

ASX ANNOUNCEMENT

15 October 2015

Lend Lease Investor Day presentations

15 October 2015

Attached are the presentations to be given today by Lend Lease senior executives at its Investor Day. The event will be webcast live via www.lendlease.com

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Lend Lease 2015 Investor Day

15 October 2015

lendlease

Agenda

09:00 – 09:45

*Steve McCann - Group Chief Executive Officer
and Managing Director*
Strategy update

09:45 – 10:45

Dan Labbad - CEO, International Operations
International growth
Q&A

10:45 – 11:15

Morning tea break

11:15 – 12:30

*Bob McNamara - Group Chief Risk Officer
Vikas Kaul - Group Head of Research
Tony Lombardo - Group Chief Financial Officer*
Risk management and capital allocation
Q&A

12:30 – 12:45

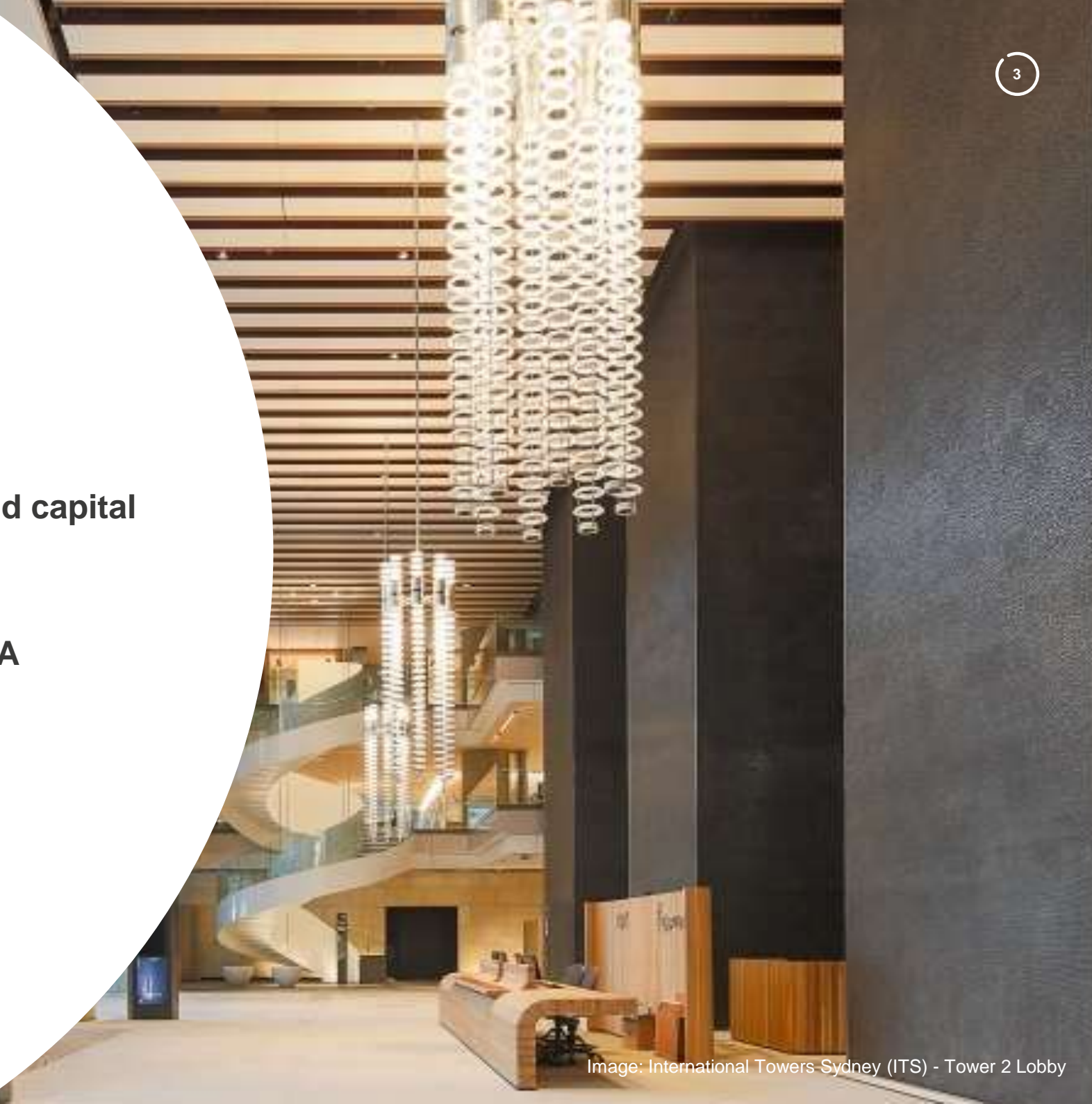
*Steve McCann - Group Chief Executive Officer
and Managing Director*
Closing
Final Q&A

12:45 – 14:00

Lunch



- 1** Strategy update
- 2** International growth
- 3** Risk management and capital allocation
- 4** Closing and final Q&A
- 5** Appendices



Indigenous engagement and reconciliation

Lend Lease's vision for Reconciliation is one in which all our employees **acknowledge and celebrate the proud heritage of Australia's First Peoples** and promote opportunities for **career development, sustainable business growth, and economic participation** of Aboriginal and Torres Strait Islander Australians within our sector





Section 1

Strategy update

Steve McCann
Group Chief Executive Officer and
Managing Director

lendlease



Illustration: 888 Collins Street, Victoria
Harbour, Melbourne

TO CREATE
THE BEST
PLACES

lendlease



DNA	Trends		Integrated model
Safety	Urban regeneration	Funds growth	Development
Sustainability	Ageing population	Infrastructure	Construction
Diversity & inclusion			
Customer focus	Sustainability	Technology	Investment Management

Following successful execution of our 5 year 'Restore Build Lead' strategy we have moved to a new framework 'Focus & Grow'

Key Metrics	Restore (2009 – 2011)	Build (2012 – 2013)	Lead 2015+
Safety	LTIFR 3.1 to 2.9	LTIFR 2.7 to 2.3	LTIFR 2.2
Focus	Restructuring and cost out	Reshaping and growing the portfolio	Leading positions and a leading safety culture
Profit after tax	\$(669)m to \$493m	\$501m to \$549m	\$619m
Geographies	Circa 40 countries	12 countries	Major gateway cities
Development Pipeline	\$25.6b ¹	\$37.4b ²	\$44.9b ³
Construction Backlog	\$12.3b ¹	\$16.2b ²	\$17.3b ³
Funds Under Management (FUM)	\$9.9b ¹	\$15.0b ²	\$21.3b ³

Focus

Development¹

\$44.9b pipeline



Construction¹

\$17.3b backlog



Investment Management¹

\$21.3b FUM



¹ As at 30 June 2015

Focus - Development

	2011	2015
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Pipeline

Development end value	\$34.7b	\$44.9b
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Residential pre-sales and commercial forward sales

Apartments	\$0.4b	\$4.7b ¹
Communities	\$0.3b	\$0.5b ¹
Commercial ²	\$0.5b	~\$4.5b

- Strong growth in development pipeline to support future revenue growth
- Established pipeline allows selective approach to future origination

	2011	2016
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Delivery completions

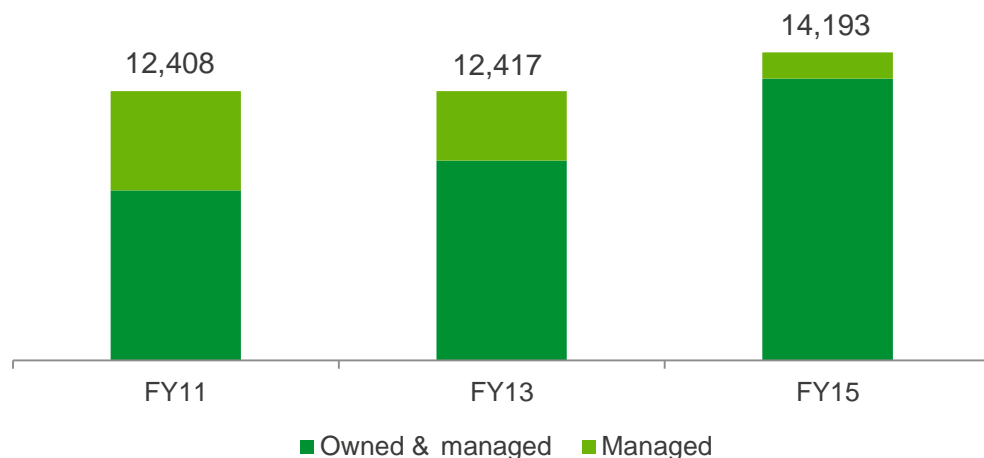
Apartments (# settlements)	227	1,000+
Communities (# settlements)	2,299	3,500+
Commercial	-	~\$2.5b ³

- Residential pre-sales book of \$5.2 billion¹ to settle over the next 3-4 years
- Provides strong earnings and cash visibility over the medium term
- Focus on production in recent years resulting in increased projects in delivery
- Increased completions from FY16 and beyond to drive growth in profit and cash

Currently in the execution phase and well positioned to complete safely and on time in order to deliver profit

Focus - Retirement Living

Growth in units owned & managed



- Growth through acquisition with a focus on building quality and diversity of the portfolio
- Lend Lease is the largest owner and operator of retirement villages in Australia
- Opportunity to leverage platform capability offshore

Valuation metrics¹

Capital invested	\$1.7 billion
Weighted average discount rate	13.3%
Weighted average future growth rate	3.7%
Average length of stay	11 years ²

- Consistent valuation approach
- Improving valuation outlook with increased institutional demand in the sector
- Capital partner opportunities to be explored over the medium term

14,000+ units owned and managed with ~1,000+ units settled per year

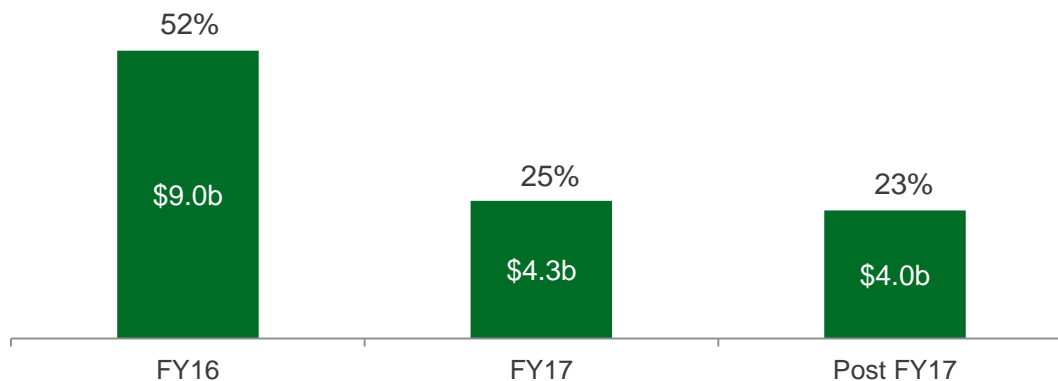
Focus - Construction

Growth in revenue backlog

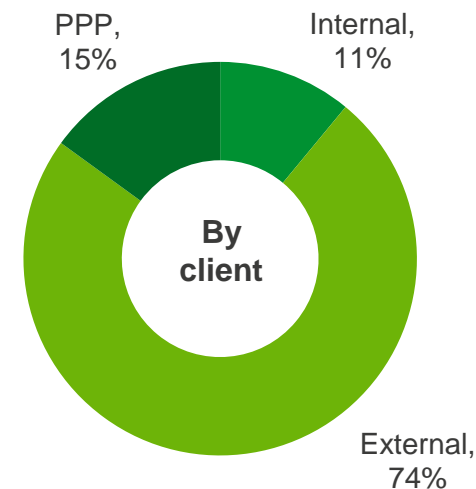
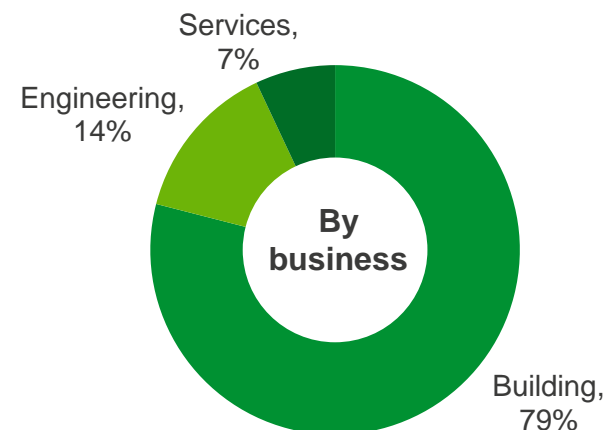


