

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Table of Contents

Retail	1
Overview	1
Assets Under Management.....	2
Development Pipeline	3
Communities	4
Overview	4
Asia Pacific Communities.....	5
Senior Living	7
Crosby Lend Lease.....	8
Other Communities – United Kingdom.....	9
Other Communities – Americas.....	9
Actus Lend Lease	10
Investment Management	11
Funds Under Management	11
Investments	12
Project Management, Construction and PFIs	14
Bovis Lend Lease Major Projects (by Construction Value).....	14
Bovis Lend Lease Realised Gross Profit Margin Analysis by Sector	16
PFIs	17

All currency amounts in this report are expressed in Australian dollars unless otherwise specified.

The Portfolio Report is based on the Group's consolidated financial statements for the period ended 31 December 2006 and should be read in conjunction with those financial statements.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Retail

Overview

	Australia		Singapore		UK		US		Total	
	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006
Ownership¹										
Number of centres	10	8	3	2	7	7	1	1	21	18
Market value of Lend Lease interest ² (A\$m)	429.9	392.9	225.0	77.9	2,200.0	2,041.6	454.2	445.3	3,309.1	2,957.7
Total GLA ³ (sqm)	689,500	665,800	70,500	71,300	350,700	350,700	243,100	243,100	1,353,800	1,330,900
Asset Management										
Number of centres	8	6	2	1	5	5			15	12
Assets under management (A\$m)	3,064.2	2,721.0	731.3	599.2	6,995.0	6,491.9			10,790.5	9,812.1
GLA under management (sqm)	446,300	422,600	65,600	49,700	290,800	290,800			802,700	763,100
Development Pipeline										
Number of centres	6	5	1		6	7			13	12
Current total GLA (sqm)	245,200	422,600			118,000	141,700			363,200	564,300
Gross estimated development cost (A\$m)	640	645	735		3,925	3,537			5,300	4,182
Estimated additional GLA (sqm)	81,000	78,100	28,100		263,300	243,600			372,400	321,700

¹ Lend Lease's ownership interest is held directly or indirectly via managed funds. Where the investment is held via a managed fund the market value represents the Lend Lease share of the value of the fund.

² Market value is based on independent valuations and is net of project specific debt.

³ GLA represents the gross lettable area of the centres.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Retail continued

Assets Under Management

Shopping Centres	Managed on behalf of	GLA ¹ sqm			Market Value ² December 2006 A\$m	Market Value ² June 2006 A\$m
Asia Pacific						
Cairns Central, Qld	APPF Retail/Other Joint Owners	52,700				
Caneland Central, Qld	APPF Retail/Other Joint Owners	39,300				
Sunshine Plaza, Qld	APPF Retail/Other Joint Owners	72,600				
Erina Fair, NSW	APPF Retail/Other Joint Owners	108,500			3,064.2	2,721.0
Macarthur Square, NSW	APPF Retail/Other Joint Owners	92,600				
Greensborough Plaza, NSW	APPF Retail	58,000				
Caroline Springs Square, Vic	APPF Retail/Lend Lease Core Plus Fund (LLCPF)	6,800				
Pakenham Place, Vic	APPF Retail/Lend Lease Corporation	15,800				
Parkway Parade, Singapore ³	Asia Pacific Investment Company No. 2 (APIC II)	48,900			616.3	599.2
Paradiz Centre, Singapore ³	Lend Lease Corporation/Other Joint Owners	16,700			115.0	
Total Asia Pacific		511,900			3,795.5	3,320.2
Shopping Centres	Managed on behalf of	GLA ¹ sqm	Market Value ² December 2006 £m	Market Value ² June 2006 £m	Market Value ² December 2006 A\$m	Market Value ² June 2006 A\$m
United Kingdom						
Bluewater, Kent	Lend Lease Retail Partnership/Lend Lease Corporation	148,600	2,135.0	2,026.5	5,337.5	4,942.7
Overgate, Dundee	Lend Lease Overgate Partnership	39,000	186.5	181.8	466.3	443.4
Touchwood, Solihull	Lend Lease Retail Partnership	60,400	301.6	280.8	754.0	684.9
Golden Square, Warrington	Warrington Retail Unit Trust	28,800	93.6	92.4	234.0	225.4
The Meadows, Chelmsford	Chelmsford Meadows Unit Trust	14,000	81.3	80.1	203.2	195.5
Total United Kingdom		290,800	2,798.0	2,661.6	6,995.0	6,491.9
Total assets under management		802,700	-	-	10,790.5	9,812.1

