

Imagine



Create



Market Briefing

November 2005

Ross Taylor

CEO

Retail & Communities

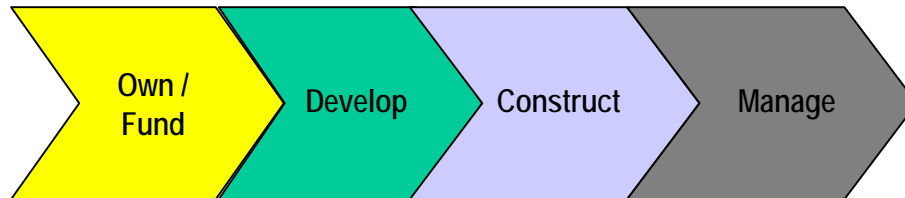
Our Positions – Retail



Region	Australia	UK	US	Asia	Europe
Properties / Funds	APPF Retail Portfolio	Bluewater Overgate PLRP Warrington Retail P'ship	King of Prussia	APIC 2 Retail Portfolio	Construction only
Assets Under Management	\$2,300m	\$5,700m	-	\$600m	-
Market Value of Lend Lease Investment	\$377m	~\$1,500m	\$358m	\$50m	-

Business Model – Retail

➤ Integrated Retail Business



- Targeting (regional) positions where we can:
 - i. Add value through our integrated skill.
 - ii. Secure growing annuity income stream that enhances the Lend Lease balance sheet
 - iii. Produce investment product for our funds
- Partnering with owners / investors
 - 20 – 50% interests in relevant assets post-repositioning



Bluewater, Kent

Our Positions – Communities



Region	Australia	UK	US
Communities	Delfin Lend Lease Development Retirement by Design	Lend Lease Communities Crosby	Actus Lend Lease
Lots/Units/Houses	~ 78,000	~ 19,500	~ 28,000 *

