ASX Announcement

2013 Annual General Meetings – Chairman and Managing Director addresses

15 November 2013

In accordance with ASX Listing Rule 3.13, attached are the addresses and accompanying slide presentation to be given by Lend Lease Group's Chairman and Chief Executive Officer and Managing Director at the Annual General Meeting and Unit Holder meeting to be held today at 10.00am.

ENDS

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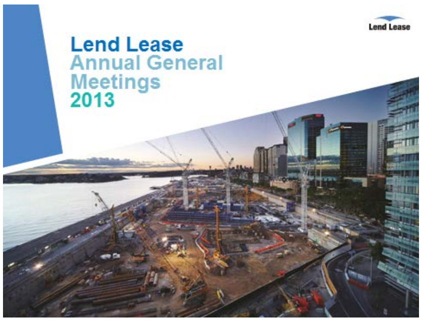
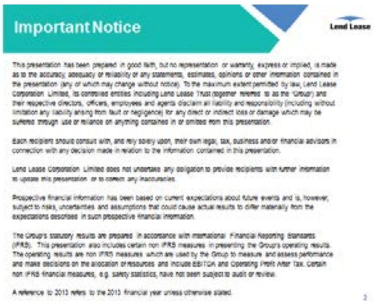
2013 Annual General Meeting

CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR SPEECHES

DAVID CRAWFORD, AO - Chairman:





Good morning everyone.

My name is David Crawford and I am Chairman of the Lend Lease Board of Directors.

I acknowledge that we are here today on the land of the Gadigal people. The Gadigal people are the Traditional custodians of this land and form part of the wider Aboriginal nation known as the Eora. I extend my respect to their Elders past and present and to any Aboriginal and Torres Strait Islander people here with us today.

Before I commence my address please turn off your mobile phones.

In the event of an emergency requiring the hotel to be evacuated, you'll be alerted by an audible signal and a public address announcement to evacuate the premises.

Members of the hotel and security will direct you. Please proceed calmly and in an orderly fashion to one of the nearest emergency exits which are located at the south end of the common area by the lift landing as well as the Harrington Street entrance.

After exiting the hotel please assemble with hotel staff at Lang Park which is located at the corner of Harrington Street and Grosvenor Street.

I will now introduce the rest of the Board of Directors – on my far left:
Peter Goldmark, Gordon Edington, Phillip Colebatch, Wendy Lee
our Company Secretary and on my right is Steve McCann the Group Chief Executive Officer and Managing Director, Colin Carter, Jane Hemstritch, Michael Ullmer, Nicola Wakefield-Evans and David Ryan.

After almost 14 years of service, Gordon Edington will retire from the Board at the end of this meeting. Gordon has made a significant contribution to the Board and its committees during this period. On behalf of the Board, I thank Gordon for the valuable contribution that he has made during his tenure and for his commitment and hard work.

During the year I was pleased to announce the appointment of Nicola Wakefield Evans to the Board. Nicola brings significant experience to the Board and is well known as one of the leading mergers and acquisitions, corporate governance and Resources and Energy lawyers in the Asia region. Nicola is standing for election at this year's AGM.

Non-executive directors Jane Hemstritch and David Ryan will retire in accordance with Rule 6.1(f) of the Constitution and offer themselves for re-election. I will also retire in accordance with this rule and offer myself for re-election.

Seated in the front rows of the auditorium are members of the executive management team. Also in attendance are the Group's auditors, KPMG, who'll be able to assist with answers to questions you may have relating to the Group's financial statements and their audit.

I'll commence proceedings with an overview of the key achievements for the 2013 Financial Year. Steve McCann will then present an operations report before we move to the formal business of the meeting and the resolutions. We'll provide an opportunity for discussion and any questions you might have when we deal with each of the formal agenda items.

