

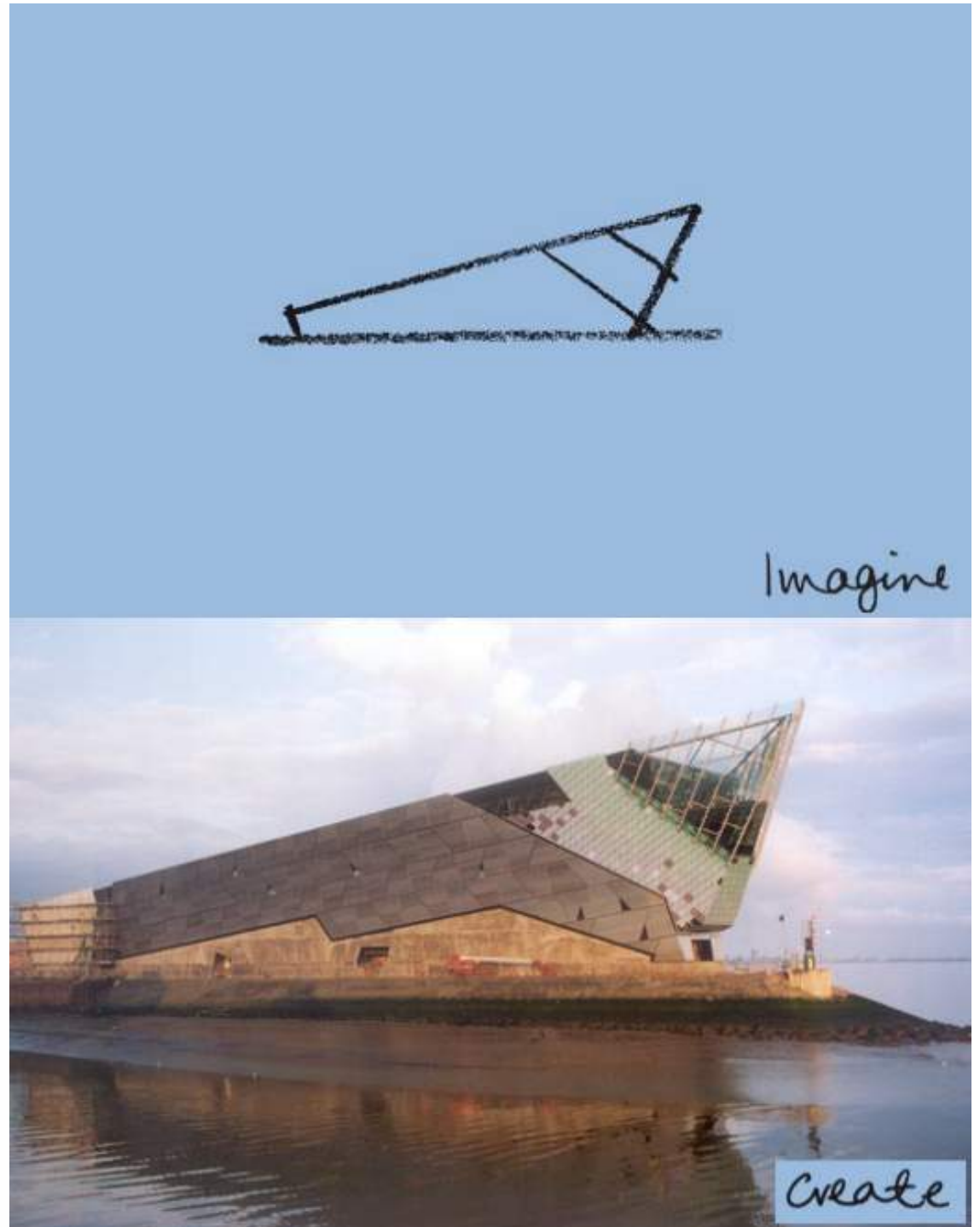


Lend Lease Group

Introduction and  
Strategy Overview

Roger Burrows  
Group CFO

Investor Roadshow  
UK & US – May 2006



# Agenda



- Welcome and Tour Overview
- Strategic Overview
- Capital Management and Capital Allocation
- Business Plan Summary
- Questions

