ASX ANNOUNCEMENT

Lendlease Group 2022 Full Year Results Announcement, Presentation and Appendix

Lendlease Group today announced its results for the year ended 30 June 2022. Attached is the FY22 Results Announcement, Presentation and Appendix.

A summary of Lendlease's Major Urban Projects can be found on the Lendlease website, or by clicking on the link here.

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Authorised for lodgement by the Lendlease Group Disclosure Committee

ASX ANNOUNCEMENT

22 August 2022

Reset year impacts performance; solid momentum into FY23

For the year ended 30 June 2022:

- Statutory Loss after Tax of $99m
- Core operating[1] Profit after Tax of $276m:
    - Full year distributions of 16 cps, payout ratio of 40%:
        - Final distribution of 11 cps
    - Earnings Per Security of 40.1 cents
- Significant recovery in H2 provides momentum for FY23:
    - Statutory result: $165m profit in H2; $264m loss in H1
    - Core profit: $248m in H2; $28m in H1
    - Development commencements $4.4b in H2; $1.5b in H1

Business renewal:

- Refreshed leadership and simplified organisation structure
- Recalibrated cost base – delivering savings >$160m per annum
- Exit of Non core Services business
- >$1b strategic portfolio divestments
- Formed c.$11b of partnerships to drive growth in funds under management
- Record Work in Progress of $18.4b

FY22 Result Summary[2]

Resetting the organisation, including simplifying the Group's operating model and addressing legacy issues while managing the ongoing impacts of COVID, affected our financial performance. This was reflected in a Statutory loss and a modest Core profit.

The Group's financial performance improved in the second half and there is solid momentum going into FY23. Core profit rose from $28m in H1 to $248m in H2 and development commencements accelerated from $1.5b in H1 to $4.4b in H2.

Global Chief Executive Officer and Managing Director, Tony Lombardo said, "We made significant progress in resetting our company for future growth. We are now a leaner organisation and more agile in responding to our customers. This year, we formed approximately $11b of investment partnerships that will underpin strong growth in funds under management while work in progress is at a record $18.4b".

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[1] Reflects Statutory earnings adjusted for non operating items and the Non core segment.
[2] Comparative period the year ended 30 June 2021, unless otherwise stated.

Lendlease Corporation Limited ABN 32 000 226 228 and
Lendlease Responsible Entity Limited ABN 72 122 883 185 AFS Licence 308983
as responsible entity for **Lendlease Trust** ABN 39 944 184 773 ARSN 128 052 595

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lendlease.com

Specifically, the Group advanced numerous strategic initiatives:

- Refreshed leadership and structure of organisation
- Reducing the cost structure, exceeding our savings target of >$160m per annum;
- Simplified the Group by exiting our Non core businesses with the divestment of Services;
- Formed c.$11b of investment partnerships to grow the platform;
- Obtained masterplan approval for >$8b of the development pipeline;
- c.$6b of commencements taking Work in Progress to $18.4b; and
- Repositioning the Australian Communities business with lot sales up 61 per cent.

Financials

Core Operating Profit after Tax, the Group's measure of underlying earnings, was $276m for the year ended 30 June 2022. Core Operating Earnings per Security of 40.1 cents represents a Return on Equity of 4.0 per cent. Distributions per security of 16 cents, represents a payout ratio of 40 per cent.

The Group's Statutory Loss after Tax for the year ending 30 June 2022 was $99m. Non operating items of negative $333m and a non core segment loss of $42m provide the reconciliation of core operating profit to the statutory loss of $99m.

Non operating items after tax include Investments segment revaluation gains of $70m offset by Development impairment expenses of $223m, restructuring costs of $119m and intangible impairments relating to Digital activities of $55m. The impairment of the Digital assets followed a strategic review which has prioritised products with expected higher returns.

The Non core loss primarily reflects costs associated with the exit of the Services business in FY22. We have maintained provisions we consider to be appropriate to complete our share of the retained Melbourne Metro project and for potential warranties associated with the now exited Engineering and Services businesses.

Group Chief Financial Officer, Simon Dixon, said "Maintaining financial strength, reflected in gearing of less than 10 per cent, was a priority for the Group as we transitioned through a reset year. This was achieved while deploying an additional $1b of development capital during the year."

Gearing of 7.3 per cent is below the target range of 10-20 per cent, placing the Group in a strong liquidity position with total available liquidity of $3.9b.

Development capital was up from $4.4b to $5.4b as development expenditure accelerates along with Work in Progress and subsequent completions. Invested capital is planned to be re-weighted towards the Investments segment from FY24.

The recurring operating cost savings derived from our simplification initiatives during the year surpassed our target of >$160m pre tax, generating annualised savings of $172m. Restructuring charges incurred to meet these savings were $170m pre tax. In addition, the change in strategy on a small number of underperforming development projects incurred an impairment expense of $289m pre tax.

"Our simplification has prepared the Group for continued acceleration in development activity and growth across the investments platform. We have also retained the financial capacity to support these growth ambitions," said Mr Dixon.

Operating Segments

Investments

The Investments segment outperformed with a return on invested capital of 9.7 per cent, well in excess of our target range of 6-9 per cent. The outcome was boosted by a financial partner acquiring part of the asset management income stream of the US Military Housing portfolio, as well as a recovery in portfolio income and higher management fees. Investments EBITDA rose from $141m in the first half to $356m in the second half.

Investment partnerships formed during the year included a joint venture to redevelop the Comcentre in Singapore; a joint venture to develop the remaining office precinct at International Quarter London; the establishment of a value add Australian diversified fund; and the launches of a US life sciences partnership and an Asian innovation fund. We have added key leadership talent to facilitate future growth.

Development

The subdued contribution from the Development segment was the result of fewer completions and the impact of the change in approach to our joint venture projects, which more closely aligns the timing of development profit with cash flow and capital at risk. Development EBITDA recovered from $39m in the first half to $142m in the second half. While the returns from the segment were well below target, Work in Progress rose to a record $18.4b.

More than $8b of the development pipeline received masterplanning approval. In addition, approximately $6b of projects commenced including: 1 Java Street, New York; 60 Guest Street, Boston; Certis Centre, Singapore; Phase 1 of the Tokyo data centre; and the third and final residential tower at One Sydney Harbour.

Construction

In the Construction segment, we delivered a resilient outcome with our teams implementing a range of mitigation strategies to offset ongoing COVID impacts, various supply chain disruptions and related cost pressures. Nonetheless, EBITDA and the EBITDA margin were down on the prior year as a result of these factors.

Backlog revenue remains solid at $10.5b and is diversified by client type and sector, although dominated by Australia with $7b of backlog revenue. The lagged impact of the pandemic and our decision to remain disciplined in bidding for work has resulted in the Americas backlog declining to significantly below historical levels. We have maintained capability given our confidence that backlog and revenue will recover over time.

Outlook

The Group enters the new financial year with solid momentum, providing confidence in the *Create* phase of our five-year roadmap. While our integrated model enables a high degree of control in executing our strategy, we will be influenced by the external environment of higher inflation and interest rates.

The Return on Invested Capital for the Investments segment is expected to be in the range of 6-7.5 per cent for FY23, including $73m pre-tax from the further sale of 13 per cent of the Military Housing asset management income stream. While the development pipeline is expected to continue to provide the predominant source of future growth for the investments platform, new initiatives will be pursued selectively alongside our investment partners.

The Return on Invested Capital for the Development segment is expected to be in the range of 4-6 per cent for FY23. Higher commencements and a record amount of Work in Progress are driving a recovery in both completions and profit. The joint venture to acquire the c.$3b One Circular Quay development early in the new year is expected to form part of our targeted $8b of commencements and improve our returns over time by working with investment partners. However, scale benefits will not be achieved in FY23 and the revised approach to joint ventures means profit on new projects is anticipated to be deferred. As a result, returns in FY23 will remain below our target.

The EBITDA margin for the Construction segment is expected to be in the range of 1.5-2.5 per cent for FY23, lower than our target range of 2-3 per cent due to risks including ongoing COVID disruption, cost pressures and supply chain constraints. These risks have been well managed to date but their persistence, along with low activity in the Americas, is likely to impact performance in FY23.

"We remain on track to meet our more than $8b completion target in FY24, along with the Return on Invested Capital target for the Development segment of 10-13 per cent. The record level of Work in Progress, along with our assessment of project fundamentals, provides confidence in achieving both the completion and return targets," said Mr Lombardo.

The Group Return on Equity Target of 8-11 percent is expected to be met from FY24.

Further information regarding Lendlease's results is set out in the Group's financial results presentation for the year ended 30 June 2022 and is available on www.lendlease.com.

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2022 Key Dates for Investors	
Securities quoted ex-distribution on the Australian Securities Exchange	26 August
Final distribution record date	29 August
Final distribution payable	21 September
Annual General Meetings	18 November

Authorised for lodgement by the Lendlease Group Disclosure Committee

2022 Full Year Results

22 August 2022

London:
Elephant Park

lendlease

As an investor, developer, builder and manager of assets on land across Australia, we pay our respects to the Traditional Owners, especially their Elders past and present, and value their custodianship of these lands.

Singapore: Comcentre redevelopment
Artist's impression

Group Performance

Tony Lombardo
Global CEO

FY22 snapshot

Group

- Refreshed leadership and organisation structure
- Recalibrated cost base
- Exit Non core businesses
- Portfolio divestments
- Operating momentum into FY23

Investments

- ROIC above PMF[4] and FY22 expected range
- Formed c.$11b[1] of partnerships to grow FUM:
  - Comcentre redevelopment, Singapore – $3.0b
  - International Quarter London – $2.8b
  - Real Estate Partners 4 – $1.5b
  - US Life Sciences partnership – $1.0b
  - Lendlease Innovation partnership – $1.0b

Development

- ROIC below PMF[4] range; within FY22 expected range
- FY22 trough year:
  - Lower completions at $2.5b
  - Impact on profit timing from change in JV approach
- Significant momentum into FY23:
  - Record Work in Progress of $18.4b
  - $5.9b of commencements, $4.4b in H2
  - Australia Communities sales >3,000, up 61%

Construction

- EBITDA margin within PMF[4] and FY22 expected range
- Resilient despite disruptions:
  - Productivity impacts from COVID shutdowns
  - Managed supply chain constraints and inflation
  - Backlog revenue >$10b
  - Substantial social infrastructure projects

1. Total estimated end value (representing 100% of project value). **2.** Total estimated end value of partnership with CPP Investments. **3.** Artist's impression. 4. Portfolio Management Framework.

FY22 Result

Financial performance

Cyclical low point for activity and profitability, statutory result impacted by restructuring charges

$276m
Core operating[1] Profit after Tax

40.1c
Earnings per security

4.0%[2]
Return on Equity

16cps[3,4]
Distributions

40%
Payout ratio

($99m)
Statutory Loss after Tax

($42)m
Non core segment Loss

($333)m
Non operating items

Strong
Financial position

7.3%[5]
Gearing

$3.9b
Available liquidity

Operating performance

Subdued FY22, significant momentum into FY23 with additional investment partnerships and record Work in Progress

Investments		Development		Construction[6]	
$44.4b Funds Under Management	↑	$18.4b Work in Progress	↑	$6.6b Revenue	↑
$30.0b Assets Under Management	↑	$2.5b Completions	↓	$5.3b New work secured	↓
$3.5b Investment portfolio	↔	$117.0b Pipeline	↑	$10.5b Backlog revenue	↓

1. Statutory profit adjusted for non operating items and the Non core segment. Non operating items are Investments segment property revaluations, restructuring charges and impairment expenses.
2. Return on Equity is calculated using the Core operating Profit after Tax divided by the arithmetic average of beginning, half and year end securityholders' equity.
3. Includes Trust distribution.
4. Final Distribution of 11cps.
5. Net debt to total tangible assets, less cash.
6. Excludes internal projects.

H2 Momentum

Momentum in H2

Strong H2 performance across key Financial and Operating metrics

Core Operating[1] Profit after Tax

H1	H2
$28m	$248m

Core Operating Earnings per Security

H1	H2
4.1c	36.1c

Investments

Funds Under Management Growth

H1	H2
$2.4b	$2.4b

Investments Partnerships formed

H1	H2
$5b	$6b

Development

Commencements

H1	H2
$1.5b	$4.4b

Completions

H1	H2
$0.2b	$2.3b

Construction[2]

Revenue

H1	H2
$3.2b	$3.4b

New work secured

H1	H2
$2.4b	$2.9b

1. Statutory profit adjusted for non operating items and the Non core segment. Non operating items are Investments segment property revaluations, restructuring charges and impairment expenses.
2. Excludes internal projects.

New York: 1 Java Street
Artist's impression

Financial Summary

Simon Dixon
Group Chief Financial Officer

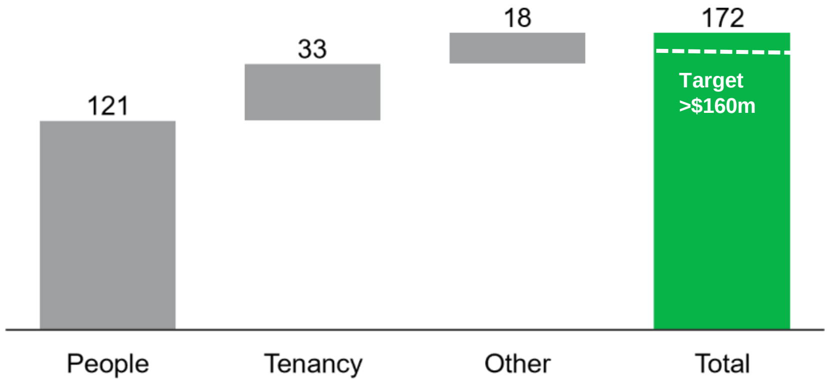
Financial performance[1]

$m		FY21	FY22	Change	Commentary
Core					
Investments		276	497	80%	• Higher funds management fees, investment portfolio income and profits on divestments
Development		469	181	(61%)	• Lower completions including settlement delays and prior year contribution from One Sydney Harbour
Construction		173	131	(24%)	• Revenue subdued and margin erosion from ongoing disruptions
Segment EBITDA		**918**	**809**	**(12%)**	
Corporate costs		(161)	(180)	(12%)	• Several one-off benefits in comparative period. Composition: Group services costs $136m; Treasury costs $21m; Digital costs $23m
Operating EBITDA		**757**	**629**	**(17%)**	
Depreciation and amortisation		(148)	(146)	1%	
Net finance costs		(137)	(116)	15%	• Reduced commitment fees and lower average drawn debt
Operating Profit Before Tax		**472**	**367**	**(22%)**	
Income tax (expense) benefit		(95)	(91)	4%	• Effective tax rate up 5ppts to 25%
Operating Profit After Tax		**377**	**276**	**(27%)**	
Non operating					
Non operating items after tax		26	(333)	na	• Includes Investments segment revaluations of $70m offset by Development Impairment expense $223m; Restructuring costs $119m; Intangible impairments relating to Digital activities $55m
Non core segment after tax		(181)	(42)	77%	• Includes tenancy impairment of $18m
Group					
Statutory (Loss)/Profit After Tax		**222**	**(99)**	**na**	
Operating EPS	**cents**	**54.8**	**40.1**	**(27%)**	
Statutory EPS	**cents**	**32.3**	**(14.4)**	**na**	

1. Comparative period the year ended 30 June 2021.

Strategic initiatives

Annualised operating cost savings in FY22[1] ($m)



Savings exceed >$160m target

Completed annualised savings of $172m[1,2]

- >$90m achieved in FY22
- Headcount reduction >400[3]
- Tenancy reduced by c.29,000 sqm[4]

Restructuring costs and Impairments

Restructuring costs of $170m[2]

- Comprised primarily of Tenancy impairments and Redundancy costs

Development impairment of $289m[2]

- Largely confined to three projects[5]: Brisbane Showgrounds, Deptford Landings, Waterbank
- Pipeline reduced by $4.6b from removal of impaired projects

Intangible impairment relating to Digital activities of $77m[2]

- Prioritisation of activities has led to discontinuance of certain products

1. Savings will be reflected in Cost of Sales, Other Expenses and Depreciation and Interest.
2. Pre tax.
3. Redundancies and roles not replaced.
4. Reduction of c.24,000 sqm for year ended 30 June 2022.
5. Represents c.95% of the impairment.