Safety commitment

At Lend Lease, safety is our number one priority. We continue to make significant progress and 2013 was the first year since reliable collection of safety statistics began in 2000, in which Lend Lease did not report a fatality across any of the sites that we managed. In addition, 80% of our 550 sites around the world did not report a single critical incident.

This is a significant milestone for Lend Lease and one of which we are all very proud. It demonstrates our uncompromising commitment and resolve to operate Incident & Injury Free. Unfortunately, some of the critical incidents recorded this year resulted in injuries. It is these incidents which provide a reminder that we must continue to do whatever is required to achieve an Incident & Injury Free environment

To provide a strong operating framework for achieving our goal, we've developed an Environment, Health & Safety (EH&S) Management System applicable across all regions and Lend Lease businesses. Furthermore, we apply EH&S Global Minimum Requirements (GMRs) across all projects and assets internationally to ensure consistent standards are applied throughout Lend Lease.

Strategy

In May 2009 we announced a five year strategic plan which was divided into three steps of restore, build and lead. The strategy was to reposition the business and invest in a pipeline for growth and establish a leadership position in sectors and locations where we have core capabilities.

Your Board believes that this approach creates long term value by delivering the right risk/reward blend for our securityholders.

I'm pleased to say that we have been very consistent in our application of that strategy and we've achieved, to a significant extent, what we set out to achieve through the build phase of that five year plan.

A highlight, which Steve will talk about, is the growth of the global development pipeline over that five year period – which now sits at A$37.4 billion - the highest development pipeline that we've had in Lend Lease's 50 year history.

Our aim is to apply disciplined growth and diversification in selected markets across the regions in which we operate - Australia - Asia - Americas - and - EMEA which incorporates Europe and the Middle East.

We are now entering the leadership phase and are focused on maintaining our position of leadership in our targeted markets. That's going to require disciplined execution and a continued review of the portfolio to ensure that we have an optimal mix of sector and geographic exposure.

The vision 'to create the best places' encapsulates what we aspire to do, which is to build an unrivalled world-class platform, while pursuing our three key principles of: safety, sustainability and diversity.

We strive to create innovative and sustainable property and infrastructure solutions for our clients, investors and communities. Internationally, we are already benefiting from our commitment to creating sustainable solutions, with more than 90 per cent of our major urban regeneration projects achieving or targeting green certification.

This year our key city regeneration projects Barangaroo South (Sydney), Victoria Harbour (Melbourne) and Elephant & Castle (London) were recognised by the…

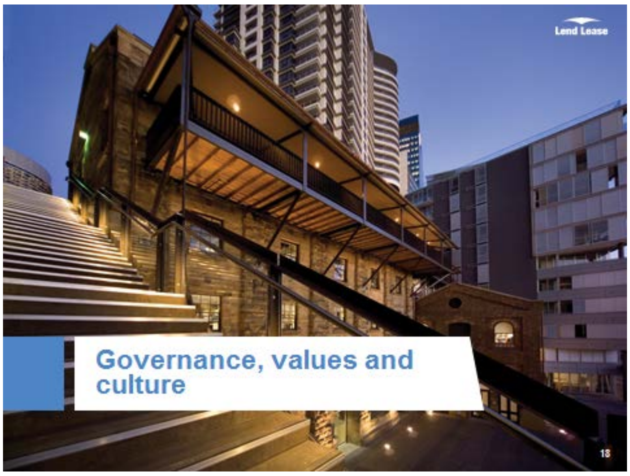
"*C40 Cities Climate Positive Development Program*"

for their strategies and approach to achieving climate positive outcomes. This program is a partnership with the…

"*Clinton Climate Initiative Cities Program*" which involves large and engaged cities from around the world. We are very proud of this result, and will strive to continue our leadership position in green development globally.

Our commitment to diversity is equally important. Lend Lease is committed to growing and sustaining a diverse and inclusive workplace and in the past year we have exceeded our gender diversity target, with 19 per cent of senior executive positions held by women. Now in the second year of our Reconciliation Action Plan (RAP) we are working towards our goal to increase the representation of Aboriginal and Torres Strait Islander People in professional roles in Lend Lease.

