



2010 Securityholder
Review



Quick facts

BBB–/Baa3 (stable)

Credit rating (Standard & Poor's/Moody's)

\$10.1 billion

Funds under management

55,492

Total number of securityholders

\$323.6 million

Operating profit after tax¹

65.1¢

Earnings per security^{1,2}

11,094

Total number of employees



Lend Lease is a member of the Dow Jones Sustainability World Index which is used by DJSI licensed asset managers to manage investments worth close to US\$8 billion each year.

1. Operating Profit after Tax excludes net property investment revaluation gains/losses.
2. Earnings per security is calculated based on Operating Profit after Tax and the weighted average number of securities on issue including treasury securities. 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 book build accelerated renounceable entitlement offer at \$7.70 per security.

Contents

Highlights – Five year performance	4
Chairman's report	6
Chief Executive Officer's report	8
Our capabilities	10
Opportunities for future growth	12
Our safety	14
Delivering on our strategy	16
Year in review	18
Retail report	20
Communities report	22
Public private partnerships report	24
Project management, design and construction report	26
Investment management report	28
Sustainability report	30
Our environment	32
Our people	34
Directors' profiles	36
Remuneration report summary	40
Corporate directory	IBC

Important dates to remember*

February	Announcement of Half Year Results
March	Security price quoted ex distribution
March	Interim distribution record date
March	Interim distribution payable
August	Announcement of Full Year Results
August	Security price quoted ex distribution
August	Final distribution record date
September	Final distribution payable
November	Annual General Meeting

*Exact dates will be confirmed on the Lend Lease website Investor Relations section at www.lendlease.com in due course

Cover: Urban regeneration is a core competency for Lend Lease. The cover shows Lend Lease Jacksons Landing team members in front of the Evolve apartment building at Jacksons Landing community development on Sydney Harbour. See the inside back cover for full details.

*All financial amounts in this Review are in Australian Dollars unless otherwise specified

Lend Lease Corporation Limited ABN 32 000 226 228

Lend Lease Responsible Entity Limited ABN 72 122 883 185
AFS Licence 308983 as responsible entity for
Lend Lease Trust ABN 39 944 184 773 ARSN 128 052 595

Lend Lease is committed to creating and delivering innovative and sustainable solutions for future generations.

Creating for generations

“Our future lies in building relationships with all stakeholders to deliver the best outcomes imaginable. Our leadership in sustainable practices ensures this will be achieved.”

Steve McCann, Group Chief Executive Officer and Managing Director, Lend Lease



Our philosophy, coupled with our integrated capabilities, enables us to deliver the best outcomes for our securityholders, our clients, our partners and our employees.



Together...

Our philosophy

Founded in Sydney in 1958 by Dutch immigrant and innovator Dick Dusseldorp, Lend Lease was born out of a vision to create a company that could successfully combine four disciplines: property, financing, development and investment. Our vision is to be the leading international property company.

We are committed to being Incident & Injury Free wherever we have a presence. We are committed to creating and building innovative and sustainable solutions, forging partnerships and delivering strong investment returns. Sustainability has been an integral part of our culture, as we believe every action adds up. Through design and investment in new technologies, we are delivering the next generation of sustainable property solutions.



Together

Lend Lease is one of the world's leading fully integrated property solutions providers. Our longstanding experience and market insight enables us to deliver the best property outcomes through a full range of economic and market cycles.

Highlights

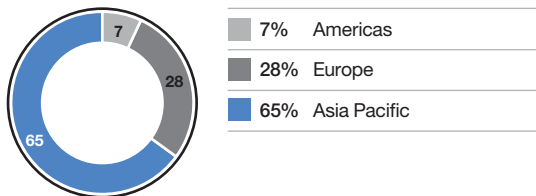
2010 was a very important and successful year for Lend Lease.

During 2010 the Group demonstrated the strength of its integrated model in securing a number of outstanding urban regeneration projects around the world.

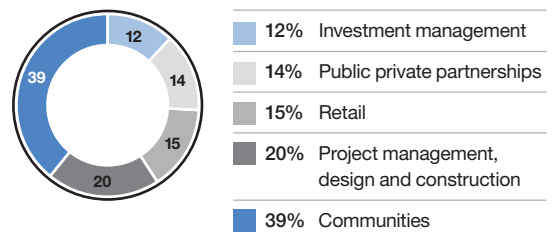
Lend Lease delivered Operating Profit after Tax for the financial year ended 30 June 2010 of A\$323.6 million, a 5.2% increase on the prior year.

Five year performance

Contribution by geography¹



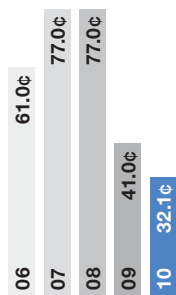
Contribution by segment¹



- The Group's retail and communities businesses, particularly in Asia Pacific, performed strongly. Trading conditions in residential markets in both Australia and the UK improved, resulting in higher settlements.
- The project management, design & construction business in Asia Pacific performed strongly, delivering a record profit for the year. This was however, offset by weaker results from our construction businesses in the

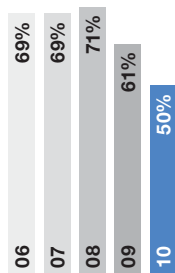
US, Europe and the Middle East, which continued to be impacted by a significant slowdown in construction markets.

- The investment management business increased funds under management, primarily due to the acquisition of the ING Retail Property Fund portfolio.
- The public private partnerships business continues to pursue its entry strategy in Canada and Australia.



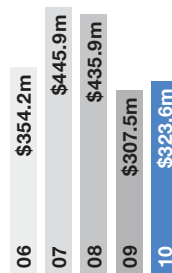
Distribution per security²

32.1c



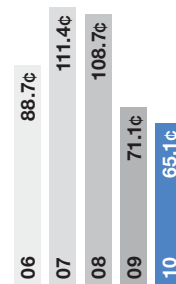
Distribution payout ratio^{2,3}

50%



Operating profit after tax³

\$323.6 million



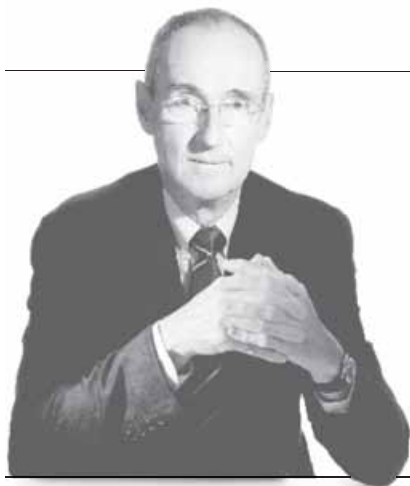
Earnings per security^{3,4}

65.1c

1. Based on operating profit after tax from operating businesses.
 2. Distributions include interim and final distributions. June 2010 also includes a dividend 'in specie' of Lend Lease Trust units of 0.1 cents per security.
 3. Operating Profit after Tax excludes net property investment revaluation gains/losses.

