ASX Announcement

19 February 2024

Lendlease Group 2024 Half Year Results Announcement, Presentation and Appendix

Lendlease Group today announced its results for the half year ended 31 December 2023. Attached is the HY24 Results Announcement, Presentation and Appendix.

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

Investors:	Media:
Michael Vercoe	Stephen Ellaway
Head of Investor Relations	Executive General Manager, Corporate Affairs
Mob: +61 488 245 205	Mob: +61 417 851 287

Authorised for lodgement by the Lendlease Group Disclosure Committee

19 February 2024

Portfolio and business simplification progressing; improving operational outlook in the second half

For the half year ended 31 December 2023[1]:

- Core Operating[2] Profit after Tax (Core OPAT) of $61m, down 42 per cent
  - Core Operating Earnings Per Security of 8.8 cents
  - Interim distribution of 6.5 cents per security
- Statutory Loss after Tax of $136m
  - Statutory Loss Per Security of (19.7) cents
  - $125m lower investment property valuations in the Investments segment
  - $56m redundancy costs from business optimisation
  - $22m provision in relation to retrospective building remediation regulations in the UK

Key business achievements:

- $1.3b sale of 12 Communities projects; 20% premium to book value
- Actioned 90% of announced cost savings; on track to achieve ~$60m pre-tax in FY24
- $0.6b[3] of residential presales in the period, increasing the total to $4.7b
- Successful opening of the $1.5b urban retail centre “The Exchange TRX”; 96% leased
- Funds under management (FUM) of $48b resilient against ongoing valuation headwinds
- Development work in progress (WIP) of $20.8b; $6b of secured FUM
- Americas Construction portfolio refinements; exit West Coast and Central operations

Outlook:

- The Group has revised its expected FY24 Return on Equity guidance to 7 per cent, reflecting lower certainty of transaction timing and higher execution risks

HY24 Result Summary[1]

The Group recorded a Statutory Loss after Tax and a modest Core OPAT as it continues to face difficult real estate capital market conditions with slower first half activity and lower property valuations.

---

[1] Comparative period, the half year ended 31 December 2022.
[2] Reflects Statutory earnings adjusted for Investment property revaluations (including in Other financial assets and Equity accounted investments) that are classified in the Investments segment, and material one-off items that could not reasonably have been expected to arise from normal operations.
[3] Lendlease share of presales across projects and joint ventures.

Lendlease Corporation Limited ABN 32 000 226 228 and
Lendlease Responsible Entity Limited ABN 72 122 883 185 AFS Licence 308983
as responsible entity for **Lendlease Trust** ABN 39 944 184 773 ARSN 128 052 595

Level 14, Tower Three, International Towers Sydney, Exchange Place, 300 Barangaroo Ave, Barangaroo NSW Australia
Telephone +61 2 9236 6111 | Facsimile +61 2 9252 2192 | www.lendlease.com

For personal use only

Notwithstanding these challenges, a number of strategic initiatives were progressed including the announced sale of 12 Communities projects and further cost savings from streamlining our operations.

Global Chief Executive Officer and Managing Director, Tony Lombardo said, *"Despite challenging capital markets, we've continued to execute on our stated strategic initiatives, simplifying the business and further streamlining our operations. We reached a major development milestone with completion of the $1.5b retail development, The Exchange TRX, and are nearing completion on $2b of luxury apartments at One Sydney Harbour, Barangaroo."*

Items affecting Statutory result

The Group recorded a Statutory Loss after Tax of $136m compared with a loss of $141m in the prior corresponding period. Statutory earnings were affected by a reduction in investment property valuations in the Investments segment of $125m, redundancy costs of $56m, an additional $22m provision in relation to UK building remediation regulations, and $6m in profit from the Non core segment.

Financials

Core OPAT, the Group's measure of underlying earnings, was $61m for the period, down 42 per cent. Core Operating Earnings per Security of 8.8 cents equates to a Return on Equity of 1.9 per cent. Interim distributions per security of 6.5 cents represents operating income from the Trust during the period.

Capital invested across Investments and Development increased by 11 per cent to $11.2b. Investments capital remained steady at $4.0b, with $150m deployed into APPF Retail, largely offset by the sale of Darling Square retail. Development capital increased 18 per cent to $7.2b and is expected to reduce in subsequent periods as key projects complete. The Group continues to target a higher capital allocation to Investments, with a re-weighting towards 60 per cent.

Gearing of 22.9 per cent is anticipated to reduce to at or around the mid point of the 10-20 per cent target range by the end of FY24. Net cash proceeds of $1.5b are expected to be received in 2H24 from settlements at Residences One, One Sydney Harbour, which is 98 per cent sold, and first receipts from the sale of 12 Communities projects.

The business continues to actively manage its capital and liquidity position, with total available committed liquidity of $1.6b.

Net finance costs of $77m were 22 per cent higher due to an increase in base rates impacting the average cost of debt, higher average net debt for the period from increased development activity, and an associated higher proportion of variable cost financing. This increase was partially offset by a $39m pre-tax gain from a further buy back of the Group's Sterling bonds.

Global Chief Financial Officer, Simon Dixon, said *"As Lendlease reached capital deployed on several major projects, contracted and announced cash inflows of ~$1.5b expected in the near term, highlight a clear pathway back to the Group's target gearing range. Capital recycling and a further ~$1.1b of contracted and announced cash inflows expected in FY25, relating to presold apartments and the final receipts for the Communities transaction, provides additional confidence in the Group's capital position."*

Operating Segments

Investments

The Investments segment generated an annualised Return on Invested Capital (ROIC) of 4.5 per cent, with established platforms in Australia and Asia generating ROICs of approximately 6.0 per cent.

Core Operating EBITDA of $120m was down 39 per cent. Adjusting for the sale of the second tranche of the Military Housing Asset Management income stream in HY23, earnings in HY24 increased 1 per cent.

Funds under management was broadly stable despite challenging markets, reducing 1 per cent to $47.8b. There was $0.9b of new FUM deployed, down from $2.9b in HY23 due to slower market conditions. Capital deployed was more than offset by $1.1b of negative revaluations and $0.2b of retail and residential divestments for the period.

In addition to current FUM, there is $6b of future secured FUM in delivery from Development projects that are planned to move into funds or mandates and $4b of third party capital mandates to be deployed.

Management EBITDA decreased 4 per cent to $55m, due to lower funds management earnings from a lower FUM balance and lower FUM fees, and lower performance and transaction fees. The decrease was partly offset by a higher asset management contribution.

Co-investment EBITDA increased 11 per cent to $70m. Asset level performance improved on the prior corresponding period with a stabilised investment yield of 3.8 per cent across the portfolio, up from 3.6 per cent. Improved yields across office assets and Retirement Living were the primary drivers.

Other EBITDA reduced $82m to a loss of $5m, due to the absence of profits from Military Housing in the prior period and asset recycling of retail assets at a modest discount to book value.

Development

The Development segment generated a ROIC of 1.4 per cent, down from 1.9 per cent on the prior corresponding period. EBITDA of $112m was up 26 per cent, comprising $103m from Urban and $9m from Communities.

A key contributor to Development EBITDA was a payment received in relation to the San Francisco Bay Area Project. A gain of $37m was recorded following completion of The Exchange TRX, with the retail asset now open and 96 per cent leased. The revaluation of the Victoria Cross Over Station Development negatively impacted earnings by $28m.

The sale of 12 of 16 projects in the Communities business was announced in the period. Transfer of ownership is expected to complete by the end of FY24, subject to conditions precedent being satisfied. Operating performance for the Communities business was impacted by planning approval delays, resulting in the deferral of Lendlease retained settlements to later periods. Settlements of 952 were down 7 per cent while sales of 815 were up 6 per cent.

Office leasing momentum was achieved across several assets, with the first office tenant signed at Victoria Cross Over Station Development in North Sydney, anchor tenants signed at Town Hall Place in Melbourne, and additional tenants at Blue & William in North Sydney.

There were $3.0b of completions, up 7 per cent on HY23, including the retail component of The Exchange TRX in Kuala Lumpur and residential product at 100 Claremont in New York and The Reed in Chicago. There were $0.8b of commencements, down from $2.0b on HY23, including the final residential development at Elephant Park in London.

Work in Progress was $20.8b with more than $5.0b of completions and approximately $2.0b of commencements expected in 2H24, subject to market conditions and planning approvals. Key projects expected to complete include One Sydney Harbour, Residences One and Melbourne Quarter Tower. Key projects anticipated to commence include Regatta at Collins Wharf, Victoria Harbour, and Town Hall Place in Australia; and the next stage at Milan Innovation District.

Construction[4]

The Construction segment generated $3.0b of revenue for the period, down 18 per cent. The segment EBITDA margin of 1.7 per cent was impacted by a settlement in relation to a prior year project in the UK which lowered the EBITDA margin by 0.5 percentage points.

New work secured was $2.6b, up 13 per cent. A recovery in European activity led the growth, with the Americas and Australia also contributing meaningfully. Social infrastructure projects remain the key sector for new work secured, followed by workplace.

Further portfolio refinements to Construction were made in the period, with the announced exit of the West Coast and Central operations in the Americas in response to subdued market conditions.

Backlog revenue remains solid at $8.3b, diversified by client, sector and geography, with a weighting to Australia and social infrastructure. The Construction business is preferred for $11.8b in new projects, including $5.0b of workplace and $4.8b of social infrastructure.

Outlook

Core operating earnings are expected to improve in the second half of the financial year. However given the lower certainty of transaction timing and higher execution risks as a result of the challenging global market backdrop, the Group has revised its expected FY24 Return on Equity guidance to 7 per cent.

The Group continues to forecast FY24 gearing at or around the mid point of the 10-20 per cent target range.

In the second half Lendlease is expecting a consistent performance from Investments, a much improved performance from Development and a higher contribution from Construction. There should also be a benefit from cost out initiatives actioned in the first half.

From a regional perspective, another strong full year contribution is anticipated from Australia. A consistent performance in Asia is expected, while the financial performance in Europe and the Americas continues to be impacted by ongoing challenged capital markets.

The Group will continue to prioritise securityholder value ahead of transaction timing. While there is potential earnings upside from certain planned transactions if they complete prior to year end, challenging markets and operational risks remain.

Lendlease is planning a strategy update in late May 2024[5].

---

[4] Earnings from external clients.
[5] Timing subject to change

ASX Announcement

Further information regarding Lendlease's results is set out in the Group's financial results presentation for the period ended 31 December 2023 and is available on www.lendlease.com

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

Investors:
Michael Vercoe
Head of Investor Relations
Mob: +61 488 245 205

Media:
Stephen Ellaway
Executive General Manager, Corporate Affairs
Mob: +61 417 851 287

2024 Key dates for Investors	
Security price quoted ex-dividend	23 February
Record date	26 February
Last day to lodge DRP notice	27 February
Interim dividend paid	13 March
Strategy update	Late May
2024 full year results	19 August
Annual General Meeting	15 November

Authorised for lodgement by the Lendlease Group Disclosure Committee

2024
Half Year Results

19 February 2024

Melbourne: Melbourne Quarter West Tower

Artist impression. Final design subject to change.

As an investor, developer, builder and manager of assets on land across Australia, we pay our respects to the Traditional Owners, especially their Elders past and present, and value their custodianship of these lands.

Performance and Operations

Tony Lombardo
Global Chief Executive Officer

Kuala Lumpur: The Exchange TRX

Business progress – HY24

Portfolio and business simplification progressing; improving operational outlook in the second half

Global market backdrop

- Exposed to global markets, operating at different speeds
- Transaction volumes remain weak across all markets
- Solid performance in Australian and Asian businesses
- Recovery in Americas and Europe continues to be challenged

1H24 progress

- $1.3b sale of 12 Communities projects, in line with capital recycling strategy
- Peak development capital reached in the period; key projects nearing completion are expected to deliver profits and strong net cash inflows in 2H24 and 1H25
- Successful opening of the $1.5b “The Exchange TRX” urban retail centre; 96% leased
- Actioned 90% of announced cost savings; on track to achieve ~$60m pre-tax savings in FY24
- Funds under management of $48b; resilient despite ongoing valuation headwinds
- Further Construction refinements; exit of West Coast and Central operations in the Americas

Kuala Lumpur: The Exchange TRX


Sydney: Barangaroo South


Los Angeles: Habitat

HY24 result

Financial performance reflects challenging trading conditions

$61m		$(136)m	Stable
Core operating[1] Profit after Tax		Statutory Loss after Tax	Financial position
8.8c Earnings per stapled security	1.9%[2] Return on Equity	$6m Non-core segment Profit	22.9%[5] Gearing
6.5cps[3] Interim distribution	74% Payout ratio	$(203)m[4] Non-operating items	$1.6b Available liquidity

- **Core Operating Profit after Tax reflects lower activity and a second half skew to earnings**
- **Gearing above target, anticipated to reduce to at or around the midpoint of the 10-20% range by FY24 year end**
  - Net cash proceeds of $1.5b expected in 2H24: settlements from Residences One; first receipts from the sale of 12 Communities projects
  - Development capex reached peak in the period as large projects completed (The Exchange TRX) and near completion (One Sydney Harbour residential towers)
- **Statutory Loss after Tax affected by Non-operating items:**
  - $125m post-tax impact of property revaluations in the Investments segment
  - $56m post-tax redundancy costs from business optimisation initiatives
  - $22m of additional costs in relation to retrospective building remediation regulations in the UK

1. Statutory profit adjusted for Investment property revaluations (including in Other financial assets and Equity accounted investments) that are classified in the Investments segment, and material one-off items that could not reasonably have been expected to arise from normal operations.
2. Return on Equity is calculated using annualised Core operating Profit after Tax divided by the arithmetic average of beginning and half year end securityholders' equity.
3. Interim distribution from the Trust.
4. Includes Investments segment valuation decreases post tax of $125m.
5. Net debt to total tangible assets, less cash.

Operational Highlights

Sydney: Victoria Cross Tower
Artist's impression

Melbourne:
Town Hall Place

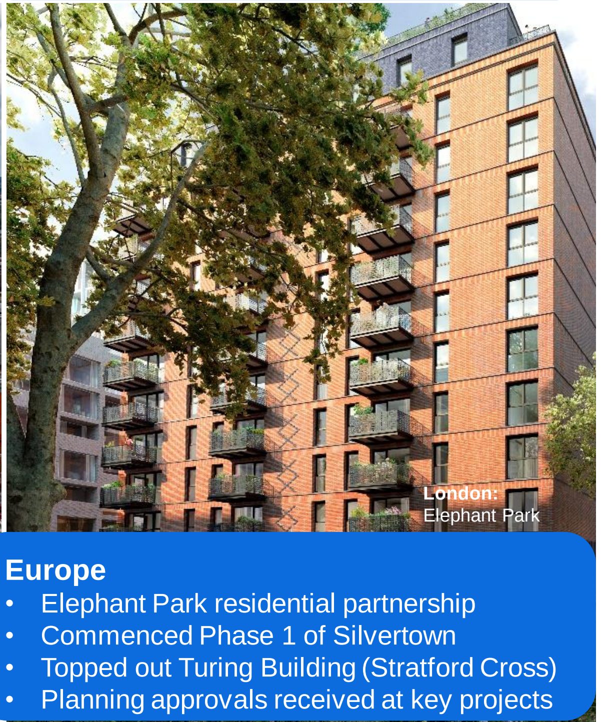
Australia
- Communities sale announced
- Leasing activity across workplace assets
- Deployed and recycled Investments capital
- Build to rent focus; MQ West progress
- Strong construction backlog

Chicago:
The Reed

New York:
100 Claremont

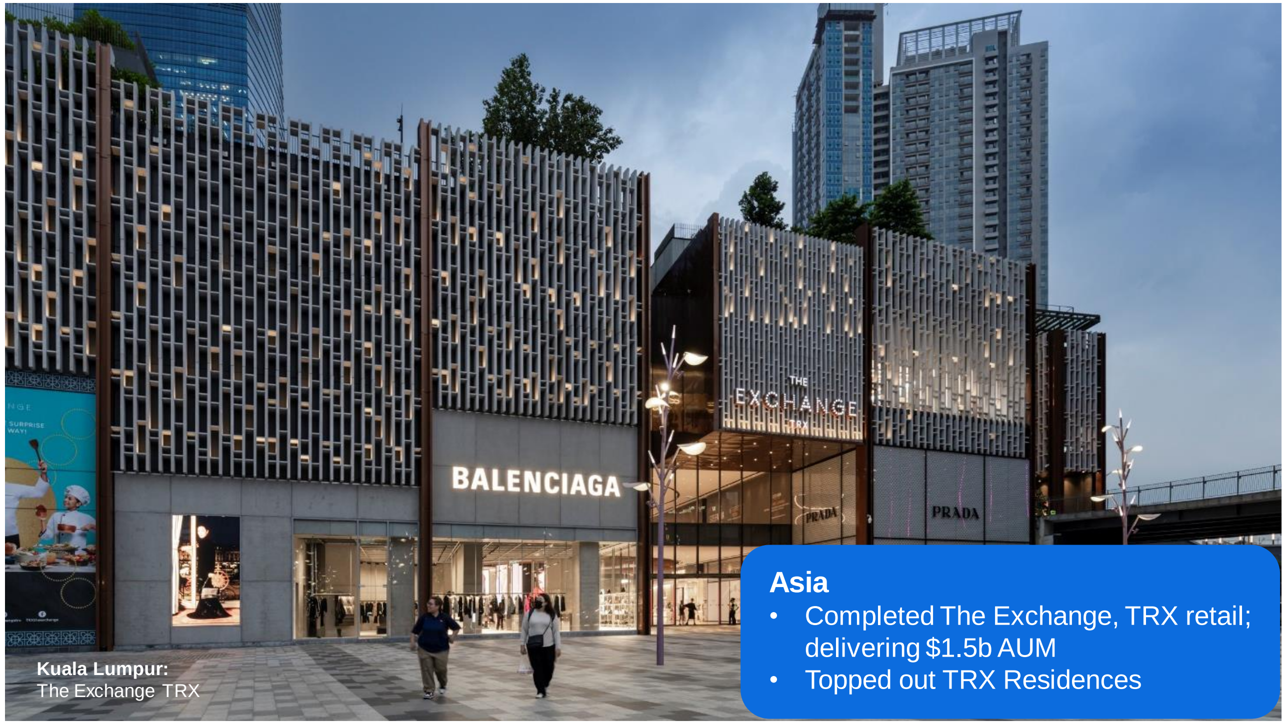
Americas
- Completed 100 Claremont, New York (luxury residential) and The Reed, Chicago (build to rent)
- Forum (60 Guest) topped out
- Refocussing Construction

London:
Turing Building – Topping out



London:
Elephant Park

Europe
- Elephant Park residential partnership
- Commenced Phase 1 of Silvertown
- Topped out Turing Building (Stratford Cross)
- Planning approvals received at key projects



Kuala Lumpur:
The Exchange TRX

Asia
- Completed The Exchange, TRX retail; delivering $1.5b AUM
- Topped out TRX Residences

HY24 operating performance

A mixed operating performance with earnings and development activity skewed to 2H FY24

Investments

$48b[1] Funds Under Management	↓ 1%
$34b[1] Assets Under Management	↑ 3%
$3.8b[1] Investment portfolio	↓ 3%

Development[3]

$21b[1] Work in Progress	↓ 9%
$3.0b[2] Completions	↑ 7%
$103b[1,4] Pipeline	↓ 17%

Construction[5]

$3.0b[2] Revenue	↓ 18%
$2.6b[2] New work secured	↑ 13%
$8.3b[1] Backlog revenue	↓ 5%

1. Comparative period the year ended 30 June 2023.
2. Comparative period the half year ended 31 December 2022.
3. Total estimated end values shown (representing 100% of project value).
4. Includes $87b Urban and $16b Communities. Reflects removal of San Francisco Bay Area project in the period.
5. From external clients. Earnings from internal work captured in the Development segment.

Investments

Targeting $70b of FUM by FY26

Performance

Investment management[1]

- Funds Under Management reduced 1% to $48b:
  - $0.9b of new FUM more than offset by $0.2b of retail and residential divestments and $1.1b of negative revaluations
- Assets Under Management up 3% to $34b:
  - Completion of $1.5b The Exchange TRX (retail)

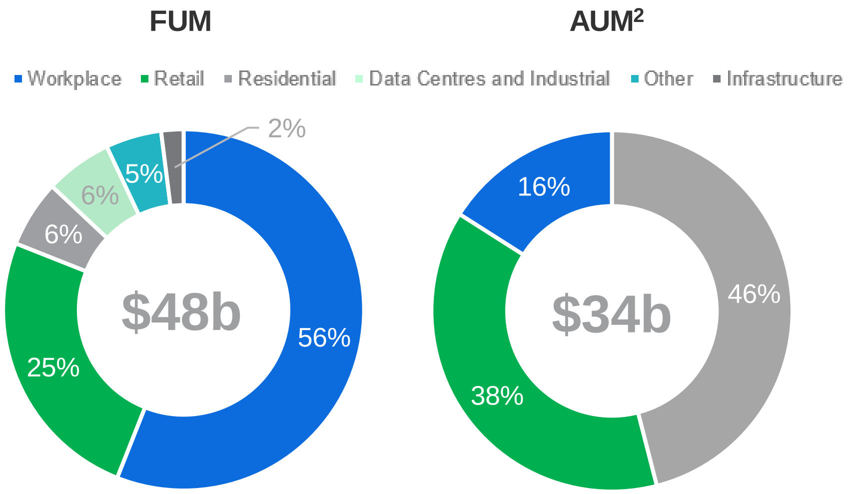
Investment portfolio

- $3.8b of investment portfolio capital, reducing 3%
  - $150m investment into APPF Retail
  - c.$100m divestments including Darling Square retail
  - $125m revaluation decrease
- Stabilised investment distribution yield[5] of 3.8%, up from 3.6%
  - Key drivers: Workplace and Retirement Living

Outlook

- ~$47.5b of institutional investment grade product within the development pipeline
  - Apartments for rent; workplace (including life sciences) and data centres
- $6b of future secured FUM in Development WIP; $4b of committed third party capital

Investment management platform ($b)



Investment portfolio ($b)

$b	HY23	Yield[3]	HY24	Yield[3]	Change	Yield change
Workplace	1.2	2.7%	1.1	3.0%	(0.1)	0.3%
Residential	0.8	3.3%	0.7	2.8%	(0.1)	(0.5%)
Retail	1.0	4.5%	0.9	5.1%	(0.1)	0.6%
Retirement	0.5	4.2%	0.5	5.2%	-	1.0%
Industrial & Other	0.2	3.3%	0.3	3.1%	0.1	(0.2%)
Stabilised $b / %	**3.7**	**3.6%**	**3.5**	**3.8%**	**(0.2)**	**0.2%**
Non-stabilised $b / %	0.5	0.9%	0.3	1.4%	(0.2)	0.5%
Total $b / %	**4.2**	**3.3%**	**3.8**	**3.6%**	**(0.4)**	**0.3%**

1. Comparative period the year ended 30 June 2023.
2. Lendlease holds a 38% economic interest in the Military Housing Asset Management income stream and 100% interest in development and construction management rights. AUM of $14b related to Military Housing shown on a 100% basis within Residential.
3. Yield after deductions of interest, applicable taxes and fees.

Development[1]

Capital partners on more than 80% of projects in delivery (by value)

Operational performance[1]

Urban portfolio

- Work in Progress $20.8b
- Completions $3.0b
  - The Exchange TRX; 100 Claremont; The Reed, Southbank
- Commencements $0.8b
  - Apartments for sale, Elephant Park
- Portfolio activity
  - Leasing: first tenant at Victoria Cross Over Station Development; anchor tenants at Town Hall Place; additional tenants at Blue & William

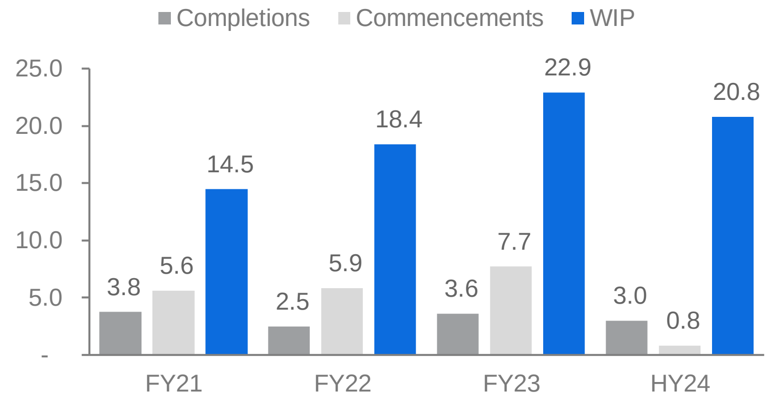
Australia Communities

- $1.3b sale of 12 projects; expected completion in 2H24
- Settlements 952, down 7% on 1H23, impacted by planning delays
- Sales 815, up 6% on 1H23

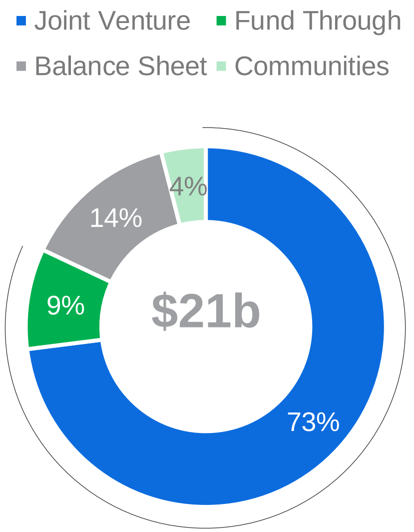
Outlook

- Development pipeline: $103b
  - Urban $87b; Communities $16b
  - Includes removal of ~$22b San Francisco Bay Area project
- Targeting ~$5b of completions; ~$2b of commencements in 2H24
  - Completions: Residences One, Barangaroo; Melbourne Quarter Tower; Data Centre, Japan
  - Commencements: Regatta, Victoria Harbour; Milan Innovation District, Milan; Town Hall Place, Melbourne

Development activity ($b)



WIP by project capital structure ($b)



>80% of projects (by value) have capital partners

1. Total estimated end values shown (representing 100% of project value). Includes Communities.

Construction

$8.3b of backlog revenue and $11.8b of preferred work in conversion

Operational performance and outlook[1]

Operational changes

- Further simplification of the Construction portfolio with the announced exit of the West Coast and Central Americas businesses in response to prolonged, subdued market conditions

New work secured $2.6b, up 12%

- Europe: $0.9b; Americas: $0.9b; Australia: $0.7b
  - Underpinned by social infrastructure projects

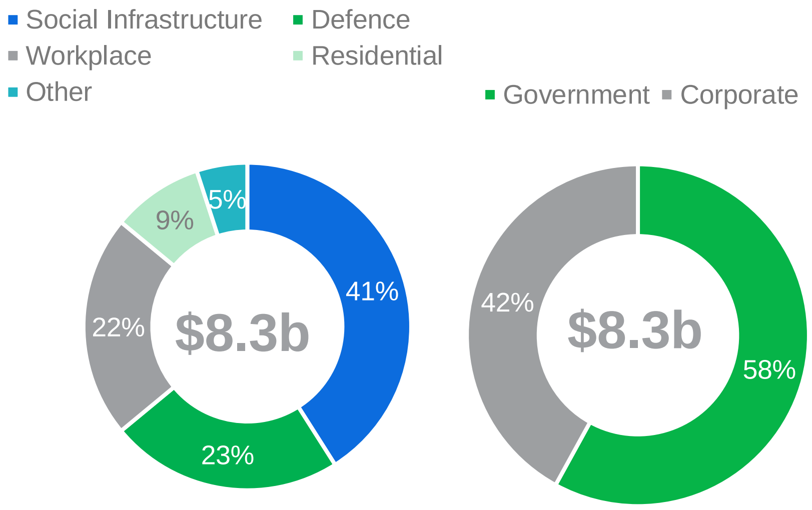
Backlog revenue $8.3b, down 5%[2]

- Weighted to Australia (~55%) and the Americas (~30%)
- Key sectors: Social infrastructure, Defence, and Workplace

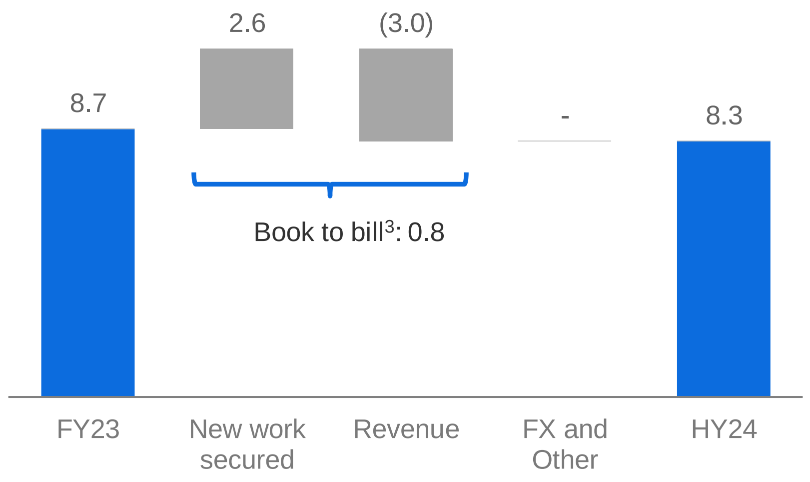
Outlook

- $11.8b preferred work in conversion includes:
  - Workplace ($5.0b) and social infrastructure projects ($4.8b)
  - Australia (55%), Europe (34%), Americas (7%), Asia (4%)
- Expected realisation of $8.3b backlog revenue:
  - 2H24: 39%
  - FY25: 35%
  - post FY25: 26%

$8.3b backlog revenue – by sector and client



Construction backlog ($b)



1. Comparative period the half year ended 31 December 2022 unless otherwise stated.
2. Comparative period as at year ended 30 June 2023.
3. Ratio calculated as external new work secured over external revenue to the nearest million.