In 2013 we had ten Indigenous university interns working across the business as well as 40 year 10 and 11 students who participated in our "Careers for the Future" program which aims to support teenagers in completing high school.



Values and Governance

We have six core values which shape the way we deliver the Group's vision. They guide how we behave and make decisions. They are:

1. Respect
2. Collaboration
3. Integrity
4. Excellence
5. Innovation
6. Trust

Our values are clearly reflected in our approach to Governance.

The Lend Lease Code of Conduct which is endorsed by the Board, sets out the standards of conduct expected of our businesses and people, regardless of location. It underpins the way in which we conduct our businesses and interact with stakeholders. It applies to all Directors and employees of Lend Lease and operates in conjunction with our Core Values and the Employee Conduct Guide.

Employees are encouraged to apply the "Lend Lease Test" when in doubt as to whether any action might breach the Code of Conduct. That test is a question they must ask themselves about whether they would be willing to see what they are doing, or about to do, described in detail on the front page of a national newspaper to be read by family and friends.

Employees must not undertake any action that fails the "Lend Lease Test" even if it is not expressly prohibited by the Code of Conduct. The Code is supported by various global, regional and local business unit policies and procedures. We take seriously any breach of our Code of Conduct and deal with potential breaches appropriately.

We are also committed to exceptional corporate governance policies and practices which are fundamental to the long term success and prosperity of Lend Lease and its subsidiaries. Lend Lease continually reviews its governance practices to address its obligations as a responsible corporate entity.

Before moving to the results performance of the year, I will comment on the audit tender process we undertook during the year.

Auditor/KPMG

On 1 August the Board announced the conclusion of the audit tender process with KPMG to continue as the company's external auditor. The audit tender was a thorough and robust process and included oversight by Alan Cameron, AO in the role of independent Probity Officer, to oversee independence and compliance.

KPMG and its predecessor firms were appointed at the first Lend Lease AGM in 1958. They have strong credentials and commercial insights which were demonstrated clearly in the audit tender process. Their understanding of the unique aspects of Lend Lease's business and strategy and their capacity to draw on their local and global experience will continue to provide significant benefits to the Group.

The Risk Management and Audit Committee consider twice yearly the ongoing appropriateness of the Group's audit arrangement. The audit partner is rotated every five years.

The current audit engagement partner is Stuart Marshall who was appointed with effect from 1 July 2011.

Performance

Moving on to look at the performance of your company over the year.

Lend Lease has continued to deliver profit growth for the financial year ended 30 June 2013, with Statutory Profit after Tax for the year of $551.6 million, up 10 per cent on the prior year.

This result reflects the successful execution of our strategy and the benefits of our integrated property model. Our development business was a key driver of earnings growth this year, with contributions from the Barangaroo South urban regeneration project in Sydney; the sale of our stakes in the Greenwich Peninsula regeneration project in London and the Jem® development in Singapore; and a strong performance from our infrastructure development business.

Securityholders will receive a final distribution of 20.0 cents per security, unfranked. This brings the full year distribution to 42.0 cents per security, an increase of 11 per cent on financial year 2012.

The Group has successfully continued to deliver on its significant pipeline of urban regeneration projects. Domestically, highlights include continued progress on the Barangaroo South project, major wins on new urban regeneration projects such as the A$2.5 billion Darling Harbour Live Project formerly known as "SICEEP" and financial close on three major Public Private Partnership transactions.

Internationally, the Group delivered the Jem® retail development in Singapore, fully leased, in June 2013. The development is a tremendous example of our integrated model at work. In the UK, planning permission was granted for the masterplan of the £1.5 billion Elephant & Castle urban regeneration project in Central London and construction of the first residential phases has begun on site.