Cash flow

Cash flow movements

Core underlying operating cash inflow $514m:

- Predominantly from Investments segment
- Low development settlements
- Weaker construction cash flow
- Core cash conversion ratio of 82%[1]

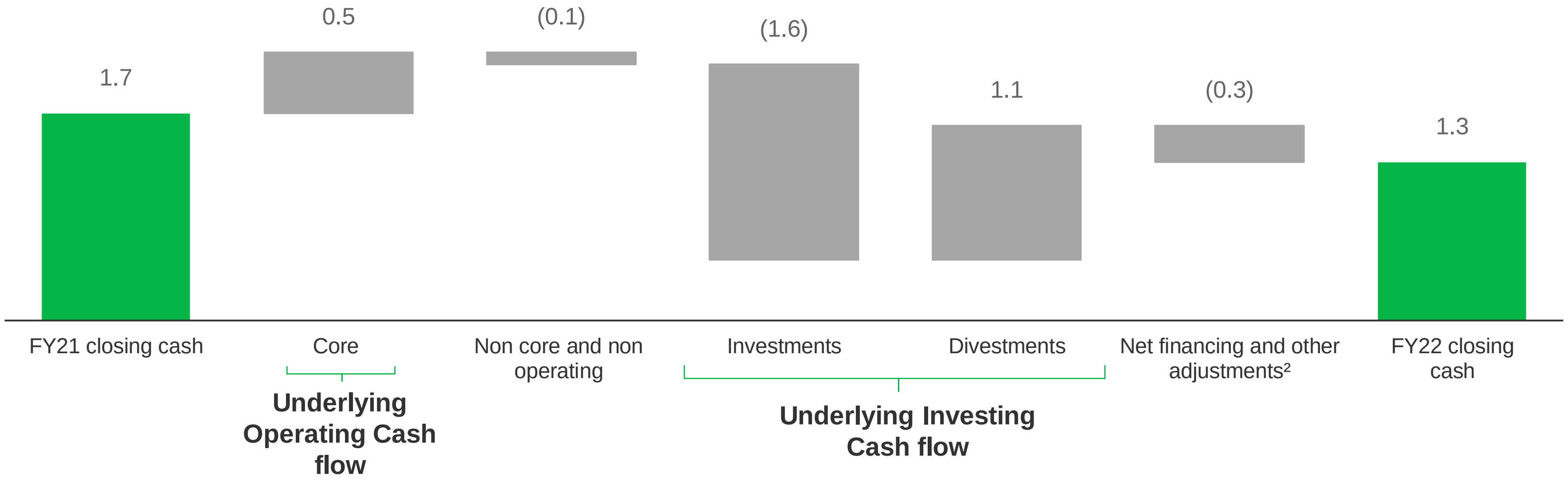
Non core segment cash flow neutral in FY22:

- Estimated cash outflows of $0.8b from FY23 - FY26

Underlying investing cash outflow $482m:

- Investments (cash outflow) $1.6b:
  - Development expenditure of $1.2b on projects
  - New fund investments of $0.3b
- Divestments (cash inflow) $1.1b:
  - Retirement Living ($0.5b)
  - Services business ($0.3b)

FY22 ($b)



1. Core underlying operating cash flow relative to Core Operating EBITDA.
2. Includes interest paid, tax paid and the impact of foreign exchange movements on opening cash.

Financial position

Invested capital[1]

	$b	Change
Investments	$3.7b	$0.1b
Development	$5.4b	$1.0b
Other	($1.0b)	($0.7b)
Total	**$8.1b**	**$0.4b**

	$b	Change
Australia[2]	$2.7b	($0.4b)
Asia	$1.8b	$0.4b
Europe	$2.0b	$0.2b
Americas	$1.6b	$0.2b

Portfolio Management Framework

	Target	FY21	FY22e[4]	FY22
Core Business Segment Returns				
Investments ROIC[3]	6-9%	5.9%	7.5-8.5%	9.7%
Development ROIC[3]	10-13%	7.2%	2-4%	2.2%
Construction EBITDA margin	2-3%	2.7%	2-3%	2.0%

Treasury management

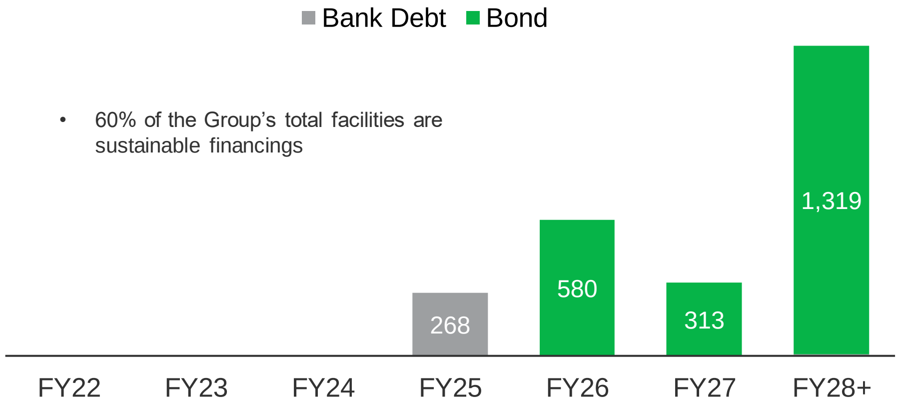
		FY21	FY22
Net debt	$m	695	1,060
Gearing	%	5.0%	7.3%
Interest cover	times	6.4	5.6
Average drawn debt maturity	years	4.9	6.6
Average cost of debt	%	3.6	3.6
Available liquidity	$m	4,930	3,944

Investment Grade Credit Ratings

Moody's	Baa3 stable outlook
Fitch	BBB- stable outlook

Drawn debt maturity ($m)

- 60% of the Group's total facilities are sustainable financings



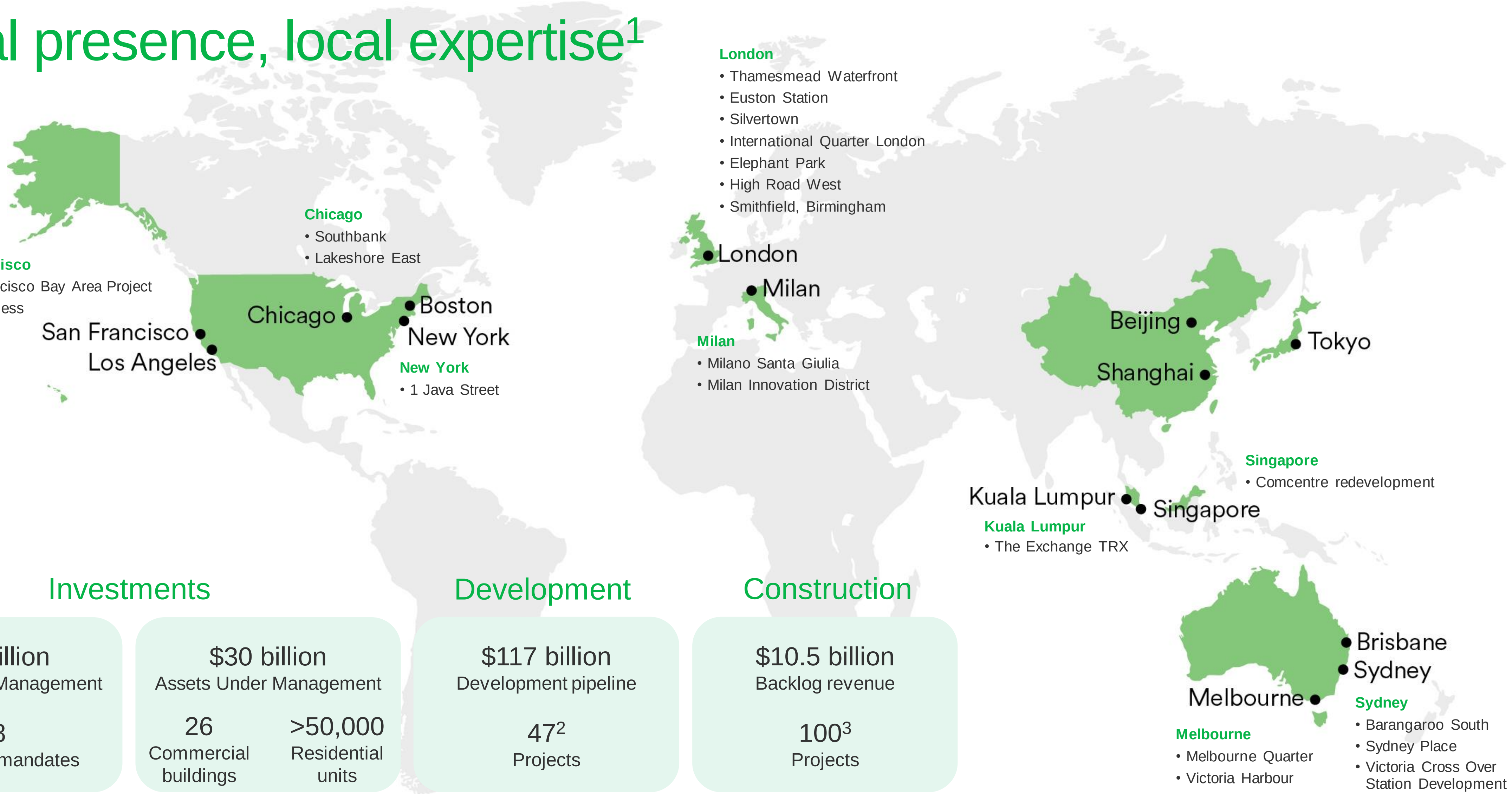
1. Securityholder equity plus gross debt less cash on balance sheet.
2. Australia invested capital includes Corporate.
3. Return on Invested Capital is calculated using the Core Operating Profit after Tax divided by the arithmetic average of beginning, half and year end invested capital.
4. Expected range at HY22 result.

Chicago: Lakeshore East

Operational Update

Tony Lombardo
Global CEO

Global presence, local expertise[1]



San Francisco
- San Francisco Bay Area Project
- 30 Van Ness

Chicago
- Southbank
- Lakeshore East

New York
- 1 Java Street

London
- Thamesmead Waterfront
- Euston Station
- Silvertown
- International Quarter London
- Elephant Park
- High Road West
- Smithfield, Birmingham

Milan
- Milano Santa Giulia
- Milan Innovation District

Singapore
- Comcentre redevelopment

Kuala Lumpur
- The Exchange TRX

Sydney
- Barangaroo South
- Sydney Place
- Victoria Cross Over Station Development

Melbourne
- Melbourne Quarter
- Victoria Harbour

Investments

$44 billion
Funds Under Management

38
Funds and mandates

$30 billion
Assets Under Management

26
Commercial buildings

>50,000
Residential units

Development

$117 billion
Development pipeline

47[2]
Projects

Construction

$10.5 billion
Backlog revenue

100[3]
Projects

1. Map illustrates 15 targeted gateway cities and highlights major urban projects with an estimated development end value greater than $1 billion. **2.** Total of 47 development projects, comprising a total of 31 urban projects and 16 Australia Communities projects. **3.** Represents projects in delivery >$10 million.

Health and Safety

FY22 highlights

- Key performance indicators at best ever rates
- Employee survey results reinforce outstanding safety culture
- Safety innovations include world leading perimeter screens for high rise steel building

	Critical Incident Frequency Rate[1]	Operations without a critical incident[2] (%)	Lost Time Injury Frequency Rate[1]
FY21	0.66	94	1.8
FY22	0.57	94	1.4

Fatality

- One subcontractor fatality occurred on our operations in an area under subcontractor management during FY22
- Our thoughts are with the family and friends of the subcontractor employee and everyone impacted by this tragic event
- Reducing incidents through continuous improvement, advocacy for industry change

1. Calculated to provide a rate of instances per 1,000,000 hours worked.
2. An event that caused, or had the potential to cause, death or permanent disability. This is an indicator unique to Lendlease.

Environmental, Social and Governance

FY22 key achievements

Switched to
100% renewable electricity
across European operations

87%
of waste diverted from landfill (up from 75%)

$1.2b
raised in
Green bonds

$107.3m
social value created
42.9%
of FY25 target

Released
Stepping Up the Pace:
Fossil Fuel Free Construction
In partnership with the University of Queensland[3]

Four funds
ranked in the
GRESB[2] top 10

Green Lease Leader[1]
in the US

98%
fuels used in our UK construction business are sustainably sourced

Ardor Gardens received
WELL
Health & Safety rating

MISSION ZERO • NET ZERO CARBON BY 2025 •

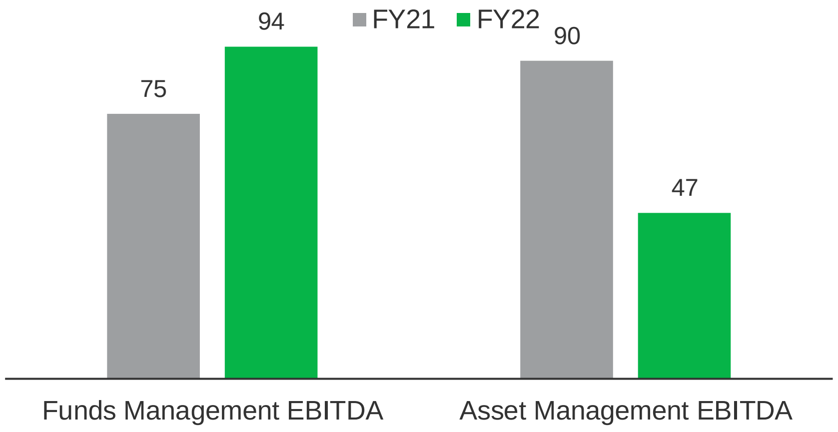
MISSION ZERO • ABSOLUTE ZERO BY 2040 •

CREATE $250m OF SOCIAL VALUE BY 2025 •

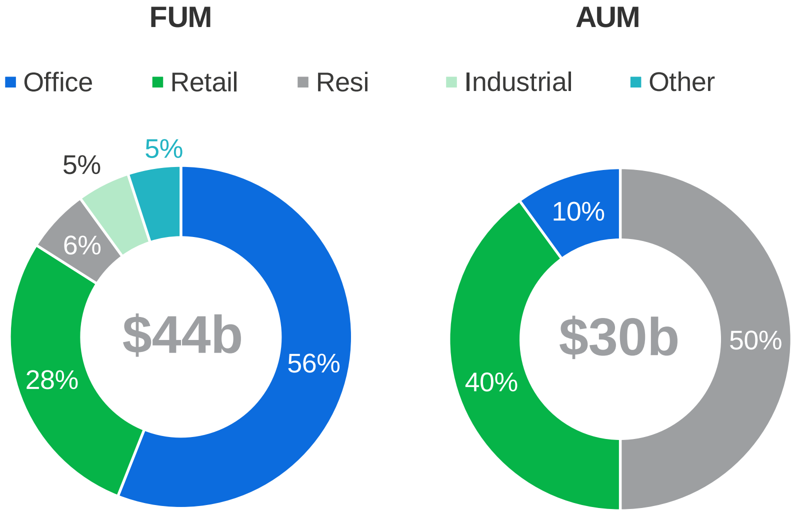
1. Recognised by the US Institute for Market Transformation.
2. 2021 Global Real Estate Sustainability Benchmark.
3. https://www.lendlease.com/au/better-places/stepping-up-the-pace-fossil-fuel-free-construction/

Investments

Management EBITDA ($m)



Investments platform ($b)



Management earnings

Operational performance[1]

- Funds Management EBITDA $94m, up 25%
  - Revenue[2] $172m, up 19%
  - Higher fees from FUM growth and acquisitions
  - Expenses higher to support initiatives for platform growth
- Asset Management EBITDA $47m, down from $90m
  - Prior year includes US Military Housing redevelopment fees
  - Residential and Retail: earnings up

