

ASX Announcement



Lendlease

23 February 2026

Lendlease Group Appendix 4D and 2026 Half Year Consolidated Financial Report

Lendlease Group today announced its results for the half year ended 31 December 2025.
Attached is the Appendix 4D and Half Year Consolidated Financial Report.

ENDS

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Authorised for lodgement by the Lendlease Group Disclosure Committee

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

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Lendlease Group

Appendix 4D

Lendlease Group (the Group) comprises Lendlease Corporation Limited (the Company) ABN 32 000 226 228 and Lendlease Trust (LLT) ARSN 128 052 595, the responsible entity of which is Lendlease Responsible Entity Limited ABN 72 122 883 185

Half Year Report for the period ended 31 December 2025
(previous corresponding period being the period ended 31 December 2024)

Results for Announcement to the Market

(Loss)/profit After Tax

	6 months December 2025 \$m	6 months December 2024 \$m	% Change
Revenue	2,839	4,527	(37%)
(Loss)/profit after tax attributable to stapled securityholders	(318)	48	Not applicable

Stapling of the Company Shares and LLT Units

Shares in the Company and units in LLT are traded as one security under the name of Lendlease Group on the Australian Securities Exchange (ASX). The Company is deemed to control LLT for accounting purposes and therefore LLT is consolidated into the Group's financial report. The issued units of LLT, however, are not owned by the Company and are therefore presented separately in the consolidated entity Statement of Financial Position within equity, notwithstanding that the unitholders of LLT are also the shareholders of the Company.

Dividends/Distributions

	Amount per security	Franked amount per security
Interim distribution – payable 18 March 2026	6.2 cents	-

The interim distribution is comprised of a trust distribution of 6.2 cents per unit payable by LLT. No interim dividend has been declared by the Company.

The record date for determining entitlement to the interim distribution is 2 March 2026 (Record Date) and the distribution is payable on 18 March 2026.

The Group's Distribution Reinvestment Plan (DRP) was reactivated in February 2011. The last date for receipt of an election notice for participation in the DRP is 3 March 2026. Subject to the rules of the DRP, the issue price is the arithmetic average of the daily volume weighted average price of Lendlease stapled securities traded on the Australian Securities Exchange for the period of five consecutive business days immediately following the Record Date, commencing on 3 March 2026. Stapled securities issued under the DRP rank equally with all other stapled securities on issue.

Additional Information

	December 2025	June 2025
Net tangible assets per security	\$7.17	\$6.55

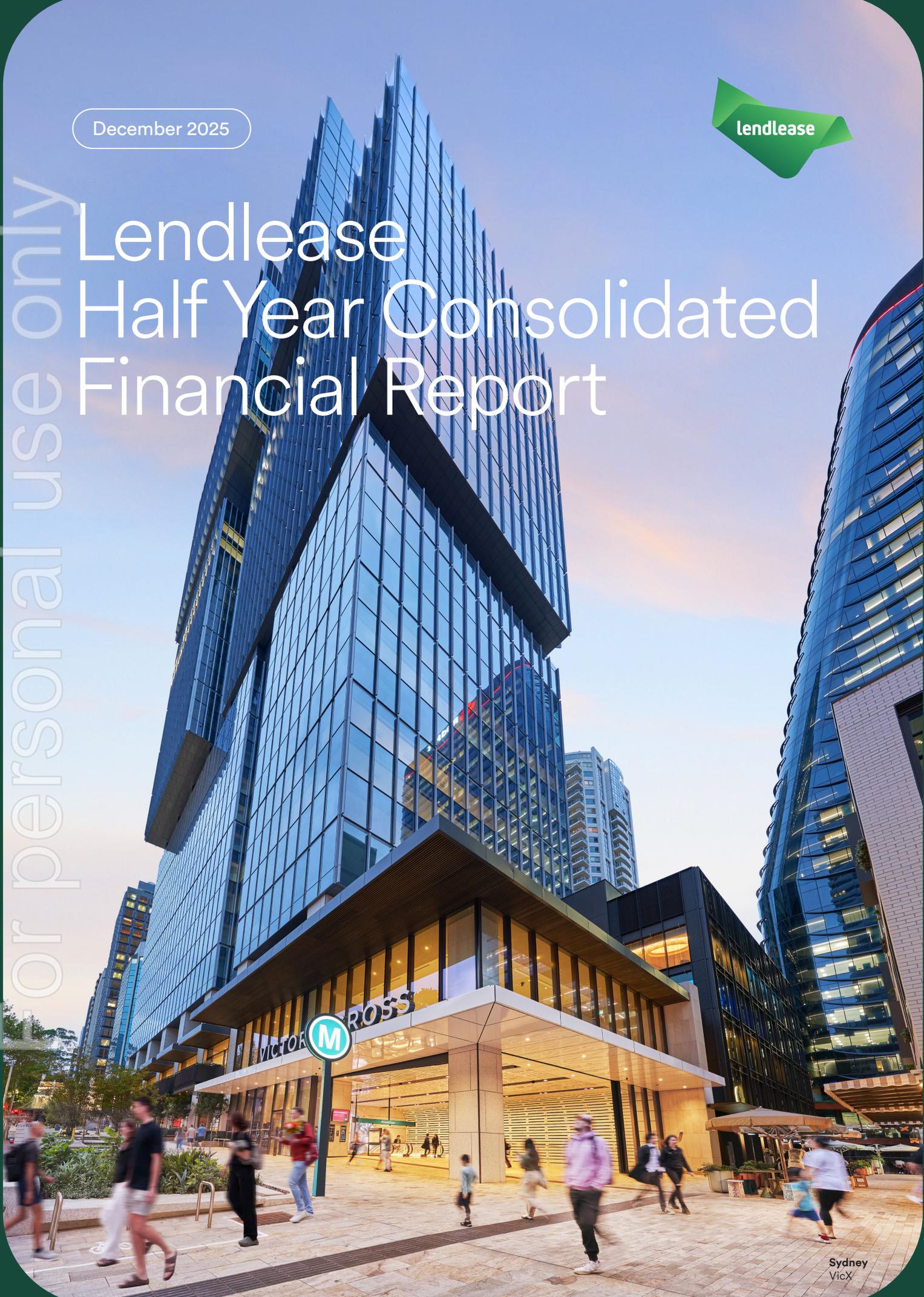
The remainder of the information requiring disclosure to comply with listing rule 4.2A.3 is contained in the Performance & Outlook section of the December 2025 Directors' Report and the December 2025 Half Year Consolidated Financial Report.

December 2025

lendlease

Lendlease Half Year Consolidated Financial Report

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Sydney
VicX

Director's Report

The Directors present their Report together with the Half Year Consolidated Financial Report of the consolidated entity, being Lendlease Corporation Limited (the Company) including its controlled entities and Lendlease Trust (together referred to as the Consolidated Entity or the Group), for the six months ended 31 December 2025 and the Auditor's Report thereon.

1. Directors

The name of each person who has been a Director of the Company at any time between 1 July 2025 and the date of this Report are:

J C Gillam

Director and Chairman since 2024

A P Lombardo

Group Chief Executive Officer and Managing Director since 2021

L M Buck

Director since 7 July 2025

A S Chan (M Lui)

Director since 2022

P M Coffey

Director since 2017

N R Collishaw

Director since 2021

B A Knoflach

Director since 2023

E M Proust, AO

Director since 2018

R F Welanetz

Director since 2020

The names of Directors of the Company who retired between 1 July 2025 and the date of this report are:

D P Craig

Director since 2016 (retired 14 November 2025)

2. Dividends/Distributions

An unfranked interim distribution of \$43 million from the Trust (December 2024: \$42 million unfranked) has been approved by the Directors. No interim dividend was declared for the Company (December 2024: no interim dividend). The interim distribution comprising of a trust distribution of 6.2 cents per unit from Lendlease Trust will be paid on 18 March 2026 (December 2024: 6.0 cents per share from Lendlease Trust paid on 12 March 2025).

3. Events subsequent to Balance Date

There were no material events subsequent to the end of the financial reporting period.

4. Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The Lead Auditor's Independence Declaration is set out at the end of this report and forms part of the Directors' Report for the six months ended 31 December 2025.

5. Rounding off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and, in accordance with that Instrument, amounts in the Half Year Consolidated Financial Report have been rounded off to the nearest million dollars, unless specifically stated otherwise.

6. Performance and Outlook

The Performance and Outlook on pages 4 to 9 is based on the Half Year Consolidated Financial Statements for the six months ended 31 December 2025 and should be read in conjunction with those financial statements. All currency amounts are expressed in Australian dollars unless otherwise specified. The Performance and Outlook has not been audited or reviewed by our external auditors. The items excluded from Statutory Profit are consistent with the segment note disclosures in the financial statements which have been reviewed by the Group's external auditor.

Performance and Outlook



Sydney
175 Liverpool Street
Artist's impression

Group Performance

Key financials¹

	\$m	HY26	HY25
Investments		101	228
Development		34	138
Construction		69	(25)
IDC Operating EBITDA		204	341
Capital Release Unit		(284)	34
Segment Operating EBITDA		(80)	375
Corporate costs		(55)	(57)
Operating EBITDA		(135)	318
Depreciation and amortisation		(31)	(51)
Net finance costs		(85)	(136)
Operating (loss)/profit before tax		(251)	131
Income tax benefit/(expense)		51	(9)
Operating (loss)/profit after tax		(200)	122
Investments and CRU segments revaluations and impairments after tax		(118)	(74)
Statutory (loss)/profit after tax		(318)	48
Group			
Distributions per security	cents	6.2	6.0
Group Statutory EPS	cents	(46.1)	7.0
Group Statutory ROE²	%	(11.9%)	1.9%
Group Operating EPS	cents	(29.0)	17.7
Group Operating ROE³	%	(7.5%)	5.0%
Net tangible asset per security⁴	cents	717	655

1. Operating earnings presented reflects Statutory profit adjusted for stabilised investment property revaluations (including revaluations and impairments of Other financial assets and Equity accounted investments that hold stabilised investment properties) that are classified in the Investments and Capital Release Unit segments.
2. Statutory Return on Equity is calculated using annualised Statutory profit/(loss) after tax divided by the arithmetic average of beginning and half year end stapled securityholders' equity.
3. Operating Return on Equity is calculated using annualised Operating profit/(loss) after tax divided by the arithmetic average of beginning and half year end stapled securityholders' equity.
4. Comparative is FY25.

Performance¹

The Group recorded a Statutory Loss after Tax of \$318m, compared to a Statutory Profit after Tax of \$48m in the prior period. This includes non-cash negative Investment property revaluations and impairments of \$(118)m primarily in the US, UK and Singapore.

OPAT of \$(200)m is comprised of \$87m from Investments, Development and Construction (IDC) and \$(287)m from the Capital Release Unit (CRU). The CRU loss includes a \$(95)m write down of Communities land parcels and further provisions in the exited international construction businesses of \$(44)m.

As anticipated, with limited completions in Development and lower transaction earnings in Investments, IDC segment EBITDA of \$204m was down from \$341m, with an improved performance from Construction being the highlight. CRU segment EBITDA of \$(284)m was down from a prior period gain of \$34m, reflecting non-cash write downs and provisions of \$180m (pre-tax), and the limited completion of capital recycling transactions.

Corporate costs decreased 4% to \$55m, reflecting cost savings from down sizing and productivity improvements, partially offset by finance system modernisation costs.

Group Operating EBITDA of \$(135)m after corporate cost allocations, decreased by \$453m comprising an IDC contribution of \$175m and CRU loss of \$(310)m.

Net finance costs of \$85m decreased due to lower average cost of debt and lower average net debt levels. HY26 includes interest expense benefit realised from the second quarter following the issue of hybrid securities.

Reported gearing was 25.8%, with underlying gearing of 32.9% (excluding the benefit of hybrid issuance).

The Group continues to target underlying gearing of 15% by the end of FY26. However, this is subject to completion of targeted capital recycling initiatives across CRU and IDC. There are \$3.0b of CRU and IDC transactions announced and underway to support a reduction in gearing, including: targeted completion of announced transactions (Joint Venture with The Crown Estate and the sale of TRX retail and office investments); transactions under exclusivity (sale of Keyton Retirement Living, UK build-to-rent assets, and the recapitalisation of APPF Retail); and capital recycling on Victoria Cross Tower.

Liquidity of \$3.3b together with capital recycling initiatives and a weighted average debt tenor of 2.5 years, provides the Group with balance sheet flexibility as gearing is progressively reduced and working capital conditions for our construction operations improve.

The Group remains focused on strengthening its balance sheet alongside profitably growing its Investments platform, restocking its Australian Development pipeline and winning new work in Australian Construction.

Outlook - IDC

FY26 is a transitional year, with IDC earnings guidance maintained at 28–34 cents per security. The second half EPS contribution from IDC is expected to be higher than the first half, supported by a similar underlying operating performance and transactional profits.

In IDC segments, a strong visibility to earnings from project completions is anticipated to drive improved earnings from Development in FY27, anchored by One Circular Quay and Victoria Harbour completions. FY28 should be supported by One Darling Point and Comcentre completions, and anticipated earnings from the joint venture with The Crown Estate. This improved earnings visibility is also supported by a strong Construction pipeline, and growth initiatives within the Investments platform.

The Group's strategic direction remains unchanged, with a continued focus on disciplined delivery, performance and long-term value creation for customers, investors and securityholders.