4. Earnings per security is calculated based on Operating Profit after Tax and the weighted average number of securities on issue including treasury securities. 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 book build accelerated renounceable entitlement offer at \$7.70 per security.

Chairman's report



Financial strength
“Prudent capital management has placed Lend Lease in a strong financial position, with significant capacity to fund growth opportunities.”

2010 overview

I am pleased to report that Lend Lease delivered an Operating Profit after Tax of \$323.6 million, a 5.2% increase on the prior year, despite difficult market conditions offshore and reduced overseas earnings due to a strengthening Australian dollar.

Earnings growth was largely driven by the strong performance from our retail and communities businesses and a record profit from our project management, design & construction business in the Asia Pacific region. Our offshore construction businesses continue to be impacted by a significant slowdown in construction markets.

Lend Lease reported a Statutory Profit after Tax for the year of \$345.6 million, including net property investment revaluation gains of \$22.0 million. The Board declared a fully franked final distribution of 12 cents per security. This brings the full year distribution to 32.1 cents per security, which is a payout ratio of 50% of Operating Profit after Tax.

Financial strength

Prudent capital management has placed Lend Lease in a strong financial position, with significant capacity to fund growth opportunities. During the year the Group put in place \$1.2 billion of new and refinanced debt facilities and raised \$0.8 billion in equity. The Group's investment grade credit rating has been confirmed with a stable outlook and Lend Lease continues to access third party capital through its managed funds platform.

New stapled structure

Lend Lease created a stapled structure which will enable us to be more flexible in how we hold passive assets in future. While Lend Lease has not yet utilised this new stapled structure, it places Lend Lease in a better position to generate yield enhancement opportunities going forward.

Our people

Our people and culture ensure the ongoing success of our business. This year Lend Lease conducted an extensive review of its remuneration policy to ensure that it continues to be aligned with the long term strategic business imperatives which will drive long term value creation for our securityholders.

Outlook

“The Australian economy remains resilient and has been one of the best performing in the western world. In Australia, Lend Lease had an exceptional year having secured a number of outstanding development opportunities.”

The enhancements made seek to address securityholder feedback from 2009 and focus on increasing securityholder returns while continuing to attract, retain and motivate talented people. These changes are detailed in the Remuneration Report (pages 95–114) of our Annual Report to Securityholders.

Sustainability and safety

Lend Lease is a leader in sustainability and is actively focused on developing and investing in sustainable solutions. Over the past year Lend Lease has delivered over 100 green buildings.

Our Incident & Injury Free vision lies at the heart of Lend Lease’s ambition to be a truly sustainable Group. Tragically three people died on Lend Lease construction projects this financial year. Fatal incidents are unacceptable and Lend Lease continues to work very hard to achieve zero incidents and injuries in our business.

Outlook

The Australian economy remains resilient and has been one of the best performing in the western world. In Australia, Lend Lease had an exceptional year having secured a number of outstanding development opportunities. The outlook for Lend Lease is very positive provided we execute well on the delivery of this pipeline. There are signs of opportunities emerging in Asia and over the next few years the Group will invest more capital in this region.

In the UK, Lend Lease has secured leading urban regeneration positions in London and is in a strong position to invest capital as the market strengthens. Economic conditions in the US remain challenging and the Group will look for further signs of recovery before committing new capital for investment.

With talented people and an exceptional project pipeline Lend Lease is well placed for growth.



David Crawford AO, Chairman

Chief Executive Officer's report



“During 2010 the Group demonstrated the strength of its integrated model in securing a number of outstanding urban regeneration projects around the world.”

2010 was a very important and successful year for Lend Lease. We have worked hard to position Lend Lease for long term growth. During 2010 the Group demonstrated the strength of its integrated model in securing a number of outstanding urban regeneration projects around the world. Our key focus in the 2011 financial year will be to ensure we have the right teams and strategic approach to execute well and deliver the optimal mix of risk and return on these projects.

Building our long term pipeline

In Australia, Lend Lease secured the \$6 billion first stage of Barangaroo in Sydney, the \$400 million first stage of the Alkimos master-planned community in Western Australia, two significant apartment development sites in Richmond and Orrong Road in Melbourne and led a consortium which acquired the \$1.4 billion ING Retail Property Fund assets. In addition, we signed a conditional project development agreement for the \$2.5 billion RNA Showgrounds development in Brisbane and consolidated our position in the retirement sector with the acquisition of the remaining 56.8% interest in Lend Lease Primelife.

In Singapore, Lend Lease, along with one of its managed funds, was awarded Jurong Gateway, a large mixed-use development opportunity. In the UK, we are pleased to have progressed two major urban regeneration opportunities, the £1.3 billion second stage of Stratford City and the £1.5 billion regeneration of Elephant & Castle. In the US, Lend Lease continued to work closely with the US military under the Military Housing Privatization Initiative and Lodging programs.

Progress on strategy

In early 2009, Lend Lease committed to a clear and simple strategy based on a three stage journey of Restore, Build and Lead. Over the past year, we have made significant progress in restructuring and repositioning the Group and have exceeded our targets in relation to building our development pipeline. Where necessary, we have also reduced our overheads in line with declining volumes.

Growth opportunities

“... our significant urban regeneration pipeline provides the opportunity for us to demonstrate world leadership in sustainable design, construction and technology with the capacity to deliver a new generation of green precincts.”

During the year, the Group moved to a regional structure focused on the four major regions of Australia, Asia, Europe and the Americas to enhance the efficiency benefits of our integrated business model and provide a platform to develop regional investment opportunities. In addition, Lend Lease has significantly strengthened its senior management team with a number of key internal and external appointments.

As a development led business, the key to long term success is securing high quality projects at attractive prices at the right time in the cycle and then executing them well. Lend Lease has an enviable global pipeline of opportunities which will allow the Group to deliver growth over the medium term. Successful delivery also requires a strong balance sheet which was enhanced through our equity raising during the year. This financial strength, and our access to third party capital through our investment management business, provides the flexibility to extract significant value from these projects while managing our own capital exposure sensibly.