New York: Claremont Hall

Financial Summary

Simon Dixon
Global Chief Financial Officer

Group financial performance[1]

$m		HY23	FY23	HY24	% change
Core					
Investments		197	332	120	(39%)
Development		89	283	112	26%
Construction		68	90	51	(25%)
Segment EBITDA		**354**	**705**	**283**	**(20%)**
Corporate costs		(76)	(161)	(76)	-
Operating EBITDA		**278**	**544**	**207**	**(26%)**
Depreciation and amortisation		(71)	(140)	(61)	14%
Net finance costs		(63)	(88)	(77)	(22%)
Operating Profit Before Tax		**144**	**316**	**69**	**(52%)**
Income tax expense		(39)	(59)	(8)	79%
Operating Profit After Tax		**105**	**257**	**61**	**(42%)**
Non operating					
Non operating items after tax		(239)	(470)	(203)	15%
Non core segment after tax		(7)	(19)	6	n/a
Statutory Loss After Tax		**(141)**	**(232)**	**(136)**	**4%**
Operating EPS	**cents**	**15.2**	**37.3**	**8.8**	**(42%)**
Statutory EPS	**cents**	**(20.5)**	**(33.7)**	**(19.7)**	**4%**

- Prior corresponding period included a Military Housing Asset Management transaction; excluding this, underlying earnings increased by 1%
- Benefit of payment received for the San Francisco Bay Area Project and $37m gain on The Exchange TRX partly offset by a $28m negative revaluation for Victoria Cross Over Station Development
- Performance impacted by $17m settlement on a prior year UK project
- Group costs lower for the period, offset by an increase in foreign exchange hedging costs of $7m
- Net finance costs of $77m reflecting an increase in base rates impacting the average cost of debt, increased development activity and associated higher proportion of variable cost financing. Includes the benefit of a $39m pre-tax gain from a further buy back of Sterling bonds
- Lower tax expense due to lower earnings and a higher operating income from the Trust
- Negative asset revaluation of $125m, business optimisation costs of $56m and $22m additional provision in relation to retrospective building remediation regulations in the UK

1. Comparative period the half year ended 31 December 2022.

Segment financial performance

Investments ($m)	HY23	FY23	HY24	% change
Management revenue	**147**	**275**	**136**	**(7%)**
EBITDA	**197**	**332**	**120**	**(39%)**
- Management EBITDA	57	104	55	(4%)
- Co-investment EBITDA	63	118	70	11%
- Other EBITDA[1]	77	110	(5)	n/m
OPAT	**142**	**245**	**91**	**(36%)**
Investments ROIC[2]	7.1%	6.1%	4.5%	(36%)
Co-investment distribution yield	3.3%	3.0%	3.6%	9%
Management EBITDA margin	38.6%	37.5%	40.1%	4%

Investments commentary

- Lower Investments ROIC of 4.5%, as new platforms are built. Established platforms in Australia and Asia, generated ROICs of 6.2% and 5.8%, respectively
- Lower Investments EBITDA, with HY23 benefitting from the partial sale of the Military Housing asset management income stream
- Management EBITDA modestly down, due to lower FUM and fees and lower performance and transaction fees, partly offset by higher asset management earnings
- Co-investment EBITDA benefitted from improved yields from workplace assets and Retirement Living, as well as deployment of capital into retail

1. Includes transaction profits.
2. Half year (HY) ROIC is calculated on an annualised basis using the half year Operating Profit after Tax divided by the arithmetic average of beginning and half year end invested capital.

Segment financial performance (cont.)

Development ($m)	HY23	FY23	HY24	% change
EBITDA	**89**	**283**	**112**	**26%**
- Urban	57	141	103	81%
- Communities	32	142	9	(72%)
OPAT	**54**	**192**	**47**	**(13%)**
Development ROIC[1]	1.9%	3.3%	1.4%	(26%)

Development commentary

- Development activity subdued in the period; $7b of activity expected in 2H24 across completions ($5b) and commencements ($2b), subject to market conditions
- Higher Development earnings driven by a payment received on the San Francisco Bay Area Project
- Result impacted by a loss of $28m realised on Victoria Cross from the partial unwind of gains taken in FY20 on deconsolidation
- Communities EBITDA lower due to planning delays, causing deferral of Lendlease retained settlements to later periods
- Ongoing impact to Development ROIC (and Group ROE) in FY24 and FY25 from profits recognised previously in FY20/FY21. FY26+ not expected to be impacted

Construction ($m)	HY23	FY23	HY24	% change
Revenue	**3,723**	**7,203**	**3,045**	**(18%)**
EBITDA	**68**	**90**	**51**	**(25%)**
EBITDA margin	1.8%	1.2%	1.7%	(6%)

Construction commentary

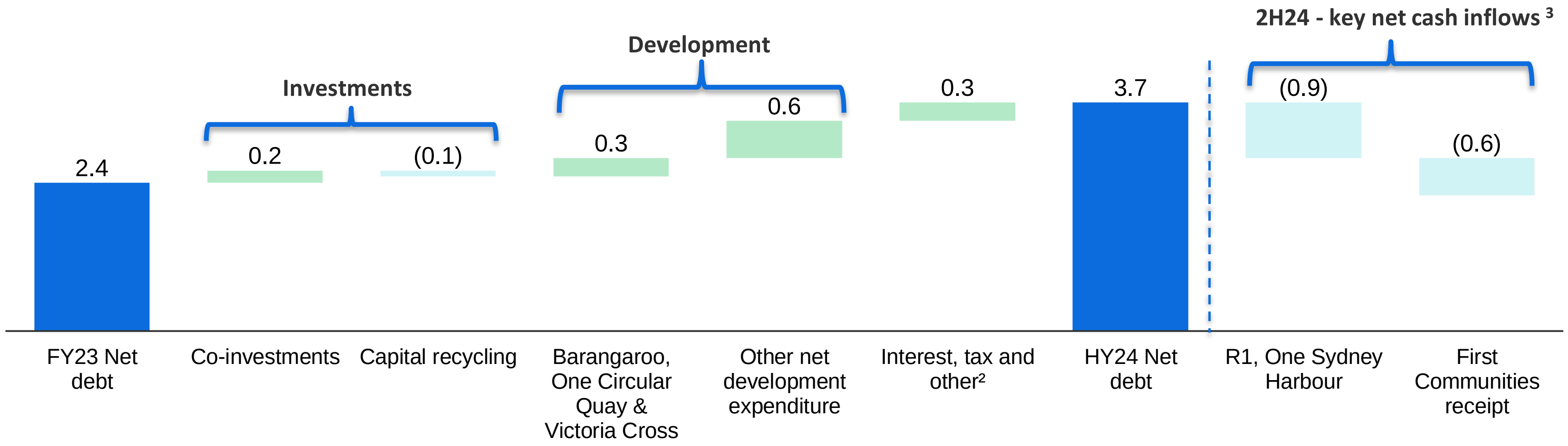
- Lower activity in offshore markets impacting revenue
- Margin impact of 0.5% from UK prior year project settlement

1. Half year (HY) ROIC is calculated on an annualised basis using the half year Operating Profit after Tax divided by the arithmetic average of beginning and half year end invested capital.

Net debt

$1.5b of contracted and announced cash inflows expected in 2H24

Net Debt[1] ($b)



Cash flow movements

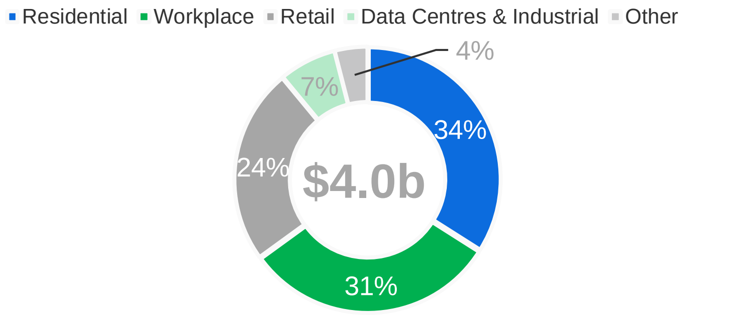
- $1.1b of gross capital deployed for the period, across Development and Investments, expected to moderate 2H24
  - Other net Development expenditure includes Communities, Elephant Park, The Exchange TRX, MSG and La Cienega
- Non core estimated cash outflows: $0.4b from 2H24 – FY26; $0.1b outflows in HY24
- Proforma 1H24 gearing benefit of ~7% from expected net cash inflows of $0.9b from One Sydney Harbour Residences One settlements (process commenced Feb 2024) and $0.6b first receipts from Communities divestments, expected to be received in 2H24
  - A further ~$1.1b of contracted and announced net cash inflows expected in FY25 from final Communities sale receipts and One Sydney Harbour Residences Two settlements (94% pre-sold by value) expected in 1H25

1. Net Debt movements across Operating and Investing cashflows.
2. Other includes Construction and Non core movements.
3. Expected pre-tax contracted and announced cash inflows. Excludes other cash inflows and outflows in 2H24.

Capital

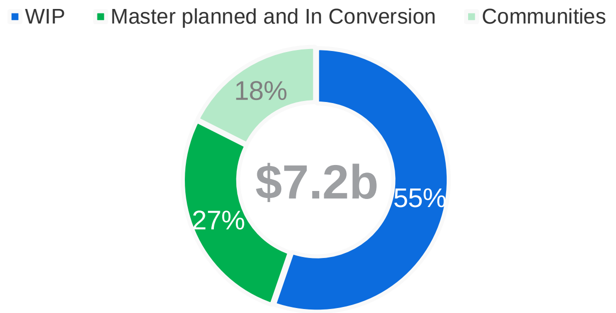
A focus on reweighting capital to Australia, funding Investments growth and capital efficiency

Investments capital – by asset type[1]



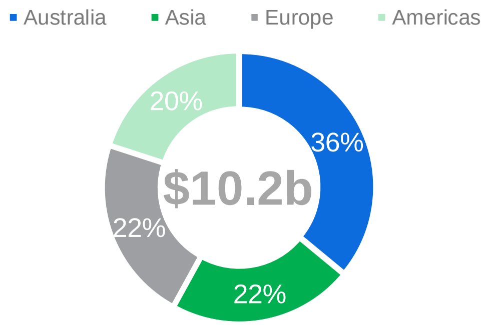
- **Shifting capital to Investments from Development**
  - Targeting 60/40 Investments/Development capital split by FY26
    - Supports capital deployment to seed new assets and funds
    - Support FUM growth with partner alignment
    - Improve recurring earnings profile over time

Development capital – by development stage



- **Targeting a higher proportion of Development capital to WIP**
  - 55% of capital in WIP; targeting 70%+
- **Reducing Development capital through recycling and capital partnering**
  - $1.3b capital recycling announced, with further opportunities
  - Early-stage capital partnering (fund throughs, joint ventures), to reduce capital intensity; over 80% of current WIP[3]
  - Exploring opportunities to monetise land and entitlements for non-Investments product

Group Capital – by region[2]



- **Recycling offshore capital to redeploy to Australia**
  - Targeting 40-60% allocation
  - Australia currently underweight at 36%

1. Includes investment portfolio capital of $3.8b.
2. Total includes $1b offset of Group capital relating to Construction and Non core.
3. By value.

Capital management & Treasury

Contracted and announced cash inflows of ~$1.5b expected in 2H24 provide a clear pathway to deleverage and return gearing to the Group's target range

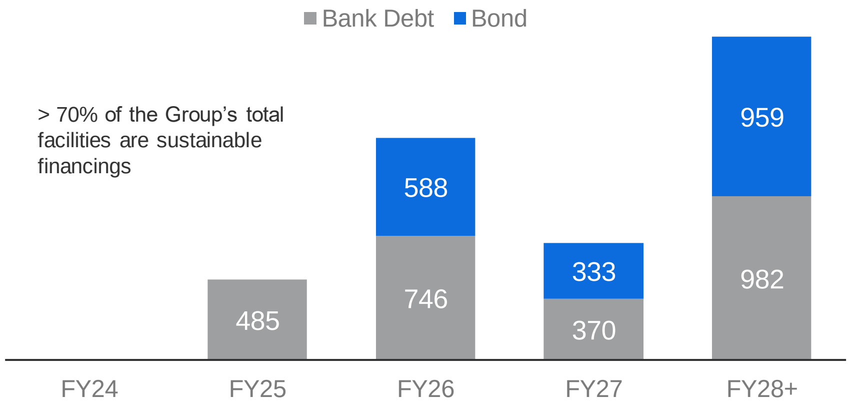
Treasury overview

		FY23	HY24
Net debt	$m	2,381	3,744
Proportion of fixed debt	%	64	44
Gearing[1]	%	14.8%	22.9%
Interest cover	times	3.0	2.2
Average drawn debt maturity	years	4.4	3.5
Average cost of debt	%	4.3	5.0
Available liquidity[2]	$m	2,581	1,600

Investment Grade Credit Ratings

Moody's	Baa3 stable outlook	(reaffirmed Jan 2024)
Fitch	BBB- stable outlook	(reaffirmed Jan 2024)

Drawn debt maturity ($m)



Capital and liquidity management

- **Near-term pathway to deleverage to target 10-20% range**
  - Elevated gearing due to peak development capital demands, as major projects complete or near completion, driving higher average net debt and funding costs
  - ~$1.5b of cash inflows expected in 2H24
    - First receipts from the sale of 12 Communities projects
    - Net cash proceeds from the settlement of Residences One, One Sydney Harbour (process commenced February 2024)
  - No material refinancing events until FY25, and an average drawn debt maturity of 3.5 years
  - $1.6b of available liquidity
- **Pro-active management of the portfolio, through the cycle, to maintain balance sheet strength and flexibility**
  - Operational and strategic levers available to access additional capital pools, beyond regular recycling e.g. strategic asset sales, PLLACes

1. Net debt to total tangible assets, less cash.
2. Includes cash and cash equivalents of $0.6b and $1.0b of available undrawn debt.