* Excludes Fort Knox



Hyatt Coolum, Sunshine Coast, SE Queensland

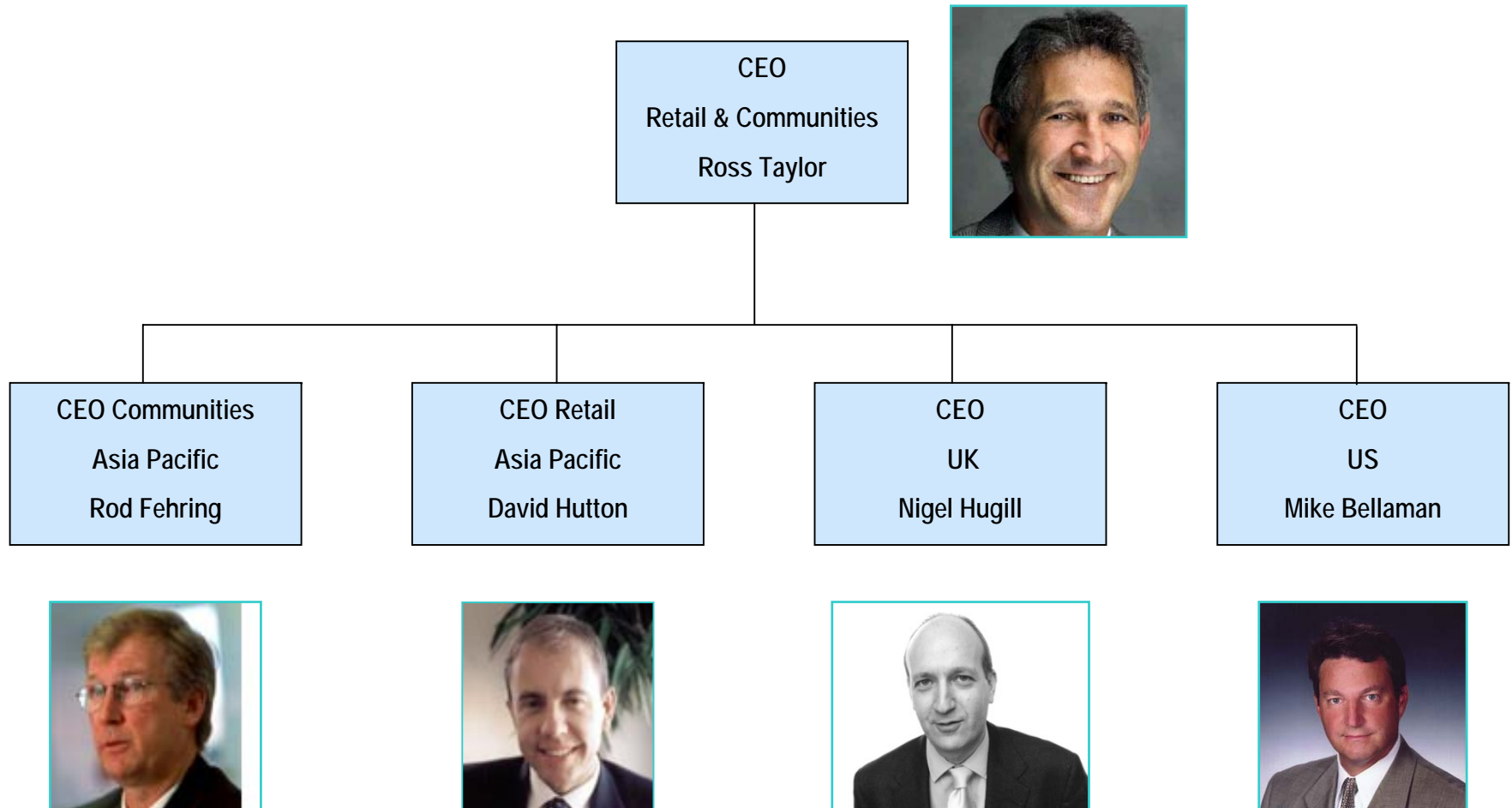
Business Model – Communities

- Secure scale positions in growth corridors
 - Urban fringes
 - Urban renewals
 - Project timeframes 10 years +
- Create special 'places' and control delivery
 - Master plan a community
 - Oversee product mix and design
 - Deliver product where appropriate
 - Control brand, marketing and sales