Growth opportunities

Lend Lease is well positioned to capitalise on the key growth trends which underpin long term demand for property. These include urban regeneration, retirement, sustainability, public private partnerships and growth in superannuation and sovereign wealth funds. These trends underpin our strategy and growth. In particular our significant urban regeneration pipeline provides the opportunity for us to demonstrate world leadership in sustainable design, construction and technology with the capacity to deliver a new generation of green precincts.

Lend Lease is in a very strong competitive position and our integrated business model will drive our future success.



Steve McCann, Group Chief Executive Officer
and Managing Director



Our capabilities span the entire property value chain, from the origination of opportunities through to the delivery of great property outcomes. We can offer investors and clients one element or an end-to-end solution.

Our capabilities

Development
management

Investment
management

We find

Sourcing the best property opportunities

We buy

Structuring the right deal

We fund

Providing the right investment solutions

We design

Creating innovative and sustainable property solutions

We build

Building and project managing using our global construction reach

We manage

Continually enhancing the value of property over time

Project management,
design & construction

Asset & property
management

With the right mix of assets and skills, Lend Lease is well positioned to capitalise on five of the key growth trends driving the property sector: urban regeneration, ageing population, sustainability, public private partnerships, and growth in the sovereign and pension fund markets.

Opportunities for future growth

We find

We manage

We fund

We build

Urban regeneration

- By 2050, more than 69% of the world's population will be urban dwellers
- As urbanisation increases, inner city industrial areas will be regenerated

Sustainability

- Driven by mandatory carbon trading, statutory and regulatory changes
- Cost and productivity advantages

Public private partnerships

- Governments increasing infrastructure spend to drive economic stimulus
- Driven by greater transparency, governance and discipline of government spend

Ageing population

- Continued increases in life expectancy:
 - By 2020, 27% of world's population to be over 65 in more developed regions
 - Number of Australians over 65 to grow to 27% by 2051

Growth in sovereign and pension fund market

- Mandatory retirement savings – Australian superannuation funds are forecast to reach \$2.8 trillion by 2020
- Sovereign wealth funds are forecast to triple in size to US\$10 trillion by 2015

We buy

We design

Our safety



Incident & Injury Free is a fundamental part of Lend Lease culture.

'Incident & Injury Free' simply means that we believe anyone who works for us or visits our assets has the right to go home in the same condition as they arrived.

Our Incident & Injury Free vision lies at the heart of Lend Lease's ambition to be a truly socially sustainable company. This ethos is deeply entrenched across all levels of our operations and activities.

Safety is about people, actions and business relationships, not just numbers. Over the past year we have focused on embedding our Global Minimum Requirements for safety. This has been supported by extensive education, training and engagement programs, along with compliance oversight across all sites and assets.

Measurement is also key, and our online incident and compliance reporting system provides transparency for major incidents and enables us to learn from incident risk trending and take proactive actions to improve our safety performance.

We have also assigned safety roles and responsibilities for our front-line construction employees and have completed safety leadership workshops for senior management within our construction business.

We continue to invest in safety and are confident that we are on the right track. Lagging and leading indicators show that we are making progress and we are determined to move closer to our goal of becoming a truly Incident & Injury Free organisation.



1

Recognising best practice in safety

Each year, Lend Lease hosts the 'Incident & Injury Free Global Awards', recognising and rewarding exceptional employees across our global businesses who are leading our vision to be Incident & Injury Free. The winners embody our passion for delivering best practice and innovation in safety and are an inspiration for us all.



Our safety performance

Lend Lease is working very hard to be incident and injury free. Tragically, within our global construction business, three people died this financial year and although this is the lowest number of reported fatalities since Lend Lease commenced global safety reporting a decade ago, any loss of life is simply unacceptable.

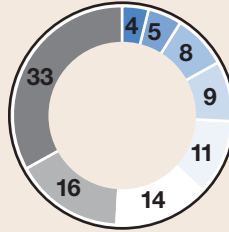
¹ Dan Labbad, CEO Europe, Middle East and Africa with Incident & Injury Free Global award winner Ian Shepherd.

7,000 employees completed online training Safety Passport modules

650 peer review audits carried out to assess GMR compliance globally

Global major incidents by circumstance

FY10



By circumstance

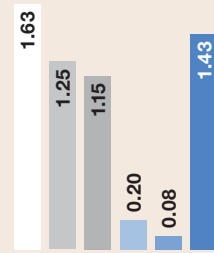
- 4% Failure of equipment
- 5% Struck by vehicle
- 8% Slip/trip
- 9% Other
- 11% Electric shock
- 14% Fall of person
- 16% Property damage
- 33% Fall of materials

The fall of people and materials, property damage and electrical shock were the most common circumstances surrounding major incidents over the past financial year.

It is pleasing to report that our Lost Time Injury Frequency Rates have fallen significantly over the past few years.

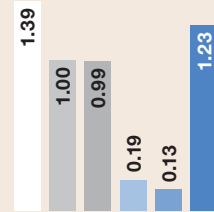
Lost Time Injury Frequency Rates (LTIFR)

FY08



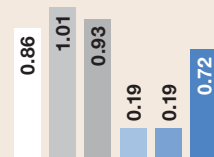
LTIFR

FY09



LTIFR

FY10



LTIFR

- Bovis Lend Lease Australia
- Bovis Lend Lease US
- Bovis Lend Lease UK
- Bovis Lend Lease CEMEA
- Bovis Lend Lease Asia
- Actus Lend Lease

Lend Lease has a clear strategy to realise the long term growth potential of our business. Over the past year we have made significant progress in delivering the first two phases of that strategy.

Restore



Delivering on our strategy

PHASE 1

What we have delivered

- ✓ Regional structure effective 1 July 2010
- ✓ Reduced overheads in line with declining volumes
- ✓ Focus on efficiency
- ✓ Raised \$1.1 billion in equity over last 18 months
- ✓ Raised over \$6.4 billion in equity and debt in investment management platform over the last 18 months

Build

Lead

PHASE 2

What we have delivered

- ✓ Key internal and external appointments
- ✓ Secured significant urban regeneration pipeline
- ✓ Acquired 100% of Lend Lease Primelife
- ✓ Scaling Investment Management platform
- ✓ Public private partnership capability established in Australia and Canada

PHASE 3

Set the industry standards

- World class property solutions company
- Strong integrated offering
- Trusted investment partner



1



2



3



4

Year in review

JULY 2009

Australian Prime Property Fund Retail completes new \$250 million, three year Medium Term Note.