## UK & CEMEA Businesses

- Wednesday 10 May
  - Bovis Lend Lease UK and CEMEA
  - UK PFI
  - Retail and Communities Strategic Overview
- Thursday 11 May
  - UK Retail and Communities
  - Warrington Retail Project and Crosby GreenQuarter Project
  - Q&A with Group CEO
- Friday 12 May
  - Crosby
  - Leeds Hospital PFI Project
- Saturday 13 May
  - Chelmsford Retail Development Project
  - Transfer to New York

## US Businesses

- Sunday 14 May
  - King of Prussia
- Monday 15 May
  - Bovis Lend Lease Americas
  - WTC New York
- Tuesday 16 May
  - Actus Lend Lease
  - Fort Campbell, Kentucky Project

Lend Lease is a property business that is focused on specific geographies and sectors that provide diversification benefits which maximise the opportunity to generate consistent earnings growth. The objective is to generate market outperformance over the medium and long term.

## Portfolio

- Interconnected property businesses operating across the value chain and generating significant synergies

## Diversification

- Business diversity across geography and business sectors
- Focused on opportunities that match our skill-sets

## Consistent earnings growth

- Targeting circa 10%+ eps growth

## Outperformance

- Strong, competitive business units in attractive markets
- Primary management objective is consistent performance

# Lend Lease Strategic Intent – Unchanged



- 12 months ago the Group set out a strategic vision
- We have made significant progress towards achieving our strategic goals
- We are even more confident about our outlook than a year ago

*Vision*

'A leading international retail and residential property group, integrated with strong investment management and construction management businesses'

*Mission / Strategy*

End to end integrated property skills...

... focused on the right sector niches, geographies, clients & partners...

