi for the Abu Dhabi Company for Onshore Oil Operations (ADCO) and the AED405 million project for the construction of Abu Dhabi Islamic Bank's new headquarters in Abu Dhabi.

The Group has also secured a smaller AED110 million contract for a chilled water plant at Zayed University for Mubadala Development Company.

For more information on the new projects see pages 20-23.



Arzanah Medical Complex hits topping-out milestone



HLG and client representatives celebrated the topping-out of the super-structure at the Arzanah Medical Complex in Abu Dhabi at a roof-top ceremony held on 22 March.

More than 100 individuals, including members of the project team and management from HLG, accompanied a group of senior executives from Mubadala Healthcare at the ceremony

which included a symbolic pouring of concrete on the roof slab.

The project reached its final height of five storeys on 7 March when the final slab was poured. The project began in April 2010 and is aiming for a LEED rating. For more information on the Arzanah Medical Complex project see page 10.



HLG Qatar welcomes World Cup 2022 win

Qatar has been announced as the host nation for the world's premier sporting event, the FIFA 2022 World Cup.

The news was welcomed by HLG Qatar Executive General Manager Tony Saadie, who believes the Group is well positioned to benefit from the development plans for the region.

"HLG's Qatar business has the people, systems and resources in place to make a significant contribution to constructing the built environment for the World Cup," Mr Saadie said.

"We have access to a skilled workforce of approximately 10,000 workers, significant asset investment in-country, a five-year track record for successful delivery and projects valued over US\$2.1 billion.

"The projects included in the World Cup bid are not new, having been planned for some time. This announcement has just ensured these projects will now be prioritised and put out to tender and we look forward to bidding on many of these infrastructure projects."

Senior management changes at HLG

HLG has recently appointed a new Chief Financial Officer for the business. Mr Tony Wright has replaced long-serving CFO Michael Connolly who has returned to Australia.

Mr Wright was previously CFO for Leighton International and prior to joining the Leighton Group had worked in the Middle East.

The Group also has a new General Manager for Saudi Arabia, Paul Redstone. Mr Redstone brings a wealth of experience to his role in this growing market. To read more, see story page 18.

THEY SAID IT

"These Abu Dhabi Building Codes will improve construction standards of buildings, and create more cost-effective structures that have greater durability and better health and safety standards."

H.E. Ahmed Shareef, Undersecretary of the Department of Municipal Affairs, speaking about new building codes in Abu Dhabi.

"In the fourth quarter of 2012, the new Khalifa Port in Abu Dhabi will have the first semi-automated container terminal in the Middle East ... making it an attractive destination."

H.E. Dr Sultan Ahmad Al Jaber, Chairman of Abu Dhabi Ports Company at the World Ports and Trade Summit in Abu Dhabi. He said US\$46.5 billion in port infrastructure investment is planned across the Middle East. HLG is currently undertaking two projects at the port.

"The consolidated railway network will be based on state-of-the-art, safe and environment-friendly design technology that will fit the needs of Qatar while at the same time ensure a close link with the local culture."

Qatar Railway Chief Business Development Officer Geoff Brian Mee at the 2nd Annual Middle East Rail Opportunities Conference in Doha. Work on the Doha Metro is scheduled to begin in 2012 and is expected to be completed by 2020. HLG is pursuing rail opportunities through Advance Rail Group (ARG).

"Any project that is not good for Dubai and the investors will not go on. We have a new criteria. All the projects are going through a process which asks if they are fit for investment or not."

Marwan Bin Ghalaita, Chief Executive of RERA, on project cancellations in Dubai.

"This new campus will accommodate our current population of students and allow for future growth of up to 10,000 students, as enrolment continues to increase."

Dr Sulaiman Al Jasem, Vice-President of Zayed University on the new Zayed University campus being built in Abu Dhabi. Student intake at the university increased by 23 per cent in the 2010 academic year. HLG is constructing the Zayed University campus in Abu Dhabi.

"When everyone involved with the construction process is responsible for safety we get less people killed and injured."

David Stewart, Chief Executive Officer of Leighton Holdings, on the compelling evidence that safety outcomes are positively influenced by the direct involvement and commitment of clients to safe construction. Leighton Holdings is HLG's major shareholder.