Outlook - CRU

The primary purpose of CRU is to accelerate capital recycling. As such, CRU is not a guided earnings segment. The Group remains focused on balancing value realisation and speed of execution within CRU.

CRU costs will continue to be closely managed and should reduce as capital recycling transactions in CRU complete, although are expected to remain elevated in 2H FY26.

Securities Buyback

The Board remains committed to returning surplus capital to securityholders, including through an on-market buyback. This will occur once there is more certainty that underlying gearing will be sustainably at 15% and previously stated pre-conditions have been met.

Investments Segment

Key financial and operational metrics

	HY26	HY25
Management EBITDA (\$m) ¹	48	49
Co-investment EBITDA (\$m) ²	42	49
Other EBITDA (\$m) ³	11	130
Operating EBITDA (\$m) ⁴	101	228
Operating profit after tax (\$m)	70	203
Revaluations and impairments after tax (\$m) ⁵	(53)	(73)
Statutory profit after tax (\$m)	17	130
Invested Capital (\$b) ⁶	3.1	3.3
Funds Under Management (\$b) ⁷	48.7	48.9
Management EBITDA margin (%)	40.7%	44.1%
Co-investment portfolio (\$b) ⁸	2.9	3.1

- Earnings primarily derived from the investment management platform.
- Returns primarily derived from co-investment income from Lendlease's real estate portfolio excluding non-cash backed property related revaluation and impairment movements of Investment Property, Other Financial Assets, and Equity Accounted Investments in the Investments segment.
- Includes transaction gains and losses.
- Returns excluding non-cash backed property related revaluation and impairment movements of Investment Property, Other Financial Assets, and Equity Accounted Investments in the Investments segment.
- Operating earnings are adjusted for stabilised Investment property revaluations (including revaluations and impairments of Other financial assets and Equity accounted investments that hold stabilised Investment properties).
- Comparative value is closing FY25 balance.
- The Group's assessment of market value. Comparative value is closing FY25 balance.
- The Group's assessment of market value of ownership interests. Comparative value is closing FY25 balance.

Performance¹

The Investments segment generated Operating EBITDA of \$101m, reflecting a stable underlying operating performance, with the prior period including transaction earnings associated with the formation of the Vita Partners joint venture of \$129m.

Management EBITDA, derived from funds and asset management fees, was \$48m, 2 per cent lower versus the prior period. Lower fees and margin in Australia were offset by a strong Asia performance. Management EBITDA margin of 40.7 per cent in the half was stable with FY25 (40.6%).

Co-investment EBITDA decreased 14% to \$42m primarily due to a lower share of recurring distributions following asset divestments and recapitalisations. Gross asset yield of 4.4 per cent was flat on the period.

Other EBITDA of \$11m was largely from the divestment of a data centre asset in Japan at a premium to book value. This is a decrease from \$130m in the prior period which benefited from the sale of the Group's Life Sciences interests in Asia into the Vita Partners joint venture.

Total Investments segment capital of \$3.1b decreased from \$3.3b at FY25 and primarily relates to co-investments in funds managed by the Group. The co-investment portfolio at HY26 was \$2.9b, down from \$3.1b at FY25, with the reduction primarily due to the divestment of Lendlease Global Commercial REIT (LREIT) units, sale of a build-to-rent asset in the US, and negative valuation movements. This was offset by additions to capital of \$0.1b from the acquisition of units in the APPF Industrial fund. Following the announced partial sale of TRX retail assets, Lendlease's remaining 20% ownership is expected to be transferred into the Investments segment following completion of the sale, anticipated in 2H FY26.

Operations

Investments earnings are comprised of fund and asset management fees, co-investment earnings and transaction and performance fees.

Funds under management (FUM) of \$48.7b remained stable. FUM additions of \$1.5b and FX and other gains of \$0.1b were offset by active asset recycling of \$1.8b on behalf of investors. Active recycling included the divestment of a stake in PLQ retail, LREIT's divestment of Jem office and the sale of a completed data centre in Japan. Additions to FUM included development of new Australian and international investment product.

In addition to current FUM, upon completion of the Joint Venture with The Crown Estate, development projects with capital partners have the potential to add more than \$20b to FUM over the next decade.

The Group's co-investment portfolio of \$2.9b is well diversified with \$1.1b in workplace, \$0.8b in retail assets, \$0.5b in residential, and \$0.5b across other asset classes, weighted to industrial and data centres.

The Group intends to continue to grow its investment portfolio while targeting an average co-investment of 5-10 per cent of capital deployed. It will continue to actively manage its position to support an appropriate balance between capital alignment and our role as manager of third-party capital.

Over the remainder of FY26, further recycling of co-investments is targeted to re-weight the co-investment portfolio.

Development Segment

Key financials and operational metrics¹

	HY26	HY25
Operating EBITDA (\$m)	34	138
Operating/Statutory profit after tax (\$m)	32	95
Invested Capital (\$b) ²	2.1	1.1
Operating ROIC (%) ³	3.2%	14.9%
Work in Progress (\$b) ²	8.5	6.3
Commencements (\$b) ⁴	-	0.6
Completions (\$b) ⁵	1.3	2.3

1. Segment includes operations in Australia, United Kingdom (projects within the announced joint venture transaction with The Crown Estate) and Singapore (Comcentre). Comparatives have not been restated and represent Australia only.

2. Comparative value is closing FY25 balance.

3. Return on Invested Capital (ROIC) is calculated using the annualised Profit after Tax divided by the arithmetic average of beginning and half year end invested capital, normalised for transfer of UK and Singapore projects from CRU to the Development segment in the period (i.e. UK projects within the announced joint venture transaction with The Crown Estate and Comcentre in Singapore).

4. Project end value on product commenced during a financial period (representing 100% of project value). Subject to changes in delivery program.

5. Project end value on product completed during a financial period (representing 100% of project value).

Performance¹

Segment Operating EBITDA of \$34m was significantly lower due to limited completions in HY26 versus the prior period which included \$118m from Residences Two, One Sydney Harbour.

Invested capital increased \$1.0b in the period reflecting production capital in Australia of \$0.2b and the transfer from CRU of \$0.8b of capital associated with the announced joint venture transaction with The Crown Estate and Comcentre project in Singapore.

The Development segment generated a ROIC of 3.2 per cent, down from 14.9 per cent. This reflects limited completions (as anticipated) and the increase in invested capital.

The result included a development gain on land holdings and further apartment settlements at One Sydney Harbour, Barangaroo.

There were \$1.3b of completions during the period including Victoria Cross in North Sydney and Silvertown condos in London.

Operations

Work in Progress of \$8.5b increased from \$6.3b in FY25, including from the transfer of the announced joint venture with The Crown Estate and Comcentre project into the Development segment. The increase was partially offset by completions of \$1.3b.

The Australian development pipeline closed the half at \$13.6b, up from \$9.8b at FY25, with \$4.7b of new projects secured. The pipeline of UK and Singapore projects was \$53.1b at HY26.

Leasing activity is ongoing with discussions continuing across workplace assets including Victoria Cross, now 39 per cent leased with a total of ~70% leased or under offer.

Development opportunities secured in the period included Sydney Metro's Hunter Street West Over Station Development and a luxury residential partnership at 175 Liverpool St totalling more than \$4.7b of end value.

The Group remains well positioned to further originate Australian development projects across mixed-use, residential and workplace assets, leveraging its market leading placemaking capabilities and is pursuing more than \$5b of origination opportunities in 2H FY26 with an additional \$16b+ of near term opportunities being targeted.

Construction Segment

Key financial and operational metrics

	HY26	HY25
Revenue (\$m)	1,883	1,548
Operating EBITDA (\$m)	69	(25)
Operating/Statutory profit after tax (\$m)	43	(26)
EBITDA margin (%)	3.7%	(1.6%)
New Work Secured (\$b)¹	4.0	3.8
Backlog (\$b)²	8.0	5.9

1. Construction revenue to be earned in future periods (excludes internal projects).

2. Comparative value is closing FY25 balance.

Performance¹

Construction performance improved, with revenue of \$1.9b up 22% driven by new project commencements and improved project performance. The segment delivered Operating EBITDA of \$69m, up from \$(25)m in HY25.

The EBITDA margin of 3.7 per cent improved on the prior period, with challenging projects now substantially completed.

New work secured of \$4.0b was up from \$3.8b in the prior period. Transport projects were the key sector for new work secured at \$1.6b, winning the contract to complete Sydney Metro's Hunter Street Station, followed by Defence at \$0.8b and Data Centres at \$0.8b.

The Construction business is preferred for \$6.9b of client projects still to be secured, including \$2.9b of Social Infrastructure and \$2.3b of Defence projects.

A considerable proportion of the customer base is repeat business, leveraging deep and trusted relationships with government and corporate clients.

Operations

Backlog revenue increased 36 per cent on FY25 to \$8.0b, weighted to Social Infrastructure and Defence projects and is supported by a strong preferred book of \$6.9b.

A total of ~\$15b of secured backlog and preferred work provides visibility on future revenues. In addition, there are ~\$9b of active bids underway across major transport, health care and data centre projects.

Capital Release Unit Segment

Key financials and operational Metrics

	HY26	HY25
Operating EBITDA (\$m)	(284)	34
Operating profit/(loss) after tax (\$m)	(232)	(8)
Revaluations after tax (\$m) ¹	(65)	(1)
Statutory profit/(loss) after tax (\$m)	(297)	(9)
Invested Capital (\$b) ²	3.8	4.6

1. Operating earnings are adjusted for stabilised Investment property revaluations (including revaluations and impairments of Other financial assets and Equity accounted investments that hold stabilised Investment properties). CRU revaluations include losses on Forum and Keyton Trust.

2. Comparative value is closing FY25 balance.

Performance¹

CRU's primary focus is the recycling of capital, balancing value realisation and speed of execution.

Capital recycling initiatives within CRU of \$0.4b were announced in the period being the sale of a 40% interest in The Exchange TRX retail mall and Lendlease's full 60% interest in the adjacent office tower in Malaysia, together with \$0.1b of completed recycling of land across Australian Communities and MIND, Italy.

Invested capital within CRU decreased \$0.8b to \$3.8b, with capital reductions due to the transfer of committed joint venture projects to the Development segment - the announced joint venture with The Crown Estate and the Comcentre project in Singapore. Invested capital is expected to decline further in 2H FY26 on receipt of proceeds from announced and anticipated capital recycling initiatives, with a further \$1.5b of CRU recycling targeted for the second half.

Operating EBITDA loss of \$(284)m for the period included the write down of Communities development land of \$(136)m pre tax (\$95)m post tax, and provisions taken in relation to retained international construction risks of \$(44)m. The loss also includes the underlying cost base which includes people costs, IT costs, legal costs, insurance and other overhead.

The prior period included profits on capital recycling and land sales of \$160m which have not been repeated in 1H FY26.

Operations

The sale process for Keyton (Australia Retirement Living) is progressing and under exclusivity, while the announced UK Development Joint Venture and TRX sales are targeted to complete in 2H FY26, subject to satisfaction of conditions precedent.

In international development several projects are scheduled for completion in 2H FY26 including Habitat in Los Angeles, The Riverie in New York, Elephant Park apartments in London and certain MIND assets in Italy.

Financial Position and Cash Flow Movements

Financial position (\$m)

	HY26	FY25
Investment assets		
Other financial assets	1,145	990
Equity accounted investments	2,314	2,694
Investment properties	6	7
Development assets		
Inventories	2,323	2,039
Equity accounted investments	2,910	3,200
Investment properties	399	391
Disposal Group net assets held for sale	919	421
Other assets and liabilities (including financial)		
Cash and cash equivalents	646	621
Borrowing and financing arrangements	(3,961)	(4,054)
Other net assets and liabilities	(1,136)	(1,169)
Net assets	5,565	5,140

Investment Assets

Investment assets decreased 6 per cent on FY25, including from the divestment of Lendlease Global Commercial REIT units and 845 Madison, and negative valuation movements. These were partially offset by the acquisition of a further 8.5% interest in Australian Prime Property Fund Industrial (APPFI).

Development Assets

Development assets increased by 8 per cent overall with the main driver being production spend on projects in Australia and overseas. The announced sale of TRX retail and office interests has resulted in a transfer from equity accounted investments to Group net assets held for sale.

Other assets and liabilities

The movement in other assets and liabilities includes a reduction in borrowings and financing arrangements driven by FX gains due to appreciation of the Australian dollar against other currencies.

Cash flow and treasury management

The Group commenced the period with cash and cash equivalents of \$0.6b. Movements during the period comprised Operating cash outflows of \$(0.5)b, Investing cash outflows of \$(0.2)b and Financing cash inflows of \$0.7b. The Group closed the period with cash and cash equivalents of \$0.65b.

Operating cash outflows included production spend on Development projects on balance sheet including Victoria Harbour.

Investing cash outflows included equity contributions to Development and CRU development projects, and acquisition of additional APPF Industrial units. These outflows were partially offset by asset divestments including a reduction in LREIT units and divestment of 845 Madison.

Financing cash inflow included \$0.9b proceeds from the issue of perpetual subordinated hybrid securities to wholesale investors in the Singapore and Australian dollar fixed income markets in September and October of 2025, respectively.

The Group maintains a strong financial position with \$3.3b of committed liquidity comprising \$0.65b of cash and cash equivalents and \$2.6b in available undrawn debt, and additional flexibility provided by \$0.9b hybrid securities issuance in the period. Average debt maturity of 2.5 years has reduced from 3.0 years at December 2024. The reduction in maturity has been offset by the renewal of certain facilities.

