

## Chairman's Address – Appointment of New CEO

Good morning, everyone. I'm Jill Conway, Chairman of Lend Lease, and I want to tell you all this morning what great pleasure I take in introducing Greg Clarke as the new CEO of the Lend Lease Group.

Greg brings an impressive record of achievements with building international businesses, and he's experienced hands-on operations management and business integration at an international level. He has the skills we need to complement our real estate and finance skill base and to deliver value to our shareholders.

Greg's background is a very impressive one. During his working career he has gained experience in product planning, sales and marketing management. He has been personally responsible for the development of joint venture operations and was at the forefront of building Cable & Wireless' mobile business, having responsibility for 50 networks in 33 countries.

Greg was instrumental in the formation of Cable & Wireless Communications from Mercury, Bell, Cable Media, Nynex and Videotron. He became chief operating officer of that company with full responsibility for the P&L and with 9,000 staff and a turnover of about \$A12 billion.

His career has seen him take senior management responsibility for a broad range of corporate disciplines, ranging from consumer marketing and brand development to IT.

Most recently, as CEO Greg led ICO Teledesic to develop and commercialise a global mobile communications service based on satellite infrastructure. Greg led the launch of the first satellite, the operational testing and regulatory approvals, and with ICO Teledesic he was able to bring them to the point of commencing operations next year.

He's also had a very interesting, broad-ranging career in the transformation and globalisation of a whole business sector and industry, and he has played a very significant part in designing, integrating, joint venturing organisations in the rapidly changing telecoms market.

Greg brings a broad range of things to Lend Lease Corporation. When we commenced our search for the new CEO, we said we were looking for a new style of leadership to take the company to the next leg of its globalisation journey.

We've been looking for someone with significant experience and achievement in hands-on and operational management and strategy execution at the international level.

Under David Higgins, Lend Lease has built a global business platform that has many unique characteristics but, as is evidenced by the current review of the REI business in the US, we now have to switch focus to optimising value by getting the best out of what we've acquired.

The Board was very pleased with the range of talent and the level of interested executives who were keen to lead Lend Lease, and we are delighted to have selected Greg to take on that role.

What stood out for us about him was that he's been at the very centre of the globalisation of his industry and that he has been able to move very rapidly and quickly in the new organisations and he's been very successful in bringing together culturally diverse executive teams and motivating them to work in a seamless organisation.

He has had personal operational experience in areas essential to operational excellence for Lend Lease – business integration, product and customer service developments, IT, cross-border, customer networking.

We think he's ideal for the role at this time and this particular point in the company's history. Having spent a considerable amount of time talking with Greg and getting to know him, I feel his team-building approach and business skill-set is an excellent complement to that of our existing senior executive team of Ross Taylor, David Ross and Robert Tsenin, who will all continue in their current roles.

I want to conclude by telling you a few personal things about Greg that struck us all as we were working as a Board to find this new leadership.

When Greg came for his first interview, one of the things he said to us which made a very striking impression was that he had used his connections in international security services, where he had worked a lot in the telecom industry, to check out Lend Lease Corporation and find out what its standard of ethics was, whether it had ever been engaged in any business practices that were customary in large globally expanding organisations, had it ever tangled with any foreign corrupt practices.

He said, "I checked you out that way because I wouldn't even be here interviewing if I weren't satisfied that this was an organisation of the highest ethical standards."

Everybody else who came to be interviewed had studied the financials and had looked at earnings projections, but that was not something they had taken the time to check out. So that stood out for us about him.

In addition, he's a father of four wonderful daughters. His interest and concern in them and their education sits paramount in the way that he thinks about his life and career, and he's very committed to see organisations develop that have opportunities for talented young women within them, and that was a strong recommendation to us all, too. He is a man with some of the values and interests in the future and a very creative builder of organisations.

There's a lot more we could say about him this morning, but I'm going to turn the microphone over to him so he can introduce himself. I hope you'll all give him a warm and attentive hearing. This is his first day on the job, and so we're happy to have him meeting all of you.