RE-BRANDING THE BUSINESS

Habtoor Leighton Group's new logo and brand has hit the market after months of research and careful planning. **CEO and Managing Director Laurie Voyer** talks to Akhbar AIDar about creating a fresh new approach for the Group.

Akhbar AIDar: Why did the Group decide to create a new brand?

Laurie Voyer: Our previous brandmark was a combination of the Leighton International and Al Habtoor Engineering logos. It was created in 2007 at the time of the merger.

Our primary aim is to dispel the misconception in some quarters that HLG is a temporary joint-venture between two separate companies and demonstrate that we are one, unified, fully-integrated organisation.

AA: What was the rationale for the current look?

LV: Part of the re-branding exercise has involved researching local and international contractors' brands.

The research we did revealed blue and red are common competitor corporate colours so the purple and green colours have been selected to distinguish us from our competitors in a very crowded market.

A lot of thought has gone into this and we believe we have hit on a winner.

AA: What can clients expect from the new brand?

LV: The new brand will not fundamentally change the organisation and how we operate. While it will give us a polished, professional unified appearance, we will still be the same quality contractor delivering quality projects for our clients.



AA: How does the HLG's workforce feel about the new look?

LV: We have a loyal workforce and many employees have worked under either the old Leighton or Habtoor Engineering company logo for a number of years. A change like this can have an impact on staff, and I am happy to say feedback on the new brand has been overwhelmingly positive and everyone is embracing this new look.

Our branding should reflect not only where we are, but where we want to be in the future, and I think our staff appreciate that it was time for a change.

AA: When will we start seeing the new branding on HLG sites?

LV: The re-branding process is an enormous logistical task and as such it is not something

we can implement overnight. We will formally begin using the new brand from 1 June and once launched, the re-branding process will take a number of months to fully implement. All new and recently-awarded projects will eventually be updated with the new brand.

"I really like the look of the new brand, as does our Board and employees. The new look HLG helps to modernise the Group's identity as we enter a period of growth after a challenging couple of years."

Other projects will be prioritised depending on how long they have until completion. Our plant and equipment, including transport, will be re-branded progressively as items are brought in for service.

AA: Will HLG be used in all your markets of operation?

LV: Minor variations of this brand will be utilised in markets outside the UAE where we have already established ourselves under the Leighton name, but the overall branding will be clearly recognisable as being part of the Group.

AA: Are you pleased with the overall result?

LV: I really like the look of the new brand, as does our Board and employees. The new look HLG helps to modernise the Group's identity as we enter a period of growth after a challenging couple of years.

This is an exciting step in the Group's evolution, and highlights our fresh, positive, unified approach to the future.





John Brash

Founder and CEO of Brash Brands

About Brash Brands

Brash Brands Founded by John Brash in the UAE in May 2007, Brash Brands is a strategic and creative consultancy that helps clients create and build commercially effective brands.

Headquartered in Dubai, Brash has offices in Abu Dhabi, London, Shanghai and Singapore. Brash also has strategic relationships with Seymour Powell and Oxford Business Group.

Brash offers a broad cross section of services to clients from consultancy to communications planning to building new retail stores.

Clients include, Marsa Zayed for Al Maabar, Burj Khalifa for Emaar, dnata, Emaar Group, Etihad Rail, Msheireb Properties and its principal development Msheireb, Mubadala and TDIC including the re-brand of Saadiyat Island.

WHY BRANDS ARE GOOD

The consultant behind HLG's new brand **John Brash, Founder and CEO of Brash Brands**, on the importance and value of high quality branding.

Everyone wants one; they divide opinion, some think they are valuable, to others it's all fluffy nonsense. But whatever you think about brands, two things are clear, they are valuable and they influence everything we do.

A big claim to make? Well not really.

Although figures vary, American research indicates that we will each have over 3,000 brand interactions a day. This means that every moment of everyday, you are using, thinking or buying a brand. As consumers we have made brands important, so much so that in some companies, such as Nike, its market valuation is almost entirely made up of its brand (approximately 85 per cent if you're interested).

Perhaps the most interesting market to demonstrate the importance of brands to consumers and business is bottled water. It is largely a pure brand purchase, because its rival is, on the whole, free, of high quality and widely available. It's called tap water. Given the superiority of the competition it's strange to think that the bottled water market is now worth over US\$70 billion for a product that is chemically the same the world over. The only difference? Whether you prefer it from the mountains of France, Switzerland, the glaciers of Norway or a Fijian spring.