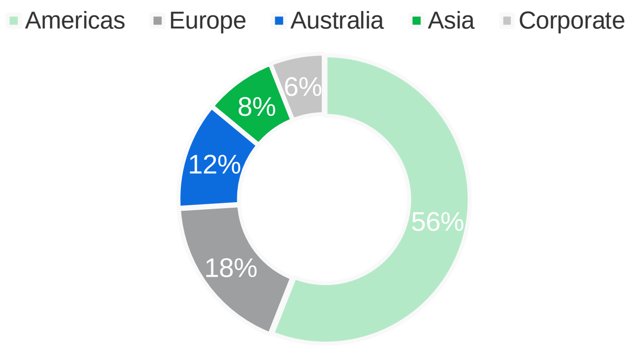
A strong focus on business productivity and costs

Further progress on cost efficiencies; annualised pre-tax savings target of $150m

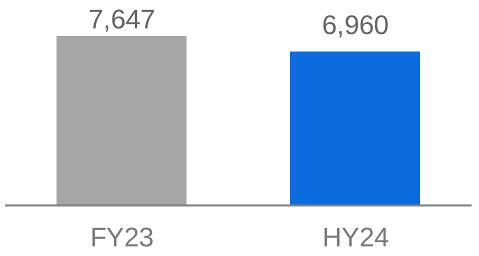
Cost savings

- **Growth areas preserved, including investments platform and active development teams**
- **Cost efficiencies of $150m[1] pre-tax substantially progressed**
  - Total FTE reduction of 9% complete (from 30 June 2023) against 10% target for FY24
  - Primary impact to international regions, focussed on Construction and Development
- **Cost savings of ~$60m pre-tax remains on track for FY24**
  - Remaining cost savings relate to project origination and delivery costs that are largely capitalised, with margin benefits to emerge over time as projects are delivered
  - Majority of savings and corresponding restructure costs incurred are expected to relate to people
  - Redundancy costs of $56m post-tax at 31 December 2023

FTE savings by region



Number of Full Time Equivalent (FTE) Employees



1. Reflects total annual pre-tax cost savings at full run-rate.

London: Apartments for sale, Elephant Park
Artist's impression

Outlook

Tony Lombardo
Global Chief Executive Officer

Investments-led transition remains on-track

Key strategic milestones achieved since FY21

Portfolio management

Re-allocation of capital focussed on Australia and Investments

Strong FUM growth of >20% despite headwinds; building out new platforms

Release capital

>$2.3b of capital recycling initiatives achieved and announced

Further capital recycling processes underway

Performance

Realising value from the development pipeline; re-focussing efforts on returns

Construction portfolio refinements to improve margins and reduce risk

Costs

Removed >$170m p.a. of costs[1]

Actioned further cost savings of >$150m pre tax[2]

1. Costs initiatives actioned in FY22 and realised in FY23.
2. Annualised $150m run-rate of pre-tax cost savings to be achieved in future years as lower capitalised project costs improve development margins.

FY24 Outlook

Group guidance and key drivers

Core Operating Profit in 2H24

Revised expected FY24 ROE guidance of 7% reflects lower certainty of transaction timing and higher execution risks given the challenging capital markets backdrop

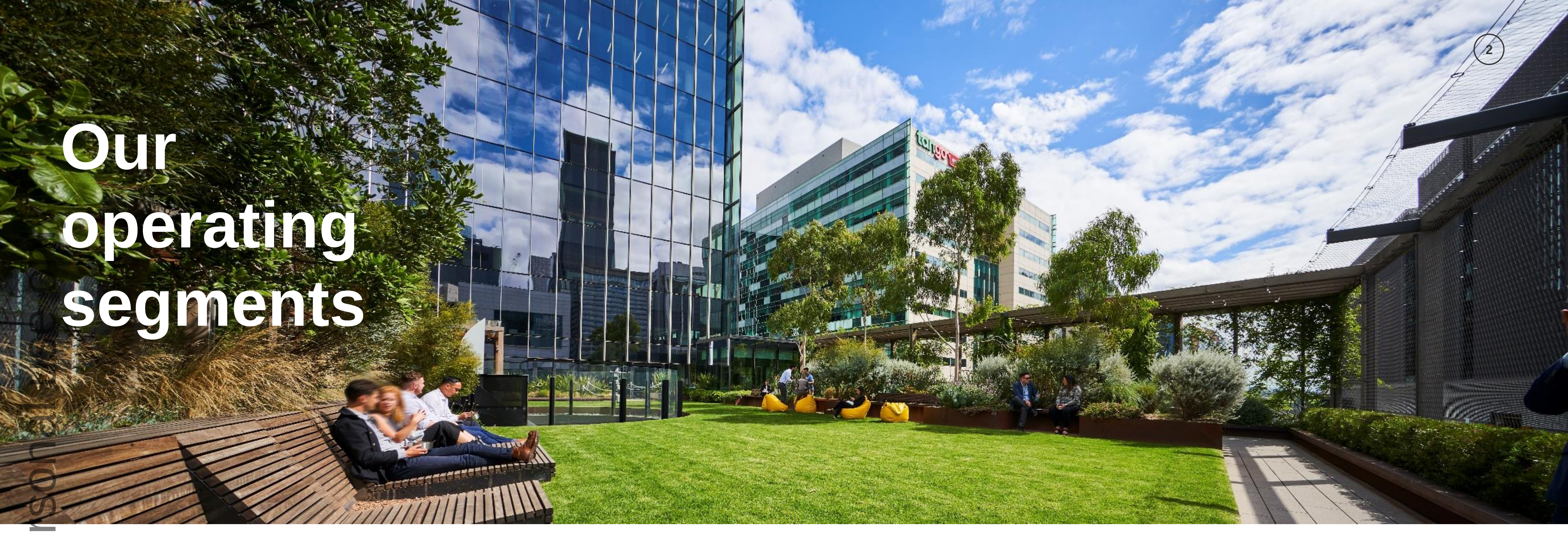
- FY24 gearing forecast remains at or around the mid point of the 10-20 per cent target range
- Consistent performance from Investments, much improved performance from Development, and higher Construction contribution expected versus 1H24
- Benefit from cost out initiatives actioned in the first half
- Another strong full year contribution is anticipated from Australia. A consistent performance in Asia is expected, while the financial performance in Europe and the Americas continues to be impacted by ongoing challenged capital markets
- Guidance excludes potential earnings upside from certain planned transactions if completed prior to year end, however, challenging markets and operational risks remain
- The Group will continue to prioritise securityholder value ahead of transaction timing

Questions

2024 Half Year Results Appendix

Melbourne: Melbourne Quarter West Tower
Artist impression. Final design subject to change.

Our operating segments



We leverage our integrated business model of Investments, Development and Construction, to manage and create mixed use precincts, communities and social infrastructure.

Investments

The segment comprises investment and asset management platforms and the Group's real estate investment portfolio.

Core financial returns

- Fund and asset management fees
- Income and capital growth on ownership interests

Development

The segment is predominantly focused on the creation of mixed use precincts comprising build to rent[1] and build to sell[1] apartments and sustainable workplaces. The Group also develops outer suburban master planned communities.

Core financial returns

- Development margin (predominantly)
- Development and construction management fees
- Origination fees

Construction

The segment provides project management, design and construction services, predominantly in the social infrastructure, defence and workplace sectors.

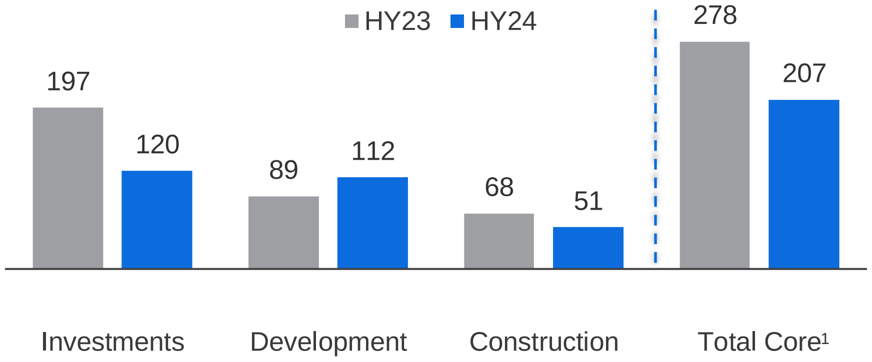
Core financial returns

- Construction margin[2]
- Project management and construction management fees

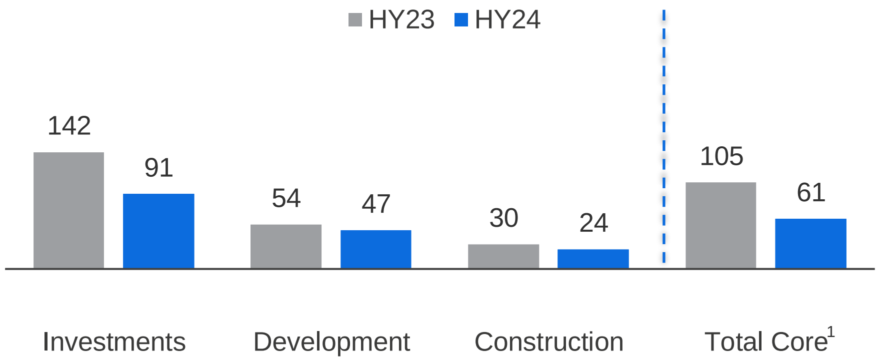
1. Residential
2. From external clients. Construction margin on internal work captured in the Development segment.

Segment Financial Metrics

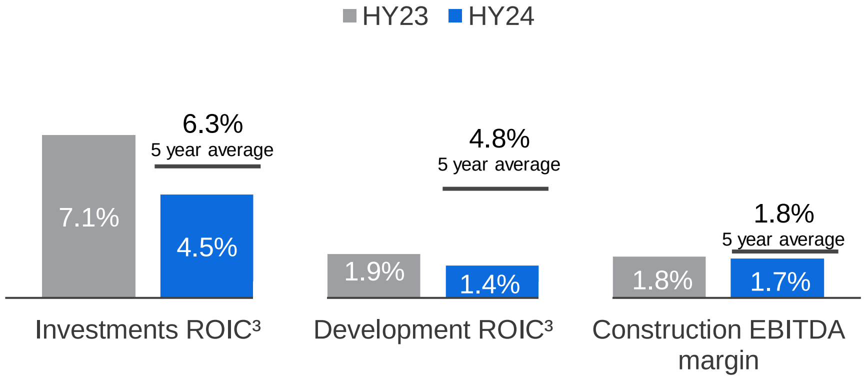
Operating EBITDA ($m)



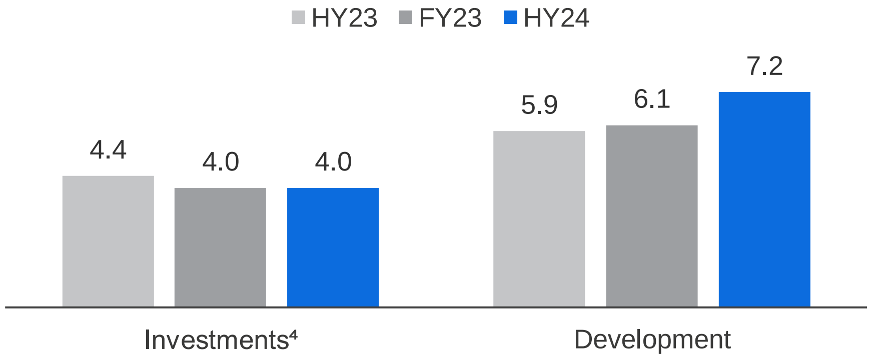
Operating Profit after Tax ($m)



Segment KPIs[2]



Invested Capital ($b)



1. Total includes corporate cost of ($76m) pre-tax (HY23: ($76m)) and ($101m) post-tax (HY23: ($121m))
2. Five year rolling average from 2HY19 to HY24.
3. Return on Invested Capital (ROIC) is calculated using the Profit after Tax divided by the arithmetic average of beginning, half and year end invested capital.
4. Invested capital in the Investment segment includes working capital and tax balances associated with the Group’s Investment Portfolio.

Reconciliation of Core Operating Profit[1] & FX

$m	HY23	HY24
Core operating profit after tax	**105**	**61**
Add/(less): Investment properties revaluations[2]	(9)	(18)
Add/(less): Financial assets revaluations[2]	(3)	(39)
Add/(less): Equity accounted investments revaluations[2]	(27)	(68)
Total Investment segment revaluations	**(39)**	**(125)**
(Less): Restructuring costs	-	(56)
(Less): Provision in relation to UK building remediation	(200)	(22)
Total other non operating items	**(200)**	**(78)**
Non operating items (post tax)	**(239)**	**(203)**
Non Core profit/(loss) after tax	**(7)**	**6**
Loss after tax attributable to securityholders	**(141)**	**(136)**

Foreign exchange rates

Income Statement[3]

Local	Foreign	HY23	FY23	HY24
AUD	USD	0.67	0.67	0.66
AUD	GBP	0.57	0.55	0.52
AUD	EUR	0.66	0.64	0.61
AUD	SGD	0.93	0.91	0.88

Statement of Financial Position[4]

Local	Foreign	HY23	FY23	HY24
AUD	USD	0.68	0.67	0.68
AUD	GBP	0.56	0.52	0.53
AUD	EUR	0.64	0.61	0.62
AUD	SGD	0.91	0.90	0.90

1. Statutory profit adjusted for Investment property revaluations (including in Other financial assets and Equity accounted investments) that are classified in the Investment segment, and material one-off items that could not reasonably have been expected to arise from normal operations.
2. Assets in the Investments segment only.
3. Average foreign exchange rates.
4. Spot foreign exchange rates.

Investments HY24 Financial Performance

$m	HY23	2H FY23	FY23	HY24	% HY24/HY23
Management revenue	**147**	**128**	**275**	**136**	**(7%)**
FUM revenue	92	85	177	88	(4%)
AUM revenue	55	43	98	48	(13%)
Operating expenses	**90**	**81**	**171**	**81**	**(10%)**
FUM expenses	55	40	95	55	-
AUM expenses	35	41	76	26	(26%)
EBITDA	**197**	**135**	**332**	**120**	**(39%)**
Management EBITDA	57	47	104	55	(4%)
- FUM EBITDA	37	45	82	33	(11%)
- AUM EBITDA	20	2	22	22	10%
Co-investment EBITDA	63	55	118	70	11%
Other EBITDA[1]	77	33	110	(5)	n/a
OPAT	**142**	**103**	**245**	**91**	**(36%)**
Key metrics					
Management EBITDA margin	38.6%	36.7%	37.8%	40.1%	3.9%
- FUM EBITDA margin	40.0%	52.9%	46.2%	37.1%	(7.3%)
- AUM EBITDA margin	36.4%	4.7%	21.9%	46.5%	27.7%
Investments ROIC	7.1%	4.9%	6.1%	4.5%	(36.6%)
Co-investment distribution yield	3.3%	2.8%	3.0%	3.6%	9.1%
FUM $b[2]	48.0	48.3	48.3	47.8	(1%)
AUM $b[2]	32.8	32.8	32.8	33.7	3%
Invested capital $b[2]	4.4	4.0	4.0	4.0	-

1. Includes transaction profits.
2. Comparative values are closing FY23 balances.

Development HY24 Financial Performance

$m	HY23	2H FY23	FY23	HY24	% HY24/HY23
Revenue	**1,014**	**1,319**	**2,333**	**1,466**	**45%**
Urban	747	848	1,595	1,213	62%
Communities	267	471	738	253	(5%)
EBITDA	**89**	**194**	**283**	**112**	**26%**
Urban	57	84	141	103	81%
Communities	32	110	142	9	(72%)
OPAT	**54**	**138**	**192**	**47**	**(13%)**
Key metrics					
Development ROIC	1.9%	4.6%	3.3%	1.4%	(26.3%)
Urban EBITDA margin	7.6%	9.9%	8.8%	8.5%	11.8%
Commencements $b	2.0	5.7	7.7	0.8	(60%)
Completions $b	2.8	0.8	3.6	3.0	7%
WIP $b[1]	17.9	22.9	22.9	20.8	(9%)
Invested capital $b[1]	5.9	6.1	6.1	7.2	18%

1. Comparative values are closing FY23 balances.

Construction HY24 Financial Performance

$m	HY23	2H FY23	FY23	HY24	% HY24/HY23
Revenue	**3,723**	**3,480**	**7,203**	**3,045**	**(18%)**
Australia	1,908	1,799	3,707	1,879	(2%)
Asia	141	154	295	97	(31%)
Europe	386	356	742	202	(48%)
Americas	1,288	1,171	2,459	867	(33%)
EBITDA	**68**	**22**	**90**	**51**	**(25%)**
Australia	61	44	105	58	(5%)
Asia	1	(2)	(1)	10	n/a
Europe	9	2	11	(10)	n/a
Americas	(3)	(22)	(25)	(7)	n/a
OPAT	**30**	**2**	**32**	**24**	**(20%)**
Key metrics					
EBITDA margin	**1.8%**	**0.6%**	**1.2%**	**1.7%**	**(5.6%)**
Australia	3.2%	2.4%	2.8%	3.1%	(3.1%)
Asia	0.7%	(1.3%)	(0.3%)	10.3%	n/a
Europe	2.3%	0.6%	1.5%	(5.0%)	n/a
Americas	(0.2%)	(1.9%)	(1.0%)	(0.8%)	n/a
Revenue completed $b	3.7	3.5	7.2	3.0	(19%)
New work secured $b	2.3	2.4	4.7	2.6	13%
Backlog $b[1]	9.6	8.7	8.7	8.3	(5%)
Preferred book $b[1]	9.8	9.9	9.9	11.8	19%

1. Comparative values are closing FY23 balances.

Group and Regional Financial Metrics[1]

	HY24						HY23					
	Group	**Australia**	**Asia**	**Europe**	**Americas**	**Corporate**	**Group**	**Australia**	**Asia**	**Europe**	**Americas**	**Corporate**
Revenue ($m)	**4,733**	2,775	176	563	1,165	54	**4,918**	2,694	210	549	1,451	14
EBITDA contribution		*39%*	*32%*	*(20%)*	*49%*			*65%*	*13%*	*(3%)*	*25%*	
Core OPAT ($m)	**61**	58	76	(58)	86	(101)	**105**	156	35	(19)	54	(121)
Profit contribution		*36%*	*47%*	*(36%)*	*53%*			*69%*	*15%*	*(8%)*	*24%*	
Average[2] invested capital ($b)	10.0	3.7	2.1	2.2	2.0		9.5	3.7	1.9	2.1	1.8	
Regional ROIC[3]		***3.1%***	***7.2%***	***(5.3%)***	***8.5%***			***8.5%***	***3.6%***	***(1.8%)***	***6.0%[4]***	
Average[2] Investments capital ($b)	4.0	1.6	1.0	0.6	0.7		4.0	1.7	1.0	0.4	0.8	
Average[2] Development capital ($b)	6.6	2.7	1.2	1.3	1.4		5.7	2.3	1.0	1.3	1.1	
Segment KPIs												
Investment ROIC	***4.5%***	*6.2%*	*5.8%*	*1.5%*	*1.7%*		***7.1%[4]***	*5.7%*	*6.0%*	*0.5%*	*15.0%[4]*	
Development ROIC	***1.4%***	*(1.7%)*	*6.6%*	*(9.0%)*	*12.4%*		***1.9%***	*6.1%*	*0.4%*	*(2.6%)*	*(0.2%)*	
Construction EBITDA margin	***1.7%***	*3.1%*	*10.3%*	*(5.0%)*	*(0.8%)*		***1.8%***	*3.2%*	*0.7%*	*2.3%*	*(0.2%)*	

1. Excludes Non Core.
2. Average capital balances is the arithmetic average of beginning and half year end invested capital.
3. ROIC is calculated on an annualised basis using the half year Operating Profit after Tax divided by the arithmetic average of beginning and half year end invested capital.
4. Excluding profit from divestments of the Military Housing asset management income stream in HY23, which had no material invested capital related to earnings, Americas regional ROIC is 0% and Investments segment ROIC is 1.7%, and Group Investment segment ROIC is 4.4%.

Portfolio Management Framework (PMF)

Providing structure to manage business and capital decisions

- **PMF maintained to support our transformation ambition**
  - Target framework, including segment ROICs, reflect through-the-cycle targets (not guidance)
  - PMF applied for internal investment and business case decisions to support FY26+ ambition
- **Continued focus on capital re-allocation by region and between segments**
  - Actively transitioning capital onshore to re-weight operations domestically
  - Continued deployment of capital into co-investments to support FUM and Investments growth

PMF through-the-cycle targets

	Target	HY23	HY24
Group Metrics			
Core Operating ROE	8-10%	3.1%	1.9%
Distribution payout ratio[1]	30-50%	32%	74%
Gearing[2]	10-20%	14.8%	22.9%
Core Business EBITDA Mix[3]			
Investments	40-50%	56%	42%
Development	40-50%	25%	40%
Construction	10%	19%	18%
Segment Invested Capital Mix[3,4]			
Investments	50-70%	40%	36%
Development	30-50%	60%	64%
Regional Invested Capital Mix[3,4]			
Australia	40-60%	31%	36%
Asia	10-25%	23%	22%
Europe	10-25%	24%	22%
Americas	10-25%	22%	20%
Target Segment Returns			
Investments ROIC	6-9%[5]	7.1%	4.5%
Development ROIC	10-13%[5]	1.9%	1.4%
Construction EBITDA Margin	2-3%	1.8%	1.7%

1. Core operating profit based measure.
2. Net debt to total tangible assets, less cash. Comparative value is closing FY23 balance.
3. Reflects strategic direction.
4. Comparative values are closing FY23 balances.
5. Through the cycle targets (not guidance) based on rolling three to five-year timelines.

Health and Safety

HY24 highlights

- No corporate reportable fatalities across the organisation in HY24.
- Maintained a low frequency rate for Critical Incidents and Lost Time injuries following the record lows recorded in FY23.
- 3P's Safety Strategy (Physical, Product, Psychological) continuing momentum with Psychological Safety Workshops being rolled out across all regions.

Physical safety
Risk of incidents from the work activities we oversee

Product safety
Risk of failure from the product we provide

Psychological safety
Risk of a culture that inhibits respect for all

Key performance indicators at record rates

	Critical Incident Frequency Rate[1]	Operations without a critical incident[2] (%)	Lost Time Injury Frequency Rate[1]
HY23	0.45	97%	1.3
HY24	0.51	95%	1.5

1. Calculated to provide a rate of instances per 1,000,000 hours worked.
2. An event that caused, or had the potential to cause, death or permanent disability.

Environmental, Social and Governance

HY24 key achievements

On track to achieve our Net Zero Carbon by 2025 & $250m Social Value by 2025 targets

12 global & 14 regional GRESB sector leadership awards[1]

Lendlease Scope 3 Emissions Protocol launched at ClimateWeek NYC

Over 1700 employees participated in our 28th annual global Community Day

Commenced global rollout of Psychological Safety Workshops

New social value partnership signed with Women Of Will Malaysia[3]

Released FY23 ESG Databook

Published 'The Electric Edge' report into electric concrete pumping at One Sydney Harbour[2]

Submitted 2023 UNGC Communication on Progress

Published FY23 Modern Slavery Statement

Lendlease Americas published inaugural Mission Zero and Social Value Progress Report

1. 2023 Global Real Estate Sustainability Benchmark
2. Published with the University of Queensland and Azzurri Concrete
3. *Women of Will* supports women living in low-income communities through training and coaching to improve their home-based businesses.

Investments Segment

Invested capital
$4.0b

Management earnings

Funds under Management
$47.8b
FUM

Assets under Management
$33.7b
AUM

Returns and metrics

Funds management fees

Property and development management fees

Revenue margin, growth in FUM/AUM, asset performance and operating leverage

Investment Portfolio earnings

Investment portfolio[1]
$3.8b

Returns and metrics

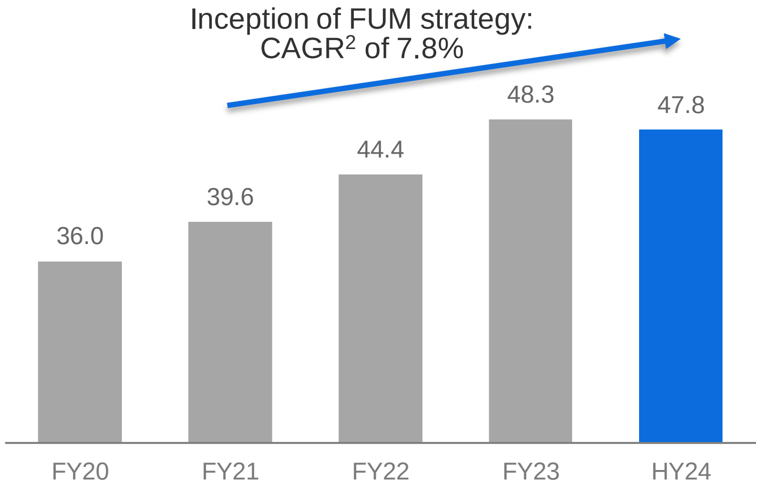
Distribution and capital growth; equity investment returns

High quality assets driving rental income, occupancy and asset valuations

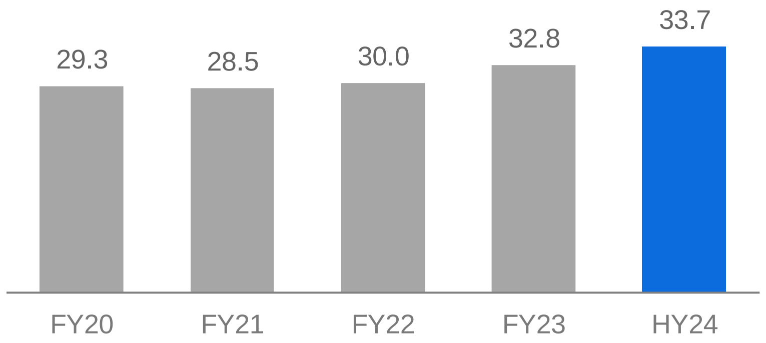
1. Represents the Group's assessment of market value of ownership interests.

