

MEDIA RELEASE

PROJECT DEVELOPMENT AGREEMENT - FURTHER FINANCIAL INFORMATION DISCLOSED

11 November 2010

The Barangaroo Delivery Authority today released further financial information on Barangaroo.

On 23 August 2010, the Barangaroo Delivery Authority released the Project Development Agreement, with certain financial information not able to be disclosed as it would not permit Lend Lease to competitively fund, finance, lease and contract its various works and obligations under the Project Development Agreement.

The Board of the Barangaroo Delivery Authority resolved to provide as much information to the community as possible to help them understand the value of the development agreement, whilst protecting commercial sensitivity and confidentiality under the Government Information (Public Access) Act.

The previously published costs and obligations, based on cost estimates are as follows:

- Land Acquisition of Barangaroo site (refinancing of the loan for the transfer to the Authority) \$97 million
- Headland Park \$150 million
- Contribution to the Wynyard Pedestrian Tunnel \$100 million
- Site remediation and relocation of Passenger Cruise Terminal \$174 million

(see attached Supplementary Information Report)

Lend Lease will also provide in-kind to the value of approximately \$200 million, the waterfront plaza, infrastructure and land development costs (roads, streets and footpaths) to be incurred over time with the development program.

“This further release of financial information on Barangaroo, reinforces the commitment of the Barangaroo Delivery Authority to provide the community with as much information as possible,” said, John Tabart, Chief Executive Officer, Barangaroo Delivery Authority.

Media Contact: Natalie Soltyszewski on 0413 995 043.

GIPAA - SUPPLEMENTARY INFORMATION REPORT

Subject: Project Development Agreement Financial Information Disclosure

In releasing the Project Development Agreement on 23 August 2010, certain financial information was carefully determined as being commercial in confidence including revenues and contributions by the developer of Barangaroo South, Lend Lease. Full disclosure at this time would not permit Lend Lease to competitively finance, fund, lease and contract its various works and obligations under the Agreement.

Under the Agreement the consideration for the development rights granted to Lend Lease for Barangaroo South includes guaranteed fixed payments, potential value share payments and the provision of substantial public domain works including the waterfront plaza infrastructure and Southern Cove, land development (streets, roads, and footpaths in Barangaroo South) and certain Stage 2 infrastructure.

The payment regime under the Agreement requires Lend Lease to contribute both cash and non cash (public works). The total of all fixed payments from Lend Lease will be sufficient to fund the obligations and commitments summarised below. All fixed payments will be received by 2018.

Developers offer in Project Development Agreement ¹	
1. Cash Payments	
1(a) Guaranteed	
Fixed payments	
1 st	\$13m
2 nd	\$90m
3 rd to 8 th	Undisclosed at this time
1(b) Potential Value Payments	Unknown at this time
2. Non Cash Contributions – Public Domain works	
Waterfront Plaza Infrastructure	Approx >\$200m
Land Development costs (e.g. Roads etc)	
Stage 2 Infrastructure	
Cost of Obligations and Commitments by the Authority ¹	
Land Acquisition of Barangaroo site ²	\$97m
Headland Park ³	\$150m
Wynyard Pedestrian Tunnel ⁴	\$100m
Site remediation and relocation of Passenger Cruise Terminal ⁵	\$174m

- This does not represent a Balance Sheet or Income Statement of the Barangaroo Delivery Authority. These budgeted costs are estimates that have been disclosed at different times in previous years.**
- This represents the refinancing of the loan from Sydney Ports for the transfer of the Barangaroo land to the Authority.
- Estimate budget in 2008; project costs to be revised post tender for works and award of contracts.
- Estimate contribution to Pedestrian Tunnel based on original Metro tunnel.
- Provision estimates in the 2009 Financial Statements.