Therefore water, like other commodities, can be made to be valuable just by using a brand to manipulate our pre-existing perceptions (tap

water is not high quality), our fears (I might get ill) or imply a benefit (I'll feel younger, better, healthier).

So what does this have to do with the construction business or the hard-nosed reality of business outside the world of the weekly shop? Well, everything, because exactly the same principles apply.

Want to attract the brightest graduates, best managers or future leaders? You'll need a strong brand (or conversely a weak one that can be made strong). Want to increase revenue volumes? You'll need a desirable brand that people want. Want to increase margins? Yes, you've guessed it, you need a strong brand (by way of example in the period January to June 2010 Apple sold 17 million handsets, against a total market volume of 607 million, however their share of industry profits was 39 per cent. Nokia, Samsung and LG combined only reached 32 per cent).

Commercial realities aside, brands also strongly influence our working lives. They provide a means of attracting and keeping people. They have a habit (with good management) of intrinsically motivating us, becoming a symbol for our own personal endeavours and success.

They create a strong feeling of pride and hurt when the media may attack the company.

I know this from friends at BP, during last year's problems.

If you believe, as I do, that having a strong brand is an essential business tool, then the question becomes how do you create one and then keep it?

From experience it requires you to:

Be different

With 3,000 brand interactions, things that are different stand out, they get noticed, attract interest and occasionally desire.

Be relevant

Know who is buying your product services and make sure your brand is attuned to their needs, perceptions or can overcome a problem that they may have.

Be consistent

If you repeat something time and time again, you'll remember it. The same principle applies to brands.

Be vigilant

To stay on top of your game you'll need to ensure your customers now are the same as those of the future. Remember 10 years ago Google didn't exist and Yahoo! was the search engine of choice.

Be engaging

Like a charismatic individual at an event, people are drawn to brands that engage them on a personal level.

There is one other vital component. It's the most valuable one. It's you. Only with your support, hard work and willingness to push the boundaries can your company hope to develop a strong brand.

Brash Brands' clients



1. Etihad Rail
2. TDIC
3. dnata
4. Logica
5. Averda
6. Film Festival
7. Burj Khalifa

1



2



3



4



5



6



7



www.brashbrands.com

MEDICAL COMPLEX HITS KEY MILESTONE

HLG and client representatives recently celebrated the topping-out of the super-structure at the Arzanah Medical Complex in Abu Dhabi. The project is on schedule and is aiming for a LEED rating.

More than 100 people gathered to watch a symbolic concrete pour of the roof slab at a recent ceremony to mark the topping out of one the Group's most significant projects in Abu Dhabi, the Arzanah Medical Complex.

HLG began working on the Mubadala Healthcare project in April 2010 and the reaching of the recent super-structure completion milestone has been a significant achievement that Project Director Stephen Bennet said reflected the team's commitment and dedication.

"Everyone has put a great deal of effort into the project and we are delighted with the results," he said.

The project reached its final height of five storeys on top of two basement floors on 7 March when the last slab was poured. The project comprises the construction of a 20,700 square metre hospital and a 9,000 square metre clinic, with a glass-clad bridge structure to connect the two buildings, as well as ancillary buildings and works. It is aiming for a LEED rating.

The complex will form part of the Arzanah Development near Zayed Stadium in Abu Dhabi and will house three specialist healthcare facilities: Wooridul Spine Centre, the Abu Dhabi Knee and Sports Medicine Centre, and a state-of-the-art Wellness and Diagnostic centre.

Mr Bennet said the recent topping-out ceremony was attended by a number

of senior executives from Mubadala Healthcare, including Executive Director Suhail Mahmood Al Ansari who also presented the site team with a certificate to mark two million man-hours without lost time due to injury, highlighting the project team's commitment to safety on site.

"This development is an integral part of our strategy to reduce the need for patients to travel abroad for treatment, contribute to the development of Abu Dhabi's healthcare sector and ultimately improve quality of life," Mr Al Ansari said.

"This milestone brings us another step closer to our goal of providing UAE residents with local access to world-class healthcare. I am very proud of the progress to date and sincerely thank all those involved in bringing us to this important stage."

HLG Executive General Manager of the UAE
Joe Dujmovic with Mubadala Healthcare Executive Director **Suhail Mahmood Al Ansari** at the Arzanah Medical Complex topping-out ceremony.







STRONG SAFETY RECORD BOOSTS PROJECT SUCCESS

A water station and reservoir project in Qatar has showcased HLG's commitment to quality and safety and its collaborative approach to project delivery.

An effective and disciplined approach to maintaining high safety and quality standards on site has helped Habtoor Leighton Group's reservoir project in Qatar stay ahead of schedule.

The project is for the development of new and independent water infrastructure facilities in the Duhail and Umm Qarn communities in the

outskirts of Doha. It has been underway since 2009.

Project Director Jeremy Lai said the project peaked at more than 1,200 employees on site.

"With so many people on site we constantly maintain a strong focus on health and safety to ensure the project is delivered to the highest

quality, on time without compromising on safety," he said.

"We have recently achieved one million man hours without any lost time due to injury and the client presented us with a certificate to mark the occasion. To have our efforts recognised by the client provides a great morale boost for the team."

Mr Lai said the project client, Qatar General Electricity and Water Corporation (Kahramaa), had been supportive of the Group's approach to safety.

He said the project team had been invited by the client to present their approach to implementing both the project Safety and Environment Plan, and the Quality Plan to senior management.

"We were also recognised by Kahramaa as the number one contractor for Health and Safety, Quality Assurance and Document Management Systems in a recent audit conducted on all their project sites," he said.

The project scope of work for the Duhail water station contract includes the construction of four 25 million gallon and two 21 million gallon reinforced concrete reservoirs, a pump station, chlorination system and associated buildings, road works and landscaping. The scope of work also includes the installation of a 20 kilometre water distribution pipeline.

The Umm Qarn Water Station contract includes the construction of three 7 million gallon reinforced concrete reservoirs, a pumping station, chlorination system and associated buildings, road works and landscaping.

A two kilometre water distribution pipeline will also be installed as part of the project and a

state-of-the-art instrumentation and control system will be commissioned at both water stations.

Mr Lai said the project was currently running ahead of schedule with the project team completing the two 21 million gallon reservoirs at Duhail on time.

Habtoor Leighton Group was awarded a second reservoir project to be constructed in Shahaniya by Kahramaa due to the positive progress and performance at the Duhail and Umm Qarn reservoirs.

"The completed 21 million gallon reservoir passed the water leak test on the first fill," Mr Lai said.

"This is the first time we have worked with Kahramaa so it was important for us to showcase our capabilities and build a good working relationship.

"We have a highly skilled and motivated project team that can maintain a high level of productivity without compromising on safety and quality which has helped us establish a culture of trust and partnership with our client."

The Duhail and Umm Qarn Reservoirs project is expected to be completed by August 2012.



Habtoor Leighton Group was awarded a second reservoir project to be constructed in Shahaniya by Kahramaa due to the positive progress and performance at the Duhail and Umm Qarn reservoirs. The completed 21 million gallon reservoir passed the water leak test on the first fill.

The recently completed residential section of the Emerald Palace Residential Hotel and Villas on Dubai's man-made Palm Jumeirah. The apartments form part of a total development including a hotel and luxury villas. The project occupies a total built-up area of around 206,000 square feet.







HLG ON TRACK FOR FIRST STAGE OF JAFZA CONVENTION CENTRE

Habtoor Leighton Group is on track to complete the first stage of its JAFZA Convention Centre project with the shell and core of the building due for completion in October this year.

The Group was awarded the project by Jebel Ali Free Zone Authority in 2007. When complete the complex will include a convention centre, a food court, office complex and hotel.

The project has a built-up area of more than 398,377 square metres and comprises two towers with three carpark levels and 34 office

floors in addition to 300 hotel rooms, 22 suites and the state-of-the-art convention centre.

The first stage of the project - the construction of the shell and core - is almost 80 per cent complete Project Director Mohamad Sadik said.

"All the main structural work is finished for the entire project and we have around 75 per cent

of the facade completed, and we expect to have that finalised by July," Mr Sadik said.

He said the project was on track but that it had not been without its challenges.

"We had to adjust the programme several times due to the ever-changing circumstances of the project, and our focus was always on moving the project forward and maintaining client satisfaction," he said.

"We worked hard to maintain constant communication with the client and concentrated on adjusting our resources to suit any changing requirements they had."

The project team has also concentrated on instilling a robust safety culture and enhancing productivity on site.

"We have worked hard to get the construction and safety teams working together to promote safety initiatives through regular training, vigilance and monitoring and also holding 'toolbox talks' to ensure staff are informed of safety issues," he said.

"We have also got staff incentives in place to reward those who make an extra effort to enhance the safety culture."

To boost productivity on site, Mr Sadik said the team had put incentives in place for the



workforce, as well as maintaining labour accommodation on site which eliminated the need for transportation, saving valuable time.

He said productivity was also increased in the site office with the development of one system for document management, ensuring proper coordination of information between various departments.

"Like many large-scale projects we have had a few challenges but we have worked hard as a team to develop innovative responses to overcome them," he said.

"We have also been fortunate enough to have a strong working relationship with the client and we look forward to meeting the October 2011 completion target for the first stage of this project."





Paul Redstone

General Manager, Saudi Arabia

BUILDING THE BUSINESS IN SAUDI ARABIA

Saudi Arabia is the biggest construction market in the Middle East and one of the Habtoor Leighton Group's key areas of growth. The Group has recently appointed Saudi Arabia General Manager Paul Redstone to oversee its Riyadh-based Leighton Middle East Contracting operations.

Paul Redstone is no stranger to operating in large and complex international markets.

Since beginning his career in the UK he has worked on many international projects including Kuala Lumpur International Airport Main Terminal, New Bangkok International Airport,

Taiwan High Speed Rail and the Bosphorus Crossing in Turkey.

He has worked for extended periods in Malaysia, Vienna and on power station projects in Syria, Turkey, Romania, Italy and Germany.

In recent years he has worked across the Middle East, on high-profile projects

including the Dubai Metro, International City infrastructure in Dubai, the TDIC headquarters in Abu Dhabi, Durrat Al Bahrain and Al Uqair City in Saudi Arabia.

It's no surprise then that his strategy for Leighton Middle East Contracting (LMEC) in Saudi Arabia is quite clear: to attract the best and brightest staff to deliver the high-quality projects the market has come to expect from the Group.

"We are at the initial stages of building our operations in Saudi Arabia," he said.

"Our biggest challenge is to provide a first-class service to the highest international standards while at the same time integrating the business into the local market and culture."

Operating from an office in Sahafa Galleries in the Sahafa quarter of Riyadh, HLG has been in the Saudi Arabia market since 2008. It is currently completing a management contract with Al Rajhi Projects for the ITCC project in Riyadh.

The Saudi Government has committed to one of the largest ever construction and infrastructure spends. Between 2010 and 2014 there is a budgeted spend of US\$385 billion. The government budget increased 7.3 per cent in 2011, over and above that of 2010.

Mr Redstone believes Habtoor Leighton Group is well positioned to take a slice of this infrastructure spend.



“The Group’s ambition to expand the business further from its UAE base, coupled with its wider philosophy of empowering staff and making them responsible for the outcome instantly appealed to me.”

“I want LMEC to be at the top of the market in the activities we choose to participate in,” he said.

“To set ourselves apart from the competition we will draw upon the expertise of the wider Leighton Group to support us in areas such as wastewater treatment, environmental remediation, tunnelling, hospitals and medical facilities and major infrastructure.”

He said the sheer scale of the opportunities in Saudi Arabia was astounding, even by Gulf standards.

“We are currently tendering or tracking a number of major projects that will draw upon all expertise and resources of the company,” he said.

“In five years I would like us to be seen as a fully established and integrated company delivering projects that meet the requirements of our clients and to be seen as an employer of choice.”

Information Technology and Communication Complex – ITCC



LMEC provides a management role in the construction of the ITCC project for Rayadah Investment Company. The scope of work on the US\$65 million complex is for the excavation and enabling works, construction of the structural frame, masonry works, complete architectural works as well as special construction electromechanical and external works.

The first phase of development is a central office complex comprised of four towers on a development area of about 800,000 square metres.

The site is located in the Al Nakheel district, approximately 15 kilometres west of Riyadh city centre, at the junction of two major roads, King Abdullah Road and Prince Turki Bin Abdul Street.

