



Lend Lease

2003 Annual General Meeting

Greg Clarke, Managing Director

June 2003 Full Year Result

Profit After Tax



	2003 A\$M	2002 A\$M
Continuing operations	198.1	174.8
Discontinuing operations:		
➤ REI businesses	32.1	23.3
➤ Westpac hedge profit	-	28.2
Total Operating Profit	230.2	226.3
Write-down of REI businesses	(945.0)	-
Reported profit/(loss)	(714.8)	226.3

REI Review - Realisation of Value



A\$M	Financial Year			
	2003	2004	2005	2006+
Estimated proceeds:				
Discontinued business platforms	15	460	-	-
Other Net Tangible Assets	-	470	15	-
Restructure & transaction costs	(10)	(190)	-	-
Net proceeds from divested businesses	5	740	15	-
Co-investments	-	60	65	285
	5	800	80	285

June 2003 Full Year Result

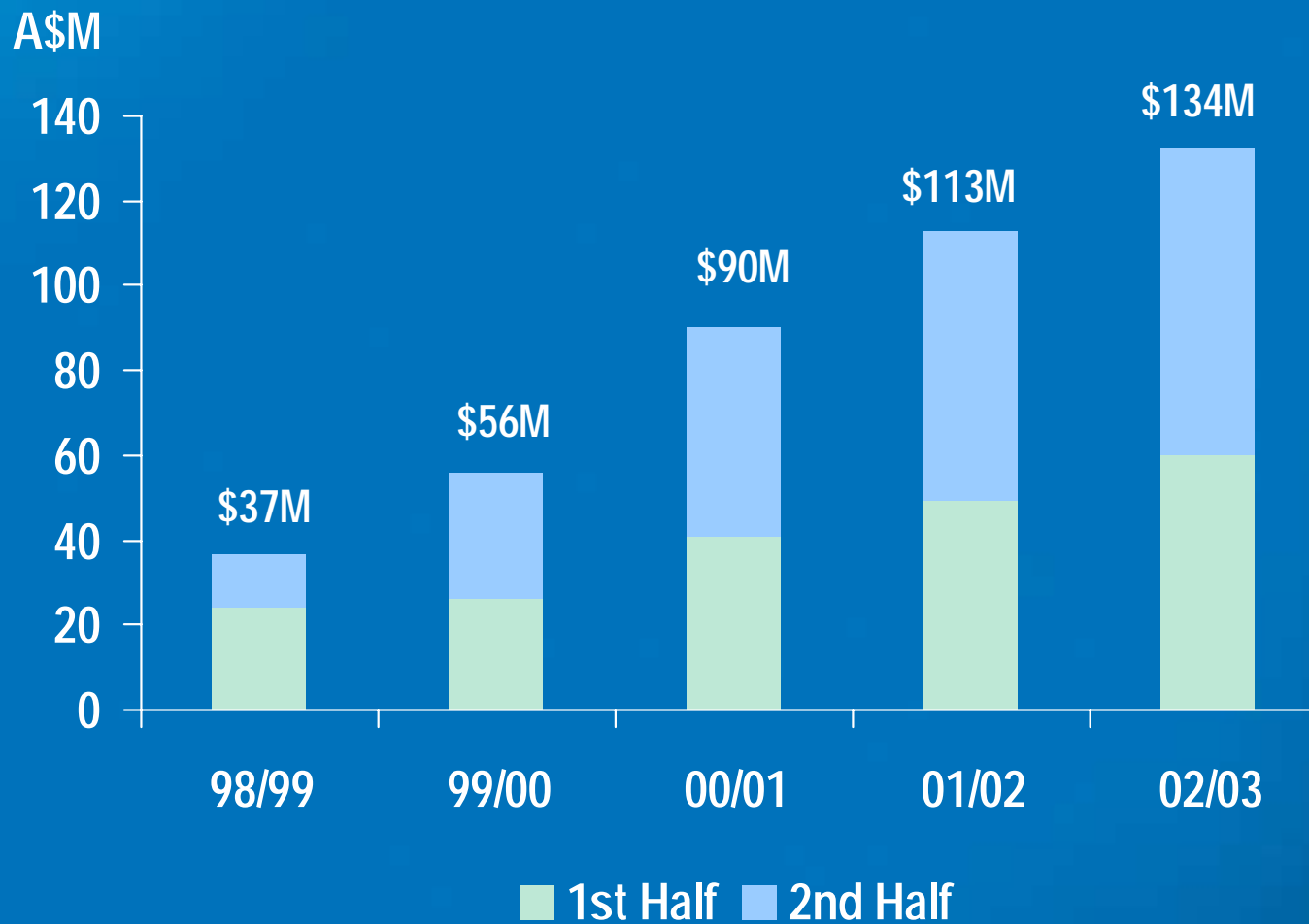
Continuing Operations

Profit After Tax



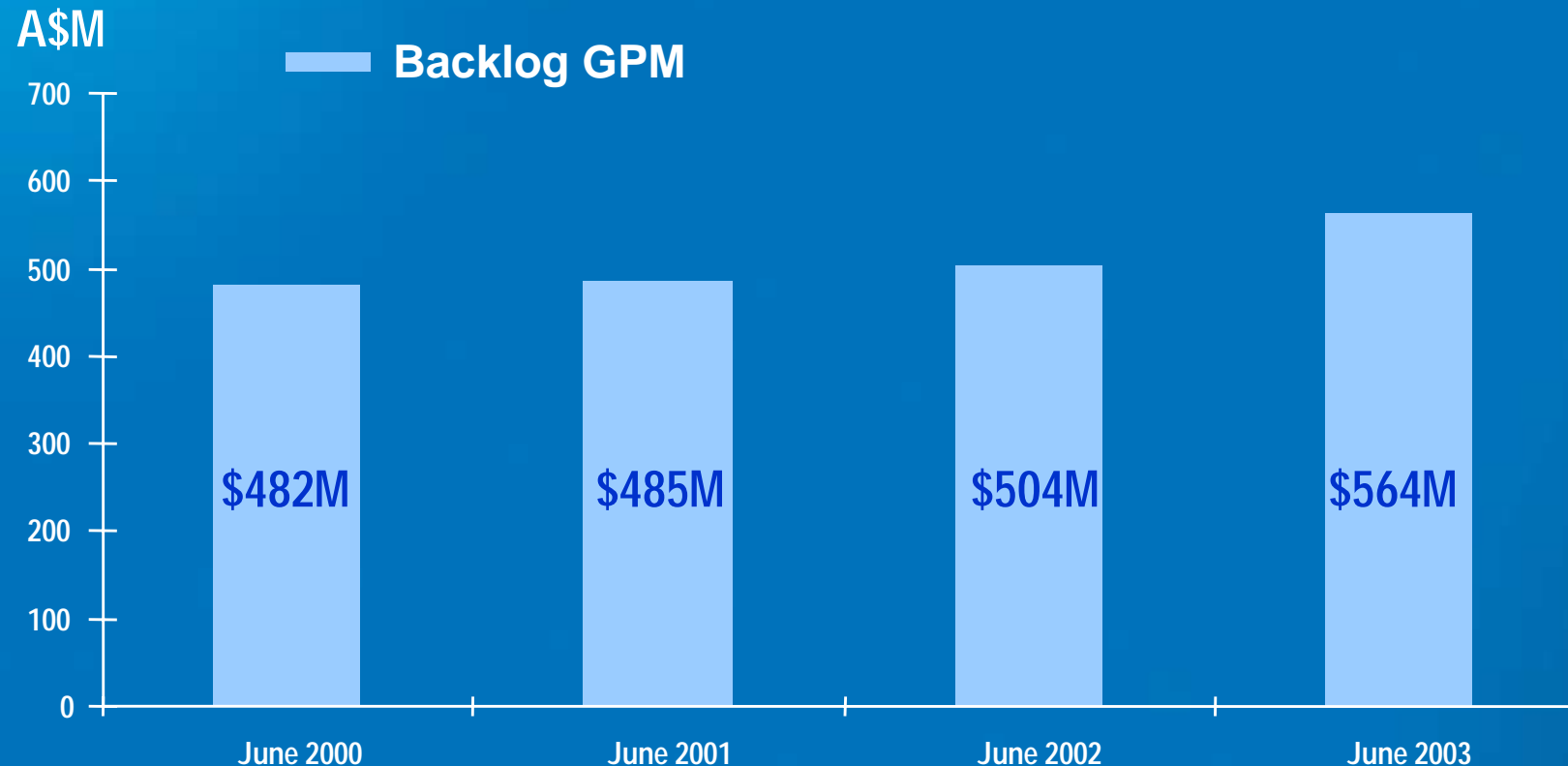
	2003 A\$M	2002 A\$M
Bovis Lend Lease	133.7	112.7
Integrated Development Services	31.6	40.6
Real Estate Investments	93.1	80.0
Non-Core Investments	22.2	25.9
Group Corporate & Treasury	(2.6)	(40.0)
Group Restructuring Costs	(32.5)	
Amortisation	(47.4)	(44.4)
Operating Profit	198.1	174.8