AUGUST 2009

Bovis Lend Lease wins \$250 million education contract in NSW by Catholic Archdiocese of Sydney for new facilities and refurbishments across 110 Catholic schools.

Lend Lease acquires nine aged care facilities and four retirement villages from Prime Retirement and Aged Care Property Trust.

Actus Lend Lease reaches financial close on Phase One of the Privatisation of Army Lodging Group A program, involving the refurbishment and management of 62 lodging facilities across 10 US Army installations.

Lend Lease forms an advisory origination business focused on the Australian public private partnership market called Capella Capital.

Catalyst Lend Lease achieves financial close on the first phase of the Building Schools for the Future project in Birmingham worth £180 million.

OCTOBER 2009

Lend Lease and joint venture partner Quintain Estates & Development plc completes the sale of the share capital in Meridian Delta Dome Limited.

NOVEMBER 2009

Catalyst Lend Lease sells its 50% interest in Queen's Hospital, Romford.

Lend Lease becomes a stapled entity.



5



6



7



8

DECEMBER 2009

Lend Lease agrees Heads of Terms with the London Borough of Southwark for the £1.5 billion regeneration of Elephant & Castle.

Lend Lease Primelife securityholders approve Lend Lease's acquisition of remaining securities, taking Lend Lease to 100% ownership.

Bovis Lend Lease commences work on the \$300 million new Melbourne Wholesale Fruit, Vegetable and Flower Markets.

A consortium led by Lend Lease, including Lend Lease managed funds, is appointed preferred bidder to acquire the 14 assets of the \$1.4 billion ING Retail Property Fund.

Lend Lease is selected as preferred proponent for Stage 1 of Barangaroo, the largest CBD development in the history of Sydney with an end value of \$6 billion. The project is expected to be completed over the next 10 to 15 years.

JANUARY 2010

Lend Lease is appointed preferred proponent by the Western Australian Government for the \$400 million first stage of the Alkimos master-planned community development.

FEBRUARY 2010

Australian Prime Property Fund Retail to proceed with the \$210 million redevelopment and expansion of Caneland Central shopping centre in Mackay, Queensland.

Lend Lease acquires a three hectare Richmond site in Melbourne to create a master-planned residential development with an end value of \$400 million.

MARCH 2010

Lend Lease completes \$807 million equity raising.

APRIL 2010

Lend Lease signs Conditional Framework Agreement worth £1.3 billion, with London & Continental Railways for the stage 2 regeneration of the Stratford City site. Construction of the development is expected to start post the London Olympic and Paralympic Games in 2013.

Australian Prime Property Fund Retail completes \$500 million equity raising.

Lend Lease moves to a regional business structure, effective 1 July 2010.

JUNE 2010

A joint bid by Lend Lease and one of its managed funds is awarded the Jurong Gateway Road site, a large scale mixed-use suburban development in Singapore.

- 1 MediaCity UK, Manchester.
- 2 Vivian and Seymour Milstein Family Heart Center at New York-Presbyterian Hospital (NYPH)
- 3 Evolve, Jacksons Landing, Sydney.
- 4 Gold Coast University Hospital.
- 5 Darling Quarter site, Sydney.
- 6 The new Royal Children's Hospital, Melbourne.
- 7 Greenwich Peninsula, UK.
- 8 313@somerset, Singapore.

Retail report

Outlook

The retail centres we manage continue to perform well. In the UK and the US, the valuation of prime retail assets has stabilised.

What we do

Lend Lease's retail business comprises retail property management, asset management, asset ownership and development in Australia, New Zealand, Singapore, the UK and the US.

How we performed

The retail business reported a higher operating profit after tax in 2010 due to higher investment income on newly acquired and completed assets in Asia Pacific and the sale of the Group's interest in the Performance Retail Limited Partnership in the UK. The retail business significantly increased its number of centres managed from 16 to 23 with the acquisition of the ING Retail assets as part of a consortium with the investment management business. In addition, Lend Lease was awarded the Jurong Road site in Singapore in conjunction with the Asian Retail Investment Fund managed by Lend Lease.

In the UK, the value of prime retail assets has stabilised with a firming of capitalisation rates. In the US, the value of Lend Lease's interest in the King of Prussia shopping centre in US dollars was relatively unchanged from last year.



We build

Operating result \$ million	FY10	FY09
Operating profit after tax by geography	66.3	60.3
Asia Pacific	13.3	8.9
Europe	35.4	24.0
Americas	17.6	27.4



MidCity and 420 George Street Sydney's premium retail district

When the new MidCity style space opened in June 2010, it was the market forerunner to the transformation of Sydney's premium retail district.

The A\$662 million redevelopment offers 9,000 square metres of prime retail space in one of the most successful retail precincts in Australia. The four level retail centre links two of Sydney's busiest thoroughfares, George Street and Pitt Street Mall – with over 60,000 people passing through the centre each day. MidCity has been designed to maximise natural light and create an open space feel using glass and steel, coupled with clean lines and natural stone finishes.

The MidCity project is another great example of how Lend Lease's integrated capabilities work together for successful outcomes. Bovis Lend Lease undertook the redevelopment over a three year period. The owners of the development are the Lend Lease managed Australian Prime Property Fund Retail and Fortius Funds Management.

Lend Lease is responsible for the development, marketing and leasing of the retail levels, as well as the long term management of the new MidCity. Having successfully secured some of the best Australian 'high street' brand names including General Pants, Witchery and Rebel Sport, the premium tenancy mix reflects MidCity's prime location.

The redevelopment incorporates the new 37,900 square metre commercial tower, known as 420 George Street. Scheduled for completion in August 2010, the 5 Star Green Star – Office Design v2 rated office tower directly links into the retail centre, squarely positioning MidCity as one of Sydney's leading retail destinations.

We find

We manage

MidCity is transforming Sydney's premium retail district.



Communities report

Outlook

In Asia Pacific, conditions remain fairly resilient and trading activity remains positive. We have seen significant momentum in our communities business this year, securing a record number of projects with an end development value of \$10 billion. We also made great progress on our urban regeneration projects in the UK during the year.

What we do

The communities business is involved in the development of master-planned urban communities, inner city mixed-use developments, apartments and the retirement sector.

How we performed

The communities business had a very successful year adding to its significant development pipeline in Australia and the UK. In Australia, Lend Lease was selected by the Barangaroo Delivery Authority as the preferred proponent to deliver Stage 1 of Barangaroo, the largest CBD development in the history of Sydney, with an end development value of \$6 billion.

