2009

DEXUS Property Group

SECURITY HOLDER REVIEW

DEXUS

PROPERTY GROUP

WELCOME TO DEXUS PROPERTY GROUP'S SECURITY HOLDER REVIEW FOR 2009.

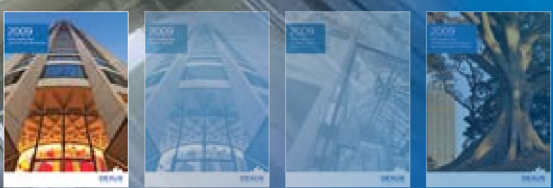
Cover: Australia Square Complex, 264-278 George Street, Sydney, NSW

This page: Artist's impression of 1 Bligh Street, Sydney, NSW

OUR VISION

To be the leading owner, manager, developer of superior quality office and industrial properties in Australia and select international markets, providing world class property solutions and optimal outcomes for our stakeholders.

OUR VISION	1
OUR STRATEGY	2
DELIVERING ON STRATEGY	3
OUR PORTFOLIO	4
FINANCIAL HIGHLIGHTS	6
FIVE YEAR FINANCIAL SUMMARY	7
LETTER FROM THE CHAIR	8
CHIEF EXECUTIVE OFFICER'S REPORT	9
OUR PORTFOLIO	12
THIRD PARTY PROPERTY FUNDS MANAGEMENT	19
CR&S	20
DEXUS GROUP	25
BOARD OF DIRECTORS	26
INVESTOR INFORMATION	27
ADDITIONAL INFORMATION	29
INVESTOR RELATIONS	30
DIRECTORY	32



This year we are reporting to our investors and other stakeholders in a more concise format.

This report, the DEXUS Property Group 2009 Security Holder Review contains an overview of the Group's operations for the year ending 30 June 2009. To review the Group's Consolidated Financial Statements, corporate governance statement and information about DEXUS's Board of Directors, please refer to the DEXUS Property Group 2009 Annual Report. The DEXUS Property Group 2009 Combined Financial Statements provide separate financial statements of DEXUS Industrial Trust, DEXUS Office Trust and DEXUS Operations Trust.

The Corporate Responsibility and Sustainability (CR&S) section contained in this Review is an extract from the full CR&S Report which will be available online or as a printed report from October 2009. These reports may be viewed or downloaded online at www.dexus.com

All amounts are A$ unless otherwise specified.

OUR STRATEGY

OWN

> WORLD CLASS QUALITY PORTFOLIO
> STRATEGIC LOCATIONS IN AUSTRALIA AND SELECT MARKETS
> MARKET LEADER IN OFFICE AND INDUSTRIAL
> FINANCIAL STRENGTH
> ACTIVE CAPITAL MANAGEMENT

STRATEGIC FOCUS IN 2008/09

- Maintain leadership positions:
  No.1 in office and No.3 in industrial in Australia
- Progress selected non-core property sales
- Commence the repositioning of our international portfolio to concentrate on fewer markets
- Strengthen our balance sheet and further diversify funding sources

MANAGE

> FULLY INTEGRATED PROPERTY MANAGEMENT MODEL
> DELIVERING SERVICE EXCELLENCE TO OUR TENANTS AND INVESTORS
> MAXIMISING RETURNS

- Progress the integration of our property management model across our portfolios
- Continue our active property management focus, delivering strong operating results
- Maintain our leadership position in Corporate Responsibility and Sustainability

DEVELOP

> SELECTIVE DEVELOPMENTS CREATING VALUE
> SUSTAINABLE DESIGN
> HIGH QUALITY WORKSPACES

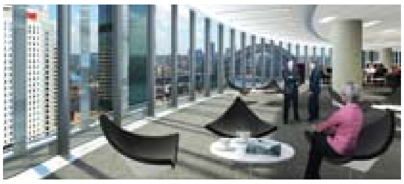
- Progress the next generation of quality office and industrial workspaces with our 6 star office developments at 1 Bligh Street and 123 Albert Street and our industrial development land banks strategically located at Laverton North and Greystanes

DEXUS Industrial Estate, Boundary Road, Laverton North, VIC

DELIVERING ON STRATEGY

KEY INITIATIVES AND ACHIEVEMENTS

OCTOBER 08



› Secured major tenant – Clayton Utz – at 1 Bligh Street

NOVEMBER 08

› Secured US$90 million facility to refinance a US$74 million debt facility and provide additional working capital

› Secured refinancing of A$500 million CMBS

DECEMBER 08

$313m

› Completed institutional placement raising $301.6 million

› Completed security holder purchase plan of $11.6 million

FEBRUARY 09

› Created a joint venture partnership with Cbus Property who acquired a one-third interest in 1 Bligh Street

› Recognised as one of the Global 100 Most Sustainable Corporations at Davos, Switzerland

APRIL 09

› Commenced selected property sale program in Australia, North America and Europe consistent with our strategy to focus primarily on core office and industrial properties in select markets

APRIL 09

$658m

› Completed an institutional placement and an institutional entitlement offer raising $658 million

MAY 09

› Completed internalisation of property management in office portfolio

› Closed retail entitlement offer raising $91 million

› 5 Star NABERS agreement executed for 123 Albert Street

MAY 09

› Major milestone reached in the construction at 1 Bligh Street with the completion of development excavation and commencement of construction

JUNE–JULY 09

$96m

› Agreed 12 industrial properties for sale and one office property raising $96 million in the property sales program

› 123 Albert Street development reached ground level with the three level basement completed

DEXUS TIMELINE

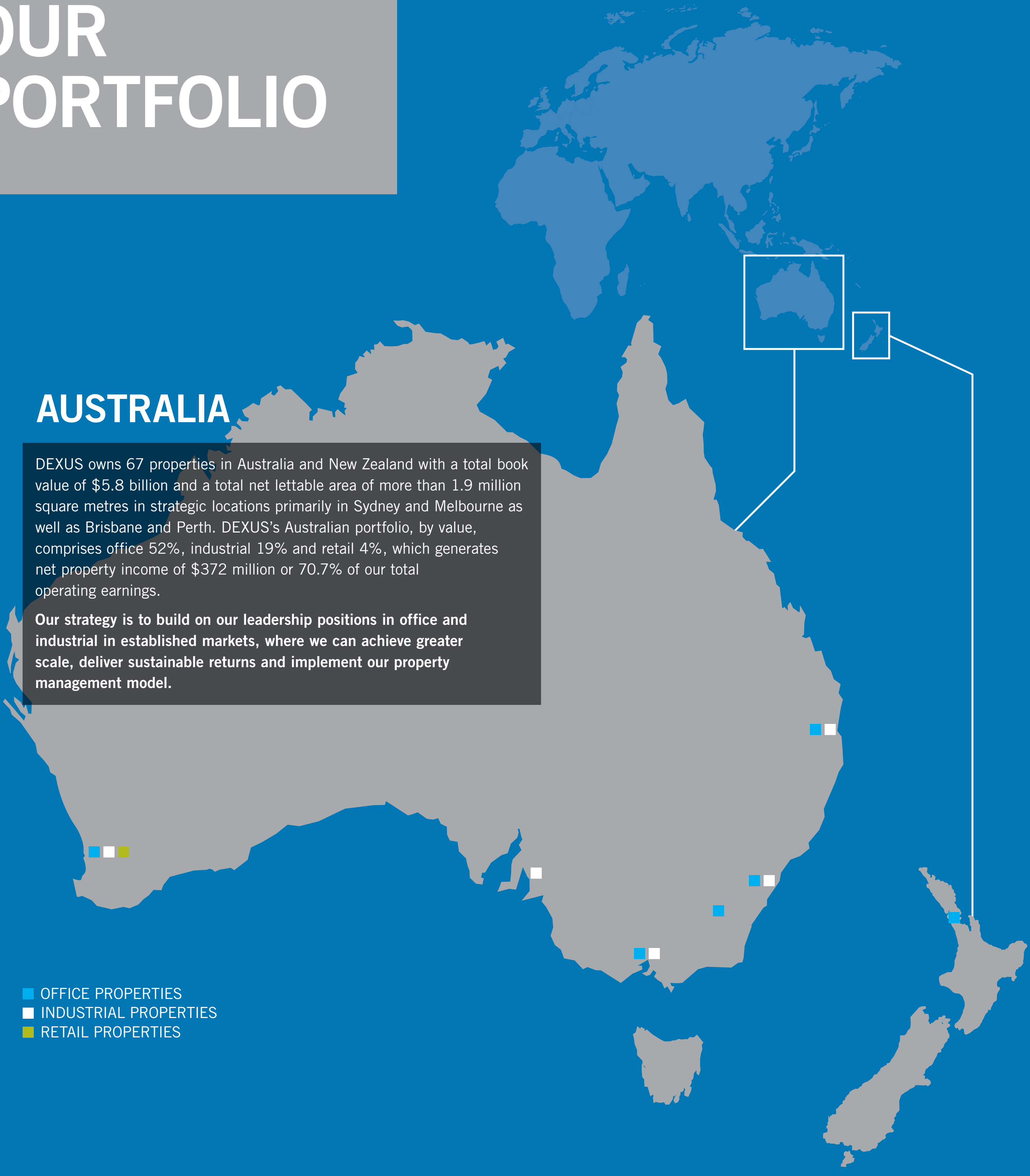
1984	1996	1997
DEXUS Diversified Trust (DDF) listed on the Australian Securities Exchange (ASX)	Established funds management platform appointed to manage State Super of NSW (STC) unlisted property fund	DEXUS Industrial Trust (DIT) listed on ASX

OUR PORTFOLIO

AUSTRALIA

DEXUS owns 67 properties in Australia and New Zealand with a total book value of $5.8 billion and a total net lettable area of more than 1.9 million square metres in strategic locations primarily in Sydney and Melbourne as well as Brisbane and Perth. DEXUS's Australian portfolio, by value, comprises office 52%, industrial 19% and retail 4%, which generates net property income of $372 million or 70.7% of our total operating earnings.

Our strategy is to build on our leadership positions in office and industrial in established markets, where we can achieve greater scale, deliver sustainable returns and implement our property management model.



1998

DEXUS Office Trust (DOT) listed on ASX

2001

Expanded third party funds management platform with the appointment as manager of the DEXUS Wholesale Property Fund (DWPF) and AXA Wholesale Property Fund (WAPF)

2004

DDF, DIT, DOT, DXO are stapled to form DB RREEF Trust (DRT)

Acquired $1 billion US industrial portfolio

Created $1.6 billion retail JV with Westfield

2005

First issue into the US private market

Issued $204 million of RENTS securities

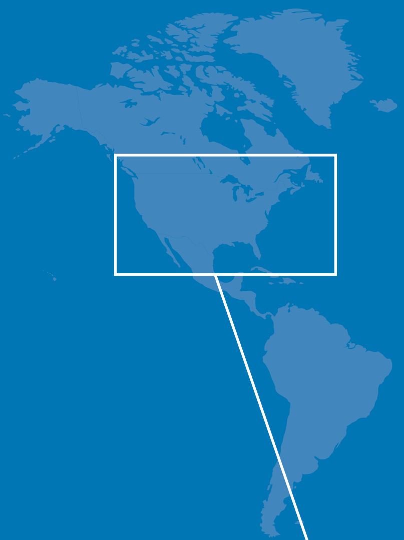
Completed 30 The Bond Sydney, Australia's first 5 star ABGR office building

2006

Completed a $250 million Medium Term Note (MTN) issue into Australian debt capital market

Achieved Standard & Poor's long-term corporate credit rating of BBB+

NORTH AMERICA



DEXUS owns 117 industrial properties in the USA and Canada with a total book value of approximately $1.7 billion and a total net lettable area of more than 2.3 million square metres in 21 markets across North America. The portfolio generated net property income of $133 million or 25% of our total operating earnings.