For Mr Redstone, successfully building the business in Saudi Arabia relies as much on its employees as it does on winning tenders.

“We are at the start of the journey in Saudi Arabia and the success of the company is reliant on our staff. One of our biggest hurdles is getting the right people for the right roles and training and developing them,” he said.

“We need to be mindful of the requirements of Saudization and from the start encourage recruitment of Saudi engineers and managers in the business.

“We are very fortunate to have attracted dedicated and exceptional staff but we will always need more. This is the same challenge that every construction company will face in Saudi Arabia in a booming market.”

Mr Redstone said it was Group’s commitment to its employees that was a deciding factor in him accepting the role to lead LMEC in Saudi Arabia.

“I am attracted to the company’s commitment to quality and health and safety,” he said.

“I supported the establishment of BuildSafe Dubai, BuildSafe UAE and the start up of Build Safe Oman and Bahrain. I am committed to providing a safe working environment for all employees under my care, and HLG’s approach to this is in line with my thinking.

“The Group’s ambition to expand the business further from its UAE base, coupled with its wider philosophy of empowering staff and making them responsible for the outcome, instantly appealed to me.

“I have always agreed with this approach and I translate it down to the project teams and staff who work for me.

“I am excited about this role, which involves working in one of the most demanding and rewarding markets.”

HLG AWARDED AED2.2 BILLION STATE-OF-THE-ART MAFRAQ HOSPITAL

Habtoor Leighton Group (HLG) has been awarded an AED2.2 billion contract for the construction of the new Mafraq Hospital for SEHA, the Abu Dhabi Health Services Company.

The Mafraq Hospital project is located in Al Mafraq Abu Dhabi and will be undertaken in joint venture with Murray and Roberts. Work has already commenced and the project is due for completion in 2014.

The 745-bed general hospital will be one of the leading trauma/surgery hospitals in the region, and will provide a cost-effective alternative for patients who previously had to seek specialised care overseas for neurosurgery, orthopaedics, acute rehabilitation and plastic surgery.

HLG CEO and Managing Director Laurie Voyer said the new project underlined HLG's healthcare credentials.

"The new Mafraq Hospital adds to the Group's already strong track record in the construction of hospitals and healthcare facilities in both the UAE and abroad," he said.



"We look forward to working with SEHA to develop one of the leading trauma and surgery hospitals in this region."

This is the second major healthcare project HLG has been awarded in Abu Dhabi in the

past 12 months following the Arzanah Medical Complex the Group secured in April 2010.

The joint venture's scope of works includes construction of:

Two nine-storey and two 11-storey in-patient towers

A two-storey basement including service accommodation, labs, CSSD, dining and parking

A three-storey out-patient building including clinics and auditorium facilities

A link bridge

A three-storey podium building including diagnostics, operating theatres, ER, rehab, ICU and maternity

Peripheral buildings including substations, a cooling plant, a workshop, a mortuary, underground tanks and service tunnels

Landscaping, infrastructure and external works



HLG Chairman Riad T. Sadik and CEO and Managing Director Laurie Voyer met with SEHA officials and joint venture partner Murray and Roberts to sign the contract for a new AED2.2 billion hospital project in Abu Dhabi on 15 March.

Held at the SEHA offices in Abu Dhabi, the Mafraq Hospital signing ceremony included SEHA Chairman H.E. Saif Bader Al Qubaisi and Murray and Roberts Managing Director Nigel Harvey.



HLG SECURES ABU DHABI BUILDING PROJECT

HLG has been awarded the AED510 million Qusahwira Phase 1 building and services project in Abu Dhabi for the Abu Dhabi Company for Onshore Oil Operations (ADCO).

The project consists of the construction of accommodation and administration complexes with associated services and support buildings at ADCO's Qusahwira oilfield.

The contract also includes facilities such as a swimming pool, chiller yard, garbage yard and helipad and external works including hard and soft landscaping, pavements and roadworks.

HLG CEO and Managing Director Laurie Voyer said the project further boosted the Group's work in hand.

"We have a strong reputation for delivering quality building projects throughout the UAE

and this new project will give us an opportunity to further showcase our skills," he said.

The project is due to be completed by December 2012.



