ASX ANNOUNCEMENT

23 December 2020

Lendlease announces conclusion of Melbourne Metro negotiations

Lendlease, along with its Cross Yarra Partnership (CYP) joint venture partners, John Holland and Bouygues Construction, today announced they have finalised and signed the amending documents for the Melbourne Metro project as referred to in its announcement made on 13 November 2020.

These amending documents resolve identified issues in relation to the scope and costs on the Melbourne Metro project. This provides a clear pathway for CYP to proceed with delivering the tunnels and stations package for the project.

The position of the project following these amending documents is consistent with our expectations as previously provided in the financial statements as at 30 June 2020. Accordingly, no further provision is required in respect of the project.

CYP's contract involves the design and construction of the tunnels and stations package which is part of the larger Victorian Government's Metro Tunnel project. CYP's contract works are now more than 30 per cent complete with major tunneling works and station construction progressing well.

Lendlease completed the sale of its engineering operations to Acciona on 9 September 2020 but retained three engineering projects, including the Melbourne Metro project. Since that time, the other two retained projects, Kingsford Smith Drive and NorthConnex, have achieved practical completion.

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Authorised for lodgement by the Lendlease Group Disclosure Committee