Our strategy is to reposition the US portfolio to concentrate on four primary markets on the west coast over the next few years, so we can achieve greater scale in fewer markets and implement our property management model to deliver sustained performance and create maximum value over the long-term.

EUROPE

DEXUS owns 20 industrial properties in Europe with a total book value of approximately $241 million and a total net lettable area of more than 376,000 square metres in France and Germany. The portfolio generated net property income of $23 million or 4% of total operating earnings.

The European properties are being sold over the next two years.

2006

Entered Europe following industrial acquisitions in France and Germany

Secured Whirlpool investment program in North America

Achieved listing on FTSE4Good Index

2007

Completed a $200 million MTN issue into Australian debt capital market

Sold five retail properties to DWPF to focus on office and industrial

Acquired Calwest 20% interest in US industrial JV, facilitating the future repositioning of the portfolio

2008

DB RREEF acquired Deutsche Bank's 50% interest and rebranded to DEXUS Property Group

Achieved listing on Australian SAM Sustainability Index

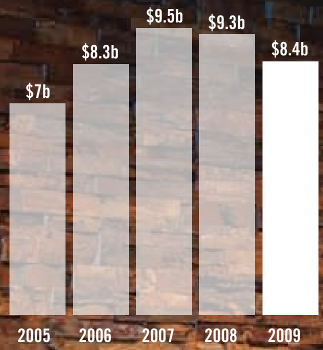
2008

Commenced development of our 6 star Green Star office buildings at 123 Albert Street, Brisbane and 1 Bligh Street, Sydney

FINANCIAL HIGHLIGHTS

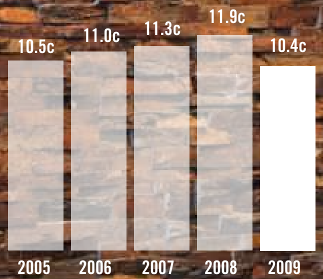
TOTAL ASSETS

$8.4 billion



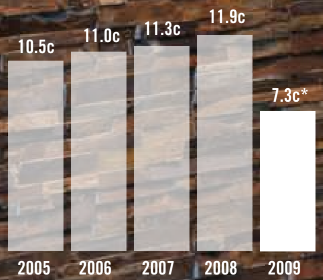
FUNDS FROM OPERATIONS PER SECURITY

10.4c



DISTRIBUTIONS PER SECURITY

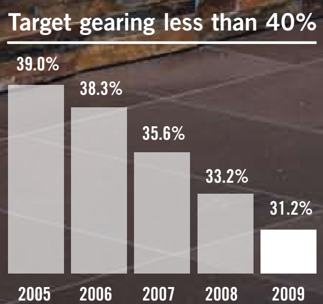
7.3c



* Reflects change in distribution policy

GEARING

31.2 percent



FUNDS UNDER MANAGEMENT

$13.5 bn

OPERATING EARNINGS

$526.3 m

Victoria Cross, 60 Miller Street, North Sydney, NSW

FIVE YEAR FINANCIAL SUMMARY

	2005 $'000	2006 $'000	2007 $'000	2008 $'000	2009 $'000
Profit and loss					
Property revenue	508,795	659,749	693,430	664,831	708,506
Contribution from equity accounted investments	12,544	26,911	52,715	2,467	31
Management fees	–	–	–	26,760	63,663
Property revaluations	256,607	686,490	831,330	184,444	–
Interest revenue and other income	31,941	90,083	19,168	12,829	5,739
Total income	**809,887**	**1,463,233**	**1,596,643**	**891,331**	**777,939**
Property expenses	(126,485)	(160,651)	(170,120)	(159,565)	(174,485)
Finance costs	(117,265)	(166,116)	(133,055)	(213,233)	(384,241)
Employee benefit expense	–	–	–	(23,340)	(59,282)
Impairments and property devaluations	–	(3,287)	–	(61)	(1,685,733)
Other expenses	(72,628)	(37,671)	(50,204)	(41,969)	(49,850)
Total expenses	**(316,378)**	**(367,725)**	**(353,379)**	**(438,168)**	**(2,353,591)**
(Loss)/profit before tax	493,509	1,095,508	1,243,264	453,163	(1,575,652)
Income and withholding tax benefit/(expense)	(26,576)	(29,123)	(32,473)	(7,902)	120,236
Net (loss)/profit	**466,933**	**1,066,385**	**1,210,791**	**445,261**	**(1,455,416)**
Minority interests (including RENTS)	(70,902)	(56,043)	(41,972)	(6,984)	(3,695)
Net profit/(loss) to stapled security holders	**396,031**	**1,010,342**	**1,168,819**	**438,277**	**(1,459,111)**
Operating earnings	–	–	513.3	498.0	526.3
Funds from operations (cents per security)	10.5	11.0	11.3	11.9	10.43
Distributions (cents per security)	10.5	11.0	11.3	11.9	7.3
Balance sheet					
Cash and receivables	98,818	141,682	95,992	135,671	120,661
Property assets	6,740,398	7,975,744	9,151,993	8,737,874	7,741,549
Other (including derivative financial instruments and intangibles)	145,787	170,112	238,851	475,442	488,900
Total assets	**6,985,003**	**8,287,538**	**9,486,836**	**9,348,987**	**8,351,110**
Payables and provisions	263,279	256,424	289,501	322,528	289,561
Interest bearing liabilities	2,791,564	3,195,047	3,353,327	3,006,919	2,509,012
Other (including financial instruments)	64,448	120,554	139,065	184,487	406,320
Total liabilities	**3,119,291**	**3,572,025**	**3,781,893**	**3,513,934**	**3,204,893**
Net assets	3,865,712	4,715,513	5,704,943	5,835,053	5,146,217
Minority interest	365,358	427,851	438,173	205,998	206,772
Net assets (after minority interest)	**3,500,354**	**4,287,662**	**5,266,770**	**5,629,055**	**4,939,445**
NTA per security ($)	1.29	1.53	1.82	1.77	1.01
Gearing ratio (%)	39.0	38.3	35.6	33.2	31.2
Statements of changes in equity					
Total equity at the beginning of the year	1,192,652	3,865,712	4,715,513	5,704,943	5,835,053
Net income expense recognised directly in equity	(1,250)	4,744	1,951	48,808	(53,814)
Net profit/(loss)	**466,933**	**1,066,385**	**1,210,791**	**445,261**	**(1,455,416)**
Contributions of equity, net of transaction costs	143,033	94,776	145,328	243,524	1,129,971
Distributions provided for or paid	(281,303)	(306,259)	(324,638)	(355,380)	(296,648)
Other transactions with equity holders	2,051,191	–	–	402	–
Minority interest movements during the year	294,456	(9,845)	(44,002)	(252,505)	(12,929)
Total equity at the end of the year	**3,865,712**	**4,715,513**	**5,704,943**	**5,835,053**	**5,146,217**
Cash flow statements					
Net cash inflow from operating activities	241,249	328,025	319,735	374,445	359,577
Net cash (outflow)/inflow from investing activities	(424,363)	(455,225)	(537,912)	11,065	(212,459)
Net cash (outflow)/inflow from financing activities	251,023	163,476	174,366	(342,514)	(170,190)
Net (decrease)/increase in cash and cash equivalents	67,909	36,276	(43,811)	42,996	(23,072)
Cash and cash equivalents at the beginning of the period	2,487	68,959	106,428	59,603	99,214
Effects of exchange rate changes on cash and cash equivalents	(1,437)	1,193	(3,014)	(3,385)	8,703
Cash and cash equivalents at the end of the period	**68,959**	**106,428**	**59,603**	**99,214**	**84,845**

LETTER FROM THE CHAIR

L to R: Chair Christopher Beare and CEO Victor Hoog Antink

Dear Investor

I am pleased to present this Security Holder Review which forms part of my fifth annual report for DEXUS Property Group. As reported last year, the economic downturn continues to impact the Group's performance and during the year we have seen declining property values worldwide and reducing tenant demand.

Despite these challenging conditions, the quality of our portfolio, together with the underlying stability of operating earnings, derived principally from rental income, and our proactive and prudent approach to managing our balance sheet continues to deliver strong financial results.

The financial performance of the Group for the year was solid with operating earnings up 5.7% to $526.3 million. The Australian portfolio delivered a relatively strong result, while the North American and European portfolios declined in line with their weaker economies. The impact of the economic downturn was largely felt in unrealised property devaluations and impairments, which totalled $1.6 billion and contributed to a net loss of $1.5 billion.

In volatile economic conditions, it is more important than ever to concentrate on the fundamentals and DEXUS has remained focused on our strategy to be Australia's leading owner, manager and developer of superior quality office and industrial properties in select markets.

We remain the No.1 owner of office and No.3 owner of industrial properties in Australia.

Highlights for the year include:

- Strengthening the balance sheet, with significant new equity and new and replacement debt facilities
- Revising our distribution policy to pay out 70% of Funds From Operations (FFO), retaining 30% to fund operating and leasing capital expenditure
- Commencing a selected property sales program, to achieve our strategic objectives and our capital management plans
- Completing the internalisation of our property management model within our office portfolio and commencing implementation in the Australian industrial portfolio
- Continuing to build on our market leadership position in sustainability, with external recognition achieved at Davos, Switzerland and more recently with our listing on the Dow Jones Sustainability World Index

As a result of all these initiatives, DEXUS continues to maintain one of the strongest balance sheets of any Australian listed REIT.

Getting the best from both our property portfolio and our balance sheet is only possible with a very capable and committed team. For the third year running we have conducted an employee opinion survey which pleasingly shows continued strong results in areas such as engagement, communications and leadership. This year we benchmarked our results against Australian and global indices so we can continue to improve our performance in line with best practice standards.

In April 2009, we expanded the Board with two new directors, John Conde AO and Peter St George. John and Peter bring a wealth of knowledge and experience, which will further strengthen the expertise of the Board. In April 2009, Charles Leitner III resigned from the Board, consequently his alternate Andrew Fay also left the Board. I would like to take this opportunity to thank Chuck and Andy for their contribution. Following these changes, the Board now comprises eight Directors, seven of whom are independent Directors.