... via a disciplined business management system

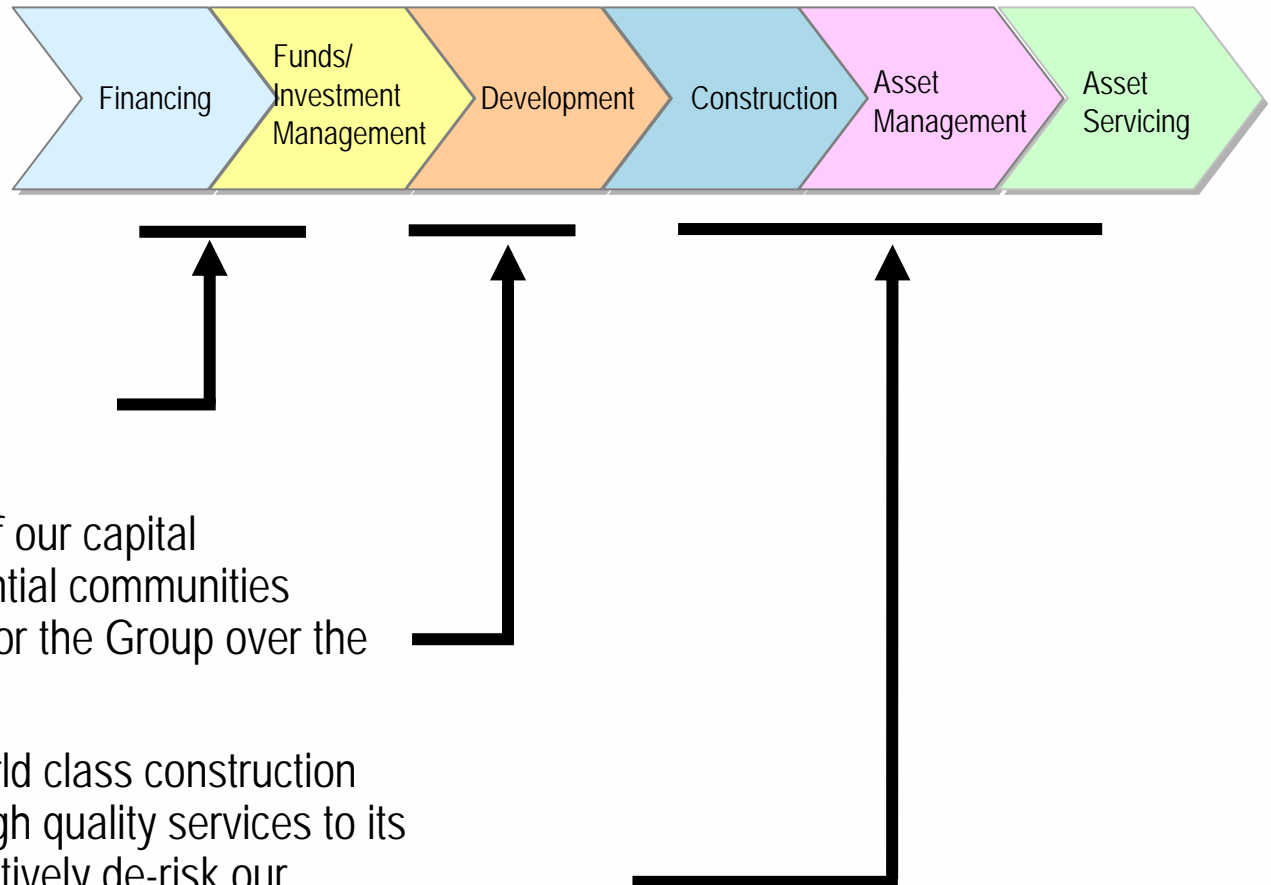
*Values / Brand Image*

'A creative property group, with global reach and world class local capability ... passionate about safely creating, building, managing and owning inventive and sustainable people places'

# Group Continues to Focus on its Strengths



- Our business model is based on our end-to-end integrated property skill-sets
- At the 'front end' we have a robust and 'smart' investment management business that can access third party capital and effectively interface with the capital markets
- In the 'middle' we have focused most of our capital on our activities in the retail and residential communities sectors – which have the most upside for the Group over the longer term
- At the 'back end' we have a strong, world class construction management business that provides high quality services to its third party clients and allows us to effectively de-risk our development activities. In some cases we also provide facilities management services



# Focusing on the Right Markets and Sectors



- Businesses are focused where we are advantaged and can see material growth
- While we will participate in most sectors, the shaded areas indicate where Lend Lease will invest capital
- Capital principally applied to the following sectors
  - Retail
  - Communities
  - PFI
- Capital principally applied in the following geographies
  - UK
  - US
  - Australia / Singapore

