

DEXUS Property Group (ASX: DXS)

ASX release

21 October 2014

2014 Investor Day presentation

DEXUS Property Group (DEXUS) provides the presentation and tour booklet that will be presented today at its inaugural Investor Day event.

A webcast of the presentation will commence at 10.00am and will be available from www.dexus.com

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About DEXUS

DEXUS Property Group is one of Australia's leading real estate groups, investing directly in high quality Australian office and industrial properties. With \$18 billion of assets under management, the Group also actively manages office, industrial and retail properties located in key Australian markets on behalf of third party capital partners. The Group manages an office portfolio of 1.7 million square metres predominantly focused across Sydney, Melbourne, Brisbane and Perth and is the largest owner of office buildings in the Sydney CBD, Australia's largest office market. DEXUS is a Top 50 entity by market capitalisation listed on the Australian Securities Exchange under the stock market trading code 'DXS' and is supported by more than 32,000 investors from 20 countries. With nearly 30 years of expertise in property investment, development and asset management, the Group has a proven track record in capital and risk management, providing service excellence to tenants and delivering superior risk-adjusted returns for its investors. www.dexus.com

Download the DEXUS IR app to your preferred mobile device to gain instant access to the latest stock price, ASX Announcements, presentations, reports, webcasts and more.



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

DEXUS PROPERTY GROUP 2014 INVESTOR DAY

OCTOBER 2014



DEXUS PROPERTY GROUP INVESTOR DAY

21 OCTOBER 2014

AGENDA	
9.45am for 10.00am start	Meet at Level 25, Australia Square 264 George Street, Sydney
10.00am – 11.30am	DEXUS presentation – Session 1
11.30am – 11.45am	Q&A panel and morning tea break
11.45am – 1.15pm	DEXUS presentation – Session 2
1.15pm – 2.00pm	Q&A panel and lunch break
2.00pm – 5.00pm	DEXUS Property Tours <ul style="list-style-type: none">▪ Sydney Office Tour<ul style="list-style-type: none">- 225 George Street- 1 Farrer Place- 60 Castlereagh Street- 5 Martin Place- 175 Pitt Street▪ Sydney Industrial Tour<ul style="list-style-type: none">- Quarry at Greystanes- Quarrywest, Greystanes- 154 O’Riordan Street, Mascot- 5-15 Rosebery Avenue, Rosebery- 25-55 Rothschild Avenue, Rosebery



COVER: Sydney CBD, NSW.

All data as at 30 September 2014 unless otherwise stated.



147

PROPERTIES

>4,000

TENANTS

4.2m sqm

TOTAL NLA

DEXUS PROPERTY GROUP

2014 INVESTOR DAY - 21 OCTOBER 2014
LEVERAGING OUR CAPABILITIES



DEXUS Funds Management Limited
ABN 24 060 920 783
AFSL 238163 as responsible entity for DEXUS Property Group

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RUN OF THE DAY

SESSION 1		SPEAKERS
10.00am	Overview	Darren Steinberg, Craig Mitchell
	Quarterly update	Kevin George, Andy Collins, Amanda Kenny, Mark Cuddy
10.30am	Q&A panel	
10.45am	Development	Andrew Whiteside, Amanda Kenny, Richard Garing, Liann Lim
	Trading	Andrew Whiteside, Brenton McEwan, James Mah-Chut
11.15am	Q&A panel and morning tea	
SESSION 2		
11.40am	DEXUS Research	Ross Du Vernet, Peter Studley, Amanda Kenny
	Transactions	Ross Du Vernet, Ross Lees
	Third Party Funds Management	Craig Mitchell
	Retail	Stewart Hutcheon
	Property Services	Deborah Coakley, Linda Smith, Paul Wall
	People and Culture	Deborah Coakley
1.00pm	Q&A panel	
SESSION 3		
2.00-5.00pm	Office and Industrial property tours	

OVERVIEW – Focus on delivery of strategy



OVERVIEW – Earnings composition

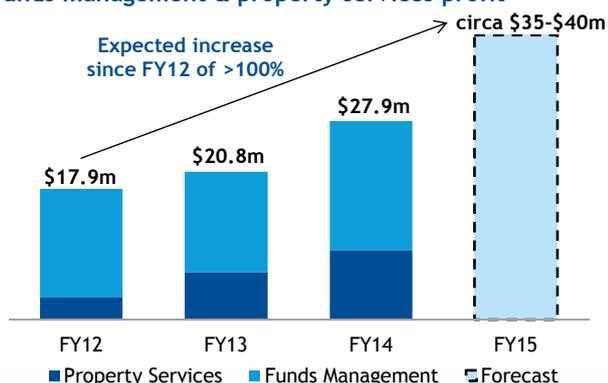
	PROPERTY PORTFOLIO	FUNDS MANAGEMENT & PROPERTY SERVICES	TRADING
FY15 DRIVERS	Maximising performance from the DEXUS property portfolio	Driving performance and generating revenue from funds management and property services	Delivering trading profits from identified properties
FY15 FORECAST	Target positive like for like income growth	\$35-40 million	approx. \$40 million
EARNINGS TARGET	80-90%	10-20%	

OVERVIEW – Earnings composition in detail

FUNDS MANAGEMENT & PROPERTY SERVICES

- Funds Management & Property Services revenues have increased from additional capital partners and expanded business
- Property services revenue to increase from growth in retail business and developments combined with leasing fees

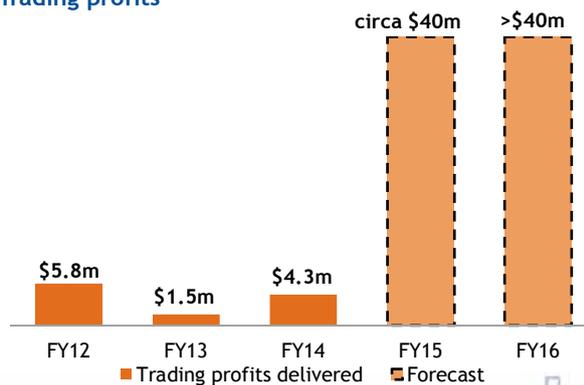
Funds management & property services profit



TRADING

- Since 2010, DEXUS has had a trading strategy and included trading profits in FFO
- Established confidence in capability across the Group to increase annual trading profit target from \$4-5m to circa \$20m going forward

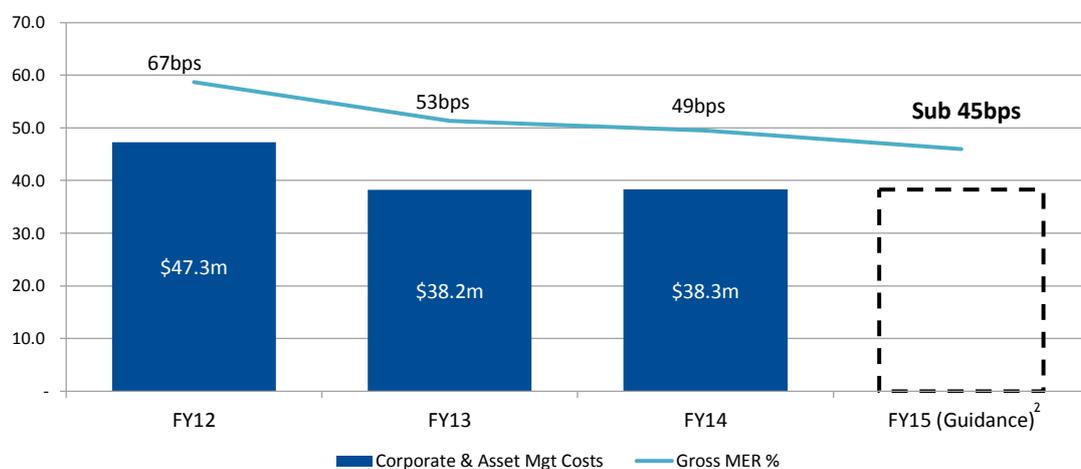
Trading profits



OVERVIEW – Management Expense Ratio (MER) is on positive downward trend

- MER¹ is benefitting from
 - Increased scalability of the business
 - Containment in Corporate & Asset Management costs

MER¹ vs Corporate & Asset Management costs

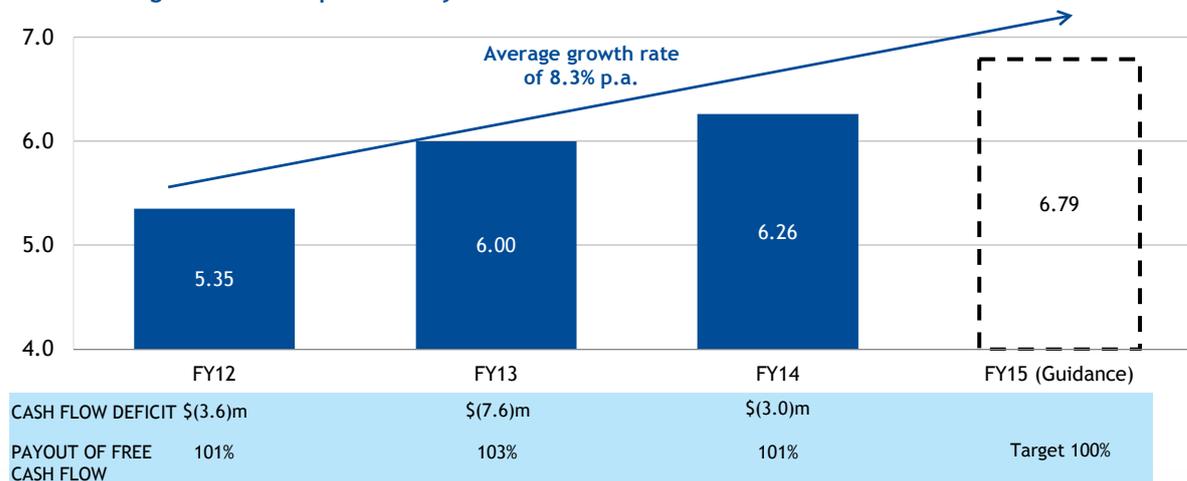


1. MER is calculated as Corporate and Asset management costs divided by DEXUS listed funds under management.
2. Assumption that Corporate & Asset Management costs will remain approximately in line with FY14.

OVERVIEW – Distribution growth

- FY14 distribution per security grew by 4.3%
- FY15 distribution per security guidance of 6.79 cents represents growth of 8.5%
- Strong platform with levers for future distribution growth
- Distribution payout: target 100% of free cash flow

Distribution growth - cents per security



OVERVIEW – Capital management achievement

Secured US\$250m long-dated US Private Placement (USPP)

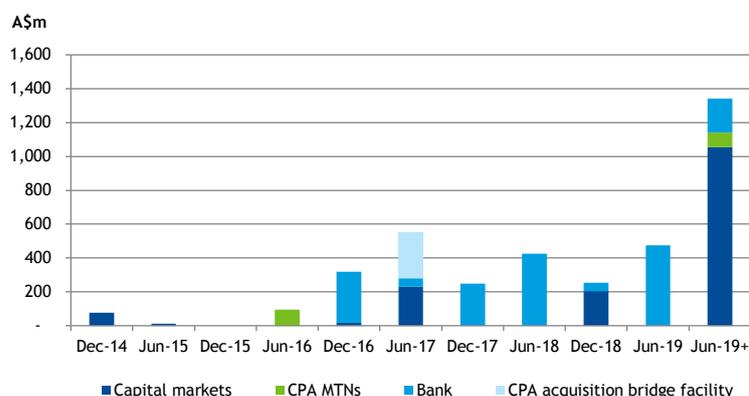
Average duration of
11.6 years

Average margin of
135bps

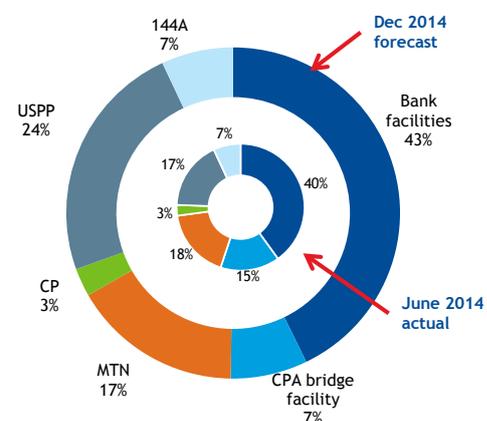
Duration of debt¹
increases to
5.8 years

Supports credit
ratings
upgrade

Debt maturity profile²



Diversified mix of debt facilities



1. 31 December 2014 forecast.
2. Pro-forma USPP secured in September 2014.

QUARTERLY UPDATE – TO 30 SEPTEMBER 2014



L to R: 30 The Bond, Hickson Road, Sydney, 1 Bligh Street, Sydney, NSW and Woodside Plaza, St Georges Terrace, Perth, WA

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QUARTERLY UPDATE – Continued momentum in office leasing enquiry

72
Leasing transactions

48,087 sqm
Leased¹ in total

95.1%
Occupancy²
(June 2014: 94.6%)

4.7 years
WALE²
(June 2014: 4.7yrs)

61%
Tenant retention
(June 2014: 61%)

15.9%
Avg incentive
(June 2014: 18.6%³)

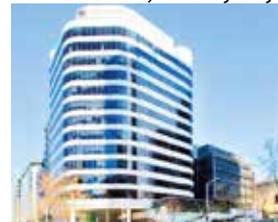
Key office leasing achievements in quarter

14 Lee Street, Sydney



State Govt of NSW
13,662sqm

60 Miller Street, North Sydney



NDY Management
1,938sqm

The Zenith, Chatswood



State Govt of NSW
2,121sqm

10 Eagle Street, Brisbane



Talisman Australasia
1,822sqm

1. At 100%, including Heads of Agreement (HoA) of 31,450sqm.
2. By income.
3. Excluding CPA portfolio.

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QUARTERLY UPDATE – Activity across CPA properties

- CPA properties have been managed by DEXUS since April 2014
- All properties successfully transitioned
- Further repositioning opportunities identified

385 Bourke Street, Melbourne



Active leasing enquiry across circa 10,000sqm of space
Delivered \$35m redevelopment on time and within budget

QV Building, Melbourne



Occupancy ↑ to 100% from 96.9% at April 2014

56 Pitt Street, Sydney



Occupancy ↑ to 91.9% from 85.7% at April 2014

175 Pitt Street, Sydney



Introduced new café operator to lobby

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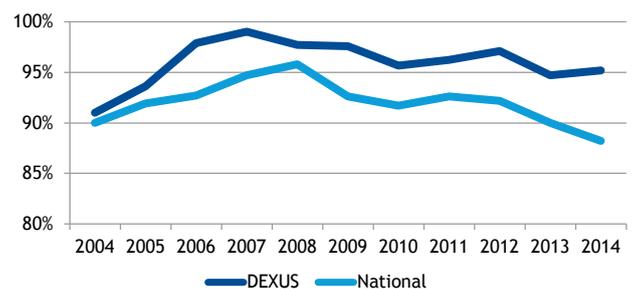
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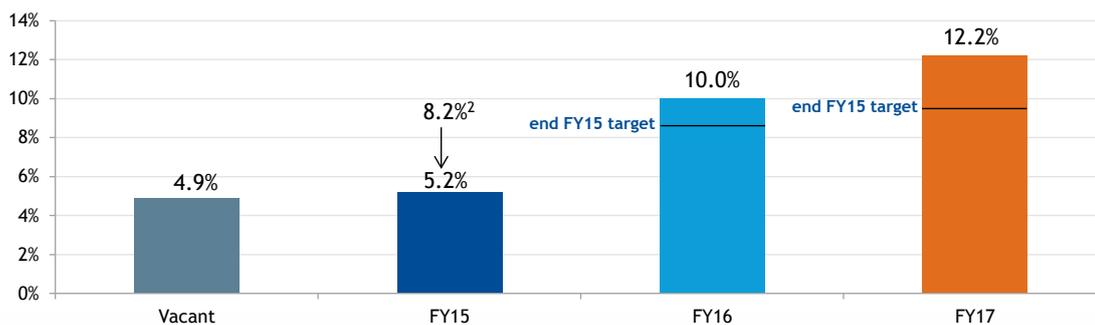
QUARTERLY UPDATE – Managing office occupancy and expiry risk

