

Directors' Report

The Directors present their Report together with the Half Year Consolidated Financial Report of the consolidated entity, being Lend Lease Corporation Limited ("the Company") and its controlled entities including Lend Lease Trust (together referred to as the 'consolidated entity' or the 'Group'), for the six months ended 31 December 2010 and the Auditor's Report thereon.

1. Directors

The name of each person who has been a Director of the Company between 1 July 2010 and the date of this Report are:

D A Crawford AO, Chairman	Director since 2001, Chairman since 2003
S B McCann, Managing Director	Managing Director since 2009
P M Colebatch	Director since 2005
G G Edington	Director since 1999
P C Goldmark	Director since 1999
J A Hill	Director since 2006
D J Ryan	Director since 2004

2. Review of Operations and Consolidated Results

A review of operations is included in the Management Discussion and Analysis of Financial Condition and Results of Operations (MD&A) section of the Half Year Consolidated Financial Report.

For the six months ended 31 December 2010, the consolidated entity reported a profit after tax of \$226.5 million attributable to Lend Lease securityholders compared to the profit after tax for the six months ended 31 December 2009 of \$204.9 million.

A 50% franked interim distribution of A\$113.1 million (December 2009: A\$92.2 million, 100% franked) has been approved by the Directors. The interim distribution of 20 cents per security will be paid on 30 March 2011 (December 2009: 20 cents per security paid on 31 March 2010).

3. Events Subsequent to Balance Date

There are no material events subsequent to the end of the financial period.

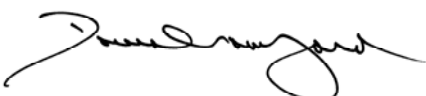
4. Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The Lead Auditor's Independence Declaration is set out on page 2 and forms part of the Directors' Report for the six months ended 31 December 2010.

5. Rounding Off

Lend Lease is a company of the kind referred to in the Australian Securities and Investments Commission Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the Half Year Consolidated Financial Report have been rounded off to the nearest tenth of a million dollars, or, where the amount is A\$50,000 or less, zero, unless specifically stated otherwise.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.



D A Crawford AO
Chairman



S B McCann
Managing Director

Sydney, 17 February 2011



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Lend Lease Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Chris Hall', written over a faint KPMG logo.

KPMG

A large, stylized handwritten signature in black ink, appearing to read 'Chris Hall'.

Chris Hall
Partner

Sydney

17 February 2011