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Full Year Results August 2010



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Results Highlights

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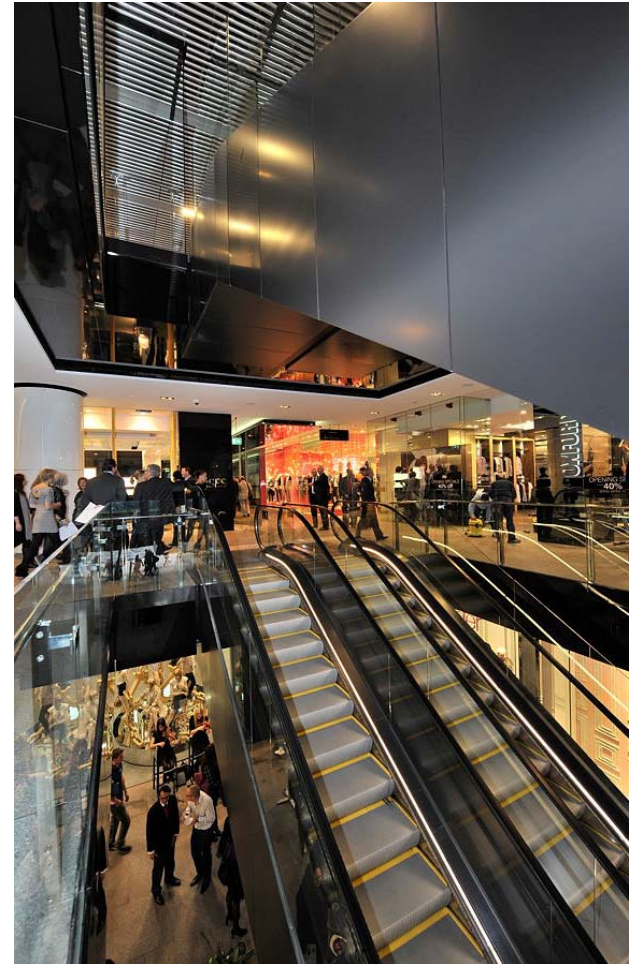
Operational Update

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Strategy and Outlook



MidCity, Sydney

Financial highlights



	June 2010 A\$m	June 2009 A\$m	% change
Revenue	10,570.0	14,785.0	(28.5)
EBITDA from Operating Businesses	585.1	509.6	14.8
EBITDA Margin (%)	5.5	3.4	61.8
Operating Profit after Tax	323.6	307.5	5.2
Statutory Profit/ (Loss) after Tax	345.6	(653.6)	-
Earnings per security ¹ (cents)	65.1	71.1	
Distribution per security ² (cents)	32.1	41.0	
Return on equity ³ (%)	12.6	(24.4)	

1. Based on Operating Profit after Tax and average number of securities on issue of 497.2 million (including Treasury Shares) (June 2009: 432.6 million). June 2009 has been adjusted by a factor of 1.02 in respect of new securities issued during March and April 2010 via a 5 for 22 single bookbuild accelerated renounceable entitlement offer at A\$7.70 per new security.
2. Distributions include interim and final distributions. June 2010 also includes dividend 'in specie' of Lend Lease Trust units of 0.1 cents per security.
3. Return on equity is calculated based on Statutory Profit/ (Loss) after Tax and weighted average equity.

- Operating profit after tax of A\$323.6m is 5.2% above the prior year
- Well progressed on our strategic path
- Significant pipeline of projects with major project wins secured
 - Australia – Barangaroo, RNA Showgrounds, ING Retail assets, 100% of Primelife
 - Asia – Jurong Road
 - UK – Stratford Stage 2, Elephant & Castle, financial close on Phase 1 Birmingham Schools
 - US – financial close on Phase 1 of Privatised Army Lodgings project
- Strong balance sheet with capacity to invest
 - A\$0.8b of equity raised
 - Average drawn debt maturity of 5.5 years
 - Cash from asset sales in excess of A\$250 million
 - Access to 3rd party capital – A\$6.4b of new equity and debt raised over the last 18 months

