

13 August 2007

The Manager
Companies Section
Australian Stock Exchange Limited

The Manager
Companies Section
New Zealand Stock Exchange Limited

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Dear Sir

Stock Exchange Announcement

Australian Taxation Office withdraws appeal to Federal Court on Westpac warrants issue

The Australian Taxation Office ("ATO") has advised Lend Lease Corporation Limited ("Lend Lease") that it has withdrawn its appeal in the long-running dispute relating to the forward sale of 100 million Westpac shares in 1996 which was due to be heard today by the Full Federal Court.

The ATO will be required to repay to Lend Lease the approximate A\$70 million balance of the payment Lend Lease had made under the amended assessment issued in 2002, plus interest.

As Lend Lease has always been confident of its position throughout and has treated this amount as a receivable in its accounts including accruing interest, the repayment of the monies by the ATO will have no impact on the Company's earnings.

Yours faithfully
LEND LEASE CORPORATION LIMITED



S J SHARPE
Company Secretary