1 GLA represents the gross lettable area of the centres.

2 The market value represents Lend Lease's assessment of the value of the underlying assets.

3 The market value for Singapore assets in local currency is S\$877.6 million (June 2005: S\$719.0 million).

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Retail continued

Development Pipeline

Shopping Centres	Managed on behalf of	Ownership Interest ² %	Project Status	Estimated Completion Date	Current GLA ¹ sqm	Estimated Additional GLA ^{1,2} sqm	Estimated Gross Development Cost ² A\$m	
Asia Pacific								
Australia	Lend Lease Managed Funds/Other Joint Owners	Various ³	Various	2008 – 2010	245,200	81,000	640	
Somerset Central	Lend Lease Managed Funds/Lend Lease Corporation	100% ⁴	Planning	2010		28,100	735	
Total Asia Pacific					245,200	109,100	1,375	
Shopping Centres	Managed on behalf of			Estimated Completion Date	Current GLA ¹ sqm	Estimated Additional GLA ^{1,2} sqm	Estimated Gross Development Cost ² £m	Estimated Gross Development Cost ² A\$m
United Kingdom								
Golden Square, Warrington	Warrington Retail Unit Trust	50.0	Under Construction	2007	28,800	34,800	160	400
Bluewater Events Venue, Kent	Lend Lease Retail Partnership	31.0	Approved	2009		5,200	50	125
Overgate, Dundee	Lend Lease Overgate Partnership	30.7	Approved	2009	39,000	20,000	100	250
Park Place, Croydon	Park Place Unit Trust	50.0 ⁵	Planning	2013		82,700	600	1,500
Arndale, Eastbourne	Performance Retail Unit Trust	33.3	Planning	2012	36,200	37,000	190	475
The Meadows, Chelmsford	Chelmsford Meadows Unit Trust	75.0	Planning	2012	14,000	83,600	470	1,175
Total United Kingdom					118,000	263,300	1,570	3,925
Total development pipeline					363,200	372,400	–	5,300

1 GLA represents the gross lettable area of the centres.

2 The estimated additional GLA and gross development cost is dependent on future planning approvals and is subject to commercial feasibility and approvals from joint venture partners. Also, the Lend Lease ownership interest shown may change prior to or during the development.

3 Lend Lease holds an indirect interest through its investment in APPF.

4 As at 31 December 2006, Lend Lease owned 25% of the Somerset Central retail development directly with the remaining 75% held by ARIF. The Group completed the first equity close for ARIF and launched the fund during December 2006, however due to Lend Lease's ongoing financial commitment in relation to the fund, at 31 December 2006 the fund was consolidated into the Lend Lease financial statements.

5 In the period, Lend Lease entered into an agreement to acquire a 50% interest in the Park Place retail development subject to certain commercial conditions. The acquisition is expected to complete by December 2007.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities

Overview

	Australia		UK		US		Total	
	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006
Number of projects	44	44	21	22	3	2	68	68
Backlog (number of lots and apartments)								
– Zoned (with planning approvals)	35,050	36,000	14,060	13,700	2,960	3,025	52,070	52,725
– Unzoned (awaiting planning approvals)	40,400	40,400	140	280	12,950		53,490	40,680
Residential (lots and apartments)	75,450	76,400	14,200	13,980	15,910	3,025	105,560	93,405
Commercial (sqm) ¹	2,170,100	2,223,100	427,760	427,760	1,309,170	418,860	3,907,030	3,069,720
Estimated value of total backlog (A\$b)	17.1	17.5	11.4	10.0	1.9	0.4	30.4	27.9

Actus Lend Lease	Number of Projects		Estimated Capital Spend ² US\$b		Equity Commitment ³ US\$m		Units Under Management	
	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006	December 2006	June 2006
Operational (secured)	8	7	3.4	3.4	54.8	52.3	28,600	27,700
Preferred bidder (awarded)	4	4	1.3	1.0			10,100	6,500
Total	12	11	4.7	4.4	54.8	52.3	38,700	34,200

¹ Represents net developable area of the project site. Commercial backlog includes 683,000 sqm of retail backlog (80,100 sqm in Asia Pacific, 56,500 sqm in the UK and 546,400 sqm in the USA).

² Over the initial development period of the project.