In the United States, Lend Lease completed the sale of the first healthcare development undertaken by the Americas Development business and reached financial close on the final stage of the…

"*US Department of the Army's Privatized Army Lodging (PAL) Group C Project*"

In Australia the Development business was the main contributor to the increase in profit, primarily due to earnings relating to the first two commercial towers at Barangaroo South.

The Construction business results for the year were impacted by weakening market conditions, some underperforming projects and costs associated with restructuring. On 1 August 2013 we finalised the integration of the…

"*Abigroup… Baulderstone… Infrastructure Services… and… Project Management & Construction businesses*"

Following broad stakeholder consultation, these businesses now operate with the Lend Lease brand under three core capabilities of building, engineering and services. The new structure will create more competitive operating businesses, enabling greater leverage of skills and expertise, improved operational systems and efficiencies.

Barangaroo South is Lend Lease's single largest urban regeneration project and we have made significant progress throughout the year. Currently there are tenant pre-commitments of circa 80% for the two commercial towers and we have received planning approval for the first two residential towers.

We continue to work with Crown Limited to reach an agreement to develop an international hotel and at the end of August we launched our first two residential buildings at Barangaroo consisting of 159 apartments. All apartments sold in the first three and a half hours and construction is on track to commence in early 2014.

Appointments

During the year, a number of senior management appointments were made, both to support the Group's growth strategy and maintain operational excellence.

Karen Pedersen joined Lend Lease in January 2013 as our Group General Counsel and is based in Sydney. The restructure of our Australian operations over the last 12 months also took place with the appointment of Tarun Gupta as Chief Executive Officer, Property, responsible for the development and investment management businesses and David Saxelby as Chief Executive Officer, Construction & Infrastructure.

External Environment – Australia, New Government commentary

The challenges currently facing the Australian economy are well known with mining investment peaking and a lack of capital spending from other industries. In addition, the high cost of labour, high Australian dollar and decreased productivity is inhibiting our competitiveness on a global stage.

Australian CPI data for Q3 2013 released by the ABS last month indicates that the RBA is likely to keep interest rates on hold in the near term. There was a quarterly rise in headline inflation following the post-election pick-up in consumer and business confidence; some stabilisation in labour market indicators and clear signs of a cyclical upswing in the housing market.

We are encouraged by the Federal election of the Coalition Government on a platform of infrastructure growth as this means a strong focus on major projects and on the funding model for those projects - which makes it a very attractive space in which to play.

Targeting greater capabilities in the infrastructure and civil construction space was one of the reasons we acquired the Valemus business in 2011, delivering us a fully integrated offering in the infrastructure space.

In the UK, markets are mixed with a weaker construction outlook, however, the trend remains positive in the London residential market and our business there is well placed. In Asia, the key markets in which we operate provide a solid base for continued growth. In the Americas, conditions are improving in the key markets in which we have focused and the economic outlook has become more positive. We will continue to concentrate on building and delivering our integrated service offering in these key markets.

In the last few years we have embarked on a clear strategy, building an enviable pipeline of integrated project opportunities and creating a point of difference for Lend Lease. We have good visibility of a strong earnings growth trajectory over the next three years and are targeting a return on equity over the medium term of 15 per cent. Despite challenging macro-economic conditions we believe Lend Lease is well placed for 2014 and beyond.

My thanks go to my fellow Board members, as well as the Lend Lease management team and employees for their dedicated efforts throughout the year. I also thank investors for your continued support as we build Lend Lease into the leading international property and infrastructure group.

Before moving to the ordinary course of the meeting, I will make a few comments on common topics and themes raised by our securityholders prior to this meeting, but first I will hand over to Steve to talk about some of the business performance during the year.   I will now hand over to Steve.

STEVE McCANN – Group Chief Executive Officer & Managing Director:

Thank you, David. As David mentioned in his address Lend Lease had a strong year in 2013. We repositioned our business, delivered strong financial results and increased our earnings visibility. David also noted two points that I am most proud of this year.