In May 2009, the Board Committees were reviewed and memberships refreshed, with Committee Chairs being rotated in August 2009. The Board and Board Committee Terms of Reference and the Corporate Governance Statement are revised at least annually and are located on our website at www.dexus.com/Corporate-Governance

Looking ahead, the outlook for the market is for continued challenging times. We expect, however, that the quality of our portfolio and a continued focus on managing the property fundamentals will see DEXUS continue to be strongly positioned within each of our key markets.

On behalf of the Board, I would like to thank you for your support over the past 12 months. I look forward to reporting to you next year.

Yours sincerely,

Chris Beare

Christopher T Beare
Chair
30 September 2009

CHIEF EXECUTIVE OFFICER'S REPORT

Strong performance in a tough climate

In challenging market conditions, the active management focus of our experienced team continues to deliver good results. Operating earnings for the year ending 30 June 2009 were up 5.7% to $526.3 million. This result reflects the underlying quality of our Australian office and industrial portfolios, which delivered solid like for like growth of 4.5% and 4.1% respectively.

The economic downturn has resulted in a slight decline in overall occupancy levels to 91.5% (2008: 93.8%), with average lease duration remaining steady overall at 4.8 years (2008: 4.8 years). Despite weaker tenant demand we have achieved solid leasing activity, a reflection of our proactive management approach and strong relationships with our tenants.

Adverse market conditions were reflected in a softening of capitalisation rates and weaker underlying property fundamentals, causing a decline in property valuations worldwide.

At 30 June 2009 we revalued the entire property portfolio with 59.8% externally valued. The deterioration of property fundamentals in the US and Europe resulted in devaluations and impairments in our international industrial portfolio.

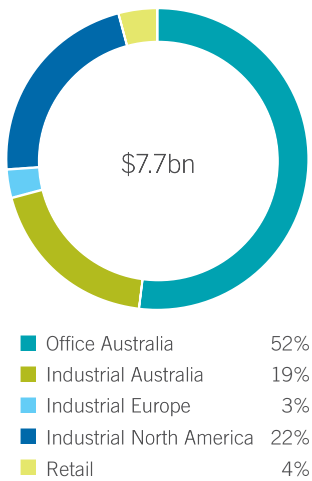
While property fundamentals held up in Australia in the first half, during the second half of the year we experienced lower levels of market confidence and decreased demand for office and industrial property, which ultimately resulted in unrealised devaluations and impairments across the portfolio totalling $1.6 billion.

The devaluations together with unrealised mark to market derivative losses of $244 million were offset by a $130 million deferred tax benefit (primarily arising from the tax effect of the US property devaluations), resulted in a net loss attributable to security holders of $1.5 billion.

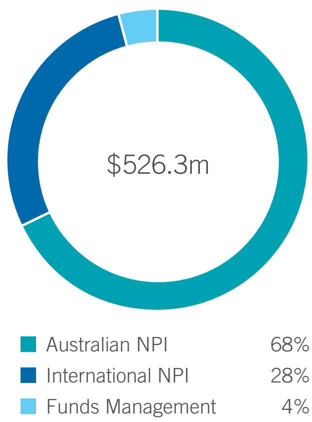
Fluctuations in our property valuations, can lead to significant unrealised gains or losses, depending on the change in fair market value of our properties from period to period. Overall, since the valuation peak in December 2007, we have seen a decline in book value of 19%. However, looking ahead we expect that property devaluations and impairments are nearing the bottom of the cycle. We expect to see a return to underlying property fundamentals, such as rental growth rates, tenant retention and assumptions on time required to lease the space, being the primary drivers in valuations.

As at 30 June 2009 total assets stood at $8.4 billion of which 92%, or $7.7 billion, are direct properties.

DIRECT PROPERTY PORTFOLIO AS AT 30 JUNE 2009



OPERATING INCOME AS AT 30 JUNE 2009



Property type	**Value 2008[1] $m**	**Value 2009[1] $m**	**Occupancy 2008 %**	**Occupancy 2009 %**	**Average lease term 2008 (years)**	**Average lease term 2009 (years)**
Office/Carparks – Australia/New Zealand	4,601	4,047	97.7	97.6	5.7	5.4
Retail – Australia	280	270	99.9	99.9	4.5	4.5
Industrial – Australia	1,636	1,505	98.6	96.9	4.4	4.3
Industrial – North America	1,904	1,674	91.8	88.0	3.9	4.3
Industrial – Europe	314	241	85.1	87.8	3.6	3.1
Total	**8,735**	**7,737**	**93.8**	**91.5**	**4.8**	**4.8**

1 Excludes cash and other assets.

Sydney Harbour view with Governor Phillip Tower, Australia Square and Gateway (the latter owned by DWPF) in foreground.

Vision, strategy and implementation

The DEXUS Group has two core activities:

- The management of a direct domestic and international property portfolio
- A third party property funds management business

Our strategy is to be the leading owner, manager and developer of high quality office and industrial properties in select locations in Australia and the United States.

We are focused on growing our business by achieving scale and operational excellence through active property management, asset management, portfolio management and development management in select markets to deliver low risk sustainable returns.

At DEXUS, property revenue, mainly derived from rental income, represents 91% of our total revenue for the year ended 30 June 2009. We have limited reliance on development income or third party funds management fees.

Reflecting the relative underlying stability of the portfolio, our revenue composition is only minimally exposed to lease expiries in coming years. We actively manage our tenant profile to ensure diversity of income by tenant and industry, with no single tenant currently contributing more than 3% of our total Group rental income.

Domestically, we are building on our leadership position in office – where we are the largest owner/manager of office properties in Australia; and industrial – where we are one of the top three providers of premium industrial facilities.

Internationally, our strategy is to focus on fewer, select markets where we can achieve scale and implement our property management model. By concentrating our portfolio in a smaller number of select locations we believe we will be able to deliver a superior value proposition to our tenants and consequently our investors. We believe scale will allow us to ultimately own and manage larger, higher quality properties, which typically have higher barriers to entry.

Consequently, we are progressively concentrating our North American portfolio in a number of key industrial markets on the west coast. Reducing our exposure from the current 21 markets to 17 markets in the current property sale program and ultimately four primary markets (Seattle, San Francisco, Los Angeles region, including Riverside).

We are also in the process of internalising our investment and asset management capabilities in the United States. Ultimately we will assume responsibility on a phased basis for property and development management. This strategy will be progressed in stages and is expected to take a number of years to complete.

In Europe, we will be selling our portfolio over the next two years and have commenced marketing our German properties for sale.

Our strategy for our third party property funds management business is to continue to leverage our business model to provide third party investors with superior total returns over the medium to long-term in office, industrial and retail. Our funds management business complements our business strategy by providing additional scale to leverage our operational and leasing capabilities.

Implementing our property management strategy

During the year we have progressed initiatives to implement our internal property management model, which we believe will give us greater connectivity with our tenants and the ability to create greater value:

- We completed the integration of our full service property management model in the Australian office portfolio in May 2009, offering our tenants a market leading service capability.
  In our Australian industrial portfolio we are progressing the implementation of the model, which is due to complete this financial year
- We commenced a $600 million sales program of select non-core properties in Australia, North America and Europe consistent with our concentrated portfolio strategy to reposition the international portfolio and enable the implementation of our property management model. Twelve properties have been sold in Australia, and one property has been contracted for sale in Germany for a total of $96 million

Implementing our capital management strategy

DEXUS continued to apply an active and prudent approach to capital management during the year undertaking the following initiatives:

- Refinanced and secured new debt facilities totalling $860 million, resulting in no debt maturing until February 2010
- Revised our distribution policy to adopt a payout ratio of 70% of FFO, with the balance retained for operational and leasing capex

- Successfully completed two equity raisings totalling over $1 billion in December 2008 and April 2009, each receiving good investor support
- Created a joint venture with Cbus Property who acquired a one-third interest in 1 Bligh Street, realising $60 million and reducing the Group's future development exposure by $210 million
- Commenced a $600 million select property sale program, the proceeds of which will be used to repay debt, improve liquidity, reduce gearing and further strengthen the balance sheet

At 30 June our undrawn debt facilities exceeded $1.4 billion. Subsequent to the reporting period, in July 2009 we issued $160 million of five year medium-term notes, which further improved DEXUS's liquidity position, diversified funding sources and lengthened debt duration.

DEXUS continues to maintain a prudent financial risk management profile, with 90% of interest rate risk hedged as at 30 June 2009, with the weighted average duration of these hedges averaging over six years. Foreign earnings are conservatively hedged for periods up to five years.

In addition, where practical, we continued to match a material proportion of the currency of our debt with the currency of our investments (90% as at 30 June 2009). This policy provides substantial protection to security holders from adverse movements in net tangible assets due to currency fluctuations.

Together these initiatives have enabled DEXUS to maintain a prudent gearing level of 31.2%, well within our target of below 40%. We continue to maintain a strong credit rating from Standard & Poor's (S&P) of BBB+ with a stable outlook.

Developments

During the year we continued to progress the next generation of office space with two major developments underway at 1 Bligh Street, Sydney and 123 Albert Street, Brisbane and one completed at 60 Miller Street, North Sydney, which was fully leased on completion. We have progressed planning works in our industrial development pipeline at Laverton North and Greystanes. We continued to apply a prudent development approach, only commencing developments that are fully funded, meet our investment criteria and have secured appropriate tenant pre-commitment.

One Margaret Street, Sydney, NSW

Third party funds

The Group's third party funds under management declined by $800 million to $5.6 billion, principally due to declining property values. While the investment performance of our third party funds has been impacted by the current economic environment, active portfolio management has seen it continue to deliver strong investment performance with a combined total return over five years of 9.3% per annum.

Corporate responsibility and sustainability

DEXUS continued to drive corporate responsibility and sustainability performance, focusing on resource efficiency projects, community engagement and sustainable developments. In January 2009, DEXUS was named in the fifth annual "Global 100 Most Sustainable Corporations" list, announced at the Davos World Economic Forum in Switzerland. In addition, we are pleased to report the achievement of our first listing on the Dow Jones Sustainability World Index in September. An extract from the 2009 CR&S Report is on pages 20 to 23.

2010 strategic focus and outlook

Our quality portfolio, experienced management team and focused strategy mean we are well positioned to respond to the current market conditions and deliver sustainable returns for our investors.

We expect conditions to continue to be challenging in the coming year and our focus will remain on:

- Actively managing our property portfolio to create value and deliver sustainable income
- Driving a high performance culture and delivering service excellence for our tenants
- Actively managing our capital structure and balance sheet and continuing to diversify funding sources

Guidance

Barring adverse changes to operating conditions, the Group is positioned to deliver earnings (FFO) of 7.3 cents per security and distributions of approximately 5.1 cents per security – being 70% of FFO – for the year ending 30 June 2010.