³ Includes both invested and committed equity.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities continued

Asia Pacific Communities – Project Listing

Project	Location	Ownership Interest	Estimated Completion Date	Total Units ¹	Backlog ² Land Units	Backlog ² Built Form Units	Residential ³ Current Price Range \$000	Estimated Commercial Backlog sqm
Zoned Projects								
Woodlands ⁴	Qld	Land management	2011	1,260	1,150		105 – 255	
Forest Gardens	Qld	50% JV/Land management	2009	1,570	220	30	95 – 395	
Riverside Gardens	Qld	Land management	2007	1,820	40		120 – 255	
Varsity Lakes	Qld	Land management	2010	1,490	20	50	225 – 2,320	76,200
Springfield Lakes	Qld	Land management	2015	10,000	8,860		75 – 320	5,500
Surfers Paradise ⁶	Qld	Land management	2015	2,150	2,150		410 – 1,900	
Hyatt Coolum	Qld	100%	2012	500		460	650 – 1,800	
Twin Waters Residential	Qld	100%	2013	1,765	680	20	310 – 950	
Twin Waters Resort	Qld	51% JV	2009	65		60	640 – 2,600	
Fairway Waters	NT	Land management	2007	1,040	20	20	90 – 300	
The Chase	NT	Land management	2007	970	40		130 – 240	
Bingara Gorge (Wilton)	NSW	Land management	2015	1,200	1,200		200 – 650	25,000
Holroyd	NSW	Land management	2007	70	30		160 – 300	
St Marys – Other Precincts	NSW	100%	2017	4,080	3,980		190 – 315	305,800
St Marys – Ropes Crossing ⁴	NSW	Land management	2017	1,320	1,210		190 – 315	3,000
Nelsons Ridge	NSW	Land management	2010	920	420	380	200 – 675	
Jacksons Landing	NSW	50% JV	2012	1,370		440	600 – 2,400	15,600
Rouse Hill	NSW	51% JV/Land management	2018	1,720	520	1,140	250 – 600	68,700
Newington	NSW	50% JV/Land management	2009	2,000		170	450 – 800	
St Patricks	NSW	50% JV/Land management	2009	140		130	1,500 – 4,500	
Sub-total zoned				35,450	20,540	2,900		499,800

Note: Footnote references included on the following page.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities continued

Asia Pacific Communities – Project Listing continued

Project	Location	Ownership Interest	Estimated Completion Date	Total Units ¹	Backlog ² Land Units	Backlog ² Built Form Units	Residential ³ Current Price Range A\$000	Estimated Commercial Backlog sqm
Forde	ACT	25% JV/Land management	2013	1,100	1,100		150 – 290	1,300
Edgewater	Vic	100%	2012	1,120	70	520	385 – 1,000	14,100
Craigieburn	Vic	Land management	2008	3,100	650	10	110 – 160	2,000
Lakeside at Pakenham ⁴	Vic	Land management	2010	2,350	740	60	75 – 185	8,000
Caroline Springs	Vic	50% JV/Land management	2012	7,480	2,240	280	75 – 335	64,000
Laurimar	Vic	100%	2015	1,850	1,810		90 – 395	12,100
Victoria Harbour	Vic		Various					
– Dock 5		100%	2007	140		20	630 – 3,600	
– Mosaic		100%	2008	70		70	400 – 1,500	300
– ANZ		Development management	2010					85,400
– 825 Bourke St		Development management	2008					10,300
– Ericsson		Development management	2008					23,900
– Uncommitted		Other	Various	2,060		2,060		24,800
Mawson Lakes	SA	50% JV/Land management	2011	4,670	1,210	150	180 – 545	52,100
Total zoned				59,390	28,360	6,070		798,100
Unzoned Projects⁵								
Yarrabilba	Qld	Staged acquisition		23,400	20,330	3,070		877,000
Calderwood	NSW	Land management		4,000	4,000			5,000
Lockerbie	Vic	Staged acquisition		13,000	11,700	1,300		490,000
Total unzoned				40,400	36,030	4,370		1,372,000
TOTAL				99,790	64,390	10,440		2,170,100

1 Represents residential and non-residential units and built form dwellings forecast to be completed by the end of the project.

2 Backlog includes the total number of units in both company-owned and joint venture projects. The actual number of units for any particular project can vary as planning applications are obtained.