Treasury management

		HY26	FY25
Net debt ¹	\$m	3,315	3,433
Gearing ^{1,2}	%	25.8	26.6
Interest cover ³	times	3.5	3.6
Average cost of debt	%	5.3	5.4
Average drawn debt maturity	years	2.5	2.8
Available liquidity	\$m	3,280	2,951
Average debt mix fixed:floating	ratio	45:55	41:59

1. Includes the benefit of \$0.9b of hybrid securities issuance completed in HY26.

2. Net debt to total tangible assets, less cash.

3. Measured on a 12-month basis.

Credit ratings¹

Moody's Baa3 stable (Oct 2025)

Fitch BBB- stable (Jan 2026)

1. Credit ratings have been issued by a credit rating agency which holds an Australian Financial Services Licence with an authorisation to issue credit ratings to wholesale clients only and are for the benefit of the Group's debt providers.

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



J C Gillam

Chairman



A P Lombardo

Group Chief Executive Officer and Managing Director

Sydney, 23 February 2026

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Lendlease Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Lendlease Corporation Limited for the half-year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of the KPMG firm, written in black ink.

KPMG

A handwritten signature of Nigel Virgo, written in black ink.

Nigel Virgo

Partner

Sydney

23 February 2026

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Financial Statements



Sydney
Hunter Street
Artist's impression

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Lendlease Corporation Limited (the Company) is incorporated and domiciled in Australia. The consolidated financial report of the Company for the half year ended 31 December 2025 comprises the Company including its controlled entities and Lendlease Trust (LLT) (together referred to as the Consolidated Entity or the Group). The Group is a for-profit entity and a leading Australian real estate business, with an international investments platform. Further information about the Group's primary activities is included in Note 1 'Segment Reporting'.

Shares in the Company and units in LLT are traded as one security under the name of Lendlease Group on the Australian Securities Exchange (ASX). The Company is deemed to control LLT for accounting purposes and therefore LLT is consolidated into the Group's financial report. The issued units of LLT, however, are not owned by the Company and are therefore presented separately in the Consolidated Entity Statement of Financial Position within equity, notwithstanding that the unitholders of LLT are also the shareholders of the Company.

The consolidated financial report was authorised for issue by the Directors on 23 February 2026.

Consolidated Financial Statements

Statement of Comprehensive Income

Half Year Ended 31 December 2025

	Note	6 months December 2025 \$m	6 months December 2024 \$m
Revenue	4	2,839	4,527
Cost of sales		(2,637)	(4,257)
Gross profit		202	270
Share of (loss)/profit of equity accounted investments	6	(91)	78
Other income	5	28	174
Other expenses	7	(449)	(347)
Results from operating activities		(310)	175
Finance revenue	8	42	18
Finance costs	8	(127)	(154)
Net finance costs		(85)	(136)
(Loss)/profit before tax		(395)	39
Income tax benefit	9	77	9
(Loss)/profit after tax		(318)	48
(Loss)/profit after tax attributable to:			
Members of Lendlease Corporation Limited		(350)	28
Unitholders of Lendlease Trust		32	20
(Loss)/profit after tax attributable to stapled securityholders		(318)	48
External non controlling interests		-	-
(Loss)/profit after tax		(318)	48
Other Comprehensive income/(loss) after Tax			
Items that may be reclassified subsequently to profit or loss:			
Movements in hedging reserve		13	(36)
Movements in foreign currency translation reserve		(56)	246
Total items that may be reclassified subsequently to profit or loss¹		(43)	210
Items that will not be reclassified to profit or loss:			
Movements in non controlling interest acquisition reserve		2	(8)
Movements in defined benefit plans remeasurements		-	(6)
Total items that will not be reclassified to profit or loss		2	(14)
Other comprehensive (loss)/income after tax		(41)	196
Total comprehensive (loss)/income after tax		(359)	244
Total comprehensive (loss)/income after tax attributable to:			
Members of Lendlease Corporation Limited		(331)	199
Unitholders of Lendlease Trust		(28)	42
Total comprehensive (loss)/income after tax attributable to stapled securityholders		(359)	241
External non controlling interests		-	3
Total comprehensive (loss)/income after tax		(359)	244
Basic/Diluted Earnings per Lendlease Group Stapled Security (EPSS)			
Stapled securities excluding treasury securities	(cents) 3	(46.7)	7.0
Stapled securities on issue	(cents) 3	(46.1)	7.0

1. Includes Other comprehensive loss of \$67 million (December 2024: Other comprehensive income of \$283 million) relating to share of other comprehensive income of equity accounted investments.

The accompanying notes form part of these consolidated financial statements.

Consolidated Financial Statements continued

Statement of Financial Position

As at 31 December 2025

	Note	December 2025 \$m	June 2025 \$m
Current Assets			
Cash and cash equivalents	19	646	621
Loans and receivables	16	1,445	1,886
Inventories	11	794	742
Other financial assets	13	17	20
Current tax assets		35	-
Other assets		64	35
Disposal Group assets held for sale	22	920	423
Total current assets		3,921	3,727
Non Current Assets			
Loans and receivables	16	233	222
Inventories	11	1,997	1,733
Equity accounted investments	12	5,262	5,938
Investment properties		405	398
Other financial assets	13	1,148	994
Deferred tax assets		349	274
Property, plant and equipment		100	113
Intangible assets		612	622
Defined benefit plan asset		36	65
Other assets		44	47
Total non current assets		10,186	10,406
Total assets		14,107	14,133
Current Liabilities			
Trade and other payables	17	2,858	3,167
Provisions	18	650	708
Borrowings and financing arrangements	14.a	806	620
Other financial liabilities		22	26
Income tax payable		-	27
Disposal Group liabilities held for sale	22	1	2
Total current liabilities		4,337	4,550
Non Current Liabilities			
Trade and other payables	17	841	692
Provisions	18	153	267
Borrowings and financing arrangements	14.a	3,155	3,434
Other financial liabilities		55	49
Deferred tax liabilities		1	1
Total non current liabilities		4,205	4,443
Total liabilities		8,542	8,993
Net assets		5,565	5,140
Equity			
Issued capital	15	1,900	1,898
Treasury securities		(79)	(87)
Reserves		355	356
Other securities	15	908	-
Retained earnings		781	1,203
Total equity attributable to members of Lendlease Corporation Limited		3,865	3,370
Total equity attributable to unitholders of Lendlease Trust		1,671	1,741
Total equity attributable to stapled securityholders		5,536	5,111
External non controlling interests		29	29
Total equity		5,565	5,140

The accompanying notes form part of these consolidated financial statements.

Statement of Changes in Equity

Half Year Ended 31 December 2025

	Issued Capital \$m	Treasury Securities ¹ \$m	Reserves ² \$m	Other Securities \$m	Retained Earnings \$m	Members of Lendlease Corporation Limited \$m	Unitholders of Lendlease Trust \$m	External Non Controlling Interests \$m	Total Equity \$m
Balance as at 1 July 2024	1,896	(67)	208	-	1,069	3,106	1,737	34	4,877
Total Comprehensive Income									
Profit for the period	-	-	-	-	28	28	20	-	48
Other comprehensive income (net of tax)	-	-	177	-	(6)	171	22	3	196
Total comprehensive income	-	-	177	-	22	199	42	3	244
Transactions with equity holders in their capacity as equity holders									
Distribution Reinvestment Plan (DRP)	1	-	-	-	-	1	1	-	2
Dividends and distributions	-	-	-	-	(22)	(22)	(42)	-	(64)
Treasury securities acquired	-	(44)	-	-	-	(44)	-	-	(44)
Treasury securities vested	-	22	-	-	-	22	-	-	22
Fair value movement on allocation and vesting of securities	-	-	(5)	-	-	(5)	-	-	(5)
Transfer as a result of disposal	-	-	12	-	-	12	-	-	12
Other movements	-	-	-	-	-	-	-	(6)	(6)
Total other movements through reserves	1	(22)	7	-	(22)	(36)	(41)	(6)	(83)
Balance as at 31 December 2024	1,897	(89)	392	-	1,069	3,269	1,738	31	5,038
Balance as at 1 July 2025	1,898	(87)	356	-	1,203	3,370	1,741	29	5,140
Total Comprehensive Income									
Loss for the period	-	-	-	-	(350)	(350)	32	-	(318)
Other comprehensive income (net of tax)	-	-	19	-	-	19	(60)	-	(41)
Total comprehensive income/(loss)	-	-	19	-	(350)	(331)	(28)	-	(359)
Transactions with equity holders in their capacity as equity holders									
Distribution Reinvestment Plan (DRP)	2	-	-	-	-	2	1	-	3
Dividends and distributions	-	-	-	-	(72)	(72)	(43)	-	(115)
Treasury securities acquired	-	(26)	-	-	-	(26)	-	-	(26)
Treasury securities vested	-	34	-	-	-	34	-	-	34
Fair value movement on allocation and vesting of securities	-	-	(13)	-	-	(13)	-	-	(13)
Transfer as a result of disposal	-	-	(7)	-	-	(7)	-	-	(7)
Other securities issue (net of transaction costs) ³	-	-	-	908	-	908	-	-	908
Total other movements through reserves	2	8	(20)	908	(72)	826	(42)	-	784
Balance as at 31 December 2025	1,900	(79)	355	908	781	3,865	1,671	29	5,565

1. Opening balance for number of treasury securities at 1 July 2025 was 9 million (1 July 2024: 6 million) and closing balance at 31 December 2025 was 9 million (31 December 2024: 9 million).

2. Balance and movement in reserves are presented on a combined basis for the half year ended 31 December 2025 and 31 December 2024.

3. On 23 September 2025 the Group issued 1,600 hybrid securities at S\$250,000 each, and on 23 October 2025 the Group issued 45,000 hybrid securities at A\$10,000 each. Refer to Note 15 'Issued Capital and Other Securities' for further detail.

The accompanying notes form part of these consolidated financial statements.

Consolidated Financial Statements continued

Statement of Cash Flows

Half Year Ended 31 December 2025

	Note	6 months December 2025 \$m	6 months December 2024 \$m
Cash Flows from Operating Activities			
Cash receipts in the course of operations		3,134	4,297
Cash payments in the course of operations		(3,553)	(4,778)
Interest received		36	12
Interest paid in relation to other corporations		(134)	(158)
Interest paid in relation to lease liabilities		(4)	(6)
Dividends/distributions received		84	307
Income tax paid in respect of operations		(75)	(173)
Net cash used in operating activities		(512)	(499)
Cash Flows from Investing Activities			
Sale/redemption of investments		230	449
Acquisition of investments		(417)	(383)
Sale of investment properties		-	45
Capital expenditure on investment properties		(27)	(18)
Loans from/(to) associates and joint ventures		47	(131)
Acquisition/disposal of consolidated entities (net of cash acquired/disposed and transaction cost)		(35)	228
Acquisition of property, plant and equipment		(3)	(2)
Acquisition of intangible assets		(2)	(2)
Net cash (used in)/provided by investing activities		(207)	186
Cash Flows from Financing Activities			
Proceeds from borrowings		3,057	4,611
Repayments of borrowings		(3,058)	(4,456)
Dividends/distributions paid		(114)	(64)
Net proceeds from issue of other securities ¹		908	-
Repayments of lease liabilities		(35)	(55)
Net cash provided by financing activities		758	36
Other Cash Flow Items			
Effect of foreign exchange rate movements on cash and cash equivalents		(14)	26
Net increase/(decrease) in cash and cash equivalents		25	(251)
Cash and cash equivalents at beginning of financial period		621	1,000
Cash and cash equivalents at end of financial period	19	646	749

1. On 23 September 2025 the Group issued 1,600 hybrid securities at S\$250,000 each, and on 23 October 2025 the Group issued 45,000 hybrid securities at A\$10,000 each. Refer to Note 15 'Issued Capital and Other Securities' for further detail.

Notes to Consolidated Financial Statements

Basis of Preparation

The consolidated financial report is a general purpose financial report, which:

- Has been prepared in accordance with AASB 134 *Interim Financial Reporting* (AASB 134) and the *Corporations Act 2001*
- Complies with the recognition and measurement requirements of the International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB)
- Should be read in conjunction with the 30 June 2025 annual consolidated financial report and any public announcements made by the Group during the half year in accordance with continuous disclosure obligations arising under the *Corporations Act 2001*. The half year financial report does not contain all the information required for a full financial report
- Is presented in Australian dollars, with all values rounded off to the nearest million dollars unless otherwise indicated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191
- Is prepared under the historical cost basis except for the following assets and liabilities, which are stated at their fair value: derivative financial instruments, fair value through profit or loss investments, investment properties and liabilities for cash settled share based compensation plans. Recognised assets and liabilities that are hedged are stated at fair value in respect of the risk that is hedged. Refer to the specific accounting policies within the notes to the financial statements for the basis of valuation of assets and liabilities measured at fair value.

The preparation of an interim financial report that complies with AASB 134 requires management to make judgements, estimates and assumptions.

- This can affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates
- Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively
- The accounting policies have been consistently applied by the Group and are consistent with those applied in the 30 June 2025 annual consolidated financial report
- These material accounting estimates and judgements have been considered in the context of the current economic conditions.

At 31 December 2025, the Group is in a net current asset deficiency (current liabilities exceeds current assets) but does not anticipate a significant liquidity risk in the next 12 months. This is due to the Group's strong financial profile, which includes significant committed undrawn facilities and cash balances.