Funds & Assets Under Management[1]

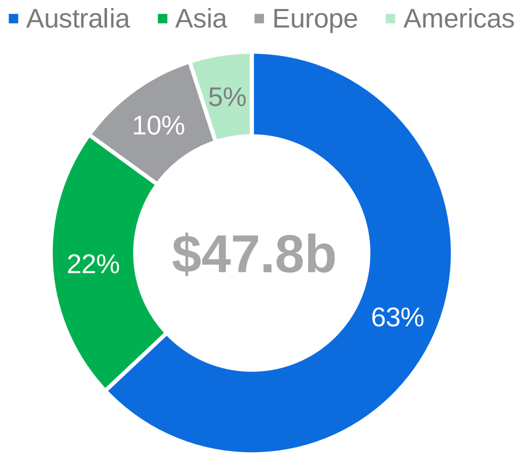
FUM ($b)



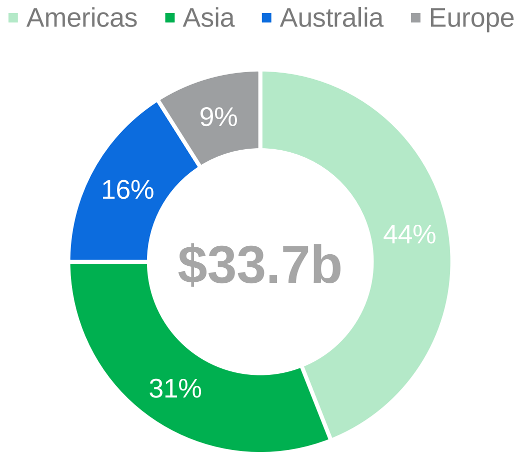
AUM ($b)



HY24 FUM by region



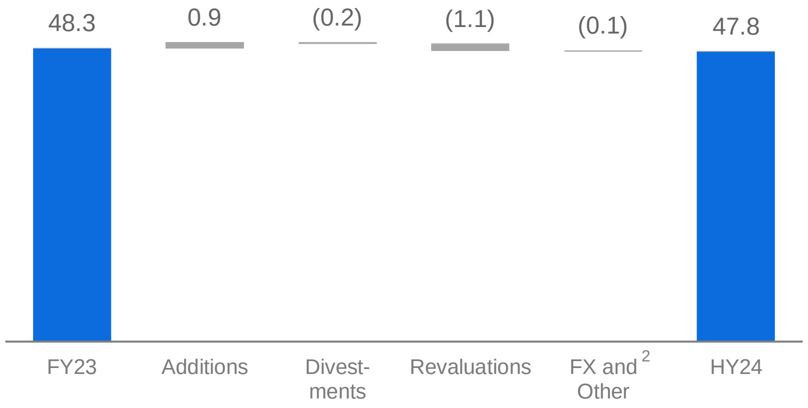
HY24 AUM by region



1. The Group's assessment of market value.
2. Compound Annual Growth Rate since FY21 (representing period since Strategy Briefing on 3 November 2022).

Funds & Assets Under Management[1] By Product

FUM ($b)



AUM ($b)

By product ($b)

	FY23[3]	Additions[4]	Divestments	Revals	FX & Other	HY24
Workplace	26.9	0.5	-	(0.9)	-	**26.5**
Residential	2.6	0.3	-	(0.1)	(0.1)	**2.7**
Retail	12.2	0.1	(0.1)	(0.1)	-	**12.1**
Data Centres, Industrial, Infrastructure	3.9	0.1	-	-	-	**4.0**
Other	2.7	-	(0.1)	-	-	**2.5**
FUM	**48.3**	**0.9**	**(0.2)**	**(1.1)**	**(0.1)**	**47.8**

By product ($b)

	FY23	Additions	Divestments	Revals	FX & Other	HY24
Workplace	5.2	-	-	-	(0.1)	**5.1**
Residential[5]	15.9	-	-	(0.1)	(0.2)	**15.6**
Retail	11.7	1.5	(0.1)	(0.1)	-	**13.0**
AUM	**32.8**	**1.5**	**(0.1)**	**(0.2)**	**(0.3)**	**33.7**

1. The Group's assessment of market value.
2. FX and Other relates to FX movements within the reporting period.
3. FY23 balances have been restated for comparative purposes
4. Table may not sum to exact decimal place due to rounding
5. Relates to residential build to rent assets and US Military Housing.

Co-investment and Fund Summary

HY24 funds management platform

	Total assets[1]	Gearing	Co-investment		Region	Sector	No. of assets	Leased	WALE	Weighted avg. cap rate
	$b	%	%	$m			#	%	Years	%
Australian Prime Property Fund Commercial	6.4	26.7	8.0	353	Aus	Workplace	21	93.3	5.4	5.1
Lendlease International Towers Sydney Trust	4.6	13.6	3.9	150	Aus	Workplace	4	94.5	5.4	5.1
Lendlease Global Commercial REIT	4.2	40.5	27.6	568	Asia	Workplace and Retail	5	87.9	7.9	n/a[2]
Paya Lebar Quarter	3.5	59.6	30.0	391	Asia	Workplace and Retail	4	99.2	1.7	3.9
Australian Prime Property Fund Retail	3.2	29.1	9.3	205	Aus	Retail	6	98.6	3.4	5.6
Lendlease One International Towers Sydney Trust	2.7	20.3	2.5	52	Aus	Workplace	1	92.2	5.0	5.0
Lendlease Americas Residential Partnership[3]	2.2	47.2	47.3	195	Amer	Residential	4	93.2	n/a	5.1
Australian Prime Property Fund Industrial	2.1	22.5	17.1	275	Aus	Data Centres and Industrial	45	98.6	5.6	5.2
Lendlease Moorfields (Europe) Investment Partnership	1.4	55.0	25.0	153	Eur	Workplace	1	100.0	25.0	5.0
Other Funds and Mandates[4]	17.5	n/a	n/a	951	n/a	Various	n/a	n/a	n/a	n/a
Direct investments – Keyton	n/a	n/a	25.1	544	Aus	Retirement Living	n/a	n/a	n/a	n/a
Totals / averages	**47.8**	**32.6[5]**		**3,837**			**>90**	**94.6[5]**		**5.0[5]**

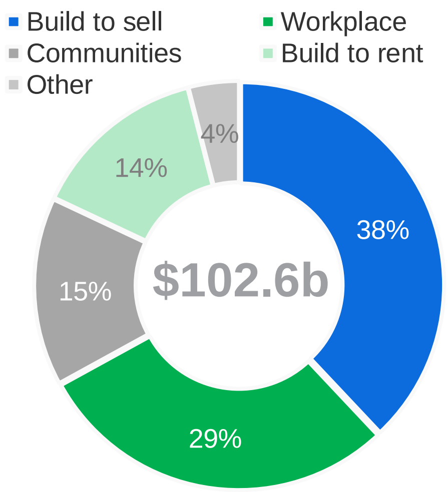
1. The Group's assessment of market value 2. Not disclosed 3. Total assets includes nine buildings (five buildings are under construction and not yet operational). All other metrics refer to the four operational buildings only. 4. Includes 21 funds and 12 investment mandates. 5. Averages based on disclosed information, and excludes "Other Funds and Mandates" and "Direct Investments – Keyton."

Development Segment

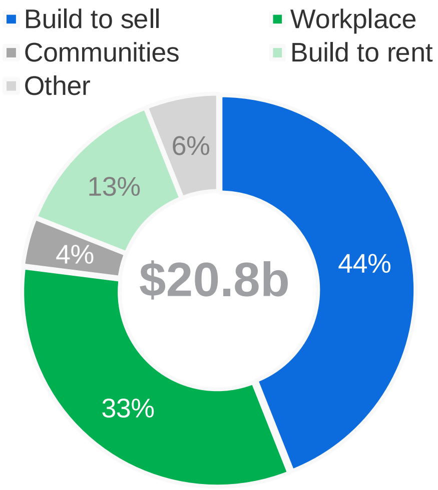
Invested capital
$7.2b

Development Phase

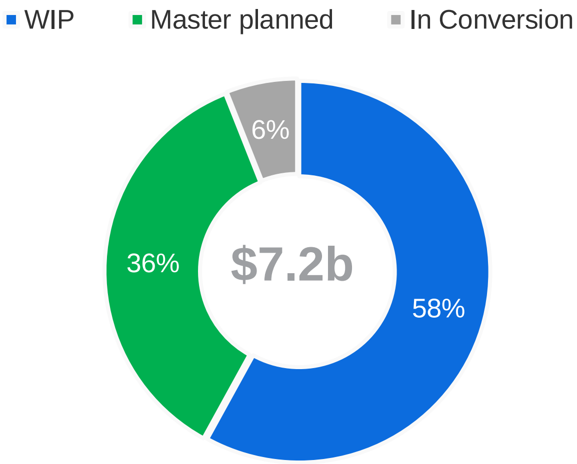
Pipeline[1] by product ($b)



Work in Progress[1] ($b)



Capital by development stage[2]



1. Total estimated end value (representing 100% of project value). Pipeline includes $15.5b from Australian Communities business.
2. Includes $1.3b of capital from Australian Communities business across Master Planned and Work in Progress.

Impacts on Development profit recognition from prior historical JV approach

FY24-25 profits understated; FY26 the expected first year of normalised urban development profit recognition

FY22-FY25 period impacted by change in JV approach

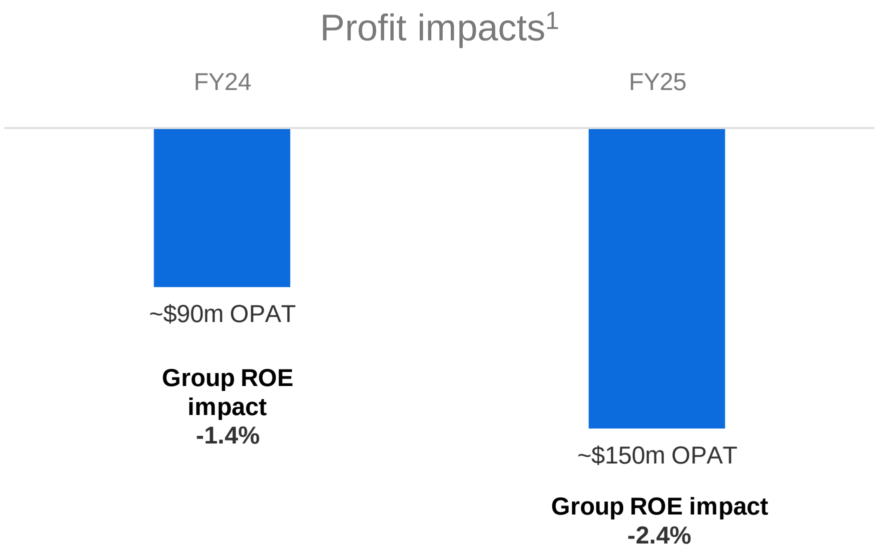
- Changes were announced in FY21 within urban development on JV structures to no longer recognise revaluation profit on retained interests on sell down
- Prior practice resulted in future profits being brought forward, and a misalignment of cash receipts, impacting the FY22-FY25 period

~$260m[2] of Development operating profit after tax was recognised earlier under the old JV structuring approach, relating to FY24-25 completions

- Equivalent to ~$335m[3] of pre-tax profit; expected to be delivered as additional cash proceeds across FY24 and FY25
- Underlying profits will effectively be understated by an average of ~1.9% ROE for each of FY24 and FY25

From FY26, urban development pipeline becomes normalised, with no prior profit recognition from revaluation gains

- Normalisation of development profits from FY26 onwards, with historical projects under the old JV methodology expected to complete by FY25



1. Projects include Victoria Cross and One Sydney Harbour towers 1 and 2. 31 December 2023 shareholders' equity balance of $6.3b assumed for illustrative purposes.
2. Excludes revaluation losses on Victoria Cross of $28m this period and $5m in the financial year ended 30 June 2023.
3. Pre-tax profits recognised in FY20-FY21 offset by revaluation losses on Victoria Cross of $28m this period and $5m in 2H FY23.

Major Urban Project Summary[1]

Region	Project	Project secured	Delivery commenced	Realised end value ($b)	Estimated remaining end value ($b)[2]	Completion date	Residential backlog units	Commercial backlog sqm '000[3]	Land payment model
Australia	Victoria Cross[4], Sydney	FY19	FY20	-	1.2	FY25	-	59	Staged payment
	Barangaroo South, Sydney	FY09	FY12	5.7	4.3	FY25	848	1	Staged payment
	Melbourne Quarter, Melbourne	FY13	FY16	1.3	1.7	FY26	797	75	Land management
	One Circular Quay, Sydney	FY23	FY23	-	3.1	FY27	158	20	Upfront and deferred payments
	Victoria Harbour, Melbourne	FY01	FY04	4.6	2.3	FY30	1,994	-	Land management
Asia	Comcentre Redevelopment	FY22	FY25	-	3.4	FY29	-	91	Staged payment
	The Exchange TRX, Kuala Lumpur	FY14	FY17	1.5	2.4	FY31	2,526	66	Staged payment
Europe	Elephant Park, London	FY10	FY12	2.9	2.0	FY28	683	48	Staged payment
	Stratford Cross, London[5]	FY10	FY14	2.0	3.3	FY31	350	147	Staged payment
	Milan Innovation District	FY19	FY21	0.1	3.9	FY32	1,115	381	Staged payment
	Milano Santa Giulia	FY18	FY20	0.4	5.5	FY35	3,251	106	Land management
	Smithfield, Birmingham	FY21	FY26	-	3.7	FY35	3,079	126	Land management
	Silvertown, London	FY18	FY23	-	10.1	FY40	6,288	120	Land management
	High Road West, London	FY18	FY24	-	2.5	FY34	2,803	10	Land management
	Euston Station, London	FY18	FY28	-	11.2	FY40+	2,000	400	Land management
	Thamesmead Waterfront, London	FY20	FY29	-	15.4	FY40+	11,500	82	Land management
Americas	1 Java Street, New York	FY21	FY22	-	1.3	FY26	834	-	Upfront payment
	Hayes Point, San Francisco	FY17	FY23	-	1.9	FY28	333	27	Upfront payment
	Southbank, Chicago	FY15	FY16	0.4	1.5	FY30	1,536	-	Upfront payment
	Lakeshore East, Chicago	FY19	FY20	0.6	1.2	n/a[6]	569	-	Staged payment
Other Urban Projects				0.7	5.2		511	389	
Total Urban				**20.2**	**87.1**		**41,175**	**2,148**	

1. Subject to planning approvals, contractual conditions, market, and tenant precommitments.
2. Total estimated end value (representing 100% of project value).
3. Floor space measured as Net Lettable Area.
4. Victoria Cross over station development.
5. Formerly International Quarter London.
6. Commercial in confidence.