3 Residential price range refers to the price range for both land units and/or built form dwellings.

4 Projects sold into the Lend Lease Communities Fund 1 during the six months to December 2006. These projects are managed on behalf of the Lend Lease Communities Fund 1.

5 Estimated completion date and residential price range is not applicable for unzoned projects.

6 This project was sold subsequent to 31 December 2006.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities continued

Senior Living – Project Listing

Property	Location	Dwellings Under Management Units	Dwellings to Be Developed Backlog Units ¹	Average Tenure of Current Deferred Management Fees Years
Senior Living				
Keperra Sanctuary ^{2,3}	Qld	254	20	5.8
The Terraces	Qld	48	40	2.2
Glenaeon	NSW	271		6.4
Lutanda Manor	NSW	133		7.6
Pittwater	NSW	85		6.9
Nelson's Grove	NSW		170	
Abervale ³	Vic	237		8.2
Burwood Terrace	Vic	96	10	4.3
Fiddlers Green ³	Vic	229		7.2
Forest Hills	Vic	159		5.2
Highvale	Vic	190		7.4
Peppertree Hill	Vic	210		9.6
Trinity Green	SA	13	80	3.4
Other sites ⁴	Various		300	
Total Senior Living		1,925	620	6.9

1 Backlog includes the total number of units in both company-owned and joint venture projects. The actual number of units for any particular project can vary as planning applications are obtained. Senior Living units relate to potential units on existing sites.

2 Keperra Sanctuary was sold into the Lend Lease Core Plus Fund on 21 December 2006.

3 Managed on behalf of the Lend Lease Core Plus Fund.

4 Predominately Delfin Lend Lease sites.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities continued

Crosby Lend Lease – Project Listing

Project	Location	Ownership Interest	Estimated Completion Date	Total Units ¹	Backlog ² Land Units	Backlog ² Built Form Units	Residential Current Price Range £000	Estimated Commercial Backlog sqm
B5 Southside	Birmingham	100%	2007	470		50	125 – 245	
Navigation Street	Birmingham	100%	2007	350		70	90 – 1,650	1,180
Essex Street	Birmingham	100%	2008	280		270	95 – 245	590
John Bright St	Birmingham	100%	2008	190		180	95 – 350	770
Honduras Wharf	Birmingham	100%	2008	130		130	60 – 170	
St James	Cheltenham	100%	2007	140		140	50 – 360	
Clarence Dock	Leeds	100%	2008	1,150		560	55 – 260	22,960
Monkbridge ³	Leeds	100%	2011	570		570		
Green Quarter	Manchester	100%	2009	1,380		950	80 – 320	470
Potato Wharf ³	Manchester	100%	2008	230		230		
Smithfield Hotel	Manchester	50%	2008					11,400
Quay Street	Manchester	50%	2007					4,710
Hungate ³	York	33%	2011	720		720		8,040
Other	Various	50 – 100%	Various	430		40	105 – 615	
Total zoned				6,040	–	3,910		50,120
Unities and Armouries ³	Birmingham	100%	2008	150		140		290
Total unzoned				150	–	140		290
Total Crosby Lend Lease				6,190	–	4,050		50,410

1 Represents residential and non-residential units and built form dwellings forecast to be completed by the end of the project.

2 Backlog includes the total number of units in both company-owned and joint venture projects. The actual number of units for any particular project can vary as planning applications are obtained.

3 Due to the current stage of planning on this project, the expected residential price range has yet to be determined.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities continued

Other Communities – United Kingdom – Project Listing

Project	Location	Ownership Interest	Estimated Completion Date	Total Units ¹	Backlog ² Land Units	Backlog ² Built Form Units	Residential Current Price Range £000	Estimated Commercial Backlog sqm
Greenwich Peninsula	London	51%	2025	10,000	7,500	2,500	160 – 995	377,350
Adelaide Wharf (First Base)	London	45%	2007	150		150	210 – 450	
Total Other Communities – United Kingdom				10,150	7,500	2,650		377,350

1 Represents residential and non-residential units and built form dwellings forecast to be completed by the end of the project.

2 Backlog includes the total number of units in both company-owned and joint venture projects. The actual number of units for any particular project can vary as planning applications are obtained.