Operational Update

Lend Lease is focussed on key property growth trends



Urban Regeneration

- Leading urban renewal projects in Australia, UK and Singapore
- Long term pipeline

Ageing Population

- No. 1 senior living platform in Australia
- 70 retirement villages and 33 aged care facilities

Public Private Partnerships

- Capability in US, Canada, Australia, UK and Europe
- 37 operational projects, 3 at preferred bidder stage
- Shortlisted on 8 projects

Sustainability

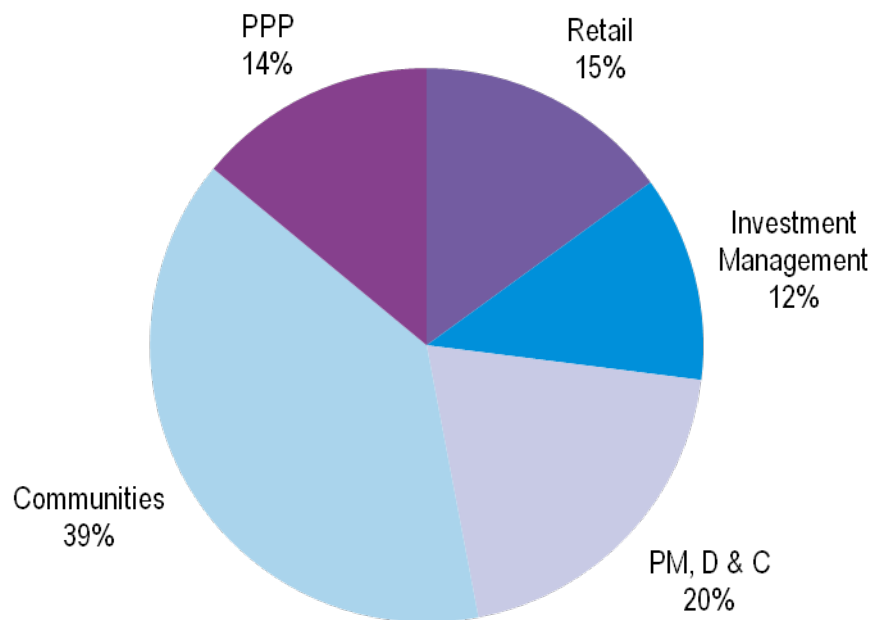
- Strong capabilities across the Group
- Delivered 100+ new green buildings in the last 12 months

Fund Growth Platform

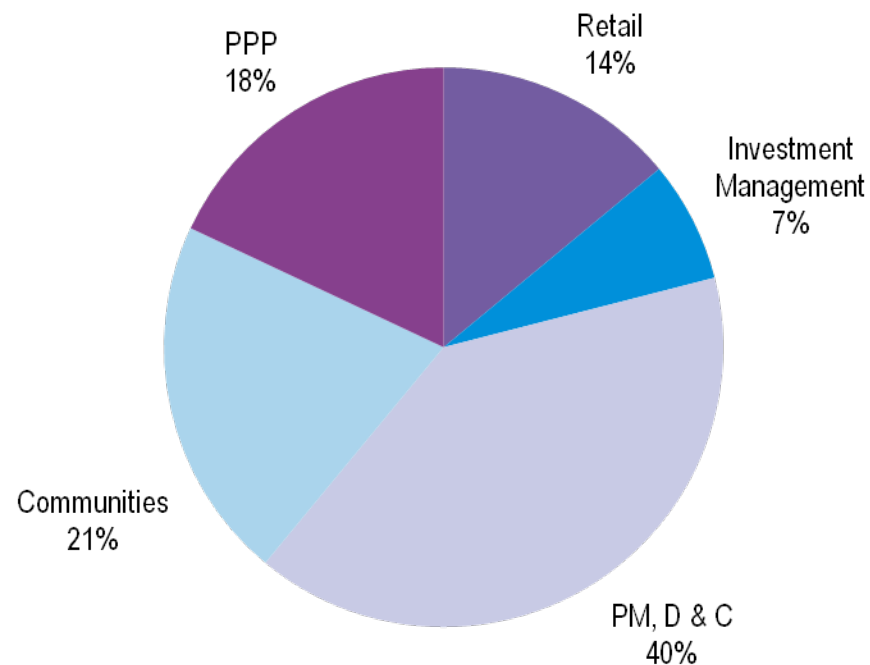
- Funds under management of A\$10.1b
- 20% increase in underlying FUM growth in the year