Preferred bidder on ~\$7 billion of new work not recorded in backlog revenue

FY15 backlog realisation



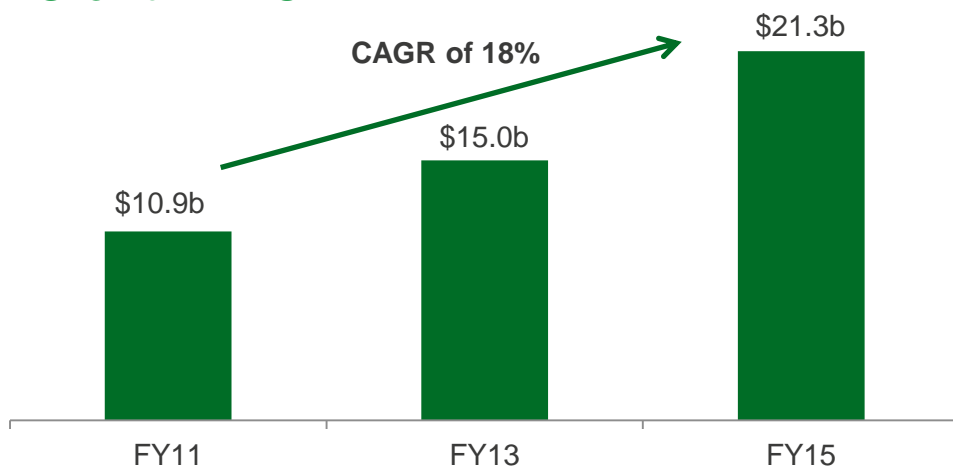
FY15 backlog by business and client



We continue to drive performance and reduce volatility

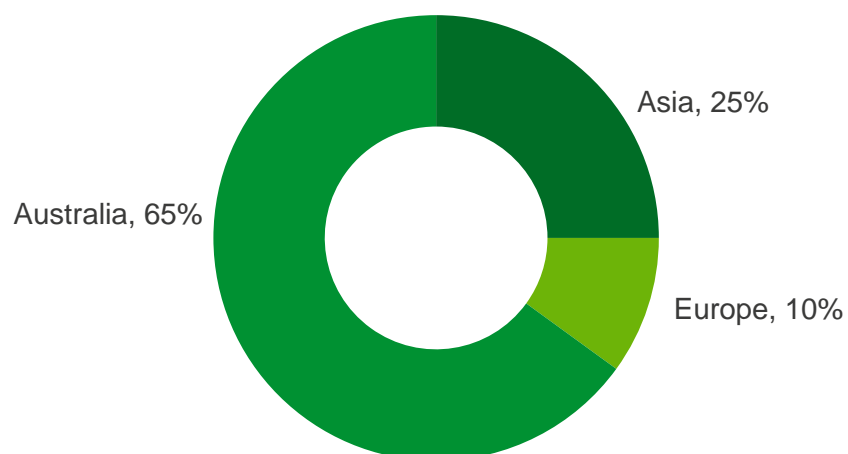
Focus - Investment Management

Growth in FUM



- Strong growth in FUM supported by global investor demand for quality assets - \$3 billion² of future embedded FUM growth
- Investment Management platform supports capital solutions needs across broader business - match right type of capital to risk-return profile
- Fee and co-investment income delivers attractive annuity earnings and return on capital enhancement

FUM by geography¹



17 wholesale funds & mandates

Leader in responsible property investment (GRESB)³

~\$10b⁴ new equity raised since 2009

\$1.4b Lend Lease co-investment capital

Delivering recurring earnings and supporting capital solutions

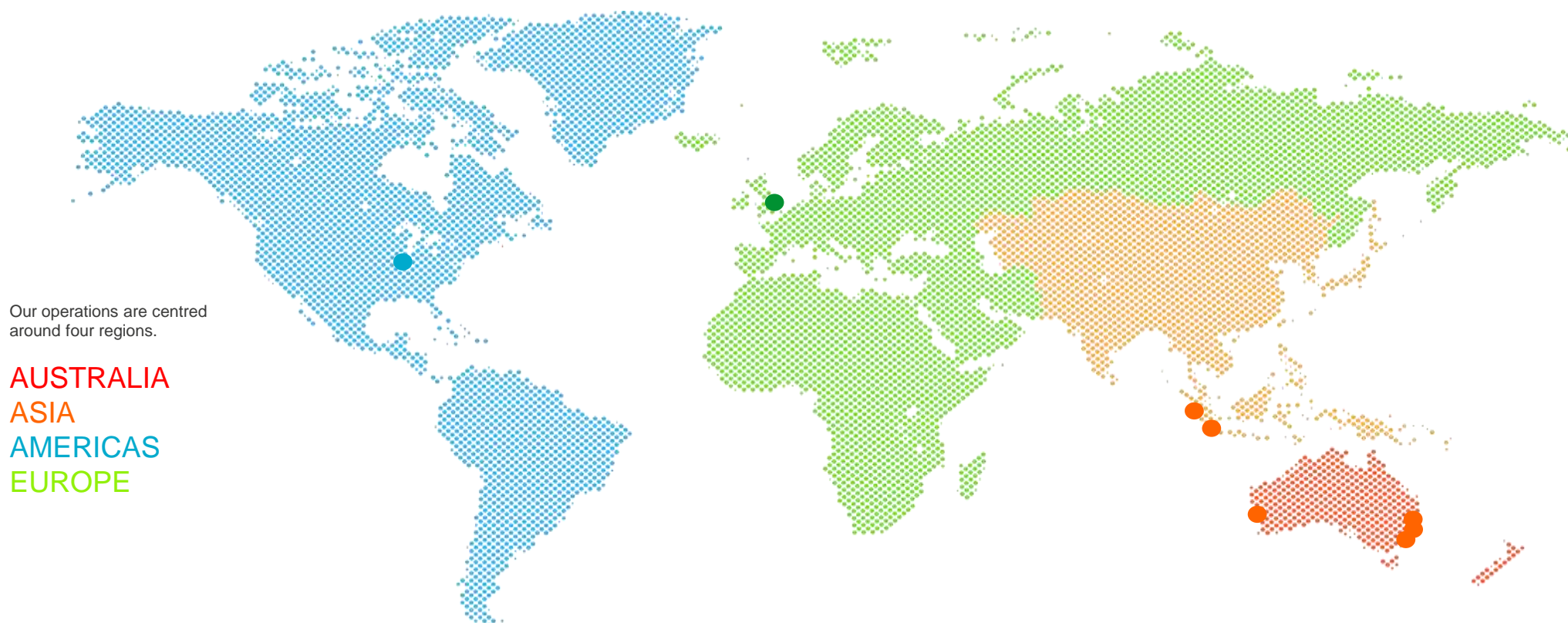
The environment and what it means for Lend Lease

Trend	Issue	Lend Lease competitive advantage
Impetus in Australian residential market easing	<ul style="list-style-type: none"> Led by macro-prudential policy changes and potential slowing China demand As activity slows, leads to questions over next generation of local economic growth drivers 	<ul style="list-style-type: none"> Record residential pre-sales of \$5.2 billion¹ underpinning cash flow over the next few years - ~45 per cent are due to settle before June 2017 20 per cent of the apartment pre-sales represent buyers from mainland China, of which ~30 per cent are due to settle before June 2017 Forward sale of over \$550 million of residential pre-sales book through PLLACes² program Urban regeneration sites form the majority of our portfolio and provide delivery flexibility to match market timing Strong balance sheet position and capital management
Strong demand for core property assets	<ul style="list-style-type: none"> Prime assets continue to attract significant interest globally Local and offshore buyers Tight cap rates 	<ul style="list-style-type: none"> Strong track record of selling assets at cyclical peaks Opportunity to sell existing asset positions at attractive pricing Percentage of ownership assets on balance sheet exposed to cyclical downturn is low relative to peers
Economic growth led by gateway cities	<ul style="list-style-type: none"> Gateway cities are now the epicentre for economic growth with density increasing Trend in Australia plus other key markets 	<ul style="list-style-type: none"> Key support for urban regeneration strategy Points to structural shift in residential demand towards apartments Clear link to infrastructure outlook - underpinning need for major projects
Pick-up in local public infrastructure spending	<ul style="list-style-type: none"> A growing pipeline of road and likely rail projects Projects driven by population and productivity 	<ul style="list-style-type: none"> Strong existing pipeline of projects across the east coast in Australia Series of large complex projects to drive growth outlook in construction Infrastructure pick-up to replace any potential slowing in other parts of the economy
Relative under-performance of Australian economy vs offshore	<ul style="list-style-type: none"> Resurgence of major global economies following a period of relative under-performance Local economy outlook remains robust but more cautious 	<ul style="list-style-type: none"> Established platform and track record in key global markets Gateway cities in key markets, including Australia, to continue to benefit from safe haven flows Highlights benefit of diversification across key global markets

¹ Includes 100% of revenue from joint venture projects. Joint venture partner share of revenue is ~\$180 million

² Pre-sold Lend Lease Apartment Cash flows

Leading portfolio of major urbanisation projects across multiple geographies



Portfolio of 12 major urban regeneration projects delivering a ~10 year pipeline across resilient gateway cities

River South,
Chicago

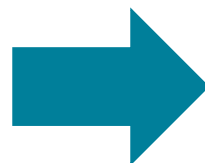
Elephant & Castle, London
The Wharves, Deptford,
London
The International Quarter,
London