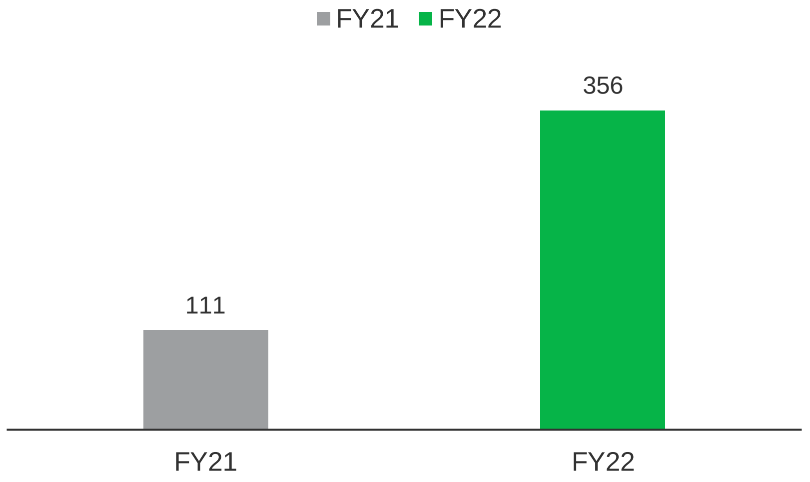
Outlook

- Funds Under Management (FUM) of $44.4b:
  - Up 12% underpinned by new partnerships and acquisitions
  - c.$11b[3] initiatives progressed anticipated to grow FUM:
    - c.$2.0b deployed
    - c.$9.0b of committed capital to deploy
  - c.$64b[3] investment grade product embedded in pipeline
- Assets under management (AUM) of $30.0b:
  - Expected to remain stable

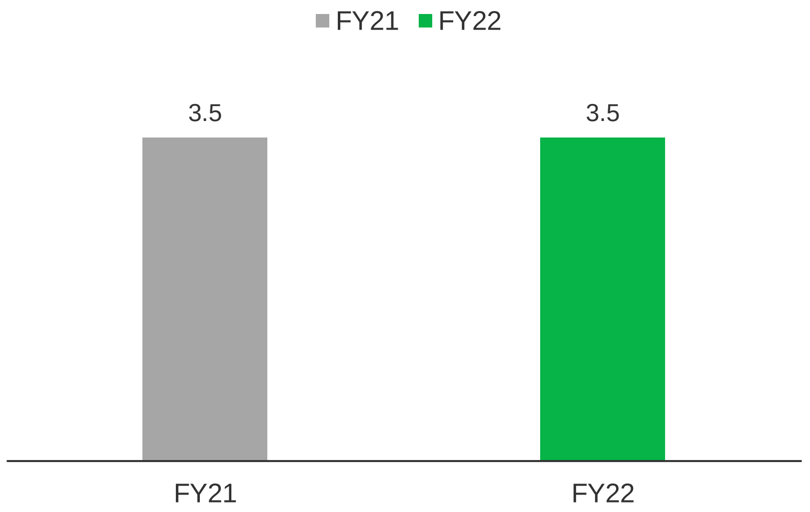
1. Comparative period the year ended 30 June 2021.
2. Fees generated from the management of $44b of FUM.
3. Total estimated end value (representing 100% of project value.

Investments

Investment portfolio[1] EBITDA ($m)



Investments Portfolio[2] ($b)



Investment Portfolio earnings

Performance[3]

- EBITDA $356m, up from $111m:
  - Portfolio yield c.5% up from c.3% in FY21
  - Recovery in underlying investment income
  - $167m from sale of 28% of Military Housing asset management income stream
- Investment portfolio $3.5b, steady from prior year:
  - Additions: Global Commercial REIT, Industrial portfolio
  - Divestments: Retirement Living; Barangaroo Retail

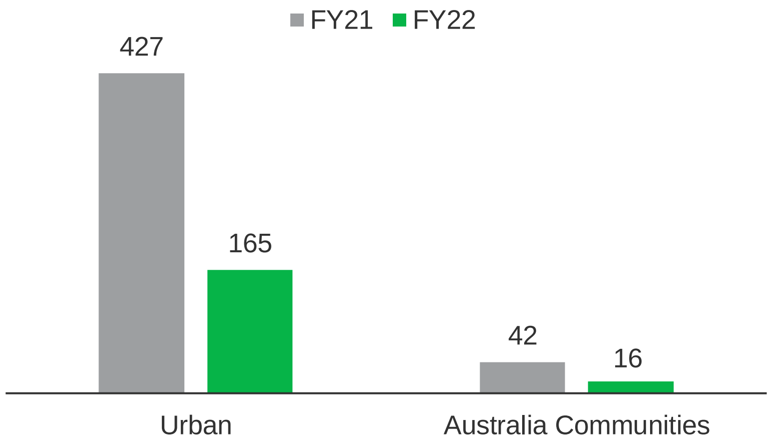
Outlook

- Medium term target >50% of capital in Investments:
  - Investment partnerships
  - New funds and product launches
  - Existing funds
- Diversified portfolio across: retirement, office, retail, residential and industrial sectors
- Post balance date further sale of 13% of Military Housing asset management income stream

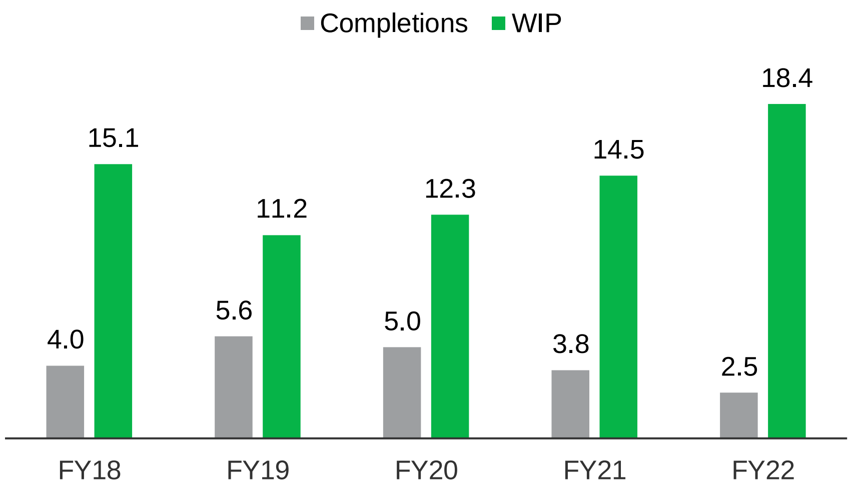
1. Includes directly owned assets.
2. The Group's assessment of market value of ownership interests.
3. Comparative period the year ended 30 June 2021.

Development

EBITDA ($m)



Completions ($b) and Work in Progress ($b)



Operational performance[1]

Urban portfolio: EBITDA $165m, Invested Capital $4.5b:

- Prior year contribution from Towers 1 & 2, One Sydney Harbour
- Sydney Place
- North East Link and Frankston Hospital PPPs

Australia Communities: EBITDA $16m, Invested Capital $0.9b:

- Settlements 1,478 lots, down 34%
- Sales 3,114 lots, up 61%
- Turnaround in business performance
- Targeting >3,000 settlements in FY23

Work in Progress future indicator of completions

Completions of $2.5b to mark the trough:

- Cirrus/Cascade, Lakeshore East, Chicago; Ardor Gardens, Shanghai; Spark 1 and Spark 2, Milano Santa Giulia; Australia Communities settlements

Record level of WIP at $18.4b:

- Expected completion profile:
  - FY23 - c.$4b
  - FY24 - c.$7b
  - FY25 - c.$6b
  - FY26+ - c.$1b

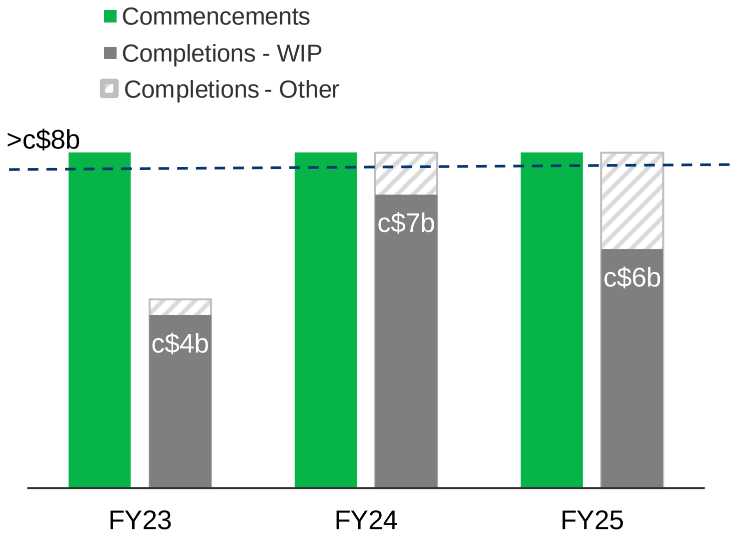
1. Comparative period the year ended 30 June 2021.

Development

Pipeline and Capital by Operational phase

Operational phase	Pipeline FY21	Pipeline FY22	Capital FY21[1]	Capital FY22
In Conversion	$59b	$57b	$0.5b	$0.4b
Masterplanned	$40b	$42b	$2.1b	$2.2b
Work in Progress	$15b	$18b	$1.8b	$2.8b
Total	**$114b**	**$117b**	**$4.4b**	**$5.4b**

Indicative commencements and completions[2]



Operational performance

Focus on converting the pipeline

- Forthcoming acceleration reflected in higher capital base
- >$8b of pipeline received Masterplanning approval:
  - San Jose District[3]; 60 Guest Street, Boston; 1 Java Street, New York
- Pipeline:
  - $4.1b new projects; Comcentre, Singapore; Kinma Valley, southeast Queensland
  - Increased scope on existing projects >$5b
  - Removal of impaired projects: $4.6b reduction
  - One Circular Quay secured in FY23

Pathway to >$8b of completions from FY24

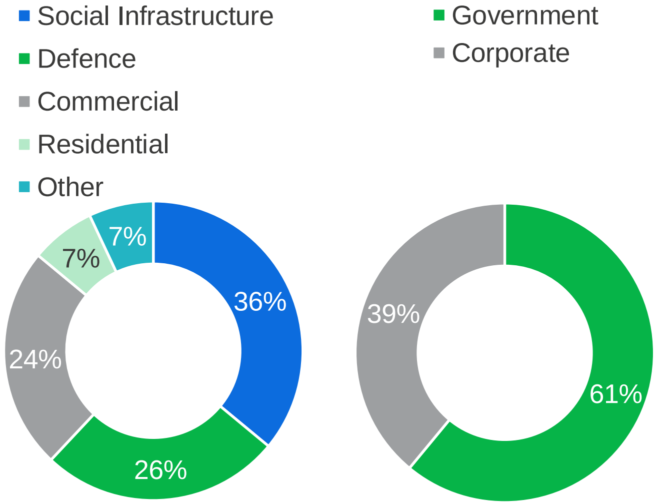
- FY22 Commencements:
  - 1 Java Street, New York; 60 Guest Street, Boston
  - One Sydney Harbour Tower 3; Australia Communities
  - Certis Cisco Centre, Singapore; Tokyo Data centre
- Targeting >$8b of commencements per annum. FY23 expected commencements include:
  - 30 Van Ness, San Francisco; One Circular Quay, Sydney; La Cienega, Los Angeles; Milan Innovation District; Silvertown, London

1. Masterplanned capital includes $0.9b for Australia Communities. FY21 has been restated from prior presentations to better align to pipeline status. Previously, the Australia Communities capital balance was contained in WIP.
2. Subject to changes in delivery program.
3. San Francisco Bay Area Project.

Construction

Backlog revenue ($b)

Backlog by sector and client



Operational performance and outlook[1]

- EBITDA $131m, down from $173m
- EBITDA margin 2.0%, down from 2.7%:
  - Resilient performance with mitigation strategies offsetting:
    - COVID impacts
    - Supply chain disruptions
    - Cost pressures
- Revenue of $6.6b, up 3%:
  - Australia up 11%
  - Asia and Europe flat
  - Americas down 7% due to prolonged COVID impacts
- New work secured $5.3b, down from $6.9b:
  - Australia: $3.6b underpinned by social infrastructure projects
  - Americas: significantly below historical averages
- Preferred on $4.6b which includes several social infrastructure projects in Australia and the Americas
- Backlog revenue of $10.5b:
  - Global agreements with several supply partners
  - Diversified by client type and sector
  - Public sector projects two thirds of backlog

1. Comparative period the year ended 30 June 2021.

Milan: Milan Innovation District (MIND)
Artist's impression

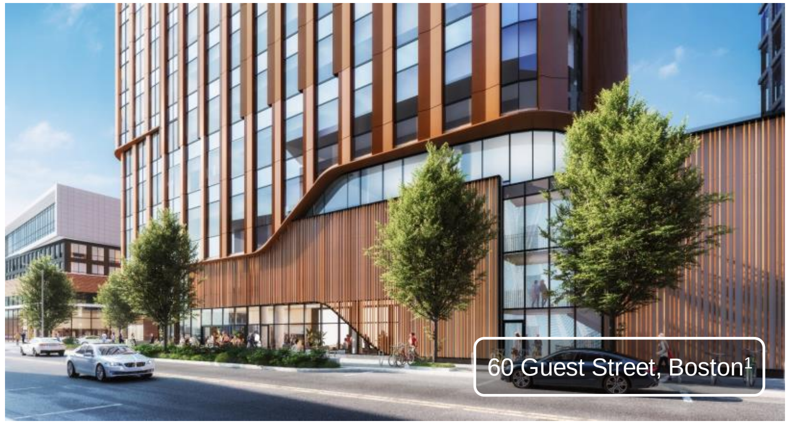
Outlook

Tony Lombardo
Global CEO

Outlook

Group

- Confidence as we enter our CREATE phase
- Anticipate improved financial performance in FY23
- Risks: Inflation, supply chain and interest rates
- ROE Target of 8-11% expected to be met from FY24



Investments

FY23 expected ROIC: 6-7.5% v target 6-9%

- Partnerships underpin FUM growth
- Opportunities to deploy committed capital
- FUM target >$70b by FY26

Development

FY23 expected ROIC: 4-6% v target of 10-13%

- Completions of c.$4.5b[2]
- Targeting >$8b of commencements
- ROIC target expected to be met by FY24

Construction

FY23 expected EBITDA margin: 1.5-2.5% v target 2-3%

- Supply chain uncertainty
- Preferred on >$4b of work
- Public sector near term driver

1. Artist's impression (image subject to change and further design development and planning approval). **2.** Project end value on product completed during a financial period (representing 100% of project value).

Questions


London: Elephant Park

2022 Full Year Results Appendix

22 August 2022

Overview

London: Park & Sayer, Elephant Park
Artist's impression

Lendlease

Our operating segments

Melbourne:
Melbourne Connect

We pursue an integrated business model, where two or more of our operating segments of Investments, Development and Construction engage on the same project, to create new mixed use precincts, communities and important civic and social infrastructure.

Investments

The segment comprises leading investment and asset management platforms and the Group's real estate investment portfolio.

Core financial returns

- Fund and asset management fees
- Income and capital growth on ownership interests

Development

The segment is predominantly focused on the creation of mixed use precincts that comprise apartments, workplaces and associated leisure and entertainment amenities. The Group also develops outer suburban masterplanned communities.

Core financial returns

- Development margin
- Development management fees
- Origination fees

Construction

The segment provides project management, design and construction services, predominantly in the commercial, residential, mixed use, defence and social infrastructure sectors.

Core financial returns

- Construction margin[1]
- Project management and construction management fees

1. From external clients. Construction margin on internal work captured in the Development segment.

Financial

Kuala Lumpur:
The Exchange TRX
Artist's impression

Portfolio Management Framework

1. Invested Capital Mix	
Investments	40-60% (<50%)[1]
Development	40-60% (>50%)[1]
Australia	40-60%
International regions[2]	10-25%

2. Core Business EBITDA Mix[3]	
Investments	35-45%
Development	40-50%
Construction	10-20%

3. Target Returns	
Core Operating ROE	8-11%
Investments ROIC[4]	6-9%
Development ROIC[4]	10-13%
Construction EBITDA Margin	2-3%

4. Capital Structure	
Gearing[5]	10-20%
Investment grade credit rating	

5. Distribution Policy[3]	
Distribution payout ratio	40-60%

1. Reflects strategic direction.
2. Per region.
3. Core operating profit based measure.
4. Through cycle target based on rolling three to five year timelines.
5. Net debt to total tangible assets, less cash.