Victor P Hoog Antink
Chief Executive Officer
30 September 2009

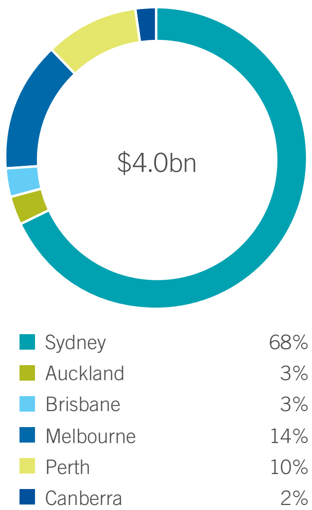
OUR PORTFOLIO
OFFICE – AUSTRALIA AND NEW ZEALAND

OFFICE SECTOR HIGHLIGHTS – AUSTRALIA AND NEW ZEALAND

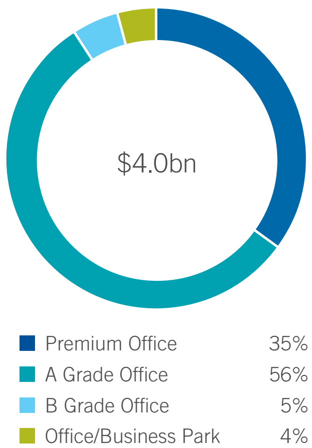
Portfolio value $4 billion (2008: $4.6 billion) **Like for like income growth** 4.5% (2008: 4.4%)

Occupancy (by area) 97.6% (2008: 97.7%) **Lease duration (by income)** 5.4 years (2008: 5.7 years)

GEOGRAPHICAL DIVERSIFICATION (BY VALUE)



PROPERTY TYPE (BY VALUE)



Office strategy
DEXUS is the largest listed owner/manager of office property in Australia. Our strategy is to deliver strong performance by actively managing the property fundamentals through the implementation of our fully integrated property management model. It is our internal model that allows us to create value by providing optimal property solutions to our tenants. Our office portfolio is strategically weighted to the core Australian office markets of Sydney and Melbourne (representing 82% of our portfolio), as well as Brisbane and Perth.

Results
Our high quality portfolio continued to perform well across all key operating metrics. Driven by our experienced team, our proactive leasing and property management approach resulted in high occupancy of 97.6% and high retention rates of 75%. These results are a testament to the quality of our tenant relationships and focus on de-risking income in our portfolio. Office net property income (NPI) increased by 1.7% over the year to $246.8 million, representing 47% of the Group's NPI.

Revaluations
In the year to 30 June 2009, the Australian office portfolio was revalued, with 53.9% by book value being externally revalued, resulting in a total devaluation including impairments of $605 million or a decline of 13% to $4.0 billion. The office portfolio weighted average capitalisation rate over the year increased by 1.3% to 7.7% (2008: 6.4%).

Property sales
On 3 July 2009 DEXUS entered into a contract to sell 343 George Street, Sydney, as part the Group's selected property sale program. 343 George Street was sold for approximately $55 million, which represents a 0.7% discount to the 30 June 2009 book value of $55.4 million, reflecting a passing yield of 7.1%. Settlement is expected to occur in October 2009 and DEXUS will continue to occupy 343 George Street as our head office on a five year lease term.

No further office sales are anticipated as part of the property sale program.

Developments
During the year, substantial progress was made with the construction and leasing of our three office developments. The office redevelopment at 60 Miller Street, North Sydney was completed and fully leased prior to practical completion in March 2009.

Construction of 123 Albert Street, Brisbane and 1 Bligh Street, Sydney are on budget and on schedule for completion in December 2010 and May 2011 respectively. Having secured major tenant pre-commitments at both these developments, we are actively marketing the remaining space in these premium grade office towers, which are designed to deliver world's best practice sustainability and provide the highest levels of tenant amenity and workspace quality.

In February 2009, Cbus Property acquired a 33% interest and will partner with us in the development of Australia's premier 6 Star office tower at 1 Bligh Street, Sydney. This partnership reduces DEXUS's committed development exposure by approximately $210 million over the next thee years.

Leasing
The high quality of the DEXUS portfolio, strategic weighting to key markets and proactive management approach delivered another strong result.

Occupancy remains strong at 97.6% (2008: 97.7%), average lease duration (by income) is 5.4 years and tenant retention rates have increased to 75% (2008: 72%).

New leases and renewals including heads of agreement were negotiated on more than 52,000 square metres of the portfolio, with major deals being negotiated with NSW Police, Carnival Australia and IPA Personnel. This includes 15,000 square metres that was leased in our developments at 1 Bligh Street, Sydney and Victoria Cross, 60 Miller Street, North Sydney.

Leasing is becoming more challenging with market supply increasing and tenant enquiry remaining subdued. Higher quality portfolios are more resilient.

Of the 3.3% vacancy currently available within the DEXUS portfolio, only approximately 2% of the total portfolio's net lettable area, or 13,000 square metres, is sub-lease space.

Overall face rents remain relatively stable, although some markets are experiencing falls such as Brisbane and Perth – where DEXUS has minimal exposure. Proactive leasing and tenant retention remains a key management focus.

Rent reviews

86% of the office portfolio's property income was subject to rent reviews which achieved an average rental increase of 6.4%. While tenant incentives are trending upwards in the market, at DEXUS, tenant incentives on new leases and renewals were offered on 65% of the 106 deals completed during the year. The average tenant incentive provided was 12.6%.

A significant proportion of the portfolio is subject to long-term leases, with an average duration across the office portfolio of 5.4 years, providing regular and stable cash flows. In the year ending 30 June 2009, 82% of income was subject to structured, fixed or CPI increases, 5% did not change, and only 4% was subject to an open market review with the remaining 9% either vacant or expiries released.

Victoria Cross, 60 Miller Street, North Sydney, NSW, showing the newly developed building

OFFICE PORTFOLIO AUSTRALIA AND NEW ZEALAND

OFFICE PROPERTIES	29
SQUARE METRES	699,700

SYDNEY
18 properties
$2,768 million

PERTH
1 property
$400 million

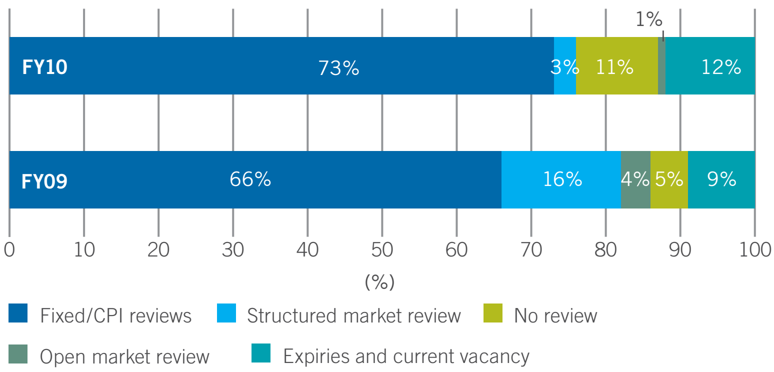
MELBOURNE
6 properties
$566 million

CANBERRA
2 properties
$89 million

BRISBANE
1 property
$120 million

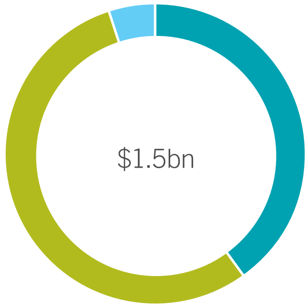
AUCKLAND
1 property
$105 million

RENT REVIEW PROFILE

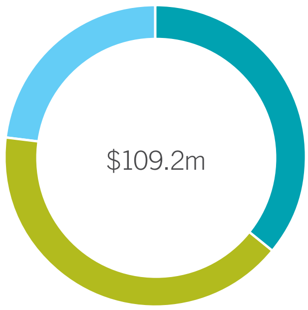


DEXUS Industrial Estate, Boundary Road, Laverton North, VIC

GEOGRAPHICAL SPREAD (BY VALUE)



PROPERTY TYPE (BY INCOME)



INDUSTRIAL SECTOR HIGHLIGHTS – AUSTRALIA

Portfolio value $1.5 billion (2008: $1.6 billion)

Like for like income growth 4.1% (2008: 2.3%)

Occupancy (by area) 96.9% (2008: 98.6%)

Lease duration (by income) 4.3 years (2008: 4.4 years)

Industrial strategy

Our Australian industrial portfolio is the third largest in the country and comprises high quality institutional grade industrial properties.

Our strategy is to deliver strong performance by actively managing the property fundamentals through the implementation of our fully integrated internalised property management model, where we create value by providing optimal property solutions to our tenants.

Our portfolio is strategically weighted to key growth markets in Sydney and Melbourne, which together represent 95% of our portfolio by book value. These strategic locations, include prime locations on outer metropolitan nodes/ major arterial roads or proximity to airports and/or ports to accommodate our target industrial tenants' business needs.

In these markets we believe we can achieve greater scale and increase our product offer of quality industrial estates, business parks, logistics and distribution facilities, via the acquisition of land banks and the development of new industrial properties to continue to attract and retain major corporate tenants.

Results

The portfolio continued to perform well during the period, driven by the quality and diversification and a proactive approach to leasing and property management. Specifically, the diversity of our tenant profile across key sectors of the economy, strong covenants and long tenure continued to deliver solid results.

At 30 June 2009, the portfolio was valued at $1.5 billion and net property income increased by 3.3% to $109.2 million, representing 21% of the Group's NPI.

INDUSTRIAL PORTFOLIO AUSTRALIA

INDUSTRIAL PROPERTIES	37
SQUARE METRES	1,103,000

SYDNEY
23 properties
$818 million

PERTH
1 property
$11 million

MELBOURNE
10 properties
$597 million

ADELAIDE
1 property
$26 million

BRISBANE
2 properties
$52 million

Revaluations

In the year to 30 June 2009 the Australian industrial portfolio was revalued, with 35.1% by book value being externally revalued, resulting in a total devaluation including impairments of $226 million or 13% to $1.5 billion. The weighted average capitalisation rate over the year increased by 1.3% to 8.8% (2008: 7.5%).

Property sales

As part of the Group's property sale program, three industrial properties have been sold and contracts have been exchanged on an additional eight non-core industrial properties, totalling $39 million. These properties include eight units at Redwood Gardens, Dingley, VIC for $13 million, 3-7 Bessemer Street, Blacktown, NSW for $9 million, 245 Woodpark Road Smithfield, NSW for $6 million and 68 Hasler Road, Herdsman, WA for $11 million. Settlement for these properties is expected to be completed by December 2009.

Further non-core sales are anticipated as part of the property sale program.

Developments

During the year we have been building infrastructure, securing new planning approvals, and negotiating with tenants to secure pre-commitment for our current developments at Laverton North, VIC and Greystanes, NSW.

We have completed developments at Laverton North and Redwood Gardens, Dingley in Victoria, as scheduled.

Leasing

Our active management approach saw new leases, renewals and heads of agreement negotiated on 19% of the portfolio (203,000 square metres). Occupancy remained strong at 96.9% and the average lease duration (by income) was 4.3 years.

