Lend Lease Corporation

25 July 2007

The Manager
Companies Section
Australian Stock Exchange Limited

The Manager
Companies Section
New Zealand Stock Exchange Limited

Pages: Three (3) pages

Dear Sir

Stock Exchange Announcement

Lend Lease selected for £1.5 billion regeneration project at Elephant and Castle in London

Lend Lease Corporation Limited ("Lend Lease") today announced that it has been selected by the London Borough of Southwark as its Master Development Partner to complete the £1.5 billion (approximately A$3.5 billion) regeneration of 23 hectares (56.8 acres) of previously developed land at Elephant and Castle in Central London.

The project is one of the most significant schemes of its type in Europe, comprising some 366,200 square metres (almost 4 million square feet) of new build, mixed-use development, together with major infrastructure improvements, and a range of enhanced community facilities including provision for a new library and lifelong learning centre, leisure and civic amenities. The location, within two miles of London's West End, is unrivalled for a development of this scale.

Lend Lease and its consortium members, which include First Base Limited, the affordable housing specialist which is 45% owned by Lend Lease, and Oakmayne Properties Limited, a London-based developer, are currently preparing to submit an outline planning application for the masterplan in 2008. It is anticipated that construction work will commence in 2009, with redevelopment taking place over the next ten years.

Further details are included in the attached media statement.

Yours faithfully
LEND LEASE CORPORATION LIMITED

S. Sharpe

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Company Secretary

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Lend Lease Corporation

Media Release

Lend Lease wins £1.5 billion regeneration project at Elephant and Castle

25 July 2007

Lend Lease Corporation Limited ("Lend Lease") has been selected by the London Borough of Southwark as its Master Development Partner to complete the £1.5 billion (approximately A$3.5 billion) regeneration of 23 hectares (56.8 acres) of previously developed land at Elephant and Castle in Central London.

The win positions Lend Lease at the forefront of the UK's property development industry, adding to a portfolio which includes the £5.5 billion Stratford City Zones 2–7 scheme (incorporating the Athletes' Village for the London 2012 Olympic Games and Paralympic Games) and £5 billion Greenwich Peninsula development (a joint venture with Quintain Estates and Development Plc).

Lend Lease will develop the scheme with partners First Base Limited, the mixed-tenure housing specialist 45% owned by Lend Lease, and long-term Southwark developer Oakmayne Properties Limited. Working closely with the London Borough of Southwark and other local stakeholders, the Lend Lease team will develop proposals for submission as an outline planning application for the masterplan in 2008.

The proposed regeneration of Elephant and Castle is on a scale rarely seen in Central London, totalling more than 366,000 square metres (4 million square feet) of mixed-use development. In outline, the proposals will include:

- Over 3,500 new homes, covering more than 287,000 square metres (3 million square feet)
- 46,500 square metres (500,000 square feet) of new retail, leisure and restaurant space
- 32,500 square metres (350,700 square feet) of new office space including affordable new office accommodation
- Major infrastructure and public transport improvements
- New public realm amenities, including a new civic square, town park and other open spaces.

The masterplan also incorporates a new library and lifelong learning centre, a new leisure centre and healthy living centre and new educational facilities.

Lend Lease expects construction work to commence in 2009, subject to planning approval and related ownership and legal agreements, with the redevelopment taking place over the next ten years.

Commenting on its appointment, Lend Lease Europe Chairman, Nigel Hugill, said: "We are delighted to have been selected to revitalise this iconic district of London. A development of this scale within two miles of London's West End is unprecedented.

"Today's appointment adds to our substantial roles at Stratford City and Greenwich Peninsula, and marks another important step in the evolution and expansion of our Communities business in the UK. Lend Lease is now in a position to make a meaningful impact on the regeneration of this great city", he said.

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The site is located in Central London, just 1.5 miles south of the City of London, and two miles south west of the West End. It benefits from excellent transport infrastructure, including an underground station with two lines, a national network railway station and an extensive bus network.

ENDS

Further information:

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Notes to editors:

Founded in Australia in the 1950s and listed on the Australian Stock Exchange, Lend Lease is a leading real estate specialist which creates, enhances and manages real estate assets around the world. The Group's activities are primarily focused in the regions of Asia Pacific, Europe and the US, and cover over 40 countries on six continents.

In the UK its business is focused primarily on the delivery of large scale, retail and mixed-use schemes which lead to the regeneration of town centres and major urban sites.

Lend Lease provides cohesive in-house solutions for mixed-use developments, from planning and consultation, to development, funding, construction and asset management. In addition, through First Base (a joint venture with Elliott Lipton) and Crosby Lend Lease, the Group's residential development business, it can deliver affordable and private homes as part of integrated retail, commercial and residential developments.

The Group also provides international project and construction management services through Bovis Lend Lease.