

# DEXUS Property Group - ASX release

25 January 2011

## DEXUS Property Group (ASX: DXS) US portfolio update

DEXUS Property Group today announced the acquisition of two properties in Los Angeles for US\$40.7 million and the divestment of US\$47.3 million of properties in non-core markets, with a further US\$13.6 million under contract for sale. These transactions are in line with DEXUS's strategy and US repositioning program.

DEXUS has acquired a 25,800 square metre (277,564sf) industrial property in La Mirada, Los Angeles for US\$26.3 million. The property was acquired on an initial passing yield of 9.0%, is leased to a single tenant and has a remaining lease term of five years. The property, located in the strategic mid-counties industrial market, has three acres of surplus land and low site coverage which allows for possible future development. DEXUS has also acquired a 14,600 square metre (157,329sf) multi-tenanted property located in the highly sought after City of Industry sub-market which has an average remaining lease term of two years. The acquisition price of US\$14.4 million reflects a passing yield of 7.1%.

In addition, DEXUS has recently sold five properties totalling US\$47.3 million. These properties reflect a passing yield of 0.9% and a 10% premium to the June 2010 book value. A further two properties with an initial passing yield of 3.5% are currently under contract for sale for US\$13.6 million. The sale price of these properties represents a 24% premium to June 2010 book value, which is consistent with our view that a 2011 repositioning program would capture the rebound in US asset values from their lows of 2009/2010.

Victor Hoog Antink, DEXUS Chief Executive Officer, said: "We are pleased with the progress of our US repositioning program to date. Following the establishment of our US office and local DEXUS expertise in June 2010, we are on track to achieve our FY11 target of selling US\$100m of properties in non-core markets and our long term objective of focusing our US investment in key West Coast markets, to deliver enhanced value and growth."

Details of the properties sold are as follows:

Property	Metro	Sale Price (\$US)
Atlantic Corporate Park	Northern Virginia	22.6
3368-3372 Turfway Road	Cincinnati	3.5
6350 & 6360 Brackbill Boulevard	Harrisburg	12.0
1999 Westbelt Drive	Columbus	5.2
Interchange North 1	San Antonio	4.0
<b>Total</b>		<b>\$47.3</b>

For further information contact:

### Media Relations

Emma Parry  
T: (02) 9017 1133  
M: 0421 000 329  
E: [emma.parry@dexus.com](mailto:emma.parry@dexus.com)

### Investor Relations

Daniel Rubinstein  
T: (02) 9017 1336  
M: 0466 016 725  
E: [daniel.rubinstein@dexus.com](mailto:daniel.rubinstein@dexus.com)

Shona Harvey  
T: (02) 9017 1435  
M: 0468 988 420  
E: [shona.harvey@dexus.com](mailto:shona.harvey@dexus.com)

Alex Gray  
T: (02) 9017 1343  
M: 0466 136 436  
E: [alex.gray@dexus.com](mailto:alex.gray@dexus.com)

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## About DEXUS

DEXUS is one of Australia's leading property groups specialising in owning, managing and developing superior quality office, industrial and retail properties, with total assets under management of \$13.3 billion. In Australia, DEXUS is the number 1 owner/manager of office, number 2 in industrial and, on behalf of third party clients, a leading manager and developer of shopping centres.

DEXUS is committed to being a market leader in Corporate Responsibility and Sustainability and has been recognised for the second year running as one of the Global 100 Most Sustainable Corporations at the World Economic Forum in Davos. [www.dexus.com](http://www.dexus.com)

DEXUS Funds Management Ltd ABN 24 060 920 783, AFSL 238163, as Responsible Entity for DEXUS Property Group (ASX: DXS)