- Maintained office occupancy¹ rates well above national average and 90% since 2004 reflective of quality portfolio
- No more than 12.2%¹ of the Group's existing office leases expire in any single fiscal period for the next three financial years
- High proportion of fixed rent reviews
- No single tenant represents >4.3% of income

Historical outperformance vs. National office occupancy rates³



DEXUS Office portfolio lease expiry¹



1. By income.
2. At 30 June 2014.
3. Source: DEXUS Research and Jones Lang LaSalle.
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QUARTERLY UPDATE – Case study: Demonstrating leasing capability

CASE STUDY - 1 Farrer Place, Sydney

DEXUS APPROACH

- Faced with State Government vacating 20,000sqm at Governor Macquarie Tower in December 2014 and major tenant expiries in Governor Phillip Tower
- Leveraged strong tenant relationships to target potential tenants and secure existing tenants
- Undertaking property refresh focusing on ground floor amenity

OUTCOMES SO FAR

- Mitigated 64% of leasing risk over past nine months
- Governor Macquarie Tower - secured a long term lease across circa 9,500sqm with Minter Ellison
- Governor Phillip Tower - renewed long term leases with two existing tenants across circa 15,500sqm
- Increased WALE from 3.3 years at September 2013 to 5.4 years at September 2014



QUARTERLY UPDATE – Concentrated activity across DEXUS Industrial portfolio

20

Leasing transactions

51,209 sqm

Leased¹ in total

91.8%

Occupancy²
(June 2014: 93.0%)

53%

Tenant retention
(June 2014: 41%)

3.9 years

WALE²
(June 2014: 4.0 years)

9.1%

Average incentive
(June 2014: 11.0%)

Key industrial leasing achievements

Axxess Corporate Park, Mount Waverley

DEXUS Industrial Estate, Laverton North



15 new tenants 9,447sqm



Linpac Packaging 11,886sqm

15-23 Whicker Road, Gillman



Bevchain 22,924sqm

1. At 100%, including HoA of 13,936sqm.
2. By income.

QUARTERLY UPDATE – Key messages

- Momentum in office leasing enquiry continuing for quality product
- Concentrated focus on reducing incentives and securing effective deals
- De-risking of forward office lease expiries on track
- Industrial demand focused on facilities aligned to key transport corridors



10 Eagle Street and 12 Creek Street, Brisbane QLD

Q&A – Panel session



DEVELOPMENT



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DEVELOPMENT – Contribution to DEXUS’s earnings

	PROPERTY PORTFOLIO	FUNDS MANAGEMENT & PROPERTY SERVICES	TRADING
FY15 DRIVERS	Maximising performance from the DEXUS property portfolio	Driving performance and generating revenue from funds management and property services	Delivering trading profits from identified properties
DEVELOPMENT CONTRIBUTION	<ul style="list-style-type: none"> ↑ NTA ↑ Net Operating Income ↑ Quality of portfolio 	<ul style="list-style-type: none"> Generate development management fees ↑ AUM 	<ul style="list-style-type: none"> Packaging properties for trading profits
DEVELOPMENT PARAMETERS	<p>Up to 15% of DEXUS portfolio allocated to development/trading/value-add</p>		

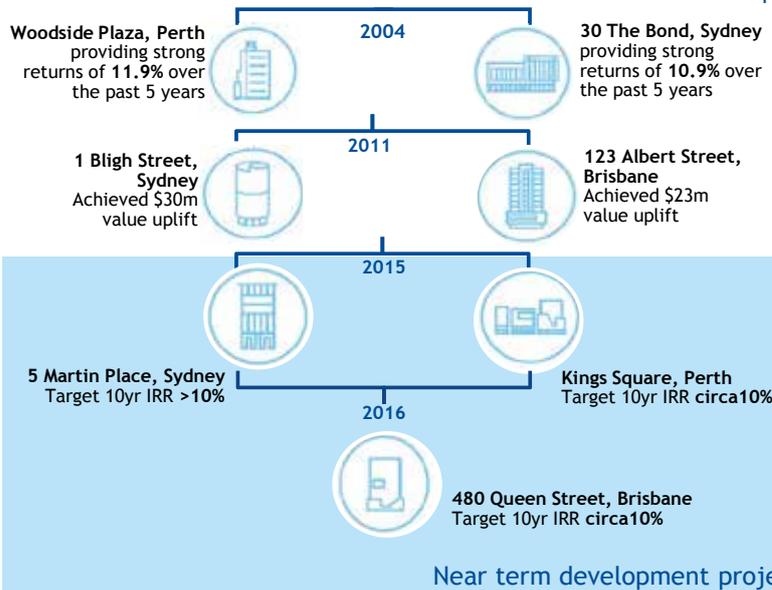
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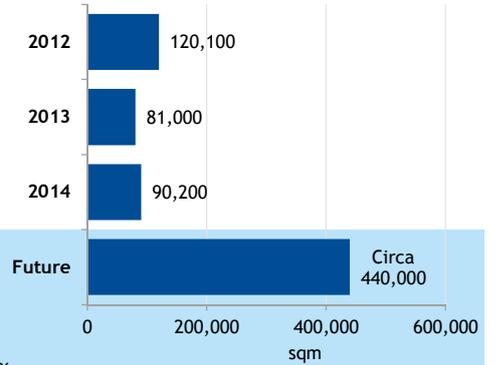


DEVELOPMENT – Enhancing portfolio quality and returns

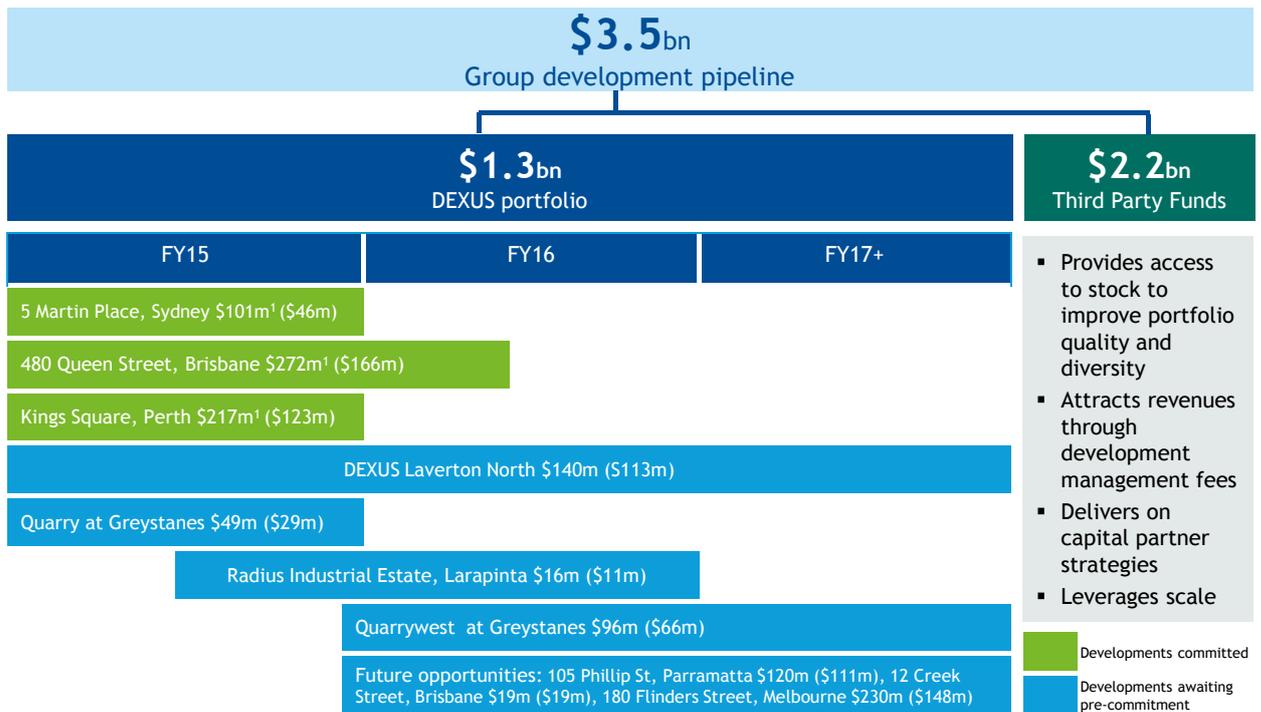
Delivered core office product with attractive metrics



A leading developer of quality industrial product in core markets



DEVELOPMENT – DEXUS development pipeline

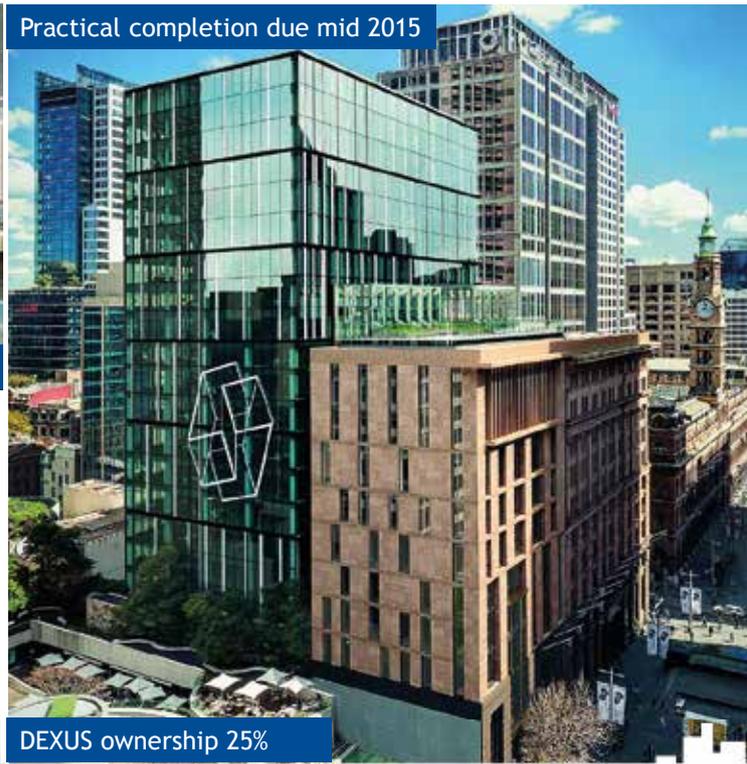


Note: Development pipeline shows total estimated project cost and (est. cost to complete).
 1. DEXUS interest in development costs.

DEVELOPMENT – 5 Martin Place, Sydney



Target 10yr IRR >10%



Practical completion due mid 2015

DEXUS ownership 25%

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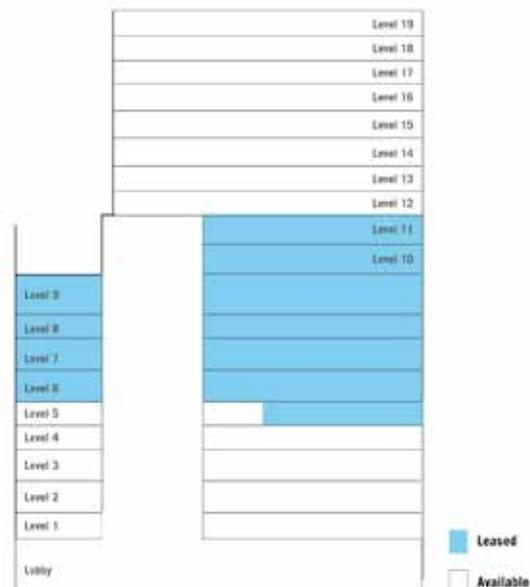
DEVELOPMENT – 5 Martin Place, Sydney

DEXUS APPROACH

- Acquired a 50% interest¹ in April 2014 as part of CPA transaction
- Continuing an existing relationship with Cbus Property, previously established through 1 Bligh Street, to reposition the leasing and marketing approach
- Targeted marketing for larger tenants seeking campus-style office accommodation
- Leveraging strong relationships and Group's scale in office

OUTCOMES

- Refreshed the leasing marketing strategy with stronger articulation of the property's benefits
- Led a redesign of retail to drive higher value
- Strong momentum with potential tenants



1. DEXUS and DEXUS Office Partner 50/50 interest.

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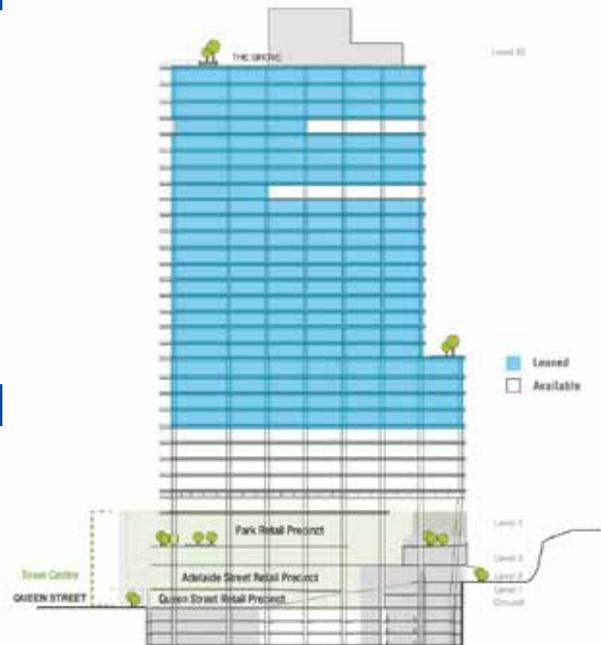
DEVELOPMENT – 480 Queen Street, Brisbane

DEXUS APPROACH

- Acquired in April 2013 as a fund-through development¹ on good pricing metrics
- Accessed quality product in a market with limited new premium offerings in the medium term
- Building a high calibre tenancy profile that will underpin the long term investment value
- Satisfying the demand of key corporations looking to reposition their business through workplace solutions

OUTCOMES

- Secured pre-commitments across circa 40,000sqm including PricewaterhouseCoopers, Allens, HWL Ebsworth
- Increased total space pre-committed² to 76% at September 2014 from 38% since acquisition



1. Grocon has provided DEXUS and DWPF (50%/50% ownership) with a two-year income guarantee on any remaining vacancies at practical completion.
2. Includes Heads of Agreement.

DEVELOPMENT – 480 Queen Street, Brisbane

Practical completion due early 2016



Target 10yr IRR circa 10%

76%¹ of space pre-committed



DEXUS ownership 50%



1. Includes Heads of Agreement.

DEVELOPMENT – Kings Square, Perth



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DEVELOPMENT – Kings Square, Perth



DEXUS APPROACH

- Acquired KS1, KS2, KS3 in May 2013 as a fund-through development
- De-risked the development through a five year income guarantee¹, which aligns with improving mid-term market outlook
- Delivering affordable space in emerging urban renewal and re-development supported by new infrastructure
- Gaining a firm understanding of requirements of potential tenants, with leasing strategies in place

OUTCOMES

- Works circa 50% complete, with 55% of office space pre-committed
- Secured additional space for Shell across circa 5,500sqm, KS2 now 100% leased
- Secured HoA for 59% of retail space



1. Leighton Holdings has provided DEXUS and DWPF (50%/50% ownership) with a five year income guarantee on any remaining vacancies at practical completion.

