

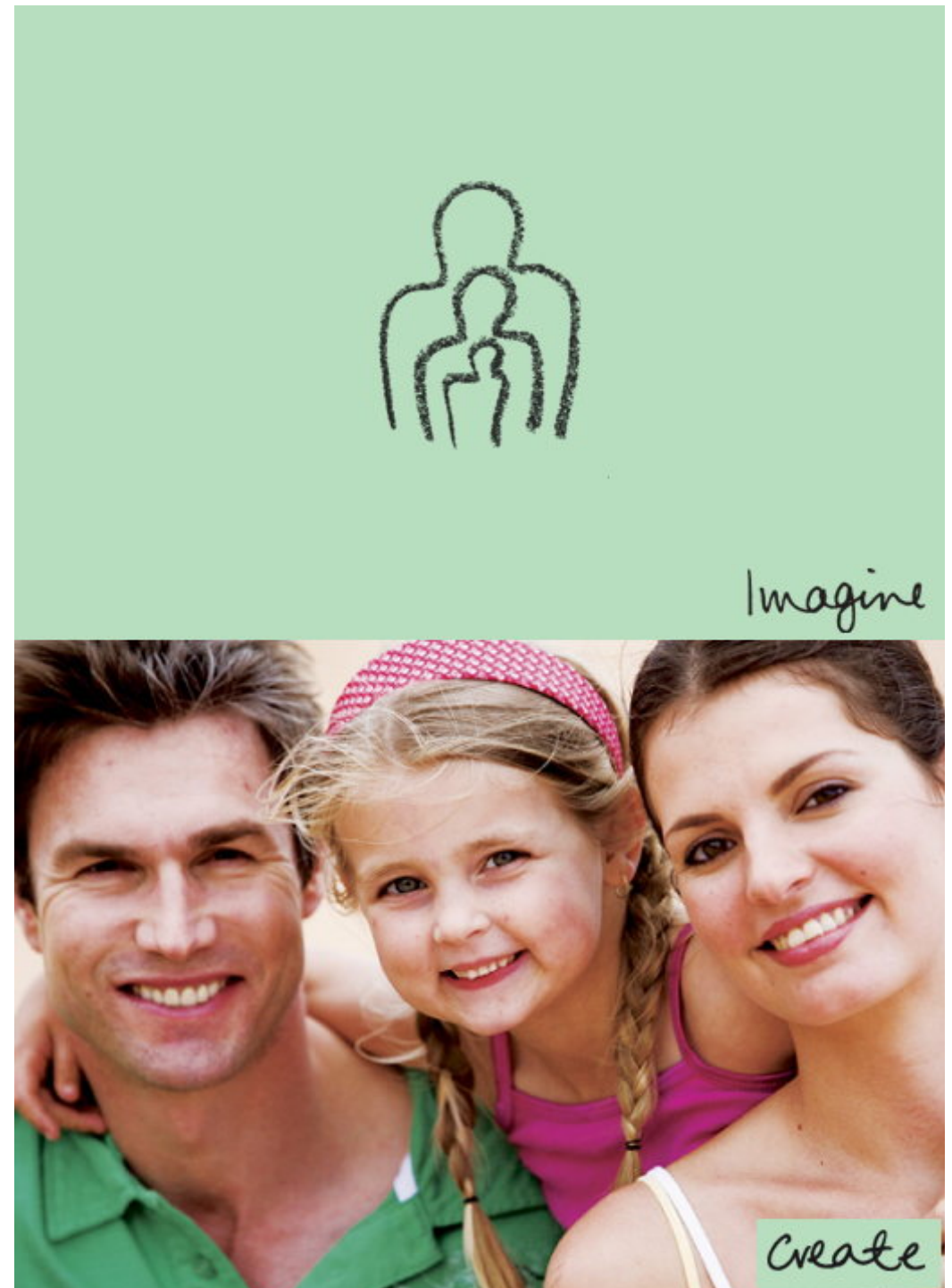


Retail and Communities Asia Pacific

David Hutton

CEO – Retail & Communities Asia Pacific

Market Update – May 2007








Agenda



- Overview of the Retail & Communities portfolio
- Business positioning
- Introduction of key team
- Lend Lease Retail (Rhon Levin, CEO LLR)
- Delfin Lend Lease (David Keir, CEO DLL)
- Case Study – Singapore (With Rob Hattersley)