The communities business reported a significantly higher profit than last year. This was driven by the inclusion of 100% of the trading result of Lend Lease Primelife since the acquisition in December 2009, improved trading conditions in Australia and the UK and a tax benefit in Australia. In addition, in the UK we sold the Millennium Dome and recognised development management fees on the Athletes Village project.

Operating result \$ million	FY10	FY09
Operating profit after tax by geography	164.7	88.3
Asia Pacific	122.1	99.9
Europe	42.5	(10.4)
Americas	0.1	(1.2)



We find



We manage

Barangaroo South

Creating a legacy for future generations

Barangaroo is one of the most significant city waterfront regeneration projects in the world. Twenty-two hectares of a once privatised container port are set to be transformed into an iconic new public place and a dynamic extension of Sydney's central business district.

In December 2009, Lend Lease was selected by the Barangaroo Delivery Authority on behalf of the New South Wales Government as developer for the 7.5 hectare southern area of the site – Barangaroo South.

Barangaroo South will support the city's growth, establish a vibrant public area that celebrates the harbour, and enhance the city's appeal as a global destination.

The development of Barangaroo South will also increase Sydney's global competitiveness as an innovative Asian financial and professional services hub.

World-class sustainable office space will attract leading financial and professional services organisations, drawn to this exciting business location by a landmark international hotel, apartments, shops, cafés, restaurants, cultural and recreational facilities, and great harbourside public spaces.

With an end value of \$6 billion, it is estimated that when the project is completed it will inject \$1.5 billion a year into the economy. The project is expected to be completed over the next 10 to 15 years.

Lend Lease will utilise its fully integrated property skills across all key facets of the project including development, design, project and construction management, retail, apartments, and funds management.

Lend Lease will invest capital alongside joint venture capital partners in Barangaroo South. Our investment management business is working to structure and deliver attractive investment solutions for capital partners and investors. Lend Lease has received significant interest from investors and tenants seeking to be part of this new sustainable development.

Not only will Barangaroo South demonstrate what our integrated capabilities can deliver in urban regeneration, it will showcase Lend Lease as a world leader in sustainable precincts. It is an opportunity to create a new generation of buildings. Together with government, our aim is to make Barangaroo South climate positive – carbon neutral, zero waste and water positive. In practical terms, that means a healthier city for everyone.

Work on the project is expected to commence in late 2010, with the first building targeted for completion in 2014.

We build

Public private partnerships report

Outlook

We expect to see continued government investment in infrastructure projects under the public private partnership (PPP) model. Globally, Lend Lease has 40 PPP projects and is currently shortlisted on another eight projects. We are looking to expand in Australia and Canada.

What we do

The PPP business operates in the US and the UK with newly established businesses in Australia and Canada. In the US, Actus Lend Lease has been creating high quality communities and homes for the military for over 50 years. In the UK, the PPP business focuses on four sectors: health, education, waste and accommodation.

How we performed

The PPP business reported a lower profit due to currency impact on US earnings and costs associated with entering the Australian and Canadian markets. In the UK, we continue to progress the projects under construction and we will seek to recycle our equity in PPP projects. The increase in profit after tax for the UK business is largely attributable to the sale of the Group's interest in the Queen's Hospital Romford.

In the US, the business reached financial close on Phase 1 of the Privatization of Army Lodging project.

Operating result \$ million	FY10	FY09
Operating profit after tax by geography	59.1	74.4
Europe	10.2	6.2
Americas	55.3	68.2
Asia Pacific	(6.4)	–



South Australian Schools Entry into Australian market

We build

Lend Lease has made its first Australian PPP equity investment as part of the Pinnacle Education Consortium, reaching financial close on the \$323 million South Australian New Schools public private partnership project in July 2009.

Lend Lease has formed an advisory origination business known as Capella Capital focused on the Australian PPP market. The South Australian Schools Project marks a first for Lend Lease in Australian PPP deal origination.

Lend Lease has a long track record in partnering with governments worldwide to create, own and operate high quality social infrastructure assets. Lend Lease has strong positions in both the US and UK PPP markets and sees Australia as an excellent growth opportunity for the Group, providing the potential for multiple earnings streams.

The Pinnacle Education Consortium project involves the building of six new schools in Adelaide. Over a 30 year concession term, the consortium will finance, design and construct and also provide facilities management. Lend Lease provided financial advisory and transaction management services to the consortium, is a 50% equity investor in the project and will provide ongoing asset management services to the project company.

The Capella Capital partnership will focus on Australian PPP projects in the health, justice, defence and education sectors, while also selectively targeting specific economic infrastructure projects where a government availability payment model is used.

We fund

The Pinnacle Education Consortium project involves the building of six new schools in Adelaide.



Project management, design and construction report

Outlook

In Australia there is a strong base of work from government and a good pipeline of internally generated major projects. However, as the government stimulus spend softens, this will impact new work secured. Market conditions remain tough in the UK, Continental Europe and the US markets.

What we do

Bovis Lend Lease provides an integrated, global project management, design and construction service, particularly in the commercial, retail, residential, industrial and mixed-use sectors.

How we performed

Our project management, design and construction business reported a lower profit due to a significant slowdown in construction markets offshore, despite a record year in the Asia Pacific region.

The result was negatively impacted by restructuring costs relating to cost saving initiatives, costs in relation to the ongoing investigations in New York, and a provision against debtor exposures in the Middle East.

Operating result \$ million	FY10	FY09
Operating profit after tax by geography	86.2	168.9
Asia Pacific	105.4	94.7
Europe	25.8	39.0
Americas	(45.0)	35.2
Profitability ratio (EBITDA/realised GPM)	30%	39%
Gross margin (realised GPM/revenue)	5.7%	5.2%



We build

We manage

Gold Coast University Hospital

Australia's largest social infrastructure project

Bovis Lend Lease is project managing the new Gold Coast University Hospital, which is the largest social infrastructure project currently operating in Australia.

The healthcare sector provides an opportunity for Bovis Lend Lease to capitalise on large government infrastructure spend in a changing market environment.

At a total project cost to Queensland Health of \$1.8 billion, the new hospital will offer the Gold Coast community a more comprehensive range of specialised health services in cancer, cardiac neurosciences, neonatal intensive care and trauma services.

Bovis Lend Lease was engaged by Queensland Health to manage the design and construction in December 2008. Due for completion in late 2012, the magnitude of the project is clear, with a total floor space of 170,000 square metres – an area equivalent to 25 football fields.

At the peak of construction, the project is expected to employ a total onsite workforce of around 2,300, with an anticipated eight million man hours required for completion.