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DEVELOPMENT – Quarry and Quarrywest at Greystanes



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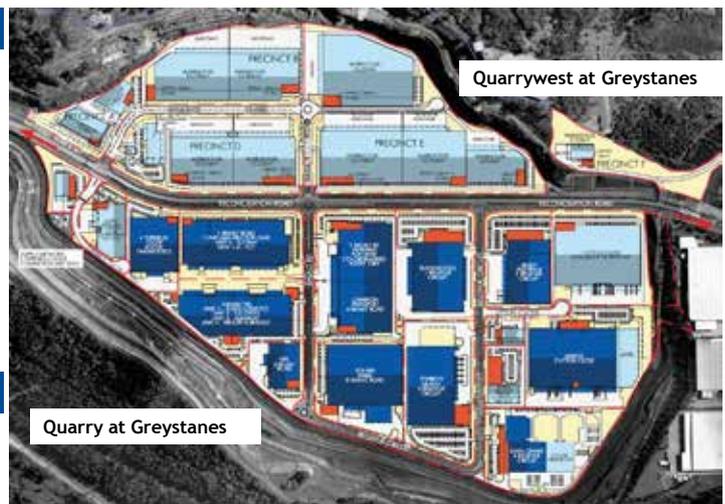
DEVELOPMENT – Quarry and Quarrywest at Greystanes

DEXUS APPROACH

- Acquired Quarry at Greystanes in 2007
- Patient and disciplined approach enabled DEXUS to act quickly to access Quarrywest at Greystanes - adjoining parcel of land
- Acquired Quarrywest off-market in June 2014 to seed a new partnership with the Future Fund and providing opportunity for 129,400sqm of prime development

OUTCOMES

- The creation of a premium industrial estate providing 319,000sqm of industrial facilities
- Secured high calibre tenants including Brady Australia, Fujitsu, Cameron Transport, Blackwoods, Roche Diagnostics
- Site preparation underway at Quarrywest, construction commencing Q2 2015



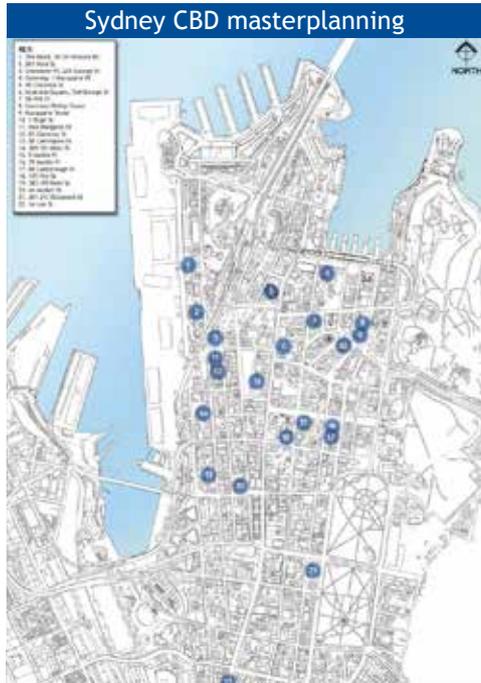
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DEVELOPMENT – Strategic masterplanning across O&I portfolio

- DEXUS develops dynamic asset plans to respond to evolving precincts



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DEVELOPMENT – City Retail

DEXUS APPROACH

- Identifying refurbishment opportunities
- Improving tenant amenity/access to services
- Increasing investment value
- Optimising lettable space



GATEWAY AND GROSVENOR PLACE, CIRCULAR QUAY, SYDNEY - CASE STUDY



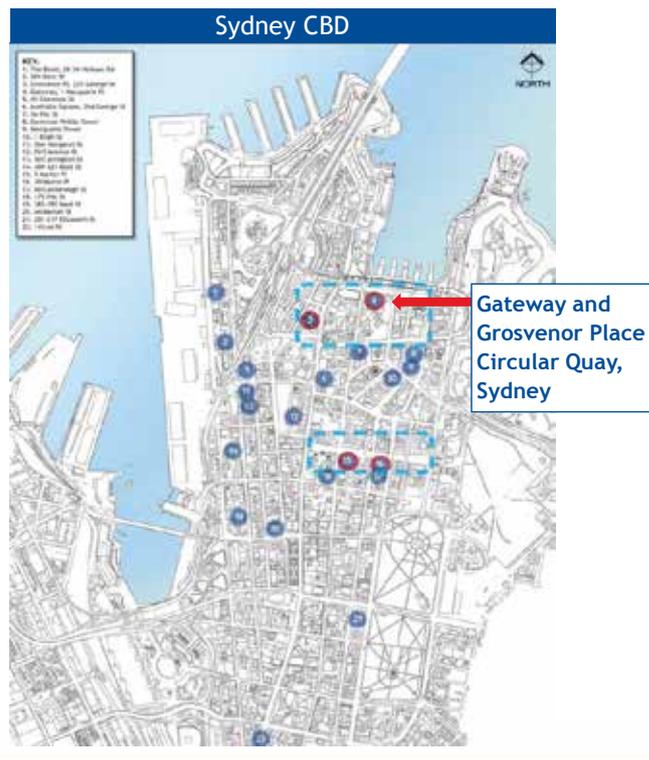
- City Retail is involved with development projects at various stages of development and operations
 - Major redevelopments cradle to grave delivery - from conceptual design to construction phases
 - Operational aspects - tenancy presentation and fit-out guidelines
 - Leveraging capabilities of City Retail leasing team

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DEVELOPMENT – Sydney CBD city retail precinct masterplanning



DEVELOPMENT – Gateway retail development: Alfred Street



DEVELOPMENT – Gateway retail development: food court



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DEVELOPMENT – Gateway retail development: Jesse Street gardens



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DEVELOPMENT – Gateway retail development: Loftus Street entry

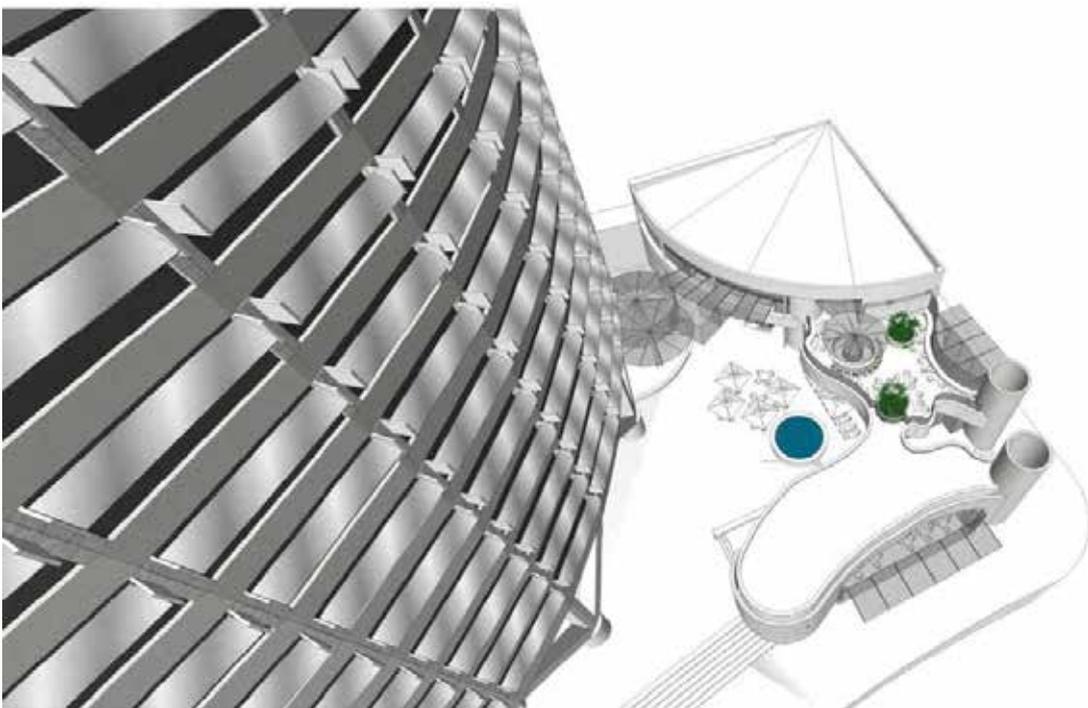


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DEVELOPMENT – Grosvenor Place: fly-through video



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DEVELOPMENT – Key messages

- An integrated function across the Group platform designed to improve portfolio quality and enhance investment returns
- An established development pipeline across the DEXUS portfolio that is substantially de-risked
- A diverse team with broad capability with development expertise to add value at each level of the development process



Kings Square, Wellington Street, Perth WA

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TRADING



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TRADING – Types of trading opportunities

- ‘Trading’ is the activity of developing/repositioning assets with a view to selling for profit

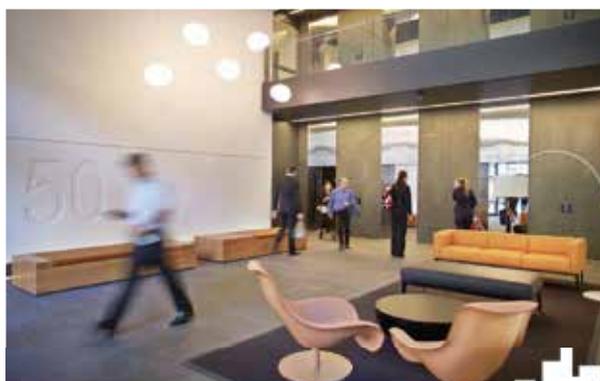
TYPE OF TRADING OPPORTUNITY	Repositioning/ value-add	Development	Change of use (resi/mixed-use/retail)
KEY ELEMENTS	Acquire, reposition, sell	Acquire, develop, sell	Transfer to trading package/develop and sell
PROPERTIES SOLD OR EXCHANGED	<ul style="list-style-type: none"> 50 Carrington Street, Sydney 40 Market Street, Melbourne 57 -101 Balham Road, Archerfield 	<ul style="list-style-type: none"> 163-183 Viking Drive, Wacol 30 Distribution Drive, Laverton North 94-106 Lenore Drive, Erskine Park 	<ul style="list-style-type: none"> 154 O’Riordan Street, Mascot 5-13 Rosebery Avenue and 25-55 Rothschild Avenue, Rosebery
			Includes residential

TRADING – Case study: Repositioning/value-add - 50 Carrington Street, Sydney

DEXUS APPROACH	Key metrics	Acquisition	Divestment
<ul style="list-style-type: none"> Packaging the value-add <ul style="list-style-type: none"> Identifying the opportunity Market and feasibility analysis Qualifying the opportunity - risk vs reward Setting the trading strategy Creating the leasing and marketing strategy Realisation of value 	Date	November 2012	Exchanged July 2014
	Price	\$58.5m	\$88.0m
	Price per sqm	\$5,180	\$7,793
	NABERS Energy rating	3.0 stars	4.5 stars
	Occupancy	61%	100%
	WALE	2.2 years	4.1 years
	IRR	11.2%	13.2%
	Trading profit		Delivered \$12.0m

OUTCOMES

- Achieved 100% occupancy on divestment
- Improved WALE
- Exchanged for sale in July 2013 for \$88m
- Deliver trading profit of \$12m in FY15



TRADING – Building entrepreneurial mindset and DNA across the Group

- 50 Carrington played an integral part in growing the entrepreneurial mindset across the Group
 - Established foundations and capabilities in leasing, development, asset management and transactions
 - The tasks involved in Trading are an extension of DEXUS’s core capabilities
 - Adopted an entrepreneurial approach through the packaging of capabilities to match the opportunity, repositioning the property to enhance value
- Since completion, the entrepreneurial thinking has extended beyond the trading function of the business exemplified by the Australia Square on-floor refurbishments
 - A number of other buildings within the DEXUS and Third Party Funds portfolios have adopted similar refurbishment scopes and strategies



Australia Square, 264 George Street, Sydney NSW

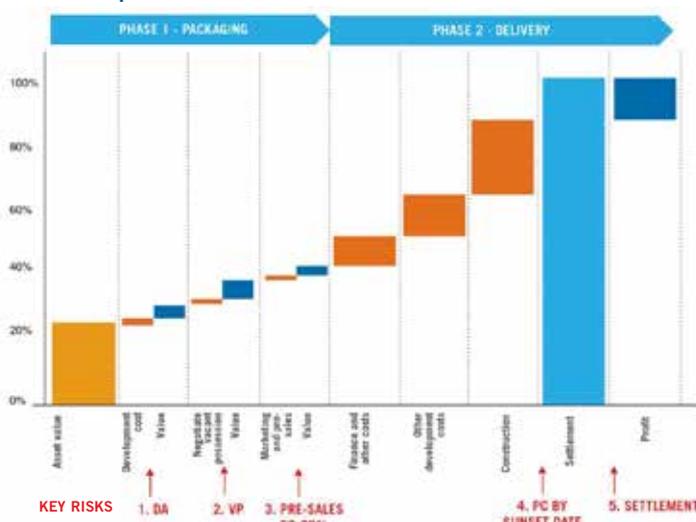


Australia Square, 264 George Street, Sydney NSW - fitted suite

TRADING – Change of use and residential approach

- DEXUS has developed a residential capability to focus on change of use
- Residential approach adopts a disciplined, conservative methodology to mitigate development risks
- Expect to deliver low risk, high value projects initially with a JV partner
- Complete packaging activities early to create value, then wait to take advantage of the market cycles

Residential phases



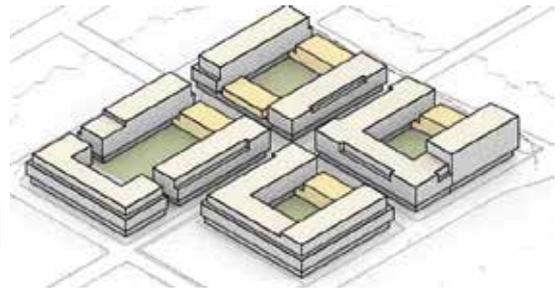
Thresholds for project launch

- DA consent
- Negotiate vacant possession
- Negotiate D&C contract
- Credit approved finance
- JV agreement

TRADING – Case study: Change of use - Rosebery NSW¹

DEXUS APPROACH

- DEXUS conducted packaging activities
 - Transfer to trading trust (DXO)
 - Negotiations with Council
 - DEXUS negotiated improved floor space ratio and heights controls
 - Completed preliminary feasibility using Architect, Town Planner and Quantity Surveyor
 - Commenced JV discussions
- High value, low risk development
 - Strong and established residential market
 - DA risk minimal & vacant possession risk acceptable



OUTCOMES

- Properties to deliver trading profit with limited risk and requiring no capital

1. 5-13 Rosebery Avenue and 25-55 Rothschild Avenue, Rosebery.