Operate Across a number of sectors



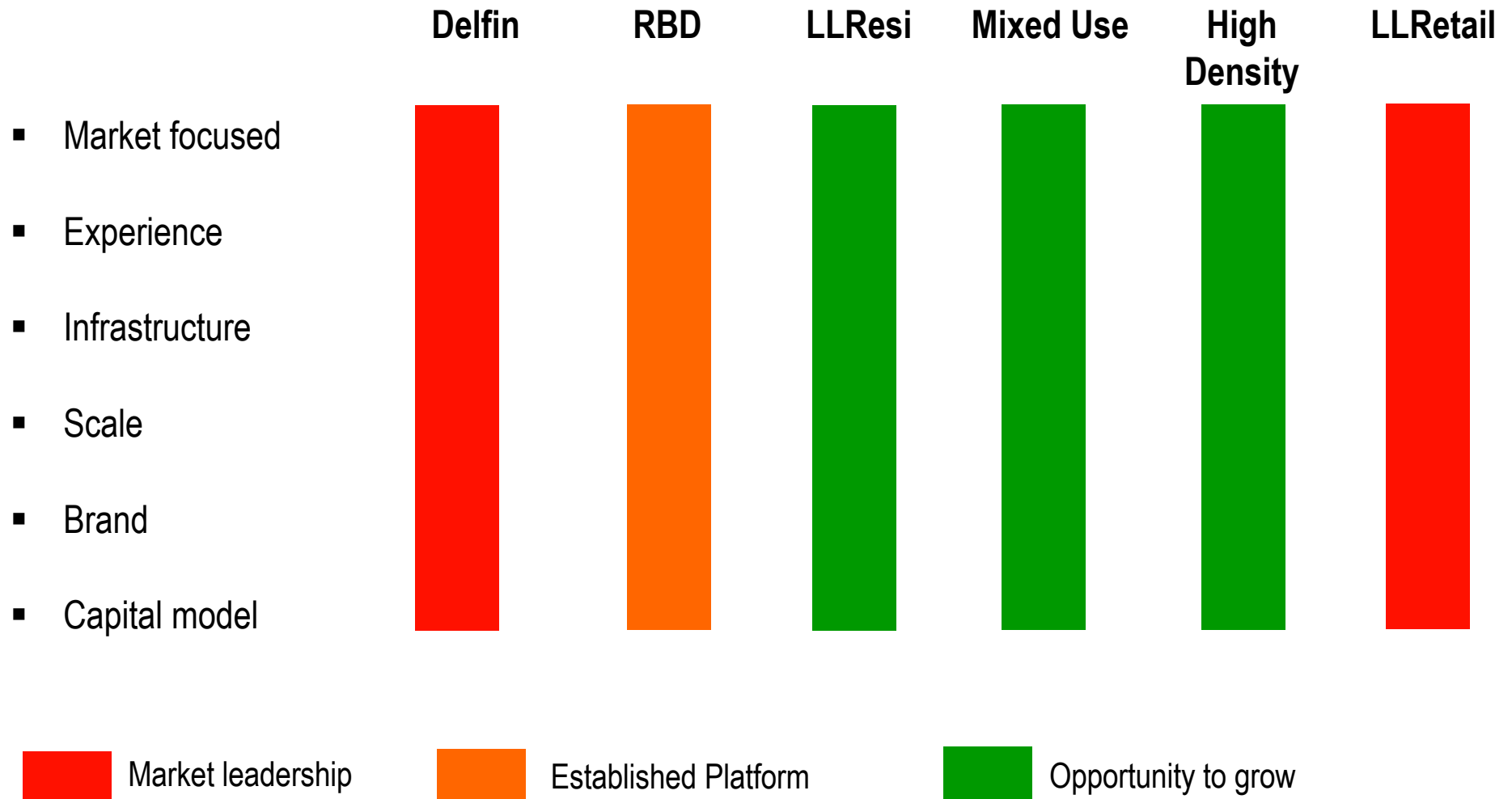
- Dedicated teams, focus and expertise on the specific property sectors of
 - Delfin  Developer of Urban Communities
 - RBD  Senior Living
 - Lend Lease Residential  Creator of built form living options
 - Lend Lease Development  Large mixed use sites and high density
 - Lend Lease Retail  Retail Ownership, development and management