Bovis Lend Lease Profit After Tax



Bovis Lend Lease

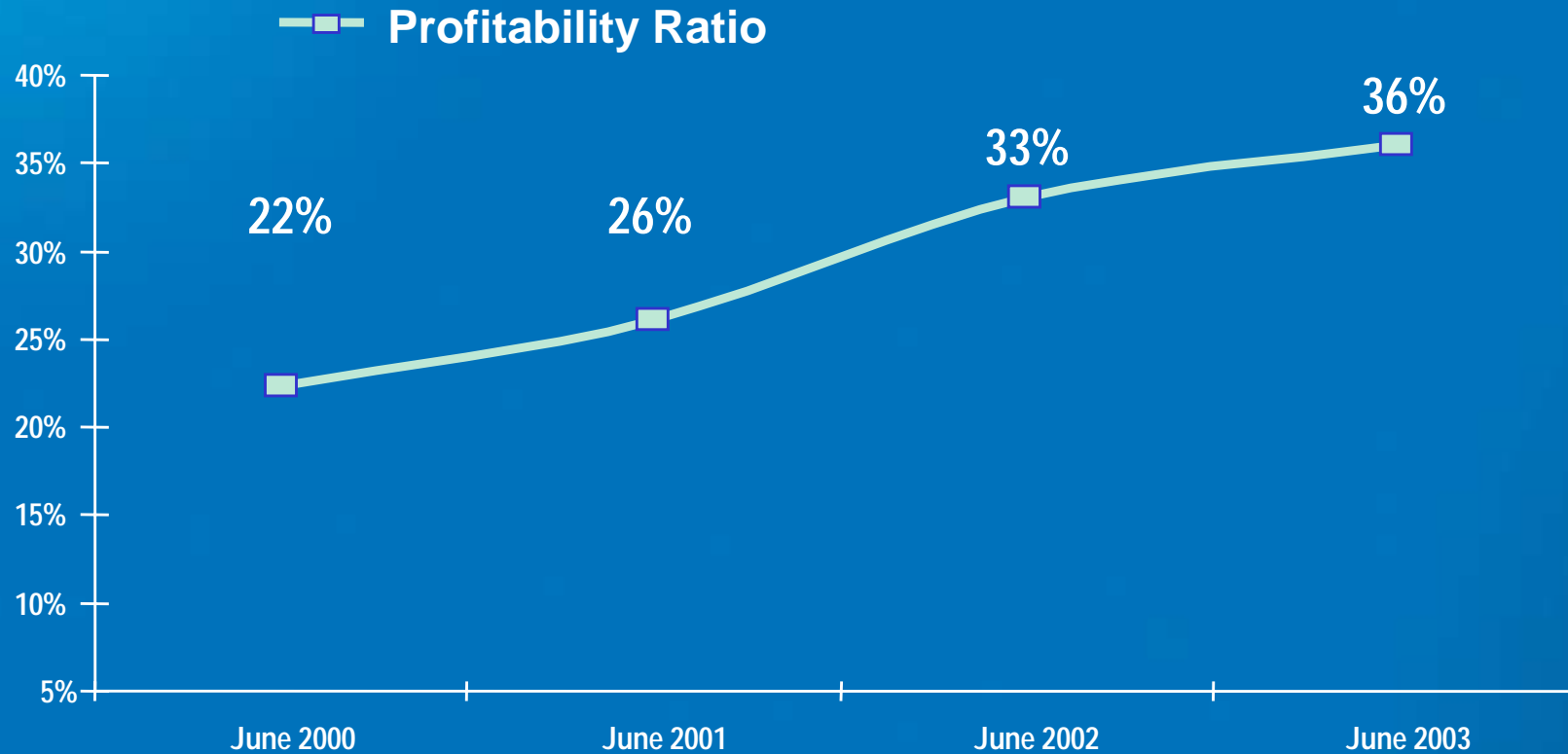
Key Profit Drivers – Backlog GPM



Backlog GPM represents expected Gross Profit Margin (GPM) to be earned for the balance of work to be completed under existing construction contracts at balance date

Bovis Lend Lease

Key Profit Drivers – Profitability Ratio



Profitability ratio represents the ratio of profit before tax to realised GPM each year, (profit before tax = realised GPM – overheads)

Integrated Development Profit After Tax



Lend Lease

	2003	2002
	A\$M	A\$M
Delfin Lend Lease	32.0	21.5
Sale of North Lakes	11.2	
Other Asia Pacific Development	13.1	24.3
Actus Lend Lease	4.2	3.4
Sale of TresAguas	12.9	
Sale of Touchwood, Solihull	5.5	24.1
Shell Centre Provision	(10.5)	
PFI Business	(24.2)	2.2
Other/Overheads	(12.6)	(34.9)
Operating Profit	31.6	40.6

Integrated Development Asia Pacific – Delfin Lend Lease



- Strong operating result
 - PAT up 49% to A\$32M
- Sale of North Lakes for PAT of A\$11.2M
- Well positioned for further operating profit growth in 2004 FY:
 - 34,500 lots in Sales Backlog at 30 June '03
 - Strong pipeline to grow Sales Backlog



Varsity Lakes, Queensland

Integrated Development

Asia Pacific – Urban Development



