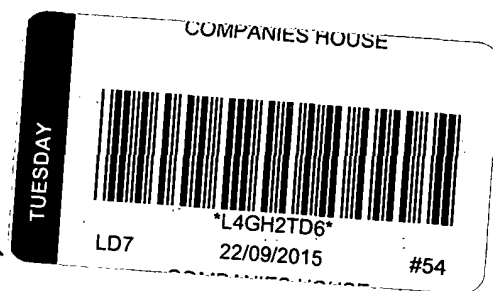


Lend Lease US Investments Limited

Directors' report and financial statements

30 June 2015

Registered number 03365708.



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2015.

Principal activity and review of the business

The principal activity of Lend Lease US Investments Limited is to hold investments.

There was no income and expenditure in the year ended 30 June 2015 and hence an income statement has not been prepared.

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Dividends

The directors do not propose a dividend for the year (2014: £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

G J Scott
R B T Boswell

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (2014: nil).

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



R B T Boswell
Director

20 Triton Street
Regent's Place
London NW1 3BF
18 September 2015

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the European Union (EU) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Lend Lease US Investments Limited

We have audited the financial statements of Lend Lease US Investments Limited for the year ended 30 June 2015 set out on pages 4 to 8. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of accounts is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its result for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

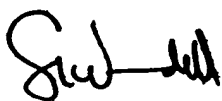
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirements to prepare a strategic report.



Stephen Wardell
Senior Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

21 September 2015

Statement of Financial Position
as at 30 June 2015

	Note	2015 £	2014 £
Current assets			
Trade and other receivables	4	<u>114,538,744</u>	<u>114,538,744</u>
Total assets		<u>114,538,744</u>	<u>114,538,744</u>
Non current liabilities			
Financial liabilities	5	<u>(120,000,000)</u>	<u>(120,000,000)</u>
Total liabilities		<u>(120,000,000)</u>	<u>(120,000,000)</u>
Net liabilities		<u>(5,461,256)</u>	<u>(5,461,256)</u>
Capital and reserves			
Called up share capital	6	1	1
Retained earnings		(5,461,257)	(5,461,257)
Total equity		<u>(5,461,256)</u>	<u>(5,461,256)</u>

There was no income and expenditure in the year ended 30 June 2015 and hence an income statement has not been prepared.

The notes to and forming part of the financial statements are set out on pages 6 to 8.

These statements were approved and authorised for issue by the board of directors on 18 September 2015 and were signed on its behalf by:



R B T Boswell
Director
18 September 2015

Registered No. 3365708

Statement of changes in shareholder's equity
 for the year ended 30 June 2015

	Attributable to shareholders		
	Share capital £	Retained earnings £	Total equity £
Balance at 1 July 2013	1	(5,461,257)	(5,461,256)
Profit for the year	-	-	-
Balance at 30 June 2014	1	(5,461,257)	(5,461,256)
Balance at 1 July 2014	1	(5,461,257)	(5,461,256)
Profit for the year	-	-	-
Balance at 30 June 2015	1	(5,461,257)	(5,461,256)

The notes to and forming part of the financial statements are set out on pages 6 to 8.

Notes to the financial statements

1 Accounting policies

Lend Lease US Investments Limited (the "Company") is a company incorporated in the UK. The company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and its interpretations as adopted by the International Accounting Standards Board (IASB).

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Lend Lease Europe Holdings Limited, the company's UK holding undertaking. Lend Lease Europe Holdings Limited has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as they are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other Group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result in the basis of preparation being inappropriate.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less provision for doubtful debt.

Key estimates and judgements

These accounts are prepared under IFRSs as adopted by the EU. The choice of accounting policies involves, in some cases, management evaluating and choosing the policy that gives the most true and fair view. The most relevant to the company is in relation to provision for doubtful debt.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations have been issued that are effective or not yet effective for the year ended 30 June 2015, but have not been applied in preparing these financial statements. None of these have a material effect on the financial statements of the Company.

Notes to the financial statements (continued)

2 Auditor's remuneration

Auditor's remuneration in respect of audit and other fees were paid by Lend Lease Europe Limited, a fellow subsidiary within the Lend Lease Europe Holdings Limited group.

The directors estimate the fee attributable to the company is £2,200 (2014: £2,238).

3 Directors' remuneration and employees

The directors did not receive any remuneration in respect of their services to the company (2014: £nil).

The company did not employ any staff during the year (2014: nil).

4 Trade and other receivables

	2015 £	2014 £
Amounts owed by group undertakings:		
- Lend Lease Europe Holdings Limited	113,948,573	113,948,573
- Lend Lease Europe Limited	590,171	590,171
	<u>114,538,744</u>	<u>114,538,744</u>

All receivables are repayable on demand.

5 Financial liabilities

	2015 £	2014 £
Liability component of preference shares:		
- Lend Lease Europe Holdings Limited	<u>120,000,000</u>	<u>120,000,000</u>

The preference shares are redeemable at the option of the shareholder or the company for a period of 20 years from the date of issue. The shares were issued as part of a simultaneous settlement transaction to restructure the group's investment in Lend Lease Construction's US subsidiaries.

The preference shares carry a fixed cumulative preferential dividend of LIBOR plus 2 per cent on the nominal value of each share, payable annually in arrears out of the profits available for distribution. At 30 June 2015 there were no profits available for distribution. On a winding up of the company the preference shareholders have a right to receive, in preference to payments to ordinary shareholders, an amount equal to the aggregate of the nominal value of the shares together with any accruals of the preferential dividend in respect of those shares.

The preference shares do not carry the right to vote at general meetings of the company.

6 Called up share capital

	2015 £	2014 £
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1	<u>1</u>	<u>1</u>

Notes to the financial statements (continued)

7 Financial Risk Management

Introduction and overview

The company has exposure to the following risks:

- Credit risk
- Operational risks
- Liquidity risks

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

Risk Management framework

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

a) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The company is compliant with the Lend Lease Consolidated Group's framework for risk management including credit risk. There are no significant concentrations of external credit risk with the company's exposure to only Lend Lease Consolidated Group related parties.

b) Operational Risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure and from external factors other than credit risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness.

c) Liquidity Risk

Liquidity risk is the risk of having insufficient funds to settle financial liabilities as and when they fall due. This includes having insufficient levels of committed credit facilities. The Company's objective is to maintain the efficient use of cash and debt facilities in order to minimise the cost of borrowing to the Company and ensure sufficient availability of credit facilities.

Fair values of financial assets and liabilities – on balance sheet

There is no significant difference between the carrying value and fair value of the financial instruments.

Compliance with the company's standards is supported by a programme of periodic reviews which are discussed at Board level.

8 Related Party Disclosures

At the year end the company was owed £113,948,573 (2014: £113,948,573) by Lend Lease Europe Holdings Limited its parent company. At the year end it also owed Lend Lease Europe Holdings Limited £120,000,000 (2014: £120,000,000) in non current payables.

At the year end the company was owed £590,171 (2014: £590,171) by Lend Lease Europe Limited, a fellow subsidiary.

9 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company's immediate parent is Lend Lease Europe Holdings Limited, which is registered in England and Wales. The ultimate parent undertaking of the company is Lend Lease Corporation Limited which is incorporated in Australia.

The largest group in which the results of the company are consolidated is that headed by Lend Lease Corporation Limited. The consolidated financial statements of that group may be obtained from the group's website at lendlease.com.au.

The smallest group registered in England and Wales in which the results of the company is consolidated is that headed by Lend Lease Europe Holdings Limited. The consolidated financial statements of that group may be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff.