

DIRECTORS' REPORT

The Directors present their report together with the Half Year Financial Report of Lend Lease Corporation Limited (the Company) and the Consolidated Financial Statements of the economic entity (Lend Lease) for the six months ended 31 December 2000.

1. DIRECTORS

The name of each person who has been a Director of the Company between 1 July 2000 and the date of this report is:

J K Conway, Chairman	Director since 1992, Deputy Chairman since 1998, appointed Chairman in November 2000
D H Higgins, Managing Director	Managing Director since 1995
A Aiello	Director since 1998
E D Cameron	Director since 1989
Y H Chua, BBM	Director since 1994
G G Edington	Director since 1999
P C Goldmark	Director since 1999
D J Grady	Director since 1994
S G Hornery, AO	Director since 1977, Chairman since 1988, retired in November 2000
R A Longes, Deputy Chairman	Director since 1986, Deputy Chairman since 2000
R G Mueller, CBE	Director since 1996
R E Tsenin	Director since 1997

2. REVIEW OF OPERATIONS AND CONSOLIDATED RESULTS

Review of operations is included in Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) included with the Consolidated Financial Statements.

For the six months to 31 December 2000, Lend Lease earned an operating profit after tax of \$108.8 million, a decrease of 60.6% compared to the profit for the six months ended 31 December 1999 of \$276.2 million.

A decreased unfranked interim dividend of \$55.8 million (December 1999 \$162.8 million) (fully franked at 36% at December 1999) has been resolved by the Directors. This represents a dividend payout ratio of 51% (December 1999 59%). The interim dividend of 13 cents per share will be paid on 14 March 2001 (prior year 32 cents per share paid on 15 March 2000).

3. ROUNDING OFF

Lend Lease Corporation Limited is a company of the kind referred to in the Australian Securities and Investments Commission Class Order 98/100 dated 10 July 1998 and in accordance with that class order amounts in the financial statements and this report have been rounded off to the nearest tenth of a million dollars, or where the amount is \$50,000 or less, zero, unless specifically stated to be otherwise.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

Sydney, 15 February 2001.

J K CONWAY
Chairman

D H HIGGINS
Managing Director