Lend Lease
CORPORATION

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26 February 2004

The Manager
Companies Section
Australian Stock Exchange Limited (Sydney)

By electronic lodgement

The Manager
Companies Section
New Zealand Exchange Limited

By email: announce@nzx.com

Pages: Three (3) pages

Dear Sir

STOCK EXCHANGE ANNOUNCEMENT

DELFIN LEND LEASE INCREASES STAKE IN RETIREMENT BY DESIGN TO 85%

Lend Lease Corporation Limited ("Lend Lease") today announced that its wholly-owned subsidiary, Delfin Lend Lease Limited, had increased its interest in residential retirement village company, Retirement By Design, from 50% to 85%. Delfin Lend Lease acquired the additional 35% interest from DCA Group Limited ("DCA") for A$22.1 million.

Further details are contained in the attached media release.

Yours faithfully
LEND LEASE CORPORATION LIMITED

S J SHARPE
Company Secretary

Lend Lease
CORPORATION

MEDIA RELEASE **26 FEBRUARY 2004**

DELFIN LEND LEASE INCREASES STAKE IN RETIREMENT BY DESIGN TO 85%

Leading community developer, Delfin Lend Lease Limited, today announced that it had increased its interest in residential retirement village company, Retirement By Design, from 50% to 85%. Delfin Lend Lease acquired the additional 35% interest from DCA Group Limited for A$22.1 million.

Lend Lease Asia Pacific CEO, Ross Taylor, commented that the increase in ownership is recognition of this segment as an important new business opportunity, which will add further strength to the Lend Lease urban communities portfolio.

Mr Taylor said, "Retirement By Design is a market leader in retirement village development and management. It is a highly regarded business with recognised brand value, strong management expertise and a quality asset portfolio generating consistent earnings.

"Lend Lease recognises the importance of the baby boomer generation in Australia as a growth segment in the property market, making it an attractive investment and the driving force behind the decision to increase the share in Retirement By Design.

"The retirement housing market is experiencing the largest influx of people the industry has ever seen.

"Australia experienced its highest baby boomer birth rate in 1947 with 24.1 births recorded for every 1,000 people. In 2002 the first of these baby boomers turned 55, the age at which legislation allows people to live in retirement estates.

"Over the next five years, one of our key priorities will be developing living options for over 55s within our communities," Mr Taylor said.

DCA will retain a 15% shareholding in Retirement By Design. Under a preference agreement with Delfin Lend Lease, DCA will be offered sites suitable for the development of residential aged healthcare facilities on Delfin Lend Lease projects.

Based in Melbourne, Retirement By Design is one of the leaders in the residential retirement village market in Australia, operating in the independent living and apartments with services sectors. The business comprises two distinct segments – village management and village development.

Retirement By Design manages a geographically diverse portfolio of 11 retirement villages located in Victoria, New South Wales and Queensland, with more than 1,800 units under management and 2,700 residents. Assets under management are currently valued in excess of A$500 million.

ENDS

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