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TRADING – Preliminary concept scheme: 32 Flinders Street, Melbourne



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TRADING – Preliminary concept scheme: 32 Flinders Street, Melbourne

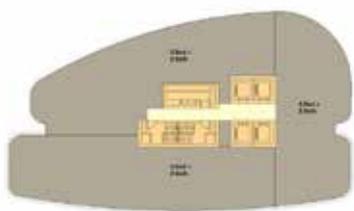
- Proposing two buildings
 - Tower
 - Low rise
- 549 apartments
- 56 levels



Indicative delivery program

Year	1	2	3	4	5
Planning approval					
Project launch and presales					
Construction					
Settlement period					

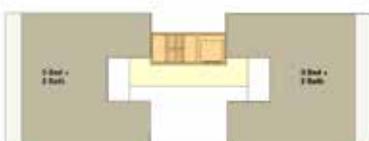
TRADING – Preliminary concept scheme: 32 Flinders Street, Melbourne



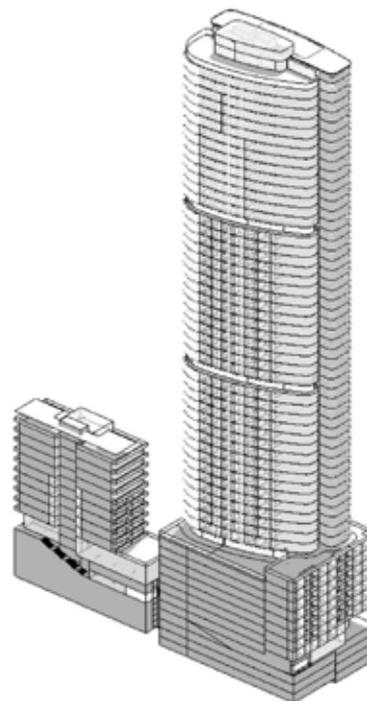
Tower sky-rise



Tower mid-rise



Flinders Lane low-rise



TRADING – Key messages

- Contracted FY15 and FY16 trading profits
- Future trading opportunities to consist of
 - Identified properties in existing portfolio (four identified near-term)
 - New acquisitions specifically for trading
- Likely to undertake a residential development in the next few years initially with a JV partner, subject to market conditions
- Current priorities include securing FY17 trading profits and progressing high priority opportunities

94-106 Lenore Drive, Erskine Park NSW



163-183 Viking Drive, Wacol QLD



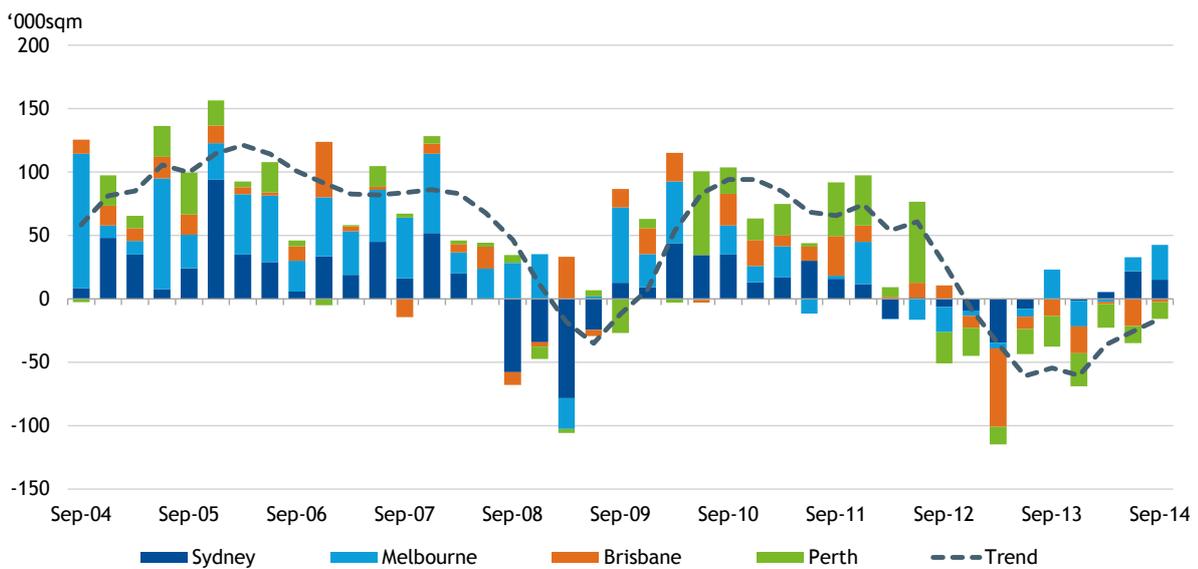
Q&A - Morning tea





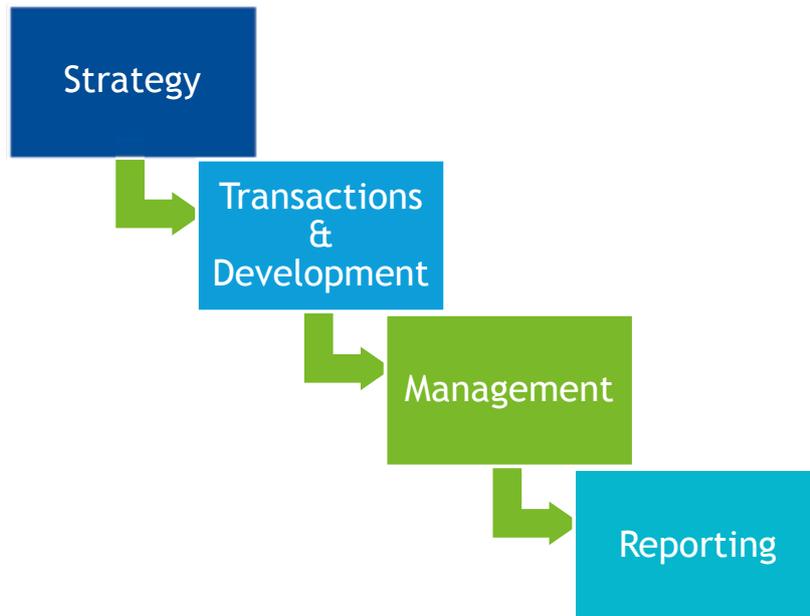
DEXUS RESEARCH – Office indicators point to improving demand

Net absorption by market



Source: JLL Research.

DEXUS RESEARCH – Role of research



DEXUS RESEARCH – Involvement in a transaction: Radius Drive, Larapinta, QLD



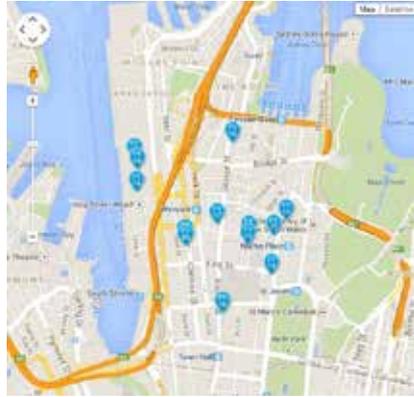
DEXUS RESEARCH – Case study: Transformation of the Sydney CBD market

- Research tracks infrastructure projects and amenity, developments, withdrawals and lease expiries to identify target areas for investment and inform leasing strategy

Infrastructure projects



New developments



Stock withdrawals



Source: Google Earth.

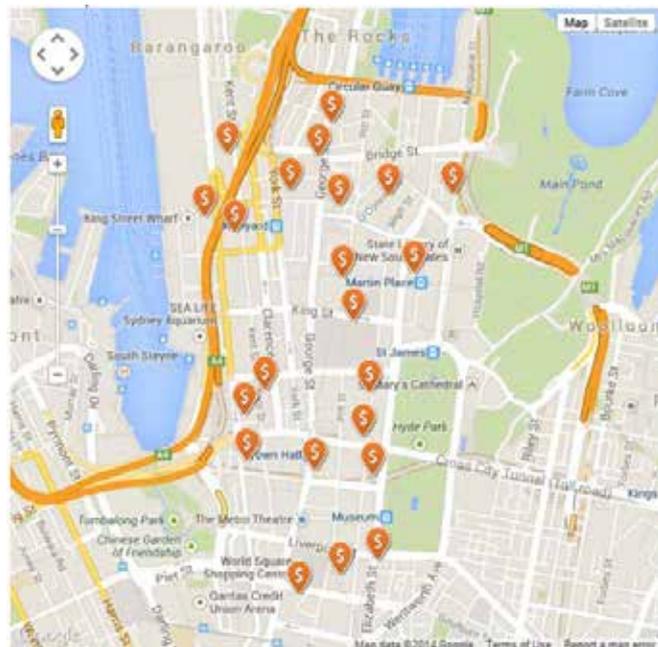
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DEXUS RESEARCH – Capital transactions database

- Established a database that tracks Australian transaction volumes across office, industrial and retail
- Monitors trends in transactions to assist with strategy
- Tracks recent transaction evidence to assist in pricing of potential acquisitions



Source: Google Earth.

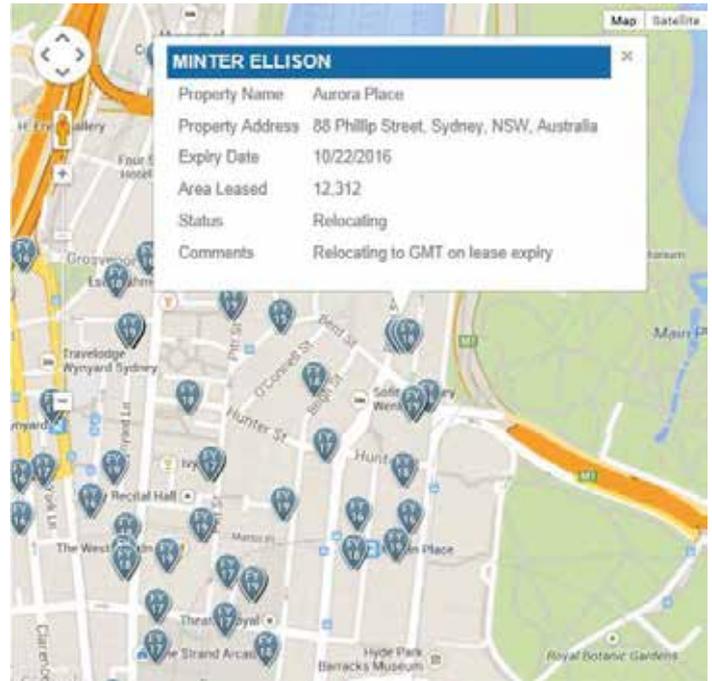
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DEXUS RESEARCH – Delivering better business outcomes: Market Leasing Database

- DEXUS's Market Leasing Database covers key office markets and tracks tenants expiring in the future
 - Informs DEXUS leasing strategy and how the team negotiates with tenants
 - Enhances tenant lead generation
 - Assists with portfolio asset planning and investment strategies



Source: Google Earth.

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DEXUS RESEARCH – Key messages

- Research capability touches all parts of the business and plays a key role in the investment process
- Well resourced team of professionals with access to the best available information and expertise
- Assists in identifying opportunities and providing sound reasoning for decisions
- Keeps clients and investors informed of key trends



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TRANSACTIONS



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TRANSACTIONS – Market context

Transaction volumes at record highs

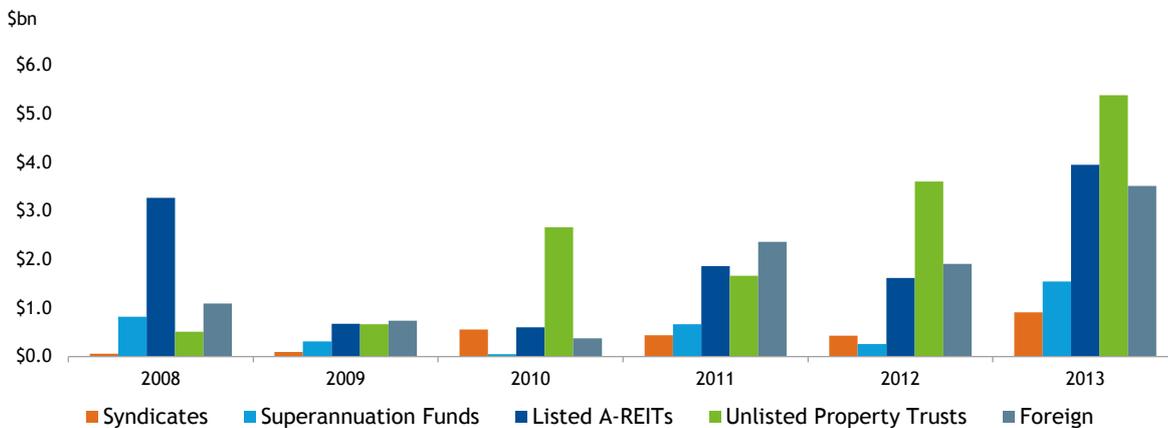
Strong demand for assets with long WALE and quality tenants

High level of competition from all buyer types

Buyers becoming increasingly willing to accept lower returns

Recent transactions support valuation increases

Transaction volumes by domestic & foreign investors



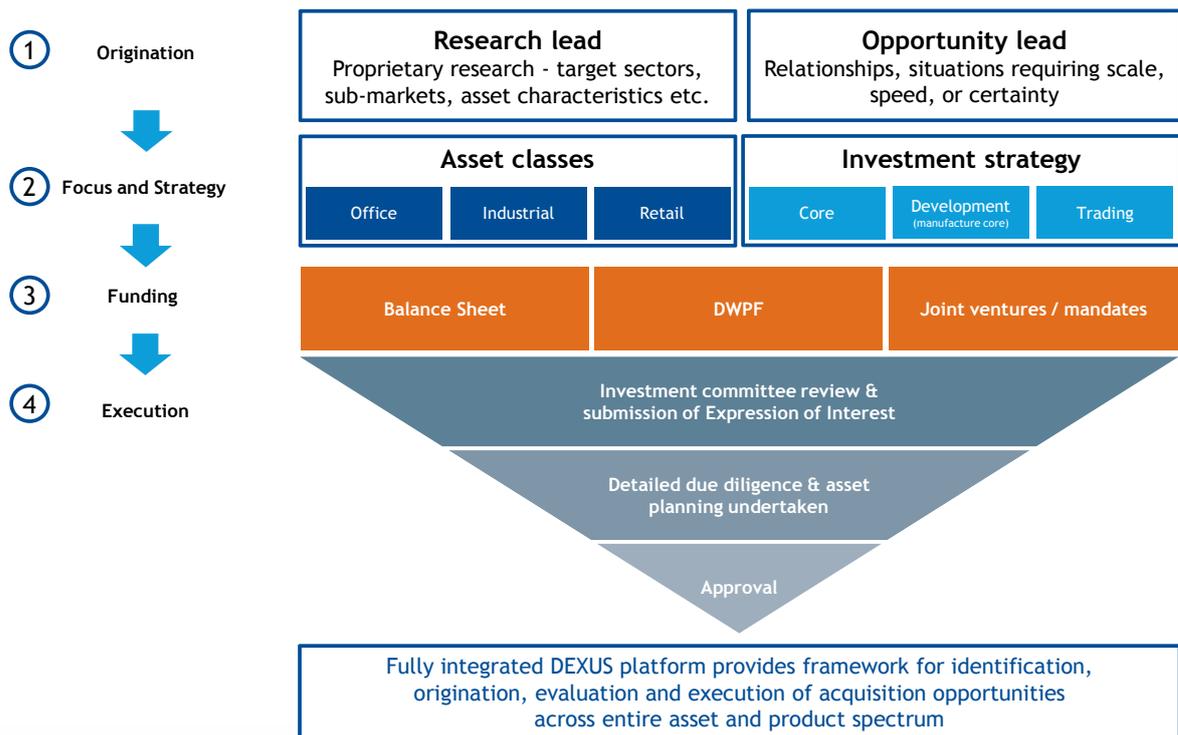
Source: Jones Lang LaSalle, DEXUS Research.