Tun Razak Exchange, Kuala
Lumpur
Paya Lebar Central, Singapore

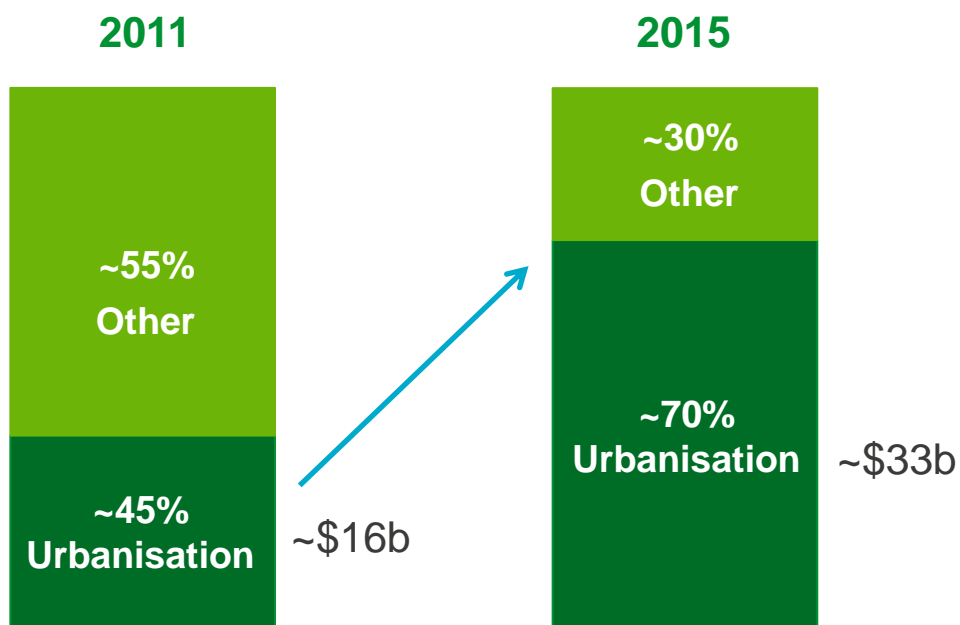
Barangaroo South, Sydney
Darling Harbour Live, Sydney
Victoria Harbour, Melbourne
Melbourne Quarter, Melbourne
Brisbane Showgrounds,
Brisbane
Waterbank, Perth

We have diversified our development pipeline with a significant increase in global integrated projects

An increased focus on integrated urbanisation projects



Long-term multi-stage integrated projects deliver consistent multiple income streams, enhancing return on capital per project and better precinct-wide outcomes



- 12 major urban regeneration projects
- 25 major apartment buildings in delivery
- 5 commercial buildings in delivery



The success of our urbanisation strategy is driven by 4 key factors

Factor	Why is it important?	Lend Lease competitive advantage
Access to capital	Accelerates speed to market and profit realisation	<ul style="list-style-type: none"> • Deep and trusted global investor relationships • Strong demand from global capital seeking quality assets in global gateway cities in which Lend Lease has a presence • Increasing prominence of investors with build to core strategies
Capability	Opportunities are large scale and complex. Master-plan capability is key	<ul style="list-style-type: none"> • Established team with global track record of securing and delivering strong economic outcomes on large scale mixed-use projects • Strong focus from management on strategic workforce planning and process systemisation to ensure pipeline matched with required capability
Customer focus	Large number of stakeholder interests to be managed and balanced	<ul style="list-style-type: none"> • Established track record strongly positions Lend Lease with governments and related agencies • Local know-how and ability to leverage global best practice enables delivery of world class solutions for all stakeholders
Sustainability innovation	Sustainability a key element of success on urbanisation projects	<ul style="list-style-type: none"> • Market leader in sustainability innovation delivering a number of green and energy infrastructure building firsts • Green building certification mandated on all projects

Barangaroo

Concrete Apron

Created in 1970s to accommodate bulk offloading for shipping containers

Closed in **2003**, renamed Barangaroo in **2006** and
Lend Lease selected as master developer in **2009**

Barangaroo

Up to **90** new retail outlets

New headland
park and
recreated
foreshore with
6,600
sandstone blocks

7.7 Hectares

Mixed Use Development

490,000 sqm
Gross Floor Area

Australia's first large scale
Carbon Neutral
community

Beyond urbanisation, we are also progressing broader business growth opportunities in line with our capabilities and market trends

Healthcare	<ul style="list-style-type: none">• Significant track record in delivery of public sector healthcare. Opportunity to leverage experience into growing private sector pipeline• Australia pursuing integrated opportunities
Communities	<ul style="list-style-type: none">• Looking to bring Communities into the integrated model, utilising our existing civil works capabilities - first pilot is currently being rolled out (Springfield Lakes - Queensland, Australia)
Offsite manufacturing	<ul style="list-style-type: none">• Safer, faster, and ultimately cheaper construction methodology• Innovative manufacturing and assembly plant currently being established in Australia which can produce wall and floor components as well as full modular rooms
Telecoms	<ul style="list-style-type: none">• Opportunity to expand integrated model into telco tower sector• Potential to leverage strong Japan delivery track record into the US

Established platform provides strong growth trajectory and earnings visibility

Development



Forte, Melbourne

- \$5.2 billion¹ of pre-sold residential revenue to be delivered over the next 3-4 years

Construction



Regents Place, London

- \$17.3 billion construction backlog underpinned by internal workbook with strong pipeline

Investment Management



Setia City Mall, Malaysia

- \$21.3 billion FUM to deliver annuity earnings with significant embedded growth

- Integrated urbanisation project pipeline to drive multiple earnings streams and enhance return on capital - record development pipeline of ~\$45 billion
- Selectively look to grow urbanisation pipeline with offshore focus and other broader business opportunities



Section 2

International growth

Dan Labbad
Chief Executive Officer, International Operations

lendlease



Illustration: River South, Chicago

Our international development pipeline has continued to expand, with ~\$8 billion of new major urban regeneration projects in 2015

Americas



- Leading construction business with record \$5.5 billion backlog
- Secured first development projects underpinning \$2.8 billion pipeline
- Military housing portfolio of ~54,000 units under management delivering stable annuity earnings stream

Europe



- Established development platform with \$9.4 billion pipeline
- Strong focus on execution and delivery with \$1.3 billion pre-sold residential revenue and 2 commercial towers in delivery
- Recovery in construction position with \$1.5 billion backlog

Asia



- Recent origination focus following completion of Jem, Singapore in 2013 - \$5.8 billion development pipeline secured in 2015
- Construction business focused on delivery of internal pipeline
- Strong investment management platform with \$5.3 billion of FUM

Urbanisation to underpin our global growth strategy

GROWTH

Urban population in 2014
accounted for

54%  UP 34%
SINCE 1960

of the global population¹

Since 1990 ten mega-cities
have now grown to

28  MEGA CITIES
ARE EXPECTED
TO GROW TO 41
BY 2030

globally, housing
453 million people²

OPPORTUNITY

Lend Lease is a world
leader with

12 MAJOR URBAN
REGENERATION

projects under development.
Total pipeline of ~\$33 billion

Continuing population growth and
urbanisation are projected to add

2.5 BILLION

people to the world's urban population by
2050¹

Increased offshore presence in urban regeneration



Image: Trafalgar Place, Elephant & Castle



Illustration: Paya Lebar Central, Singapore



Illustration: Transport for London Building, The International Quarter



Illustration: River South, Chicago

Elephant & Castle - project overview



- In partnership with the London Borough of Southwark (LBS), a £2.0 billion regeneration program on 28 acres of land across 3 sites (Elephant Park, Trafalgar Place, and One The Elephant) in the centre of Elephant & Castle, Central London
- By 2025 we will deliver:
 - ~3,000 new homes
 - Over 50 new shops and restaurants
 - Over £30 million in transport improvements
 - More than 6,000 jobs
 - Over 11 acres of public realm, with 10 new routes through the development to enhance pedestrian and cyclist safety

Elephant & Castle - origination phase



Image: Heygate Estate, Elephant & Castle

- **1974** - Heygate Estate in Elephant & Castle, Central London completed housing over 3,000 tenants
- **2002** - Elephant & Castle identified as a key area for growth in London and a framework for more jobs and homes was established
- **2004** - Southwark Council announces master-plan for regenerating the site
- **2007** - Lend Lease selected as preferred master development partner for the scheme
- **2011** - Master-plan approvals granted including 25 per cent affordable housing
- **2011** - Demolition of the Heygate Estate begins
- **2012** - Lend Lease submits 3 planning applications: One The Elephant, Trafalgar Place, and Elephant Park
- **2013** - Outline planning permission received for the Elephant Park master-plan
- **2014** - Planning permission received for largest phase to date (~600 homes)
- **2015** - Secured planning permission for sustainable energy hub at Elephant Park. Announced new long term energy partnership with E.ON

Elephant & Castle - key success factors



Origination

- Complex long-term scheme in a densely populated part of Central London
- Multiple stakeholders with differing objectives:
 - Stakeholder support and coordination key
- Successfully worked through planning process despite numerous challenges and complexities given the scale of the project:
 - Example: The importance of retaining existing trees across the old Heygate Estate
- First apartments now delivered at Trafalgar Place
- L&Q agreement for management of affordable housing
- New and largest launch to date at West Grove - comprising nearly 600 apartments

The International Quarter - project overview

- Central pillar in the post Games regeneration of East London, located at the gateway to the Queen Elizabeth Olympic Park in Stratford
- The project comprises 4 million square feet of Grade A office, providing a new commercial element to the area's role as an important sporting, retail, cultural, and academic destination
- Outline planning consent for the development is in place and construction has begun on the first 780,000 square feet of commercial space
- Construction of the residential component - Glasshouse Gardens - is well underway
- Over 1,200 jobs will be created on site by 2016



The International Quarter - origination phase



- Strong relationship formed with the Olympic Delivery Authority and London and Continental Railways during the successful delivery of the Athletes Village
- Established a joint venture with London and Continental Railways in 2011 to deliver the project
- Following the 2012 Olympic and Paralympic Games, the site was handed over to the joint venture partners (March 2013)
- A program of interim use of the site was introduced during the planning phase to activate the local area and encourage local people back to the site
- We also formed a range of high profile partnerships which attracted over 100,000 people to the project

The International Quarter - key success factors



- Single architect to deliver the commercial buildings (key learning from Barangaroo)
- Innovative energy network minimising the need for plant
- Exclusion of basements reducing risk and increasing speed of delivery
- Building one of the largest development sites in Europe which is the main access route to Olympic Park required us to work closely with key stakeholders:
 - Worked with local people to focus on the areas of health and wellbeing, art and culture, and promoting access to education and employment
 - Community fund launched to promote community participation and to support active healthy communities in Stratford

Illustration: Atrium building of stage 1 commercial at The International Quarter

Urban regeneration origination process

Countries screened on:

- Scale of economy
- Political risk
- Civil liberties
- Scale of cities

Countries ranked on:

- Economic indicators
- Urban regeneration indicators
- Operating environment
- Investor confidence

City shortlist created on:

- City population
- Lend Lease footprint and capabilities

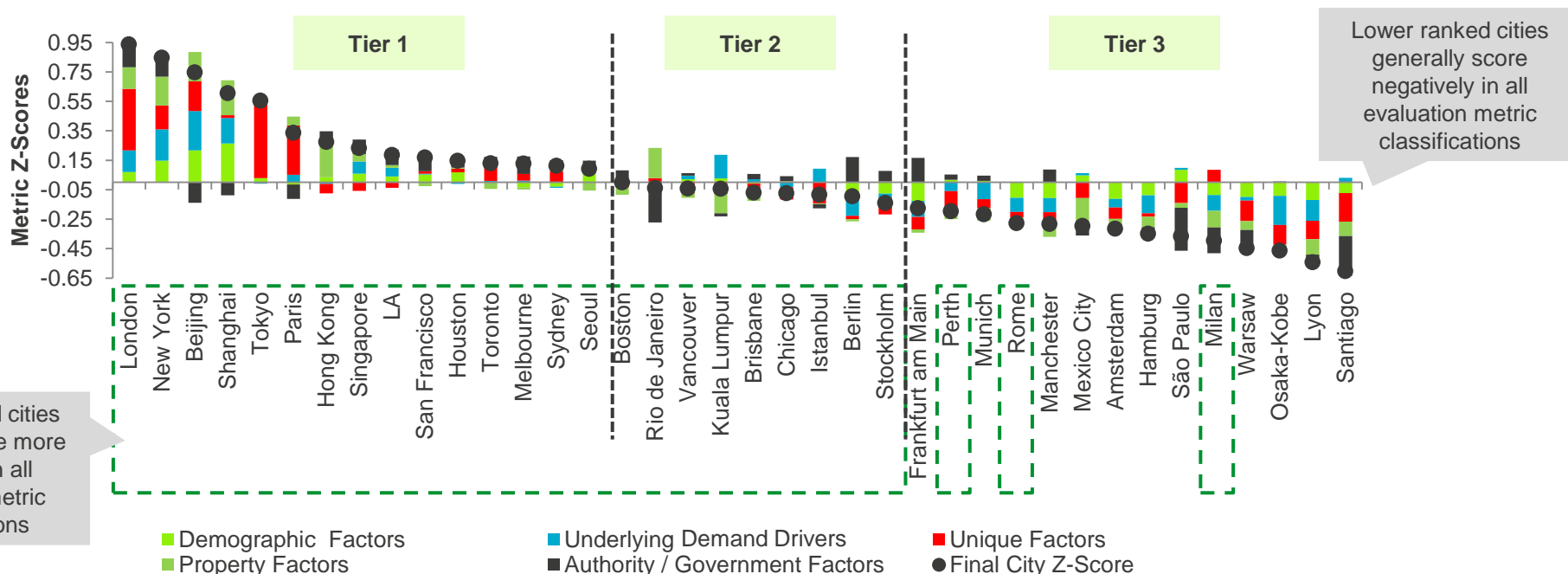
Cities ranked on:

- Demographic factors
- Demand drivers
- Unique factors
- Property factors
- Government factors

Cities then tiered for in-depth market review

Key: Potential target cities

City research outcomes Contribution to Final Z-scores by categories of metrics



Each of these cities represent significant growth opportunities

International origination

- Two new urban regeneration opportunities secured in Asia
 - 60% JV stake in the TRX Lifestyle Quarter, Kuala Lumpur (\$2.8 billion end development value) comprising a retail centre of ~1.35 million square feet, 1,800 residential units across 6 residential towers and a hotel of approximately 250 rooms
 - 30% JV stake in Paya Lebar Central, Singapore (\$3.0 billion end development value) comprising 3 office blocks (~870,000 square feet), a retail mall (~320,000 square feet) and 3 residential towers (up to 440 units)
- Strong progress on expansion of US development operations
 - Delivering on commitment to invest ~\$200 million - \$300 million of capital on new projects
 - New development opportunities secured in the Americas in targeted gateway cities including:
 - River South, Chicago
 - 281 Fifth Avenue, New York
 - Clippership, Boston
 - Combined projects - \$2.8 billion maximum end development value



Illustration: TRX Lifestyle Quarter, Kuala Lumpur



Illustration: River South, Chicago

Paya Lebar Central - project overview



Illustration: Paya Lebar Central

- Government land sale site in Paya Lebar Central released for tender in October 2014
- Lend Lease, in partnership with Abu Dhabi Investment Authority (ADIA), submitted the winning bid in March 2015
- Site earmarked by Singapore Government to be developed as a key commercial centre outside the city:
 - Well connected to major roads and public transport
 - Commercial space comprising office, retail, and residential, complemented by public spaces

Paya Lebar Central - origination phase



- Significant capital requirements to bid
- Tight tender timeline
- Mixed development project comprising 165,000 square metres of GFA across office, retail, and residential
- Complex site attributes and tender conditions including canal widening, MRT access, and limited access points among other things

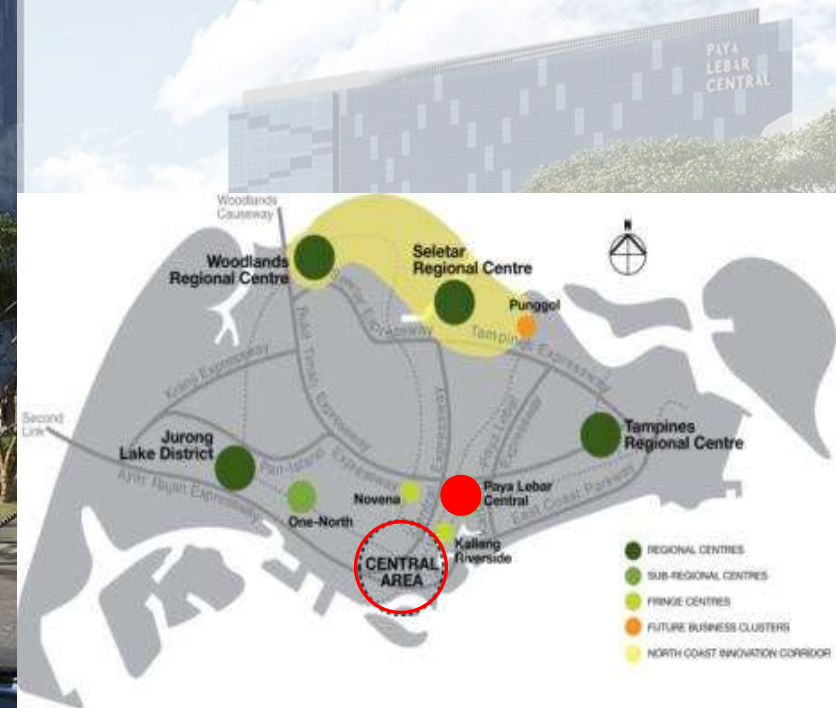


Illustration: Paya Lebar Central

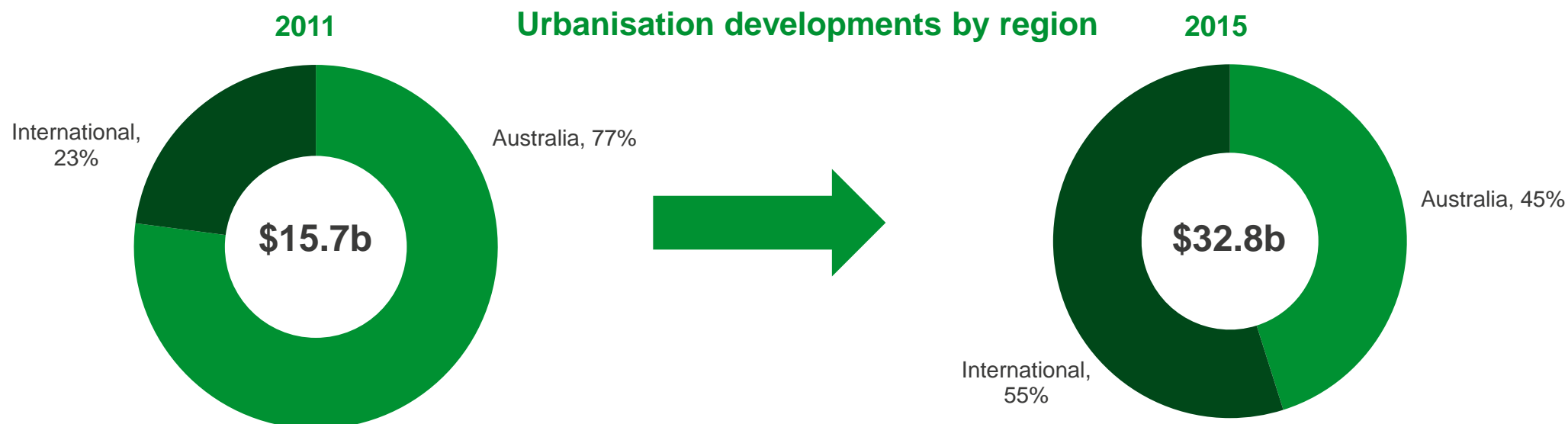
Paya Lebar Central - key success factors

- Experience in delivery of complex developments
- Integrated model and in-house construction capabilities meant design and planning work could be undertaken pre bid
- Ability to provide capital solution
- Early engagement with key stakeholders including potential capital partners, bid consultants, and potential tenants



Illustration: Paya Lebar Central residential

Growing and geographically diversified portfolio of urban regeneration projects



Proven track record

Access to capital

Diversified skillset

Speed to market

Key principles

- 1 Deep understanding of the markets we are operating in
- 2 Core customer focus
- 3 Safety remains our first priority
- 4 Resources - right people in the right roles
- 5 Systemised approach to ensure consistency

Q&A

International growth



Section 3

Risk management and capital allocation

Bob McNamara

Group Chief Risk Officer

Tony Lombardo

Group Chief Financial Officer

lendlease

Vikas Kaul

Group Head of Research



Illustration: Paya Lebar Central, Singapore

Enterprise risk management framework



- The Lend Lease Enterprise Risk Management Framework identifies, evaluates, addresses, monitors, quantifies, and reports material risks to Lend Lease Management and the Risk Management and Audit Committees
- 2014 - creation of a new Group Chief Risk Officer role reporting directly to the Group Chief Executive Officer incorporating Health & Safety, Risk & Insurance, and the Centres of Excellence

Target outcomes:

- Improved safety performance
- Material decrease in risk embedded in operations
- Reduction in earnings volatility
- Preventative and pre-emptive management of risk

Core components of risk management

Development



- Robust investment committee process
- Portfolio diversification and return hurdles
- Research led decision making
- Match right capital to risk-return profile
- Focus on disciplined execution

Construction



- Disciplined approach to underwriting new work
- 'Black flag' process on unacceptable risk items - minimal process risk
- Early procurement to de-risk exposure to cost inflation
- Diversified mix of fee and risk based work
- Robust 'Projects in Delivery' governance framework

Investment Management



- Strong focus on maintaining best-in-class governance structure
- Independent representation across fund boards
- Related party transactions approved by investors
- Regular engagement and partnership approach with investors
- Diversified investor base