We focus on Return on Equity and Earnings per Security as measures of return for securityholders.

The Portfolio Management Framework provides the structure for capital allocation and generating returns across the operating segments of Development, Construction and Investments.

When these segments combine to leverage the competitive advantage of our integrated model, value can be enhanced for our securityholders, partners and the community.

A strong balance sheet and access to third party capital enables Lendlease to fund the execution of its pipeline.

For information about Lendlease's financial performance please visit www.lendlease.com/investor-centre

Group Financials

Sydney: Daramu House, Barangaroo South

Income Statement (Statutory Result)

$m		FY21[1]	FY22
Revenue from contracts with customers		9,022	8,822
Other revenue		121	142
Cost of sales		(8,435)	(8,135)
Gross profit		**708**	**829**
Share of profit of equity accounted investments		100	181
Other income		487	358
Other expenses		(884)	(1,429)
Results from operating activities from continuing operations		**411**	**(61)**
Finance revenue		9	9
Finance costs		(146)	(125)
Net finance costs		**(137)**	**(116)**
(Loss)/Profit before tax from continuing operations		**274**	**(177)**
Income tax (expense)/benefit from continuing operations		(68)	51
(Loss)/Profit after tax from continuing operations		**206**	**(126)**
Profit after tax from discontinued operations		16	27
(Loss)/Profit after tax		**222**	**(99)**
(Loss)/Profit after tax attributable to:			
Members of Lendlease Corporation Limited		128	(239)
Unitholders of Lendlease Trust		94	140
(Loss)/Profit after tax attributable to securityholders		**222**	**(99)**
External non controlling interests		-	-
(Loss)/Profit after tax		**222**	**(99)**
Earnings per Stapled Security from continuing operations	*cents*	*30.0*	*(18.3)*
Earnings per Stapled Security	*cents*	*32.3*	*(14.4)*

1. June 2021 results have been re-presented for discontinued operations during the period.

Reconciliation of Core Operating Profit[1]

$m	FY21	FY22
Core operating profit after tax	**377**	**276**
Add / (less): Investment properties revaluations[2]	(1)	4
Add / (less): Financial assets revaluations[2]	46	58
Add / (less): Equity accounted investments revaluations[2]	(19)	8
Total Investment segment revaluations	**26**	**70**
Add / (less): Impairment losses relating to intangibles	-	(61)
Add / (less): Restructuring costs	-	(119)
Add / (less): Development impairments	-	(223)
Total other non operating items	**-**	**(403)**
Non operating items (post tax)	**26**	**(333)**
Non Core loss after tax	**(181)**	**(42)**
(Loss) / Profit after tax attributable to securityholders	**222**	**(99)**

1. Statutory profit adjusted for non operating items and the Non core segment. Non operating items are non-cash backed property related revaluation movements of Investment Property, Other Financial Assets and Equity accounted Investments in the Investments segment, and other non-cash adjustments or non-trading items such as impairment losses relating to Goodwill and other Intangibles.
2. Assets in the Investments segment only.

FY22 Core Underlying Operating Cash Flow[1]

FY22 Core underlying operating cash flow of $514m

$m	Statutory	Adjustments	Underlying
Cash Flows from Operating Activities			
Cash receipts in the course of operations	8,893	-	8,893
Cash payments in the course of operations	(9,606)	611[A]	(8,995)
Non core and non operating cash payments	-	84	84
Dividends/distributions received	109	-	109
Deconsolidation of development entities	-	41[B]	41
Realised gains on sale of assets	-	382[C]	382
Interest received	3	(3)	-
Interest paid in relation to other corporations	(129)	129	-
Interest in relation to lease liabilities	(17)	17	-
Income tax paid in respect of operations	(88)	88	-
Net cash provided by operating activities	**(835)**	**1,265**	**514**
Cash Flows from Investing Activities			
Sale/redemption of investments	846	(382)[C]	464
Acquisition of investments	(985)	-	(985)
Sale of investment properties	82	-	82
Acquisition of/capital expenditure on investment properties	(71)	-	(71)
Net loan drawdowns from associates and joint ventures	(13)	-	(13)
Disposal of consolidated entities (net of cash disposed and transaction costs)	709	(41)[B]	668
Disposal of property, plant and equipment	69	-	69
Acquisition of property, plant and equipment	(10)	-	(10)
Acquisition of intangible assets	(75)	-	(75)
Net increase in development inventory	-	(611)[A]	(611)
Net cash used in investing activities	**552**	**(1,034)**	**(482)**

Overview

- **Core underlying operating cash flow** is derived by adjusting statutory cash flows to better reflect Core operating cash generated by the Group from its operating model prior to:
  - Payment of interest and tax
  - Reinvestment in the Group's pipeline

Summary of adjustments

A. Net investment in development inventory[2]

Excluding the impact of the impairment charge in the period, there was a net increase in development expenditure, net of deferred land payments, which has been reclassified as an investing activity

B. Cash proceeds/disposed from sell down of development entities

Net cash received from deconsolidation of development entities is reclassified as an operating activity, to align with the treatment of cash flows prior to deconsolidation

C. Realised gains on sale of assets

Lendlease is an active investment manager, with realised gains/losses on sale of assets included in EBITDA. Accordingly, gains on disposal are reclassified as an operating activity. This does not include the crystallisation on sale of historical property revaluations in the Investments segment which are excluded from Operating EBITDA

1. Balances include cash flows relating to both continuing and discontinued operations.
2. Development inventory includes contract assets in the Development segment.

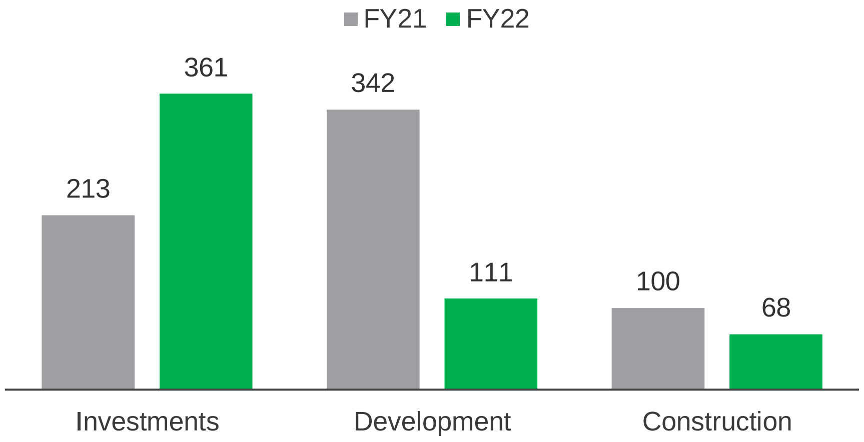
Portfolio Management Framework

	Target	FY21	FY22
Total Group Metrics			
Core Operating ROE	8-11%	5.4%	4.0%
Distribution payout ratio[1]	40-60%	49%	40%
Gearing	10-20%	5.0%	7.3%
Core Business EBITDA Mix			
Investments	35-45%	30%	61%
Development	40-50%	51%	23%
Construction	10-20%	19%	16%
Segment Invested Capital Mix			
Investments	40-60%	45%	40%
Development	40-60%	55%	60%
Regional Invested Capital Mix			
Australia	40-60%	39%	33%
Asia	10-25%	19%	22%
Europe	10-25%	23%	25%
Americas	10-25%	19%	20%

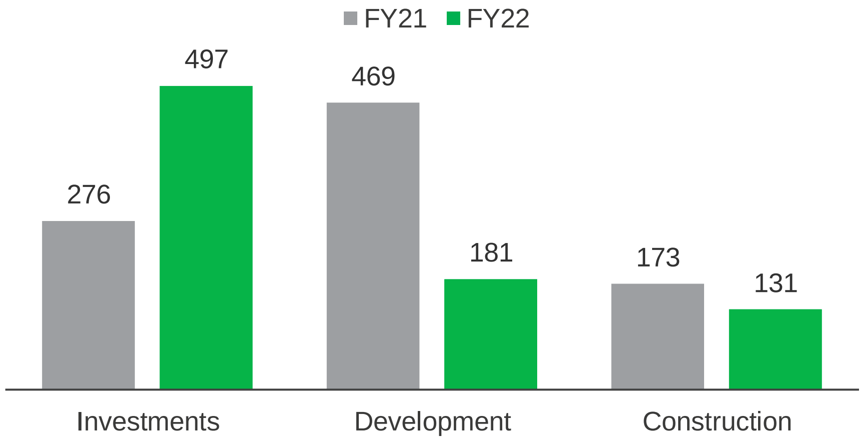
1. Calculated on Core Operating Earnings. FY22 represents the payout of earnings of the Trust during the period.

Segment Financial Metrics

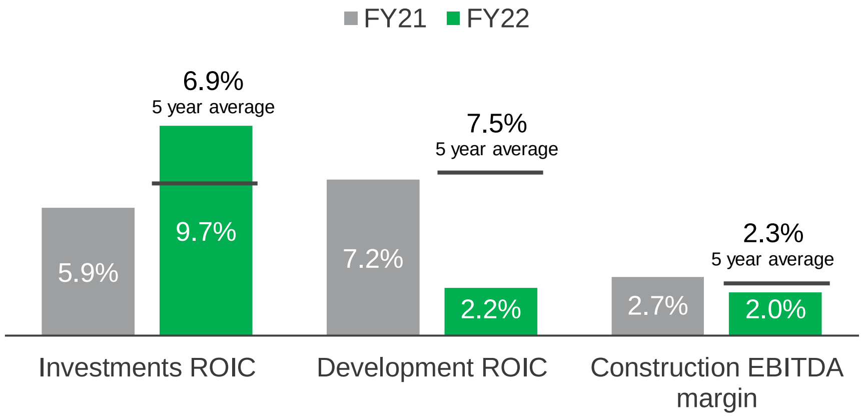
Operating Profit after Tax ($m)



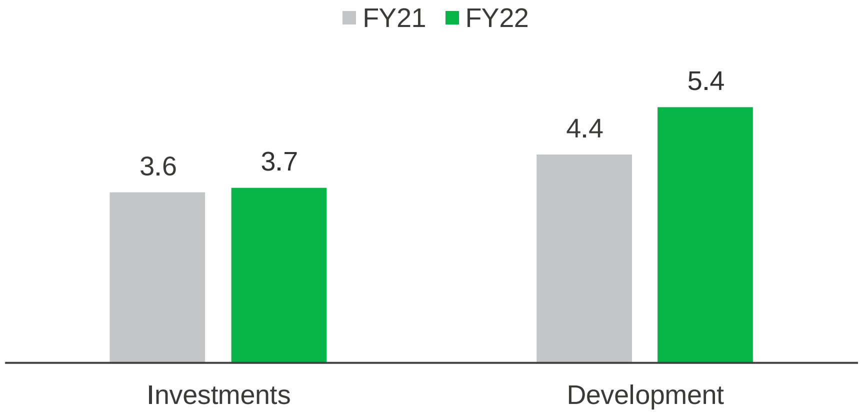
Operating EBITDA ($m)



ROIC[1,2] (Investments, Development)
EBITDA margin (Construction)



Invested Capital
(Investments & Development) ($b)



1. Return on Invested Capital (ROIC) is calculated using the annualised Profit after Tax divided by the arithmetic average of beginning, half and year end invested capital.
2. Five year rolling average from FY18 to FY22.

FY22 Regional EBITDA to PAT Reconciliation

$m	Operating EBITDA[1]	Net Interest	D&A[2]	PBT	Tax	Operating PAT[1]
Australia						
Investments	177	-	(5)	172	(40)	132
Development	199	(1)	(3)	195	(62)	133
Construction	121	(1)	(12)	108	(28)	80
Total Australia	**497**	**(2)**	**(20)**	**475**	**(130)**	**345**
Asia						
Investments	119	-	(1)	118	(24)	94
Development	(9)	-	(2)	(11)	(2)	(13)
Construction	5	-	(4)	1	(3)	(2)
Total Asia	**115**	**-**	**(7)**	**108**	**(29)**	**79**
Europe						
Investments	(2)	-	(1)	(3)	-	(3)
Development	24	1	(2)	23	(7)	16
Construction	4	-	(8)	(4)	4	-
Total Europe	**26**	**1**	**(11)**	**16**	**(3)**	**13**
Americas						
Investments	203	-	(2)	201	(63)	138
Development	(33)	1	(4)	(36)	11	(25)
Construction	1	(3)	(12)	(14)	4	(10)
Total Americas	**171**	**(2)**	**(18)**	**151**	**(48)**	**103**
Corporate						
Group Services	(159)	(12)	(90)	(261)	86	(175)
Group Treasury	(21)	(101)	-	(122)	33	(89)
Total Corporate	**(180)**	**(113)**	**(90)**	**(383)**	**119**	**(264)**
Total Core Business	**629**	**(116)**	**(146)**	**367**	**(91)**	**276**
Non Core[3]	**(31)**	**-**	**(17)**	**(48)**	**6**	**(42)**
Total Group	**598**	**(116)**	**(163)**	**319**	**(85)**	**234**

1. Statutory profit adjusted for non operating items. These include non-cash backed property related revaluation movements of Investment Property, Other Financial Assets and Equity accounted Investments in the Investments segment, and other non-cash adjustments or non-trading items such as impairment losses relating to Goodwill and other Intangibles.
2. Depreciation and amortisation.
3. Non Core EBITDA includes $25m tenancy impairment costs.

Exchange Rates

Income Statement[1]

Local	Foreign	FY21	FY22
AUD	USD	0.75	0.72
AUD	GBP	0.55	0.55
AUD	EUR	0.63	0.65
AUD	SGD	1.00	0.98

Statement of Financial Position[2]

Local	Foreign	FY21	FY22
AUD	USD	0.75	0.69
AUD	GBP	0.54	0.57
AUD	EUR	0.63	0.66
AUD	SGD	1.01	0.96

1. Average foreign exchange rates.
2. Spot foreign exchange rates.

Investments Segment

Boston: 60 Guest Street
Artist's impression

Earnings Drivers Investments

ROIC target 6-9%[1]

Invested capital $3.7b

Management Earnings

	Funds management	Commercial asset management	Residential asset management
Value	$44.4b FUM	$15.2b AUM	$14.8b AUM
Returns and metrics	Funds management fees	Property and development management fees	Property and development management fees

Revenue margin, growth in FUM/AUM, asset performance and operating leverage

Investment Portfolio Earnings

	Co-investment positions in managed funds[2]	Retirement Living[2]	Other[2]
Value	$2.6b	$0.5b	$0.4b
Returns and metrics	Distribution and capital growth	Equity investment returns	Equity investment returns
	High quality assets driving rental income, occupancy and asset valuations	Occupancy rate, turnover rate, growth rate, discount rate and opex	High quality assets driving rental income, occupancy and asset valuations

1. Operating profit based measure, excluding property revaluations. 2. Total Investment Portfolio $3.5b, which represents the Group's assessment of market value of ownership interests.