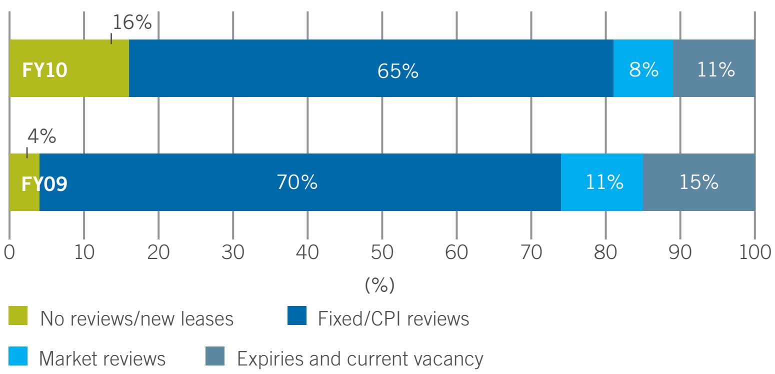
Despite the tough economic conditions impacting tenant demand in the sector, average rents in the DEXUS portfolio declined only marginally by 1%. The average tenant incentive was 3% and tenant retention reduced slightly to 75% (2008: 78%).

Major leasing deals were completed with Toll Australia Group, DHL Australia, Atlas Copco, Hagemeyer, Overstocked Outlet, BOC Australia, Getronics Australia, and Tyco International. In the coming year the industrial portfolio has no individual expiries greater than 1% of portfolio income.

Rent review

A significant proportion of the industrial portfolio's income is subject to long-term leases, providing regular and stable cash flows. In the year ending 30 June 2009, 70% of income was subject to fixed or CPI increases, 4% did not change, 11% was subject to a market review, with the remaining 15% subject to vacancy or expiry.

RENT REVIEW PROFILE



Westfield Whitford City Shopping Centre,
Whitford Avenue & Lot 6 Endeavour Road, Hilarys, WA

RETAIL HIGHLIGHTS

Portfolio value

$270 million (2008: $280 million)

Like for like income growth

4.5% (2008: 7.4%)

Occupancy (by area)

99.9% (2008: 99.2%)

Lease duration (by income)

4.5 years (2008: 4.5 years)

Following the sale of the retail portfolio in October 2007, DEXUS retained a 50% interest in Westfield Whitford City in WA. The Centre continued to deliver strong performance in the period, recording nearly eight million visits through the year, providing a moving annual turnover of $7,373 per square metre and an average spend per visit of $58.20.

The Centre represents 3% of the Group's NPI and will ultimately be sold, consistent with our strategy to concentrate on the office and industrial sectors.

North Perris Boulevard, Perris, California

INDUSTRIAL SECTOR HIGHLIGHTS – NORTH AMERICA

Portfolio value $1.7 billion (2008: $1.9 billion)
Like for like earnings (4.6%) (2008: 7.2%)
Occupancy (by area) 88.0% (2008: 91.8%)
Lease duration (by income) 4.3 years (2008: 3.9 years)

Results

The North American portfolio is valued at $1.7 billion and contributed 25% of the Group's net property income or $132.8 million (2008: $110 million). The key contributing factors to this increase in income were income from the Whirlpool properties acquired last year in California, USA and Toronto, Canada and changes in foreign currency rates.

The portfolio consists of 117 properties, covering more than 24,944,000 square feet (2,317,373 square metres) and providing space for 567 tenants.

The portfolio consists of 45.4% warehouses/distribution centres, 19.4% business parks, 30.8% industrial estates, 2.4% office parks and 2% land by market value.

Revaluations

2009 was a particularly challenging year for the North American property markets with operating conditions and investor sentiment deteriorating significantly, resulting in sharp declines in property valuations.

In the year to 30 June 2009, the entire North American industrial portfolio was revalued externally, resulting in a decline of $698 million or 27% to $1.7 billion.

In the first six months to December 2008 devaluations reflected the change in outlook. Valuers were quick to adjust capitalisation rates aggressively, and assume increased vacancy downtime, capital expenditure and tenant credit risk.

Valuations for the six months to 30 June 2009 took into account falling market rents and a negative outlook for real rent growth.

The portfolio's weighted average capitalisation rate over the year increased by 1.3% to 8.2% (2008: 6.9%).

Developments and acquisitions

During the year we completed several developments in San Antonio. No future developments will be commenced unless they are fully funded with tenant pre-commitment and meet our investment criteria.

Subsequent to year end, in July 2009 we acquired the fourth Whirlpool property in Columbus, Ohio for $79.5 million, as part of the Whirlpool investment program. The final two properties to be acquired will be in Atlanta, GA and Seattle, WA. These are due to settle by December 2009 for a total estimated cost of $196 million.

Property sales

As part of our regular review of the investment portfolio, in October 2008, 3765 Atlanta Industrial Drive NW, Atlanta, GA was sold for $7 million.

In April 2009, the Group announced the property sales program, and appointed CBRE to manage the sale of approximately US$200 million of properties in the US. When completed, these sales will reduce the Group's overall footprint in the US, and is the commencement of our strategy to reposition the US portfolio to concentrate ultimately on four primary markets on the west coast.

Summit Oaks, Vanderbilt Way, Santa Clarita, California

Leasing

Declining economic conditions have led to decreasing tenant demand, downsizing and some bankruptcies, which caused tenant retention to decline by 6% to 68%. Overall occupancy is also down by 4% to 88%, while the average lease duration increased to 4.3 years (2008: 3.9 years).

Our focus remains on actively managing our portfolio, demonstrated by strong leasing activity during the year with 343,300 square metres leased, representing 15% of the North American portfolio. Some of the larger leasing deals completed included:

- Fully leasing Summit Oaks, Santa Clarita, California, 13,563 square metres for 10 years to Advanced Bionics, who will take occupation in two phases – 33% in September 2009 and the remaining 67% in September 2010
- Renewing the US Greenfibre lease of 9,290 square metres in 601 South 55th Avenue, Mesa Scottsdale, Phoenix, Arizona for five years
- The forward renewal by Columbus Showcase of 13,935 square metres in Unit 1 4401 Equity Drive, Columbus, Ohio for four years

Rent reviews

A significant proportion of the US industrial portfolio's income is subject to long-term leases, with an average duration across the portfolio of 4.3 years, providing regular and stable cash flows.

The majority of reviews are fixed in the range of 2-3% per annum with the balance linked to the inflation index, with market reviews only occurring at lease expiry.

An 8.5% drop in average market rents during the year resulted in the portfolio becoming over-rented by 8.2% as at 30 June 2009.

INDUSTRIAL PORTFOLIO NORTH AMERICA

INDUSTRIAL PROPERTIES	**117**
SQUARE METRES	**2,317,373**

UNITED STATES

ATLANTA
4 properties
US$31 million

BALTIMORE
9 properties
US$107 million

BOSTON
1 property
US$8 million

CHARLOTTE
3 properties
US$28 million

CHICAGO
1 property
US$18 million

CINCINNATI
10 properties
US$81 million

COLUMBUS
4 properties
US$48 million

DALLAS
18 properties
US$101 million

HARRISBURG
3 properties
US$40 million

LOS ANGELES
5 properties
US$113 million

MEMPHIS
1 property
US$5 million

MINNEAPOLIS
8 properties
US$54 million

NTH VIRGINIA
8 properties
US$173 million

ORLANDO
3 properties
US$85 million

PHOENIX
11 properties
US$91 million

RIVERSIDE
7 properties
US$169 million

SAN ANTONIO
12 properties
US$69 million

SAN DIEGO
3 properties
US$29 million

SEATTLE
3 properties
US$33 million

SOUTH FLORIDA
2 properties
US$32 million

CANADA

TORONTO
1 property
C$52 million

INDUSTRIAL SECTOR HIGHLIGHTS – EUROPE

Portfolio value

$241 million (2008: $314 million)

Like for like earnings (6.4%)

Occupancy (by area)

87.8% (2008: 85.1%)

Lease duration (by income)

3.1 years (2008: 3.6 years)

Liverpooler Straße, Kopenhagener Straße, Osloer Straße, Friemersheim, Duisburg

The European portfolio is valued at $241 million and contributed $23.1 million or 4% of the Group's net property income in the year to 30 June 2009.

Following a continued focus on leasing and tenant retention, occupancy and lease durations are at 87.8% and 3.1 years respectively. The European industrial portfolio comprises 20 industrial properties located in France and Germany, accommodating 31 tenants across more than 376,000 square metres.

Revaluations

In the year to 30 June 2009 the entire European industrial portfolio was revalued externally, resulting in a devaluation of $104 million to $241 million. The European portfolio weighted average capitalisation rate over the year increased by 1.7% to 8.1% (2008: 6.4%).

Leasing

Leasing enquiries in France and Germany remains weak with resulting downward pressure on rental levels. In the year to 30 June 2009 we leased 8,700 square metres in France and 30,300 square metres in Germany, including a 15,000 square metre renewal to Schenker in Friedewald.

Rent reviews

In France and Germany, leases covering 63% and 33% of the industrial portfolio's property income were subject to index reviews respectively. The average rental increases were approximately 1%.

Property sales

As part of the property sale program we are seeking to sell the whole of our French and German portfolios over the next two years. Agents have been appointed and marketing has commenced with initial focus on the German properties. In July 2009 we had exchanged contracts to sell one property in Löbau, Germany for $2 million (€960,000).

INDUSTRIAL PORTFOLIO EUROPE

INDUSTRIAL PROPERTIES	20
SQUARE METRES	376,700

FRANCE

LYON
1 property
€6 million

PARIS
5 properties
€26 million

GERMANY

BERLIN
1 property
€8 million

DUISBURG
1 property
€15 million

DÜSSELDORF
1 property
€12 million

ELLHOFEN
3 properties
€27 million

FRIEDEWALD
1 property
€3 million

KNETZGAU
1 property
€8 million

LANGENFELD
2 properties
€12 million

LANGENWEDDINGEN
1 property
€5 million

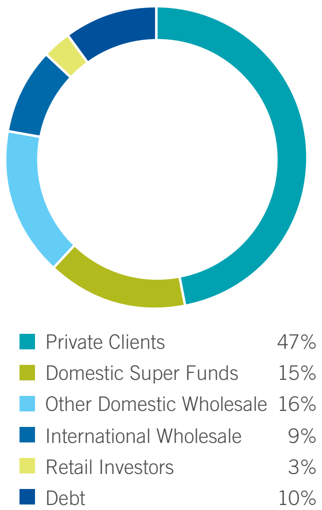
LÖBAU
1 property
€1 million

UNNA
1 property
€13 million

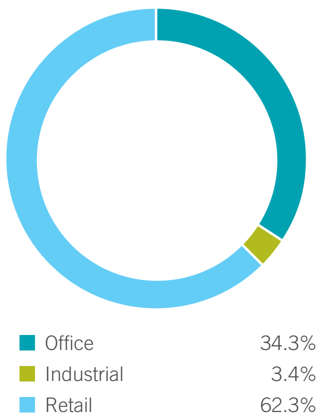
WORMS
1 property
€4 million

THIRD PARTY PROPERTY FUNDS MANAGEMENT

SOURCE OF FUNDS AT 30 JUNE 2009



DWPF SECTOR ALLOCATION
BY BOOK VALUE AT 30 JUNE 2009



At 30 June 2009, DEXUS Property Group's third party property funds under management totalled $5.6 billion, down 12.5%. This business comprises the DEXUS Wholesale Property Fund, two direct property mandates and two property syndicates.