Retail & Communities Portfolio – Strong Fundamentals



- Market focused: ✓ Depth of market knowledge
- Experience: ✓ Seasoned personnel
- Business Infrastructure: ✓ Skills, processes, systems, IT, inc. approach to sustainability
- Scale: ✓ Efficiencies to drive profitability and competitive advantage
- Brand: ✓ Value and recognition
- Capital Model: ✓ Velocity of capital to drive LLC's ROCE, leveraging our third party capital investment platform

Current Retail & Communities Asia Pacific Business Positioning



Depth of Senior Management Team



| Business | Leader | Years in Industry |
|------------------------|----------------|--------------------------|
| Retail & Communities | David Hutton | 19 |
| Delfin Lend Lease | David Keir | 20 |
| RBD | David Payne | 25 |
| Lend Lease Residential | Simon Pagett | 20 |
| Lend Lease Development | David Rolls | 26 |
| Lend Lease Retail | Rhon Levin | 27 |
| Finance | Lawrence Rynne | 15 |
| | Tony Ford | 18 |

Retirement By Design Snapshot



Strategy: Grow portfolio via development of new villages while securitising the mature DMF entitlements into Lend Lease managed funds

Portfolio: 12 villages under management – across Qld, NSW, Vic and SA (2,000 home/apartments) June 2007

Currently:

- 8 owned villages
- 3 villages sold to date into Lend Lease Core Plus Fund
- 1 village managed for external syndicate

Backlog: 2 new villages underway (circa 400 homes/apartments) plus identified pipeline of 3 new villages (>400 homes/apartments)



Developing the next era of retirement living ...



Nelsons Ridge – Sydney



Trinity Green – Adelaide



Lend Lease Development Snapshot



- Growth opportunity is mixed use/regeneration /scale
- Plays to Lend Lease integrated capability