Investments

Overview

- The Investments segment comprises a leading investment and asset management platform and the Group's investment portfolio across the residential, office, retail, industrial and retirement sectors
- Financial returns include fund and asset management fees, and yields and capital growth on ownership interests

Drivers[2]

- Management EBITDA $141, down from $165m:
  - Funds management revenue of $172m, up from $145m
  - Funds Management EBITDA $94m, up from $75m:
    - Lower performance fees with PLQ[3] performance fee in prior period, offset by higher base fees driven by FUM growth of 12% and acquisition fees on LREIT[4]
  - Asset management revenue of $111m, down from $139m.
  - Asset Management EBITDA $47m, down from $90m:
    - Prior year includes US Military Housing redevelopment fees
    - Normalisation of expenses vs temporary savings in FY21
    - Residential the largest sector exposure
- Investment portfolio EBITDA $356m, up from $111m:
  - Portfolio yield c.5%, up from c.3%
  - Profits on divestments
    - FY22 includes $167m net gain (pre-tax) from partial sale of Military Housing asset management income stream
    - Gain on sale from Barangaroo retail
  - Divestment of 24.9% interest in Retirement Living completed

Performance[1]

Performance[1]		FY21	FY22
Core operating business EBITDA mix	%	30	61
ROIC	%	5.9	9.7
Invested capital	$b	3.6	3.7
Management EBITDA	$m	165	141
Investment Portfolio EBITDA	$m	111	356
Total EBITDA	$m	276	497

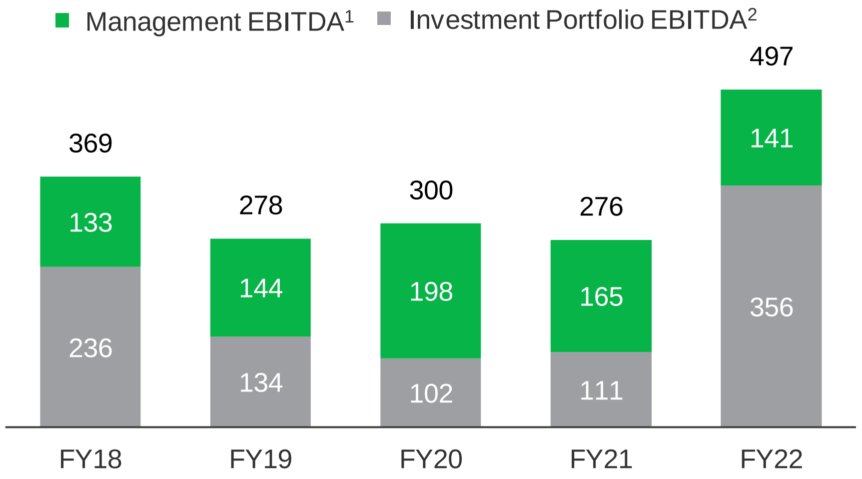
Outlook

- Management earnings:
  - FUM of $44.4b:
    - Scale platforms in office and retail
    - Building scale in apartments for rent
    - Additions to FUM of $3.4b:
      - Existing products - $1.9b
      - New products - $1.5b
    - Significant opportunities from development pipeline
      - $64b of investment grade product
  - AUM of $30.0b:
    - Residential $14.8b: reduced fees following partial sale of income stream
    - Retail $12.1b: occupancy and income expected to recover
    - Office $3.1b: opportunities to grow portfolio
- Ownership earnings:
  - Targeting growth in portfolio from current $3.5b towards $6b by FY26
    - Investment partnerships
    - New funds and product launches
    - Existing funds

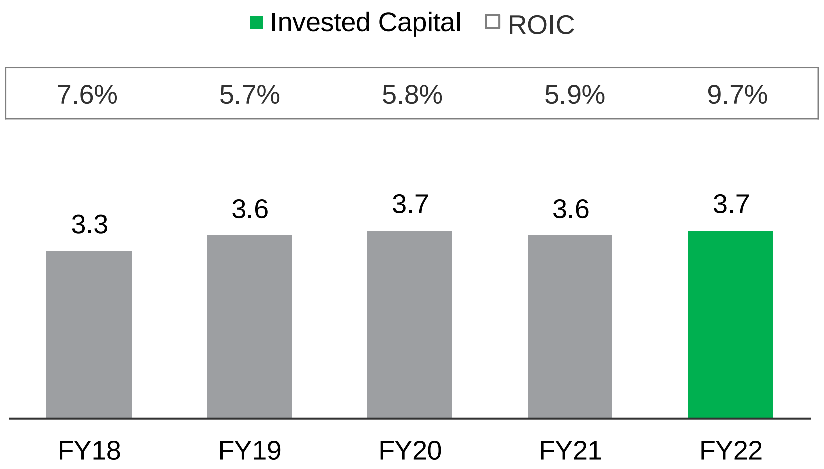
1. Operating profit based measure, excluding property revaluations.
2. Comparative period the year ended 30 June 2021.
3. Paya Lebar Quarter.
4. Lendlease Global Commercial REIT.

Investments Earnings & Portfolio

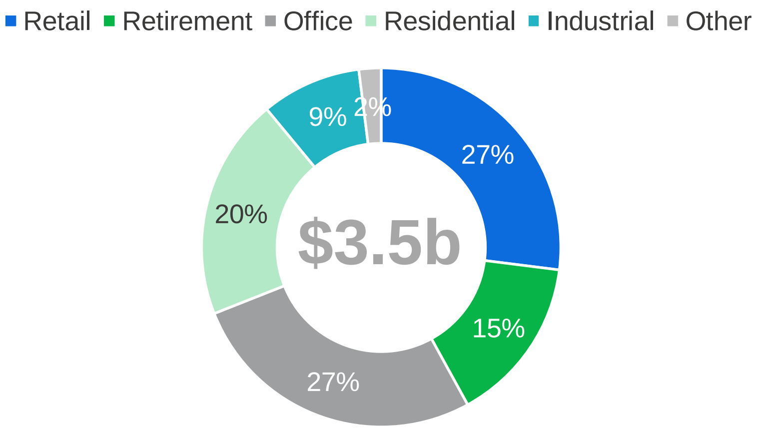
EBITDA ($m)



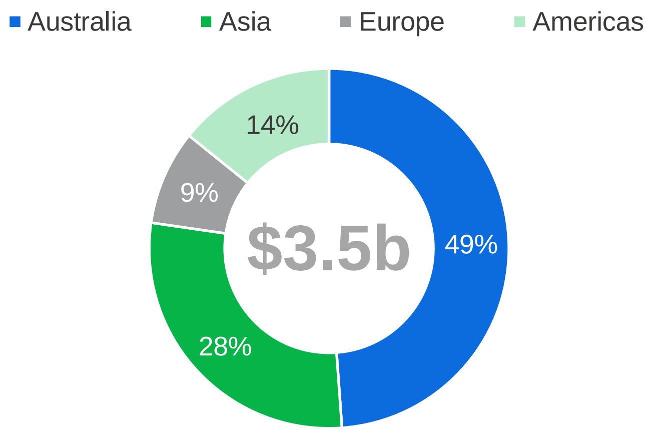
Invested Capital ($b)



Investment Portfolio[3] by sector ($b)



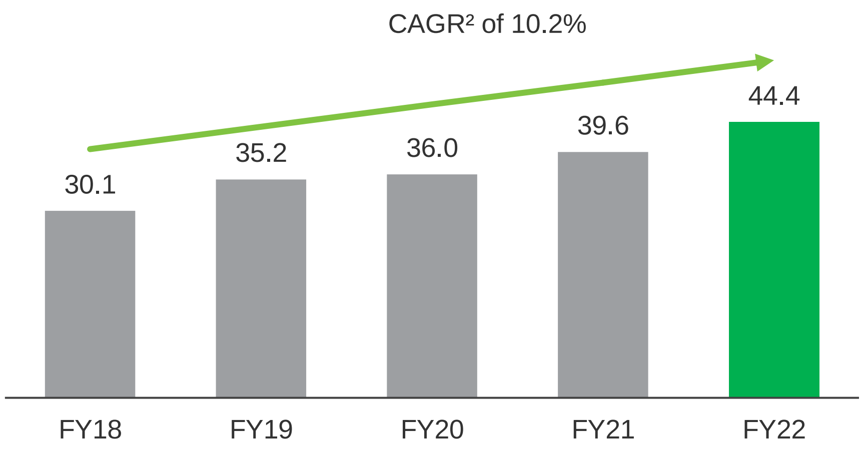
Investment Portfolio[3] by region ($b)



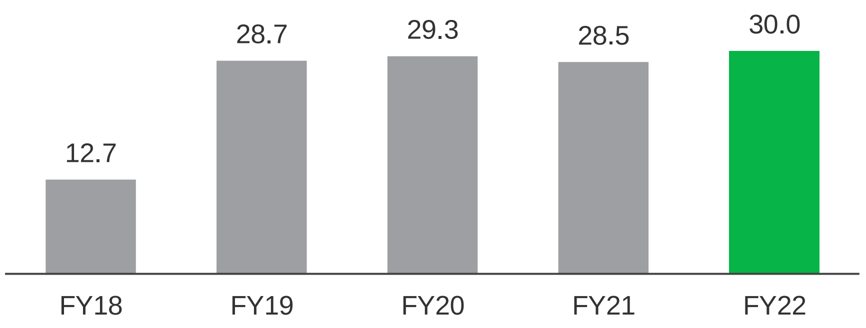
1. Earnings primarily derived from FUM and AUM.
2. Returns excluding non-cash backed property related revaluation movements of Investment Property, Other Financial Assets, and Equity Accounted Investments in the Investments segment.
3. The Group's assessment of market value of ownership interests.

Funds & Assets Under Management[1]

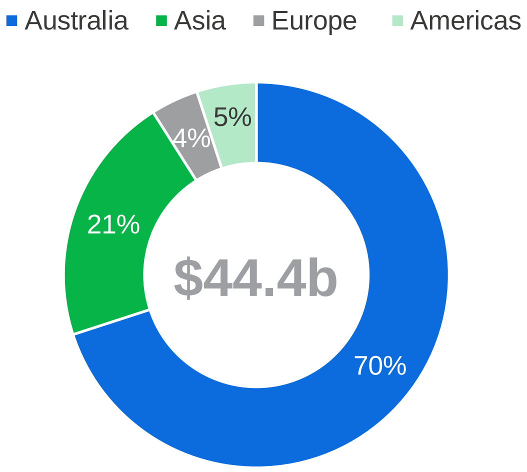
FUM ($b)



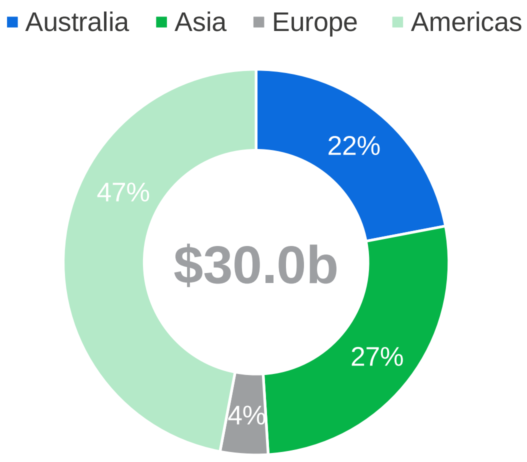
AUM[3] ($b)



FY22 FUM by region



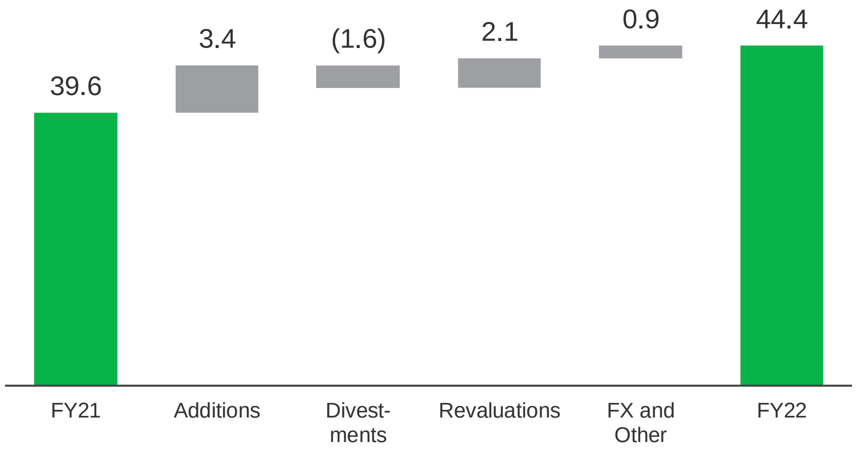
FY22 AUM by region



1. The Group's assessment of market value.
2. Compound Annual Growth Rate.
3. US residential housing not included in FY18.

Funds Under Management[1] By Region

Group ($b)



By region ($b)

	FY21	Additions	Divestments	Revaluations	FX and Other	FY22
Australia	27.6	2.1	(0.6)	2.0	-	31.1
Asia	8.4	0.5	(0.5)	0.1	0.9	9.4
Europe	1.9	0.6	(0.5)	-	(0.1)	1.9
Americas	1.7	0.2	-	-	0.1	2.0
Group	**39.6**	**3.4**	**(1.6)**	**2.1**	**0.9**	**44.4**

1. The Group's assessment of market value.

Major Fund Summary[1]

FY22 funds management platform

	Total assets	Gearing	Co-investment		Region	Sector	No. of assets	Occupancy	Weighted avg. cap rate
	$b	%	%	$m			#	%	%
Australian Prime Property Fund Commercial	6.9	21.6	8.0	412	Aus	Office	21	96.5	4.5
Lendlease International Towers Sydney Trust	5.1	11.9	3.9	174	Aus	Office	4	94.1	4.4
Australian Prime Property Fund Retail	3.8	27.1	2.2	59	Aus	Retail	8	97.9	5.2
Lendlease Global Commercial REIT	3.8	40.0	26.2	485	Asia	Office & Retail	5	99.8	4.3
Paya Lebar Quarter	3.2	57.9	30.0	392	Asia	Office & Retail	4	98.0	3.9
Lendlease One International Towers Sydney Trust	3.0	16.0	2.5	62	Aus	Office	1	99.7	4.4
Lendlease Americas Residential Partnership[2]	1.9	40.3	50.0	177	Amer	Residential	3	93.3	4.4
Australian Prime Property Fund Industrial	1.7	17.0	9.9	136	Aus	Industrial	37	99.8	4.3
Parkway Parade Partnership Limited	1.4	37.4	10.2	68	Asia	Retail	1	86.7	4.7

1. Reflects Funds under Management with total assets greater than $1.0b. **2**. Total assets includes nine buildings (six buildings are under construction and not yet operational). All other metrics refer to the three operational buildings only.

Assets Under Management[1] By Product

Group ($b)

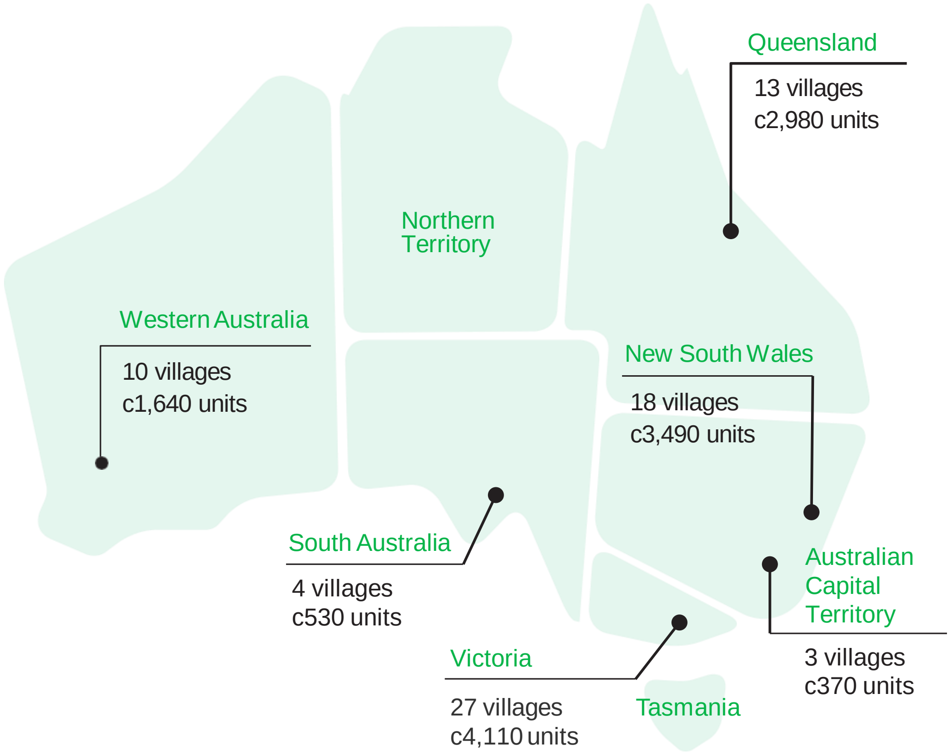
By product ($b)

	FY21	Additions	Divestments	Revaluations	FX and Other	FY22
Commercial	14.8	0.1	(0.2)	0.3	0.2	15.2
Residential	13.7	-	-	-	1.1	14.8
Group	**28.5**	**0.1**	**(0.2)**	**0.3**	**1.3**	**30.0**

1. The Group's assessment of market value.

Retirement Living

Value drivers[1]		FY21	FY22
Ownership	%	50	25
Equity investment	$b	0.9	0.5
Long term growth rate	%	3.5	3.5
Discount rate	%	12.4	12.1
Operating return	%	4.4	5.3



1. 100% of Retirement Living business.

