

DEXUS Property Group (ASX: DXS)

ASX release

3 October 2012

Settlement of the joint venture transaction with the National Pension Service of Korea

DEXUS Property Group today announced the settlement of the new joint venture transaction with the National Pension Service of Korea (NPS), who was advised by real estate investment manager Heitman.

The initial portfolio, valued at \$360 million, includes 50% ownership of 13 industrial properties at three DEXUS industrial estates; Quarry in Greystanes, NSW, Laverton Industrial Estate, VIC and the Target facility Altona, VIC (refer Appendix 1).

DEXUS Property Group CEO Darren Steinberg said, "This joint venture is the start of a long-term capital partnership with one of the world's largest pension funds and is consistent with our objective of developing strategic partnerships with like-minded investors."

The NPS partnership has the potential to more than double over a five year period, with NPS having the exclusive option to partner in 50% of the future development pipeline at the Quarry and Laverton at the prevailing market value.

Capital partners seek expertise in the areas of governance, capability and track record and DEXUS has demonstrated its abilities in all of these areas, with the NPS partnership leveraging our strong track record in industrial asset and development management."

In addition to securing a capital partner for future development at these estates, the partnership provides an enhanced return on equity for DXS investors through fee income at the property and partnership level and further diversifies our capital sources.

The partnership also demonstrates our commitment to the Australian industrial sector and is a key milestone in achieving our strategic objective of being a wholesale partner of choice.

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About DEXUS

DEXUS's vision is to be globally recognised as the leading real estate company in Australia, with market leadership in office, and has \$13 billion of assets under management. DEXUS invests in high quality Australian office and industrial properties and, on behalf of third party clients, is a leading manager and developer of industrial properties and shopping centres in key markets. The Group's stock market trading code is DXS and more than 18,000 investors from 15 countries invest in the Group. At DEXUS we pride ourselves on the quality of our properties and people, delivering world-class, sustainable workspaces and service excellence to our tenants and delivering enhanced returns to our investors. DEXUS is committed to being a market leader in Corporate Responsibility and Sustainability. www.dexus.com

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

Appendix 1: NPS joint venture properties

Location/facility	A\$m
Quarry at Greystanes, Sydney NSW	
Solaris	25.25
Symbion	32.10
Fujitsu	40.00
UPS	7.80
Brady ¹	10.20
DEXUS Industrial Estate, Laverton VIC	
Fastline	15.90
Toll	11.20
Visy	19.00
Wrightson Seeds	7.00
Fosters	36.00
Best Bar	11.75
Coles ²	100.00
Target Distribution Centre, Altona VIC	32.47
Total Joint Venture pre completion of Brady facility	348.67
Brady costs to complete ¹	10.80
Total Joint Venture post completion of Brady facility	359.47

1. The Brady facility is currently under construction. Following settlement of the JV with NPS, the remaining development costs will be funded jointly by NPS and DEXUS

2. DEXUS previously owned 50% of this property. NPS has acquired the balance 50% from the third party owner and now jointly owns the property with DEXUS. All other properties were 100% owned by DEXUS prior to the formation of the NPS joint venture