The financial statements are prepared on a going concern basis. In preparing the financial statements, including assessing the going concern basis of accounting, the Group has considered the general market conditions.

The Group has:

- \$2,634 million in undrawn committed facilities. See Note 14 'Borrowings and Financing Arrangements'
- \$100 million in undrawn uncommitted facilities. See Note 14 'Borrowings and Financing Arrangements'
- \$646 million in cash and cash equivalents. See Note 19 'Cash and Cash Equivalents'

Following this assessment, the Group is well placed to manage its financing and future commitments over the next 12 months from the date of the financial statements.

Impact of New and Revised Accounting Standards

New Accounting Standards and Interpretations Not Yet Adopted

Accounting Standard	Requirement	Impact on Financial Statements
AASB 2014-10 <i>Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> and consequential amendments	AASB 2014-10 amends AASB 10 and AASB 128 to clarify the requirements for recording the sale or contribution of assets between an investor and its associate or joint venture. The amendment becomes mandatory for the June 2029 financial year and will be applied prospectively.	Based on preliminary analysis performed, the amendments are not expected to have a material impact on the Group.
AASB 18 <i>Presentation and Disclosure in Financial Statements</i>	AASB 18 aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. The Standard will change how the Group presents its results on the face of the Statement of comprehensive income and disclose information in the notes to the financial statements. Certain 'non-GAAP' measures (management-defined performance measures) will now form part of the audited financial statements. There will be three new categories of income and expenses, two defined Statement of comprehensive income subtotals and one single note on management-defined performance measures. The Standard is effective for the June 2028 financial year and will be applied retrospectively.	Management is currently undertaking an analysis to determine the impact of the Standards on the Group.

Notes to Consolidated Financial Statements continued

Section A. Performance

In addition to the statutory result, Operating Earnings before Interest, Tax, Depreciation and Amortisation (Operating EBITDA) and Operating Profit after Tax (Operating PAT) are the key measures used to assess the Group's performance. This section of the Financial Report focuses on disclosure that enhances a user's understanding of Operating EBITDA and Operating PAT. Segment Reporting below provides a breakdown of profit and revenue by reportable segment. The key line items of the Statement of comprehensive income, along with their components, provide detail behind the reported balances. Group performance will also impact the earnings per stapled security and dividend payout, therefore disclosure on these items has been included in this section. Further information and analysis on performance and allocation of resources can be found in the Performance and Outlook section of the Directors' Report.

1. Segment Reporting

Accounting Policies

The Group's segments are Investments, Development, Construction, and the Capital Release Unit. The Group has identified these operating segments based on the current organisation structure, the distinct target return profile and allocation of resources for each segment, and internal reports that are reviewed and used by the Group Chief Executive Officer and Managing Director (the Chief Operating Decision Maker) in assessing performance, determining the allocation of resources, setting operational targets, and managing the Group.

The Group reports Operating EBITDA and Operating PAT as its primary earnings metrics, in addition to the statutory result. Operating PAT is defined as Statutory profit adjusted for stabilised Investment property revaluations (including revaluations and impairments of Other financial assets and Equity accounted investments that hold stabilised Investment properties) that are classified in the Investments and Capital Release Unit segments. Operating EBITDA is before Interest, Tax, Depreciation and Amortisation. Operating EBITDA and Operating PAT includes revaluation increases and decreases of Investment properties under construction that are classified in the Development and Capital Release Unit segments.

The Chief Operating Decision Maker receives information and assesses segment performance under these metrics. Operating EBITDA and Operating PAT are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain reportable segments relative to other entities that operate within these industries. The Group does not consider corporate activities to be an operating segment.

The reportable segments are as follows:

Investments

The segment comprises fund and asset management activities and the Group's real estate co-investment portfolio.

Development

The segment is predominantly focused on the creation of mixed-use precincts, including build to rent and build to sell apartments, and sustainable workplaces.

Construction

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

Capital Release Unit

The segment is focused on the recycling of capital from assets identified as part of the May 2024 strategy update, including the accelerated release of international development capital. The financial priority is to optimise the release of capital by balancing value realisation and execution speed. The CRU segment includes a number of overseas Development projects, the Group's residual ownership interest in retirement assets and the retained Australian Communities, Engineering and Services projects. In the prior period the segment included overseas Construction operations, the US Military Housing business and Australian Communities projects.

1.a. Business Segment Information

Financial information of each reportable segment and a reconciliation of the financial performance of these reportable segments to the financial statements are included below:

6 months to December 2025	Investments \$m	Development \$m	Construction \$m	Capital Release Unit \$m	Corporate Activities \$m	Total Group \$m
Financial Performance						
Construction services	-	-	1,883	226	-	2,109
Investment services	117	-	-	-	-	117
Development services	-	343	-	136	-	479
Sale of development properties	-	22	-	56	-	78
Other revenue	30	12	-	7	7	56
Total revenue	147	377	1,883	425	7	2,839
Cost of sales	(45)	(358)	(1,808)	(426)	-	(2,637)
Gross profit	102	19	75	(1)	7	202
Share of profit of equity accounted investments ¹	37	(3)	-	6	-	40
Other income ¹	-	-	-	4	-	4
Other expenses ^{1,2,3}	(38)	18	(6)	(293)	(62)	(381)
Operating EBITDA^{4,5}	101	34	69	(284)	(55)	(135)
Finance revenue	1	11	-	16	14	42
Finance expenses	-	-	-	(3)	(124)	(127)
Depreciation and amortisation	(4)	-	(7)	(13)	(7)	(31)
Operating profit/(loss) before tax⁶	98	45	62	(284)	(172)	(251)
Operating income tax (expense)/benefit	(28)	(13)	(19)	52	59	51
Operating profit/(loss) after tax	70	32	43	(232)	(113)	(200)
Investments and CRU segment revaluations (pre tax):						
Investment properties	-	-	-	(14)	-	(14)
Financial assets	24	-	-	-	-	24
Equity accounted investments ⁷	(54)	-	-	(77)	-	(131)
Investments and CRU segment impairments (pre tax):						
Equity accounted investments	(23)	-	-	-	-	(23)
Total adjustments⁵	(53)	-	-	(91)	-	(144)
Income tax benefit on adjustments	-	-	-	26	-	26
Statutory profit/(loss) after tax	17	32	43	(297)	(113)	(318)
Other Information						
Material non cash items ⁸	2	52	(20)	(180)	11	(135)

1. Excludes stabilised Investment property revaluations (including revaluations and impairments of Other financial assets and Equity accounted investments that hold stabilised Investment properties) that are classified in the Investments and Capital Release Unit segments.

2. Excludes depreciation and amortisation.

3. CRU segment Other expenses include \$136 million impairment of Inventory and \$44 million International construction tail liabilities provisioning.

4. Investments operating EBITDA comprises management EBITDA of \$48 million, co-investment EBITDA of \$42 million and other EBITDA of \$11 million.

5. CRU segment operating EBITDA comprises \$(58) million from international Development, \$(131) from Australian Communities, \$11 million from Investment portfolio, \$(118) million from international Construction, and \$12 million from other.

6. Operating profit/(loss) before tax of \$(251) million plus Investments and Capital Release Unit segment revaluations and impairments (pre tax) of \$(144) million, reconciles to Profit before tax as disclosed in the Statement of comprehensive income.

7. Includes stabilised Investment property revaluations within Equity accounted investment that are classified in the Investment and CRU segments.

8. Material Non Cash Items relates to impairments and provisions raised or written back, unrealised foreign exchange movements and fair value gains or losses.

Notes to Consolidated Financial Statements continued

Section A. Performance continued

1. Segment Reporting continued

1.a. Business Segment Information continued

6 months to December 2024	Investments \$m	Development \$m	Construction \$m	Capital Release Unit \$m	Corporate Activities \$m	Total Group \$m
Financial Performance						
Construction services	-	-	1,548	1,191	-	2,739
Investment services	110	-	-	6	-	116
Development services	-	395	-	246	-	641
Sale of development properties	-	14	-	954	-	968
Other revenue	26	12	-	19	6	63
Total revenue	136	421	1,548	2,416	6	4,527
Cost of sales	(44)	(355)	(1,562)	(2,291)	(5)	(4,257)
Gross profit	92	66	(14)	125	1	270
Share of profit of equity accounted investments ¹	43	110	-	(8)	-	145
Other income	117	-	-	57	-	174
Other expenses ^{1,2}	(24)	(38)	(11)	(140)	(58)	(271)
Operating EBITDA^{3,4}	228	138	(25)	34	(57)	318
Finance revenue	2	1	-	7	8	18
Finance expenses	-	(4)	-	(8)	(142)	(154)
Depreciation and amortisation	(4)	(2)	(12)	(20)	(13)	(51)
Operating profit/(loss) before tax⁵	226	133	(37)	13	(204)	131
Operating income tax (expense)/benefit	(23)	(38)	11	(21)	62	(9)
Operating profit/(loss) after tax	203	95	(26)	(8)	(142)	122
Investments and CRU segment revaluations (pre tax):						
Investment properties	(6)	-	-	-	-	(6)
Financial assets	(18)	-	-	(1)	-	(19)
Equity accounted investments	(67)	-	-	-	-	(67)
Total adjustments⁵	(91)	-	-	(1)	-	(92)
Income tax benefit on adjustments	18	-	-	-	-	18
Statutory profit/(loss) after tax	130	95	(26)	(9)	(142)	48
Other Information						
Material non cash items ⁶	(24)	-	6	2	(18)	(34)

1. Excludes stabilised Investment property revaluations (including revaluations and impairments of Other financial assets and Equity accounted investments that hold stabilised Investment properties) that are classified in the Investments and Capital Release Unit segments.

2. Excludes depreciation and amortisation.

3. Investments Operating EBITDA comprises management EBITDA of \$49 million, co-investment EBITDA of \$49 million and other EBITDA of \$130 million.

4. CRU segment operating EBITDA comprises \$(41) million from international Development, \$142 million Australian Communities, \$15 million from Investment portfolio, \$(67) million from international Construction and \$(15) million from other.

5. Operating profit/(loss) before tax of \$131 million plus Investments and Capital Release Unit segment revaluations (pre tax) of \$(92) million, reconciles to Profit before tax as disclosed in the Statement of comprehensive income.

6. Material Non Cash Items relates to impairments and provisions raised or written back, unrealised foreign exchange movements and fair value gains or losses.

The following table provides a reconciliation of Operating earnings per stapled security to the Total Group statutory earnings per stapled security:

	Note	CENTS PER STAPLED SECURITY	
		December 2025	December 2024
Operating earnings per stapled security ¹		(29.0)	17.7
Total adjustments (after tax) to reconcile to statutory profit ²		(17.1)	(10.7)
Total Group statutory earnings per stapled security	3	(46.1)	7.0

1. Operating earnings per stapled security is calculated using Operating profit after tax divided by the weighted average number of stapled securities on issue.

2. The total adjustments (after tax) is calculated using the Total adjustments of \$(144) million (December 2024: \$(92) million) and Income tax benefit on adjustments of \$26 million (December 2024: \$18 million) divided by the weighted average number of stapled securities on issue.

The following table provides information on the Group's Return on equity:

	December 2025	December 2024
	\$m	\$m
Equity attributable to stapled securityholders at half year	5,536	5,007
Equity attributable to stapled securityholders at beginning of period	5,111	4,843
Average equity attributable to stapled securityholders	5,324	4,925
Operating profit after tax	(200)	122
Operating return on equity¹	(7.5%)	5.0%
Statutory profit after tax	(318)	48
Statutory return on equity²	(11.9%)	1.9%

1. Operating Return on Equity is calculated using the annualised Operating profit/(loss) after tax divided by the arithmetic average of beginning and half year stapled securityholders' equity.

2. Statutory Return on Equity is calculated using the annualised Statutory profit/(loss) after tax divided by the arithmetic average of beginning and half year stapled securityholders' equity.

The following table provides information on the invested capital balance of the Investments, Development and Capital Release Unit segments.

	Investments	Development	Capital Release Unit	Remaining Group	Total Group
	\$m	\$m	\$m	\$m	\$m
December 2025					
Net assets	3,220	2,128	3,761	(3,544)	5,565
Less: Cash and cash equivalents	(116)	(18)	(103)	(409)	(646)
Less: Other financial liabilities	-	-	-	77	77
Less: Borrowings and financing arrangements	-	-	127	3,834	3,961
Invested capital at end of the period	3,104	2,110	3,785	(42)	8,957
June 2025					
Net assets	3,480	1,094	4,827	(4,261)	5,140
Less: Cash and cash equivalents	(213)	(15)	(381)	(12)	(621)
Less: Other financial liabilities	-	-	-	75	75
Less: Borrowings and financing arrangements	-	-	133	3,921	4,054
Invested capital at end of the period	3,267	1,079	4,579	(277)	8,648

Notes to Consolidated Financial Statements continued

Section A. Performance continued

1. Segment Reporting continued

1.b. Geography Segment Information

The following table sets out Non current assets and Revenue by country:

	NON CURRENT ASSETS ^{1,2}		REVENUE ^{1,3}	
	December 2025	June 2025	6 months December 2025	6 months December 2024
	\$m	\$m	\$m	\$m
Australia	3,532	3,328	2,501	2,982
Singapore	1,463	1,633	55	59
Malaysia	498	854	33	48
China	294	308	3	9
Japan	67	62	30	27
United Kingdom	640	690	37	578
Italy	1,043	939	33	19
United States	1,116	1,259	189	823
Total	8,653	9,073	2,881	4,545

1. Includes allocation of corporate activities.

2. Excludes deferred tax assets, financial instruments and defined benefit plan assets and is based on the geographical location of assets.