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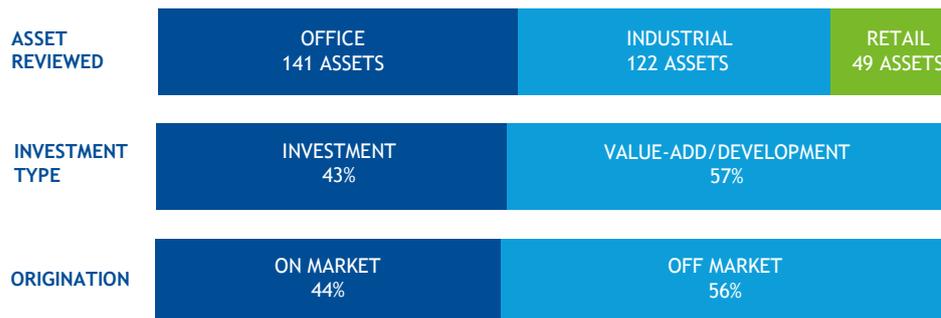


TRANSACTIONS – Approach and process



TRANSACTIONS – Pipeline and outcomes over the past 12 months

ACQUISITIONS¹



OUTCOMES

9 Properties \$473m

- 34% Office
- 32% Industrial
- 34% Retail

DIVESTMENTS²



21 Properties
\$1.6bn

13% Premium to book value

1. Direct property transactions over past 12 months. Excludes entity transactions.

2. For CPA properties sold, premium achieved relates to underwritten value. Includes properties under contract.

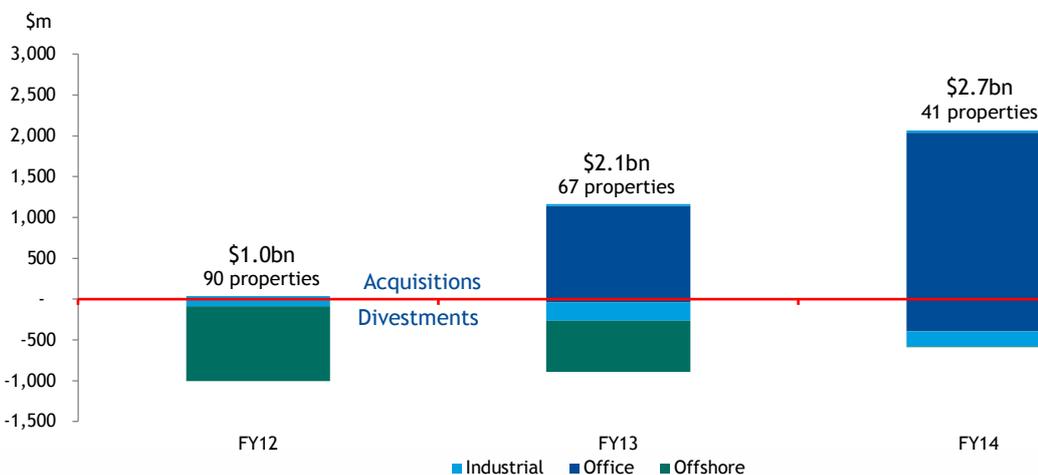
TRANSACTIONS



TRANSACTIONS – Recycling and reinvesting across DEXUS portfolio

- DEXUS has
 - Successfully deployed significant capital early in the cycle
 - Acted quickly and evolved its approach to gain access to product
 - Maintained target hurdle rates for acquisitions
 - Benefitted from investing early in the cycle

DEXUS Portfolio transactions¹

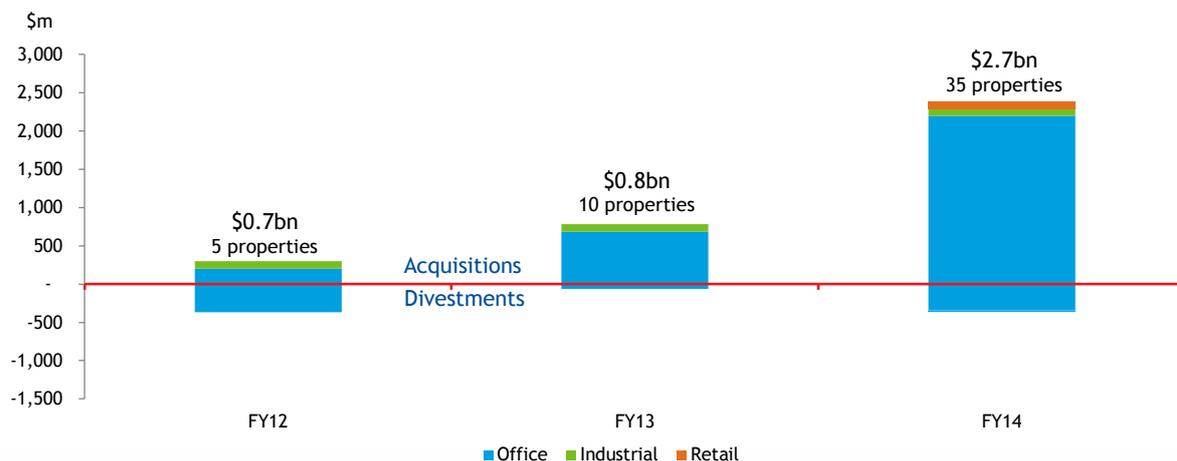


1. Includes proportional share of CPA properties acquired/sold.

TRANSACTIONS – Assisting third party funds & capital partners to grow

- DEXUS has
 - Satisfied third party investment objectives across sectors
 - Enabled informed decisions on asset selection and transactional execution
 - Leveraged strong relationships to deliver on transactional outcomes
 - Partnered with third party funds/capital partners to access product

Third party funds transactions



TRANSACTIONS – What's next?

- DEXUS has already invested considerable capital this cycle
- Considerable appetite and capacity amongst wholesale funds and clients - core and value-add focus
- Focus for next 12 months
 - ① **Asset recycling** - continued divestments likely
 - ② **Selective research based investments** in specific sub-markets and locations (office and industrial)
 - ③ **Acquiring/joint venturing undermanaged assets** where we can leverage the DEXUS platform (office, industrial, retail)
 - ④ **Continued focus on situation investments**
 - Distressed core assets (e.g. significant leasing risk)
 - Portfolio acquisitions
 - Scale transactions with limited competition

TRANSACTIONS – Key messages

- Highly competitive market for acquisitions
- Strong transaction capability embedded into the business
- Significant amount of capital invested early in the cycle (DEXUS and its clients)
- No pressure to put further capital to work - focus is on high conviction opportunities and supporting third party AUM growth



Grosvenor Place, 225 George Street, Sydney NSW

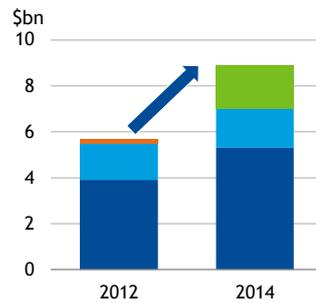
THIRD PARTY FUNDS MANAGEMENT



THIRD PARTY FUNDS MANAGEMENT – Overview

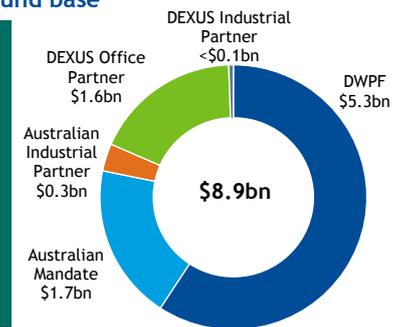
Significant growth of third party funds platform

>50%
growth through
new partnerships,
acquisitions and
developments



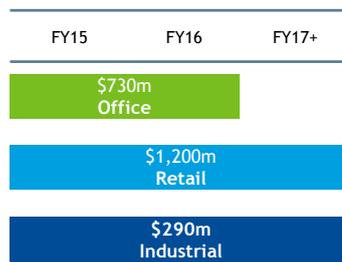
Growing investor/fund base

48
investors



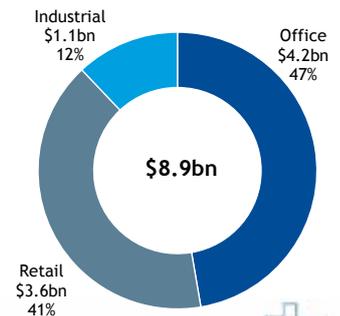
Significant committed development pipeline

\$2.2bn
of committed and
uncommitted
development
projects



Diversified by sector

92
properties
across office,
industrial and
retail



THIRD PARTY FUNDS MANAGEMENT – Clients

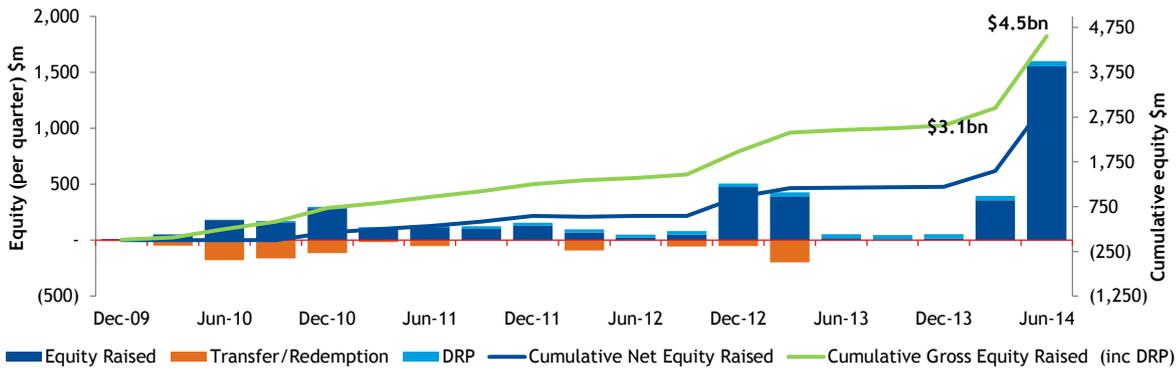
Client Name	Client Name	Client Name	Client Name	Client Name
DEXUS Wholesale Property Fund	Australian Industrial Partnership	DEXUS Office Partnership	DEXUS Industrial Partnership	Australian property mandate
\$5.3bn diversified wholesale fund with 44 unit holders	\$0.5bn partnership with major global pension fund	\$3.2bn office partnership with CPPIB	Industrial partnership with Future Fund	\$ 1.7bn diversified mandate with Australian super fund
Established 1995 39 assets \$1.2bn development pipeline Long term benchmark outperformance	Established Oct 2012 Acquired 19 assets \$100 million growth since inception Benchmark outperformance	Established Dec 2013 20 assets \$101m development pipeline ¹ Acquired and de-listed CPA portfolio April 2014	Established June 2014 3 development sites ² Targeting \$1bn gross assets Build or reposition to core strategy	Managed since 1997 11 assets \$675m development pipeline Long term benchmark outperformance

1. Includes CPPIB share of 5 Martin Place, Sydney development cost.
2. Includes one site currently in due diligence.

THIRD PARTY FUNDS MANAGEMENT – Growth in third party equity

- Attracted over \$4.5bn of third party equity since 2010
 - DWPF attracted \$2.7 billion of capital since 2010 from domestic and offshore investors
 - DEXUS Industrial Partnership established in FY14 and targeting \$1bn gross assets
 - DEXUS Office Partnership established in FY14 with active growth plan

Third party funds management equity movements



THIRD PARTY FUNDS MANAGEMENT – Profitability

- Significant growth of third party funds platform
 - Margin growth continues with increased funds under management and benefits of scale
 - FY15 Funds Management & Property Services profitability to be circa \$35 - \$40 million

	FY12	FY13	FY14
Funds management	\$28.3m	\$27.7m	\$32.0m
Property management	\$21.5m	\$22.4m	\$26.0m
Leasing & other	\$9.4m	\$9.6m	\$10.1m
Total revenue	\$59.2m	\$59.7m	\$68.1m
Less expenses	(\$41.3m)	(\$38.9m)	(\$40.2m)
Profit	\$17.9m	\$20.8m	\$27.9m
<i>Margin</i>	30%	35%	41%
Third Party FUM - average	\$5.9bn	\$5.9bn	\$7.4bn

THIRD PARTY FUNDS MANAGEMENT – FY14 acquisitions

\$480m of acquisitions secured for DWPF

Acquisitions on behalf of third party clients

Beenleigh Marketplace,
Beenleigh \$88.4m
Cap rate 7.50%



Deepwater Plaza, Woy Woy¹
\$98.5m
7.25% cap rate



Sturt Mall, Wagga Wagga¹
\$61.2m
7.50% cap rate



\$3.4bn
(21 office properties)
off-market takeover with
partner CPPIB



441 Nudgee Rd, Hendra
\$27.4m
8.50% cap rate



1439 Lytton St, Hemmant
\$39.6m
8.25% cap rate



AM60, Brisbane
\$161.3m
8.50% cap rate



\$60m (3 industrial sites³,
43ha) acquired with partner
Future Fund



1. Acquired in July 2014.
2. Includes one site currently in due diligence.

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THIRD PARTY FUNDS MANAGEMENT – Development pipeline

~\$2.2bn
Total Pipeline

\$430m
Committed Dev.

\$490m
Fund-through Acq.

~\$1,300m
Uncommitted



Westfield, Miranda



5 Martin Place, Sydney



480 Queen Street, Brisbane



Willows, Townsville



Quarry at Greystanes



Drive Industrial Estate,
Richlands



Kings Square, Perth



DEXUS Industrial Estate,
Laverton North

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THIRD PARTY FUNDS MANAGEMENT – What's next?

- Further develop our \$8.9bn third party funds business
 - Grow relationships with like-minded partners
 - Develop new products for our diverse client base
- Continue to leverage DEXUS integrated platform
 - Drive portfolio performance by delivering key asset management initiatives
 - Execute \$2.2bn development pipeline to enhance returns
 - Strategic divestment of non-core assets
 - Secure value-driven acquisitions on behalf of clients



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RETAIL



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RETAIL – Role of DEXUS Retail in relation to strategy



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RETAIL – DEXUS is a diverse retail specialist

RETAIL PLATFORM \$3.6 billion¹



Westfield JVs

DWPF co-ownership
Australian mandate

50% share
7 centres

Sub-regional

DWPF
Australian mandate

100% share
8 centres + pipeline

City Retail

100% DEXUS
Co-ownerships

7 significant retail assets
(38 office properties with retail)

1. Excludes City Retail.

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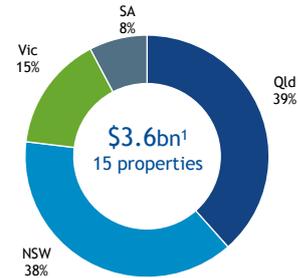
RETAIL – DEXUS is a diverse retail specialist



Property type by book value



Geographical weighting by book value



1. Excludes City Retail.

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RETAIL – Strategic acquisition capability in action: Beenleigh Marketplace

APPROACH

- Acquired on good metrics and adding value
- Acquired in December 2013 for \$88.4m at a cap rate of 7.50%

OUTCOMES

- Delivered on DWPF's Investment Plan objectives
 - Significant population growth corridor
 - Dominant in trade area
 - Long term anchor tenants
- MAT growth of 2.6% at 30 September 2014
- Achieved strong rental reversions
- Achieved 100% occupancy - first time in three years
- Strong valuation uplift since acquisition
- Commenced repositioning strategy to capture trade area growth and enhance total returns

INVESTMENT CRITERIA

- Having a strong market position
- Trade areas with future population/income growth
- Bias to non-discretionary expenditure
- Ability to add value/expand centres via redevelopment and repositioning



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RETAIL – Progressing the development pipeline



UNDERWAY

Westfield Miranda, Sydney

Circa 20,000sqm retail extension
approx \$230m cost (DWPF 50%)
2013–2016

- Construction commenced June 2013
- Stages 1 and 2 opened October 2014
- Stage 3 to open December 2014
- Terms agreed for circa 90% of tenancies
- Leasing to international mini-majors close to finalisation to open in April 2015



NEAR-TERM PIPELINE

Willows Shopping Centre, Townsville

Circa 7,000sqm retail extension
approx \$70m cost (DWPF 100%)
2015-2016

- DA secured for Stage 1 for supermarket relocation and new specialty shop mall
- AFL signed with Woolworths
- Forecast commencement early 2015

RETAIL – FY15 focus

- Focus on specialty renewals and tenant retention
- Activate development pipeline
- Service third party funds and capital partner transaction requirements
- Deliver investment performance for third party funds and capital partners

Smithfield Shopping Centre, Cairns QLD



PROPERTY SERVICES



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PROPERTY SERVICES – Introduction

- DEXUS adopts an active approach to property services which optimises investment returns through operational efficiencies, cost savings and additional income opportunities

- Improving building operational efficiency
- Assisting to attract and retain tenants
- Enhancing property value and relationships
- Establishing alternative income streams
- Building process improvement capability and problem solving skills



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PROPERTY SERVICES – DEXUS’s integrated property services platform

DEXUS portfolio management structure



Benefits of DEXUS’s property services platform

INVESTORS

- Leverages DEXUS’s strategic focus and scale
- Delivers cost savings through centralised procurement, project management and sustainability services
- Delivers agility and scalability
- Reduces insurance premiums through a bespoke risk management system
- Delivers enhanced returns through innovative and leading systems

TENANTS

- Delivers consistent customer service
- Creates efficiencies and process improvement through scale
- Provides access to dedicated 24/7 tenant service centre

PROPERTY SERVICES – Delivering cost savings & revenue generating initiatives

Centralised procurement delivers **\$2.1m** of savings in FY14

Achieved through:

- Centralised procurement team
- Re-tendered service contracts mechanical, fire and lift services
- Established preferred supplier panels
- Further pricing benefits expected in FY15 from CPA properties

Energy Savings Certificates (ESC) generate **\$470,000** of revenue in FY14

Achieved through:

- Implementing energy efficiency measures
- Proactively managing building operations
- Transacted \$470,000 of ESC in first year of scheme
- Further revenue generation expected annually to 2020

Sustainability repositioning of trading assets
CASE STUDY: 50 Carrington Street, Sydney

Repositioned property through:

- Implemented sustainability upgrades which generated energy cost savings
- Achieved 4.5 star NABERS Energy rating, increasing from 3.0 stars at acquisition within 18 months
- Repositioning and leasing strategy contributed to trading profit outcome
- Continuing to identify further opportunities to improve energy efficiency and cost savings through sustainability upgrades and employing new technology

1. Scheme administered by NSW Independent Pricing and Regulatory Tribunal.

PROPERTY SERVICES – Improving through innovation

EMBEDDED NETWORK Southgate Complex, Melbourne



Targeting \$250,000 p.a. in revenue

- Offered managed electricity services to tenants at attractive rates
- Established a seamless connection process for new tenants
- Provided an additional property income stream
- Initial Southgate trial successful and further five sites underway

PROPERTY SERVICES – Key messages

- Active approach to property services has created efficiencies and delivered costs savings
- Dedicated team established to explore and realise opportunities for other sources of revenue
- Delivering customer service and operational improvements through innovation



PEOPLE & CULTURE



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PEOPLE & CULTURE – Developing capabilities and a high performing culture

- DEXUS is focused on developing a high-performing culture
- Outcomes of a high-performing culture:
 - Motivated employees deliver sustained results
 - Talent retention and attraction
 - The ability to adapt and respond to change



OUR STRATEGIC OBJECTIVES	OFFICE Being the leading owner and manager of Australian office	CORE CAPABILITIES Having the best people, strongest track record and most efficient systems	CAPITAL PARTNERSHIPS Being the wholesale partner of choice in Australian office, industrial and retail	CAPITAL & RISK MANAGEMENT Actively managing net capital and risk in a prudent and disciplined manner
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Values refresh

Leadership program

Diversity & inclusion

Developing a high-performing culture journey

FY13

Measurement

FY16

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PEOPLE & CULTURE – Measuring high performance

Stages of measurement

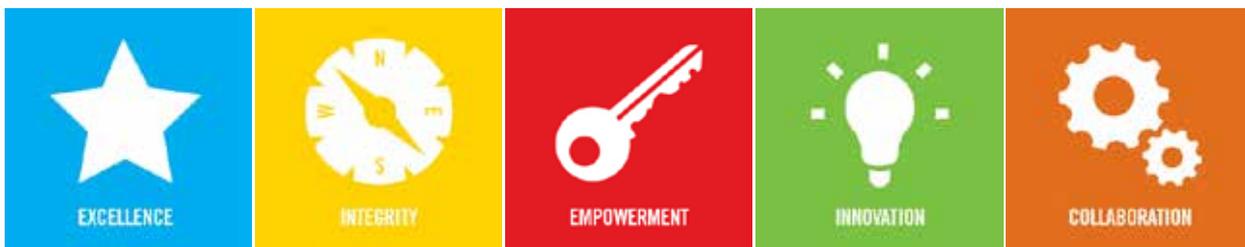
FY13	FY14	FY15 - FY16
87% Overall staff engagement	Lifestyles Inventory leadership assessment	Organisational Culture Inventory (OCI) assessment

- DEXUS has identified a direct correlation between employee engagement and high performance
- DEXUS's high employee engagement score indicates
 - Individual motivation and satisfaction
 - Sustainable office morale and team collaboration
 - Customer service focus
 - Allocation of discretionary effort
 - Brand advocacy
 - Self-led personal development

Integrated approach to developing high performance



PEOPLE & CULTURE – Relaunch of DEXUS values



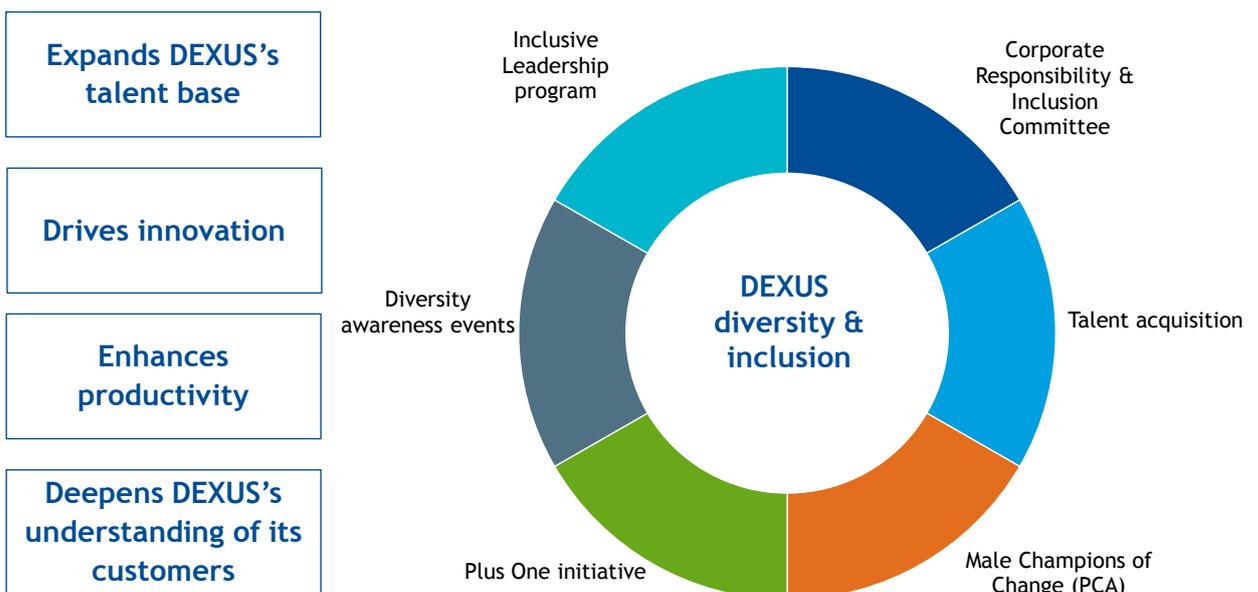
PEOPLE & CULTURE – Developing our leaders

DEXUS LEADERSHIP PROGRAM



PEOPLE & CULTURE – Diversity @ DEXUS

DEXUS is creating a culture of diversity and inclusion



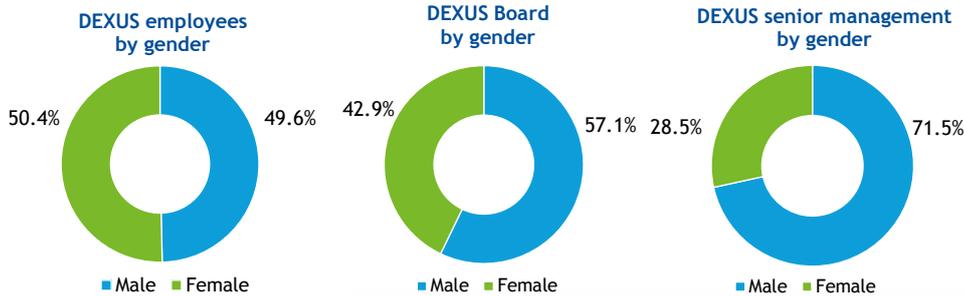
PEOPLE & CULTURE – Diversity @ DEXUS

- Exceeded FY15 target of 33% female participation for Non-Executive Directors
- Progressing female participation rate for senior management
- High conversion rate for female applicants across the Group

Female participation as at 30 September 2014



New FTE hires: March - September 2014



PEOPLE & CULTURE – Key messages

- Developing a high performance culture to drive excellent results
- Creating strong leadership to deliver sustained performance
- Creating a diverse and inclusive workforce to improve organisational effectiveness



CLOSING REMARKS



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CLOSING REMARKS

- Demonstrated capability across the platform delivering significant results since 2012
- DEXUS has sufficient scope through its diversified platform to deliver sustainable earnings growth
- Confident of market guidance¹ for FY15
 - PCA FFO per security of 9.84 cents, reflecting 8.5% growth from FY14
 - Distribution per security of 6.79 cents, reflecting 8.5% growth from FY14



1. Assumptions: Targeting positive like-for-like income growth across the office and industrial portfolios, weighted average cost of debt of 5.4%, trading profits of approximately \$40m, Management Operations revenue of approximately \$35-40m, and excluding any buy-back of DEXUS securities

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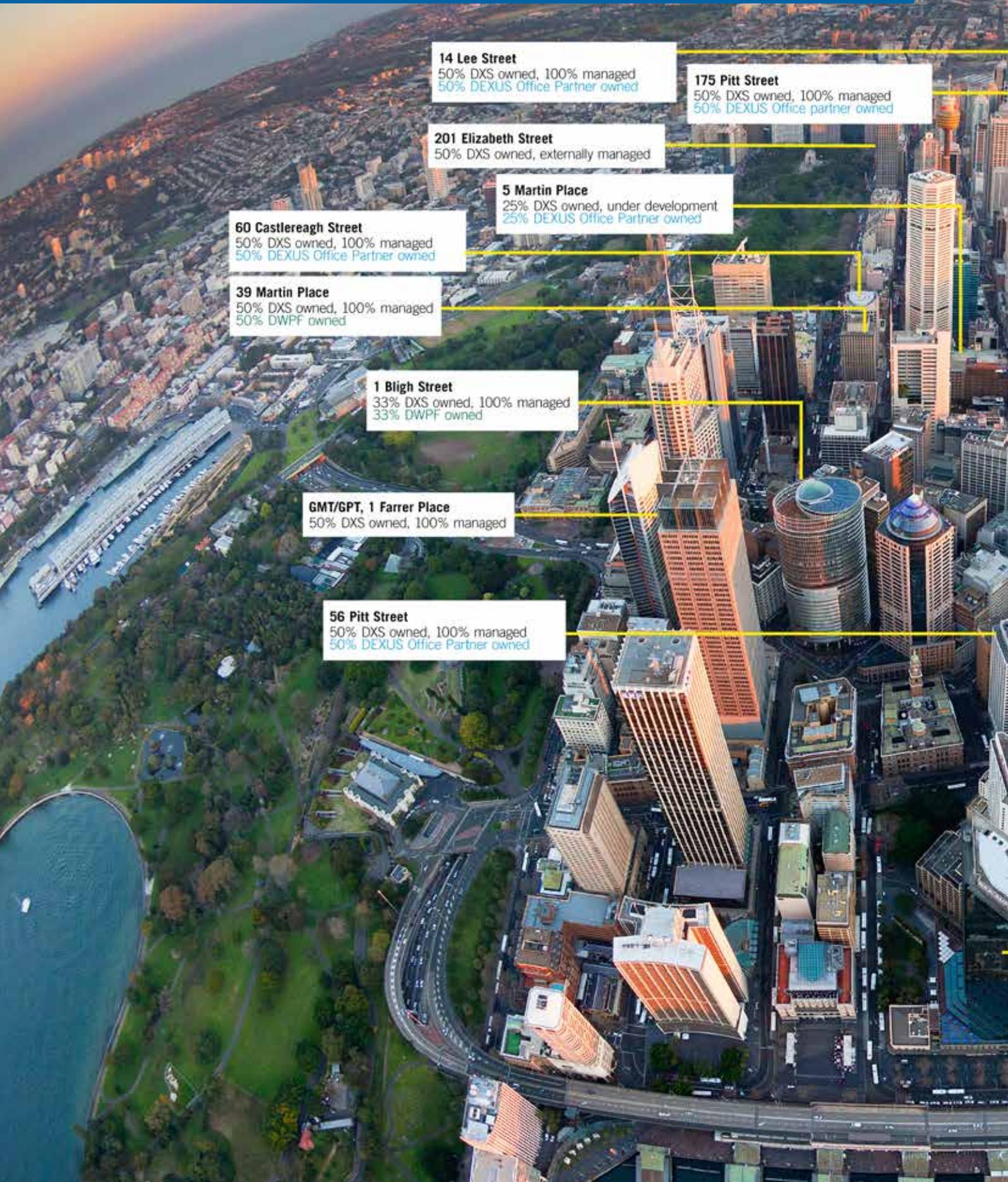


DEXUS PROPERTY GROUP
2014 INVESTOR DAY - 21 OCTOBER 2014
LEVERAGING OUR CAPABILITIES

DEXUS Funds Management Limited
ABN 24 060 920 783
AFSL 238163 as responsible entity for DEXUS Property Group



DEXUS PROPERTY GROUP SYDNEY OFFICE PORTFOLIO



14 Lee Street
50% DXS owned, 100% managed
50% DEXUS Office Partner owned

175 Pitt Street
50% DXS owned, 100% managed
50% DEXUS Office partner owned

201 Elizabeth Street
50% DXS owned, externally managed

5 Martin Place
25% DXS owned, under development
25% DEXUS Office Partner owned

60 Castlereagh Street
50% DXS owned, 100% managed
50% DEXUS Office Partner owned

39 Martin Place
50% DXS owned, 100% managed
50% DWPF owned

1 Bligh Street
33% DXS owned, 100% managed
33% DWPF owned

GMT/GPT, 1 Farrer Place
50% DXS owned, 100% managed

56 Pitt Street
50% DXS owned, 100% managed
50% DEXUS Office Partner owned



44 Market Street
100% DXS owned, 100% managed

383-395 Kent Street
100% DXS owned, 100% managed

309-321 Kent Street
50% DXS owned, 100% managed

83 Clarence Street
Mandate owned 100% managed

One Margaret Street
100% DXS owned 100% managed

45 Clarence Street
100% DXS owned, 100% managed

50 Carrington Street
100% DXS owned, 100% managed

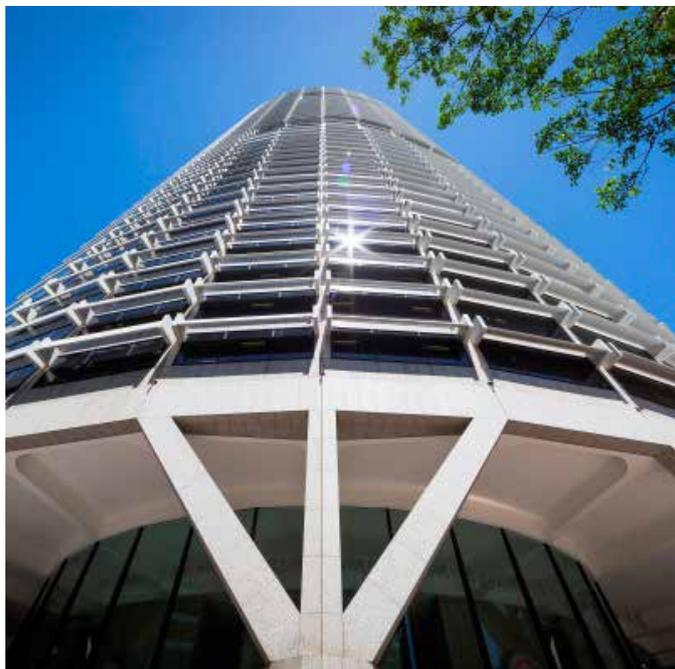
Australia Square Complex
50% DXS owned, jointly managed

225 George Street
37.5% DXS owned, externally managed
12.5% DEXUS Office Partner owned

30 The Bond
100% DXS owned, 100% managed

Gateway
100% DWPF owned, 100% managed

GROSVENOR PLACE, 225 GEORGE STREET, SYDNEY



Grosvenor Place is a landmark Premium Grade office building located near Circular Quay in the Sydney CBD providing office space over 44 levels, ground floor retail space and car parking for 566 cars. Designed by renowned architect Harry Seidler, the complex also includes The Morrison Hotel and the heritage listed Royal Naval House and Johnson's Building.

The Grosvenor Place complex sits on an entire CBD block overlooking Circular Quay. Grosvenor Place has earned a reputation as one of Sydney's most functional Premium Grade office towers.

Its distinctive design features large, highly efficient 1,900 square metre floor plates sitting above a three storey lobby. Floor-to-ceiling windows frame views that capture the beauty of Sydney in a 360 degree panorama. On-site amenities include an undercover casual dining forecourt, The Morrison Hotel, Giovanni's restaurant and a florist. The addition of class-leading shower and change room facilities is planned during 2014.