Some of the sustainable practices being implemented across the project include rainwater harvesting, energy efficient lighting, waste minimisation and a rigorous recycling program.

All major components of this large scale, technically complex project are progressing well and Bovis Lend Lease will continue to work closely with project partners to deliver the new hospital to the people of Queensland safely, on time and on budget.

We design

The magnitude of the project is clear with a total floorspace of 170,000 square metres.



Investment management report

Outlook

The investment management business continues to deliver strong relative performance for our investors. In addition, our strategy is to position the investment management business as the provider of capital solutions to the wider group.

What we do

Our investment management business provides real estate investment management services and includes the Group's interests in property investments held indirectly through investments in Lend Lease managed funds. As at 30 June 2010, the investment management business had funds under management of \$10.1 billion.

How we performed

Our investment management business reported a strong increase in profit after tax for the year. The investment management business in Asia Pacific had a successful year with the launch of a new wholesale fund, Real Estate Partners 3, in December 2009. This fund together with a Lend Lease led consortium including Australian Prime Property Fund (APPF) Retail and individual client mandates acquired the assets of the \$1.4 billion ING Retail Property Fund.

In June 2010, a joint bid by Lend Lease and the Lend Lease managed Asian Retail Investment Fund was successful in acquiring the Jurong Gateway Road site, a large scale mixed-use suburban development in Singapore.

Operating result \$ million	FY10	FY09
Operating profit after tax by geography	53.1	28.9
Asia Pacific	45.7	27.1
Europe	4.7	3.1
Americas	2.7	(1.3)

We fund

We build

Myer, Victoria Harbour

Delivering sustainable precincts

The recently completed commercial development at 800 Collins Street, Victoria Harbour, Melbourne has become the new National Support Office for Australian retail giant Myer.

Opened in April 2010, the building is an integral part of Lend Lease's Victoria Harbour master plan, which boasts the highest concentration of green buildings in Australia. It is a core asset within the Lend Lease managed Australian Prime Property Fund Commercial and is jointly owned by an offshore institutional investor.

Developed by Lend Lease, the building was successfully delivered under the Lend Lease integrated model in which our development, construction and investment management businesses all worked together to deliver a quality asset. The building provides approximately 28,620 square metres of office space over 10 levels and 875 square metres of fully leased retail space, plus three levels of parking.

Building on a longstanding relationship with the Australian retailer through our retail business, the innovative and integrated design of the new Myer National Support Office created a comfortable and functional working environment for Myer employees.

The energy efficiency achievements of the building have earned it a 5 Star Green Star v2 Office Design rating from the Green Building Council of Australia. Sustainable features include maximising natural light, reducing lift use, an east-facing atrium with interconnecting stairs and a gas fired cogeneration plant producing around 30% of the building's electricity requirements.



We manage

Opened in April 2010, the building is an integral part of Victoria Harbour's master plan.



Lend Lease continues to work towards sustainability leadership and is actively focused on developing and investing in sustainable solutions through clean technology and buildings, green utilities and creating better places to live.

Next generation

Sustainability has been a part of Lend Lease culture for more than 50 years. Making a difference in our communities, improving health and safety standards, and reducing our environmental impacts are central to our business strategy.

Our environmental and social initiatives generate long term commercial value and provide a sustainable growth platform for the communities we create. Only by lending our expertise and working in partnership with government, business and other key stakeholders can we tackle the significant social and environmental challenges that face us all.

We build





We design



We fund



Our environment

Green buildings conserve the Earth's natural resources through the efficient and intelligent use of energy, materials and water, and they improve human health and productivity.

Over the past 12 months Lend Lease has received over 70 awards recognising leadership in sustainability and environmental performance.

We continue our aspiration to obtain green office ratings in the buildings we build, own or occupy.

For the first time, Lend Lease is able to calculate the energy and emissions intensity of the construction projects and assets we manage for clients, as well as for the offices we occupy.

Lend Lease was listed for the third consecutive year on the 2009 Goldman Sachs JBWere Climate Leadership Index (Australia/New Zealand) for Carbon Disclosure and we have maintained our position on external social, environmental and good governance reporting indices, including the Dow Jones Sustainability World Index, since 2001.

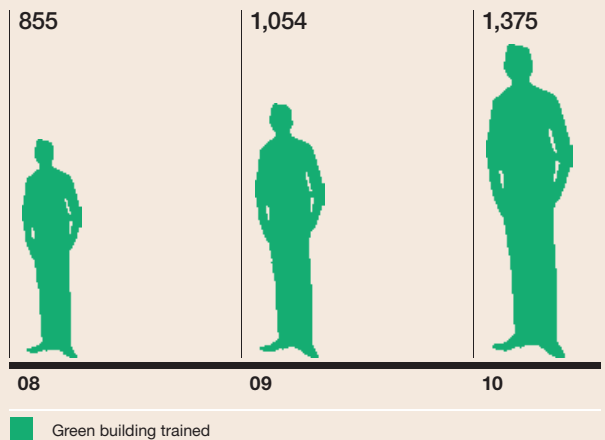


Building green

We employ 1,375 Green Building trained professionals, a global pool of technical expertise that drives our green agenda through investments in clean technology, research, and the planning and design of communities that will set international benchmarks in carbon positive living and contribute to a higher quality of life in our cities.

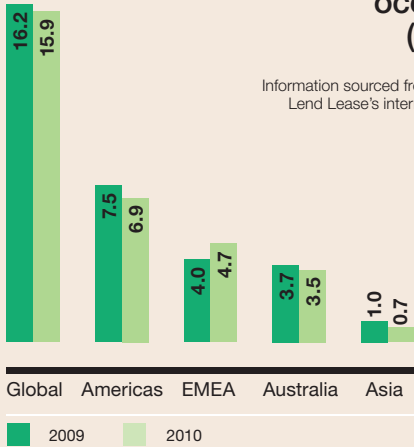
Of the 383 active projects undertaken by Lend Lease in FY10, a total of 52 (13.5%) projects were certified by Green Building Councils and a further 52 projects (13.5%) are registered or in the process of certification.

Green skilling our people



Energy use – Lend Lease occupied offices – (gigawatt hours)

Information sourced from utility bills and collated using Lend Lease's internal environmental reporting tool.



Leading the way

Through the role of Chair of the United Nations Environment Program Sustainable Buildings & Climate Initiative, Lend Lease continues to advocate for the development of international common carbon metrics for the construction and real estate sector.



Maria Atkinson, Group Head of Sustainability, Lend Lease.