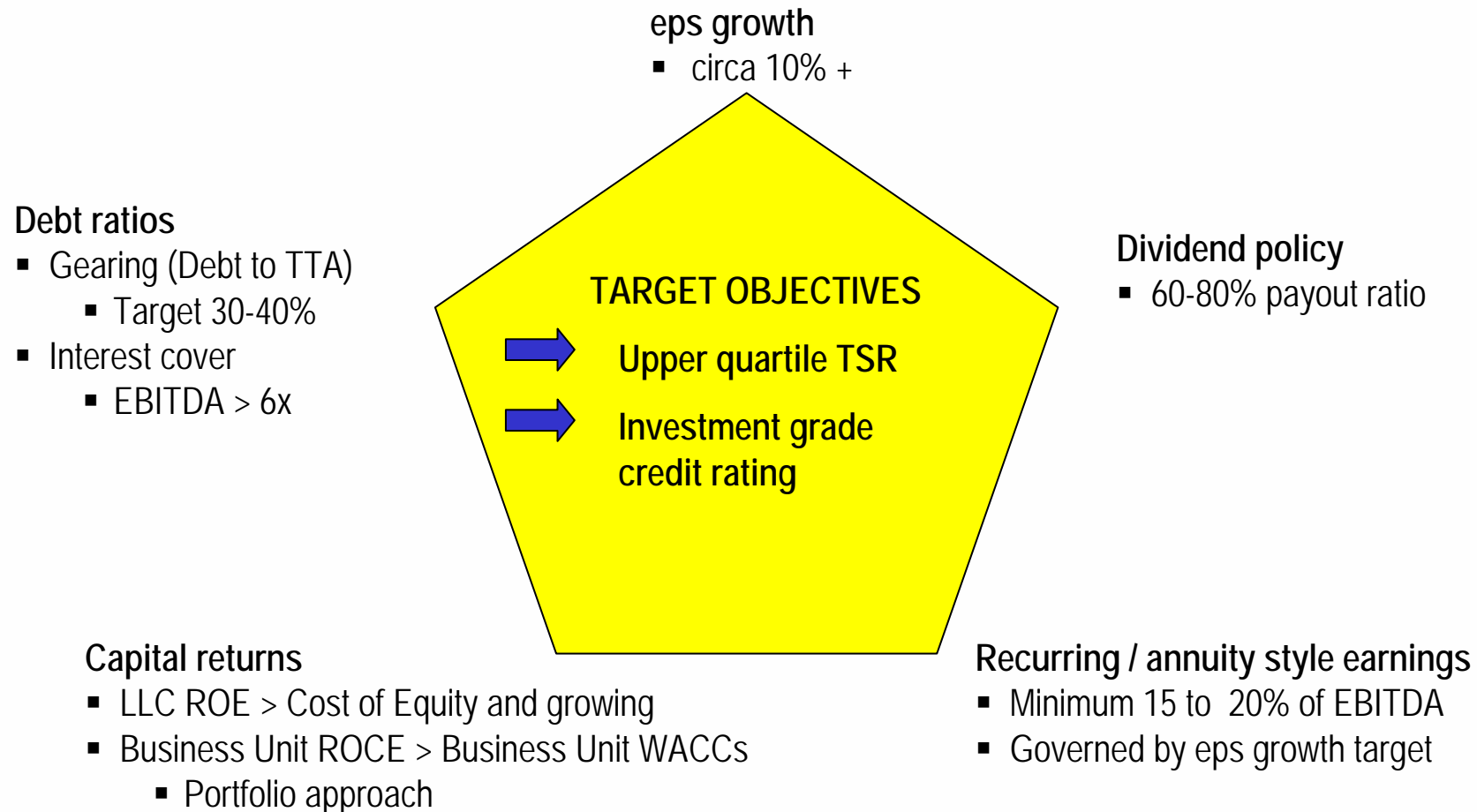
Sectors	Business Streams					
	Fund/ Finance	Invest /Funds Mgt	Develop	Construct	Manage	Service
<i>Commercial</i> Retail Office Hotel Industrial	Australia, UK, Singapore			UK US		
<i>Residential Communities</i> Masterplanned Communities Inner-urban / apartments	Australia, UK, US			Australia CEMEA S/E Asia Japan		
<i>PFI</i> Health Education Military	UK,US, Europe					