PROPERTY DETAILS AT 30 JUNE 2014

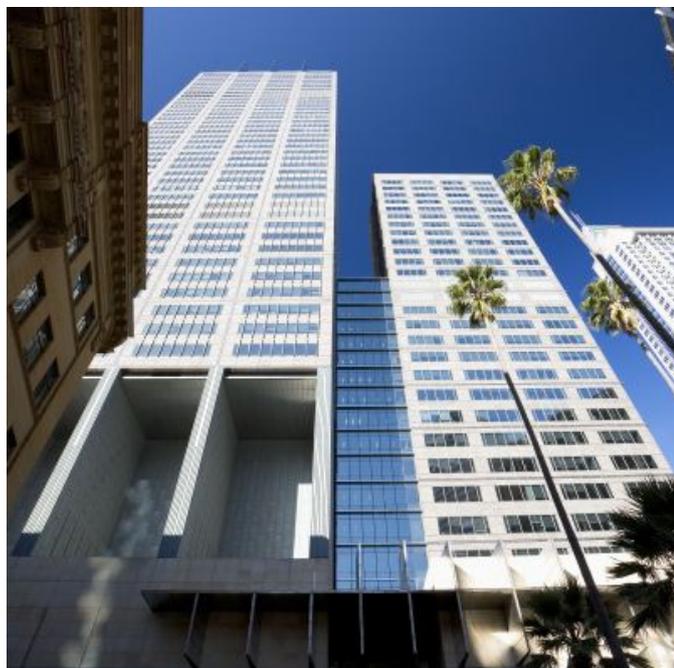
Building type	Premium Grade Office
Title	Leasehold
Site Area (hectares)	0.8
Lettable area adjusted ('000 m ²)	32.0
Typical floor area (m ²)	2,000
Number of buildings	4
Car parking spaces	566
NABERS Energy rating: (with GreenPower)	4.0
NABERS Energy rating: (without GreenPower)	4.0
NABERS Water rating	4.0
Year built	1988
Major tenant	Deloitte Services Pty Ltd
Ownership (%)	37.5
Co-owner	Investa, ARIA, DEXUS Office Partner

PROPERTY STATISTICS AT 30 JUNE 2014

Metro Area	Sydney
Zoning	Sydney Core Scheme
Acquisition date	Feb 2013
Book value: \$m	\$441.60
Independent valuation date	Mar 2013
Independent valuation: \$m	\$271.50
Market cap rate (%)	6.10
Initial yield (%)	5.89
Leased by area (%)	90
Weighted lease term by income: (year/s)	5.0

Note: Independent valuation \$m represents DXS 25% interest prior to acquisition of the CPA interest.

GOVERNOR PHILLIP & MACQUARIE TOWER, SYDNEY



Governor Phillip & Macquarie Tower complex is one of Sydney's leading Premium Grade office buildings. GPT provides 37 levels of premium office space and GMT provides 25 levels of premium office space. The complex has basement parking for 654 cars.

In a prime location selected for Sydney's First Government House more than 200 years ago, 1 Farrer Place offers a positive and productive workplace for businesses, from formal and informal spaces to meet and reflect, to dramatic views from both towers.

The complex includes GPT, GMT, five historic terraces, two public open spaces, and the Museum of Sydney. The office towers provide highly efficient, column-free rectangular floor plates providing maximum freedom and flexibility. GPT's granite, glass and stainless steel façade is crowned by a six-storey grid of stainless steel blades. The lobby provides floor-to-ceiling expanses of glass looking over Farrer Place, polished granite floors and sandstone walls, creating a light and airy feel which is complemented by major artworks and comfortable seating.

GMT appears as a tower of stepped blocks of granite on a sandstone base. With its 14-metre height, GMT's lobby adjoins GPT's lobby. The complex offers secure parking over eight basement levels for up to 654 cars, end-of-trip and fitness facilities including a 253 space bike facilities, showers/lockers, a premium concierge, formal and informal meeting areas, 24-hour, 7-day onsite security control room.

The complex is a few minutes' walk from Circular Quay, Wynyard and Martin Place transport services. By car, there is easy access to all major arterial roads, including the Harbour Bridge approach and the Eastern Distributor.

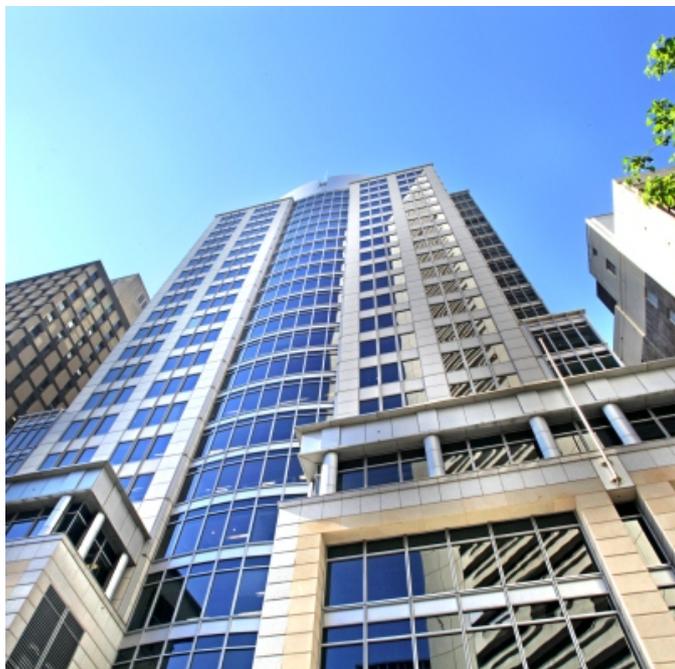
PROPERTY DETAILS AT 30 JUNE 2014

Building type	Premium Grade Office
Title	Freehold
Site Area (hectares)	0.6
Lettable area adjusted ('000 m ²)	43.3
Typical floor area (m ²)	1,460
Number of buildings	3
Car parking spaces	654
NABERS Energy rating: (with GreenPower)	GPT 4.5 / GMT 4.5
NABERS Energy rating: (without GreenPower)	GPT 3.5 / GMT 4.0
NABERS Water rating	GPT 3.5 / GMT 3.5
Year built	1993
Major tenant	King & Wood Mallesons
Ownership (%)	50
Co-owner	General Property Trust & Australian Prime Property Fund

PROPERTY STATISTICS AT 30 JUNE 2014

Metro Area	Sydney
Zoning	B8 Metropolitan Centre
Acquisition date	Dec 1998
Book value: \$m	\$679.20
Independent valuation date	Dec 2012
Independent valuation: \$m	\$670.00
Market cap rate (%)	6.05
Initial yield (%)	5.49
Leased by area (%)	95
Weighted lease term by income: (year/s)	5.6

60 CASTLEREAGH STREET, SYDNEY



60 Castlereagh Street is an A Grade office tower with 20 levels of office accommodation, basement parking and ground floor retail. Located in Sydney CBD's financial and legal precinct, the building provides large, column free floor plates with views over Sydney from the upper floors.

The building provides a convenient location with close proximity to Martin Place, Wynyard, Pitt Street Mall and the court precinct allowing for easy access to all major transport, retail and business requirements. With dual access from Castlereagh and Elizabeth Streets, the building's large lobby creates a sophisticated statement while on-floor the large floor plates provide an ideal platform for creating dynamic workspaces. The building offers hotel style end-of-trip facilities including lockers, bicycle racks and shower facilities encouraging a healthy and active work force.

Sustainability:

60 Castlereagh Street has a 4.5 star NABERS Energy rating achieved through chiller and building management control systems upgrades which have significantly reduced energy consumption. Building initiatives such as electricity and water monitoring, recycling programs and the installation of end-of-trip facilities encourage an active participation from the building occupants to reduce consumption and meet overall building targets for sustainability.

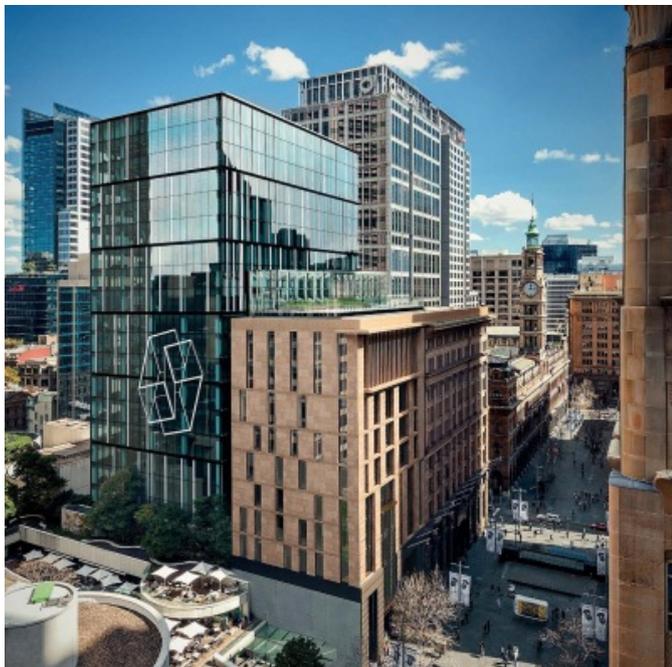
PROPERTY DETAILS AT 30 JUNE 2014

Building type	A Grade Office
Title	Freehold
Site Area (hectares)	0.2
Lettable area adjusted ('000 m ²)	13.5
Typical floor area (m ²)	1,100-1,300
Number of buildings	1
Car parking spaces	60
NABERS Energy rating: (with GreenPower)	4.5
NABERS Energy rating: (without GreenPower)	4.5
NABERS Water rating	3.0
Year built	1999
Major tenant	BNP Paribas
Ownership (%)	50
Co-owner	DEXUS Office Partner

PROPERTY STATISTICS AT 30 JUNE 2014

Metro Area	Sydney
Zoning	B8 Metropolitan Centre
Acquisition date	Apr 2014
Book value: \$m	\$131.00
Initial yield (%)	6.05
Leased by area (%)	90
Weighted lease term by income: (year/s)	5.1

5 MARTIN PLACE, SYDNEY



5 Martin Place occupies a highly prominent location at the corner of Martin Place and Pitt Street in Sydney's CBD. Due for completion in 2015, the complex involves the redevelopment of existing heritage buildings, the construction of an additional nine levels of Premium Grade office space and the restoration of the historic Rowe Street laneway.

5 Martin Place will provide a unique premium offering with large central atrium, large, efficient floor plates and impressive triple height foyer. The complex will provide approximately 33,860 square metres of space.

The heritage component will be extensively modernised while retaining its distinctive features, including the sandstone façades, marble lobbies and interconnecting staircases. The original internal 'light well' will be reinstated to form the central atrium that will rise from level 1 to 11 while the upper floors will benefit from views over Martin Place and Sydney CBD.

The redevelopment is currently targeting a 5.0 star NABERS Energy rating and 5 Star Green Star design rating through sustainable initiatives such as multi-service chilled beams, high efficiency façade and movement activated lighting controls.

PROPERTY DETAILS AT 30 JUNE 2014

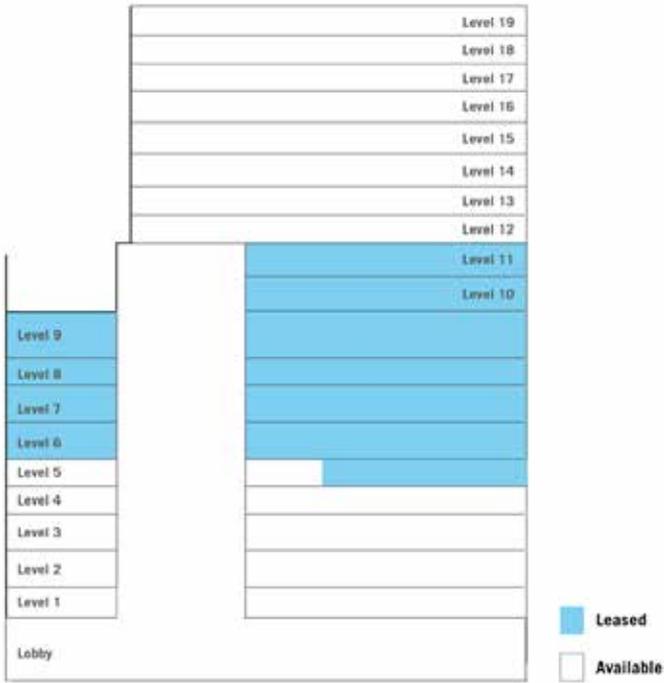
Building type	Development Site
Title	Freehold
Site Area (hectares)	3.3
Lettable area adjusted ('000 m ²)	16.8
Typical floor area (m ²)	1,100-2,400
Number of buildings	1
Car parking spaces	10
Year built	1916
Ownership (%)	25
Co-owner	DEXUS Office Partner, Cbus Property

PROPERTY STATISTICS AT 30 JUNE 2014

Metro Area	Sydney
Zoning	B8 Metropolitan Centre
Acquisition date	Apr 2014
Book value: \$m	\$46.80

5 MARTIN PLACE, SYDNEY

TENANT PRE-COMMITMENTS



175 PITT STREET, SYDNEY



175 Pitt Street is an A Grade office tower centrally located in Sydney's CBD with frontages on Pitt and King Streets. The building comprises 22 levels of office space, basement car parking with ground and lower ground retail. A substantial building upgrade was completed in 2010 providing superior building services.

The building provides a convenient location with close proximity to major retail, transport and dining precincts. The onsite retail incorporates a gym, banks and luxury brands. The recently completed end of trip facilities provide a premium experience for tenants with showers, secure bike parking, towel service and lockers, promoting an active workforce. The upper floors offer views along Pitt Street to the Harbour Bridge and Sydney Tower.

Sustainability:

A substantial refurbishment program has resulted in the building achieving a 5.0 star NABERS Energy rating. Sustainable initiatives such as monthly water and electricity monitoring, recycling programs and the installation of sensor controlled lighting in common areas has resulted in active tenant participation in meeting targets set by building management.