- Tightly manage capital efficiency and capital exposure
 - Land management agreements
 - Community investment funds
- Deliver project IRRs 15 - 25% post-tax and business running ROCEs >10% (post tax) while investing for growth



Springfield Lakes, SE Queensland

Retail & Communities Management



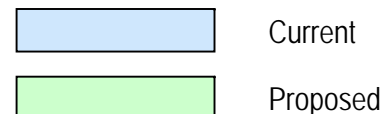
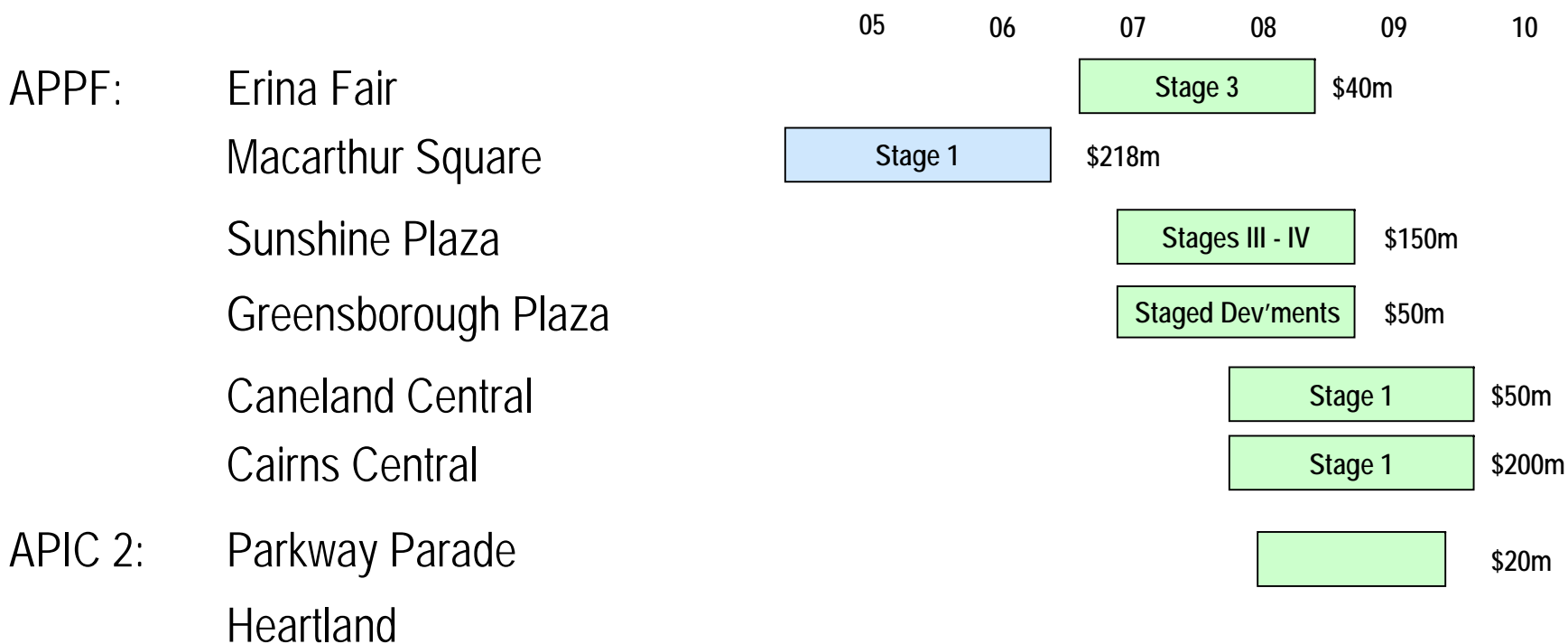
Status and Outlook – Retail