Business specific risks and how we are addressing them

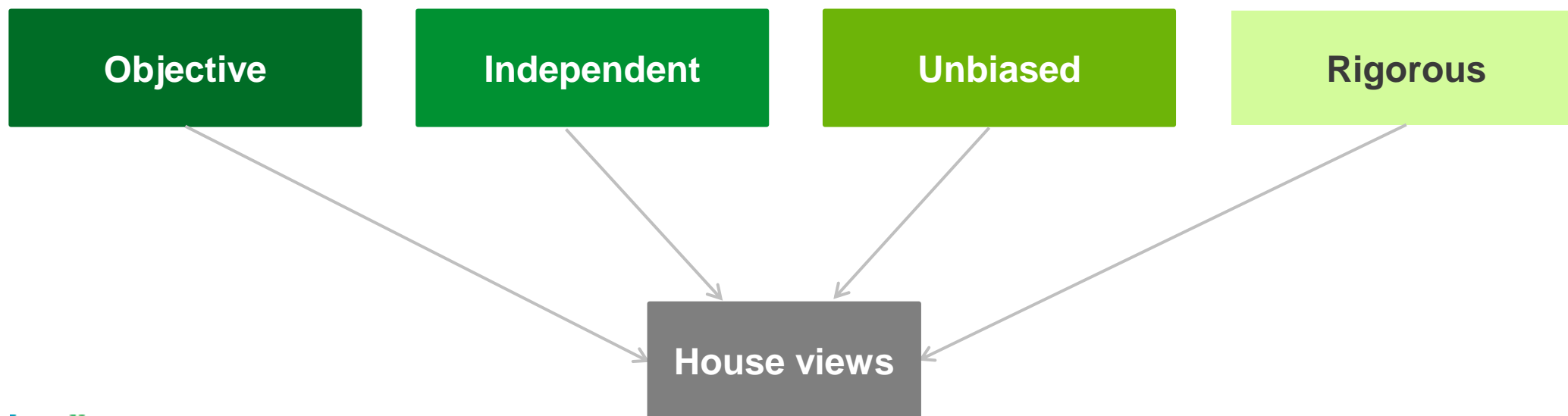
Risk	What we mean	Lend Lease response
Apartment settlement risk	\$4.7 billion of pre-sales to settle over the next 3-4 years	<ul style="list-style-type: none"> • Strong diversification across product location and buyer profile • Projects predominately in gateway cities that offer higher levels of resilience in downturns when compared to secondary locations • Minimum deposit of 10 per cent across all product (up to 20 per cent) • Low historical default profile of ~3 per cent on projects delivered over the last 8 years • Existing buyers benefiting from embedded price growth and favourable foreign exchange movements for foreigners • PLLACes¹ program has de-risked over \$550 million of pre-sales revenue
Apartment cost inflation	Potential margin impact from cost inflation	<ul style="list-style-type: none"> • Supply chain engagement prior to apartment sales and also leading up to contract commitment before construction • Internal construction capability providing greater insight to cost inflation
Delivery execution	Impact of under-performing projects	<ul style="list-style-type: none"> • Signification reduction in under-performing projects in delivery • Consistent governance frameworks in place across all delivery operations
Australian engineering performance	Weakness in performance of business unit	<ul style="list-style-type: none"> • Integration across Australian platform complete - focus now on growing engineering backlog to match strong building position • Success with Gateway Upgrade North project secured in Queensland and well positioned in securing major projects in Melbourne and Adelaide

Group Research: History and mandate

History

- Group Research function was established in April 2011 with a small team of 6 team members
- It was created to form forward looking views to enable informed decision-making
- It now covers every market and sector that Lend Lease operates in or intends to operate in

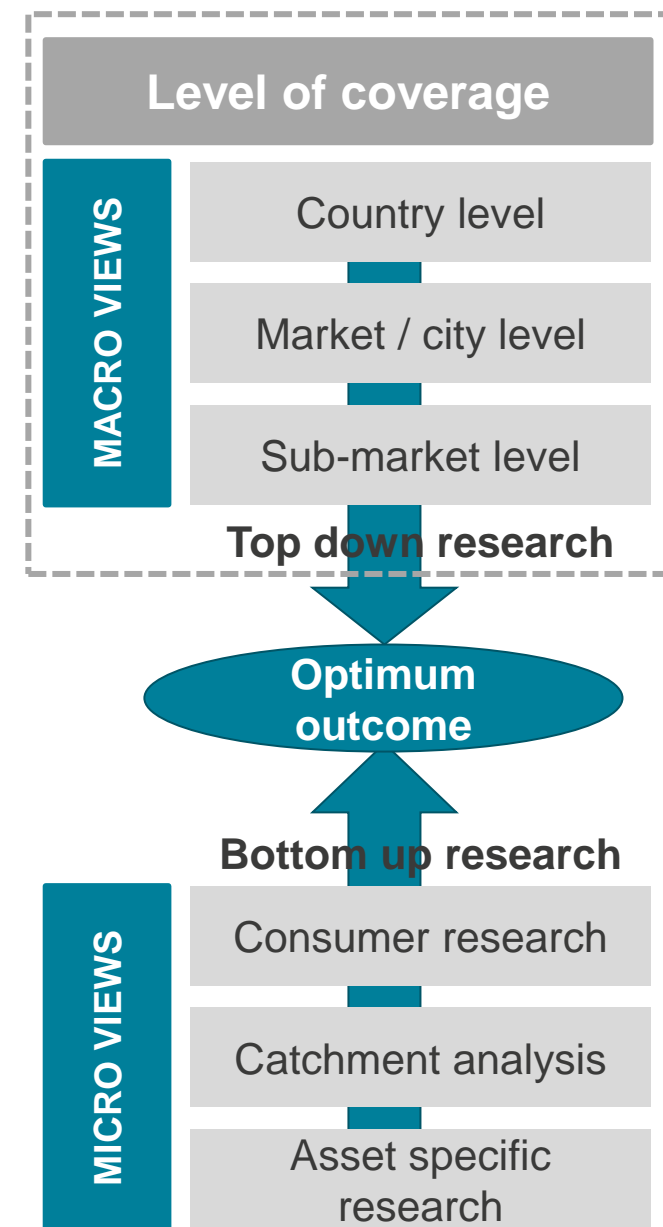
Mandate



Research coverage

Macro views across Lend Lease footprint markets and sectors

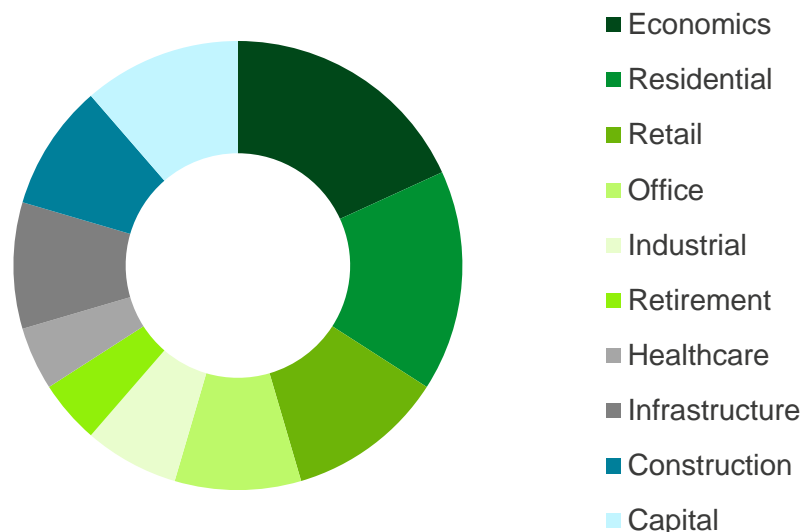
Markets		Sectors	
AUS	Australia	ECON	Economics
	New Zealand		Capital flows
AMR	USA	CONST	Building construction
ASIA	Singapore	PROPERTY	Infrastructure
	Malaysia		Residential
	China		Retail
	Japan		Office
	UK		Industrial
EUR			Retirement
			Healthcare
New markets		New sectors	



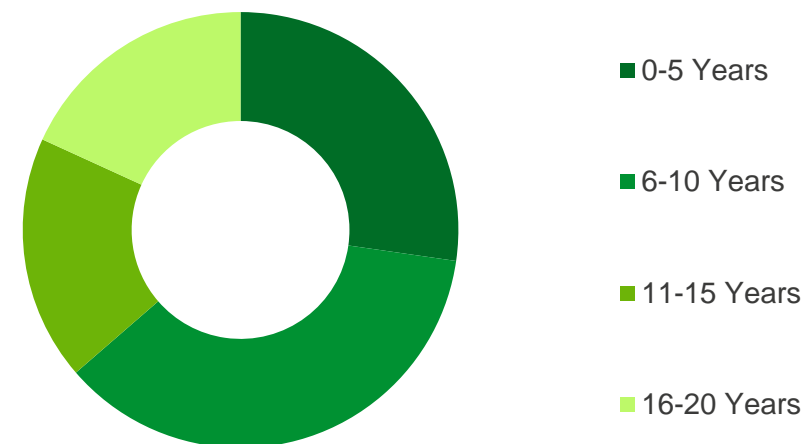
Diverse team of 11 research professionals

With a cumulative 100 man-years of property and infrastructure research experience

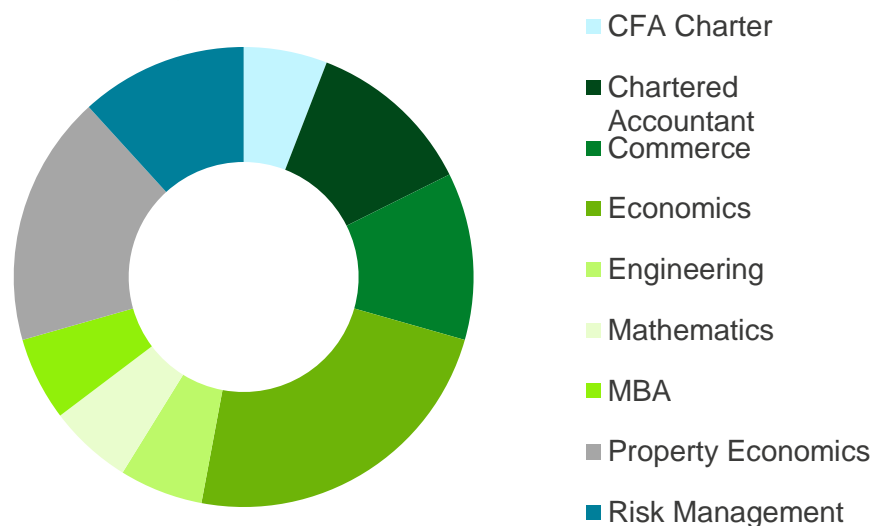
Team profile by specialisation



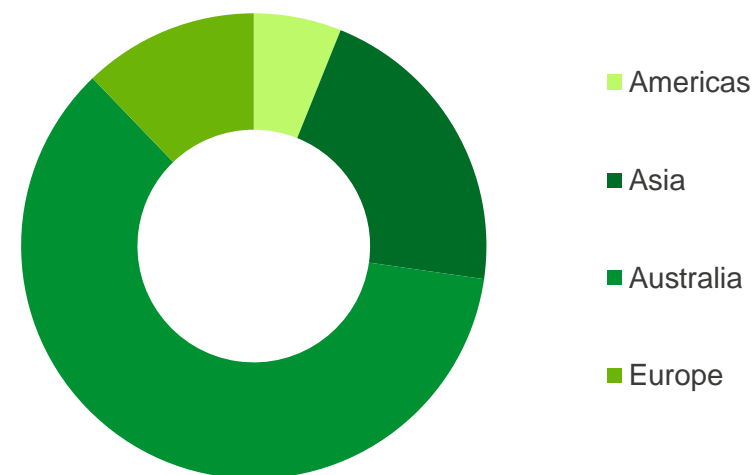
Team profile by years of research experience



Team profile by professional qualifications



Team profile by resident regional experience



Our suite of research offer

Designed to decipher how the future might look like and what it means for Lend Lease