Other Communities – Americas – Project Listing

Project	Location	Ownership Interest	Estimated Completion Date	Total Units ¹	Backlog ² Land Units	Backlog ² Built Form Units	Residential Current Price Range US\$000	Estimated Commercial Backlog sqm
San Francisco Piers Terminal	San Francisco	54.95%	2007	140		10	200 – 2,500	
Horizon City Center	Denver	100%	2018	2,950	2,950		140 – 450	418,860
Lowry Range ³	Denver	Land management	2027	12,950	12,950		174 – 650	890,310
Total Other Communities – Americas				16,040	15,900	10		1,309,170

1 Represents residential and non-residential units and built form dwellings forecast to be completed by the end of the project.

2 Backlog includes the total number of units in both company-owned and joint venture projects. The actual number of units for any particular project can vary as planning applications are obtained.

3 Lend Lease is preferred bidder on this project. Backlog land units are unzoned.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Communities continued

Actus Lend Lease – Military Housing – Project Listing

Project	Location	Status	Initial Development Period Years	Actual/Expected Financial Close Date	Project Term Years	Estimated Capital Spend ¹ US\$m	Percentage Completed %	Invested Equity US\$m	Committed Equity ² US\$m	Units Under Management
Fort Hood	Texas	Operational	6	Oct-01	50	225	100	6.0		5,900
Beaufort Military Complex	South Carolina	Operational	5	Feb-03	50	145	75	3.3		1,700
Fort Campbell	Kentucky	Operational	6	Dec-03	50	200	53		6.0	4,300
Hickam AFB	Hawaii	Operational	6	Feb-05	50	240	27	16.5		1,400
Army RCI	Hawaii	Operational	10	Apr-05	50	1,920	9	8.0		7,900
Fort Drum	New York	Operational	5	May-05	50	220	42		5.0	3,100
Marine Corps Installations	North Carolina/	Operational	5	Oct-05	50	355	13	7.5		3,300
	New York							2.5		1,000
Marine Corps Installation (Phase 2)	New York	Operational	5	Nov-06	50	125				
Fort Knox	Kentucky	Preferred bidder	8	Feb-07	50	185				2,500
Air Combat Command Group II	Arizona/New Mexico	Preferred bidder	6	Apr-07	50	225				2,100
Hickham AFB (Phase 2)	Hawaii	Preferred bidder	6	May-07	50	350				1,100
Fort Campbell Additional Scoring ³	Kentucky	Preferred bidder	3	May-07	50	95				300
PAL Phase 1	Various	Preferred bidder	4	Sep-08	50	425				4,100
Total Actus Lend Lease						4,710		43.8	11.0	38,700

1 Over the initial development period of the project.

2 Committed equity represents future equity investments in the projects.

3 Extension to existing project.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Investment Management

Funds Under Management (FUM)

Fund	Fund Type	FUM ¹ December 2006 £b	FUM ¹ June 2006 £b	FUM ¹ December 2006 A\$b	FUM ¹ June 2006 A\$b
Asia Pacific					
APPF	Core			4.0	3.5
Lend Lease Core Plus Fund	Core Plus			0.3	0.1
Lend Lease Communities Fund 1	Value Add			0.2	
Real Estate Partnership Funds	Enhanced			0.1	0.1
APIC	Core Plus			0.1	0.1
APIC II	Core Plus			0.7	0.7
ARIF	Value Add			0.4	
Total Asia Pacific FUM				5.8	4.5
Europe					
Lend Lease Retail Partnership	Core	0.8	0.8	2.1	1.9
Lend Lease Overgate Partnership	Core	0.2	0.2	0.5	0.4
Chelmsford Meadows Partnership	Value Add	0.1	0.1	0.2	0.2
Total Europe FUM				1.1	1.1
Total FUM (excluding joint ventures)				8.6	7.0
Joint Ventures²					
Resolution Capital (Asia Pacific)				1.6	1.5
Generali Lend Lease (Europe)			0.5		1.2
Total FUM – joint ventures				0.5	1.6
Total FUM (including joint ventures)				10.2	9.7

¹ FUM represents the gross market value of real estate assets managed on behalf of investors.