Firstly our improvements in safety. 2013 was the first year, since 2000 when collection of reliable records began, in which Lend Lease did not report a fatality across any of the sites that it managed. As the Chairman noted, safety is our number one priority. We continue to have critical incidents across our business and we need to continue our vigilance and continue to have an uncompromising approach to ensure workers go home without incident or injury.

Secondly, that we now have the largest development pipeline in Lend Lease's 50 year history sitting at A$37.4 billion. With the best development pipeline that this company has ever had, it goes without saying that execution remains our key focus going forward.

I'd also like to follow on from the Chairman's comments regarding the importance of good governance and our commitment to the highest standards. I want to reiterate that Lend Lease takes seriously our approach to the management of safety, corporate governance and compliance.

Integrated Property Model

We've made considerable progress delivering on our strategy in 2013. We have created a differentiated business through our integrated property model and have established our position as a leading international property and infrastructure Group. Our capacity to source, plan, design, finance, structure and deliver large scale mixed use projects and to manage the complexities of multiple stakeholders, provides us a significant competitive advantage. Our $6 billion Barangaroo South project in Sydney is a great example of our integrated model at work and is well on its way to being a tremendous success.

During the year we've had several major project wins, including the Waterbank redevelopment in Perth, the Sunshine Coast University Hospital in Queensland, the Convention and Exhibition Centre in Sydney which we are rebranding "Darling Harbour Live" and the New Bendigo Hospital in Victoria. As integrated projects, they will deliver earnings from across our businesses, including fees in infrastructure development, construction and development margins over the coming years and asset and fund management fees via our co-investments.

We have a significant development pipeline across our business, as well as construction backlog revenue of $17.2 billion and funds under management of $15 billion. The strength of our balance sheet and access to third party capital means we have the financial flexibility to fund our pipeline and invest in other opportunities, in line with our strategy.

In 2014, we'll commence the production of 11 apartment towers on sites in Australia and the United Kingdom that have already achieved our pre-sales targets. We expect they will deliver profits in fiscal years 2015 and 2016.

Repositioning of the Business

At the end of last year we restructured our Australian operations into two core areas of Construction and Infrastructure and Property and rebranded all of our businesses "Lend Lease". Australia now accounts for more than two thirds of our earnings and the new structure was required to better support the significant scale of the operations and future growth.

We also took the opportunity to further reposition our business in other markets – for example in Europe, the strategic decision to rework our portfolio of investments led to the profitable sale of the Greenwich site.

I'll now move to a brief update on our key regions and an outlook across all the markets in which we operate.

In terms of the geographic exposure today approximately 75% of our income is derived in Australia and 25% from the rest of our business offshore. In 2005 that 75% was 40%, so we've significantly repositioned the business back to our home market in the last few years. We are now aiming to derive circa 60% to 70% of our income from Australia and 30% to 40% from overseas; therefore we will increase our focus on the offshore markets over the next few years

Australia

Overall the Australian region had a solid year with profit up 17.8%, as at 30 June. The Development segment reported a 73% increase in profit, primarily due to the profit relating to the first two commercial towers at Barangaroo South, accompanied by another solid year from our Retirement business and early signs of recovery in our Residential business. Consumer sentiment has improved slightly, with increased mortgage affordability due to lower interest rates, steadier house prices and rising income.

In Construction, we secured A$7.7 billion of new work over the year and our backlog revenue at 30 June 2013 was A$9.6 billion and included a mix of building and engineering projects.

The Investment Management business saw funds under management grow 17% to A$10.3 billion, primarily attributable to the launch of the Lend Lease International Towers Trust Sydney. Infrastructure Development had a strong year, driven by an increase in advisory fees on the Sunshine Coast University Hospital, East Goldfields Regional Prison and the New Bendigo Hospital. The pipeline for both social and economic infrastructure remains positive.

