



## MEDIA RELEASE

# Lendlease sells 25% of its Retirement Living business to APG Asset Management

**Sydney, 17 October 2017:** In one of the largest transactions in the retirement living sector in Australia, Lendlease today announced the sale of 25% of its Retirement Living business to Dutch pension asset manager APG Asset Management N.V. (“APG”) as a founding investor, with Lendlease retaining the remaining 75%. The transaction represents APG’s first foray into the retirement living sector in Asia Pacific.

Lendlease’s Retirement Living business is the largest operator of retirement villages in Australia. The portfolio comprises more than 12,500 units across 71 retirement villages that are home to 16,500 residents.

The transaction covers all components of the Retirement Living business, including ownership of the established retirement village portfolio, the operating platform which manages the portfolio, the business’s development capabilities and associated development pipeline.

Lendlease Group Chief Executive Officer and Managing Director Steve McCann said, “Our strategy for the retirement living business has always been to bring on an investment partner who is both aligned to our values and attuned to the future growth potential of the sector. Lendlease holds an industry leading position through the strength of the team running the business and the quality of our customer base. We are delighted to be partnering with APG, an existing Lendlease investment partner, as they have an outstanding track record of investment excellence.

In a statement announcing the transaction, Patrick Kanters, Managing Director and Global Head of Real Assets for APG said, “This investment is in line with APG’s strategy of gaining meaningful exposure to sectors underpinned by mega-trends such as ageing demographics. We believe this is an opportune time to enter the retirement living sector in Australia by acquiring a stake in a business with a portfolio of significant scale and a best-in-class operating team while being well placed for future growth. We are also delighted to further expand our strategic relationship with Lendlease in Australia.”

Lendlease will continue to manage the business under the Lendlease brand, with no change to its management team.

Tony Randello, the Managing Director of Lendlease’s Retirement Living business said, “This deal reflects the strong progress and momentum the Lendlease Retirement Living business has enjoyed in recent years. Australia’s population is ageing and increasingly looking for high-quality independent retirement living options. With the APG investment, we can further strengthen our offerings to our retirement living customers and support future growth plans.”

The transaction is at a small premium to the carrying value as at 30 June 2017. The transaction remains subject to conditions precedent that we anticipate to be satisfied by 31 December 2017.

**ENDS**



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**About Lendlease**

Lendlease is a leading international property and infrastructure group with operations in Australia, Asia, Europe and the Americas. Our vision is to create the best places; places that inspire and enrich the lives of people around the world. Headquartered in Sydney, Australia, and listed on the Australian Securities Exchange, Lendlease has approximately 12,350 employees internationally. Our core capabilities are reflected in our operating segments of Development, Construction and Investments. The combination of these three segments provides us with a sustainable competitive advantage and allows us to provide innovative integrated solutions for our customers.

**About APG Asset Management N.V.**

APG Asset Management N.V. is a Dutch pension asset manager. For its pension fund clients and their 4.5 million active and retired participants from the public and private sectors representing over 30% of all collective pension clients in the Netherlands, APG manages pensions assets of more than €456 billion as at August 2017. In Asia Pacific, APG manages a c. €9.4 billion real estate portfolio across private and public markets out of its office in Hong Kong. After this transaction, APG's real estate portfolio in Australia will be in excess of €2 billion. Please visit [www.apg.nl](http://www.apg.nl) for future information.