DEXUS Wholesale Property Fund

DEXUS Wholesale Property Fund (DWPF) is an open ended unlisted property fund with total gross assets of $2.9 billion at 30 June 2009 (2008: $3.2 billion). DWPF has a high quality portfolio with approximately 82% of the portfolio comprising premium office buildings and regional retail centres.

There are 63 institutional wholesale investors in DWPF with the top 10 unitholders representing approximately 57% of the register.

DWPF's development pipeline is currently estimated at approximately $635 million over the next five years, which will improve the portfolio quality and diversity and enable enhanced returns through the creation of higher quality properties without acquisition costs.

Direct mandates

Our two direct mandates comprise approximately $2.6 billion or 38 direct properties as at 30 June 2009, (2008: $3.0 billion). These mandates are managed by DEXUS on behalf of SAS Trustee Corporation and AXA Group.

DEXUS property syndicates

The Group manages two unlisted property syndicates valued at $160 million as at 30 June 2009 (2008: $180 million). The syndicates are closed ended fixed term funds and have over 800 unitholders.

Gordon Property Syndicate

This syndicate which matures in 2010, owns one retail complex, comprising the Gordon Centre and the Gordon Village Arcade, located in Gordon NSW. At 30 June 2009, total assets of the syndicate were approximately $80.4 million (2008: $87.6 million).

Northgate Property Syndicate

This syndicate owns the Northgate Shopping Centre at Glenorchy in Hobart, TAS. The syndicate matured in August 2009 and the property has been sold for $70.1 million, representing a total return to investors of approximately 18% per annum over its 12 year life.

Gateway, 1 Macquarie Place, Sydney, NSW

CEO AND CHAIRMAN STATEMENT

At DEXUS, we strive to be a market leader in corporate responsibility and sustainability ("CR&S") and employ a holistic approach to identify and address the governance, environmental, social and economic aspects of our operations. We are committed to ensuring that CR&S is a constant and visible consideration in all aspects of our business by embedding it into our culture and strategy.

We are pleased to report that the 2008/09 financial year has seen further progress in our CR&S programs. Despite challenging market conditions, we have continued our ongoing commitment to improving the performance of our existing portfolio and delivering sustainable developments. In these uncertain economic times, we believe it is even more critical to ensure we are actively positioning our portfolio for the future, integrating sustainability as part of maintaining the quality of our properties.

Property operations

The office sector offers the greatest opportunities for improving resource efficiency and reducing carbon emissions. This is primarily as a result of higher tenant expectations for sustainable buildings, established benchmarking tools like NABERS Energy and the easier comparability of office buildings. As the largest owner and manager of office properties in Australia we feel it is appropriate that we concentrate our efforts here. In the year to March 2009, we are pleased to report that we reduced our energy consumption by 6%, water consumption by 13% and greenhouse gas emissions by 5% in the office sector.

Thanks to a long-term focus on risk management, a prudent development approach and proactive leasing efforts, our two major office developments have continued on track with substantial tenant pre-commitments secured with major Australian companies who share our vision to deliver the next generation of sustainable office space.

In Sydney, 1 Bligh Street is due to be completed in May 2011 and 123 Albert Street in Brisbane is due for completion in December 2010. Both developments offer world-class sustainable design features and significant tenant amenity.

During the year we also sought to expand our sustainability efforts in retail and we have made real progress in this area with reductions in energy consumption of 21%, water consumption by 31% and greenhouse gas emissions by 23%.

In our industrial portfolios, where much of the operational control lies with our tenants, we have continued to focus on initiatives where we can influence or control sustainability performance such as water efficient landscape management.

Our dedication to sustainability is part of our commitment to maintaining and growing the underlying value of our portfolio, and to continue to be a leader in the property sector.

Benchmarking our performance

We continued to benchmark our CR&S performance and during the year took part in our fourth Carbon Disclosure Project, responded to the Dow Jones Sustainability Index and maintained our listing in the Australia SAM Sustainability Index and the FTSE4Good Index.

In January 2009, we were named in the fifth annual "Global 100 Most Sustainable Corporations" list, announced at the Davos World Economic Forum in Switzerland.

At the time of writing this report we had also achieved further recognition for our efforts with inclusion into the Dow Jones Sustainability World Index (DJSI World) – in September 2009. DJSI World rates the performance of companies globally on economic, environmental and social criteria.

A holistic approach

We continue to align our CR&S programs to efficiently manage our statutory and voluntary reporting obligations aligned with the expectations of key stakeholders, including the community and investors.

During the year we completed a resource consumption database and collated over two years of consumption data for over 100 properties, including all properties within our operational control.

We have implemented a more tailored approach to consider the strategic positioning of every property under our operational control from an economic, environmental and social performance perspective.

As part of our commitment to continually improving the quality and transparency of our reporting, this year we have expanded our CR&S Report to include a section on governance and enhanced the financial information. This further aligns our report with the Global Reporting Initiative, which we are reporting against for the third year. Each section of the report highlights our management approach and provides detail on our achievements over the past year.

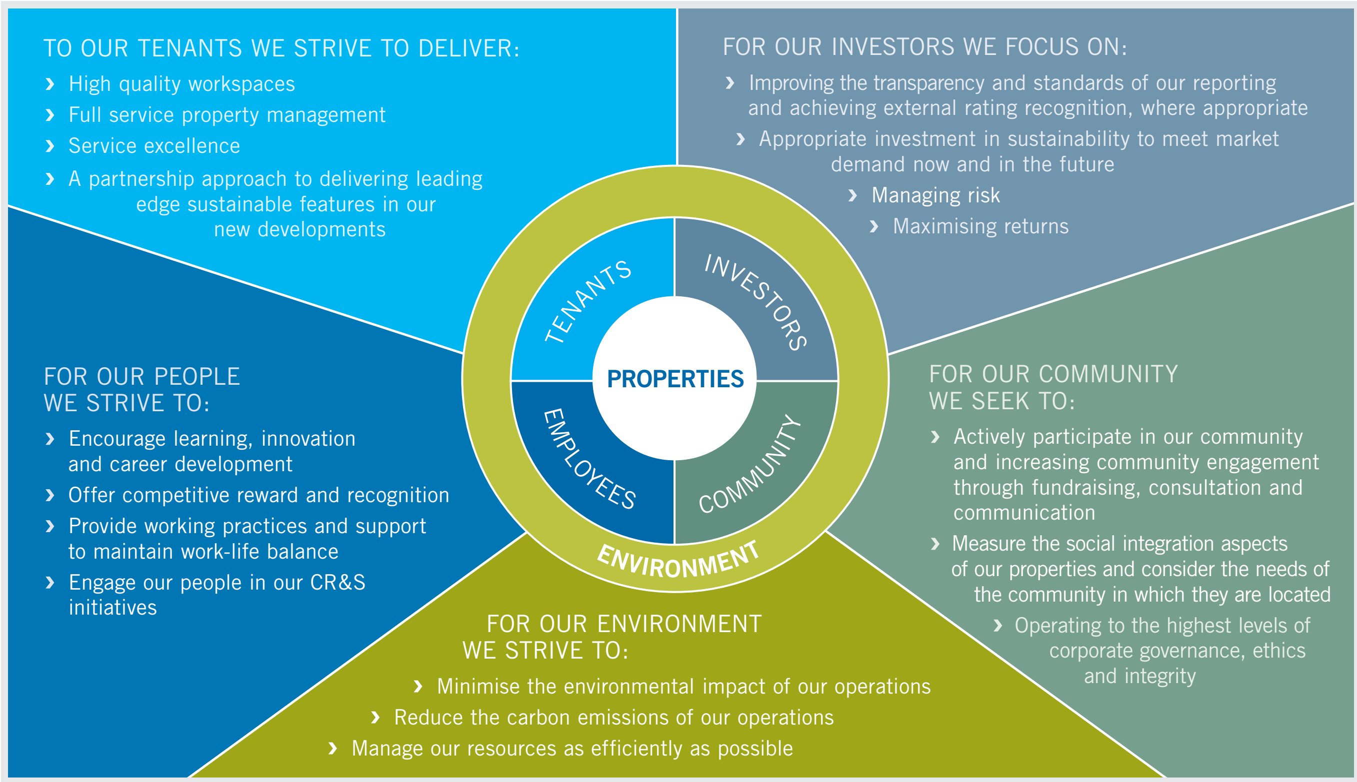
This year we have sought external verification of our 2009 CR&S Report for the first time with a view to undertaking full external assurance next year.

Social – our people and our communities

We successfully launched our first employee volunteering program and we exceeded our 2007/08 contributions to registered charities and not for profit community groups (financial and in-kind) by 61% to $540,000 – primarily as a result of our new volunteering activity and the increased property space provided free of charge to community groups.

Pages 20 to 23 are an extract from the 2009 CR&S Report, which will be released in October 2009 and will be available on our website www.dexus.com

CR&S is integrated into our business model



In December 2008, we completed our third annual employee opinion survey, achieving improved results which we also benchmarked for the first time against Australian and global corporate performance standards.

Looking forward

While we expect the next year will continue to be challenging for the property sector and economy as a whole, DEXUS is well positioned to maintain our position as one of Australia's largest property groups and a market leader in office and industrial.

Our commitment to sustainability is a long-term strategy, and one we believe at DEXUS sets us apart from our peers.

We continue to apply both active portfolio management and prudent capital management strategies to maximise value for our stakeholders and minimise the environmental impact of our operations.

We continue to seek ways to improve our relationship with our community and to instil within our people the importance of operating with the highest levels of ethics, integrity and social responsibility.

We firmly believe that our commitment to corporate responsibility and sustainability will increase the value of our portfolio and position us to meet future tenant and market demands ahead of our peers.