3. Comprised of Revenue of \$2,839 million (December 2024: \$4,527 million) and Finance revenue of \$42 million (December 2024: \$18 million)

No revenue from transactions with a single external customer amounts to 10 per cent or more of the Group's revenue.

2. Dividends/Distributions

	Cents Per Share/Unit	COMPANY/TRUST ¹	
		6 months December 2025	6 months December 2024
		\$m	\$m
Parent Company Interim Dividend			
December 2025 ¹	-	-	-
December 2024 ¹	-	-	-
Lendlease Trust Interim Distribution			
December 2025 – provided for and payable 18 March 2026	6.2	43	-
December 2024 – paid 12 March 2025	6.0	-	42
Total		43	42

1. No interim dividend was declared by the Company for 31 December 2025 and 31 December 2024.

	Cents Per Share/Unit	COMPANY/TRUST ¹	
		6 months June 2025	6 months June 2024
		\$m	\$m
Parent Company Final Dividend			
June 2025 – paid 17 September 2025	10.4	72	-
June 2024 – paid 18 September 2024	3.2	-	22
Lendlease Trust Final Distribution			
June 2025 – paid 17 September 2025	6.6	45	-
June 2024 – paid 18 September 2024	6.3	-	44
Total		117	66
Total Cents per Security		17.0	9.5

1. June 2025 and June 2024 final dividends were fully franked.

3. Earnings Per Share/Stapled Security (EPS/EPSS)

		December 2025		December 2024	
		Shares/ Securities Excluding Treasury Securities	Shares/ Securities on Issue	Shares/ Securities Excluding Treasury Securities	Shares/ Securities on Issue
Basic/Diluted Earnings Per Share (EPS)					
Loss/(profit) attributable to members of Lendlease Corporation Limited (Company)	\$m	(350)	(350)	28	28
Weighted average number of ordinary shares	m	681	690	682	690
Basic/Diluted EPS	cents	(51.4)	(50.7)	4.1	4.1
Basic/Diluted Earnings Per Stapled Security (EPSS)					
Loss/(profit) attributable to stapled securityholders of Lendlease Group	\$m	(318)	(318)	48	48
Weighted average number of stapled securities	m	681	690	682	690
Basic/Diluted EPSS¹	cents	(46.7)	(46.1)	7.0	7.0

1. Details of the Group's operating earnings per stapled security are disclosed in Note 1a 'Segment Reporting'.

4. Revenue

	6 months	6 months
	December 2025	December 2024
	\$m	\$m
Revenue from the Provision of Services		
Construction services	2,109	2,739
Development services	479	641
Investment services	117	116
Total revenue from the provision of services	2,705	3,496
Revenue from the sale of development properties ¹	78	968
Other revenue	56	63
Total revenue²	2,839	4,527

1. Prior period balance included \$757 million in relation to asset sales of Australian Communities projects, which completed on 29 November 2024. Refer to Note 22 'Disposal Group Assets and Liabilities Held for Sale' for further detail.

2. Further information on revenue by segments and by geography is included in Note 1a and 1b 'Segment Reporting'.

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Notes to Consolidated Financial Statements continued

Section A. Performance continued

5. Other Income

	6 months December 2025	6 months December 2024
	\$m	\$m
Net Gain on Sale/Transfer of Investments		
Consolidated entities ¹	-	150
Investment properties	-	3
Total net gain on sale/transfer of investments	-	153
Net gain on fair value measurement		
Fair value through profit or loss assets	24	-
Total net gain on fair value measurement	24	-
Other	4	21
Total other income	28	174

1. Refer to 'Net gain on sale of consolidated entities' table below for further detail.

The following table provides information on the Net gain on sale of consolidated entities.

	6 months December 2025	6 months December 2024
	\$m	\$m
Net gain on sale of consolidated entities¹		
Australian Communities projects ²	-	38
Asia Pacific Life Science Platform	-	112
Total net gain on the sale of consolidated entities	-	150

1. Refer to Note 22 'Disposal Group Assets and Liabilities Held for Sale' for further detail.

2. In the prior period a further profit of \$48 million relating to the sale of assets forming part of the Australian Communities projects was recognised in Gross profit.

6. Share of Profit of Equity Accounted Investments

		6 months December 2025	6 months December 2024
	Note	\$m	\$m
Associates^{1,2}			
Share of profit	12.a	11	9
Joint Ventures^{1,2}			
Share of (loss)/profit	12.b	(102)	69
Total share of (loss)/profit of equity accounted investments		(91)	78

1. Reflects the contribution to the Group's profit, and is after tax paid by the Equity accounted investment vehicles themselves, where relevant. However, for various Equity accounted investments, the share of tax is paid by the Group and is included in the Group's current tax expense.

2. Share of profit from Associates and Joint Ventures includes \$nil million (December 2024: \$(2) million loss) and \$(131) million loss (December 2024: \$(65) million loss), respectively, in revaluations on stabilised assets recognised in the Investments and CRU segment adjustments in Note 1 'Segment Reporting'. Share of profit from Associates and Joint Ventures include \$nil million (December 2024: \$nil million) and \$(2) million loss (December 2024: \$(43) million loss), respectively, in revaluations on assets under construction in the Development and CRU segments.

7. Other Expenses

	6 months December 2025 \$m	6 months December 2024 \$m
Profit before income tax includes the following expense items:		
Total employee benefit expense	458	680
Less: Recoveries through projects	(348)	(547)
Net employee overhead	110	133
Lease expense (including outgoings)	9	11
IT expense	51	57
Other	27	54
Net overheads	197	255
Loans and receivables impairments	10	6
Property inventories impairments ^{1,2}	91	-
Net loss on sale of Equity accounted investments	7	-
Net defined benefit plans expense	2	-
Net foreign exchange gain	(5)	-
Restructuring expenses	3	5
Transformation expenses ³	25	4
International construction tail liability ⁴	44	-
UK building remediation ⁵	2	-
Other	5	1
Total other expenses per Note 1a 'Segment Reporting'	381	271
Depreciation on right-of-use assets	14	23
Depreciation on owned assets	7	9
Amortisation	10	19
Total depreciation and amortisation	31	51
Equity accounted investments impairments ⁶	23	-
Net loss on fair value measurement of Investment properties	14	6
Net loss on fair value measurement of Other financial assets	-	19
Total other expense non-operating items included in Note 1a 'Segment Reporting'	37	25
Total Other Expenses	449	347

1. Current period balance includes \$136 million impairment of inventory in relation to rights to land parcels that were acquired as part of the overall Figtree Hill project. In the prior year, the landowner contested Lendlease's contractual rights over the land parcels, and a judgement was handed down that did not support Lendlease's position, which Lendlease subsequently appealed. During the current period Lendlease's appeal was dismissed, and a resulting impairment was recognised.
2. Current period balance includes \$47 million impairment reversal relating to an Australian development project following a reassessment of recoverability based on the latest commercial assessment and prevailing economic and market conditions.
3. Includes expenses in relation to finance transformation initiatives.
4. Represents additional provision recognised in relation to the international Construction business sales which completed in the prior year.
5. Balance represents expenses in relation to UK building remediation. Refer to Note 18 'Provisions' for further detail.
6. Represents impairment expense due to a dilution of the Group's interest in the Lendlease Global Commercial REIT resulting from the private placement which the Group did not participate in during the period.

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Notes to Consolidated Financial Statements continued

Section A. Performance continued

8. Finance Revenue and Finance Costs

	6 months December 2025	6 months December 2024
	\$m	\$m
Finance Revenue		
Interest income in relation to other corporations	5	9
Other finance revenue	27	6
Total interest finance revenue	32	15
Discount unwind	2	3
Gain on repurchase of commercial notes	8	-
Total finance revenue	42	18
Finance Costs		
Interest expense in relation to other corporations	122	145
Interest expense in relation to lease liabilities	4	6
Less: Capitalised interest finance costs	(5)	(6)
Total interest finance costs	121	145
Non interest finance costs	6	9
Total finance costs	127	154
Net finance costs	(85)	(136)

9. Taxation

	6 months December 2025 \$m	6 months December 2024 \$m
Recognised in Profit or Loss		
Current Tax Expense		
Current period	(48)	69
Current period tax losses written off	14	11
Adjustments for prior years	8	(6)
Total current tax (benefit)/expense	(26)	74
Deferred Tax Expense		
Origination and reversal of temporary differences	(49)	(104)
Temporary differences recognised through income tax expense	(1)	25
Recognition of prior year net tax losses	(1)	(4)
Total deferred tax benefit	(51)	(83)
Total income tax benefit	(77)	(9)
Reconciliation of Effective Tax Rate		
(Loss)/profit before tax	(395)	39
Income tax using domestic corporate tax rate 30%	(119)	12
Adjustments for prior year tax claim	8	(6)
Non assessable and exempt income ¹	(8)	(49)
Non allowable expenses ²	23	-
Net write-off of tax losses through income tax expense	10	7
Temporary differences recognised through income tax expense ³	(1)	25
Effect of tax rates in foreign jurisdictions ⁴	(2)	(2)
Other	12	4
Income tax benefit	(77)	(9)
Effective tax rate⁵	19.5%	(23.8%)

1. Includes Lendlease Trust Group profit.

2. Includes accounting expense for which a tax deduction is not allowed permanently.

3. Includes temporary differences not recognised in the current period which are written off to income tax expense in the current period and temporary differences that arose in a previous year but were not recognised until, or have been revalued in, the current period.

4. The Group operates in a number of foreign jurisdictions for trading purposes which have lower tax rates than Australia such as the United Kingdom and Singapore and higher tax rates such as the United States of America (blended federal, state and local rate) and Japan.

5. Effective tax rate is calculated as income tax expense divided by (loss)/profit before tax. The HY26 group effective tax rate is impacted by variation in tax rates across jurisdictions in which Lendlease operates and Lendlease Trust earnings.

10. Events Subsequent to Balance Date

There were no material events subsequent to the end of the financial reporting period.

Notes to Consolidated Financial Statements continued

Section B. Investment

Investment in the Development pipeline, joint ventures in property projects and more passive assets, such as property funds, drive the current and future performance of the Group. This section includes disclosures for property such as Inventories and indirect property assets such as Equity Accounted Investments and Other Financial Assets contained within the Statement of Financial Position.

11. Inventories

		December 2025	June 2025
	Note	\$m	\$m
Current			
Development properties ¹		326	306
Construction contract assets	16.a	468	436
Total current		794	742
Non Current			
Development properties		1,997	1,733
Total non current		1,997	1,733
Total inventories		2,791	2,475

1. Current period balance includes \$136 million impairment of inventory in relation to rights to land parcels that were acquired as part of the overall Figtree Hill project. In the prior year, the landowner contested Lendlease's contractual rights over the land parcels, and a judgement was handed down that did not support Lendlease's position, which Lendlease subsequently appealed. During the current period Lendlease's appeal was dismissed, and a resulting impairment was recognised.

12. Equity Accounted Investments

Equity Accounted Investments (Associates and Joint Ventures)

Development - Investment Property

Investments in this category hold investment property that is under construction and is subject to periodic revaluations. These revaluations represent development profit earned and are recognised in the Development or Capital Release Unit segments.

Development - Inventory

Investments in this category contain inventory under development and are held at cost. Revenue is recognised once the control of the inventory passes to the customer and is recognised in the Development or Capital Release Unit segments.

		December 2025	June 2025
	Note	\$m	\$m
Associates			
Investment in associates	12.a	738	839
Less: Impairment	12.a	(23)	-
Total associates		715	839
Joint Ventures			
Investment in joint ventures	12.b	4,576	5,128
Less: Impairment	12.b	(29)	(29)
Total joint ventures		4,547	5,099
Total equity accounted investments		5,262	5,938

12.a. Associates

	Country	INTEREST		SHARE OF PROFIT		NET BOOK VALUE	
		December 2025	June 2025	December 2025	December 2024	December 2025	June 2025
		%	%	\$m	\$m	\$m	\$m
Investments							
Lendlease Real Estate Partners 4	Australia	33.3	33.3	-	(3)	103	99
Lendlease Global Commercial REIT	Singapore	20.9	28.4	10	9	529	644
Lendlease Asian Retail Investment Fund 2	Malaysia	39.8	39.8	1	-	33	32
Other				-	3	3	3
Total Investments				11	9	668	778
Capital Release Unit							
Development - Inventory							
Lendlease Elephant Park Plot H11B - Daiwa House	United Kingdom	25.0	25.0	-	-	70	61
Total Capital Release Unit				-	-	70	61
Total Group				11	9	738	839
<i>Less: Impairment¹</i>				-	-	(23)	-
Total associates				11	9	715	839

1. Represents impairment expense recognised in Other expenses due to a dilution of the Group's interest in the Lendlease Global Commercial REIT resulting from the private placement which the Group did not participate in during the period. Refer to Note 7 'Other expenses' for further detail.