From our position, our development backlog in Australia is very strong and well positioned. In construction, macro conditions are currently more challenging. The reduction in work driving the resources sector will mean that our competitors will come back into other parts of the construction and infrastructure market which will increase competition. However, we do still see some very significant road and other infrastructure projects emerging and feel confident about our growth opportunities in construction.   In investment management there continues to be a strong inflow of foreign capital into the Australian market pursuing product, so we're optimistic about the outlook for continued growth in our investment funds under management.

Asia

Moving to the Asian region, profit for the year was up 6% on 30 June 2012. Both the Development and Construction businesses benefited from the completion of Jem® retail in June this year. The Jem® development is another good example of our integrated business at work, bringing together an attractive project for our investors with design, delivery, development, leasing, construction and asset management all delivered by Lend Lease. The office component was fully leased and is on track for completion later this year.

The sale of our 25% direct interest led to the creation of a new wholesale investment vehicle, Lend Lease Jem Partners Fund, with equity commitments from a small group of global institutional investors, which include a number of new institutional investors to the Group's investment management platform.

In Japan, the continued rollout of telecommunication towers in Japan further enhanced the construction margin for Asia. Trends across Asia remain positive and we'll seek to expand and strengthen our position in what we see as the core markets of Malaysia, Japan and China.

From a growth perspective the Asian region is very strongly positioned but our portfolio position in Asia is still in an early stage in markets like Malaysia and China. We're very focused on pursuing some new development opportunities, including urban regeneration and mixed use development projects across the markets in which we operate but it may require a fair bit of effort to gather significant momentum outside of Singapore in the short term.

Europe

Conditions across Europe remain challenging. Development earnings improved following the sale of the Group's interest in the Greenwich Peninsula project in the first half of the year. Strong pre-sales at Elephant & Castle, one of the largest zone 1 regeneration projects in London, led to construction starting for One The Elephant and Trafalgar Place. In Construction the second half of the year saw weaker market conditions and lower volumes. The market remains highly competitive and is expected to remain this way for the near term.

The London residential market is very strong and we're well positioned in that market but outside of London conditions remain challenging.

Investment Management profit was down in 2013 but it should be noted that the prior year included the profit from the sale of the Chelmsford Meadows shopping centre. Our major UK asset, Bluewater, had a positive year with reduced vacancy rates, improved returns and an uplift in valuation. Bluewater is a significant component of our assets under ownership and management in Europe. As I have previously indicated, we do intend to sell Bluewater at some time in the next two years.

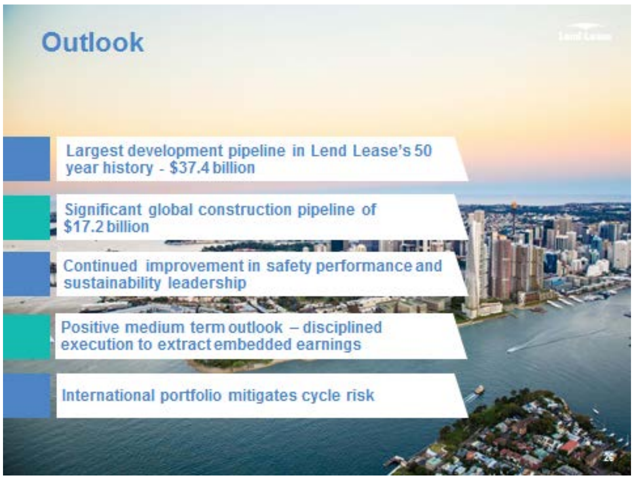
Finally in Europe in Infrastructure Development we were awarded preferred bidder status on the Treviso Hospital in Italy.

Americas

In the Americas region operating profit after tax was up 49% at 30 June, mainly due to increased earnings in the Construction business and profit from the Development business. Our Health Care Development business, which we acquired in February 2011, achieved first profit with a sale of the Bon Secours St Francis Centre in Virginia. The pipeline is building with seven health care assets either secured or at preferred bidder status.