Partnerships that generate change

Lend Lease is a founding member of Green Building Councils in the United States, United Kingdom, United Arab Emirates, Singapore, Spain, Mexico and Australia.

Our people



1

People underpin the success of Lend Lease and investing to ensure we have the most qualified, skilled and motivated workforce is an ongoing focus. The Lend Lease people priorities include:

- Ensuring the right people are recruited, developed and placed into roles which are beneficial and rewarding for both the individual and Lend Lease;
- Driving a performance management culture where individual performance is rewarded against business objectives;
- Ensuring consistent systems and processes are in place regarding all human resources practices including compensation, career development and talent management; and
- Providing all our people with a consistent and positive employee experience, where they are fully supported in focusing on Lend Lease's goals and priorities.

Our aim is to create an environment in which all individuals are involved, supported, respected and connected.

We value and harness people's ideas, backgrounds and perspectives, and respect them for who they are and what they do.



- 2
- 1 Lend Lease Springboard participants in Mossman, North Queensland.
- 2 Springboard program manager (right) with Mossman local taking part in Springboard 2010.
- 3 Employees taking part in Community Day, one of Foundation's most successful programs.

Foundation – developing inspired and motivated teams

'Foundation' is an independent business unit focused on employee and community wellbeing. Employees are encouraged to join Foundation programs, which are designed to inspire Lend Lease people to be the best they can be. Programs are developed under the categories of health and wellbeing, personal development and community.

Now in its 27th year, Foundation is an important part of Lend Lease's heritage and culture, helping to differentiate Lend Lease from its peers.



3



In 2010 Courtenay Smith, Chief Financial Officer, Bovis Lend Lease Australia was named as one of the Australian Financial Review Boss Magazine's Young Executives of the Year.

Directors' profiles



**D A Crawford AO, Chairman
(Independent Non Executive Director)**

Age 66

Mr Crawford joined the Board in July 2001 and was appointed Chairman in May 2003. Mr Crawford was appointed an Officer of the Order of Australia (AO) in June 2009 in recognition for service in various fields including to business as a Director of public companies, to sport particularly through the review and restructure of national sporting bodies, and to the community through contributions to arts and educational organisations.

Experience and qualifications

Previously, Mr Crawford was National Chairman of the Australian firm of KPMG. He has extensive accounting and business experience having worked with many large corporations and governments. He holds a Bachelor of Commerce and Bachelor of Laws from the University of Melbourne. He is a Fellow of the Institute of Chartered Accountants.

Other directorships and positions

Mr Crawford is Non Executive Chairman of Foster's Group Limited (appointed Director August 2001 and Chairman October 2007) and a Non Executive Director of BHP Billiton Limited (appointed May 1994). He was formerly a Non Executive Director of Westpac Banking Corporation (appointed May 2002, resigned December 2007) and National Foods Limited (appointed November 2001, resigned June 2005).



**S B McCann,
Group Chief Executive Officer and Managing
Director
(Executive Director)**

Age 45

Mr McCann was appointed Group Chief Executive Officer and Managing Director in December 2008 and joined the Board in March 2009.

Experience and qualifications

Mr McCann joined Lend Lease in 2005. Prior to his current role, Mr McCann was Group Finance Director, appointed in March 2007 and Chief Executive Officer for Lend Lease's Investment Management business from September 2005 to December 2007.

Mr McCann has more than 15 years experience in funds management and capital markets transactions. Prior to joining Lend Lease, Mr McCann spent six years at ABN AMRO, where his roles included Head of Property, Head of Industrial Mergers & Acquisitions and for the last three years, Head of Equity Capital Markets for Australia and New Zealand.

Previous roles also include Head of Property at Bankers' Trust, four years as a mergers and acquisitions lawyer at Freehills, Melbourne and four years in taxation accounting at Deloitte, Melbourne.

Mr McCann holds a Bachelor of Economics (Finance major) and a Bachelor of Laws from Monash University in Melbourne, Australia.

Other directorships and positions

Nil.



P M Colebatch
(Independent Non Executive Director)

Age 65

Mr Colebatch joined the Board in December 2005 and is Chairman of the Personnel and Organisation Committee and a member of the Risk Management and Audit Committee.

Experience and qualifications

Mr Colebatch has a Bachelor of Science and Bachelor of Engineering from the University of Adelaide, a Master of Science from Massachusetts Institute of Technology and a Doctorate in Business Administration from Harvard University. He has held senior management positions in insurance and investment banking, and was formerly on the Executive Board of Swiss Reinsurance Company, Zurich. He was previously on the Executive Board of Credit Suisse Group, Zurich, where he was Chief Financial Officer, and was subsequently Chief Executive Officer of Credit Suisse Asset Management.

Other directorships and positions

Mr Colebatch is a Non Executive Director of Insurance Australia Group Limited (appointed January 2007), a Non Executive Director of Man Group plc (appointed September 2007) and is on the Board of Trustees for the Prince of Liechtenstein Foundation and the LGT Group Foundation (appointed September 2009).



G G Edington CBE
(Independent Non Executive Director)

Age 64

Mr Edington joined the Board in 1999 and is a member of the Risk Management and Audit Committee and the Sustainability Committee.

Experience and qualifications

Qualified as a Chartered Surveyor, Mr Edington brings to the Board extensive UK and international experience in the property sector. Mr Edington was a Director of BAA plc and Chairman of BAA International. He joined BAA plc in 1988, became a member of the Board in 1991 and has been the Chairman of six BAA companies. He is a past President of the British Property Federation, was the Chairman of UK property company Greycoat Estates Limited and was a member of the Bank of England Property Forum. Mr Edington was formerly Chairman of the Council of Trustees of the UK children's charity, Action for Children, and was awarded a CBE for services to children.

Other directorships and positions

Nil.

Directors' profiles



P C Goldmark
(Independent Non Executive Director)

Age 69

Mr Goldmark joined the Board in 1999 and is Chairman of the Nomination Committee and a member of the Sustainability Committee.

Experience and qualifications

Mr Goldmark is Director, Climate and Air Program at Environmental Defense, a US based non-profit environmental advocacy organisation. He was the Chairman and Chief Executive Officer of The International Herald Tribune in Paris between 1998 and 2003. Prior to this, he was the President and Chief Executive Officer of the Rockefeller Foundation in New York for 10 years. Mr Goldmark has held positions including Senior Vice President of the Times-Mirror Corporation, Executive Director of the Port Authority of New York and New Jersey, and Director of the Budget for the State of New York. A writer and speaker on world affairs, Mr Goldmark graduated with a BA from Harvard College, Government Department, magna cum laude. He brings to Lend Lease his wide experience as a Chief Executive Officer and senior executive in the private and public sectors, both in the USA and internationally.