12.b. Joint Ventures

	Country	INTEREST		SHARE OF PROFIT		NET BOOK VALUE	
		December 2025	June 2025	December 2025	December 2024	December 2025	June 2025
		%	%	\$m	\$m	\$m	\$m
Investments							
Paya Lebar Quarter	Singapore	30.0	30.0	(5)	(31)	265	339
Vita Partners	Singapore	49.7	50.0	(6)	23	146	155
Lendlease Data Centre Partners	Japan	20.0	20.0	17	2	75	57
LRIP LP	United Kingdom	20.0	20.0	(7)	2	149	166
21 Moorfields ¹	United Kingdom	-	-	-	3	-	-
LRIP 2 LP	United Kingdom	50.0	50.0	(25)	(1)	123	155
MSG South	Italy	50.0	50.0	-	(36)	107	108
Americas Residential Partnership							
Clippership Wharf Multifamily Holdings	United States	50.1	50.1	2	1	73	72
445 East Waterside	United States	42.5	42.5	12	1	81	71
720 S Wells Holdings	United States	50.1	50.1	(8)	(1)	43	53
SB Polk Street - Investments	United States	50.1	50.1	(9)	4	35	46
845 Madison	United States	-	37.5	-	(1)	-	43
Other				-	-	49	49
Total Investments				(29)	(34)	1,146	1,314
Development							
Development - Investment Property							
Victoria Cross	Australia	75.0	75.0	(13)	(14)	411	369
899 Collins Street	Australia	50.0	60.0	-	-	61	47
Comcentre	Singapore	49.0	49.0	-	-	286	309
Development - Inventory							
One Circular Quay ²	Australia	33.3	33.3	(11)	2	242	259
One Sydney Harbour R2 Trust	Australia	75.0	75.0	19	119	27	105
One Sydney Harbour R1 Trust	Australia	75.0	75.0	1	-	14	24
1 Darling Point	Australia	50.1	50.1	-	-	2	3
North East Link ³	Australia	-	-	-	3	-	-
175 Liverpool Street	Australia	50.0	-	2	-	66	-
Other				-	-	18	18
Total Development				(2)	110	1,127	1,134

1. In the prior period the Group disposed 20 percent of its stake in the 21 Moorfields investment, retaining a 5 percent interest classified as an Other financial asset.

2. Investment includes both investment property and residential inventory.

3. In the prior period the Group completed the sale of the Capella Capital Business, including North East Link, Frankston Hospital and Melton Hospital investments.

Notes to Consolidated Financial Statements continued

Section B. Investment continued

12. Equity Accounted Investments continued

12.b. Joint Ventures continued

	Country	INTEREST		SHARE OF PROFIT		NET BOOK VALUE	
		December 2025	June 2025	December 2025	December 2024	December 2025	June 2025
		%	%	\$m	\$m	\$m	\$m
Capital Release Unit							
Development - Investment Property							
The Exchange TRX ^{1,2}	Malaysia	60.0	60.0	6	18	462	815
Certis and Lendlease Property Trust	Singapore	49.0	49.0	(4)	-	123	129
Americas Residential Partnership							
La Cienega	United States	50.0	50.0	(1)	-	195	196
1 Java Holdings	United States	25.0	25.0	10	-	141	133
211 North Harbor Drive Venture	United States	42.5	42.5	(2)	(2)	100	112
SB Polk Street - CRU	United States	50.1	50.1	(5)	(2)	45	49
60 Guest Street	United States	25.0	25.0	(50)	(29)	1	51
IQL Office LP	United Kingdom	50.0	50.0	(4)	(8)	101	97
Stratford City Business District Limited (International Quarter London)	United Kingdom	50.0	50.0	-	(2)	-	-
MSG North Heartbeat	Italy	17.6	17.6	-	1	267	217
Milano Innovation District	Italy	50.0	50.0	(2)	-	206	175
Development - Inventory							
100 Claremont	United States	50.0	50.0	2	(1)	51	69
277 Fifth Avenue	United States	40.0	40.0	-	-	13	13
Victoria Drive Wandsworth	United Kingdom	50.0	50.0	(2)	(2)	13	15
Other							
Keyton Trust	Australia	25.1	25.1	(14)	17	538	556
DoD Asset Management Holdings ³	United States	-	-	-	3	-	-
Podium	Singapore	53.5	53.5	(5)	-	38	44
Other				-	-	9	9
Total Capital Release Unit				(71)	(7)	2,303	2,680
Total Group				(102)	69	4,576	5,128
Less: Impairment				-	-	(29)	(29)
Total joint ventures				(102)	69	4,547	5,099
Total associates				11	9	715	839
Total equity accounted investments				(91)	78	5,262	5,938

1. Investment includes both investment property and residential inventory. Movement includes \$389 million classified as Disposal Group assets held for sale. Refer to Note 22 'Disposal Group Assets and Liabilities Held for Sale' for further detail.

2. Current period includes the share of profit from the Group's interest in The Exchange TRX retail mall and office tower, which have been classified as Disposal Group assets held for sale at period end. Refer to Note 22 'Disposal Group Assets and Liabilities' for further detail.

3. In the prior period the Group completed the sale of US Military Housing Business, including the investment in DoD Asset Management Holdings.

12.c. Material Associates and Joint Ventures Summarised Financial Information

Material associates and joint ventures are determined by comparing individual investment carrying value and share of profit with the total equity accounted investment carrying value and share of profit, along with consideration of relevant qualitative factors.

	LENLEASE GLOBAL COMMERCIAL REIT		KEYTON TRUST		PAYA LEBAR QUARTER		THE EXCHANGE TRX	
	6 months	6 months	6 months	6 months	6 months	6 months	6 months	6 months
	December 2025	December 2024	December 2025	December 2024	December 2025	December 2024	December 2025	December 2024
Statement of Comprehensive Income¹	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue and other income	128	116	176	157	86	56	96	170
Cost of sales	(33)	(33)	(29)	(28)	(25)	(21)	(47)	(111)
Other expenses	(18)	(13)	(45)	(47)	15	(10)	(8)	(7)
Unrealised fair value (losses)/gains	-	-	(9)	11	(19)	(5)	10	(1)
Finance costs	(35)	(39)	(21)	(26)	(62)	(47)	(22)	(22)
Income tax expense	-	-	-	-	1	(1)	(8)	(2)
Other	-	(1)	-	-	-	-	(1)	-
Profit/(loss) for the period	42	30	72	67	(4)	(28)	20	27
Other comprehensive (loss)/income	-	(16)	3	(10)	-	-	-	-
Total comprehensive income/(loss)	42	14	75	57	(4)	(28)	20	27
Group's ownership interest	20.9%	28.7%	25.1%	25.1%	30.0%	30.0%	60.0%	60.0%
Group's total share of:								
Profit/(loss) for the period	9	9	18	17	(1)	(8)	12	16
Other adjustments	1	-	(32)	-	(4)	(23)	(6)	2
Total profit/(loss) for the period	10	9	(14)	17	(5)	(31)	6	18
Other comprehensive (loss)/income	(2)	(5)	1	(2)	(2)	(4)	19	-
Total comprehensive income/(loss)	8	4	(13)	15	(7)	(35)	25	18

1. The underlying investments in the material associate and joint ventures are office, retail and retirement living investment properties measured at fair value. At 31 December 2025, valuations were undertaken on the underlying assets. The carrying value of the investments are considered recoverable as it correlates with the net assets of the associate and joint ventures, which have been valued at 31 December 2025.

The table below provides summarised financial information for those associates and joint ventures that are individually immaterial to the Group:

	ASSOCIATES		JOINT VENTURES	
	6 months	6 months	6 months	6 months
	December 2025	December 2024	December 2025	December 2024
Statement of Comprehensive Income	\$m	\$m	\$m	\$m
Aggregate amounts of the Group's share of:				
Profit/(loss) for the period	1	-	(89)	65
Other comprehensive (loss)/income	(2)	1	(69)	(20)
Aggregate amounts of Group's share of total comprehensive (loss)/income of individually immaterial equity accounted investments	(1)	1	(158)	45

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Notes to Consolidated Financial Statements continued

Section B. Investment continued

12. Equity Accounted Investments continued

12.c. Material Associates and Joint Ventures Summarised Financial Information continued

	LENLEASE GLOBAL COMMERCIAL REIT ¹		KEYTON TRUST ¹		PAYA LEBAR QUARTER		THE EXCHANGE TRX ²	
	December 2025	June 2025	December 2025	June 2025	December 2025	June 2025	December 2025	June 2025
Statement of Financial Position	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Current assets								
Cash and cash equivalents	28	50	33	27	178	134	208	156
Other current assets	10	9	74	90	18	14	47	78
Total current assets	38	59	107	117	196	148	255	234
Non current assets								
Investment properties	3,838	4,480	9,054	9,493	4,327	3,413	2,340	2,253
Equity accounted investments	378	5	-	-	-	-	-	-
Other non current assets	-	108	25	27	-	-	25	29
Total non current assets	4,216	4,593	9,079	9,520	4,327	3,413	2,365	2,282
Current liabilities								
Resident liabilities	-	-	5,787	6,149	-	-	-	-
Financial liabilities (excluding trade payables)	116	375	3	3	-	-	92	97
Other current liabilities	72	75	35	60	277	32	31	43
Total current liabilities	188	450	5,825	6,212	277	32	123	140
Non current liabilities								
Financial liabilities (excluding trade payables)	1,225	1,581	941	1,060	3,070	2,087	921	873
Other non current liabilities	49	63	-	-	65	70	-	-
Total non current liabilities	1,274	1,644	941	1,060	3,135	2,157	921	873
Net assets	2,792	2,558	2,420	2,365	1,111	1,372	1,576	1,503
Reconciliation to Carrying Amounts								
Opening net assets 1 July	2,558	2,465	2,365	2,237	1,372	1,308	1,503	1,353
Total comprehensive income/(loss) for the period	42	96	75	128	(4)	(27)	20	60
Acquisition/(capital reduction)	356	(66)	-	-	(225)	-	(20)	(55)
Distributions	(100)	(121)	(21)	-	-	(2)	-	(36)
Foreign currency translation for the period	(64)	184	1	-	(32)	93	73	181
Closing net assets	2,792	2,558	2,420	2,365	1,111	1,372	1,576	1,503
% ownership	20.9%	28.4%	25.1%	25.1%	30.0%	30.0%	60.0%	60.0%
Group's share of net assets	584	726	607	594	333	412	946	902
Other adjustments	(78)	(82)	(82)	(51)	(68)	(73)	(95)	(87)
Carrying amount at end of the period	506	644	525	543	265	339	851	815

1. The carrying amount at the end of the period differs to Note 12a 'Associates' due to impairment of Lendlease Global Commercial REIT of \$23 million and Note 12b 'Joint Ventures' due to impairment of Keyton Trust of \$13 million.

2. The carrying amount at the end of the period differs to Note 12b 'Joint Ventures' due to \$389 million classified as Disposal Group assets held for sale. Refer to Note 22 'Disposal Group Assets and Liabilities Held for Sale' for further detail.

The table below provides summarised financial information for those associates and joint ventures that are individually immaterial to the Group:

Statement of Financial Position	ASSOCIATES		JOINT VENTURES	
	December 2025 \$m	June 2025 \$m	December 2025 \$m	June 2025 \$m
Aggregate carrying value of individually immaterial equity accounted investments	209	195	3,311	3,418

13. Other Financial Assets

	Fair Value Level ¹	December 2025 \$m	June 2025 \$m
Current			
Financial Assets at Fair Value Through Profit of Loss			
Derivatives	Level 2	17	20
Total current		17	20
Non Current			
Financial Assets at Fair Value Through Profit of Loss			
Lendlease International Towers Sydney Trust	Level 3	135	133
Lendlease One International Towers Sydney Trust	Level 3	50	48
Australian Prime Property Fund - Industrial ²	Level 3	400	262
Australian Prime Property Fund - Commercial	Level 3	298	296
Australian Prime Property Fund - Retail	Level 3	211	203
21 Moorfields ³	Level 3	33	33
Other investments	Level 3	18	19
Derivatives	Level 2	3	-
Total non current		1,148	994
Total other financial assets		1,165	1,014

1. Refer to Note 20 'Fair Value Measurement' for detail on basis of determining fair value and valuation technique.

2. Includes an acquisition of a further 8.5% interest in Australian Prime Property Fund - Industrial for \$129 million during the period.

3. In the prior period, the Group disposed of 20 percent of its stake in the 21 Moorfields investment, retaining a 5 percent interest classified as an Other financial asset.

13.a. Fair Value Reconciliation

The reconciliation of the carrying amount for Level 3 financial assets is set out as follows.

	December 2025 \$m	June 2025 \$m
Carrying amount at beginning of financial period	994	972
Acquisitions	129	32
Net gains/(losses) recognised in the Statement of comprehensive income	24	(11)
Other movements	(2)	1
Carrying amount at end of financial period	1,145	994

The potential effect of using reasonably possible alternative assumptions for valuation inputs would not have a material impact on the Group.

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Notes to Consolidated Financial Statements continued

Section C. Liquidity and Working Capital

The ability of the Group to fund the continued investment in the Development and Investments pipeline, invest in new opportunities and meet current commitments is dependent on available cash, undrawn debt facilities and access to third party capital. This section contains disclosures on the financial assets, financial liabilities, cash flows and equity that are required to finance the Group's activities, including existing commitments and the liquidity risk exposure associated with financial liabilities. The section also contains disclosures for the Group's trading assets, excluding inventories, and the trading liabilities incurred as a result of trading activities used to generate the Group's performance.