Development Segment

Chicago: Cirrus, Lakeshore East

Earnings Drivers
Development

ROIC target 10-13%

Invested capital $5.4b

Pipeline[1]
$117.0b

Development Phase

In Conversion
$56.7b
pipeline

$0.4b
capital

Master Planned
$41.9b
pipeline

$2.2b
capital

Work in Progress
$18.4b
pipeline

$2.8b
capital

Completions target of $8b+ p.a.

1. Total estimated end value (representing 100% of project value).

Development

Overview

- The Development segment is predominantly focused on the creation of mixed use precincts that comprise apartments, workplaces and associated leisure and entertainment amenity. The Group also develops outer suburban master planned communities and retirement living villages
- Financial returns are generated via development margin, development management fees and origination fees

Drivers[1]

- Completions[2] of $2.5b, down from FY21:
  - Australia Communities lot settlements
  - Ardor Gardens, Shanghai
  - Milano Santa Giulia (Spark One & Two)
  - Lakeshore East (Cirrus and Cascade)
- Key urban earnings contributors for FY22:
  - Sydney Place
  - Origination fees from North East Link & Frankston Hospital PPPs
  - Development management fees across projects in delivery
- Improving Australia Communities operating momentum:
  - Settlements: 1,478 lots, down 34%
  - Sales: 3,114 lots, up 61%
- Commencements[3] of $5.9b, including $4.4b in H2:
  - 1 Java Street, New York
  - 60 Guest Street, Boston
  - One Sydney Harbour (Watermans Residences)
  - Certis Cisco Centre, Singapore
  - Tokyo Datacentres Phase 1
  - Australia Communities lot sales

Performance

Performance		FY21	FY22
Core business EBITDA mix	%	51	23
Total EBITDA	$m	469	181
ROIC	%	7.2	2.2
Invested capital	$b	4.4	5.4
Work in Progress	$b	14.5	18.4
Commencements	$b	5.6	5.9
Completions	$b	3.8	2.5

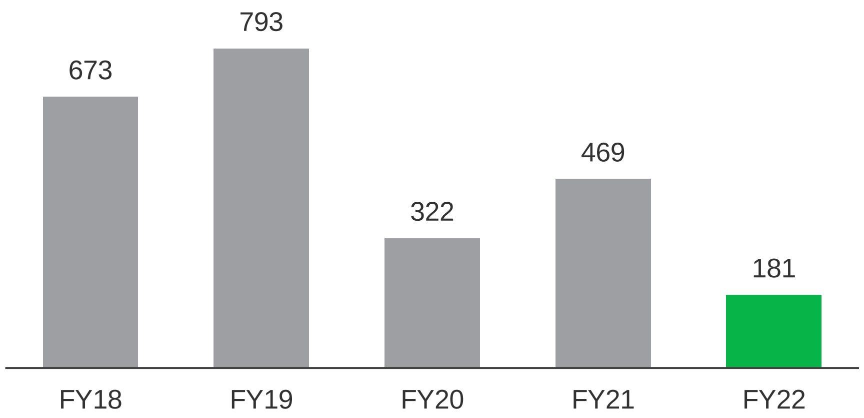
Outlook

- $117.0b[4] development pipeline:
  - Urban portfolio: 31 projects, 21 major projects in 9 gateway cities
  - Australia Communities: 16 projects with c.44,000 lots
  - New Work Secured $4.1b[5]:
    - Comcentre, Singapore
    - Blue & William, Sydney
    - Kinma Valley, southeast Queensland
  - Increase of >$5b due to Masterplanning and pricing improvements
  - Reduction of $4.6b for impaired projects
- Work in Progress[5]: $18.4b
  - $6.1b apartments for sale
  - $1.9b apartments for rent
  - $9.3b commercial
  - $1.1b Australia Communities (pre sold)
- Targeting >$8b of commencements in FY23
- Australia Communities settlements target range of 3,000 – 4,000 lots in FY23
- >$8b of pipeline received Masterplanning approval

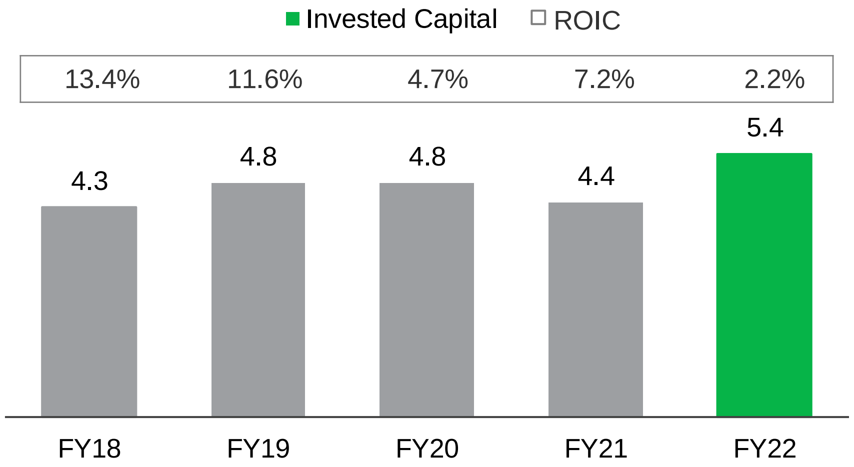
1. Comparative period the year ended 30 June 2021.
2. Project end value on product completed during a financial period (representing 100% of project value).
3. Project end value on product commenced during a financial period (representing 100% of project value).
4. Total estimated end value (representing 100% of project value).
5. End value of Development Pipeline in delivery as at period end (representing 100% of project value).

Development Earnings / Work In Progress

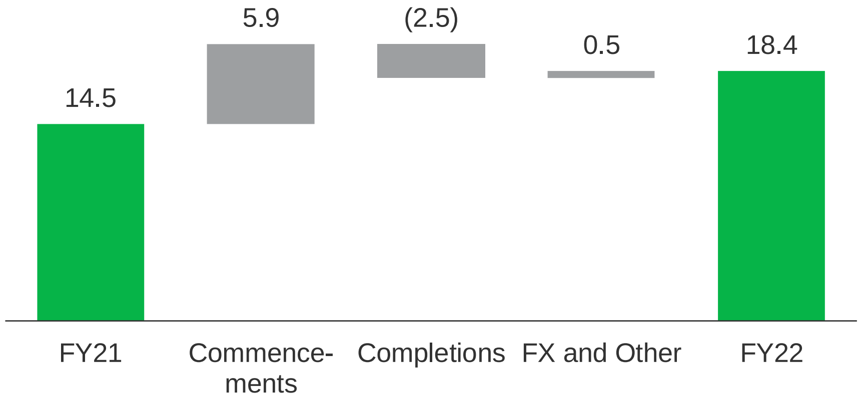
EBITDA ($m)



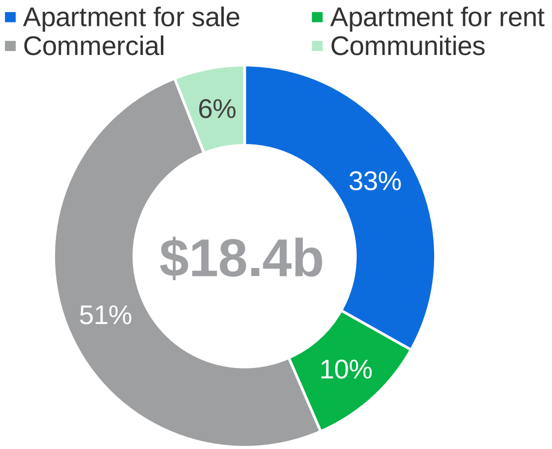
Invested Capital ($b)



WIP[1] roll forward ($b)



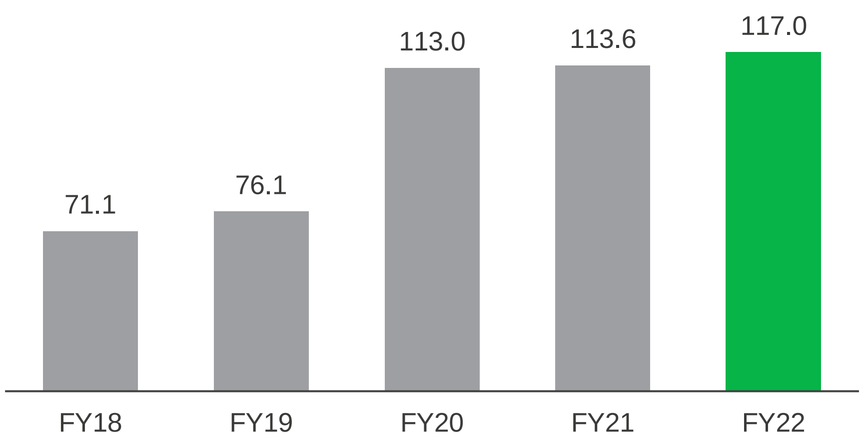
WIP[1] ($b)



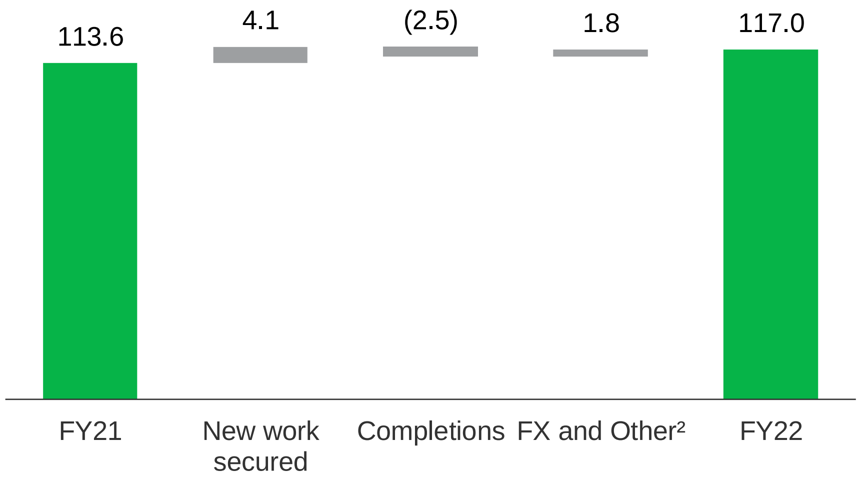
1. End value of Development Pipeline in delivery as at period end (representing 100% of project value).

Development Pipeline

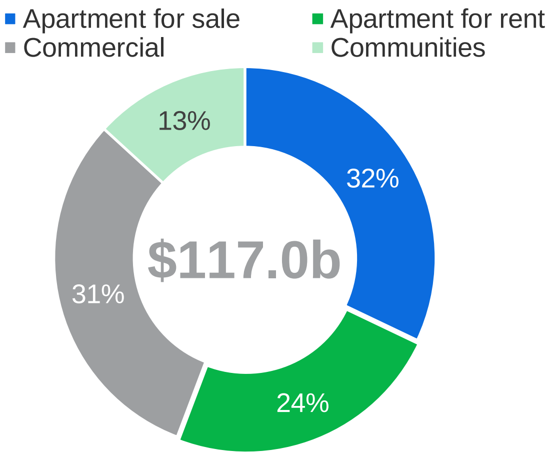
Pipeline[1] ($b)



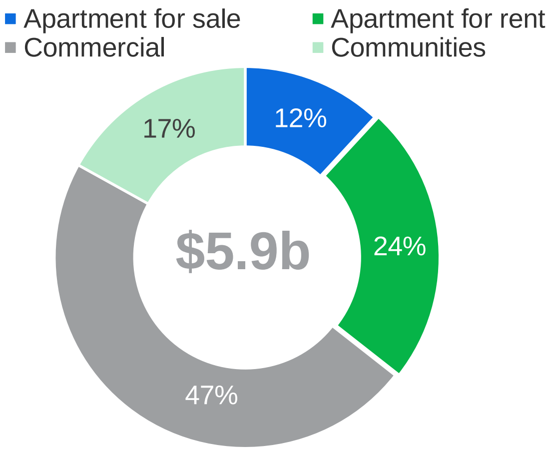
Pipeline[1] roll forward ($b)



Pipeline[1] by product ($b)



Commencements by product ($b)



1. Total estimated end value (representing 100% of project value).
2. Includes Pipeline reduction for projects impaired in the period, $4.6b.

Development Completions

$2.5b Completions[1]

Apartments for sale completions

City	Project	Building	Ownership[3]	Units	End value[2] ($b)
Manchester	Potato Wharf	Potato Wharf Block 3 & 4	100%	191	0.1
Chicago	Lakeshore East	Cirrus	43%	350	0.6
Total apartments for sale completions				**541**	**0.7**

Apartments for rent completions

City	Project	Building	Ownership[3]	Units	End value[2] ($b)
Shanghai	Ardor Gardens	Ardor Gardens	100%	789	0.5
Chicago	Lakeshore East	Cascade	43%	503	0.4
Total apartments for rent completions				**1,292**	**0.9**

Commercial completions

City	Project	Building	Capital model	Sector	Ownership[3]	sqm '000	End value[2] ($b)
Milan	Milano Santa Giulia	Spark One	Fund Through	Office	50%	28	0.3
Milan	Milano Santa Giulia	Spark Two	Fund Through	Office	50%	18	0.1
Milan	Milan Innovation District	MIND Village Stage 1	BOOT[4]	Office	5%	8	-[5]
Total commercial completions						**54**	**0.4**

1. Includes $0.5b of Australia Communities settlements.
2. Total estimated end value (representing 100% of project value).
3. Reflects effective ownership interest at 30 June 2022.
4. Build, Own, Operate, Transfer.
5. Estimated end value <$0.1b.

Apartment Settlements

	Ownership	Units	$m
Australia			
Melbourne Quarter – East Tower	50%	49	31
Other		2	6
Total Australia		**51**	**37**
Europe			
Potato Wharf – Block 3 & 4	100%	110	51
Elephant Park – West Grove (Building 1 & 2)	100%	15	27
Other		17	38
Total Europe		**142**	**116**
Americas			
Lakeshore East – Cirrus	43%	50	68
Other		34	170
Total Americas		**84**	**238**
Total apartment for sale settlements		**277**	**391**

Apartments Completions Profile

$8.0b Work in Progress

$6.1b for Sale

$1.9b for Rent

City	Project	Building	Total units	Ownership	Presold	Units presold[1]	Presales[1] ($b)	Delivery Date[2]
Apartments for sale								
London	Elephant Park	City Lights Point	104	100%	100%	104	0.1	FY23
New York	100 Claremont	Claremont Hall	166	32%	-[3]	-[3]	-[3]	FY23
Sydney	Barangaroo South	Residences One and Residences Two	637	75%	88%	560	3.3	FY24/FY25
Kuala Lumpur	The Exchange TRX	RESIDENSI TRX I - Tower A & B	896	60%	40%	357	0.2	FY24
London	Elephant Park	Park and Sayer	301	100%	61%	185	0.2	FY24
Chicago	Southbank	The Reed	216	50%	-[3]	-[3]	-[3]	FY24
Sydney	Barangaroo South	Watermans Residences	212	100%	53%	113	0.2	FY25

City	Project	Building	Total units	Ownership	Delivery date[2]
Apartments for rent					
London	Elephant Park	City Lights Point	118	50%	FY23
London	Deptford Landings	Deptford Landings (Plot 4)	251	-	FY24
London	Elephant Park	Park and Sayer	123	50%	FY24
Chicago	Southbank	The Reed	224	50%	FY24
New York	1 Java Street	1 Java Street	834	20%	FY26

1. Closing presales balance as at 30 June 2022.
2. Based on expected completion date of underlying buildings, subject to change in delivery program. Not indicative of cash or profit recognition.
3. Project information is commercial in confidence.