HLG TO DELIVER AED405 MILLION BANK HEADQUARTERS PROJECT IN ABU DHABI

Al Habtoor Leighton Group (HLG) has been awarded an AED405 million project for the construction of Abu Dhabi Islamic Bank's new headquarters in Abu Dhabi.

The project, for Abu Dhabi Islamic Bank, is due to begin immediately and will be completed within 18 months.

HLG will be responsible for the construction of two towers covering approximately 97,000 square metres, comprising ground floor, mezzanine level and 12 upper floors, as well as four levels of basement parking.

A section of the ground floor will house the Abu Dhabi Islamic Bank's front office retail hall, with the remaining floor area built as shell and core to house additional retail tenants.

Al Habtoor Leighton Group CEO and Managing Director Laurie Voyer welcomed the announcement as another boost for the Group's work in hand.

"Al Habtoor Leighton Group has a strong reputation for delivering high-quality building

Al Habtoor Leighton Group has a strong reputation for delivering high-quality building projects within the UAE and Abu Dhabi remains a key market for us.

projects within the UAE and Abu Dhabi remains a key market for us," he said.

"This latest contract award adds to our work in hand in the UAE capital and we look forward to working with the Abu Dhabi Islamic Bank to deliver their new headquarters on Old Airport Road."

During April HLG was also awarded the AED2.2 billion Mafraq Hospital project for SEHA, the Abu Dhabi Health Services Company.

The Group is also currently working on high-profile projects in Abu Dhabi including the Capital Gate tower and Zayed University and the Arzanah Medical Complex.



ADDITIONAL CONTRACT AWARDED FOR ZAYED UNIVERSITY

HLG has secured an AED110 million contract for a chilled water plant at Zayed University for Mubadala Development Company. The contract is for the design and construction of chilled water facilities for the new university.

The project will consist of two plants with a combined capacity of 9,200 Tons of Refrigerant (TR).

Each plant will include water chillers, cooling towers, a water storage tank, primary chilled water pumps and condenser water pumps. The plants will be designed with additional space to enable future modules of a similar size to be added to meet eventual requirement of 15,800 TR.

Work on the project is expected to be completed during the fourth quarter of 2011.

In 2008 the HLG-Murray and Roberts joint venture was awarded the initial AED3 billion contract for the design and construction of the new Zayed University campus in Abu Dhabi for Mubadala Development Company.

The project involved the design and construction of a new university campus on a plot of approximately 75 hectares and a built-up area of 200,000 square meters to provide educational facilities for 6,000 students as well as related faculty and support staff.

This was HLG-Murray and Roberts' second university project for Mubadala after the joint venture secured the Paris Sorbonne University in May 2008.

LEIGHTON FORECASTS A RETURN TO SOLID RESULTS IN 2011-12

Leighton Holdings announced in May that the company would return to growth in 2011-12 after a disappointing 2010-11 in which the company reported its first loss on over 25 years due to write-backs and impairments.

Chief Executive Officer, Mr David Stewart, said that while the loss for 2010-11 was extremely disappointing, the company is acting decisively to deal with all its issues.

"Having recognised the write-backs and impairments, Leighton is now well positioned to return to more normal growth and earnings in 2011-12 and beyond," said Mr Stewart.

"Looking forward, the Leighton Group is in solid shape with most of our major markets – particularly Australian infrastructure and resources, and the bulk of Asia – proving very attractive. At the end of March, work in hand stood at a record A\$46 billion which has a strong level of embedded profitability," said Mr Stewart.

"Since December 2010, the Leighton Group has been awarded an additional A\$4.6 billion in new work and currently there are approximately A\$4 billion in contracts where the Group is in a preferred position. Leighton also has over A\$7 billion worth of projects that are highly likely to be awarded in the next 12 months.

"We expect to return to profitability in 2011-12 and are currently forecasting to report a profit after tax in the range of A\$600 - A\$650 million," said Mr Stewart.

"The outlook for infrastructure spending in Australia remains positive with growth expected in transport and utilities during 2011 and 2012. Spending on transport infrastructure is forecast to grow through to 2012 with particularly large increases expected in rail and ports.

"Calendar 2011 is expected to see strong growth in demand for iron ore and coking coal, underpinning prospects for contract mining. Thermal coal production in Australia is forecast to rise sharply in 2011, boosted by the completion of new mines, expanded port capacity in NSW and strong increases in demand from China and India," said Mr Stewart.