= areas where we will apply LLC capital

# Disciplined Capital Allocation Model



- Clear financial parameters used to assess pipeline

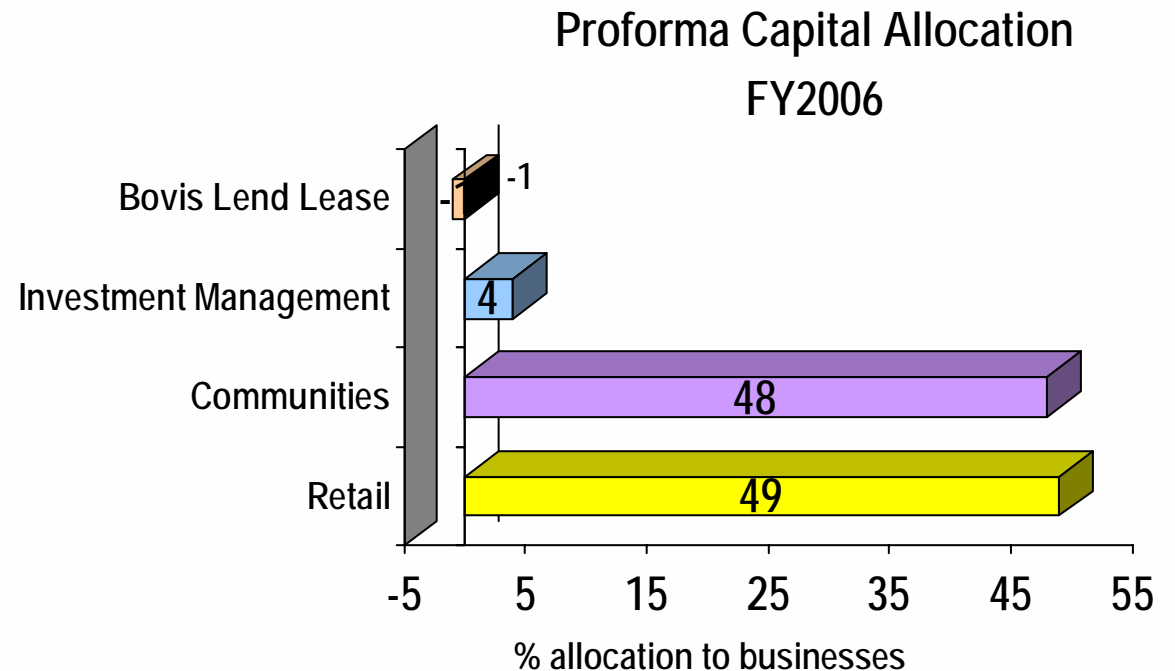


# Capital Allocation to Businesses



## ■ Key features:

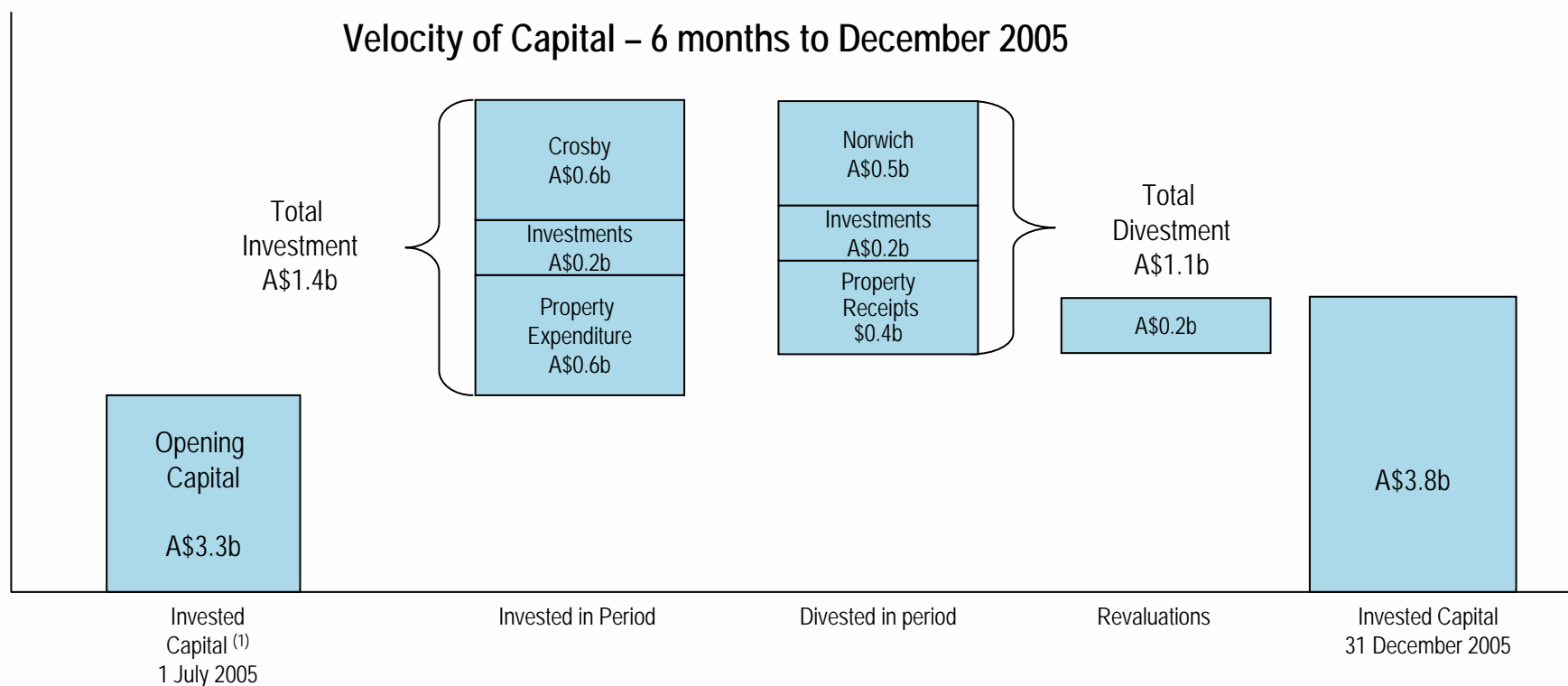
- Investing to secure substantial growth opportunities in Retail & Communities business
- Bovis Lend Lease requires little capital but delivers circa 30% Group PAT
- Allocation to Investment Management will reflect needs of funds management operations only as asset capital will run through Retail and Communities business