² Joint venture FUM includes Lend Lease's proportional share of the FUM.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Investment Management continued

Investments

Regional	Region	Lend Lease Interest %	Lend Lease Share of Income ¹ December 2006 A\$m	Lend Lease Share of Income ¹ December 2005 A\$m	Market Value ² December 2006 A\$m	Market Value ² June 2006 A\$m	Indicative Fund Liquidation
Asia Pacific							
	Australia	Various ³	12.1	10.9	413.9	392.9	Open ended
	Australia	10.0	1.2		3.3	2.9	2010
	Australia	10.1	0.3		18.3	11.3	Open ended
	Australia	20.8	(0.5)		19.3		2012
	Australia	25.0			16.0		n/a
	Asia	21.1	2.2	1.3	81.8	77.9	2010
	Asia	17.9			16.0	15.6	2007
	Asia	100.0			143.2		Open ended
	Asia	28.0	(3.7)	0.8	3.5	8.3	2008
			(0.9)				
	Total Asia Pacific		10.7	13.0	715.3	508.9	
Europe¹⁰							
	UK	30.0	34.0	33.6	1,601.2	1,482.8	n/a
	UK	3.95	1.4	1.7	83.1	76.4	2011
	UK	30.7	3.2	3.6	144.7	136.7	2008
	UK	33.3	3.2	2.0	108.1	103.3	2017
	UK	50.0	1.1	0.7	110.5	95.8	2017
	UK	75.0	4.8		152.4	146.6	n/a
	Europe	20.7	33.2		147.9	130.4	2009
	Europe		0.5	0.7	44.4	35.8	Open ended
			(1.9)				
	Total Europe		79.5	42.3	2,392.3	2,207.8	
Americas¹¹							
	USA	50.0	14.9	12.9	454.2	445.3	n/a
	USA			12.3			n/a
	USA		(0.6)	0.9	2.8	6.6	
	Total Americas		14.3	26.1	457.0	451.9	
	Total		104.5	81.4	3,564.6	3,168.6	
Sector							
			76.9	66.7	3,309.1	2,957.7	
			27.6	14.7	255.5	210.9	
	Total		104.5	81.4	3,564.6	3,168.6	

Footnotes are included on the following page.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Investment Management continued

Investments continued

Footnotes

- 1 Represents Lend Lease's share of income earned before tax from investments net of direct expenses and allocated overhead, excluding any adjustments to investment carrying value. There are no gains on the sale of investments included in investment income in the current period. The December 2005 comparative includes gains from the sale of investments of A\$0.1 million in Asia Pacific and A\$13.6 million in the Americas.
- 2 Market value is based on independent valuations and is net of project specific debt.
- 3 Lend Lease holds varying proportional interests in the APPF funds.
- 4 As at 31 December 2006, Lend Lease owned 25% of the Somerset Central retail development directly with the remaining 75% held by ARIF. The Group completed the first equity close for ARIF and launched the fund during December 2006, however given Lend Lease's ongoing financial commitment in relation to the fund, at 31 December 2006 the fund was consolidated into the Lend Lease financial statements.
- 5 The independent market value at December 2006 of 100% of Bluewater was £2,135.0 million (A\$5,337.5 million). Bluewater is treated as inventory in the financial statements and therefore it is reflected at cost, which at December 2006 was A\$615.0 million.
- 6 Fund life is periodically extended for four years, unless investors elect otherwise. If fully extended, the Lend Lease Retail Partnership has a 40 year life ending in 2039.
- 7 Fund life is periodically extended for four years, unless investors elect otherwise. If fully extended, the Lend Lease Overgate Partnership has a 40 year life ending in 2040. Lend Lease's co-investment is required to be at least a minimum of 10% of subscribed capital to the end of the fund's life.
- 8 Lend Lease's 50% interest in Warrington Retail Limited Partnership is included in the financial statements at a book value of A\$91.5 million as the asset is under construction.
- 9 Lend Lease acquired a 75% interest in the Chelmsford Meadows Unit Trust in March 2006. The Trust is consolidated in the financial statements with 100% of the underlying property asset being recognised as an investment property at a book value of A\$203.2 million.
- 10 The market value of UK assets has been translated at A\$1 = £0.40 (June 2006: A\$1 = £0.41) and the Lend Lease share of income at A\$1 = £0.40 in both periods.
- 11 The market value of USA assets has been translated at A\$1 = US\$0.77 (June 2006: A\$1 = US\$0.76) and the Lend Lease share of income at A\$1 = US\$0.77 (December 2005: A\$1 = US\$0.73).