Victoria Harbour

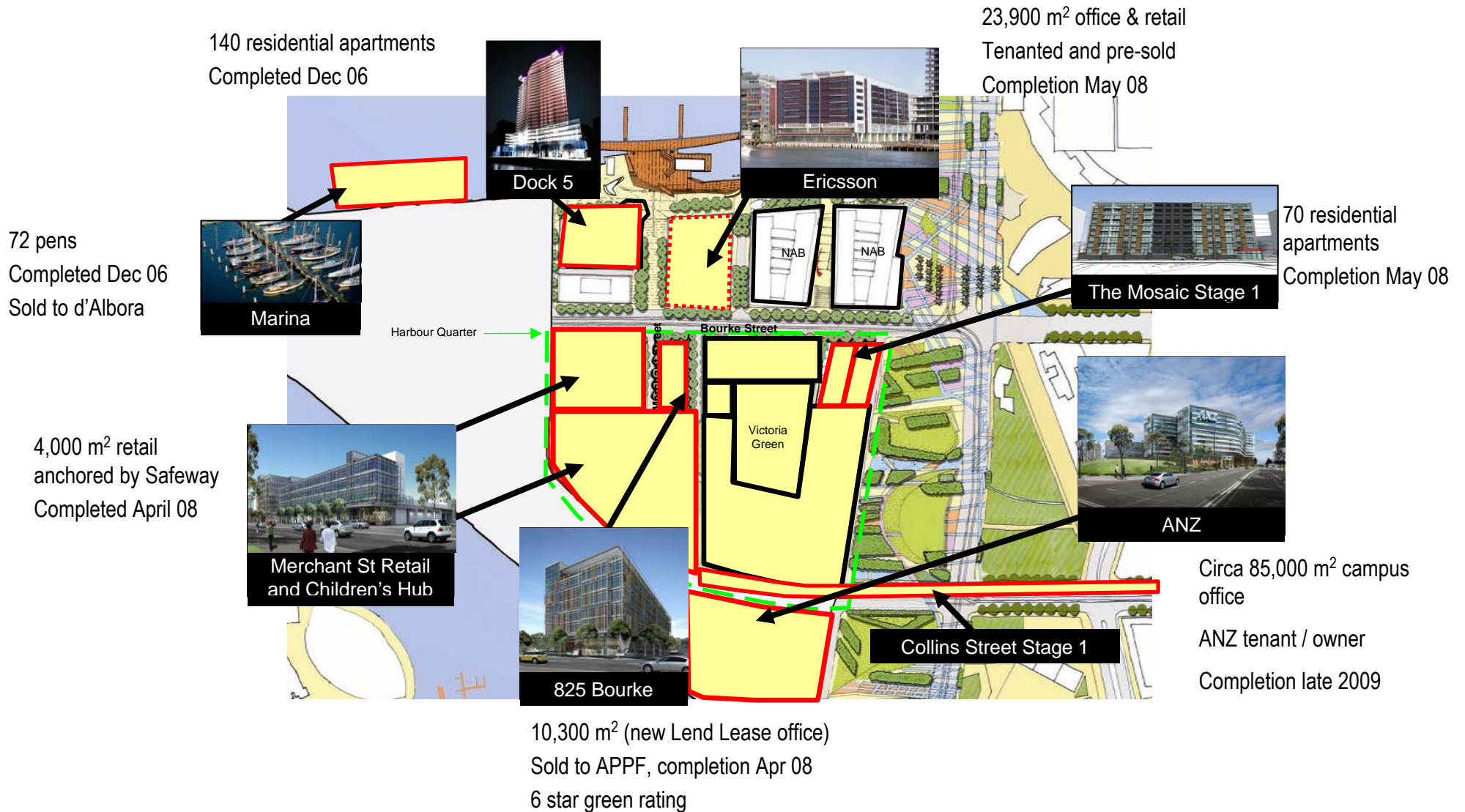


Jacksons Landing

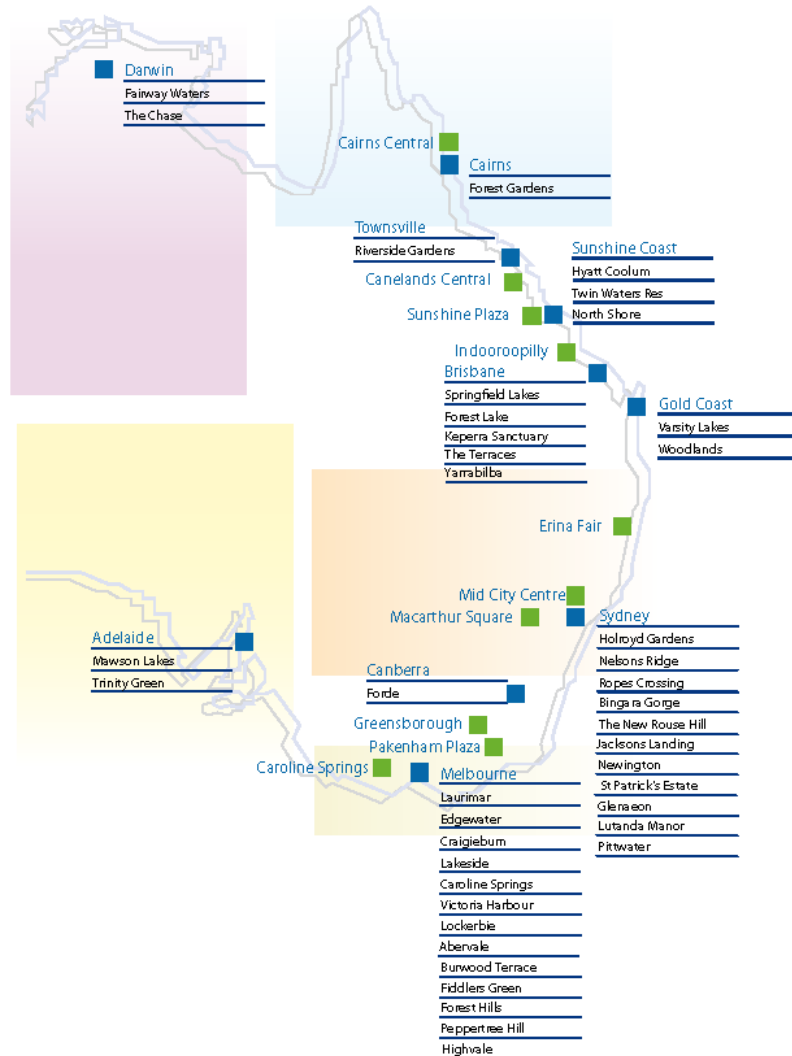
Current Backlog

- High density residential 2,500 apartments +
- Commercial/mixed use > 150,000 m²

Case Study: Victoria Harbour – Momentum & Capability



Retail & Communities Portfolio



- 27 communities (+ 3 under rezoning)
- 12 operating villages (+ 2 under construction and 3 in pipeline)
- 10 retail centres (+ 3 in Singapore)
- Potential A\$4b Assets Under Management
- A\$17b secured pipeline of future opportunities (inc 75,450 lots, 2.2 million m² of mixed use)