Sector earnings split

June 2010



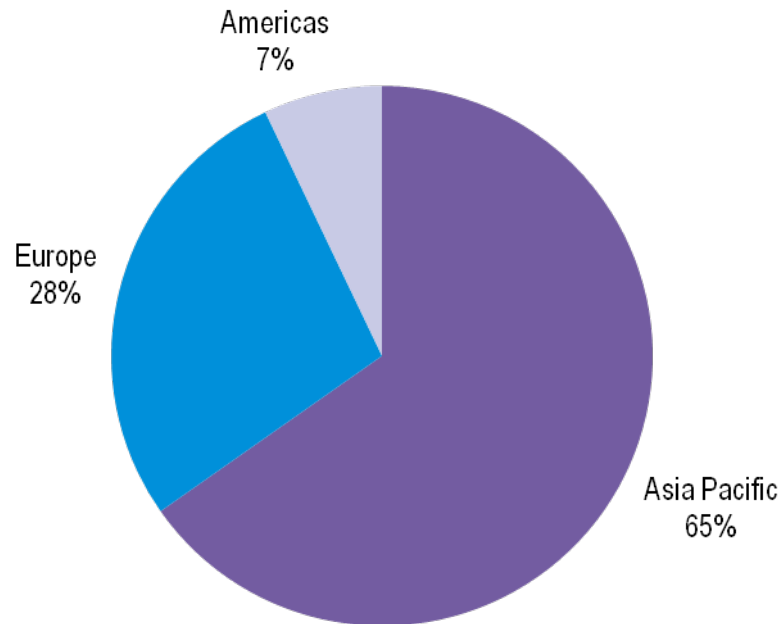
June 2009



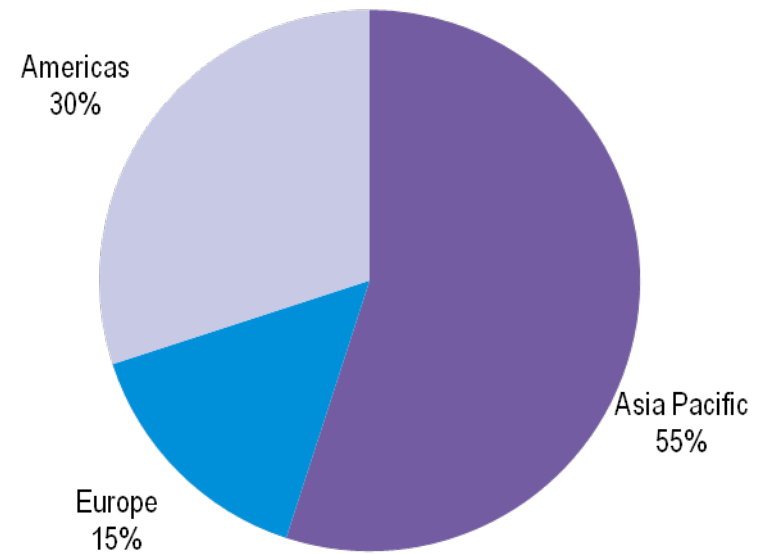
1. Based on Operating Profit after Tax from operating businesses.

