

ASX Announcement

Lend Lease 2009 Annual General Meeting

12 November 2009

At Lend Lease Corporation's ("Lend Lease") Annual General Meeting today, Chairman, Mr David Crawford, said the group's disciplined financial management enabled Lend Lease to come through the economic downturn in strong shape and well positioned to take advantage of opportunities as and when the market cycle turns.

"Lend Lease has not had to reduce excessive debt or to refinance debt at the insistence of lenders. While we raised a modest amount of equity during the year, it was done for a strategic advantage, not because we had to carry out urgent and highly dilutive repairs to the balance sheet. We have been able to keep our high quality development pipeline intact and have never been in danger of being a forced seller of assets," Mr Crawford said.

Lend Lease delivered Net Operating Profit after Tax of \$307 million for the 2009 financial year which was slightly ahead of market guidance and a Statutory Loss after Tax of A\$654 million in the face of dramatic falls in real estate values around the world. In addition, during the year Lend Lease revised its future dividend payout ratio to between 40% and 60% of Net Operating Profit after Tax.

A key highlight for the year was the appointment of a new Managing Director and CEO, Steve McCann, who was previously Finance Director and Global Head of Investment Management.

In the 11 months since Mr McCann's appointment, Lend Lease has completed an equity raising to maximise financial flexibility; undertaken a thorough strategic review of all of its businesses; restructured the organisation and materially reduced our cost base in line with current market conditions; positioned Lend Lease as the leading fund and asset manager in the retirement living sector; and launched a proposal to acquire the remaining shares in Lend Lease Primelife that it does not already own as well as a proposal to create a stapled security structure for Lend Lease.

Lend Lease CEO and Managing Director, Steve McCann said: "Over the long term Lend Lease is aiming to be an unquestioned leader in the property space internationally. This will see us reshape our portfolio, establish and support the right growth initiatives and invest in the best people."

"With the first step on our strategic path largely complete, we now have the right structure and cost base to deal with current market realities. We also have clear priorities for our project pipeline and are targeting key strategic deals which play to our strengths across the property value chain.

"I believe our businesses operated creditably during the storm that was the 2009 financial year.

“In terms of market outlook, while we are seeing signs of improvement in some of our markets, we are yet to see a broad and sustainable recovery.”

Mr McCann said while the Australian economy remains resilient, the US and UK markets remain difficult and recovery in those markets will be slow. In addition, despite the strong performance of Bovis Lend Lease in 2009, construction markets in all regions have now slowed. The rising Australian dollar is also expected to impact earnings in the current financial year.

“In this environment we do not intend to give specific earnings guidance. We are nevertheless confident of the group's outlook over the long term,” Mr McCann said.

For more information contact:

Sally Cameron

Lend Lease Corporation

Tel: 02 9236 6464