- Diverse product lines
- Multiple geographies
- Significant synergy opportunities

Retail Market Competitive Set

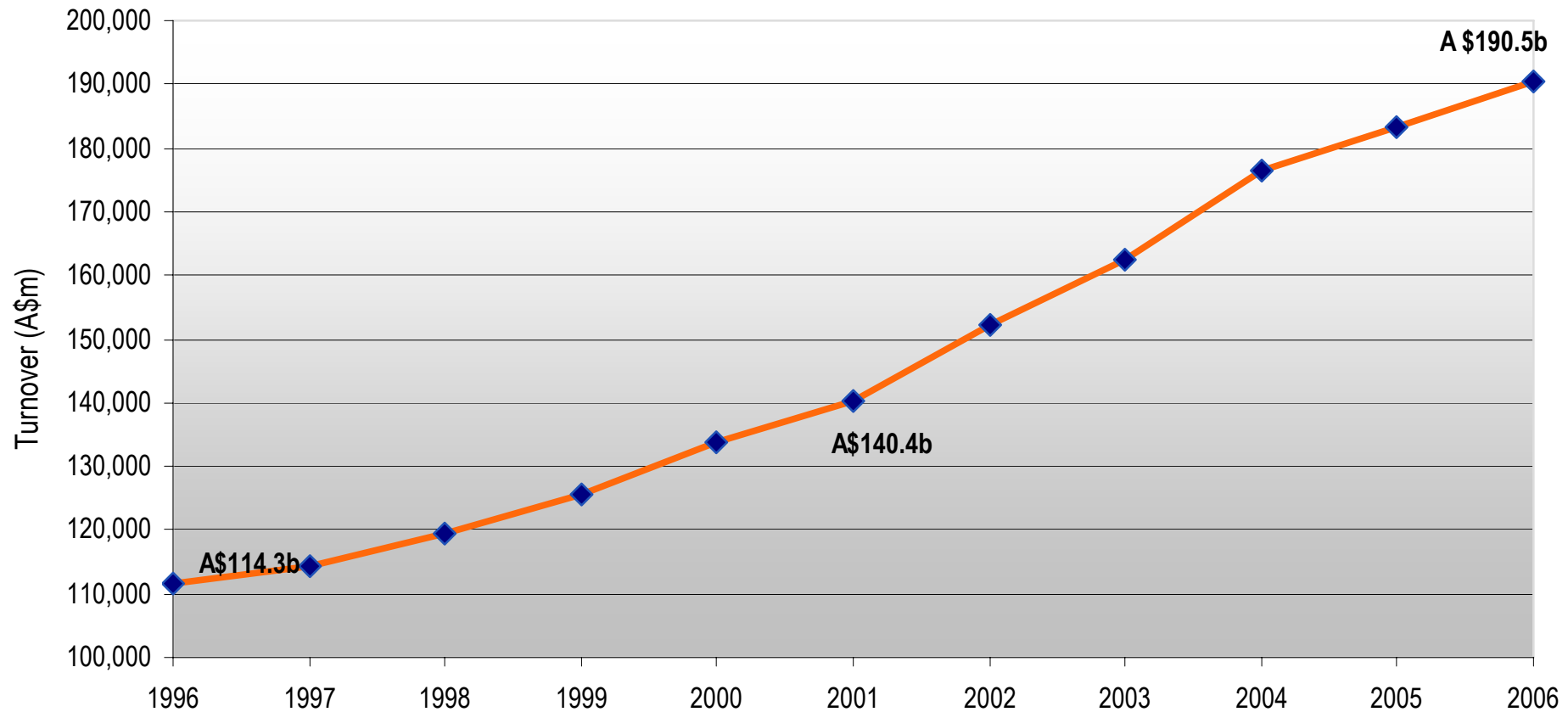


- 128 centres over 35,000 m² retail GLA. Of these:

| | No. of centres under management | Total GLA (m ²) | Sales (A\$m) |
|--------------------------|---------------------------------|-----------------------------|--------------|
| Westfield | 32 | 2,201,000 | 13,137 |
| Colonial First State | 13 | 725,000 | 4,504 |
| Centro | 9 | 435,000 | 1,915 |
| QIC | 7 | 495,000 | 2,410 |
| Lend Lease Retail | 7 | 437,000 | 2,433 |
| AMP | 6 | 559,000 | 3,269 |
| GPT | 5 | 240,000 | 1,272 |
| Stockland | 5 | 202,000 | 985 |
| Jones Lang LaSalle | 3 | 125,000 | 625 |