Core research

House views
on our footprint markets and sectors



Special assignments

Bespoke strategic pieces
on potential new markets,
sectors, and trends



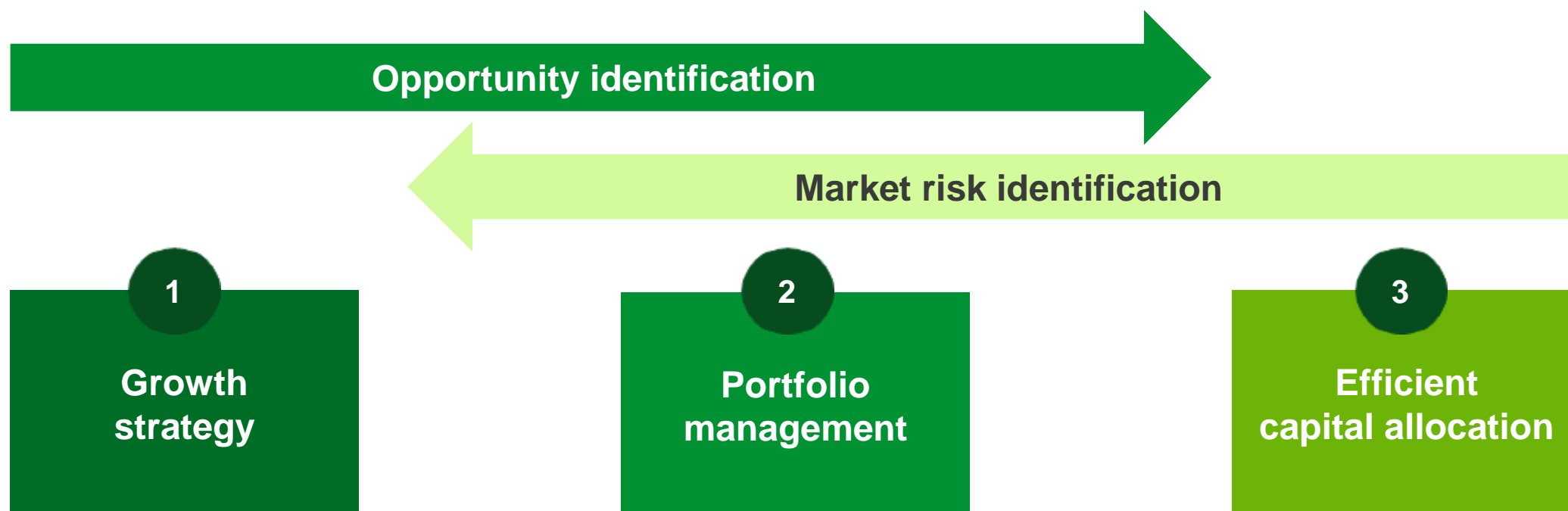
Thematic pieces

Analysis of contemporary issues
to study their impact on
Lend Lease portfolio



How do we influence business outcomes?

By identifying opportunities and market risks that inform our strategic choices





Australia

Leading indicators - Economic growth

Weighted avg.

Momentum

Outlook



	Indicator	Measure	10yr avg	3yr avg	Year ago	Prev qtr	Latest qtr	Momentum	Outlook
Consumption	Consumer sentiment	Consumer confidence (neutral = 100)	102.4	100.2	94.9	99.4	95.7		
	Housing affordability	Mortgage affordability ratio	29.3%	26.6%	27.0%	28.2%	28.0%		
	Labour market health	Change in job ads less change in unemployment rate	2.0%	-10.5%	-8.8/%	17.6%	-3.7%		
	Total HH income growth	Real wages growth plus employment growth	2.6%	1.6%	0.4%	1.6%	1.9%		
G	Govt financing trends	Change in fiscal deficit - percentage impact on GDP	0.3%	-0.1%	-1.3%	-	-0.8%		
Investment	Business sentiment	Business confidence (% diff in good / bad expectations)	3.5	3.8	7.3	2.6	6.3		
	Investment intentions	Dividend payout ratio	69.8%	82.5%	78.3%	80.2%	79.2%		
	Construction orders	New construction orders index (neutral = 50)	43.3	44.5	49.8	44.7	45.9		
	Private sector credit growth	Total private sector credit growth	7.3%	4.5%	5.0%	6.3%	4.7%		
	New housing trends	Dwelling approvals (annualised level)	168k	192k	195k	236k	225k		
Trade	Industry trends	Average PMI score (mfting & services, neutral = 50)	48.1	46.7	48.3	48.3	47.7		
	Growth of trading partners	Trade weighted growth expectations of key trading partners	4.0%	3.8%	3.7%	-	3.5%		
	Exchange rate trends	Trade weighted index	69.1	71.0	71.7	64.2	63.0		
Fin	Real interest rates	Official interest rate less inflation	1.5%	0.3%	-0.3%	0.0%	-0.2%		
	Risk appetite	Sovereign CDS spread 5Y (basis points)	54.2	39.3	34.5	31.5	38.0		
	GDP growth	Real GDP growth y / y % ch (LT avg: 3.3%)	2.8%	2.6%	2.9%	2.4%	2.3%		

LEGEND: Strengthening Neutral Weakening

Momentum compared to last 1Y | Outlook compared to 10Y avg

Source: Lend Lease Group Research



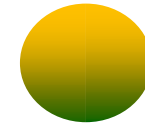
United States of America

Leading indicators - Economic growth

Weighted avg.

Momentum

Outlook



	Indicator	Measure	10yr avg	3yr avg	Year ago	Prev qtr	Latest qtr	Momentum	Outlook
Consumption	Consumer sentiment	Consumer confidence (neutral = 100)	75.2	77.6	78.4	91.4	97.8		
	Housing affordability	Mortgage affordability ratio	16.9%	14.0%	14.4%	15.3%	14.5%		
	Labour market health	Change in job openings less change in unemployment rate	20.8%	24.5%	21.1%	39.8%	41.6%		
	Total HH income growth	Real wages growth plus employment growth	0.5%	1.6%	1.3%	2.1%	3.3%		
G	Govt financing trends	Change in fiscal deficit - percentage impact on GDP	-0.1%	-1.9%	-3.7%	-	2.5%		
Investment	Business sentiment	Business confidence (% diff in good / bad expectations)	29.6%	38.2%	37.8%	52.7%	37.5%		
	Investment intentions	Dividend payout ratio	35.8%	36.4%	34.1%	39.0%	42.6%		
	Construction orders	Architecture firms billings index, non-residential (increased activity = above 50)	49.5	51.5	49.4	52.7	50.4		
	Private sector credit growth	Total private sector credit growth	5.1%	3.6%	1.9%	5.3%	5.8%		
	New housing trends	Private housing units authorised / approved (seasonally-adjusted, annualised)	1.1m	0.9m	1.0m	1.1m	1.1m		
Trade	Industry trends	Average PMI score (mftng & services, neutral = 50)	52.9	54.5	53.7	57.6	55.3		
	Growth of trading partners	Trade weighted growth expectations of key trading partners	3.6%	3.3%	3.3%	-	3.4%		
	Exchange rate trends	Trade weighted index	103.4	102.9	102.9	108.1	114.4		
Fin	Real interest rates	Official fed funds rate less inflation	-0.6%	-1.3%	-1.2%	-1.3%	0.1%		
	Risk appetite	Sovereign CDS spread 5Y (basis points)	34.6	28.3	25.5	17.5	17.0		
	GDP growth	Real GDP growth y / y % ch (LT avg: 2.5%)	1.6%	2.3%	3.1%	2.7%	2.4%		

LEGEND: Strengthening Neutral Weakening

Momentum compared to last 1Y | Outlook compared to 10Y avg

Source: Lend Lease Group Research

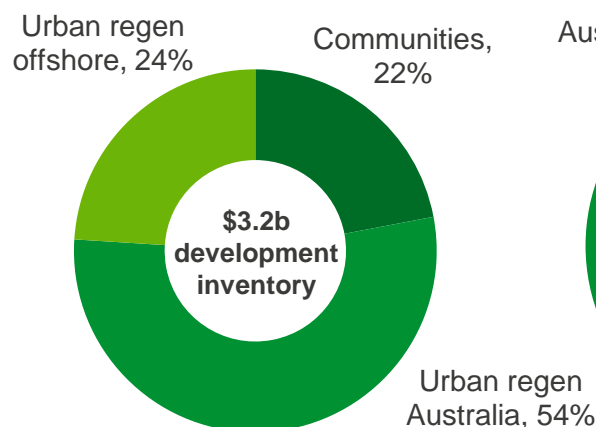
Case study: Chinese development opportunity

Advising Global and Regional Investment Committees on new acquisitions

- Our Asian business was looking at a retail development opportunity in Shanghai, China in early 2014
- The bid team had a very compelling proposition including a strong retail and tenant mix
- The micro research was indicating strong catchment fundamentals which was supported by data on comparable shopping centres in the area
- However, our forward looking macro scans were revealing a supernormal supply coming online in all sub-markets across Shanghai
- Our models were indicating flat retail productivity growth over the next few years
- While we were comfortable with most of the commercial assumptions of the bid, we were concerned about the assumptions made on rent growth during the development period and occupancy costs at opening
- As part of Group Research sign-off process on new investments, we flagged these issues to the Asian and Global Investment Committees
- This input, alongside many other risk-opportunity dimensions that Investment Committees consider, eventually led to Lend Lease deciding not to pursue this opportunity

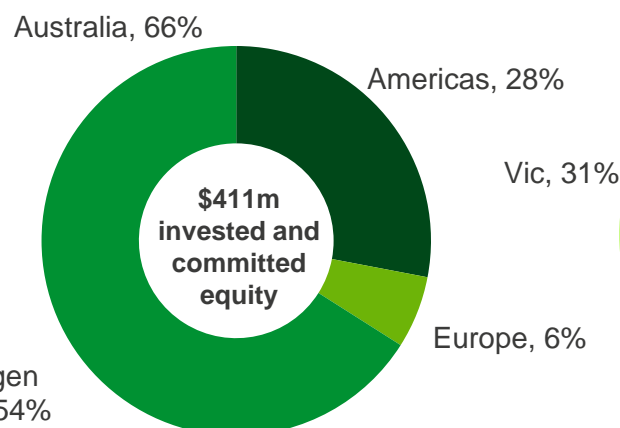
Where our capital sits today and our approach

Development



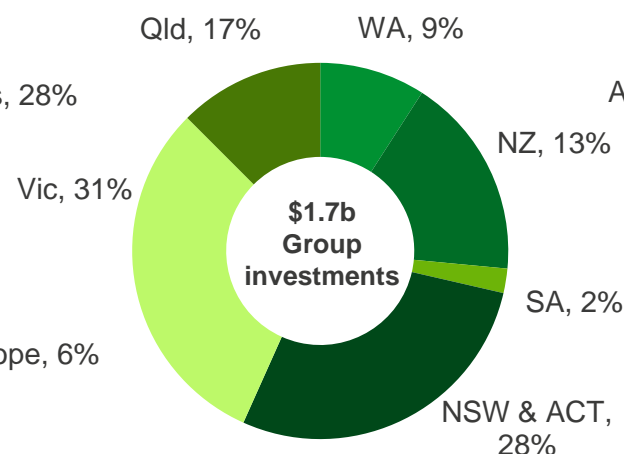
- Seek to secure land on staged payment basis
- Production capital committed as projects de-risked
- Introduce partners to match right capital with risk-return profile through project life cycle