Other directorships and positions

Nil.



J A Hill
(Independent Non Executive Director)

Age 64

Ms Hill joined the Board in May 2006. She is Chairperson of the Sustainability Committee and a member of the Personnel and Organisation Committee.

Experience and qualifications

Ms Hill has held a number of senior executive positions in the land development and housing construction industry in North America. She was formerly the Chairperson, President and Chief Executive Officer of Costain Homes, Inc. (US) and Vice President and General Manager, Mobil Land (Georgia) Corporation. She has a Bachelor of Arts from the University of California in Los Angeles and a Master of Arts in marketing and management from the University of Georgia.

Other directorships and positions

Ms Hill is a Non Executive Director of Wellpoint, Inc. (appointed March 1994). She was formerly a Non Executive Director of Resources Connection, Inc. (appointed January 2003, resigned December 2006) and Holcim (US) Inc (appointed February 2004, resigned January 2007). Ms Hill also sits on the Board of Directors of the Lord Abbett family of mutual funds, which is the trustee of 31 mutual funds of publicly held companies.



D J Ryan AO
(Independent Non Executive Director)

Age 58

Mr Ryan joined the Board in December 2004. He is Chairman of the Risk Management and Audit Committee and a member of the Personnel and Organisation Committee.

Experience and qualifications

Mr Ryan has a background in commercial banking, investment banking and operational business management. He has previously held senior executive management positions in investment banking and industry, as well as being the Chairman or a Non Executive Director of a number of listed public companies. He has a Bachelor of Business from the University of Technology in Sydney, Australia, and is a Fellow of the Australian Institute of Company Directors and CPA Australia.

Other directorships and positions

Mr Ryan is the Non Executive Chairman of Tooth & Co Limited (appointed Director September 1999 and Chairman January 2003) and ABC Learning Centres Limited (administrators appointed, receivers and managers appointed) (appointed Director June 2003 and Chairman 30 May 2008). He was formerly the Non Executive Chairman of Transurban Holdings Limited (appointed Director April 2003 and Chairman February 2007 and resigned August 2010).

Lend Lease is committed to the long term success and prosperity of the Group for the benefit of securityholders. Reflecting this commitment, Lend Lease places great importance on the governance of the Group and continually reviews its governance practices to address its obligations as a responsible corporate entity.

Remuneration report summary

Approach to remuneration

Lend Lease seeks to provide market-competitive remuneration and benefits and ensure the Group has access to qualified, skilled and talented human capital.

The guiding principles of executive remuneration at Lend Lease are as follows:

- the remuneration practices should be simple, transparent and easy to communicate, and acceptable to internal and external stakeholders;
- a significant portion of total remuneration should be at-risk, underpinned by achievable metrics which are aligned with strong performance; and
- consistent with good remuneration governance practices, accountabilities should be clear to minimise potential conflicts of interest and enable effective decision-making by the Board and management.

Lend Lease continues to refine its executive reward strategy, with further initiatives to be implemented in the year ending 30 June 2011. These initiatives will help ensure that performance and reward align with the Group's strategic objectives as they evolve over time, while also taking into account the specific challenges that Lend Lease faces.

Director remuneration

	Base fees \$000	Other short term fees \$000	Post employment \$000	Share based payments ¹ \$000	Total \$000
Non-Executive Directors					
D Crawford	640	35	14	118	807
P Colebatch	160	138	14	44	356
G Edington	160	134	14	41	349
P Goldmark	160	134	14	41	349
J Hill	160	139	14	41	354
D Ryan	160	99	14	43	316
M Selway	99	61	9	40	209

1. Comprises entitlements under the Non Executive Directors' Retirement Benefit Plan.

	Salary \$000	Other short term fees \$000	Post employment \$000	Share based payments \$000	Other long term \$000	Total \$000
Executive Directors						
S McCann	1,518	1,527	27	2,219	22	5,313

Corporate directory

The 2010 General Meeting of Lend Lease Corporation Limited and Meeting of Securityholders of Lend Lease Trust will be held at 10am on Thursday 11 November 2010 at The Four Seasons Hotel, 199 George Street, Sydney. Full details are contained in the Notice of Meeting sent with this Review.

Contact details

Lend Lease Corporation Limited ABN 32 000 226 228

Incorporated in NSW Australia and

Lend Lease Responsible Entity Limited ABN 72 122 883 185

AFS Licence 308983 as responsible entity for

Lend Lease Trust ABN 39 944 184 773 ARSN 128 052 595

Registered Office

Level 4, 30 The Bond

30 Hickson Road Millers Point

NSW 2000 Australia

Contact

T: 61 (2) 9236 6111

F: 61 (2) 9252 2192

W: www.lendlease.com

Environmentally Friendly in Every Way

Environmental Credentials Statement

This Review is printed on Nordset, an environmentally responsible paper produced from FSC (Mixed Sources) CoC certified pulp from Well Managed Forests, is Elemental Chlorine Free (ECF) and is made Carbon Neutral. The greenhouse gas emissions produced from the transport, processing and manufacture of the wood pulp to the delivery to Raleigh Paper's clients (the cradle to gate lifecycle) has been calculated, offset and certified by the Carbon Reduction Institute (CRI). Raleigh Paper has purchased carbon offset credits under the Voluntary Carbon Standard to offset these emissions. Nordset is manufactured by Nordland Papier, a company certified with environmental management systems ISO14001 and EMAS, the EU Eco-Management and Audit Scheme (Reg.No.D-162-00007) Nordset has also been awarded the EU "Flower" eco-label certification.

Printing specifications

This Review is printed using vegetable based inks and varnish. These inks are biodegradable. They do not harm the environment.

precinct.com.au



2011 Financial Calendar

February	Announcement of Half Year Results
March	Interim distribution payable
August	Announcement of Full Year Results
September	Final distribution payable
November	Annual General Meeting

Front cover: Urban regeneration is a core competency for Lend Lease. Jacksons Landing is a major mixed-use residential and commercial development on the Pyrmont peninsula, on Sydney Harbour. The cover shows Lend Lease Jacksons Landing team members in front of the Evolve apartment building. (L-R) Trent English, Bovis Lend Lease structure foreman; Jennifer Cooper, Vivas Lend Lease senior development manager; Peter Sheehan, Bovis Lend Lease site manager; and Tarah Spencer, Vivas Lend Lease marketing manager.



Imagine
Create

lendlease.com