

Stock Exchange Announcement

27 November 2008

Lend Lease secures management rights for BBC and announces BBC's new CEO and CFO

Lend Lease Corporation ("Lend Lease") confirms it has completed the acquisition and novation of the management rights for Babcock & Brown Communities Group ("BBC") from Babcock & Brown Limited ("BNB") for A\$5 million, as also announced by BBC earlier today. A further A\$12.5 million will be payable to BNB if BBC securityholders approve the Lend Lease proposal at BBC's Extraordinary General Meeting (EGM) in late December 2008.

A condition of banking consent was the novation of management rights to Lend Lease, which has now been fulfilled.

Lend Lease announces the appointment of BBC's new CEO and CFO both highly experienced and proven executives. Rod Fehring, currently Chief Executive Officer (CEO) of Lend Lease Ventures, will take the position of CEO and Paul Walsh, currently Global Chief Financial Officer (CFO) of Bovis Lend Lease will become CFO of the business. BBC's current CEO, John Martin and other BNB senior management executives working in BBC will remain employees of BNB, however will be seconded to Lend Lease for a transition period.

Mr Fehring has worked in the property industry for more than 25 years and has held a number of senior positions within Lend Lease including CEO of Delfin Lend Lease; CEO of Lend Lease Communities Asia Pacific, including responsibility for the Retirement by Design business; and most recently CEO of Lend Lease Ventures. Mr Fehring is also Chairman of the Australian Housing Urban Research Institute, a Foundation Member and Chairman of the Residential Development Council, a Director of the Property Council of Australia and was recently appointed a Council Member of the Built Environment Innovation Council.

Mr Walsh has been part of the Lend Lease group for nearly 20 years, and has held numerous senior executive positions in Australia, the UK and the United States in the development, project finance, communities and construction business units, including Head of Lend Lease Project Finance, CFO of Lyonnaise Asia Water and CFO of Lend Lease International.

Lend Lease CEO and Managing Director, Greg Clarke said: "Reaching this milestone is a great step forward, for both BBC and Lend Lease, in creating a combined portfolio of over 12,000 units under management and 2,200 aged care beds.

"The BBC business will benefit from Lend Lease's proven track record in the creation and management of quality residential and community developments across Australia. We are proud to be able to announce the injection of such experienced property executives into the business, which demonstrates the depth of property and management talent within Lend Lease.

"The recapitalised BBC vehicle will be a market leader in the retirement sector. Our focus remains on continuing to deliver a high quality of service for all the village and aged care residents," he added.

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