14. Borrowings and Financing Arrangements

14.a. Borrowings – Measured at Amortised Cost

	December 2025	June 2025
	\$m	\$m
Current		
Commercial notes	597	605
Bank credit facilities	209	15
Total current	806	620
Non Current		
Commercial notes	1,151	1,268
Bank credit facilities	2,004	2,166
Total non current	3,155	3,434
Total borrowings	3,961	4,054

14.b. Finance Facilities

	December 2025	June 2025
	\$m	\$m
The Group has access to the following lines of credit:		
Commercial Notes		
Facility available	1,748	1,873
Amount of facility used	(1,748)	(1,873)
Amount of facility unused	-	-
Bank Credit Facilities		
Facility available	4,728	4,392
Amount of facility used	(2,213)	(2,181)
Amount of facility unused	2,515	2,211
Bank Overdrafts		
Facility available and amount unused	119	119

Commercial notes include:

- US\$400 million of guaranteed unsecured senior notes issued in May 2016 in the US Reg. S market with a 4.5 per cent per annum coupon maturing in May 2026
- S\$300 million of guaranteed unsecured senior notes issued in April 2017 in the Singapore bond market with a 3.9 per cent coupon maturing in April 2027
- \$500 million of guaranteed unsecured Green senior notes issued in October 2020 in the Australian bond market with a 3.4 per cent coupon maturing in October 2027
- \$80 million of guaranteed unsecured senior medium term notes issued as an A\$ private placement in December 2018 with a 5.4 per cent per annum coupon maturing in December 2028
- \$271 million of guaranteed unsecured Green senior notes issued in March 2021 in the Australian bond market with a 3.7 per cent coupon maturing in March 2031
- £14 million of guaranteed unsecured Green senior notes issued in December 2021 in the Sterling bond market with a 3.5 per cent coupon maturing in December 2033.

Bank credit facilities include:

- £400 million sustainability linked loan was drawn to \$770 million as at 31 December 2025, with £57 million maturing in October 2027 and £343 million maturing in October 2028
- US\$250 million sustainability linked loan maturing in July 2026 was drawn to \$194 million as at 31 December 2025
- CNY¥592 million bank facility maturing in January 2034 was drawn to CNY¥522 million as at 31 December 2025, with CNY¥70 million classified as current borrowings
- S\$400 million revolving bank facility maturing in March 2030, and was undrawn as at 31 December 2025
- €200 million sustainability linked loan was drawn to \$342 million as at 31 December 2025, with €20 million maturing in July 2027 and €180 million maturing in July 2028
- \$1,000 million revolving bank facility with Tranche A \$460 million maturing in December 2029, was drawn to \$365 million as at 31 December 2025, Tranche B \$500 million maturing in December 2030, was undrawn as at 31 December 2025 and Tranche C \$40 million maturing in December 2029, was drawn to \$40 million as at 31 December 2025
- \$1,400 million revolving bank facility with Tranche A \$700 million maturing in October 2028, was drawn to \$295 million as at 31 December 2025 and Tranche B \$700 million maturing in October 2029, was drawn to \$80 million as at 31 December 2025
- \$200 million bank facility maturing in September 2027 was undrawn as at 31 December 2025.

The Group has an uncommitted facility of \$100 million, which was undrawn as at 31 December 2025.

The bank overdraft facilities may be drawn at any time and are repayable on demand.

The Group's borrowings are subject to various financial covenants. These covenants are gearing ratio and interest cover ratio that are tested every six months. The Group complied with all covenants during the financial period and at period end.

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Notes to Consolidated Financial Statements continued

Section C. Liquidity and Working Capital continued

15. Issued Capital and Other Securities

	LENLEASE CORPORATION LIMITED				LENLEASE TRUST			
	December 2025		June 2025		December 2025		June 2025	
	No. of Shares (m)	\$m	No. of Shares (m)	\$m	No. of Units (m)	\$m	No. of Units (m)	\$m
Issued capital at beginning of financial period	690	1,898	690	1,896	690	1,541	690	1,540
Distribution Reinvestment Plan (DRP)	1	2	-	2	-	1	-	1
Issued capital at end of financial period	691	1,900	690	1,898	690	1,542	690	1,541

15.a. Issuance of Stapled Securities

As at 31 December 2025, the Group had 691 million stapled securities on issue, equivalent to the number of Lendlease Corporation shares and Lendlease Trust (LLT) units on issue as at that date. The issued units of LLT are not owned by the Company and are therefore presented separately in the Consolidated Statement of Financial Position within equity.

15.b. Security Accumulation Plans

The Group's Distribution Reinvestment Plan (DRP) was reactivated in February 2011. The last date for receipt of an election notice for participation in the DRP is 3 March 2026. The issue price is the arithmetic average of the daily volume weighted average price of Lendlease Group stapled securities traded (on the Australian Securities Exchange) for the period of five consecutive business days immediately following the record date, commencing on 3 March 2026 for determining entitlements to distribution. If that price is less than 50 cents, the issue price will be 50 cents. Stapled securities issued under the DRP rank equally with all other stapled securities on issue.

15.c. Terms and Conditions

Issued capital for Lendlease Corporation Limited comprises of ordinary shares fully paid. A stapled security represents one share in the Company stapled to one unit in LLT. Stapled securityholders have the right to receive declared dividends from the Company and distributions from LLT and are entitled to one vote per stapled security at securityholders' meetings. Ordinary stapled securityholders rank after all creditors in repayment of capital.

The Group does not have authorised capital or par value in respect of its issued stapled securities.

15.d. Other Securities

The Group, through its wholly owned subsidiaries, issued perpetual subordinated hybrid securities ('hybrid securities') to wholesale investors in the Singapore and Australian dollar fixed income markets:

- On 30 September 2025 Lendlease Asia Treasury Pte. Ltd. (LLAT) issued 1,600 hybrid securities at S\$250,000 each, totalling S\$400 million, with the first redemption date in September 2030. Up to the first redemption date the distribution rate is 3.90 per cent per annum (unfranked). Following this date, the rate per annum is the prevailing 5-year Singapore interest rate plus the initial margin plus 2.00 per cent per annum. These hybrid securities are listed on the Singapore Exchange.
- On 23 October 2025 Lendlease Finance Limited (LLF) issued 45,000 hybrid securities at A\$10,000 each, totalling A\$450 million, with the first redemption date in October 2028. Up to the first redemption date the distribution rate is 5.20 per cent per annum (expected to be fully franked). Following this date, the rate per annum is the prevailing Australian 3-month floating rate plus the initial margin plus 5.00 per cent per annum.

These hybrid securities are perpetual, cumulative, unsecured, subordinated, and are redeemable at the Issuers' discretion. Distributions on the hybrid securities are at the sole discretion of the Issuers and may be deferred. Distribution of profits and capital by the Group and the issuers are restricted if the distributions to hybrid securityholders are deferred or if the hybrid securities have not been redeemed on or before their first optional redemption dates, subject to certain exceptions.

The hybrid securities do not impose a contractual obligation on the Group to deliver cash or another financial asset. Accordingly, the hybrid securities are classified as equity in the consolidated financial statements. Distributions are recognised directly in equity when declared.

As at 31 December 2025, the \$908 million presented in the Statement of Financial Position represents the carrying amount of the hybrid securities issued, net of transaction costs of \$13 million.

16. Loans and Receivables

	Note	December 2025 \$m	June 2025 \$m
Current			
Trade receivables		258	294
Less: Impairment		(24)	(25)
		234	269
Related parties		101	300
Retentions		101	133
Contract debtors	16.a	104	258
Accrued income	16.a	171	136
Other receivables ¹		734	790
Total current		1,445	1,886
Non Current			
Related parties		102	15
Less: Impairment		(2)	(1)
		100	14
Retentions		-	3
Other receivables		133	205
Total non current		233	222
Total loans and receivables		1,678	2,108

1. Balance includes \$316 million (June 2025: \$322 million) of receivables due from the developer of the Oceanwide project in Los Angeles, the contract for which was terminated in 2020 following non-payment. Lendlease continues to pursue recovery of the amounts through court administered bankruptcy proceedings of the developer. Lendlease believe the balance is recoverable based on third party valuations and commercial assessments on the project.

16.a. Contract Assets

	Note	December 2025 \$m	June 2025 \$m
Current			
Contract debtors ¹		104	258
Construction contract assets ²	11	468	436
Accrued income		171	136
Total contract assets		743	830

1. Movements in contract debtors during the financial period include the transfer of balances into Trade receivables as the right to receive payment from customers becomes unconditional.

2. Movements in Construction contract assets during the financial period relate primarily to revenue recognised on construction contracts in excess of billings raised during the period.

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Notes to Consolidated Financial Statements continued

Section C. Liquidity and Working Capital continued

17. Trade and Other Payables

		December 2025	June 2025
	Note	\$m	\$m
Current			
Trade and accrued creditors		1,541	1,679
Construction contract liabilities	17.a	397	472
Related parties		5	47
Retentions		188	224
Deferred land payments		417	409
Unearned income	17.a	87	119
Lease liabilities		66	63
Other		157	154
Total current		2,858	3,167
Non Current			
Trade and accrued creditors		77	-
Retentions		35	35
Deferred land payments		206	9
Unearned income	17.a	48	53
Lease liabilities		175	217
Other payables - PLLACes ¹		171	166
Other		129	212
Total non current		841	692
Total trade and other payables		3,699	3,859

1. PLLACes transactions involve selling the presold apartment cash flows for a specific development project to a third party for cash consideration. This amount relates to \$171 million (June 2025: \$166 million) of proceeds received from PLLACes transactions for the Victoria Harbour project.

17.a. Contract Liabilities

		December 2025	June 2025
		\$m	\$m
Current			
Unearned income ¹		87	119
Construction contract liabilities ²		397	472
Total current		484	591
Non Current			
Unearned income ¹		48	53
Total non current		48	53
Total contract liabilities		532	644

1. Movements in Unearned income relate primarily to residential presales settled during the period and deposits received for development properties.

2. Movements in Construction contract liabilities relate primarily to revenue recognised on construction contracts with customers in excess of billings raised during the period. This balance also contains provisions previously incurred on retained Engineering projects that are in progress.

18. Provisions

	Employee Benefits	Development Projects	Construction Projects	UK Building Remediation	Other	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Balance as at 1 July 2025	120	71	391	321	72	975
Provisions made during the period	25	2	110	12	-	149
Provisions used during the period	(31)	(20)	(141)	(28)	(19)	(239)
Provisions reversed during the period	-	-	(50)	(12)	-	(62)
Effect of foreign currency translation and other	-	(2)	(5)	(13)	-	(20)
Balance as at 31 December 2025	114	51	305	280	53	803
Current provisions	96	45	301	155	53	650
Non current provisions	18	6	4	125	-	153
Total provisions	114	51	305	280	53	803

Provision in relation to UK building remediation

The UK Government has enacted a number of retrospective legislative changes and additional measures to address building safety risks concerning residential buildings with a height of 11 metres and above. As part of this action, the defect liabilities period has been extended from 6 to 30 years, and there have been updates to building safety regulations for completed residential buildings.

So as not to be subject to significant trade restrictions, consistent with other UK developers, Lendlease entered into a contract with the UK Government on 22 March 2023, committing to remediate building safety risks consistent with these legislative changes.

Lendlease has established a dedicated team undertaking the work to address the issues raised on various buildings. Lendlease believes that the liability currently relates to 60 buildings (June 2025: 60 buildings), most of which were developed by Crosby, a company that Lendlease acquired in 2005 to enter the residential development market in the UK. Notably, many of these buildings were completed or had commenced construction prior to Lendlease's acquisition. Lendlease no longer owns any of these buildings.

It is noted that each building completed by a Lendlease entity was certified as complying with applicable building regulations at the time of its completion.

At 31 December 2025, Lendlease holds a provision of \$280 million (June 2025: \$321 million) in respect of this matter. Movements in the provision during the year relate to remediation work performed, changes in cost estimates, changes in discount rate, the unwinding of discount due to the passage of time, and the impacts of foreign exchange rate movements.

On 2 December 2024 the UK government announced a detailed 'Remediation Acceleration Plan'. The acceleration of remedial works required under the Remediation Acceleration Plan is anticipated to result in the cash expended by Lendlease occurring over a shorter timeframe as the intention now is that work be commenced on all buildings by July 2027.

The provision has been determined based on executed remediation contracts, cost estimates provided by third parties and/or estimates based on independent surveys. There continue to be both risks and opportunities to the provision that has been estimated. Key risks include new information in relation to already identified buildings and delays to programme of works. Key opportunities include cost efficiencies and the potential for different options to be used in the delivery of the works.

The provision does not include any further recoveries anticipated from third parties, including insurances and supply chain. Lendlease is actively working to maximise third party recoveries however expects this process will be over an extended period of time.

Determining the liability position for this matter and any estimate is a complex process requiring significant judgement with respect to whether there is an obligating event and the quantum of any liability. The estimate of any potential liability is based on current information and will be updated as work and time progresses. Lendlease will continue to engage with building owners and the UK Government on these industry wide actions and assess additional relevant information on an ongoing basis.

19. Cash and Cash Equivalents

	December 2025	June 2025
	\$m	\$m
Cash	588	605
Short term investments	58	16
Total cash and cash equivalents	646	621

Notes to Consolidated Financial Statements continued

Section D. Other Notes

20. Fair Value Measurement

All financial instruments recognised in the Statement of Financial Position, including those instruments carried at amortised cost, are recognised at amounts that represent a reasonable approximation of fair value, with the exception of the following borrowings:

	Note	December 2025		June 2025	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		\$m	\$m	\$m	\$m
Current					
Commercial notes	14.a	597	597	605	604
Non Current					
Commercial notes	14.a	1,151	1,173	1,268	1,250

The fair value of commercial notes has been calculated by discounting the expected future cash flows by the appropriate government bond rates and credit margin applicable to the relevant term of the commercial note.