In the Construction business there's been continued recovery in both our core markets of New York and Chicago and improvement in other markets including San Francisco, Boston and Washington DC. New work secured more than doubled over the year to finish at A$3.5 billion, the highest it has ever been. Infrastructure development benefited from the financial close of the final stage of the PAL C project in April 2013, earlier than we anticipated. Trends in the US are supportive with improving residential construction reflective of a broader re-urbanisation theme.

So in the US, we believe the development market has a very positive outlook in certain cities. We'll be looking to increase our development portfolio in the US in a cautious manner.



Outlook

Lend Lease is well positioned with a significant development and construction backlog, a strong balance sheet and access to third party capital to assist funding the delivery of the pipeline. Our focus now, as I mentioned earlier, needs to be high quality execution. We do have a very significant embedded value in the projects we have secured and we need to work diligently to maximise that value.

Our diversity across various businesses and markets has proven that we are resilient to changing conditions in our various markets and we will continue to focus on diversifying our earnings through more stable sources of income as well as some offshore development opportunities.

Looking at our strategy from 2009, we're through the restore phase, we've built our pipeline very significantly in both development and construction during the build phase and we're very much in the leadership phase. So we're looking forward to a successful next five years.

In closing, I would like to add to the Chairman's thanks to securityholders for your support over the past year. To create the best places we need the best people so I'd also like to acknowledge the hard work of Lend Lease employees globally as we deliver on our strategy to become the leading property and infrastructure group.

DAVID CRAWFORD, AO - Chairman:

Thanks very much Steve.

Before I move to the main items of business for this meeting, I will now spend some time responding to queries that we had received in writing from securityholders prior to the meeting today. Rather than respond to individual queries I will address some of the key themes that were common across the correspondence we received.

Remuneration

The Board takes its responsibilities in relation to executive reward very seriously and I will now address some comments in relation to how we have responded to concerns raised last year regarding our remuneration practices.

Despite strong growth and a solid track record, at our 2012 Annual General Meeting last year, we received 25.8% of votes cast against our Remuneration Report. This was a material change from 2011 when approximately 90% of securityholders voted in favour of the Remuneration Report.

To address concerns raised, during the last nine months we have met with more than 30 stakeholders to discuss Lend Lease's remuneration arrangements. We appreciate the engagement with all stakeholders who took the time to provide us with direct feedback.

While there is no 'one-size fits all' approach for a company such as ours, with diverse business units and geographic footprint, there was broad convergence on several issues and we have made the appropriate changes to address those issues in our revised Executive Reward Strategy.

During the 2012/2013 year there were eight significant changes that were made including:

- Changing the remuneration mix to place greater emphasis on LTIs;
- Introducing a second hurdle, Return on Equity (ROE), for LTIs; and
- Implementing mandatory securityholding levels for the CEO and Senior executives

There have been other changes which have been outlined in more detail in our 2013 Remuneration Report, which can be found from page 77 of our Annual Report. If you do not already have a copy of the report, copies can be obtained from the Computershare desk in the lobby outside or contact someone in our Investor Relations team.

Over the next year we will continue to engage with stakeholders to ensure that our remuneration structures remain contemporary and in line with market best practice.

Distribution statements

During 2013 Lend Lease paid its first distribution from the Trust component of our stapled security structure. So this year, although the majority of the distribution our securityholders received was a dividend from Lend Lease Corporation, part was a distribution from the Trust.

The Trust does not pay tax on its income. The income is distributed and securityholders pay tax on the income in the same financial year in which the income was earned, rather than when it was paid.

By way of example part of the distribution paid on 27 September 2013 was declarable in securityholders 2012/13 tax returns. In order to correctly declare this income, securityholders required a breakdown of tax components from Lend Lease.

This was provided to securityholders in the 2013 Annual Tax Statement. Although the need for annual tax information is a long-standing and common feature of listed stapled groups, it is one that has not previously impacted Lend Lease and its securityholders.

