Lend Lease Corporation Limited
ABN 32 000 226 228
Level 4
30 The Bond
30 Hickson Road
Millers Point NSW 2000
Australia
Telephone
(612) 9236 6111
Facsimile
(612) 9252 2192
www.lendlease.com

12 July 2006

The Manager
Companies Section
Australian Stock Exchange Limited

The Manager
Companies Section
New Zealand Stock Exchange Limited

Pages: Four (4) pages

Dear Sir

STOCK EXCHANGE ANNOUNCEMENT

LEND LEASE RAISES A$120 MILLION IN INSTITUTIONAL EQUITY TO LAUNCH AUSTRALIA'S FIRST WHOLESALE COMMUNITIES FUND

Lend Lease Corporation Limited ("Lend Lease") today announced that its Investment Management division has successfully raised A$120 million in institutional equity to launch the Lend Lease Communities Fund 1 ("Communities Fund 1"), Australia's first wholesale communities fund.

Lend Lease has taken a 20% co-investment in the Fund, with the remaining equity coming from Lend Lease Investment Management's wholesale investor base.

The Communities Fund 1 has made an initial investment in three masterplanned community developments managed by Delfin Lend Lease – at Ropes Crossing in New South Wales, Lakeside in Victoria and Woodlands in South East Queensland. The portfolio is valued at approximately A$200 million and is funded via a combination of equity and debt.

Further details are included in the attached media statement.

Yours faithfully
LEND LEASE CORPORATION LIMITED

S J SHARPE
Company Secretary

Lend Lease
CORPORATION

MEDIA RELEASE **12 JULY 2006**

LEND LEASE RAISES A$120 MILLION IN INSTITUTIONAL EQUITY TO LAUNCH AUSTRALIA'S FIRST WHOLESALE COMMUNITIES FUND

Lend Lease Corporation Limited ("Lend Lease") today announced that its Investment Management division has successfully raised A$120 million in institutional equity to launch the Lend Lease Communities Fund 1 ("Communities Fund 1"), Australia's first wholesale communities fund.

Utilising a combination of debt and equity, Communities Fund 1 has made an initial investment in three master-planned community developments managed by Delfin Lend Lease – at Ropes Crossing in New South Wales, Lakeside in Victoria and Woodlands in South East Queensland. The portfolio is valued at approximately A$200 million.

Lend Lease has taken a 20% co-investment in the Fund, with the remaining equity coming from Lend Lease Investment Management's existing wholesale investor base. The Fund will operate in the "value-add" segment of the risk/return spectrum targeting a minimum return of 15% p.a. The expected life of the Fund is six years.

Two weeks ago, the Group announced the successful launch of the Lend Lease Core Plus Fund, raising A$205 million in equity. Lend Lease Investment Management now has a portfolio of discrete wholesale property funds in Australia which spans the risk/return spectrum – the three APPF vehicles (Retail, Commercial and Industrial); Lend Lease Real Estate Partners 1 & 2; Lend Lease Core Plus Fund and Communities Fund 1.

Global CEO of Lend Lease Investment Management, Steve McCann, said the Communities Fund 1 demonstrates Lend Lease's commitment to the delivery of innovative products which are aligned to the key requirements and appetite of its wholesale investors.

"The creation of the Fund allows our wholesale investors to partner and leverage Delfin Lend Lease's leading brand and track record in delivering quality large scale master-planned communities," Mr McCann said.

"At the same time the Communities Fund 1 provides Delfin Lend Lease an opportunity to improve its capital efficiency, while maintaining an on-going exposure to the future development earnings from the projects," he said.

Delfin Lend Lease will continue to provide development management, project management and marketing and sales services on each of the projects. It is anticipated that the new Communities Fund 1 will be the first in a series of funds that will invest in master-planned community developments created by Delfin Lend Lease.

Mr McCann said, "The launch of the Core Plus Fund and Communities Fund 1 clearly demonstrates the competitive advantage enjoyed by Lend Lease Investment Management via the wider Group's asset creation and end-to-end property skill base. Both new Funds offer investors the opportunity to gain exposure to quality product created by or sourced from within Lend Lease."

ENDS

Further information

Steve McCann
Lend Lease
02 9277 2018

John Frey
Cosway Australia
0411 361 361

Attachment: Key Facts

Lend Lease
Investment Management

KEY FACTS

LEND LEASE COMMUNITIES FUND 1 – INITIAL ASSETS

- Ropes Crossing, St. Marys, NSW. Located 45km west of Sydney's CBD, Ropes Crossing has a site area of 161 hectares. Sales commenced in mid 2005, and the project has an expected yield in excess of 1,300 lots.

- Lakeside at Pakenham, VIC. Located 55km south east of Melbourne's CBD, Lakeside has a site area of 222 hectares. Sales commenced in 2002, and the project has an expected yield in excess of 2,200 lots.

- Woodlands, QLD. Located 39 km south of Brisbane's CBD, Woodlands has a site area of 138 hectares. Sales commenced in late 2005, and the project has an expected yield in excess of 1,200 lots.

LEND LEASE INVESTMENT MANAGEMENT

Lend Lease Investment Management ("LLIM") has over A$12 billion in assets under management globally on behalf of a range of international and domestic investors.

In Asia Pacific LLIM manages:

- The **Australian Prime Property Funds (APPF),** comprising three sector-specific wholesale property trusts, investing in predominantly core Australian properties.

- The **Real Estate Partners (REP)** series of funds, providing access to enhanced returns through investment in real estate related assets requiring active management.

- **Asia Pacific Investment Company (APIC)**, a series of defined-life real estate vehicles managed in Singapore, focused on investing in core real estate investments, predominantly in the Singapore retail market.

- **Lend Lease Core Plus Fund (LLCPF),** an open-ended diversified wholesale property fund targeting niche assets in traditional and non-traditional sectors.

Lend Lease also has a 50% joint venture with Resolution Capital Limited, a specialist investment manager in the Australian Listed Property Trust (LPT) market, managing a portfolio of discrete mandates.

In the United Kingdom LLIM manages:

- **Lend Lease Retail Partnership (LLRP),** an unlisted Limited Partnership based in England, which owns 25% of Bluewater Shopping Centre, Kent and 100% of Touchwood, Solihull

- **Lend Lease Overgate Partnership (LLOP),** an unlisted Limited Partnership based in England, which owns 100% of Overgate Shopping Centre in Dundee, Scotland.

In addition Lend Lease has a presence in European property funds management via Generali Lend Lease, a 40% joint venture with Europe's largest insurance company, Generali.

ENDS