20.a. Basis of Determining Fair Value

The determination of fair values of financial assets and liabilities that are measured at fair value are summarised as follows:

- The fair value of unlisted equity investments, including investments in property funds, is determined based on an assessment of the underlying unadjusted net assets, which may include periodic independent and internal Management valuations, future maintainable earnings and any special circumstances pertaining to the particular investment. Fair value of unlisted equity investments has also taken the economic conditions into consideration to determine the fair value at 31 December 2025. This included valuations of underlying investment properties at balance date
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted valuation techniques; these include the use of recent arm's length transactions, reference to other assets that are substantially the same, and discounted cash flow analysis
- The fair value of derivative instruments comprises forward foreign exchange contracts, which are valued using forward rates at balance date, and interest rate swaps which are measured at the present value of future cash flows estimated and discounted based on applicable yield curves derived from quoted interest rates and includes consideration of counterparty risk adjustments.

20.b. Fair Value Measurements

The valuation methods for each level have been defined as follows:

- Level 1: The fair value is determined using the unadjusted quoted price for an identical asset or liability in an active market for identical assets or liabilities
- Level 2: The fair value is calculated using predominantly observable market data other than unadjusted quoted prices for an identical asset or liability
- Level 3: The fair value is calculated using inputs that are not based on observable market data.

All commercial notes were measured at Level 3 for the periods presented in this consolidated financial statements.

During the period there were no material transfers between Level 1, Level 2 and Level 3 fair value hierarchies.

21. Contingent Liabilities

The Group has the following contingent liabilities, being liabilities in respect of which there is the potential for a cash outflow in excess of any provision where the likelihood of payment is not considered probable or cannot be measured reliably at this time:

- There are a number of legal claims and exposures that arise from the normal course of the Group's business. Such claims and exposures largely arise in respect of claims for defects, claims for breach of performance obligations or breach of warranty or claims under indemnities. In some claims:
 - there is uncertainty as to whether a legal obligation exists;
 - there is uncertainty as to whether a future cash outflow will arise in respect to these items; and/or
 - it is not possible to quantify the potential exposure with sufficient reliability.

This particularly applies in larger more complex projects, in claims involving a number of parties or in claims made a number of years after completion of a project or the occurrence of the relevant event.

Where it is probable there will be liabilities from such claims and the potential exposure can be quantified with sufficient reliability, a provision has been made for anticipated losses arising from such claims.

- In certain circumstances, the Company guarantees the performance of particular Group entities in respect of their obligations. These guarantees may take the form of parent company guarantees by different entities in the Group or insurance bond or bank guarantees.

Securities Class Action

Lendlease Corporation and Lendlease Responsible Entity (Lendlease Group) were served with a shareholder class action proceeding filed in the Supreme Court of New South Wales on 18 April 2019 by David William Pallas and Julie Ann Pallas as trustees for the Pallas Family Superannuation Fund, represented by Maurice Blackburn. On 7 August 2019, Lendlease Corporation and Lendlease Responsible Entity (Lendlease Group) were served with a shareholder class action proceeding filed in the Supreme Court of New South Wales on 6 August 2019 by Martin John Fletcher, represented by Phi Finney McDonald. On 21 November 2019 the Supreme Court ordered consolidation of the two class actions into a single proceeding. The consolidated proceeding alleges that Lendlease was in breach of its continuous disclosure obligations under the *Corporations Act 2001* and made representations about its Engineering and Services business that were misleading or deceptive or likely to mislead or deceive.

The plaintiffs filed an amended commercial list statement on 23 June 2023. The allegations are now focused on provisioning and allege that additional pre-tax provisions in stated dollar amounts should have been recognised by Lendlease Group at specified dates between October 2017 and August 2018.

It is currently not possible to determine the ultimate impact of these claims, if any, on Lendlease Group. Lendlease Group denies the allegations and intends to vigorously defend this proceeding.

Retirement Living tax matter

The Group was subject to an Australian Tax Office (ATO) audit of the partial sale of its Retirement Living business in the 2018 year. This audit has resulted in amended assessments being issued to the Group for FY18, FY21, FY22 and FY23 totalling \$117.2 million in shortfall tax for partial sales completed to date, as outlined below.

On 10 May 2024, the ATO issued the Group with an amended income tax assessment relating to the 2018 financial year for \$112.1 million, comprising:

- \$87.6 million of shortfall tax; and
- \$24.5 million of shortfall interest, which has been subsequently remitted to \$7.4 million.

Since the partial sale of the Retirement Living business in 2018, Lendlease has sold down two further tranches of the units in the joint venture trust in the 2021 and 2022 financial years, totalling 50%. Following a voluntary disclosure to the ATO, the ATO issued amended assessments on 30 June 2025 totalling \$34.6 million for the 2021, 2022 and 2023 tax years relating to these subsequent sales, comprising:

- \$29.6 million of shortfall tax; representing \$50.4 million of additional tax offset by \$20.8 million of available tax losses; and
- \$5.0 million of shortfall interest, which has been subsequently remitted to \$1.7 million.

The ATO has confirmed that it will not be imposing penalties in respect of the amended assessments for all years. The Group has formally objected to the amended assessments for all years.

The Group has made payments of \$44 million in August 2024 and \$15 million in July 2025 to the ATO, representing 50% of the shortfall tax currently under dispute. This amount will be refundable if the Group is ultimately successful. It is estimated there could be an additional financial impact of up to \$9 million in relation to general interest, absent any remission of that interest by the ATO.

The Group also retains a 25% interest in the Retirement Living joint venture trust. Should the ATO apply the same treatment to any future gain on sale of this investment, we estimate this may give rise to additional tax of approximately \$25 million.

If the objection is not accepted by the ATO, the timing of resolution of any subsequent dispute cannot be determined.

The Group has received independent legal advice in respect of its position. The Group believes its tax treatment of the partial sale of the Retirement Living business is in accordance with the law and consistent with the ATO's 2002 tax ruling on the taxation of the retirement living industry. The Group believes that it will be successful in its position and on that basis, it is probable that no additional taxes, interest or penalties in respect of these matters will be payable to the ATO. The Group intends to vigorously defend its position in relation to the tax returns which are impacted by the issue and to contest the matter through litigation, should its objections to the ATO be unsuccessful.

Notes to Consolidated Financial Statements continued

Section D. Other Notes continued

22. Disposal Group Assets and Liabilities Held for Sale

Accounting Policies

The group of assets and their corresponding liabilities (together referred to as a Disposal Group), may only be classified as held for sale once the following criteria are met:

- The carrying amount will be recovered principally through a sale transaction rather than through continuing use; and
- The sale must be highly probable.

A disposal group is measured at the lower of its carrying amount and fair value less costs to sell. Where fair value is lower than the carrying amount, the difference is recognised as an impairment loss within the Statement of comprehensive income.

Australian Communities projects

On 18 December 2023 Lendlease entered into an agreement with Stockland, and its capital partner Supalai Australia Holdings, for the sale of 12 Communities projects in Australia. The transaction involved divesting three wholly owned balance sheet projects and nine projects under project development agreements and was completed on 29 November 2024. The Group retained four Communities projects post-transaction, which were recognised as part of the Capital Release Unit segment.

The original transaction price for the sale of the Australia Communities projects was \$1.3 billion, which was adjusted by \$240 million at completion, resulting in final proceeds of \$1,060 million. On completion, cash of \$515 million was received, with a further payment of \$450 million received on 31 January 2025, and the remaining balance received in the first half of FY26. In the prior period, the transaction resulted in a gain on sale pre tax of \$38 million in respect of the wholly owned subsidiaries sale recognised in Other income in the Capital Release Unit segment, and profit of \$48 million in respect of the asset sales recognised in Gross profit in the Capital Release Unit segment.

Asia Pacific Life Science Platform

On 17 May 2024, the Group announced it had agreed to sell its Asia Pacific Life Sciences interests, which included life sciences construction and development capabilities together with the life sciences investments, to a newly established joint venture with Warburg Pincus, for \$147 million, of which Lendlease's share was \$74 million. The transaction completed in July 2024.

In August 2024, the newly established Vita Growth Partners joint venture acquired a 50% interest in seven assets from Blackstone and Soilbuild Group. The transaction pricing on the establishment of the Vita Growth Partners joint venture included a purchase price adjustment relating to the potential purchase of these assets. Consequently, the total purchase price was adjusted for this and other completion adjustments to \$170 million, of which Lendlease's share was \$85 million. The transaction resulted in a gain on deconsolidation pre tax of \$112 million in the prior period, recognised in the Investment segment, split between gain on sale of \$56 million and a revaluation gain on the remaining interest of \$56 million. Cash proceeds of \$75 million were received in July 2024, with the remaining \$10 million received in April 2025.

UK Development Joint Venture

On 19 May 2025, the Group announced it had entered into a binding agreement for the sale of UK development assets into a 50/50 joint venture with The Crown Estate, an independent commercial business tasked with returning its profit to the UK government. The sale includes six UK development projects, comprising landholdings and capital efficient land management agreements.

The transaction is subject to conditions precedent, including public authority consents, with parties working to satisfy these conditions in the second half of FY26. The transaction is expected to release capital slightly above book value on completion.

The Exchange TRX

On 22 December 2025, the Group announced it had entered into a binding agreement for the sale of the Group's 40% interest in The Exchange TRX retail mall and its full 60% interest in the adjacent office tower to a Malaysian investor, the Valiram Family Office, for circa \$400 million. The Group will retain its remaining 20% interest in the retail mall, as well as its 60% interest in the residential land plots and the adjacent hotel.

The transaction for the retail mall and office tower is targeted for completion in the second half of FY26, and remains subject to satisfaction of conditions precedent including financing and third-party consents.

No major assets and liabilities were disposed of during the current period. The major classes of assets and liabilities disposed of during the previous reporting period are as follows:

	December 2024	
	Australian Communities Projects	Asia Pacific Life Sciences Platform
Assets and liabilities sold	\$m	\$m
Loans and receivables	67	18
Inventories	1,044	7
Other assets	4	34
Total assets sold	1,115	59
Trade and other payables	35	19
Other liabilities	147	3
Total liabilities sold	182	22
Net assets and liabilities sold	933	37

The major classes of Disposal Group assets and liabilities held for sale are as below:

	December 2025			June 2025	
	UK Development assets	The Exchange TRX	Total Group	UK Development assets	Total Group
Assets and liabilities held for sale	\$m		\$m	\$m	\$m
Loans and receivables	144	-	144	132	132
Inventories	385	-	385	198	198
Other assets	2	389	391	93	93
Total assets held for sale	531	389	920	423	423
Trade and other payables	1	-	1	2	2
Total liabilities held for sale	1	-	1	2	2
Net assets and liabilities held for sale	530	389	919	421	421

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Notes to Consolidated Financial Statements continued

Section E. Basis of Consolidation

23. Consolidated Entities

The material consolidated entities of the Group listed below were wholly owned during the current and prior period, unless otherwise stated.

Material Consolidated Entities

Parent Entity

Lendlease Corporation Limited

Australia

Capella Capital Lendlease Pty Limited²

Capella Capital Partnership²

Lendlease Construction Pty Limited

Lendlease Construction (Southern) Pty Limited

Lendlease Communities (Australia) Limited

Lendlease Development Pty Limited

Lendlease Finance Limited

Lendlease Infrastructure Investments Pty Limited²

Lendlease International Pty Limited

Lendlease Real Estate Investments Limited

Lendlease Responsible Entity Limited

Lendlease Trust⁴

Europe

Lendlease Construction (Europe) Limited¹

Lendlease Construction Holdings (Europe) Limited¹

Lendlease Europe Limited

Lendlease Europe Finance PLC

Asia

Lendlease Japan Inc.

Lendlease Singapore Pte. Limited

Americas

Lendlease (US) Capital, Inc.

Lendlease (US) Construction, Inc.

Lendlease (US) Construction LMB, Inc.

Lendlease (US) Public Partnership LLC³

Lendlease (US) Public Partnership Holdings LLC³

Lendlease Development, Inc.

1. These entities were disposed on 31 March 2025.

2. These entities were disposed on 19 June 2025.

3. These entities were disposed on 31 January 2025.

4. Lendlease Trust is a consolidated entity of the Group as the parent entity is deemed to control it. The parent entity has no ownership interest in Lendlease Trust.

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Directors' Declaration

In the opinion of the Directors of Lendlease Corporation Limited (the Company):

1. The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - a. Giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2025 and of its performance for the half year ended on that date; and
 - b. Complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



J C Gillam

Chairman



A P Lombardo

Group Chief Executive Officer and Managing Director

Sydney, 23 February 2026

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Independent Auditor's Review Report

To the stapled security holders of Lendlease Group

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Lendlease Group.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Lendlease Group does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Stapled Group's** financial position as at 31 December 2025 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated Statement of Financial Position as at 31 December 2025
- Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the Half-year ended on that date
- Notes 1 to 23 including selected explanatory notes
- The Directors' Declaration.

The **Stapled Group** comprises Lendlease Corporation Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year and Lendlease Trust and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Stapled Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Stapled Group's financial position as at 31 December 2025 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Nigel Virgo

Partner

Sydney

23 February 2026

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