Geographical earnings split

June 2010



June 2009



1. Based on Operating Profit after Tax from operating businesses.

Operating profit after tax – 5.2% increase on 2009



	June 2010 A\$m	June 2009 A\$m	% change
Retail	66.3	60.3	10.0
Communities	164.7	88.3	86.5
Public Private Partnerships	59.1	74.4	(20.6)
PM, D & C	86.2	168.9	(49.0)
Investment Management	53.1	28.9	83.7
Total Operating Businesses	429.4	420.8	2.0
Group Services & Treasury	(105.8)	(113.3)	6.6
Operating Profit after Tax	323.6	307.5	5.2

Asia Pacific business update

Retail

- Retail centres continue to perform well
- 18 assets under management

Communities

- Improved market conditions
- Significant urban project wins
- Primelife integration progressing

PPP

- Shortlisted on 2 major projects
- A\$2.8b project value

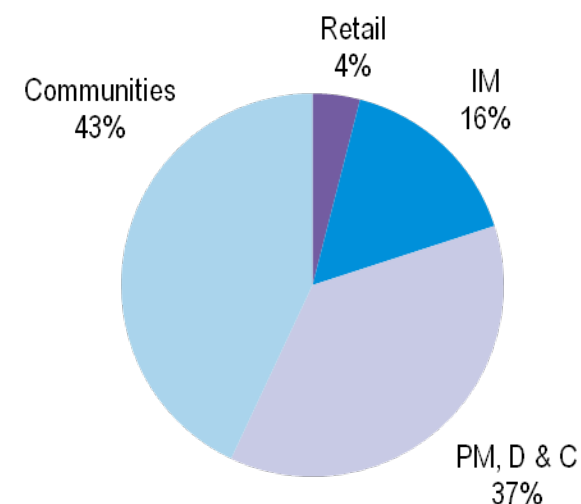
PM, D & C

- Australia - strong base of work from Government and Lend Lease projects
- Pipeline of pharmaceutical work in Singapore

Investment Management

- Significant FUM growth
- New wholesale fund launched - Real Estate Partners 3

Operating Profit after Tax	June 2010 A\$m	June 2009 A\$m
Retail	13.3	8.9
Communities	122.1	99.9
PPP	(6.4)	-
PM, D & C	105.4	94.7
IM	45.7	27.1
Total	280.1	230.6



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Ferry terminal, Barangaroo Sydney



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Jurong Road, Singapore



Retail

- Valuations of prime retail have stabilised
- Development pipeline requires limited capital

Communities

- Crosby inventory substantially sold
- Progressed major project approvals

PPP

- Capital recycling of equity positions
- Building Schools for the Future pipeline uncertain

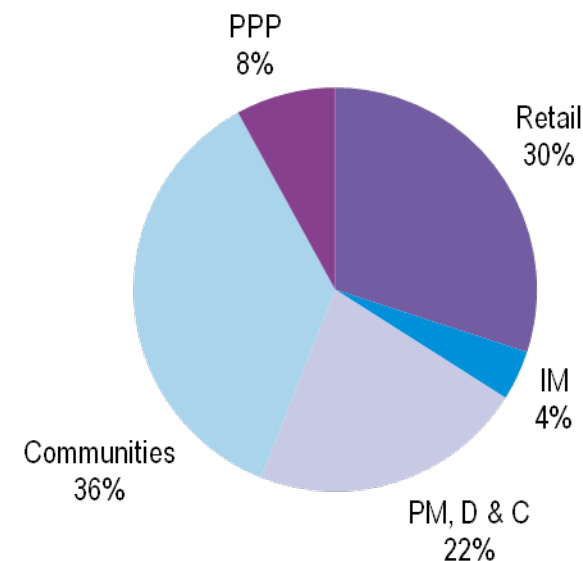
PM, D & C

- Continued tough conditions in UK and Europe
- Athletes' Village project on track

Investment Management

- Market conditions difficult

Operating Profit after Tax	June 2010 A\$m	June 2009 A\$m
Retail	35.4	24.0
Communities	42.5	(10.4)
PPP	10.2	6.2
PM, D & C	25.8	39.0
IM	4.7	3.1
Total	118.6	61.9



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Athletes' Village



Americas business update

Retail

- Valuations of prime retail stabilised
- Small redevelopment of King of Prussia

Communities

- Horizon project on hold

PPP

- Pipeline in US airforce projects and lodgings
- Shortlisted on 2 projects in Canada

PM, D & C

- Environment remains challenging
- Loss due to poor trading conditions, restructuring costs and NY investigation

Investment Management

- Profit relates to the residual US Real Estate Investment business

Operating Profit after Tax	June 2010 A\$m	June 2009 A\$m
Retail	17.6	27.4
Communities	0.1	(1.2)
PPP	55.3	68.2
PM, D & C	(45.0)	35.2
IM	2.7	(1.3)
Total	30.7	128.3

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US defence force housing



Financials

Operating profit after tax



	June 2010 A\$m	June 2009 A\$m
Total Operating Businesses	429.4	420.8
Group Services	(75.2)	(67.8)
Group Treasury	(26.9)	(41.4)
Group Amortisation	(3.7)	(4.1)
Operating Profit after Tax	323.6	307.5
Property Investment Revaluations	22.0	(263.0)
Other Net Writedowns and Charges	-	(698.1)
Statutory Profit/ (Loss) after Tax	345.6	(653.6)
Effective Tax Rate on Operating Profit after Tax	22%	18%
Impact of Currency after Tax ¹	(30.0)	17.1

¹ Adjusted on a constant currency basis by applying average foreign exchange rates for the year ended 30 June 2009 to current year operating profit after tax.

Key financial metrics



	June 2010	December 2009	June 2009
Credit Rating - S&P/Moody's	BBB- / Baa3 (Stable)	BBB- / Baa3 (Negative Credit Watch)	BBB- / Baa3 (Stable)
Net (cash)/ debt ¹ (A\$m)	(19.7)	749.9	195.8
Gearing ²	Net cash position	9.2%	2.9%
Cash (A\$m)	1,635.9	967.5	1,120.8
Undrawn facilities (A\$m)	688.6	536.8	612.0
Weighted average debt maturity ³	5.5 years	6 years	8 years
Weighted average cost of debt	6.3%	5.2%	5.0%
Fixed / floating debt	65% / 35%	60% / 40%	76%/ 24%
Interest coverage ⁴	6.7x	10.2x	5.2x

¹ Net(cash)/ debt is borrowings including other financial liabilities, less cash

² Gearing is calculated as net debt, divided by total tangible assets, less cash

³ Weighted average maturity relates to drawn debt

⁴ Calculated as operating EBITDA plus interest income divided by interest finance costs, including capitalised finance costs