Commercial Completions Profile

$9.3b Work in Progress

City	Project	Building	Capital model	Ownership	sqm '000[1]	Completion date[2]
Sydney	Sydney Place	Salesforce Tower	Joint Venture	-	57	FY23
Sydney	Blue & William	Blue & William	Fund Through[3]	-	14	FY23
Melbourne	Melbourne Quarter	Melbourne Quarter Tower	Fund Through[3]	-	75	FY24
Kuala Lumpur	The Exchange TRX	Retail	Joint Venture	60%	122	FY24
Kuala Lumpur	The Exchange TRX	Hotel	Joint Venture	60%	29	FY24
Kuala Lumpur	The Exchange TRX	Office	Joint Venture	60%	18	FY24
Sydney	Victoria Cross over station development	Victoria Cross over station development	Joint Venture	75%	58	FY25
Singapore	Certis Cisco Centre	Certis Cisco Centre	Joint Venture	49%	31	FY25
Saitama	Lendlease Data Centre Partners	Datacentres Phase 1	Joint Venture	20%	10	FY25
London	International Quarter London	The Turing Building	Joint Venture	50%	34	FY25
Boston	60 Guest Street	60 Guest Street	Joint Venture	25%	33	FY25
Total					**481**	

1. Floor space measured as Net Lettable Area.
2. Based on expected completion date of underlying buildings, subject to change in delivery program. Not indicative of cash or profit recognition.
3. A funding model structured through a forward sale to a capital partner resulting in staged payments prior to building completion.

Australia Communities

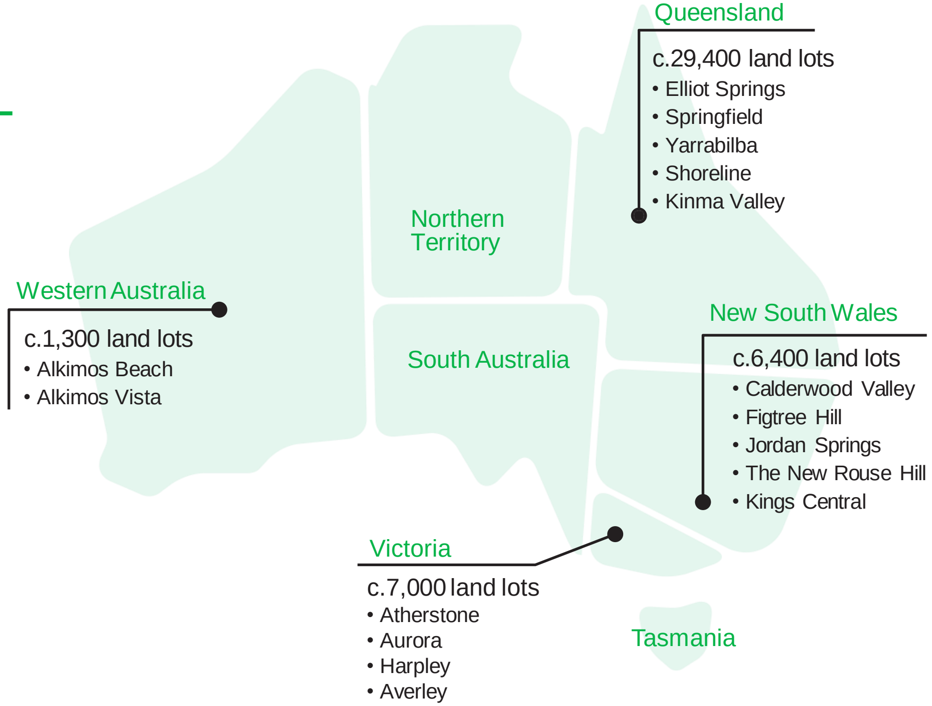
$1.1b Work in Progress

Sales & Settlements

	Sales				Settlements			
	FY21		FY22		FY21		FY22	
	Lots	$m	Lots	$m	Lots	$m	Lots	$m
Queensland	704	175	1,389	414	873	187	681	169
New South Wales	234	93	329	185	265	100	64	37
Victoria	831	237	1,195	371	857	233	585	158
South Australia	22	3	-	-	40	4	3	-
Western Australia	149	34	201	51	193	43	145	35
Non-residential	na	43	na	102	na	30	na	59
Total	**1,940**	**585**	**3,114**	**1,123**	**2,228**	**597**	**1,478**	**458**

Value Drivers

- $15.6b pipeline[1]
- 16 projects across four Australian states
- c.44,000 of Communities pipeline lots
- Sales exceeding 3,000 in FY22
- Target settlements: 3,000 – 4,000 lots p.a.



1. Total estimated end value (representing 100% of project value).

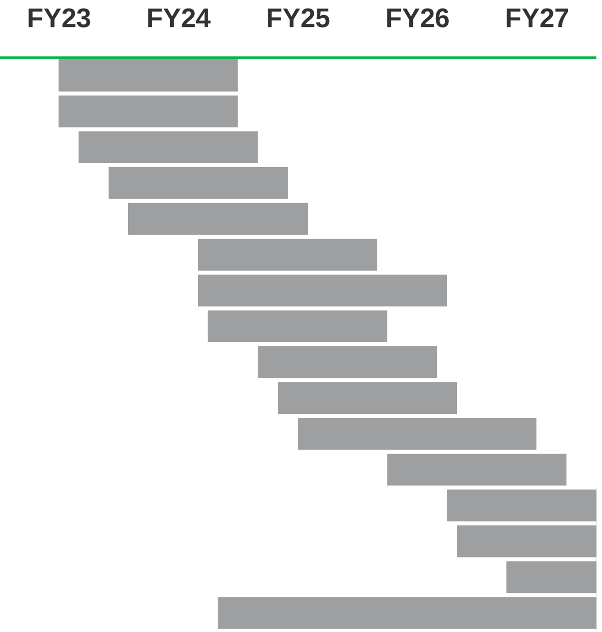
Conversion of Secured Apartments Pipeline[1]

Indicative conversion timing[1] of residential for sale pipeline to FY27

City	Units
London[2]	2,770
San Francisco[3]	333
York[4]	196
Melbourne[5]	1,367
Milan[6]	776
Chicago[7]	317
Kuala Lumpur[8]	1,630
Birmingham[9]	580
Total	**7,969**

Indicative conversion timing[1] of residential for rent pipeline to FY27

City	Project	Units
London	Silvertown - Stage 1	240
Los Angeles	La Cienega	260
Milan	Milan Innovation District - Stage 1	358
Melbourne	Melbourne Quarter	797
Chicago	Southbank	340
Chicago	Lakeshore East	252
Milan	Milano Santa Giulia - Stage 1	692
Melbourne	Victoria Harbour	449
Milan	Milan Innovation District - Stage 2	312
London	Silvertown - Stage 2	286
Birmingham	Smithfield - Stage 1	361
Milan	Milano Santa Giulia - Stage 2	208
London	High Road West	290
London	Silvertown - Stage 3	378
Birmingham	Smithfield - Stage 2	271
San Francisco	San Francisco Bay Area Project	c4,500
Total		**9,994**

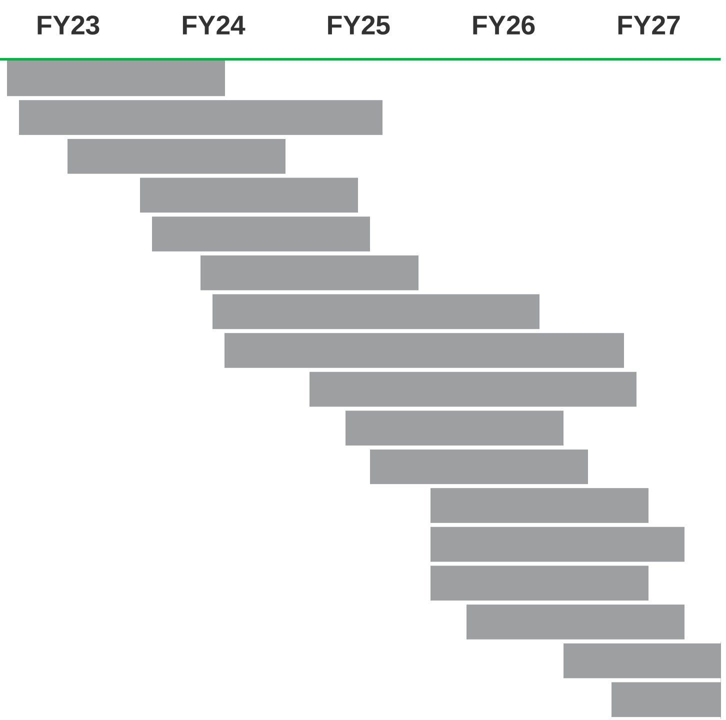


1. Subject to planning approvals, contractual conditions and market.
2. Silvertown, International Quarter London, Elephant Park, High Road West, Thamesmead Waterfront.
3. 30 Van Ness.
4. Hungate.
5. Victoria Harbour.
6. Milano Santa Giulia.
7. Lakeshore East.
8. The Exchange TRX.
9. Smithfield.

Conversion of Secured Commercial Pipeline[1]

Indicative commencements timing[1] of commercial pipeline to FY27

City	Project	Sectors	sqm '000[2]
San Francisco	30 Van Ness	Office	27
Milan	Milan Innovation District - Stage 1	Office / Retail / Hotel	128
Los Angeles	La Cienega	Office	24
London	International Quarter London - Stage 2	Office	29
Chicago	Southbank	Office	112
London	Elephant Park	Office	44
Milan	Milano Santa Giulia - Stage 1	Office / Retail / Hotel	79
London	Silvertown	Office	42
Milan	Milan Innovation District - Stage 2	Office	58
London	International Quarter London - Stage 3	Office	33
Greater Tokyo	Lendlease Data Centre Partners - Phase 2	Other	38
Singapore	Comcentre Redevelopment	Office	91
Birmingham	Smithfield - Stage 1	Office / Retail	22
Kuala Lumpur	The Exchange TRX	Hotel	13
Milan	Milano Santa Giulia - Stage 2	Office	11
London	International Quarter London - Stage 4	Office	51
Birmingham	Smithfield - Stage 2	Office / Retail	43
Total			**845**



1. Subject to planning approvals, contractual conditions, market, and tenant precommitments.
2. Floor space measured as Net Lettable Area.

Major Urban Project Summary[1]

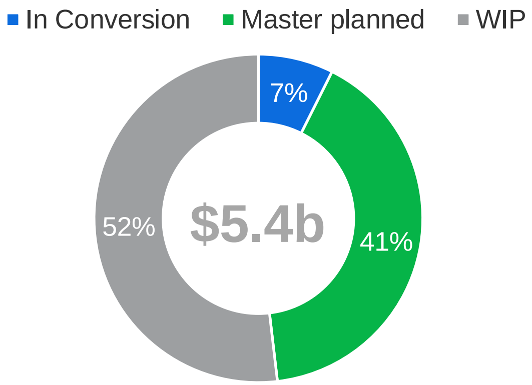
Region	Project	Project secured	Delivery commenced	Completion date	Residential backlog units	Commercial backlog sqm ‘000[2]	Estimated end value ($b)[3]	Land payment model
Australia	Barangaroo South, Sydney	FY09	FY12	FY26	849	1	4.3	Staged payment
	Sydney Place, Sydney	FY12	FY17	FY23	-	57	2.2	Upfront payment
	Victoria Harbour, Melbourne	FY01	FY04	FY30	2,041	-	2.2	Land management
	Melbourne Quarter, Melbourne	FY13	FY16	FY26	797	75	1.6	Land management
	Victoria Cross, Sydney[4]	FY19	FY20	FY25	-	58	1.2	Staged payment
Asia	The Exchange TRX, Kuala Lumpur	FY14	FY17	FY30	2,526	187	3.9	Staged payment
	Comcentre Redevelopment	FY22	FY25	FY29	-	91	3.0	Staged payment
Europe	Thamesmead Waterfront, London	FY20	FY27	FY40+	11,500	82	14.5	Land management
	Euston Station, London	FY18	FY27	FY40+	2,000	400	10.5	Land management
	Silvertown, London	FY18	FY23	FY36	6,358	120	8.7	Land management
	Milano Santa Giulia	FY18	FY20	FY34	3,251	120	3.8	Land management
	Milan Innovation District	FY19	FY21	FY32	1,083	383	3.6	Staged payment
	Smithfield, Birmingham	FY21	FY25	FY35	3,079	126	3.5	Land management
	International Quarter London	FY10	FY14	FY30	350	147	3.1	Staged payment
	High Road West, London	FY18	FY23	FY34	c2,600	14	2.0	Land management
	Elephant Park, London	FY10	FY12	FY27	905	47	2.0	Staged payment
Americas	San Francisco Bay Area project	FY20	FY24	FY38	15,000	n/a[5]	20.3	Land management
	Southbank, Chicago	FY15	FY16	FY26	780	112	1.8	Upfront payment
	30 Van Ness, San Francisco	FY17	FY23	FY26	333	27	1.6	Upfront payment
	1 Java Street, New York	FY21	FY22	FY26	834	-	1.2	Upfront payment
	Lakeshore East, Chicago	FY19	FY20	FY27	569	-	1.1	Staged payment
Other Urban projects					1,186	171	5.3	
Total Urban					**56,041**	**2,218**	**101.4**	

1. Subject to planning approvals, contractual conditions, market, and tenant precommitments.
2. Floor space measured as Net Lettable Area.
3. Total estimated end value (representing 100% of project value).
4. Victoria Cross over station development.
5. Commercial in confidence.

