



Imagine



Create



Market Briefing

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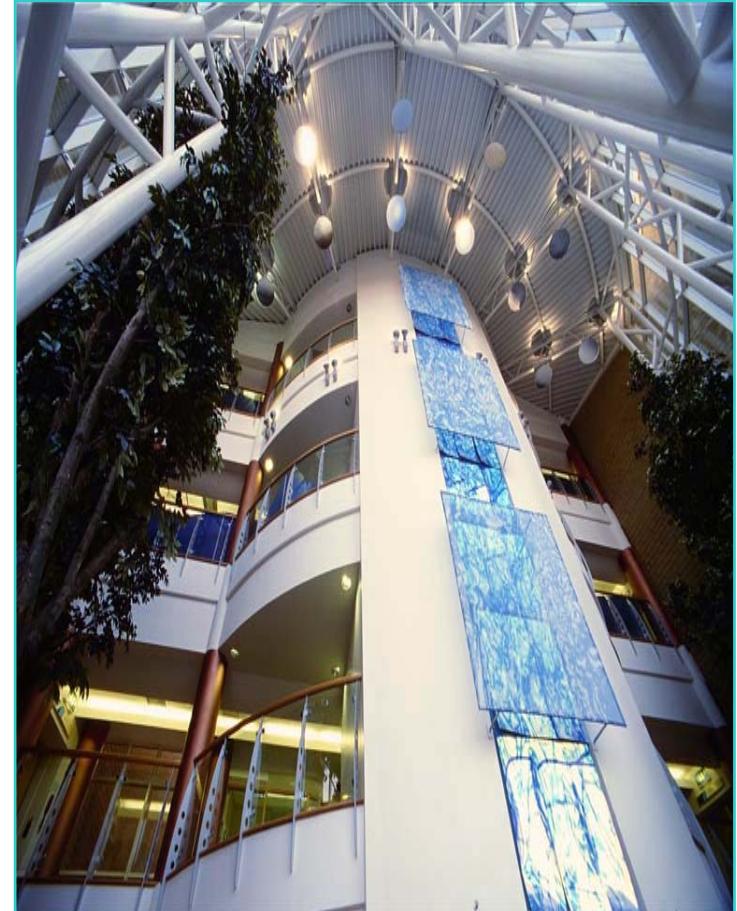
- Over 670 deals closed, £43b capex so far
- Commitment to over £5b p.a. for next 10 years
- End-to-end integrated approach is a differentiator
- Multiple revenue streams



Calderdale Royal Hospital Project Overview



- Rationalisation of 3 sites to 1
- 614 bed acute hospital
- Major diagnostic centre



Calderdale Royal Hospital Timetable



- Preferred bidder September 1996
- Financial close July 1998
- Operational 2001
- Refinancing May 2002
- End of concession 2031



Calderdale Royal Hospital Lend Lease Services



Equity £2m invested		Asset Management Refinancing
Design & Construct (Bovis Lend Lease) £76m + £13m		Design & Development Fixed Price Contract Variations
Facilities & Estates Management (Vita Lend Lease) £2m p.a.		Building & Estates Maintenance Life Cycle Management Variations

Calderdale Royal Hospital

We Manage Risk Well



- No healthcare services
- Integrated approach
- Strong Bovis Lend Lease construction team
- In-house operational expertise through Vita Lend Lease
- Excellent track record



Calderdale Royal Hospital

Future Opportunities



- Development Partnership with the Hospital Trust
- Potential capex variation of £78m (£13m to date)
- Base for Community, Education and other Public Sector projects
- Further refinancing of the project

Calderdale Royal Hospital Lend Lease Returns



Lend Lease Service	Lend Lease Returns (all pre-tax)
➤ Equity (£2m)	➤ 14% IRR
➤ Refinancing	➤ £7m
➤ Design & Construct	➤ Target 6-8%
➤ Facilities Management	➤ £7m (over 30 years)
➤ Additional variations	➤ £1m

Future

- Scope changes (£50m - £100m)
- Life cycle saving
- Facilities management variation
- £4m - £8m
- £2m
- £2m

Calderdale Royal Hospital Summary



- Successful partnership
- Profit targets exceeded
- Short and long term income secured
- Significant potential

PFI – Current UK Business



Secured Projects	Construction Value £m	FM Revenue Backlog exc. Life cycle £m	Equity £m	Status
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Calderdale Hospital	87	32	1.4	Operational
Worcester Hospital	83	44	1.6	Operational
Hexham Hospital	28	9	0.6	Operational
Lincoln Schools	18	9	1.3	Operational
Newcastle Schools	48	18	1.9	Operational
Lambeth Schools	13	5	0.8	Operational
Cork Maritime	30	9	2.3	Operational
Treasury 1	114	31	3.5	Operational
Treasury 2	148	29	4.0	Operational
Burnley Hospital	27	9	0.9	In construction
Roehampton Hospital	52	10	1.6	In construction
Romford Hospital	198	2	6.9	In construction
Leeds Hospital	173	22	9.9	In construction
Manchester Hospital	377	24	10.5	In construction



Worcester Hospital



Romford Hospital

Current bids

Sheffield Student Accom.	138	11	10.0	Preferred bidder
Lancashire Waste	250	TBA	11.0	Preferred bidder
Lancashire Schools	180	TBA	9.0	1 of 3

	Value £b	Timing
Projects to date ⁽¹⁾	42.9	1992-2004
Future projects	£b p.a.	
➤ Healthcare	2.0	(10 years)
➤ Education	1.5	(15 years)
➤ Waste	0.7	(10 years)
➤ Other	0.8	N/M

⁽¹⁾ As at 31 December 2004 (source – HMT)