Note: FY2006 Bovis Lend Lease will be a net contributor of capital to the group

# Velocity of Capital

- Business model involves the realisation of value through significant capital velocity
- Group expects to invest a significant amount of capital over the next 3 years of its plan

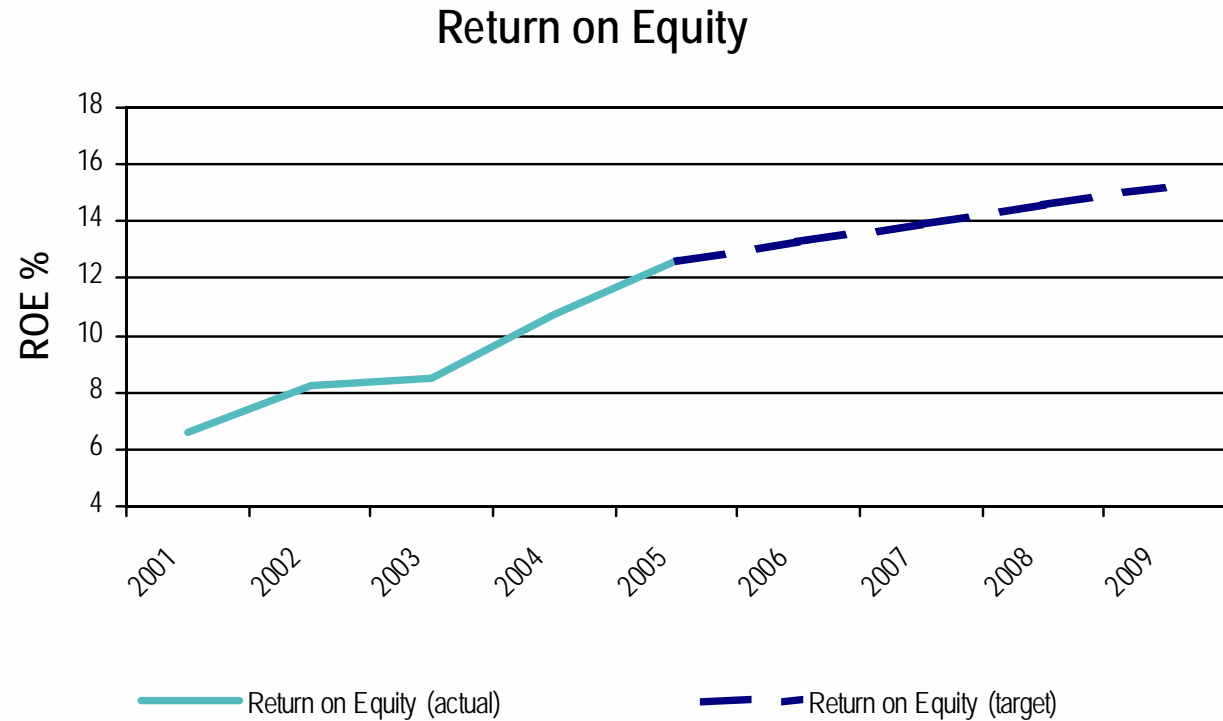


(1) Note: Invested Capital comprises Inventories (excluding construction WIP); Equity Accounted Investments; Other Investments; Other Receivables (that are akin to investments).

# Return on Equity



- The Group has significantly improved its Return on Equity (ROE)
- Targeting to exceed 15% over the 3 year plan period to June 2009



# Business Plan Summary



- The Group is in a strong financial position and is well placed to deliver value to shareholders
- The key objectives of the Group under our 3 year plan are
  - Continue building UK retail pipeline and ensure resources are in place
  - Pursue further Asia Pacific retail opportunities
  - Optimise Crosby growth through integrated deal flow
  - Exploit Actus Lend Lease's strong market position
  - Establish US Communities (non-military) business
  - Build Investment Management fund creation momentum
  - Manage Bovis Lend Lease earnings momentum
- Acquisitions of businesses have not been assumed in the 3 year plan, although they are contemplated in the strategy
- Plan operates within the Group's targeted financial parameters and has the potential to generate significant shareholder value