Infrastructure Development



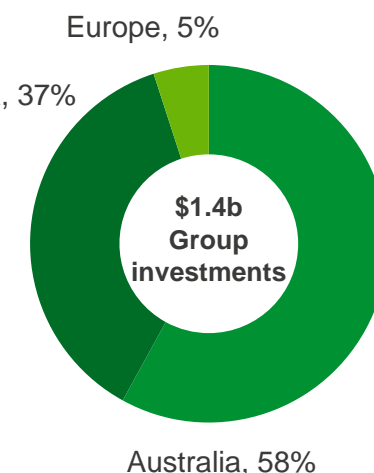
- JV partners on all Australian PPP projects
- 5 Australian PPP projects - 4 currently in delivery and due to commence operations over the next 18 months
- Opportunity to seed new infrastructure fund as projects stabilise

Retirement



- Retirement portfolio underpinned by Primelife acquisition in 2009
- Bolt on acquisitions to leverage scale and drive operational efficiency
- Potential to explore capital partner opportunities over the medium term

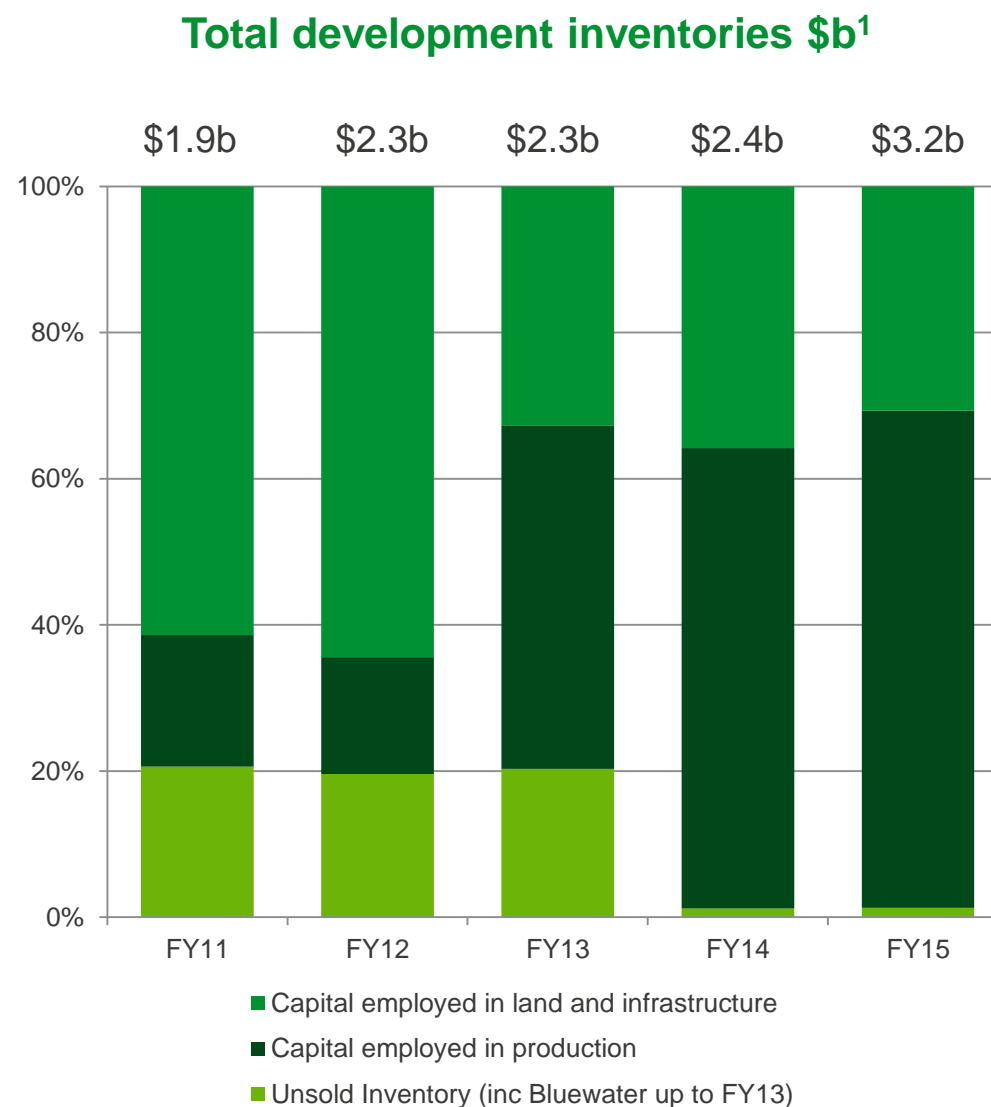
Investment Management



- Deliver broader group capital solutions while maintaining ongoing co-investment position
- Examples: Barangaroo (LLITST¹; LLOITST²) and Paya Lebar Central joint venture
- Opportunity to drive return on capital equation across the Group and deliver stable annuity earnings

Development capital

- Significant increase in production capital since FY12 - delivering strong growth in the number of apartment projects and commercial towers at major urban regeneration sites to be completed over the medium term
- ~\$2.2 billion of capital employed in production at 30 June 2015 up 46% in the last 12 months
- Peak production capital expected in FY17



Indicative net cash flow from major projects

In-delivery / conversion at 30 June 2015

	Overview	FY15	FY16	FY17	FY18
Communities	Net cash proceeds Assuming >2,000 annual lot settlements	Cash Positive	Cash Positive	Cash Positive	Cash Positive
Apartments	Net cash proceeds 25 major apartment buildings currently in delivery or conversion	Investing	Investing	Cash Positive	Cash Positive
Commercial	Net cash proceeds Barangaroo office towers – development and investment; commercial tower at Brisbane Showgrounds; commercial towers at TIQ	Investing	Cash Positive	Cash Positive	Cash Positive
Infrastructure Development	Net cash invested Secured Australian PPP projects	Investing	Cash Positive	Cash Positive	Cash Positive
Total		Investing	Cash Positive	Cash Positive	Cash Positive

We are nearing the period where our production and investment capital generates positive cash returns

Further progress made at Victoria Harbour and Elephant & Castle on new project launches

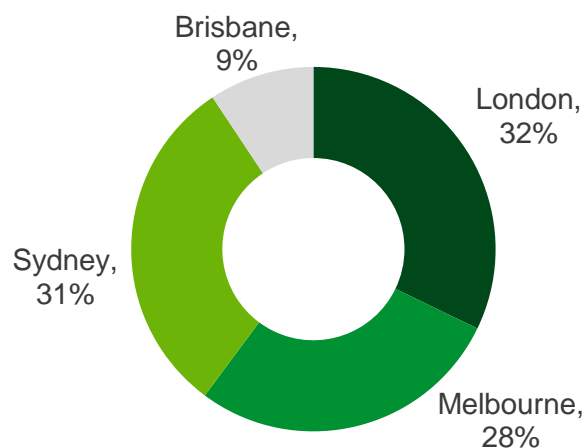
	Pre-sold and in delivery / conversion	Pre-sold % ¹	Pre-sold revenue \$m ¹	FY15	FY16	FY17	FY18	FY19
Barangaroo South	<ul style="list-style-type: none">2 apartment buildings: Anadara and Alexander159 units	100%	~\$300m	<div><div></div></div>	<div><div></div></div>			
Darling Square	<ul style="list-style-type: none">6 apartment buildings:538 units (x3 buildings)577 units (x3 buildings)	100%	~\$580m	<div><div></div></div>	<div><div></div></div>		<div><div></div></div>	<div><div></div></div>
		100%	~\$810m	<div><div></div></div>	<div><div></div></div>			
Victoria Harbour	<ul style="list-style-type: none">3 apartment buildings (ex 883 Collins):251 units (Concavo)578 units (888 Collins)536 units (889 Collins)528 units (883 Collins)²	97%	~\$255m	<div><div></div></div>	<div><div></div></div>			
		97%	~\$345m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>		
		93%	~\$335m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
		83%	~\$301m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
Brisbane Showgrounds	<ul style="list-style-type: none">7 apartment buildings:356 units (The Green x5 buildings)401 units (The Yards x2 buildings)	96%	~\$170m	<div><div></div></div>	<div><div></div></div>			
		97%	~\$210m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>		
Toorak Park Armadale	<ul style="list-style-type: none">1 apartment building:466 units	75%	~\$315m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
Wandsworth	<ul style="list-style-type: none">1 apartment building: Cobalt Place104 units: 39 units yet to settle	97%	~\$35m	<div><div></div></div>	<div><div></div></div>			
Elephant & Castle	<ul style="list-style-type: none">3 apartment buildings (ex West Grove):284 units (One The Elephant)235 units (Trafalgar Place): 7 units yet to settle360 units (South Gardens)593 units (West Grove)²	99%	~\$295m	<div><div></div></div>	<div><div></div></div>			
		99%	~\$2m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
		85%	~\$260m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
		59%	~\$339m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>
The International Quarter	<ul style="list-style-type: none">2 apartment buildings:333 units (Glasshouse Gardens)	91%	~\$265m	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>		

Indicates profit earned in financial year

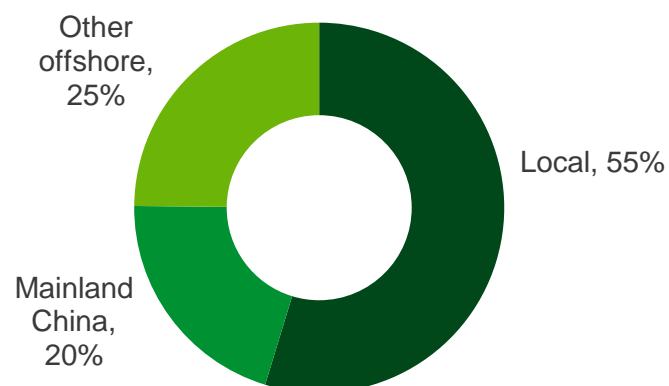
Apartment settlement outlook - low default risk

Pre-sales (by value, as at 30 June 2015)¹

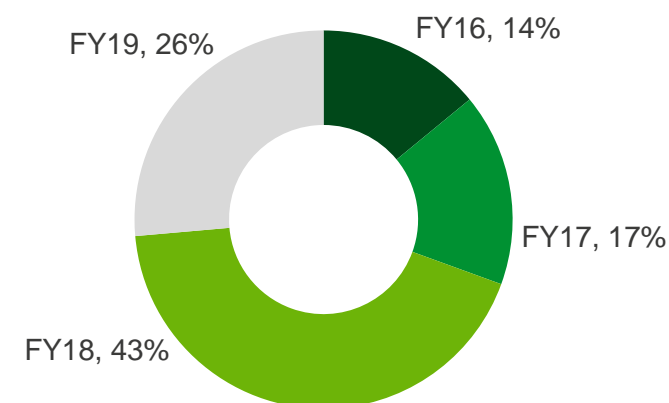
By location



By customer location



China buyer run-off profile



1. Diversification of pre-sales

- By location:
 - 4 cities in Australia / UK
 - 25 buildings in delivery
- By buyer type / price point:
 - Owner occupier
 - Investor
 - Offshore

2. Supportive market and mitigants

- ~9-23 per cent embedded price growth across all markets over the last 12-24 months² respectively
- ~18 per cent AUD:USD depreciation over the last 12 months²
- Minimum 10 per cent buyer deposit (up to 20 per cent)
- PLLACes³ has reduced exposure

3. Chinese risk overstated

- Mainland Chinese buyers represent 20 per cent of pre-sales exposure
- Low historical default across total portfolio
- No historic relationship between default rates and buyer domicile

