

DEXUS Property Group (ASX:DXS)

ASX release

2 April 2013

Sale of remaining US industrial property

DEXUS Property Group (DEXUS) today announced that it has entered into an unconditional agreement to sell its remaining US industrial property located at 3550 Tyburn Street & 3332-3424 North San Fernando Road, Los Angeles (known as "Glendale").

The property was sold for US\$56.2 million, in-line with the 31 December 2012 book value and representing an initial yield of 6.7%.

DEXUS CEO, Darren Steinberg said: "We are extremely pleased with this result. Our ability to execute our strategy of realising fair-value for the property and being able to deliver on our objective of exiting the US ahead of schedule to concentrate on the Australian market, is an excellent outcome."

Glendale was excluded from the sale of the US west coast portfolio in December 2012 due to environmental issues ensuring that it did not materially reduce the value of the core portfolio to potential investors. Since the December 2012 portfolio sale, the property was marketed to qualified buyers, receiving strong interest from a number of parties.

Glendale comprises seven industrial facilities located in close proximity to a major arterial freeway in Los Angeles and is 100% occupied.

The sale has no material impact on earnings and reduces DXS's offshore exposure to 0.5%. The sale proceeds will be used to repay the short-dated US 144A debt associated with the property (as outlined in the Market Briefing ASX announcement released on 20 December 2012).

Settlement is expected to occur on 17 April 2013.

The wind down of the US office is proceeding as planned with closure expected later this month.

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About DEXUS Property Group

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 owns high quality Australian office and industrial properties and has an established successful third party funds management business that invests in office, industrial and retail properties. 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)