Urban Development Activity HY24 – Commencements and Completions

$3.2b of Urban Commencements and Completions in HY24 (excludes Communities)

Commencements

City	Project	Sector	Capital model	Ownership	Units	Presold / Pre let %	Presales ($b)	Project end value ($b)	Net end value ($b)	Completion
London	Elephant Park, MP4 - H11B	Build to sell[1]	Joint Venture	25%	259	n/a	n/a	0.4	0.1	FY26
London	Silvertown, Phase 1 Plot 6[2]	Build to sell[1]	Joint Venture	50%	106	100%	0.1	0.1	-	FY26
Total[3]					**365**		**0.1**	**0.5**	**0.1**	

Completions

City	Project	Sector	Capital model	Ownership	Sqm (k) / units	Presold / Pre let %	Presales ($b)	Project end value ($b)	Net end value ($b)	Completion
New York	100 Claremont, Claremont Hall	Build to sell[1]	Joint Venture	32%	166	n/a[4]	n/a[4]	0.7	0.2	1H24
Chicago	Southbank, The Reed	Build to sell[1]	Joint Venture	50%	216	n/a[4]	n/a[4]	0.3	0.1	1H24
Chicago	Southbank, The Reed	Build to rent[1]	Joint Venture	50%	224	n/a[4]	n/a	0.2	0.1	1H24
Milan	Milan Innovation District, Village	Workplace	On B/Sheet	100%	3k	90%	n/a	<0.05	<0.05	1H24
Kuala Lumpur	The Exchange TRX	Retail	Joint Venture	60%	122k	96%	n/a	1.5	0.9	1H24
Total[3]					**125k / 606[5]**		**-**	**2.7**	**1.4**	

1. Residential.
2. Includes Affordable Housing.
3. Table may not sum to exact decimal place due to rounding.
4. Commercial in confidence.
5. Number of units shown for residential assets. Square metres of net lettable area shown for other asset types.

Note: Terms are defined in the glossary on page 28.

Indicative Completions profile[1] – Work in Progress

2H24 Urban Completions pipeline of $5.2b, including 129k sqm of workplace and other development and 1,886 units

City	Project	Sector	Capital model	Ownership	Sqm (k) / units	Presold / Pre let %	Presales ($b)	Project end value ($b)	Net end value ($b)	Completion	Profit realised
Kuala Lumpur	The Exchange TRX	Build to sell[2]	Joint Venture	60%	896	76%	0.4	0.5	0.3	2H24	
Saitama	Lendlease Data Centre Partners	Data Centre	Joint Venture	20%	30k	100%	n/a	0.4	0.1	2H24	
Yokohama	Lendlease Innovation Limited Partnership, Leaf Minatomirai	Workplace	Joint Venture	15%	24k	83%	n/a	0.3	<0.05	2H24	
Melbourne	Melbourne Quarter	Workplace	Fund Through	0%	75k	24%	n/a	1.2	-	2H24	
Sydney	One Sydney Harbour, Residences One (R1)[3]	Build to sell[2]	Joint Venture	75%	315	98%	2.0	2.0	1.5	2H24	
London	Elephant Park, Park and Sayer	Build to sell[2]	On B/Sheet	100%	301	90%	0.3	0.4	0.4	2H24	
London	Deptford Landings, Plot 4	Build to rent[2]	Fund Through	0%	251	n/a	n/a	0.2	-	2H24	
London	Elephant Park, Park and Sayer	Build to rent[2]	Joint Venture	50%	123	n/a	n/a	0.2	0.1	2H24	
Total[4]					**129k / 1,886[5]**		**2.7**	**5.2**	**2.4**		

1. Excludes Communities Australia.
2. Residential.
3. One Sydney Harbour (Barangaroo) projects have PLLACes transactions in aggregate of $1.7b face value which reduce cash proceeds at settlement.
4. Table may not sum to exact decimal place due to rounding.
5. Number of units shown for residential assets. Square metres of net lettable area shown for other asset types.

Note: Terms are defined in the glossary on page 28.

Reflects proportion of profit recognised to date relative to estimated total project profit. Rounded up to 25% increments.

Indicative Completions profile[1] – Work in Progress (continued)

Urban Completions pipeline of $14.6b from FY25 to FY28, including 275k sqm of workplace and other development and 3,280 units

City	Project	Sector	Capital model	Ownership	Sqm (k) / units	Presold / Pre let %	Presales ($b)	Project end value ($b)	Net end value ($b)	Completion	Profit realised
Sydney	One Sydney Harbour, Residences Two (R2)[2]	Build to sell[3]	Joint Venture	75%	321	94%	1.6	1.7	1.3	FY25	
Sydney	Victoria Cross over station development	Workplace	Joint Venture	75%	59k	6%	n/a	1.2	0.9	FY25	
Sydney	One Sydney Harbour, Waterman's Residences (R3)[2]	Build to sell[3]	On B/Sheet	100%	212	64%	0.4	0.6	0.6	FY25	
Boston	60 Guest	Workplace	Joint Venture	25%	33k	n/a[4]	n/a	n/a[4]	n/a[4]	FY25	
Kuala Lumpur	The Exchange TRX	Hotel / Workplace	Joint Venture	60%	47k	n/a	n/a	0.3	0.2	FY25	
Singapore	Paya Lebar Green	Workplace	Joint Venture	49%	31k	n/a[4]	n/a	n/a[4]	n/a[4]	FY25	
London	Stratford Cross (IQL, The Turing Building)	Workplace	Joint Venture	50%	34k	3%	n/a	n/a[4]	n/a[4]	FY25	
Los Angeles	Habitat	Workplace	Joint Venture	50%	24k	0%	n/a	0.7	0.4	FY26	
Los Angeles	Habitat	Build to rent[3]	Joint Venture	50%	260	n/a	n/a	0.4	0.2	FY26	
New York	1 Java Street	Build to rent[3]	Joint Venture	25%	834	n/a	n/a	1.3	0.3	FY26	
Melbourne	Melbourne Quarter West	Build to rent[3]	Fund Through	25%	797	n/a	n/a	0.5	0.1	FY26	
London	Elephant Park, MP4 - H11B	Build to sell[3]	Joint Venture	25%	259	0%	n/a	0.4	0.1	FY26	
London	Silvertown, Phase 1 Plot 6	Build to sell[3]	Joint Venture	50%	106	100%	0.1	0.1	n/a	FY26	
Sydney	One Circular Quay	Build to sell[3] / Hotel	Joint Venture / Fund Through	33%[5]	158 / 20k	63%[5]	1.6[5]	3.1	n/a[4]	FY27	
San Francisco	Hayes Point	Workplace	On B/Sheet	100%	27k	0%	n/a	0.8	0.8	FY27	
San Francisco	Hayes Point	Build to sell[3]	On B/Sheet	100%	333	n/a	n/a	1.1	1.1	FY28	
Total[6]					**275k / 3,280[7]**		**3.7**	**14.6**	**7.8**		
Total 2H24 to FY28[6]					**404k / 5,166[7]**		**6.4**	**19.8**	**10.2**		

1. Excludes Communities Australia.
2. One Sydney Harbour (Barangaroo) projects have PLLACes transactions in aggregate of $1.7b face value which reduce cash proceeds at settlement.
3. Residential.
4. Commercial in confidence.
5. In relation to the residential build to sell component.
6. Table may not sum to exact decimal place due to rounding.
7. Number of units shown for residential assets. Square metres of net lettable area shown for other asset types.

Note: Terms are defined in the glossary on page 28.

Reflects proportion of profit recognised to date relative to estimated total project profit. Rounded up to 25% increments.

Residential Apartment Settlements[1]

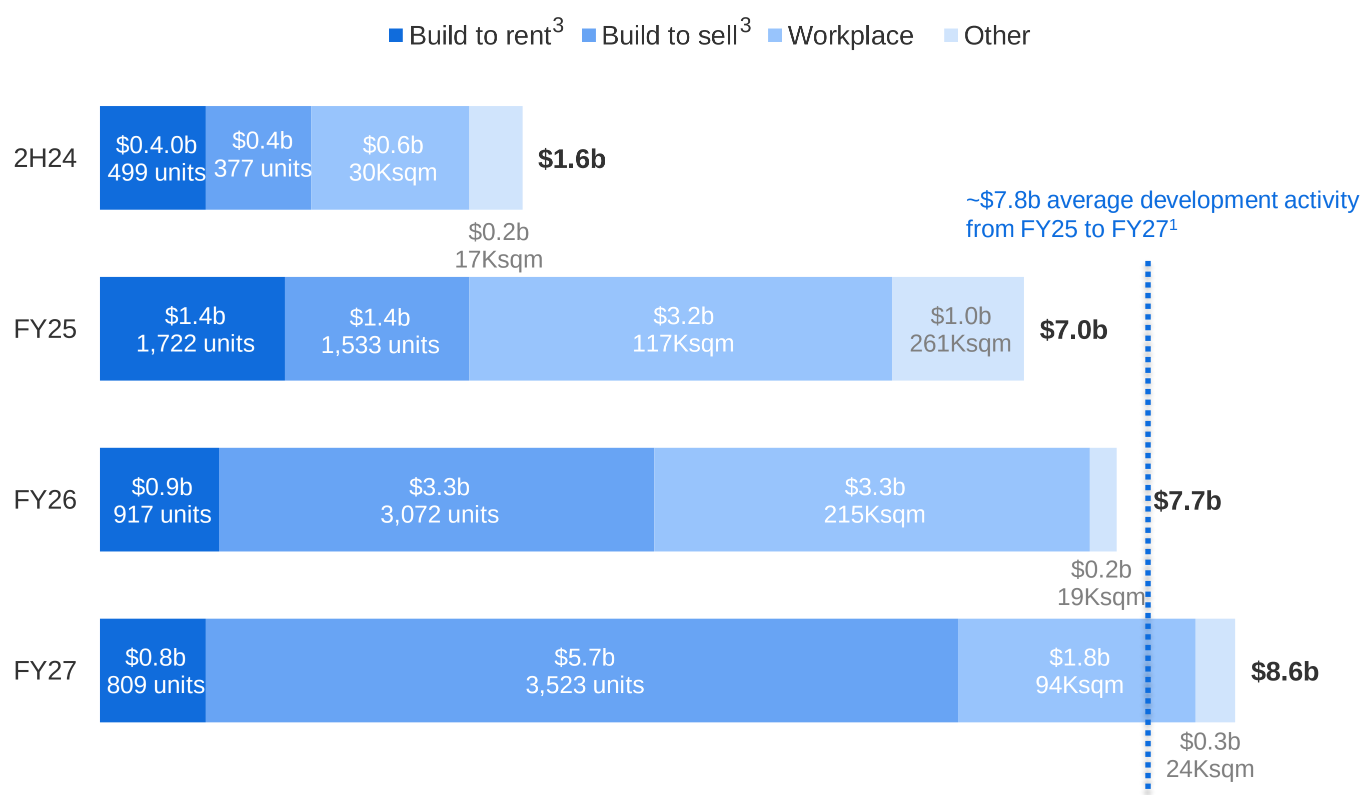
	Ownership	Completion	HY24 Settlements[2]		
			Units	$m	$m (net)[3]
Australia					
Melbourne Quarter – East Tower	50%	FY21	1	1	-
Total Australia			**1**	**1**	**-**
Europe					
Potato Wharf Block 3	100%	FY22	19	12	12
Potato Wharf Block 4	100%	FY22	2	1	1
Victora Drive	50%	FY19	1	2	1
Total Europe			**22**	**15**	**14**
Americas					
Lakeshore East, Cirrus	43%	FY22	24	41	17
Southbank, The Reed	50%	1H24	39	43	22
100 Claremont, Claremont Hall	32%	1H24	26	111	35
Fifth Avenue, 277 Fifth Avenue	40%	FY20	3	53	21
Total Americas			**92**	**248**	**95**
Total residential build to sell settlements			**115**	**264**	**109**

1. Half year ended 31 December 2023.
2. Settlements during the period ended 31 December 2023 at 100%.
3. Lendlease interest in Settlement revenues. Excludes stock on projects in delivery.

Targeted Commencements profile[1]

Seeking to balance commencements and completions over time to maintain WIP, subject to market conditions

Delivery of pre-commencement pipeline ($b)[2]



- **2H24 urban commencements of $1.6b anticipated**
  - Key projects and precincts include:
    - Victoria Harbour
    - Milan Innovation District (MIND)
    - Town Hall Place, Melbourne
- **FY25 urban commencements of $7.0b anticipated**
  - Key projects and precincts include:
    - Comcentre redevelopment
    - The Exchange TRX (build to sell)
    - Southbank
    - Milano Santa Giulia

1. Excludes Australia Communities. Total estimated end values shown (representing 100% of project value).
2. Subject to planning approvals, contractual conditions, market, and tenant precommitments. Floor space measured as Net Lettable Area in Ksqm. Units denote completed apartments for sale and apartments for rent.
3. Residential.