PLLACes

- In FY15 Lend Lease completed two PLLACes (Pre-sold Lend Lease Apartment Cash flows) transactions:
 - Forward sale of apartment pre-sales to third party investors (comprising Lend Lease relationship banks and institutional fixed income investors)
 - Lend Lease maintains responsibility for delivery of project
- Rationale for transaction:
 - Efficient mechanism to manage settlement exposure
 - Caps exposure to settlement defaults beyond a certain threshold
 - Preserving future liquidity by bringing forward over \$550 million of operating cash flow by ~2.5 years
- Lend Lease to utilise this structure on selected future projects, where appropriate

PLLACes - Concavo, Victoria Harbour

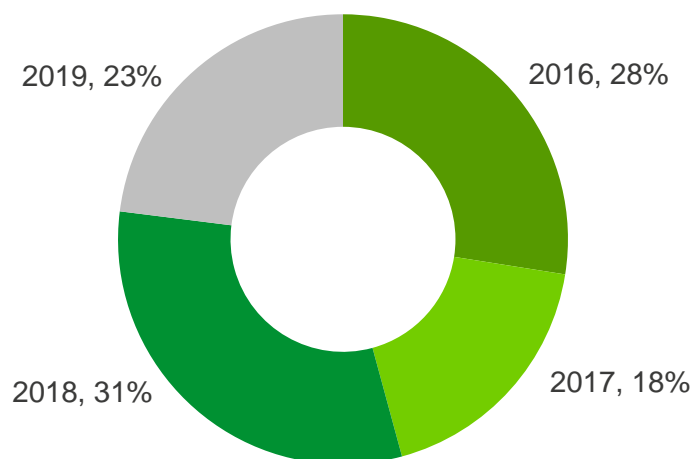


PLLACes - Darling Square



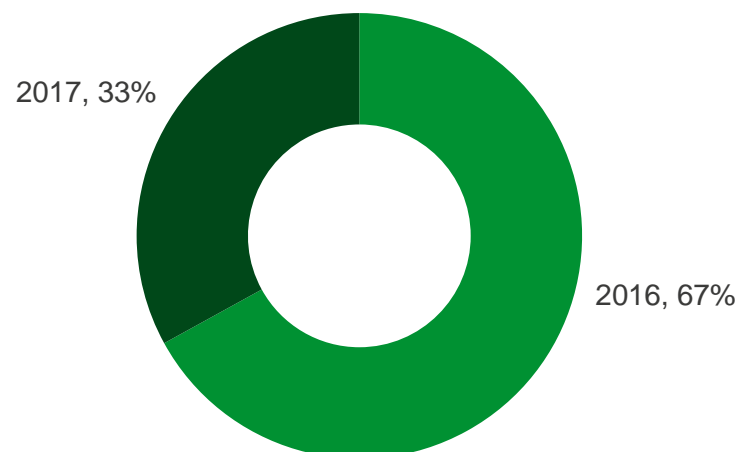
Our residential and commercial pre-sales book provides strong visibility on profit and cash

\$5.2 billion¹ pre-sold residential revenue - indicative cash receipt profile



Excludes impact of PLLACes² transactions (over \$550 million of cash brought forward to 2015 reducing future period receipts to ~\$4.6 billion)

~\$3.0 billion Barangaroo contracted commercial development revenue - indicative cash receipt profile



Excludes funding requirements for related co-investments (~\$850 million based on current Lend Lease interests, reducing future period net receipts of ~\$2.2 billion)

Other major cash opportunities

- Potential sell down of co-investment positions in LLITST³ / LLOITST⁴
- Potential capital solution on The International Quarter commercial stage 1
- Potential capital partners for retirement business
- Potential new infrastructure fund seeded by PPP equity investments

Q&A

Risk management and capital allocation



Section 4

Closing and final Q&A

Steve McCann

Group Chief Executive Officer and
Managing Director

lendlease



Illustration: One The Elephant, Elephant
& Castle, London

Outlook

- Lend Lease has a consistent and proven strategy with embedded growth in our pipeline
- Business model is both resilient and diversified, with significant barriers to entry
- Unrivalled access to third party capital to support our urbanisation strategy
- Strong risk management framework to manage property cycles
- Despite recent market volatility we are confident about our business outlook
- Significant investment in prior years now delivering greater earnings visibility and growth profile

Q&A



Section 5

Appendices

lendlease

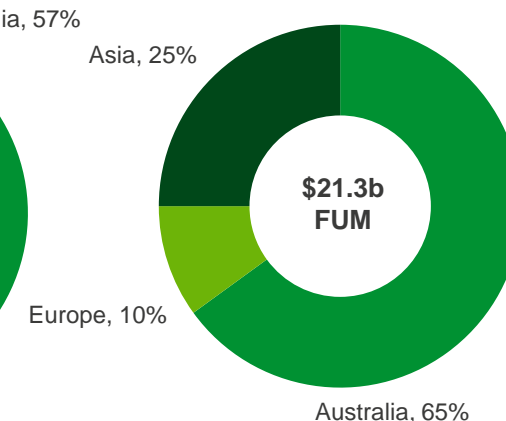
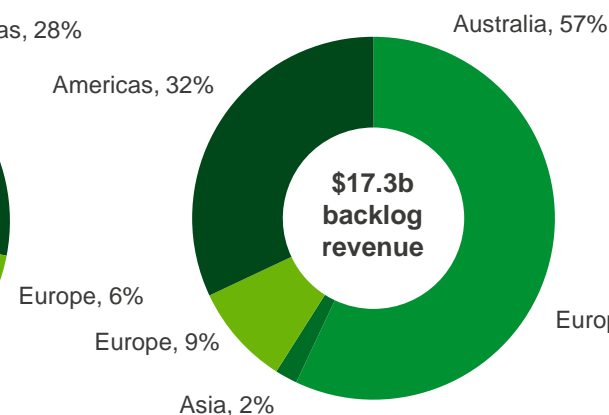
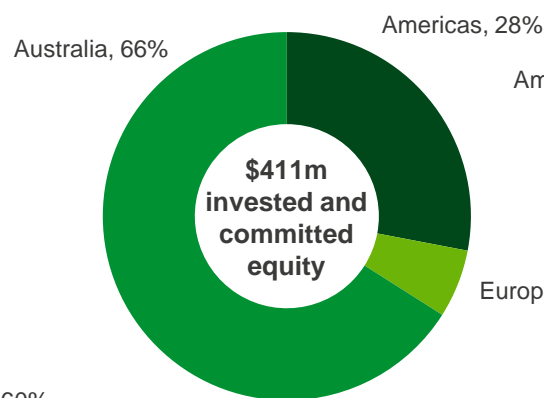
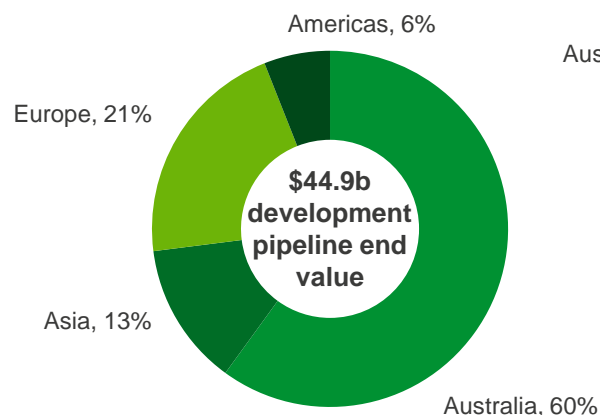


Image: Artworks,
Elephant & Castle, London

Group overview by segment

	Development				Construction		Investment Management	
	Property		Infrastructure					
	FY15	FY14	FY15	FY14	FY15	FY14	FY15	FY14
Revenue	1,927.0	2,384.5	204.2	259.2	10,936.9	11,016.0	212.2	294.6
EBITDA	502.1	862.5	131.0	22.6	279.0	271.5	230.8	247.8
PAT	389.7	681.9	103.0	16.2	159.0	144.4	193.1	203.0
EBITDA%	26.0%	36.2%	64.2%	8.7%	2.5%	2.5%	108.8%	84.1%

- Highlights¹**
- \$5.2b residential pre-sales
 - Residential land - 54,940 units
 - Residential built form - 25,960 units (17,806 apartments)
 - \$3.2b development inventory
 - Retirement village - 14,193 units
 - ~\$1.7b retirement investment
 - Five Australian PPP projects
 - Three major PPP projects reaching financial close in FY15 in Australia
 - US privatized military housing / lodging - 54,205 units managed (secured and preferred)
 - \$11.8b new work secured revenue in FY15
 - Backlog realisation: FY16 52%, FY17 25%, post FY17+ 23%
 - Target 3-4% EBITDA margin (4-5% Australia)
 - 17 funds
 - 22 retail centres
 - 150 institutional investors
 - Group investments (market value) \$1.4b



Depth of management experience



Steve McCann

Group Chief Executive Officer and Managing Director

- Joined Lend Lease in 2005 as CEO Investment Management. Appointed Group CFO in February 2007, Group CEO December in 2008, and Managing Director in March 2009
- Over 25 years of experience in real estate development and investment management, finance, investment banking, and mergers and acquisitions law



Dan Labbad

Chief Executive Officer, International Operations

- Joined Lend Lease in 1997. From July 2012 until August 2014 he was Group Chief Operating Officer. He has extensive leadership experience across the Lend Lease platform both in Australia and internationally
- Appointed Chief Executive Officer, International Operations in 2014, overseeing Europe, Americas, and Asia regions



Tony Lombardo

Group Chief Financial Officer

- Joined Lend Lease in 2007 as Group Head of Strategy and Mergers and Acquisitions. Appointed as Group CFO in 2011
- Almost ten years at GE, with responsibilities across numerous functional disciplines including Strategy, Mergers & Acquisitions and Finance, for both GE Capital and GE Corporate



Rod Leaver

Chief Executive Officer, Asia

- Joined Lend Lease in 2008
- Over 30 years experience in the property industry and has worked extensively throughout Australia and Asia



Bob McNamara

Group Chief Risk Officer

- Joined Lend Lease in 2010 as CEO Americas and appointed Group Chief Risk Officer in 2014
- Over 35 years of experience managing global businesses in the development, design, and delivery of projects



Denis Hickey

Chief Executive Officer, Americas

- Joined Lend Lease in 2012 as Managing Director of Australian development and appointed CEO Americas in 2014
- Over 20 years experience across all aspects of real estate development and investment management



Vivienne Bower

Group Head of Corporate Affairs

- Joined Lend Lease in 2012
- More than 20 years experience in Corporate Affairs and Investor Relations, in-house and consulting, including roles at Westpac, Multiplex Group, and Aristocrat Leisure



Tarun Gupta

Chief Executive Officer, Property, Australia

- Joined Lend Lease in 1994
- Has held a number of senior executive positions within Lend Lease's investment management business. Prior to his current role he was appointed Group Head of Investment Management



Karen Pedersen

Group General Counsel

- Joined Lend Lease in 2013
- More than 20 years experience in the property industry including complex highly structured transactions, funds management, new products, and corporate transactions



Michael Vavakis

Group Head of Human Resources

- Joined Lend Lease in 2010
- Over 20 years experience in Global HR and HR strategy in senior executive positions in Australia, Singapore, Hong Kong, and USA

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All figures are in AUD unless otherwise stated.