We look forward to reporting back to you on our progress in next year's CR&S Report. For any queries or feedback on our CR&S activities, please email us at crs@dexus.com

Christopher T Beare
Chair

Victor P Hoog Antink
Chief Executive Officer

CR&S

OUR KEY ACHIEVEMENTS

GOVERNANCE

- Strengthened our commitment to CR&S by instituting Board oversight with the Board Risk Committee overseeing all aspects of CR&S (effective August 2009)
- Developed an internal audit function accountable to the Board Risk Committee
- Implemented a Continuous Disclosure Committee comprising executive managers

CORPORATE REPORTING

- Maintained our commitment to voluntary reporting and performance benchmarking:
  - responding to the Carbon Disclosure Project for the fourth year
  - maintaining our listing in the FTSE4Good Index
  - submitting our first application to the Dow Jones Sustainability Index (inclusion in the DJSI World Index achieved in September 2009)
- Recognised at the World Economic Forum in Davos as one of the Global 100 most sustainable companies

ENVIRONMENT

- Completed NABERS Energy and Water ratings for the office portfolio
- Achieved significant efficiency gains in our office and retail sectors

	Office	Retail
Energy	↓6%	↓21%
Water	↓13%	↓31%
GHG	↓5%	↓23%

- Established a comprehensive resource consumption database for all properties
- Continued our sustainable developments at 1 Bligh Street, Sydney and 123 Albert Street, Brisbane

SOCIAL

OUR PEOPLE

- Benchmarked our Employee Opinion Survey results against Australian and global benchmark standards
- Completed 360 Degree Reviews for all managers
- Developed a DEXUS leadership program for managers in conjunction with the Australian School of Business (AGSM)

OUR COMMUNITY

- Launched a new employee volunteering program, so that each employee can take one day's additional leave to participate in volunteering activity aligned with DEXUS's business strategy and values
- Increased the measurability of our community engagement programs by rolling out new reporting methods to more effectively track all financial and in-kind contributions to charities and not for profit community groups
- Exceeded our 2007/08 contributions to registered charities and not for profit community groups (financial and in-kind) by 61% to $540,000

View from Governor Phillip & Macquarie Tower Complex
1 Farrer Place, Sydney, NSW

CR&S
OUR PEOPLE

Members of the DEXUS team at Australia Square, Sydney, NSW

DEXUS GROUP

L to R: Patricia Daniels – Head of Human Resources, John Easy – General Counsel, Tanya Cox – Chief Operating Officer, Mark Turner – Head of Funds Management, Craig Mitchell – Chief Financial Officer, Victor Hoog Antink – Chief Executive Officer, Louise Martin – Head of Office, Andrew Whiteside – Head of Industrial, Jane Lloyd – Head of Retail, Paul Say – Head of Corporate Development

DEXUS is one of Australia's leading diversified property groups specialising in world-class office, industrial and retail properties with total assets under management of $13.5 billion in Australia, New Zealand, North America and Europe. In Australia, DEXUS is the largest owner, manager of office, the third largest in industrial and a leading manager and developer of shopping centres.

The Group has two areas of operation:

- Our A$7.9 billion[1] direct property portfolio – DEXUS Property Group, one of the largest listed Australian REITs, which owns, manages and develops high quality office and industrial properties in Australia and select international markets
- Our A$5.6 billion third party property funds management business manages and develops Australian office, industrial and retail properties on behalf of third party investors. This includes DEXUS Wholesale Property Fund, two blue-chip private client mandates and two property syndicates, which collectively make up one of the largest third party property funds management businesses in Australia

DEXUS is committed to being a market leader in Corporate Responsibility and Sustainability and was recently recognised as one of the "Global 100 Most Sustainable Corporations" at the World Economic Forum in Davos, Switzerland.

For further information visit www.dexus.com

1 Includes cash and other assets.

BOARD OF DIRECTORS

Christopher T Beare

BSc, BE (Hons), MBA, PhD, FAICD

Chair and Independent Director Age 59

Chris Beare is both the Chair and an Independent Director of DEXUS Funds Management Limited (appointed 4 August 2004). He is also a member of the Board Nomination and Remuneration Committee and the Board Finance Committee.

Chris has significant experience in international business, technology, strategy, finance and management.

Elizabeth A Alexander AM

BComm, FCA, FAICD, CPA

Independent Director Age 66

Elizabeth Alexander is an Independent Director of DEXUS Funds Management Limited (appointed 1 January 2005), a member of the Board Audit and Board Risk Committees and a Director of DEXUS Wholesale Property Limited.

Elizabeth brings to the Board extensive experience in accounting, finance, corporate governance and risk management and was formerly a partner with PricewaterhouseCoopers.

Barry R Brownjohn

BComm

Independent Director Age 58

Barry Brownjohn is an Independent Director of DEXUS Funds Management Limited (appointed 1 January 2005) and is Chair of the Board Audit and Board Risk Committees and a member of the Board Finance Committee.

Barry has over 20 years experience in Australia, Asia and North America in international banking.

John C Conde AO

BSc, BE (Hons), MBA

Independent Director Age 61

John Conde is an Independent Director of DEXUS Funds Management Limited (appointed 29 April 2009), is the Chair of the Board Nomination and Remuneration Committee and a member of the Board Compliance Committee.

John brings to the Board extensive experience across diverse sectors including commerce, industry and government.

Stewart F Ewen OAM

Independent Director Age 60

Stewart Ewen is an Independent Director of DEXUS Funds Management Limited (appointed 4 August 2004) and a member of the Board Nomination and Remuneration Committee.

Stewart has extensive property sector experience and started his property career with the Hooker Corporation in 1966.

Victor P Hoog Antink

BComm, MBA, FCA, FAPI, FRICS, MAICD

Chief Executive Officer and Executive Director Age 56

Victor Hoog Antink is CEO and an Executive Director of DEXUS Funds Management Limited (appointed 1 October 2004).

Victor has over 25 years of experience in property and finance.

Brian E Scullin

BEc

Independent Director Age 58

Brian Scullin is an Independent Director of DEXUS Funds Management Limited (appointed 1 January 2005), Chair of the Board Compliance Committee and Chair of DEXUS Wholesale Property Limited.

Brian brings to the Board extensive domestic and international funds management knowledge as well as finance, corporate governance and risk management experience.

Peter B St George

CA(SA), MBA

Independent Director Age 63

Peter St George is an Independent Director of DEXUS Funds Management Limited (appointed 29 April 2009), is Chair of the Board Finance Committee and is a member of the Board Audit and Board Risk Committees.

Peter has more than 20 years experience in senior corporate advisory and finance roles within NatWest Markets and Hill Samuel & Co in London.

A summary of Directors attendance at Board meetings, Board Committee meetings and Security Holder meetings are set out in the table below. Specific details of each Directors attendance at each Board or Committee meeting is outlined in the Director's Report that accompanies the Financial Statements dated 30 June 2009 contained in the Annual Report.

Board Meetings

Directors	Board meetings held	Board meetings attended[2]	Board Committee Held	Board Committee[4] Attended	Security Holder General Meetings Held[5]	Security Holder General Meetings Attended
Christopher T Beare	18	17	13	13	2	2
Elizabeth A Alexander AM	18	18	17	17	2	2
Barry R Brownjohn	18	16	15	14	2	1
John C Conde AO[1]	2	2	2	2	–	–
Stewart F Ewen OAM	18	17	9	9	2	2
Victor P Hoog Antink	18	18	–	–	2	2
Charles B Leitner III[3]	17	17	–	–	2	2
Brian E Scullin	18	18	22	22	2	2
Peter B St George[1]	2	2	3	3	–	–

1 Appointed 29 April 2009.

2 Indicates where a Director attended either personally or an Alternate was in attendance.

3 Based in New York, USA and resigned 29 April 2009.

4 Board committees are the Board Audit Committee, Board Risk Committee, Board Compliance Committee, Board Nomination and Remuneration Committee, Board Finance Committee.

5 General meeting were the Annual General Meeting on 29 October 2008 and the Special General Meeting on 6 February 2009. Mr Brownjohn was unable to attend the special general meeting.

Non-Executive Director board and committee fees

Board and Committee fees paid to Non-Executive Directors for the years ended 30 June 2008 and 30 June 2009 are set out in the table below.

Name		Board Directors' fees $	Committee fees $	Total fees $
Christopher T Beare	**2009**	**300,000**	**–**	**300,000**
	2008	300,000	–	300,000
Elizabeth A Alexander[1]	**2009**	**130,000**	**42,500**	**172,500**
	2008	130,000	43,750	173,750
Barry R Brownjohn[2]	**2009**	**130,000**	**30,000**	**160,000**
	2008	130,000	30,000	160,000
John C Conde[3]	**2009**	**22,652**	**2,500**	**25,152**
	2008	–	–	–
Stewart F Ewen	**2009**	**130,000**	**7,500**	**137,500**
	2008	130,000	7,500	137,500
Charles B Leitner III[4]	**2009**	**–**	**–**	**–**
	2008	–	–	–
Brian E Scullin	**2009**	**130,000**	**65,000**	**195,000**
	2008	130,000	68,750	198,750
Peter B St George[5]	**2009**	**22,652**	**3,750**	**26,402**
	2008	–	–	–
Total	**2009**	**865,304**	**151,250**	**1,016,554**
	2008	820,000	150,000	970,000

1 Elizabeth A Alexander ceased to be a member of the Board Compliance Committee and a member of the Board Finance Committee on 30 April 2009.

2 Barry R Brownjohn ceased to be the chair of the Board Finance Committee on 30 April 2009 and became chair of the Board Compliance Committee on 1 May 2009.

3 John C Conde became a Non-Executive Director on 29 April 2009. He was appointed to the Board Compliance Committee and the Board Nomination and Remuneration Committee on 1 May 2009.

4 As an employee of the Deutsche Bank group, Mr Leitner waived his right to receive Director's fees. Accordingly, Mr Leitner's Alternate Director, Mr Fay did not receive Director's fees when acting as his alternate. Mr Leitner ceased to be a Non-Executive Director on 29 April 2009. Accordingly, Mr Fay ceased to be Mr Leitner's Alternate Director on 29 April 2009.

5 Peter B St George became a Non-Executive Director on 29 April 2009. He was appointed to the Board Audit and Risk Committee and the Board Finance Committee on 1 May 2009.

Remuneration of key management personnel

Details of the structure and quantum of each component of remuneration for DEXUS Executives for the years ended 30 June 2008 and 30 June 2009 are set out in the Remuneration Report section of the Director's Report that accompanies the Financial Statements dated 30 June 2009. The following tables are a summary of that information, and include details of the five highest paid Directors or Executives.