- A\$9M PAT mainly from Jacksons Landing and Newington projects
- Contribution to grow over time with new projects:
 - Victoria Harbour
 - Rouse Hill
 - Twin Waters
 - Hyatt Coolum
 - Strong pipeline



Jacksons Landing, Sydney

Integrated Development - US

Actus Lend Lease



- Focus on privatised military housing program for US military
- PAT up 24% to A\$4.2M in FY03
- Currently bidding on several privatisation projects
- Achieved preferred bidder on projects in Hawaii:
 - US\$5B Army RCI project
 - US\$1.3B Air Force HPI project



Project	Estimated Number of Units	Estimated Capital Spend A\$M	Current Status	Contract End Date
Fort Hood, Texas	5,900	440	Operational	2051
Beaufort/Parris Island, South Carolina	1,700	230	Operational	2053
Fort Campbell, Kentucky	4,800	585	Preferred bidder	2054
Army RCI, Hawaii	7,700	2,430	Preferred bidder	2055
Air Force HPI, Hawaii	1,360	285	Preferred bidder	2053
	21,460	3,970		

Europe – PFIs



- Sectors targeted: Hospital PFIs & Defence Estates
- Longer term, higher margin projects
- Strong position established in Hospital PFI sector
- Strong pipeline of bids in progress



Manchester Hospital

UK PFI Business



After Tax
A\$M

Bid costs:

➤ Allenby/Connaught (14)

➤ PFI hospitals (11)

Other net income 1

Net loss after tax (24)

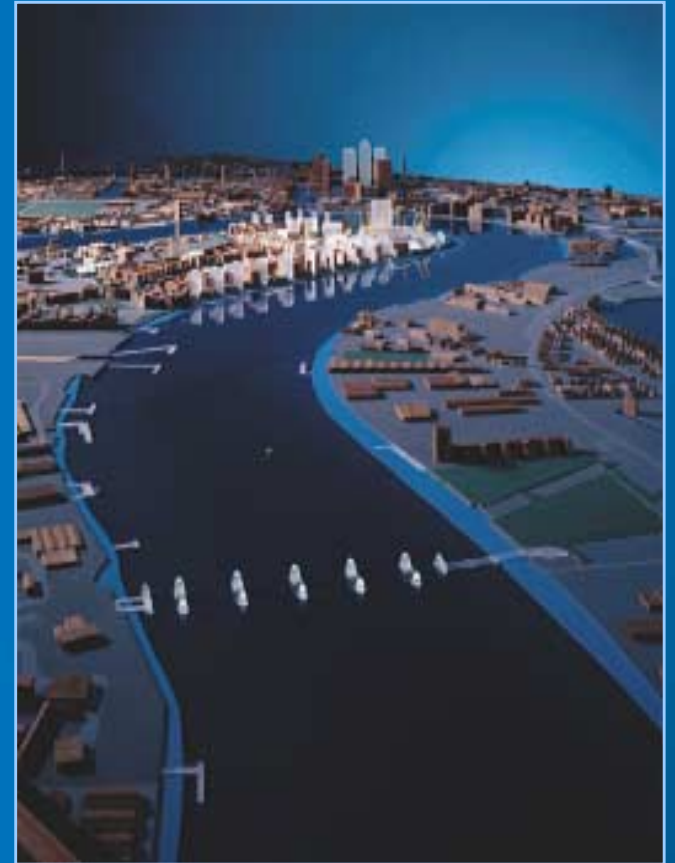


Hexham Hospital, Havering, UK

Integrated Development – Europe Urban Development



- Good progress made on Greenwich Peninsula project:
 - Major planning approvals attained
 - First profits expected in FY06
- Large scale 15 year+ project
- Other opportunities to grow business



Greenwich Peninsula, London

Integrated Development – Europe Retail



- Business integrated with retail development and investment management skills
- Chapelfield, Norwich on track for Sept 2005 opening
- Completed retail centres performing well



Chapelfield, Norwich

Real Estate Investments Continuing Operations Profit After Tax



	2003 A\$M	2002 A\$M
Australian operations	28.4	24.4
Asian operations	4.8	(5.6)
European operations	(1.3)	(6.0)
Bluewater NOI	36.2	31.3
King of Prussia	14.4	13.0
Other investment income	10.6	9.9
Sale of Kiwi		3.2
Sale of Arrábida		9.8
Operating Profit	93.1	80.0

Real Estate Investments - Australia



- Operating profits up 16% to A\$28M:
 - Reduced overheads
 - Reduced GPT management fees
- GPT management fee restructured to maintain market competitiveness
- Meaningful FY04 earnings growth largely dependent on GPT performance fee
- A\$1.1 billion retail redevelopment programme over next six years