Source: PCA Shopping Centre Directory 2007, Mapinfo
Bulky goods and outlets not included

Retail Growth – a long upward cycle, but still persisting



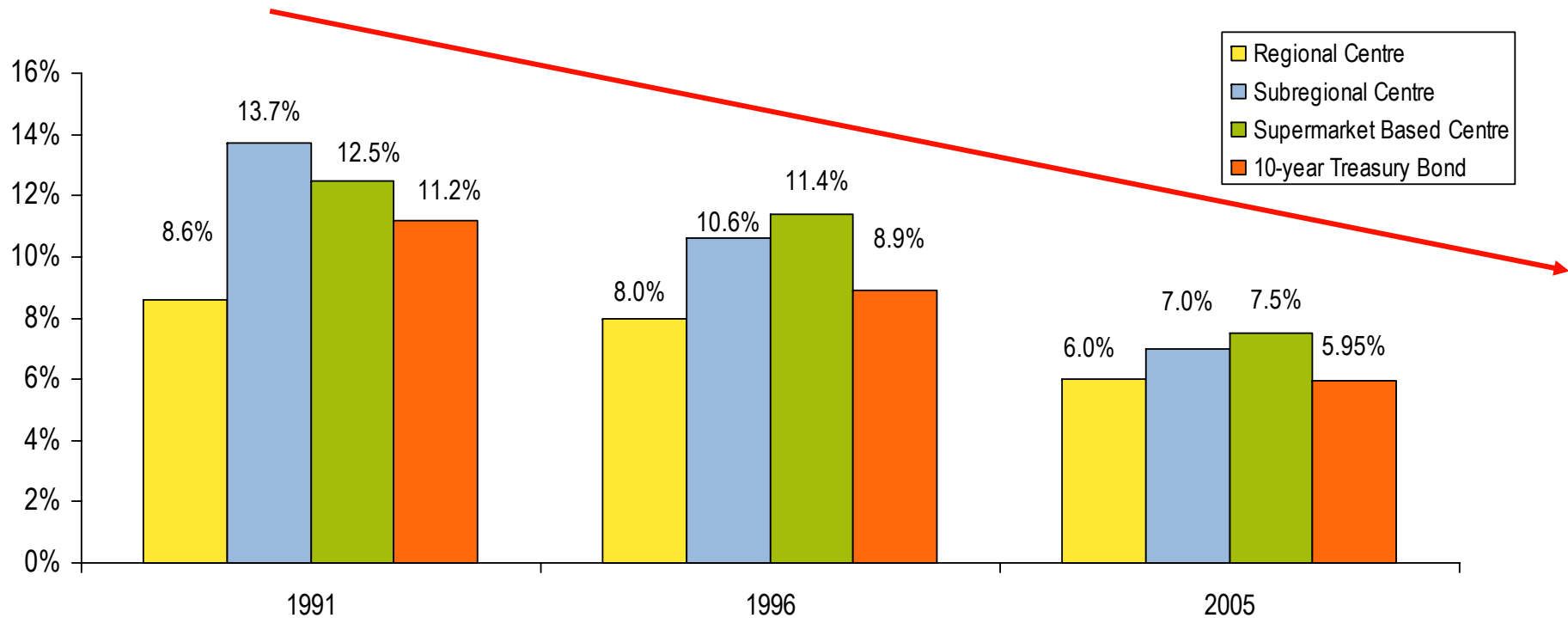
An unsustainable rate of growth?

Source: MapInfo Dimasi

And a historic long trend of yield compression



... an asset shortage and increasing weight of capital



Source: MapInfo Dimasi

Yields compressed, smaller centres now re-rated

Who is well positioned?

- Established portfolio in growth markets
- New opportunities from 3 areas
 - Existing portfolio
 - Communities business
 - Relationships & partnerships
- Disciplined retail asset manager
- Fully integrated skills across the retail spectrum
 - Asset management
 - Leasing
 - Design & development
 - Construction
- Competitive capital model



Summary



- Large portfolio with good geographic diversity
- Focused sector expertise in
 - Urban communities
 - Senior living
 - Built form residential
 - Mixed use/high density apartments
 - Retail
- Experienced senior management team
- Uniquely integrated skills and synergies
- Well positioned