Credit Rating

- Committed to investment grade credit rating

Gearing¹

- <20%

Interest Coverage Ratio

- >5x

Annuity Income

- c20% of EBITDA from operating businesses

Dividend Payout Ratio

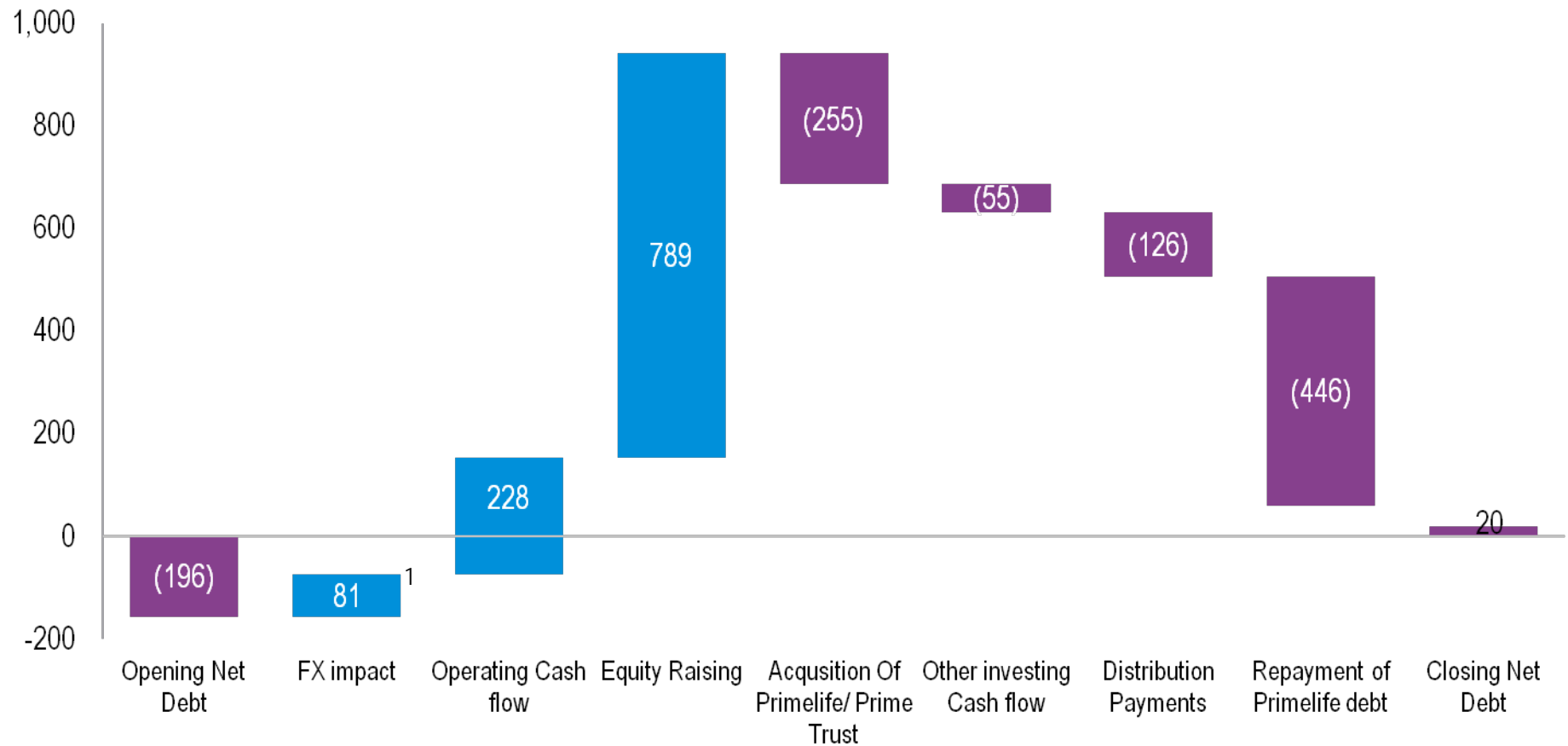
- 40% to 60% of Operating Profit after Tax

Investment Opportunities

- Focus on mixed use/ PPP/ other developments/ strategic opportunities

¹ Gearing is calculated as net debt, divided by total tangible assets, less cash

2010 operating cash flow remains strong



¹ Relates to the foreign exchange movement arising from translating opening net debt and operating cash flows during the year at the spot foreign exchange rates at 30 June 2010.

Strategy and Outlook

- Australian economy remains resilient
 - Commercial development outlook attractive
 - Residential market stable, inner urban strong
 - Construction volumes likely to decline as government stimulus spending softens
- Asia remains strong
 - Scarcity of quality retail development opportunities in Singapore
 - Expect strong growth in China and Malaysia to continue
- UK market is likely to underperform in the medium term
 - Prime retail cap rates have firmed, expected to stabilise
 - Fundamental supply/ demand imbalance suggests medium to longer term growth in residential
- US market finely balanced
 - Recent employment and housing starts data disappointing
 - Increased private development enquiry and activity encouraging
- Offshore construction markets remain tough

- Lend Lease is in a strong competitive position
- The integrated model is a strong source of competitive advantage
 - Supported by new Group regional structure
 - Continued focus on operational excellence
- Strong project pipeline with funding flexibility
 - Significant project wins
 - Capital raised will be invested over the medium term and supported by third party equity
 - Emphasis on quality of execution
- Return on equity will remain a key focus moving forward
- Lend Lease is very well positioned to capitalise on the key property trends

Full Year Result August 2010