Unfortunately, the 2013 Annual Tax Statements were not dispatched until early October following payment of the 27 September distribution. It has been brought to our attention, by both securityholders and the Australian Shareholders Association on behalf of members that this is later than the timing of tax information provided by other stapled groups.

We recognise that this was a poor outcome for our securityholders and resulted in a delay in income tax returns for many of our self-funded retirees.

What happened this year is clearly not satisfactory and I have worked closely with our senior management team to ensure that this situation does not occur again in 2014.

We are investigating changes which we believe will improve the experience for our securityholders including the provision of a tax calculator on our website and the potential for earlier record and payment dates for distributions.

We apologise for the inconvenience that has been caused to securityholders this year and we will ensure that the process is improved in 2014.

Board renewal and composition

There have also been comments received regarding the process of Board renewal and composition.

The Nomination Committee at Lend Lease is responsible for overseeing the consideration of, and ensuring that there is an appropriate mix of expertise, skills, experience and diversity available to the Board.

At Lend Lease we believe that the important qualification for a Director is the ability of a Director to add value and discharge their duties effectively. Board performance is assessed each year, with an external consultant undertaking the review every second year and a peer review undertaken in the alternate years.

In the last two years, Lend Lease has appointed a number of new Directors to the Board, including Colin Carter, Jane Hemstritch, Michael Ulmer and Nicola Wakefield Evans, who are all here today.

Valemus acquisition

We have received queries from securityholders regarding the acquisition of the Valemus operations in 2011 and the subsequent integration process.

Firstly I will address the Valemus acquisition. The Australian Valemus operations were acquired by Lend Lease in 2011 and on acquisition, all of the assets and liabilities were fully consolidated as part of the Lend Lease Group. References to either Abigroup or Baulderstone in our accounts can be found under historic joint venture projects but the amount of these projects is unrelated to the purchase price of the Valemus operations.

The integration of the Valemus operations announced on 17 June 2013 included the restructure of our construction businesses into three divisions, being Building, Engineering and Services. This was to improve the corporate governance of the construction business, align our core capabilities to focus on the right growth sectors and facilitate a better end-to-end client solution.

The restructure and integration will also deliver cost savings and better efficiency, in managing the business as three divisions rather than four separate businesses.

The costs associated with the recent integration and restructure are expensed as they are incurred and there have been no associated tax implications.

Corporate expenses and cash balances

During 2013 costs for our corporate division rose by around $50m compared to costs in 2012. A proportion of that increase related to our group transformation project that is designed to improve our Finance, Human Resources and IT systems and deliver future efficiency benefits.

In addition there were some other non-recurring costs, including an impairment on our investment in a Better Place, taken in the first half of fiscal year 2013 and around $5m of costs associated with the Abigroup investigation which I spoke about at last year's AGM.

In the last two years we have also incurred costs relating to the New York billings investigation. These costs were expensed through the financial statements, in the operating expense line, during fiscal years 2011 and 2012.

We have also received queries around our cash levels and gearing. Lend Lease Group net gearing was 6.7% at 30 June 2013. During the financial year we accessed capital markets, issuing S$275m in Singapore and A$375m in Australia, to diversify our funding sources and provide Lend Lease with more long term debt financing.

The cash raised, has been to support the funding of future investments and production of a number of large integrated development projects underway, such as Barangaroo, Elephant & Castle and Victoria Harbour.

Jem® Singapore

Finally, I will make a few comments on our successful Jem® development in Singapore. Jem® is a great example of an integrated project, where we acquired land in the Jurong Gateway in the west of Singapore, and in just three years, we developed a retail and commercial centre, with the retail component opening fully leased in June 2013.

The Group sold its 25 per cent direct interest in Jem® for net proceeds of A$189 million, after repayment of debt, during fiscal year 2013. The newly created Lend Lease Jem Partners Fund, which acquired Lend Lease's direct investment in Jem®, now holds an investment asset with a gross value of circa A$300 million.

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