"The strength of commodity demand and prices has driven a surge in construction, particularly in LNG and coal seam methane where our companies are currently helping to construct the Gorgon, Devil Creek and Curtis Island projects, and have been working on the Pluto project. This boom in resources-related construction is expected to continue throughout 2011 and beyond.

"Since December 2010, the Leighton Group has been awarded an additional A\$4.6 billion in new work and currently there are approximately A\$4 billion in contracts where the Group is in a preferred position."

"In Hong Kong, construction should grow strongly until at least 2014 fuelled by the Government enhancing transport links with China. Indonesia, on the back of contract mining of coal, will continue to be a solid and growing market, driven by strong demand from India and from other parts of Asia," said Mr Stewart.

"We recently completed the sale of a 35 per cent stake in our Indian operations to leading diversified Indian conglomerate, the Welspun Group, which opens up a new era of opportunity for Leighton in India. The strategic partnership that we have formed combines Leighton's international construction capability and Welspun's significant local market knowledge, a pipeline of construction work and preparedness to invest in infrastructure projects.

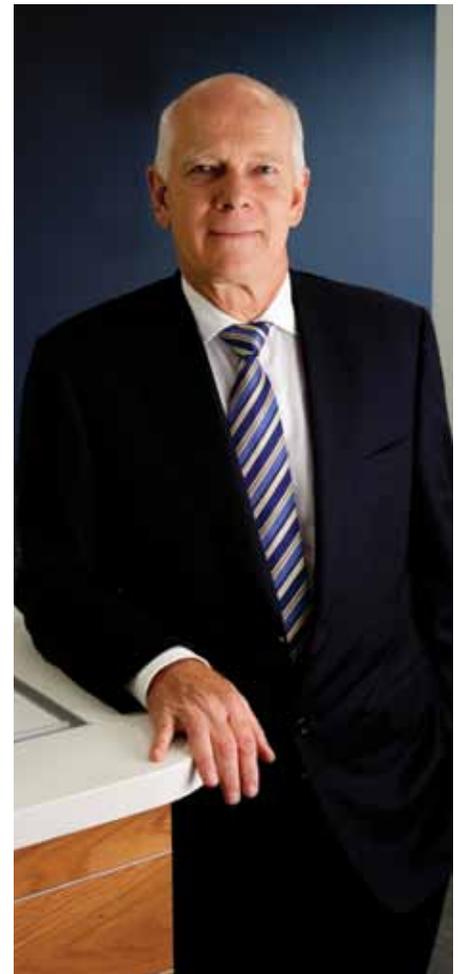
"We will build a partnership with Welspun that can capitalise on the enormous opportunities that are emerging in the Indian infrastructure sector. The Indian Government is planning to

spend US\$1 trillion on infrastructure projects during the XII Plan between 2012 and 2017, which should offer a wide range of projects for the new partnership to deliver.

"Leighton also sees India as offering a range of contract mining opportunities, particularly in coal, as the economy opens up and turns over more of its reserves to the private sector

to develop. Mongolia's abundance of natural resources should also continue to offer mining opportunities and the Group is targeting selected infrastructure projects," said Mr Stewart.

"In the Middle East, some new work has been awarded recently including: a JV to build the AED2.2 billion (A\$565 million) Mafrag Hospital in Abu Dhabi; the AED400 million (A\$103 million) Abu Dhabi Islamic Bank's new headquarters in Abu Dhabi; and AED600 million (A\$154 million) of new work in Abu Dhabi for buildings and services at the Qusahwira oilfield and also more construction at the Zayed University. We believe that we've now seen the bottom in the Middle East and that things are starting to turn around."



David Stewart

David Stewart was appointed Chief Executive Officer of Leighton Holdings in January 2011.

He was Chief Operating Officer from 2009 to 2010 with responsibility for Leighton International, Habtoor Leighton Group, John Holland and Leighton Properties. He was the former Group Managing Director of the John Holland Group from January 2006 to June 2009 and former Managing Director of John Holland Construction Pty Ltd in 2003.

He was General Manager International of Thiess in 1999, having joined Thiess in 1992. Mr Stewart is a graduate of Sydney University with degrees in Science and Engineering. He joined the Leighton Group in 1985 as a Project Manager with Leighton Major Projects.

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