Name		Short-term employee benefits		Other long-term benefits			Total
		Cash salary and fees Pension and super benefits $	Short-term performance payments $	Long-term performance payment allocations[6] $	Movement in prior year long-term performance payment allocation values[7] $	Other benefits $	$
Victor P Hoog Antink	**2009**	**1,300,000**	**785,000**	**915,000**	**(416,600)**	**–**	**2,583,400**
	2008	1,200,000	900,000	900,000	(106,947)	–	2,893,053
Tanya L Cox	**2009**	**400,000**	**150,000**	**150,000**	**(80,773)**	**–**	**619,227**
	2008	350,000	200,000	175,000	(16,495)	–	708,505
Patricia A Daniels[1]	**2009**	**261,334**	**90,000**	**90,000**	**(24,250)**	**–**	**417,084**
	2008	108,941	60,000	100,000	–	–	268,941
John C Easy	**2009**	**375,000**	**163,000**	**162,000**	**(57,688)**	**–**	**642,312**
	2008	335,000	150,000	120,000	(13,250)	–	591,750
Ben J Lehmann[2]	**2009**	**–**	**–**	**–**	**–**	**–**	**–**
	2008	356,191	–	–	–	1,105,000[8]	1,461,191
Jane Lloyd[3]	**2009**	**375,000**	**113,000**	**112,000**	**–**	**–**	**600,000**
	2008	–	–	–	–	–	–
Louise J Martin[4]	**2009**	**500,000**	**175,000**	**175,000**	**(60,625)**	**–**	**789,375**
	2008	117,857	225,000	250,000	–	–	592,857
Craig D Mitchell	**2009**	**550,000**	**325,000**	**325,000**	**(60,625)**	**–**	**1,139,375**
	2008	316,667	250,000	250,000	–	162,592	979,259
Paul G Say	**2009**	**500,000**	**200,000**	**200,000**	**(60,625)**	**–**	**839,375**
	2008	480,000	225,000	250,000	–	–	955,000
Mark F Turner	**2009**	**450,000**	**135,000**	**135,000**	**(103,635)**	**–**	**616,365**
	2008	420,000	200,000	200,000	(22,669)	–	797,331
Andrew P Whiteside[5]	**2009**	**475,000**	**135,000**	**135,000**	**(24,250)**	**–**	**720,750**
	2008	64,510	200,000	100,000	–	–	364,510
Total	**2009**	**5,186,334**	**2,271,000**	**2,399,000**	**(889,071)**	**–**	**8,967,263**
	2008	3,749,166	2,410,000	2,345,000	(159,362)	1,267,592	9,612,396

1 Patricia A Daniels qualified as a KMP on 14 January 2008. Actual remuneration received is for a four day week.
2 Ben J Lehmann ceased to qualify as a KMP on 27 March 2008.
3 Jane Lloyd qualified as a KMP on 14 July 2008.
4 Louise J Martin qualified as a KMP on 27 March 2008.
5 Andrew P Whiteside qualified as a KMP on 28 April 2008.
6 This is the LTPP allocation for the current year which is deferred for three years as described on pages 16 to 17 in the DEXUS Property Group 2009 Annual Report.
7 This is the notional change in value of all unvested LTPP allocations from prior year.
8 Termination payment.

ADDITIONAL INFORMATION

Top 20 security holders as at 25 August 2009

Rank	Name	Current balance	% of issued capital
1	HSBC Custody Nominees (Australia) Limited	1,348,664,333	28.69
2	National Nominees Limited	764,009,308	16.25
3	J P Morgan Nominees Australia Limited	701,581,886	14.92
4	Citicorp Nominees Pty Limited	357,688,834	7.61
5	Cogent Nominees Pty Limited	149,477,113	3.18
6	Citicorp Nominees Pty Limited	105,477,329	2.24
7	RBC Dexia Investor Services Australia Nominees Pty Limited	96,724,196	2.06
8	AMP Life Limited	92,033,983	1.96
9	ANZ Nominees Limited	89,682,142	1.91
10	Queensland Investment Corporation	58,591,729	1.25
11	Cogent Nominees Pty Limited	49,400,670	1.05
12	Questor Financial Services Limited	29,945,435	0.64
13	Citicorp Nominees Pty Limited	29,795,469	0.63
14	Bond Street Custodians Limited	28,989,398	0.62
15	HSBC Custody Nominees (Australia) Limited – A/C 3	28,966,182	0.62
16	UBS Nominees Pty Ltd	26,815,245	0.57
17	Bond Street Custodians Limited	25,118,455	0.53
18	Citicorp Nominees Pty Limited	17,381,769	0.37
19	Australian Reward Investment Alliance	15,571,470	0.33
20	RBC Dexia Investor Services Australia Nominees Pty Ltd	15,491,202	0.33
	Total top 20	**4,031,406,148**	**85.76**
	Other	669,435,518	14.24
	Total securities	**4,700,841,666**	**100.00**

Substantial holders as at 9 September 2009

The names of substantial holders who, at 9 September 2009, have notified the Responsible Entity in accordance with Section 671B of the *Corporations Act 2001* are:

Date	Name	Number of stapled securities	% voting
22 Jun 09	Vangard Investments Australia Ltd	235,372,669	5.01
21 Aug 09	Commonwealth Bank of Australia	365,689,410	7.78
24 Dec 08	ING and related entities	300,730,999	8.72
06 Oct 08	Barclays Global Investors and related entities	211,785,846	7.20

INVESTOR RELATIONS

DEXUS Property Group is listed on the Australian Securities Exchange (ASX). The ASX code is DXS. Security holders will need to use the services of a stockbroker or online broking facility to invest in DEXUS Property Group securities.

The stapled security is included in the top 100 listed entities in Australia in terms of market capitalisation and currently forms part of the following indices:

- All Ordinaries
- All Industrials
- The S&P/ASX100
- DJSI World Index
- FTSE4Good Index

Website

Information relating to the DEXUS Property Group can be found at www.dexus.com

The website contains information on our property portfolio and corporate information. The site also provides access to your investment details and other Group information including:

- ASX announcements
- Periodic reports
- Presentations
- Distributions
- Tax information
- Corporate responsibility and sustainability
- Corporate governance
- Research

Distribution policy and payments

The DEXUS Property Group's distribution policy is to distribute 70% of Funds From Operations.

Distributions are paid for the six months to December and June each year. Security holders will receive their distribution by direct credit into a nominated bank account or can elect to receive additional DEXUS securities via the distribution reinvestment plan (DRP). If you wish to change your method of payment or your DRP participation, you should contact the DEXUS Infoline on 1800 819 675.

Distribution reinvestment plan

DEXUS Property Group has a distribution reinvestment plan available to Australian and New Zealand security holders. The amount to be reinvested will be applied to acquire stapled securities in DEXUS Property Group. Where the amount to be realised does not equal a whole multiple of the issue price, the residual amount will be carried forward and added to the next reinvestment amount.

For further information on the DRP please go to our website at www.dexus.com/Investor-Centre/DXS/Investor-Information/Distributions.aspx

Unclaimed funds

If you believe you have unpresented or unclaimed distributions, please contact the DEXUS Infoline on 1800 819 675. For monies outstanding more than seven years, you should contact the NSW Office of State Revenue on 1300 366 016 or go to their website at www.osr.nsw.gov.au and use their search facility for unclaimed monies.

Tax file number

You are not required by law to provide your tax file number, Australian Business Number (ABN) or Exemption. However if you do not provide your TFN, ABN or Exemption, withholding tax at the highest marginal rate, currently 46.5%, may be deducted from your distributions. If you have not supplied this information and wish to do so, please contact the DEXUS Infoline on 1800 819 675 or your sponsoring broker.

Annual tax statement

Following each financial year security holders will receive a tax statement. This statement summarises the distributions paid to you during the year and includes information required to complete your tax return.

Distribution history and timetable

DEXUS Property Group provides historical distribution information on our website at www.dexus.com/Investor-Centre/DXS/Investor-Information/Distributions.

Below is the anticipated 2009/10 distribution timetable. These dates are indicate and are subject to change without prior notice.

Distribution period end	Announcement date	Ex-distribution date	Record date	Payment date
31 December 2009	18 December 2009	23 December 2009	31 December 2009	26 February 2010
30 June 2010	21 June 2010	24 June 2010	30 June 2010	27 August 2010

Non-resident tax information

Estimates that make up the DEXUS Property Group's distributions are published on our website in the Investor Centre at www.dexus.com/dxs/tax

These estimates are updated for each distribution period prior to the distribution payment and are for non-resident security holders and custodians of non-resident security holders.

Apportionment percentages

Apportionment percentages for DEXUS Property Group stapled securities since stapling can be found on our website at www.dexus.com/dxs/tax or by contacting the DEXUS Infoline on 1800 819 675.

Capital gains taxation cost base information

Capital gains tax information is available on our website at www.dexus.com/dxs/tax

Complaints handling

Any security holder wishing to lodge a complaint should do so in writing and forward it to DEXUS Funds Management Limited at the address shown in the Directory.

DEXUS Funds Management Limited is a member of Financial Ombudsman Service (FOS), an independent dispute resolution scheme which may be contacted at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Phone: 1300 780 808
Fax: +61 3 9613 6399
Email: info@fos.org.au
Website: www.fos.org.au

KEY DATES

2009 Annual Report released	30 September 2009
2009 CR&S Report released	23 October 2009
Annual General Meeting	26 October 2009
Half year results announcement	17 February 2010
Half year distribution payment	26 February 2010
Full year results announcement	18 August 2010
Full year distribution payment	27 August 2010

DIRECTORY

DEXUS Diversified Trust
ARSN 089 324 541

DEXUS Industrial Trust
ARSN 090 879 137

DEXUS Office Trust
ARSN 090 768 531

DEXUS Operations Trust
ARSN 110 521 223

Responsible Entity

DEXUS Funds Management Limited
ABN 24 060 920 783

Registered office of Responsible Entity

Level 9, 343 George Street
Sydney NSW 2000
PO Box R1822
Royal Exchange
Sydney NSW 1225
Phone: +61 2 9017 1100
Fax: +61 2 9017 1101
Email: ir@dexus.com
Website: www.dexus.com

Directors of the Responsible Entity

Christopher T Beare, Chair
Elizabeth A Alexander AM
Barry R Brownjohn
John C Conde AO
Stewart F Ewen OAM
Victor P Hoog Antink
Brian E Scullin
Peter B St George

Secretaries of the Responsible Entity

Tanya L Cox
John C Easy

Auditors

PricewaterhouseCoopers
Chartered Accountants
201 Sussex Street
Sydney NSW 2000

Investor enquiries

Infoline: 1800 819 675
or +61 2 8280 7126
Investor Relations: +61 2 9017 1330
Email: ir@dexus.com
Website: www.dexus.com

Security registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Locked Bag A14
Sydney South NSW 1235
Registry Infoline: 1800 819 675
or +61 2 8280 7126
Fax: +61 2 9287 0303
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Monday to Friday between 8.30am and 5.30pm (Sydney time).

For enquiries regarding your holding you can either contact the Security Registry, or access your holding details via the Investor Centre on our website www.dexus.com and look for the Login box.

Australian Stock Exchange

ASX Code: DXS

ECO BLEACHING PROCESS
EMS ENVIRONMENTAL MANAGEMENT SYSTEMS
FOREST MANAGEMENT
ISO CERTIFICATION

FSC
Mixed Sources
Product group from well-managed forests and other controlled sources
www.fsc.org Cert no. SGS-COC-003898

Consistent with DEXUS's commitment to sustainability, this report is printed on an FSC Mixed Sources Certified paper, which ensures that all virgin pulp is derived from well-managed forests and controlled sources. It contains elemental chlorine free (ECF) bleached pulp and is manufactured by an ISO 14001 certified mill. The mill operates a three step, waste water and recycling treatment system. These steps involve chemical treatment; micro-organism treatment; and penton treatment. The mill utilises steam for energy sourced from its own cogeneration plant and has recently concluded a Voluntary Agreement for energy conservation. The printer of this report has Forest Stewardship Council (FSC), Chain of Custody Certification.

www.dexus.com