Asia Pacific

Assets

Development Outlook



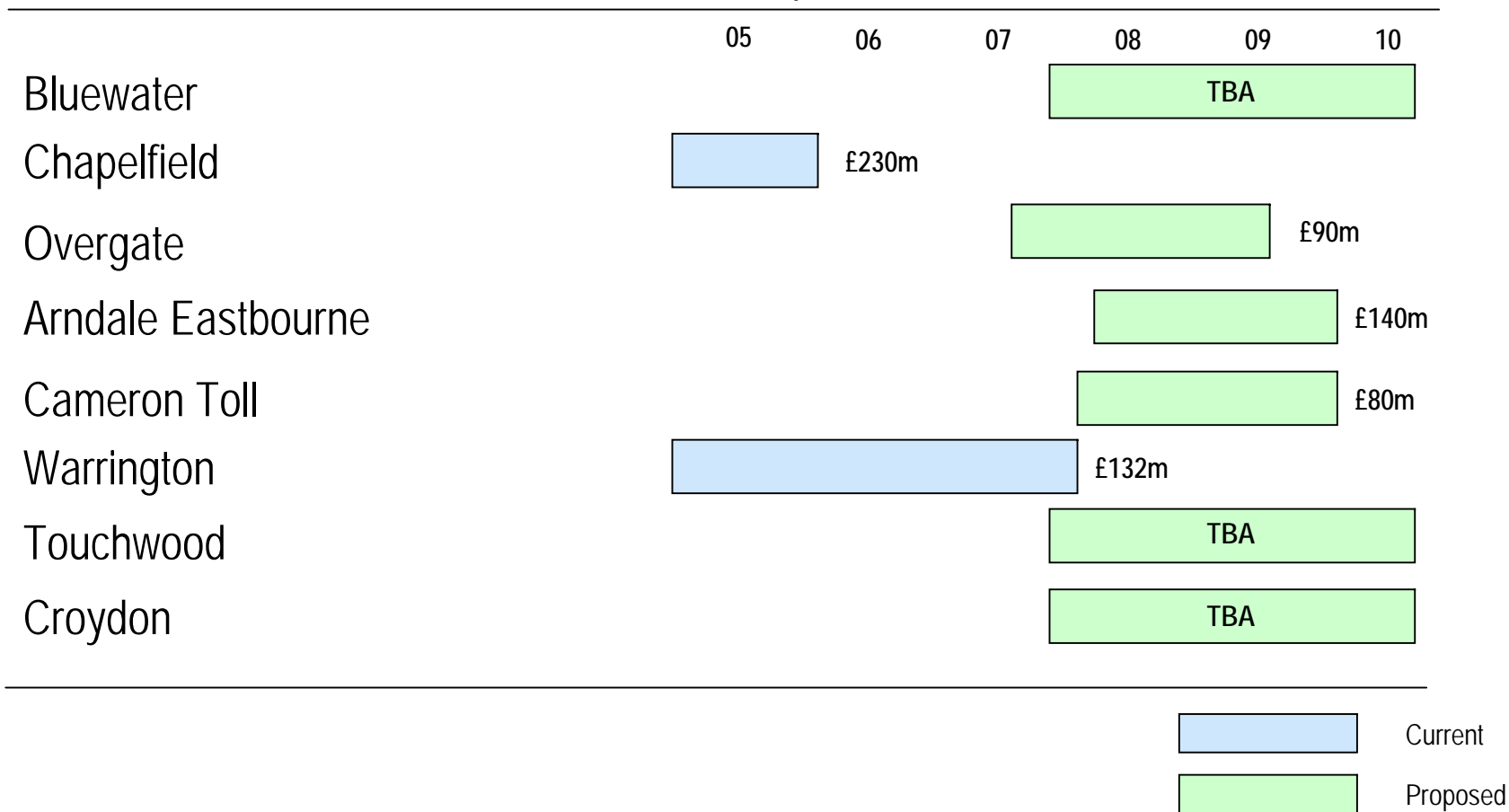
Status and Outlook – Retail



UK

Assets

Development Outlook

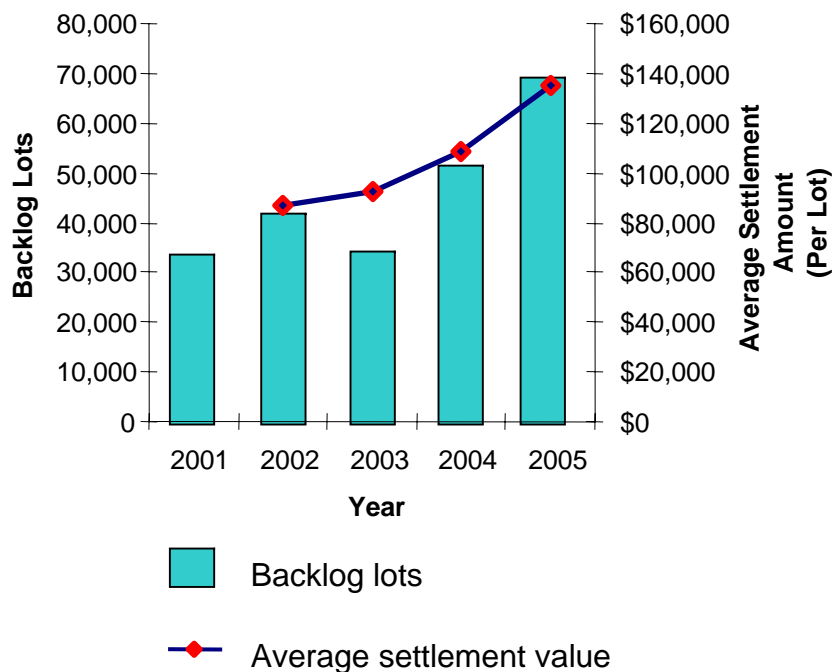


US & Other

- King of Prussia:
- Passive Investment
 - Significant value uplift since investment
 - Market Value \$358m
 - Book Value \$196m
- Other: Watching ... but no immediate plans for expansion
-