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Project Management, Construction and PFIs

Bovis Lend Lease Major Projects (By Construction Value)¹

Project Name	Location	Client	Contract Type ²	Construction Value A\$m	Completion Date	Sector	Description
Asia Pacific¹							
Rouse Hill Town Centre	NSW	The GPT Group	GMP	330	2008	Mixed use	Town centre retail and residential development
Millennium Arts (Brisbane)	Qld	Queensland Government	GMP	271	Completed	Government	Art gallery and library
Abbott Pharmaceutical	Singapore	Abbott Laboratories	EPCM	260	2008	Pharmaceutical	Greenfield building for dry powder manufacturing plant
Australian Taxation Office Building	ACT	Queensland Investment Corporation	GMP	245	2007	Commercial/Office	Head office including fit out
University of New South Wales	NSW	University of New South Wales	GMP	194	2007	Education	Northern mall development zone upgrade
ANZ Melbourne	Vic	Lend Lease Development/ANZ	GMP	377	2009	Commercial/Office	ANZ Bank head office, Victoria Harbour, Melbourne
Brisbane Airport	Qld	Brisbane Airports Corporation Ltd	GMP	287	2009	Transportation	International airport extension
Correctional Facilities (Queensland)	Qld	Queensland Government	GMP	133	2007	Government	Refurbishment and extension of two correctional facilities
CBA Homebush	NSW	Commonwealth Bank	GMP	125	2008	Commercial/Office	Head office building, Homebush, Sydney
Americas¹							
One Rincon Residences	San Francisco	One Rincon	GMP	229	2008	Residential	High rise residential
340 E. Randolph	Chicago	Related Midwest	GMP	208	2008	Residential	High rise residential
Ritz Carlton Residence	Washington	Midtown Baltimore	GMP	189	2008	Mixed use	High rise residential and hotel
Allure Condominiums	Las Vegas	Fifield Companies	GMP	174	2008	Residential	High rise residential
The Carillon	Miami	Carillon South LLC	GMP	157	2008	Residential	High rise residential
Met 1	Miami	MDM Residences LLC	GMP	142	2008	Residential	High rise residential

¹ Disclosure of major projects is subject to client approval. This impacts the number of projects available for disclosure in each region.

² Contract types are guaranteed maximum price (GMP); Engineering, procurement and construction management (EPCM).

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Project Management, Construction and PFIs continued

Bovis Lend Lease Major Projects (By Construction Value)¹ continued

Project Name	Location	Client	Contract Type ²	Construction Value A\$m	Completion Date	Sector	Description
Europe¹							
Aena	Spain	AENA	PM	5,000	2007	Transport	New terminal at Barcelona Airport
Ministry of Defence Accommodation	UK	Defence Estates	GMP	2,213	2013	Defence	New and upgraded single living accommodation
Manchester Hospital	Manchester	Catalyst Healthcare	LS/FP	955	2010	Healthcare	New build hospital
Telefonica	Spain	Telefonica S.A.	PM	833	2007	Commercial	New commercial office
Hyundai	Czech Republic	AMCO	PM	500	2008	Industrial	New car plant
Bishopsgate 201	London	Broadgate Plaza Limited (British Land)	CM	470	2008	Commercial	New build office development
Leeds Oncology Hospital	Leeds	Catalyst Healthcare	LS/FP	438	2007	Healthcare	New build hospital
Kings Waterfront Civic Facilities	Liverpool	British Land/Liverpool City Council	LS/FP	295	2008	Commercial/Office	New civic arena, auditorium and exhibition hall
Manchester Arndale Northern Extension	Manchester	Prudential Assurance Company Ltd	LS/FP	290	Completed	Retail	Retail centre extension
Manchester Civil Justice Centre	Manchester	Gartside Developments Ltd	LS/FP	283	2007	Government	Construction of Civil Justice Centre
Silverburn (Pollack)	Glasgow	Retail Property Holdings Ltd	LS/FP	285	2008	Retail	New retail centre
Bankside Buildings 2 & 3	Southwark	LS Bankside Development Ltd	LS/FP	260	2007	Commercial	New commercial office building
Grand Arcade Cambridge	Cambridge	Grosvenor Estates	LS/DC	235	2008	Retail	New retail centre
Project Horizon	Norwich	Land Securities	LS/DC	183	2007	Commercial	Refurbishment and new construction

¹ Disclosure of major projects is subject to client approval. This impacts the number of projects available for disclosure in each region.

² Contract types are guaranteed maximum price (GMP); project management (PM); lump sum/fixed price (LS/FP); construction management (CM), lump sum/design and construction (LS/DC).