Australia Communities

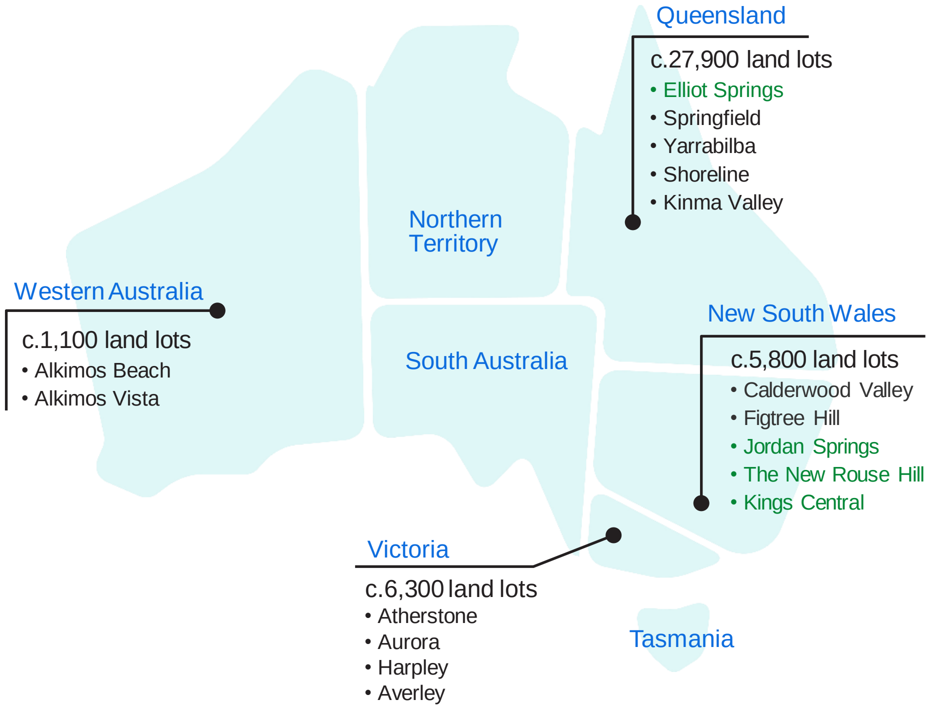
Sales & Settlements	Sales				Settlements			
	HY23		HY24		HY23		HY24	
	Lots	$m	Lots	$m	Lots	$m	Lots	$m
Queensland	476	149	516	170	437	114	415	132
New South Wales	50	32	60	44	211	80	121	60
Victoria	206	59	90	31	315	95	349	98
South Australia	-	-	-	-	-	-	-	-
Western Australia	34	9	149	40	59	16	67	18
Non-residential	n/a	6	n/a	8	n/a	25	n/a	2
Total	**766**	**255**	**815**	**293**	**1,022**	**330**	**952**	**310**

Sale perimeter – transfer to complete 2H24

- $12.1b pipeline[1]
- 12 projects
- c.29,000 Communities pipeline lots

Remaining Lendlease projects

- $3.4b pipeline[1] with a book value of $0.2b
- 4 projects retained across Queensland and NSW
  - Kings Central (NSW) and The New Rouse Hill (NSW) nearing completion in FY24/25
  - Jordan Springs (NSW) and Elliot Springs (Qld)
- c.12,100 Communities pipeline lots



1. Total estimated end value (representing 100% of project value)

Construction Segment

Backlog[1] $8.3b

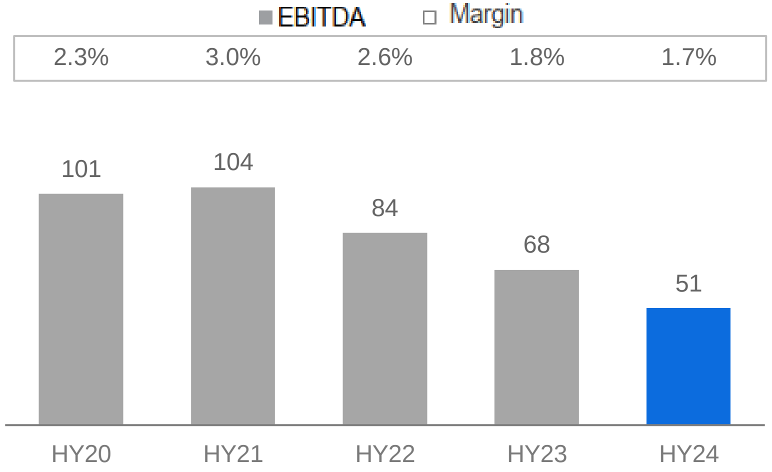
Preferred[2] $11.8b

	Australia	Asia	Europe	Americas
Revenue in the last 6 months	$1.9b	$0.1b	$0.2b	$0.8b
Backlog[1]	$4.5b	$0.1b	$1.1b	$2.6b
Preferred[2]	$6.5b	$0.4b	$4.0b	$0.9b

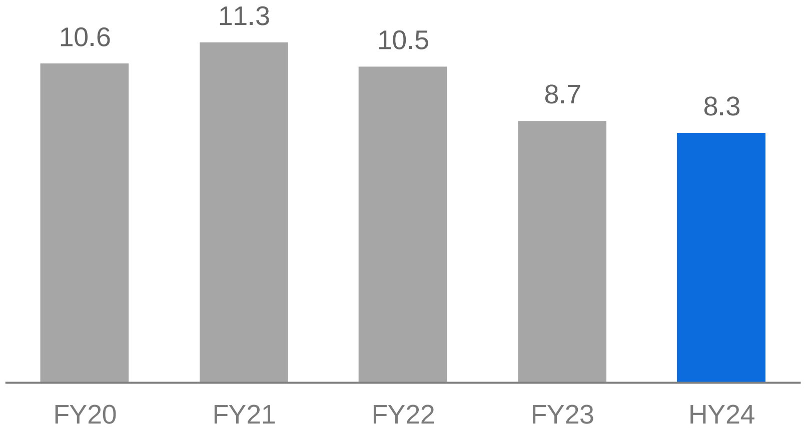
1. Construction revenue to be earned in future periods (excludes internal projects). 2. A project's status is considered preferred whereby Lendlease have been exclusively nominated by the client (usually via formal communication or commitment) as the preferred contractor pending finalisation of scope, commencement, price and contract terms.

Construction Earnings / Backlog / New Work Secured

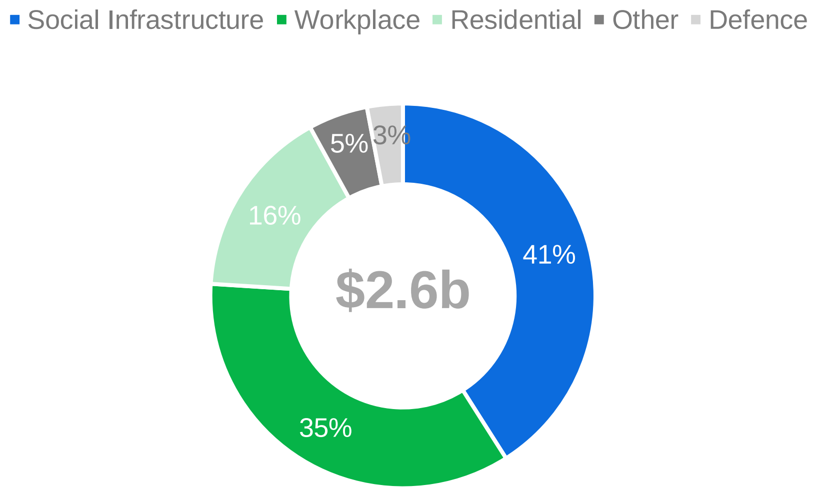
EBITDA ($m)



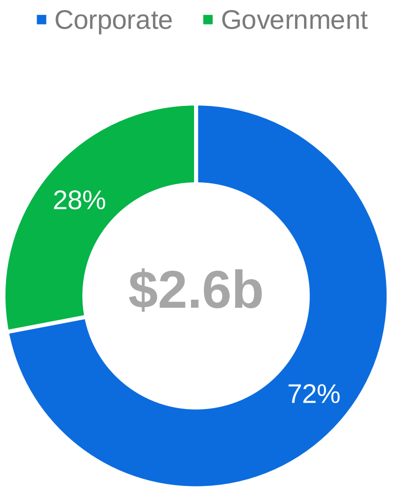
Backlog ($b)[1]



HY24 New work secured by sector[2]



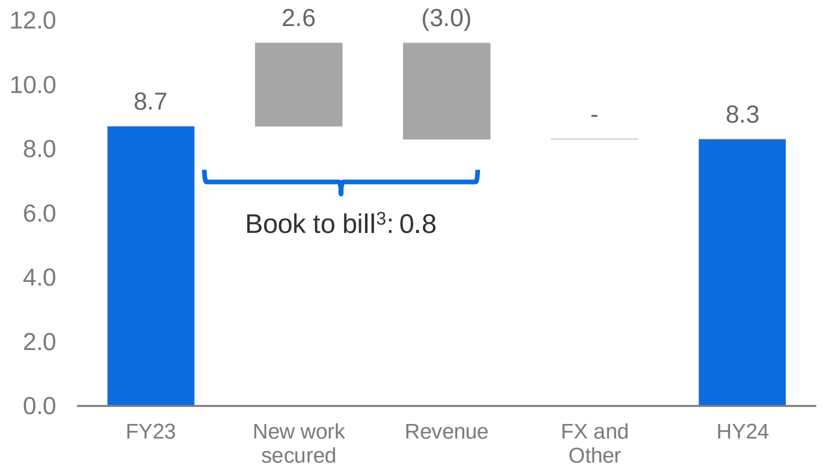
HY24 New work secured by client[2]



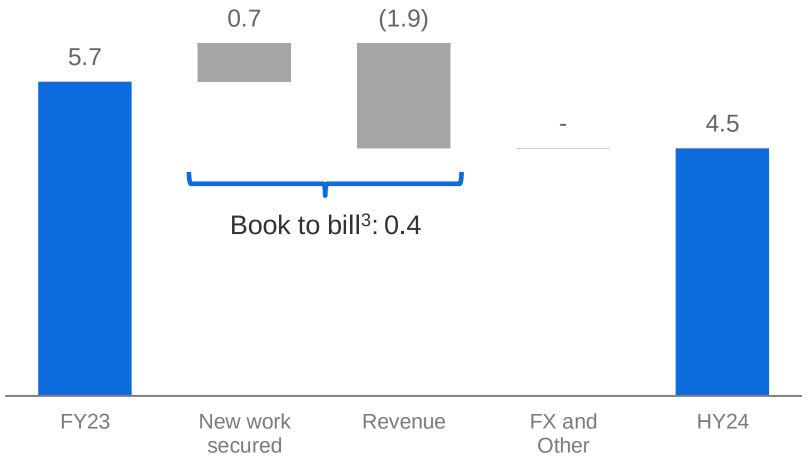
1. Construction revenue to be earned in future periods (excludes internal projects).
2. Estimated revenue to be earned from construction contracts secured during the year (external work only).

Construction Backlog by Region[1,2]

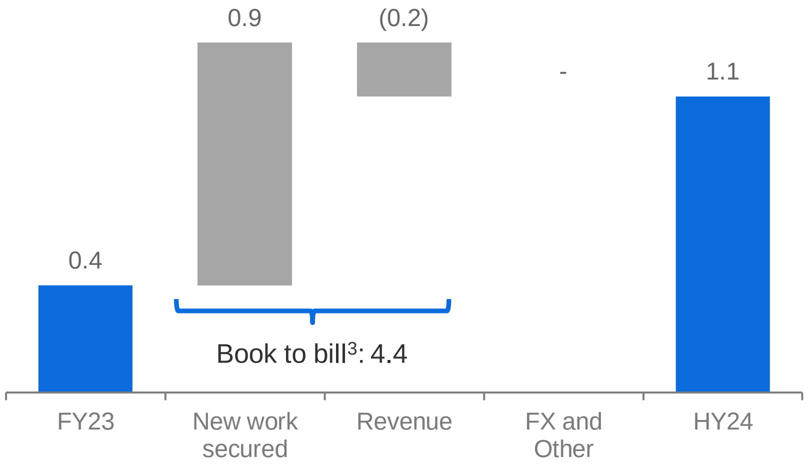
Group ($b)



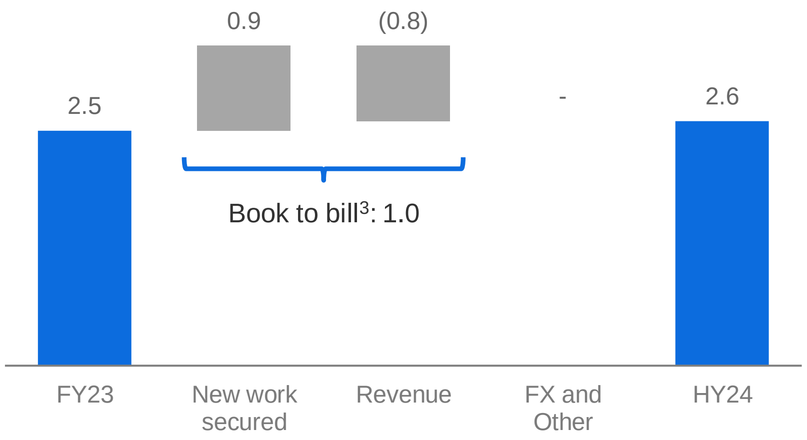
Australia ($b)



Europe ($b)



Americas ($b)



1. Construction revenue to be earned in future periods (excludes internal projects).
2. Asia closing Backlog $0.1b. Excluded for presentation purposes.
3. Ratio calculated as external new work secured over external revenue to the nearest million.

Defined Development terms

Completion	Based on expected completion date of underlying buildings, subject to change in delivery program. Not indicative of cash or profit recognition
Fund Through	Funding model structured through a forward sale to a capital partner resulting in majority of profit recognition early, with capital partner funding development costs through delivery
Joint Venture	Typically, an early-stage joint project partnership with profits recognised partially upfront and at project milestones (e.g. leasing events, completion), along with supplementary development management fees recognised through development
Net end value	Lendlease's estimated net end value (project end value less third-party ownership)
On Balance Sheet	Funded by Lendlease with the option to pursue a variety of capital structures, including Joint Venture or Fund Through capital structures
Ownership	Percentage of Lendlease ownership at 31 December 2023
Presold % / presales	Presold % based on value. Closing presales balance at 31 December 2023
Pre let %	Pre-leasing % based on net lettable area
Project end value	Total estimated end value (representing 100% of project value at completion)
Sqm (k)	Represents floor space measured as Net Lettable Area for Workplace / Office projects
Units	Completed apartment units for residential build to sell and residential build to rent project

Important Notice

This document (including the appendix) has been prepared and is issued by Lendlease Corporation Limited (ACN 000 226 228) (Lendlease) in good faith. Neither Lendlease (including any of its controlled entities), nor Lendlease Trust (together referred to as the Lendlease Group) makes any representation or warranty, express or implied, as to the accuracy, completeness, adequacy or reliability of any statements, estimates, opinions or other information contained in this document (any of which may change without notice). To the maximum extent permitted by law, Lendlease, the Lendlease Group and their respective directors, officers, employees and agents disclaim all liability and responsibility (including without limitation any liability arising from fault or negligence) for any direct or indirect loss or damage which may be suffered, howsoever arising, through use or reliance on anything contained in or omitted from this document.

This document has been prepared without regard to the specific investment objectives, financial situation or needs of any recipient of this presentation. Each recipient should consult with, and rely solely upon, their own legal, tax, business and/or financial advisors in connection with any decision made in relation to the information contained in this presentation.

Prospective financial information and forward looking statements, if any, have been based on current expectations about future events and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations expressed in or implied from such information or statements.

Lendlease Group’s statutory results are prepared in accordance with International Financial Reporting Standards (IFRS). This document also includes material that is not included in Lendlease Group’s statutory results and contains non-IFRS measures. Material that is not included in Lendlease Group’s statutory results has not been subject to audit. Lendlease Group’s auditors, KPMG, performed agreed upon procedures to ensure consistency of this document with Lendlease Group’s statutory results, other publicly disclosed material and management reports.

A reference to HY24 refers to the six month period ended 31 December 2023 unless otherwise stated. Comparative periods are to the six months ended 31 December 2022 unless otherwise stated. All figures are in AUD unless otherwise stated.