Asia Pacific

Delfin Growth in Backlog and Prices



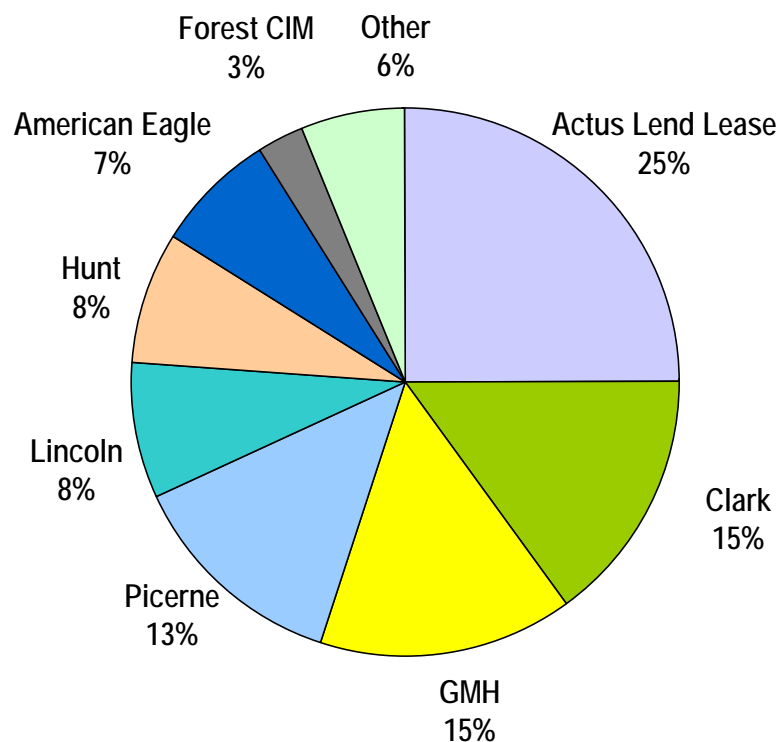
Business Outlook

- Now secured ~10 year backlog
- Capital efficient (ROCE ~ despite investment for growth)
- Strong Delfin brand
- Growing 'built form' brand
- Well-positioned for cycle downturn
- Pursuing synergies
 - Delfin Living
 - Delfin Realty
 - Investment funds
 - Retirement by Design

US

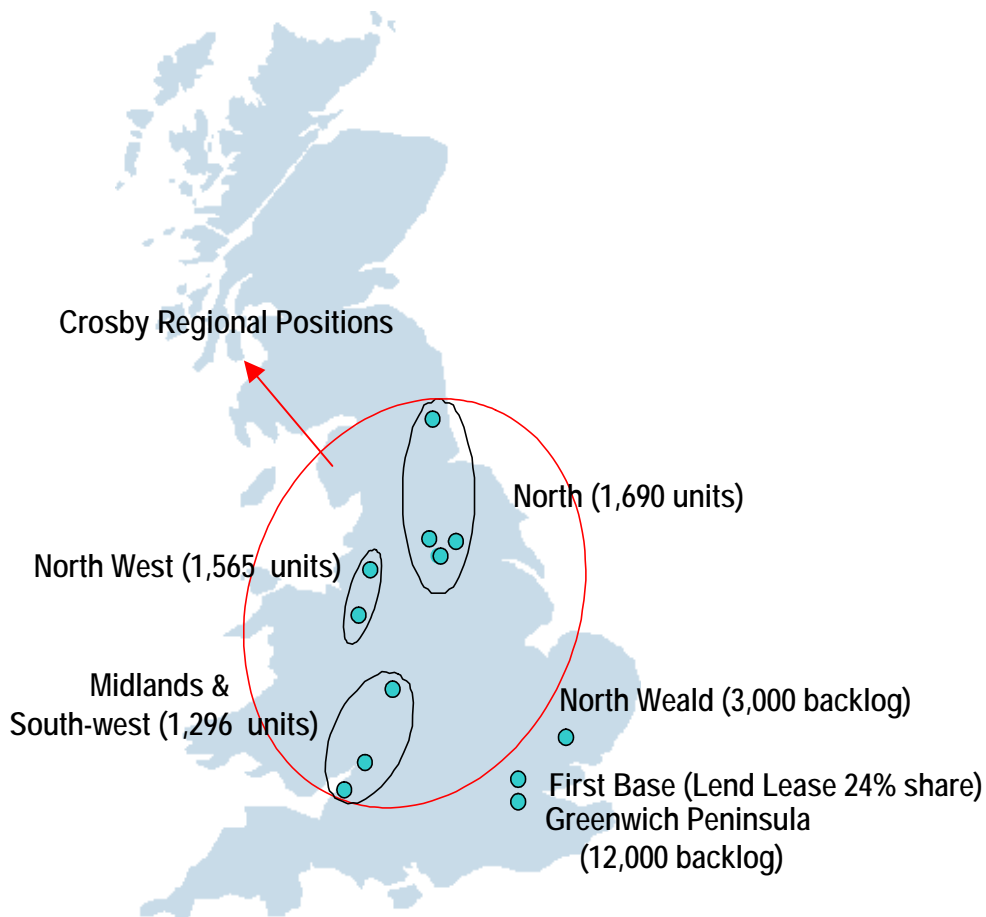
Military Housing Privatisation Initiative

Current Share



- Market Leader in US Government Military Housing Privatisation Initiative
- Well-positioned for further military privatisations, e.g.
 - US\$6.8b left in family housing
 - US\$20b in UPH (barracks)
 - US\$1.2b in lodging
- Excellent platform for 'Delfin style' Communities business in the US (housing starts circa 2m this year)

UK



- Key components of winning capability now in place
 - Brand
 - Master planning skills
 - Mixed use development skills
 - Social housing delivery model
 - Built form / delivery
 - Scale operations delivering returns
- Crosby tracking on acquisition plan
- Focus now on building our backlog