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Project Management, Construction and PFIs continued

Bovis Lend Lease Realised Gross Profit Margin Analysis by Sector

Bovis Lend Lease's strategy is to reduce volatility of its earnings by operating in a diverse range of industries and geographies. The following table details the GPM earned by sector for the period ended December 2006.

	December 2006 Asia Pacific GPM %	December 2006 Americas GPM %	December 2006 Europe GPM %	December 2006 Total GPM %	December 2005 Total GPM %
Commercial/Office	33	7	19	19	22
Communications	17		3	6	2
Education	7	11	8	8	5
Government/Civic	3	2	16	8	9
Healthcare		12	11	8	13
Industrial/Technology	15	3	2	6	6
Mixed Use	5	6	6	6	3
Pharmaceutical/R&D	4	3	9	5	4
Residential/Senior Living	2	42	3	17	10
Retail	8	7	16	11	18
Transportation	4	3	3	3	2
Other	2	4	4	3	6
Total	100	100	100	100	100

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Project Management, Construction and PFIs continued

PFIs – Project Listing

	Location	Current Status	Construction Value ¹ £m	Percentage of Construction Complete %	Facilities Management Revenue Backlog ² £m	Invested Equity £m	Committed Equity ³ £m	End Date
Healthcare								
	Calderdale Hospital	UK	Operational	87.0	100	36.0	3.5	2031
	Worcester Hospital	UK	Operational	82.6	100	49.0	1.1	2031
	Hexham Hospital – Phases 1 and 2	UK	Operational	28.9	100	10.8	0.6	2033
	Hexham Hospital – Phase 3	UK	Under construction	25.0	34	2.6	1.3	2033
	Burnley Hospital	UK	Operational	27.1	100	11.7	0.9	2033
	Roehampton Hospital	UK	Operational	55.3	100	13.0	1.7	2034
	Romford Hospital	UK	Operational	212.6	100	3.1	4.9	2040
	Manchester Hospital	UK	Under construction	382.3	48	26.6	10.5	2042
	Leeds Hospital	UK	Under construction	175.2	73	27.4	9.9	2037
	Majadahonda Hospital	Spain	Under construction	138.6	55	2.0	1.2	2035
	Brescia Hospital	Italy	Operational	15.2	100		1.5	2020

1 The figures represent total construction value over the contract duration.

2 Facilities management Revenue Backlog disclosed is only for 10 years, although PFI contracts typically run for 25 to 35 years in total.

3 Committed equity refers to equity and loan stock contributions that Lend Lease has a future commitment to invest.

Lend Lease Corporation

Portfolio Report as at 31 December 2006

Project Management, Construction and PFIs continued

PFIs – Project Listing continued

	Location	Current Status	Construction Value ¹ £m	Percentage of Construction Complete %	Facilities Management Revenue Backlog ² £m	Invested Equity £m	Committed Equity ³ £m	End Date
Education								
Sheffield University	UK	Under construction	163.0	18	19.9		8.3	2045
Newcastle Schools	UK	Operational	49.1	100	22.7	1.8		2029
Lincoln Schools	UK	Operational	19.8	100	9.5	1.3		2032
Lilian Baylis School	UK	Operational	12.6	100	5.9	0.8		2029
Lancashire Schools	UK	Under construction	80.0	8	17.8		3.5	2031
Cork Maritime College	Ireland	Operational	31.0	100	9.6	2.2		2029
Accommodation								
Treasury 1	UK	Operational	114.1	100	34.5	1.8		2037
Treasury 2	UK	Operational	147.6	100	32.7	2.0		2037
Waste								
Lancashire Waste ⁴	UK	Preferred bidder	236.0					2033
Defence								
SLAM ^{5,6}	UK	Under construction	463.0	88				2013
South West Regional PRIME ⁵	UK	Under construction	240.0	28				2011
			2,786.0		334.8	25.3	35.6	

1 The figures represent total construction value over the contract duration.

2 Facilities management Revenue Backlog disclosed is only for 10 years, although PFI contracts typically run for 25 to 35 years in total.

3 Committed equity refers to equity and loan stock contributions that Lend Lease has a future commitment to invest.

4 Construction value represents 100% of the project; Bovis Lend Lease is a 50% joint venture partner in the PFI.

5 These are Public Private Partnership projects, which do not require Lend Lease to contribute equity.

6 The Single Living Accommodation Modernisation (SLAM) project has recently been extended through 2013.