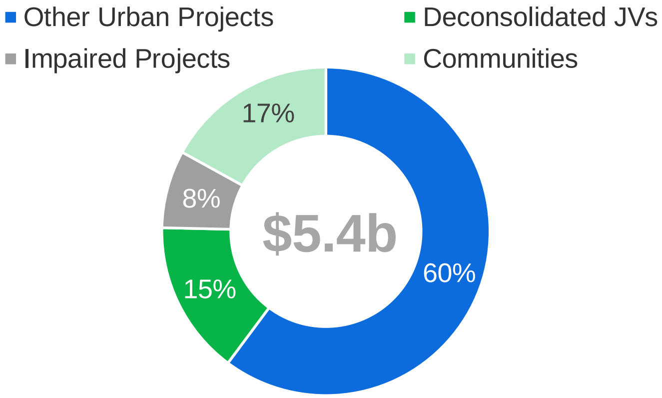
Development Capital

$5.4b of invested capital in land and infrastructure controls $117.0b development pipeline

FY22 capital - Operational Stage



FY22 capital - Structure



Focus of operational stage

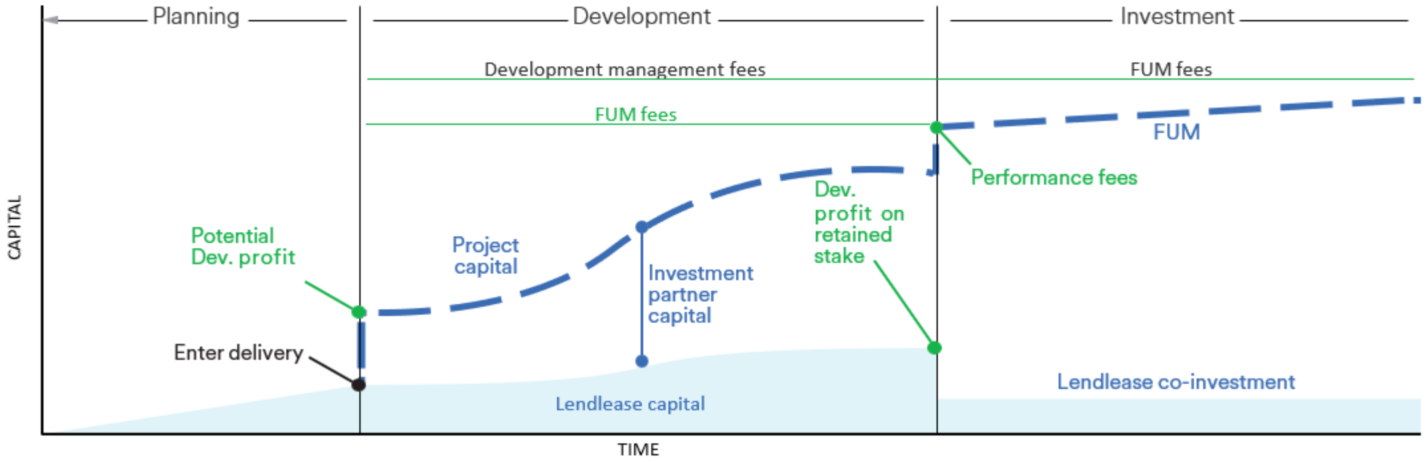
- In Conversion: Master planning approvals; typically 2-3 years
- Master planned: Individual building approvals, investment partnerships, pre-sales/pre-leasing
- Work in progress: Delivery, marketing, additional sales and customer experience

Capital following portfolio review

- Upfront profit recognition on historical JV projects which remain in delivery (Deconsolidated JVs) until the progressive completion of projects up to FY25
- Change in strategy across a small number of projects resulting in Development impairments of $289m (pre-tax) reflected in capital at June 2022
- Capital partnering approach across urban projects ensuring alignment of profit with cash and risk/reward profile

Investment partner funding model - example

Example assumes Lendlease retains 25% stake during Development phase



Key features

- Introduce investment partner prior to entering delivery:
  - Potential for profit upfront on sell-down under single asset and programmatic models
  - Typically no or limited profit upfront under partnership model approach where Lendlease and partner originate the deal together
- Under all models, potential for Lendlease to earn development management fee and FUM fees during delivery
- Typically small Lendlease co-investment post-completion with ongoing management rights and FUM fees
- Structure adopted on:
  - International Towers Sydney, Barangaroo (commercial): Single asset model
  - International Quarter London (commercial): Single asset model
  - Milano Santa Giulia: Programmatic model
  - Paya Lebar Quarter: Partnership model

Case study: International Towers Sydney, Barangaroo South (Towers 2 & 3)

- Secured in 2009 to regenerate large mixed use precinct
- Concept plan approved 2010
- Tenant pre-commitment of c.70% across two towers
- c.$2b Lendlease International Towers Sydney Trust (LLITST) created to forward fund the towers in 2012:
  - Investment partners 75%
  - Lendlease 25% co-investment
- Profit streams through the life cycle of project:
  - Upfront sell-down profit
  - Development management fees
  - Performance fees
  - FUM fees
- Investment partners received attractive returns:
  - Value from additional leasing
  - Above market rents through placemaking
  - Cap rate compression on completion of towers
- 2022 – 12 years after securing the project:
  - All development profit converted to cash
  - Co-investment 3.9% (c.$170m)
  - FUM of $5.1b

Construction Segment

Melbourne: Melbourne Connect

Earnings Drivers Construction

EBITDA margin target 2-3%

Backlog[1] $10.5b

Australia

Revenue in the last 12 months

$3.2b

Backlog[1]

$7.0b

Backlog Realisation

FY23	FY24	Post FY24
48%	32%	20%

Asia

Revenue in the last 12 months

$0.3b

Backlog[1]

$0.2b

Backlog Realisation

FY23	FY24	Post FY24
78%	13%	9%

Europe

Revenue in the last 12 months

$0.9b

Backlog[1]

$0.7b

Backlog Realisation

FY23	FY24	Post FY24
69%	30%	1%

Americas

Revenue in the last 12 months

$2.2b

Backlog[1]

$2.6b

Backlog Realisation

FY23	FY24	Post FY24
56%	17%	27%

1. Construction revenue to be earned in future periods (excludes internal projects).

Construction[1]

Overview

- The Construction segment provides project management, design and construction services, predominantly in the commercial, residential, mixed use, defence and social infrastructure sectors
- Financial returns are generated via project management and construction management fees, in addition to construction margin

Performance

Performance		FY21	FY22
Core business EBITDA mix	%	19	16
EBITDA margin	%	2.7	2.0
New work secured[3]	$b	6.9	5.3
Backlog[3]	$b	11.3	10.5

Drivers[2]

- Revenue of $6.6b, EBITDA of $131m:
  - Revenue up 3% reflects a modest recovery from COVID lows
    - Australia up 11% on higher public sector new work secured
    - 7% decline in Americas due to delays in securing / commencing new projects
    - Measures impacting productivity such as site shut downs and isolation requirements
- EBITDA margin 2.0%, down from 2.7%:
  - Result underpinned by strengths in Australia operations
  - Profit on sale of Plant operations in Australia to Murrina Group
  - Portfolio impacted by lack of operating leverage in International regions
- New work secured[3] of $5.3b, down from $6.9b:
  - Public sector activity in Australia is the main source of new work, largely underpinned by social infrastructure
  - Americas: remains well below historical averages reflecting subdued activity in key markets along with delays in projects being brought to market

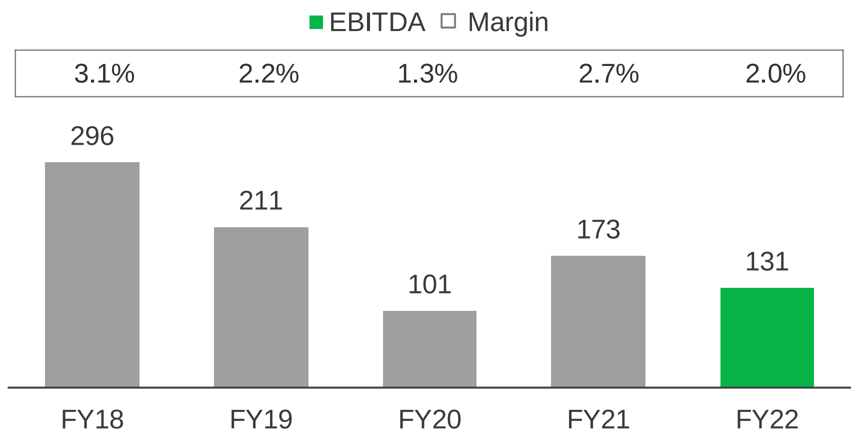
Outlook[2]

- Backlog revenue[3] of $10.5b, down from $11.3b:
  - Diversified by sector and client
  - Project sector exposures: Social Infrastructure 36%, Defence 26%, Commercial 24%, Residential 7%, Other 7%
  - Project client breakdown: Government 61%; Corporate 39%
  - Key projects in Backlog:
    - Australia $7.0b: Frankston Hospital Redevelopment, RAAF Tindal Stage 6 and USFPI Airfield Works, Sydney Metro Martin Place Integrated Station Development, Powerhouse Parramatta
    - Americas $2.6b: Privatised Army Lodging, 4 Hudson Square
    - Europe $0.7b: Manchester Town Hall, 90 Long Acre
- Preferred on $4.6b which includes several Social Infrastructure and Commercial projects across Australia (50%), Europe (30%), Americas (20%)
- Backlog realisation:
  - FY23: 51%
  - FY24: 28%
  - Post FY24: 21%

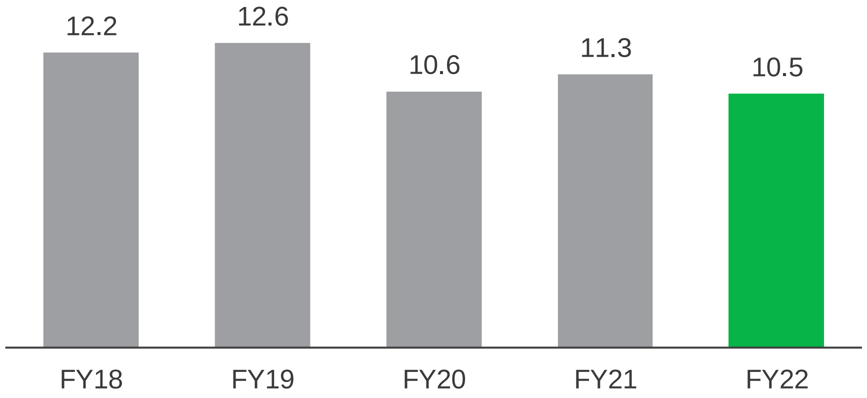
1. Excludes internal projects
2. Comparative period the year ended 30 June 2021.
3. Construction revenue to be earned in future periods.

Construction Earnings / Backlog / New Work Secured

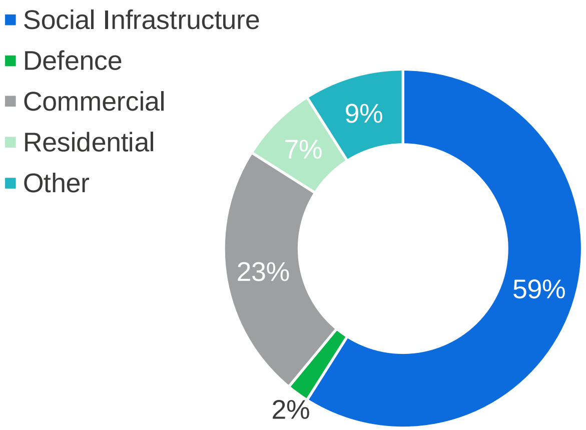
EBITDA ($m)



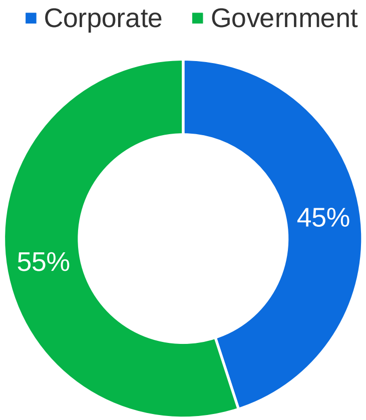
Backlog ($b)[1]



FY22 New work secured by sector[2]



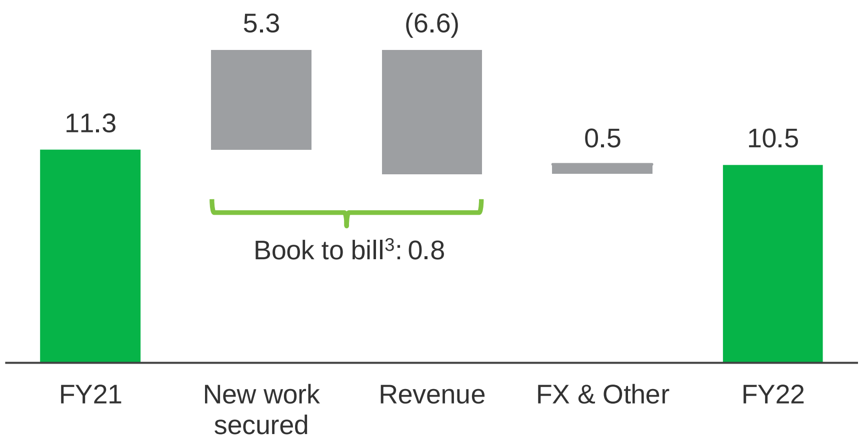
FY22 New work secured by client[2]



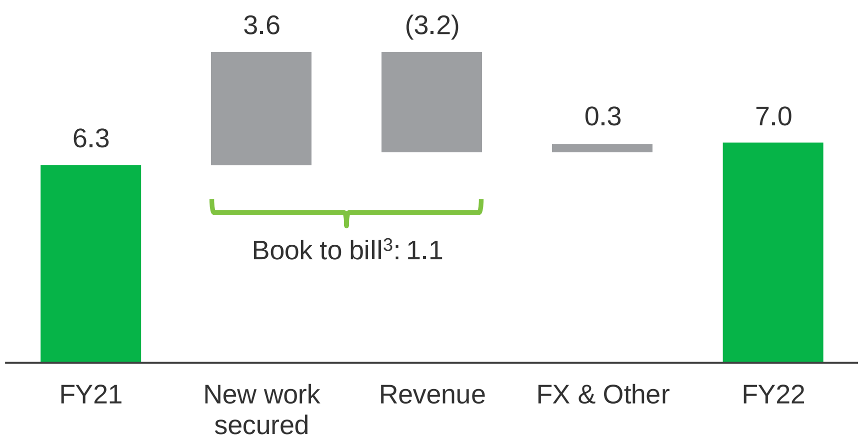
1. Construction revenue to be earned in future periods (excludes internal projects).
2. Estimated revenue to be earned from construction contracts secured during the period (external work only).

Construction Backlog by Region[1,2]

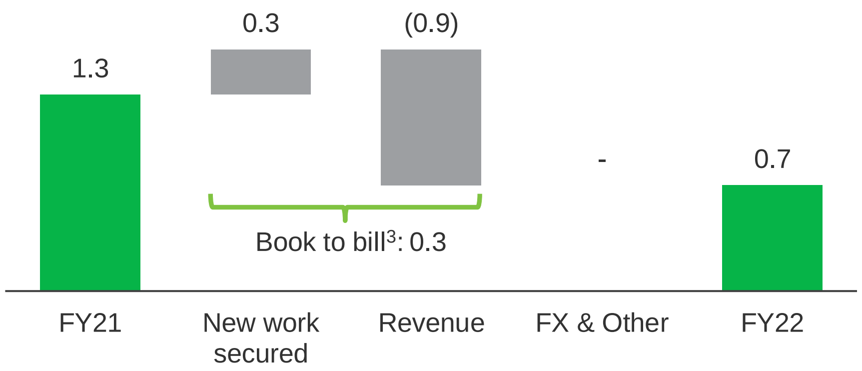
Group ($b)



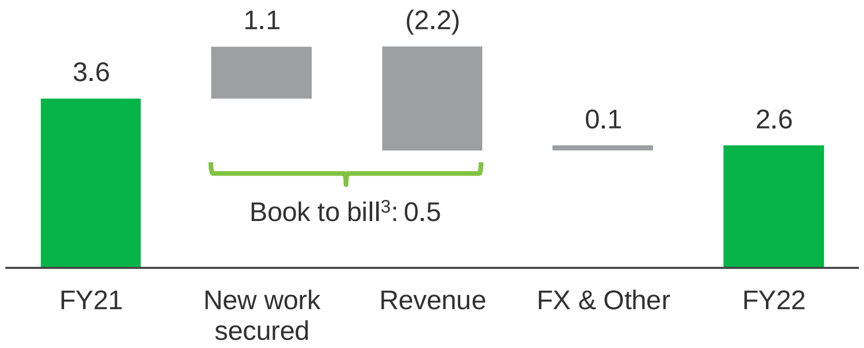
Australia ($b)



Europe ($b)



Americas ($b)



1. Construction revenue to be earned in future periods (excludes internal projects).
2. Asia closing Backlog $0.2b. Excluded for presentation purposes.
3. Ratio calculated as external new work secured over external revenue to the nearest million.

Construction New Projects Secured[1,2]

Region	Project	Location	Contract type[3]	Completion date[4]	Sector
Australia	Frankston Hospital Redevelopment	VIC	PPP	FY27	Social Infrastructure
	Powerhouse Parramatta	NSW	D&C	FY24	Social Infrastructure
	Liverpool Health and Academic Precinct	NSW	D&C	FY27	Social Infrastructure
	Pathway to 144 Mental Health Beds	VIC	MC	FY24	Social Infrastructure
	51 Flinders Lane	VIC	D&C	FY26	Commercial
	CIT Campus – Woden Development Package 2 and 3	ACT	D&C	FY25	Social Infrastructure
	Newmarket Stage 2	NSW	MC	FY24	Residential
Europe	90 Long Acre	London	D&C	FY24	Commercial

1. Disclosure of major projects is subject to client approval. This could impact the projects available for disclosure.
2. New projects secured comprise 58% of total new work secured.
3. Contract types are Design and Construct (D&C), Managing Contractor (MC), and Design and Construct PPP (PPP).
4. Based on expected completion date of underlying buildings, subject to change in delivery program.

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A reference to FY22 refers to the full year period ended 30 June 2022 unless otherwise stated. All figures are in AUD unless otherwise stated.