Erina Fair, New South Wales

Real Estate Investments – Asia

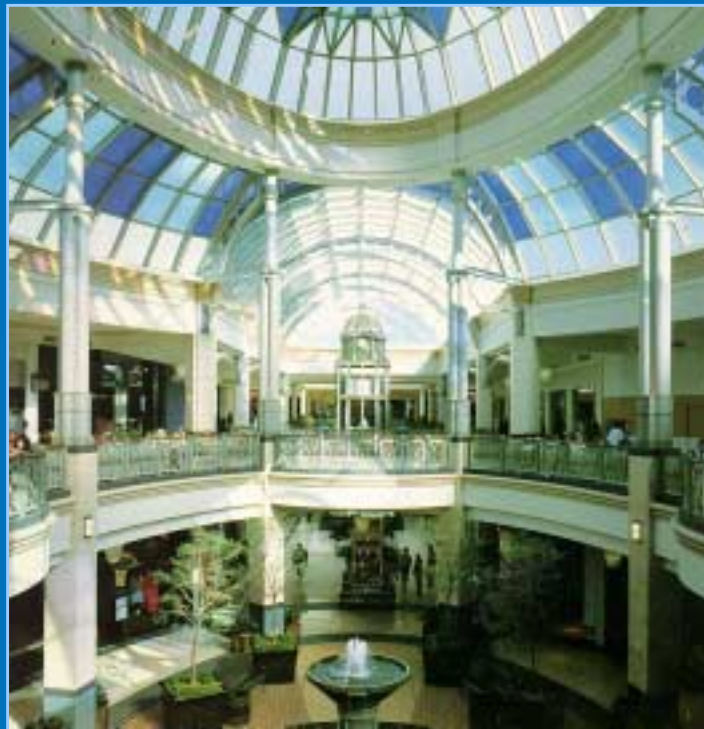


Parkway Parade, Singapore

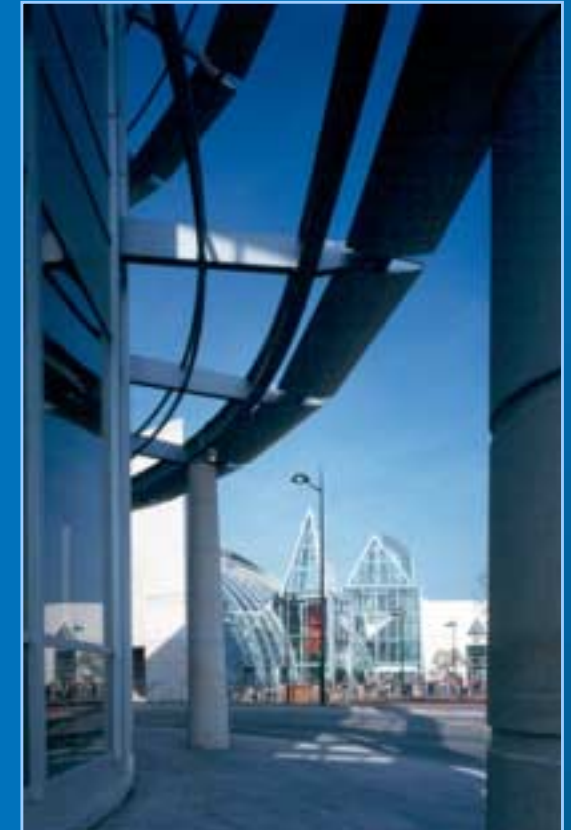
- Focus on Retail sector
 - Separated APIC into retail and non-retail funds
- Good result in FY03
 - PAT A\$4.8M
- FY02 loss of A\$5.6M included Tokyu JV and S-REIT costs

Bluewater and King of Prussia FY 03 Earnings

- A\$36.2M profit after tax from 30% interest in Bluewater
- A\$14.4M profit after tax from 50% interest in King of Prussia



King of Prussia, Pennsylvania



Bluewater, Kent

Focus on Costs

- Strong focus on reducing costs
- A\$88M before tax in sustainable cost savings per annum achieved

Lend Lease Business Mix



Asia Pacific

UK/Europe

US

FUNDS
MANAGEMENT

Investment Clients
(GPT/APPF/APIC/REP)

MAJOR GROWTH INITIATIVES
TO BE IMPLEMENTED

INTEGRATED DEVELOPMENT
SERVICES

Retail sector

Retail

Retail

(Lend Lease Retail Partnership)

Mixed use
communities
sector

Delfin Lend Lease

Urban Regeneration
(emerging)

Inner Urban
(emerging)

Defence
sector

Defence Housing
(emerging)

Actus Lend Lease

Health care
sector

PFIs - Health
(emerging)

PROJECT & CONSTRUCTION
MANAGEMENT
(BOVIS LEND LEASE)

Global Markets and Clients