PROPERTY DETAILS AT 30 JUNE 2014

Building type	A Grade Office
Title	Freehold
Site Area (hectares)	0.2
Lettable area adjusted ('000 m ²)	12.8
Typical floor area (m ²)	1,050
Number of buildings	1
Car parking spaces	54
NABERS Energy rating: (with GreenPower)	5.5
NABERS Energy rating: (without GreenPower)	5.5
NABERS Water rating	4.5
Green Star rating:	4 Star (Office Design v2)
Year built	1975
Major tenant	Kemp Strang
Ownership (%)	50
Co-owner	DEXUS Office Partner

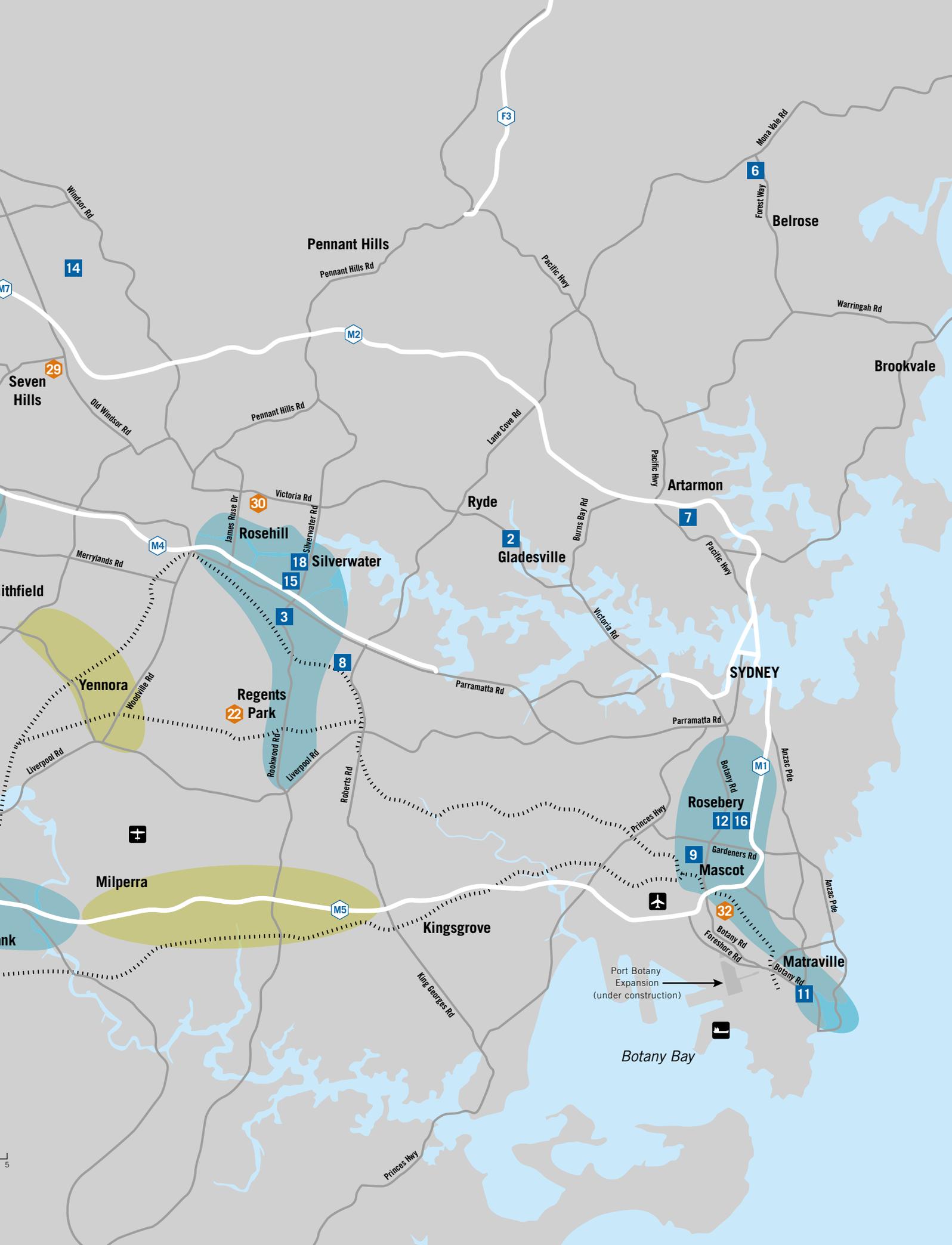
PROPERTY STATISTICS AT 30 JUNE 2014

Metro Area	Sydney
Zoning	B8 Metropolitan Centre
Acquisition date	Apr 2014
Book value: \$m	\$130.50
Initial yield (%)	7.31
Leased by area (%)	100
Weighted lease term by income: (year/s)	4.7

DEXUS PROPERTY GROUP SYDNEY INDUSTRIAL PORTFOLIO

- 1 Quarrywest, Greystanes
- 2 436-484 Victoria Road, Gladesville
- 3 79-99 St Hilliers Road, Auburn
- 4 57-65 Templar Road, Erskine Park
- 5 1 Foundation Place, Greystanes
- 6 1 Garigal Road, Belrose
- 7 12 Frederick Street, St Leonards
- 8 145-151 Arthur Street, Flemington
- 9 154 O’Riordan Street, Mascot
- 10 2 Alspec Place, Eastern Creek
- 11 2-4 Military Road, Matraville
- 12 25-55 Rothschild Avenue, Rosebery
- 13 27-29 Liberty Road, Huntingwood
- 14 3 Brookhollow Avenue, Baulkham Hills
- 15 DEXUS Industrial Estate, Egerton Street, Silverwater
- 16 5-13 Rosebery Avenue, Rosebery
- 17 52 Holbeche Road, Arndell Park
- 18 Centrewest, 108-120 Silverwater Road, Silverwater
- 19 Kings Park Industrial Estate, Vardys Road, Marayong
- 20 Quarry Industrial Estate, Reconciliation Road, Greystanes
- 21 66 Glendenning Road, Glendenning
- 22 Regents Park Industrial Estate, 391 Park Road, Regents Park
- 23 4 Inglis Road, Ingleburn
- 24 93 Williamson Road, Ingleburn
- 25 51 Eastern Creek Drive, Eastern Creek
- 26 10 Decker Place, Huntingwood
- 27 20 Huntingwood Drive, Huntingwood
- 28 26 Huntingwood Drive, Huntingwood
- 29 2 Costello Place, Seven Hills
- 30 2-8 South Street, Rydalmere
- 31 46 Airds Road, Minto
- 32 28-40 Lord Street, Botany
- Listed
- ◆ Third party
- Key industrial markets
- Supporting industrial corridors
- Railway line (passenger and freight)





QUARRY AND QUARRYWEST AT GREYSTANES



OWNER OCCUPIER

FUTURE DEVELOPMENT

OWNER OCCUPIER

CAMERONS
2-6 BASALT R

FUTURE DEVELOPMENT

FUJITSU
6 BELLEVUE CIRCUIT

BLACKWOODS
1 BELLEVUE CIRCUIT

UPS
5 B

BRADY
2 BELLEVUE CIRCUIT

SYMBION HEALTH
5 BELLEVUE CIRCUIT

SOLARIS PAPER
8 BASALT ROAD



ROAD

S
BASALT ROAD

CONSORTIUM CENTRE
1 BASALT ROAD

YUSEN + 3 OTHERS
3 BASALT ROAD

ROCHE
4 TURNBULL CLOSE

COMMITTED DEVELOPMENTS
1 & 2 TURNBULL CLOSE

QUARRYWEST
RECONCILIATION ROAD

QUARRY AND QUARRYWEST AT GREYSTANES



July 2014

Quarry at Greystanes is a premium industrial estate that over the past five years has been levelled, serviced and developed to provide of 240,000 square metres of purpose and speculative facilities for logistics, warehousing, manufacturing and storage users between 5,000 and 25,000 square metres.

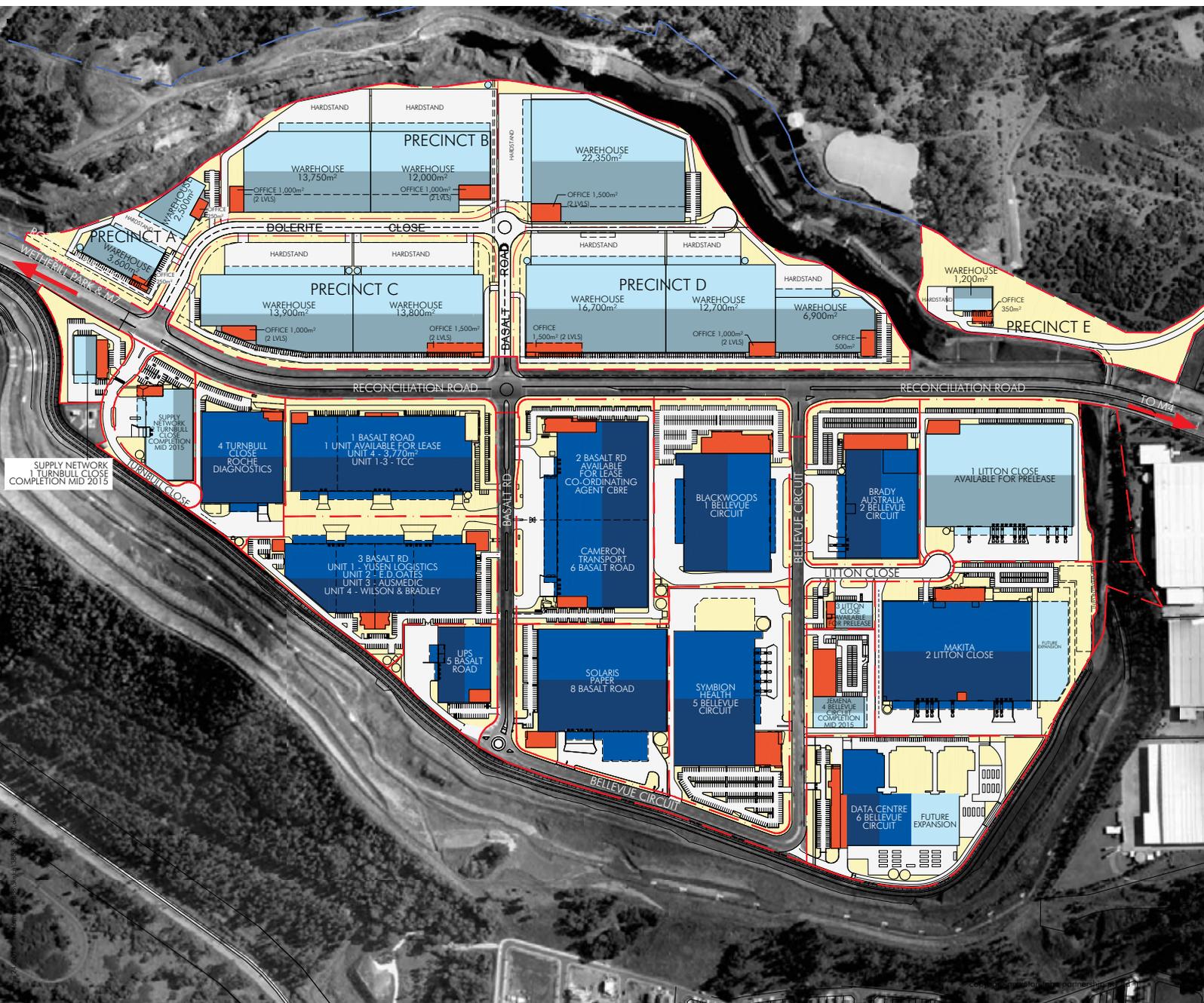
Quarry at Greystanes provides a unique setting for industrial development with the original quarry walls forming the boundary of the site. DEXUS positions this estate as a premium industrial offering with the design of the buildings and infrastructure reflective of innovative design with a focus on sustainability.

This established estate is now home to high profile tenants including Brady Australia, Fujitsu, Solaris Paper, Symbion Health, Cameron Transport, Blackwoods, UPS, Consortium Centre and Roche Diagnostics.

In June 2014 DEXUS Property Group purchased the adjoining parcel of land to extend the estate across Reconciliation Road. The land is currently being levelled and prepared for development and DEXUS is actively marketing prelease opportunities for users from 1,500-30,000 square metres. The 25.64 hectare site will allow for 129,400 square metres of premium industrial development over the next three years.

Quarry and Quarrywest at Greystanes are strategically located with direct access to the M4 Motorway and within minutes of the M7 Interchange, offering corporations convenient accessibility to key business and employment areas. The site is also less than two kilometres from the established Greystanes employment hub.







Quarry Industrial Estate, 1 Basalt Road, Greystanes

1 Basalt Road is a premium multi-unit facility in Sydney's premier industrial precinct, Quarry at Greystanes. Offering sustainable design and innovative features, this property provides up to four units that can be customised to suit a variety of uses from 4,500 square metres. Each unit has a minimum of two loading docks, three roller shutter doors and a warehouse dock office.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2014
Lettable area adjusted ('000 m ²)	9.7
Number of buildings	1
Number of units	2
Major tenant	Consortium Centre
Acquisition date	Dec 2007
Book value \$m	\$14.60
Independent valuation date	Jun 2014
Independent valuation \$m	\$14.60
Market cap rate (%)	7.75
Leased by area (%)	80
Weighted lease term by income (year/s)	4.6



Quarry Industrial Estate, 1 Bellevue Circuit, Greystanes

1 Bellevue Circuit is a purpose built office/warehouse facility completed in 2013, located on the corner of Reconciliation Road and Bellevue Circuit in the premium industrial estate, Quarry at Greystanes. The facility provides high clearance warehousing, light filled corporate offices, on grade loading docks and large cantilevered awnings for all-weather protection in the loading areas.

Details

Metro area	Sydney, Outer West
Building type	Development Site
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2013
Site area (hectares)	3.5
Lettable area adjusted ('000 m ²)	8.9
Site coverage (%)	51
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	8.9
Office content (%)	21
Car parking	242
Major tenant	Blackwoods
Acquisition date	Dec 2007
Book value \$m	\$16.20
Independent valuation date	Jun 2014
Independent valuation \$m	\$16.20
Market cap rate (%)	7.13
Initial yield (%)	7.26
Leased by area (%)	100
Weighted lease term by income (year/s)	14.5



Quarry Industrial Estate, 2 Bellevue Circuit, Greystanes

2 Bellevue Circuit is a purpose built office/warehouse facility located in the Quarry at Greystanes industrial estate. Completed in 2012, the facility consists of two levels of office, a production and dispatch areas and parking. The warehouse component has a high internal clearance, seven on grade roller doors and three recessed loading docks.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2012
Site area (hectares)	2.5
Lettable area adjusted ('000 m ²)	6.7
Site coverage (%)	53
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	6.7
Office content (%)	3
Car parking	200
Major tenant	Brady
Acquisition date	Dec 2007
Book value \$m	\$12.00
Independent valuation date	Jun 2014
Independent valuation \$m	\$12.00
Market cap rate (%)	7.38
Initial yield (%)	7.29
Leased by area (%)	100
Weighted lease term by income (year/s)	8.5



Quarry Industrial Estate, 2-6 Basalt Road, Greystanes

2-6 Basalt Road is a modern office/warehouse facility completed in 2012 and located in the premium industrial estate, Quarry at Greystanes. The building is divided into two separate units and provides a combination of on grade and recessed loading with all-weather coverage via large cantilever awnings.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2012
Site area (hectares)	4.3
Lettable area adjusted ('000 m ²)	11.7
Site coverage (%)	55
Number of buildings	1
Number of units	2
Average unit size ('000 m ²)	5.8
Office content (%)	5
Car parking	111
Green Star rating	4 Star
Major tenant	Camerons
Acquisition date	Dec 2007
Book value \$m	\$16.80
Independent valuation date	Jun 2014
Independent valuation \$m	\$23.30
Market cap rate (%)	7.75
Initial yield (%)	3.12
Leased by area (%)	46
Weighted lease term by income (year/s)	1.4



Quarry Industrial Estate, 3 Basalt Road, Greystanes

3 Basalt Road is a modern office/warehouse facility divided into four units catering to users from 3,500 square metre. Completed in 2012, the building is located in the premium industrial estate, Quarry at Greystanes. The warehouse accommodation for each unit features a minimum internal clearance of 10 metres, onsite parking, a combination of recessed and on grade loading docks with all-weather protection and modern functional design.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2012
Site area (hectares)	3.8
Lettable area adjusted ('000 m ²)	9.1
Site coverage (%)	44
Number of buildings	1
Number of units	4
Average unit size ('000 m ²)	2.3
Office content (%)	15
Car parking	150
Major tenant	Yusen
Acquisition date	Dec 2007
Book value \$m	\$14.70
Independent valuation date	Jun 2014
Independent valuation \$m	\$14.70
Market cap rate (%)	7.75
Initial yield (%)	7.81
Leased by area (%)	100
Weighted lease term by income (year/s)	4.6



Quarry Industrial Estate, 4 Turnbull Close, Greystanes

Completed in 2013, 4 Turnbull Close is a purpose built temperature controlled warehouse/office facility located in the premium industrial estate, Quarry at Greystanes. The facility incorporates single level office and warehouse accommodation featuring high clearance, a combination of recessed and on grade access and innovative industrial design.

Details

Metro area	Sydney, Outer West
Building type	Warehouse
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2013
Site area (hectares)	1.8
Lettable area adjusted ('000 m ²)	5.1
Site coverage (%)	57
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	5.1
Office content (%)	2
Car parking	47
Major tenant	Roche
Acquisition date	Dec 2007
Book value \$m	\$8.00
Independent valuation date	Jun 2014
Independent valuation \$m	\$8.00
Market cap rate (%)	7.13
Initial yield (%)	7.52
Leased by area (%)	100
Weighted lease term by income (year/s)	14.5



Quarry Industrial Estate, 5 Basalt Road, Greystanes

5 Basalt is a purpose built temperature controlled facility located in the premium industrial estate, Quarry at Greystanes completed in 2012. The building comprises a single level of office and warehouse accommodation and a combination of on grade and recessed loading with all-weather coverage via large cantilever awnings.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2012
Site area (hectares)	1.2
Lettable area adjusted ('000 m ²)	2.7
Site coverage (%)	44
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	2.7
Office content (%)	7
Car parking	34
Major tenant	UPS
Acquisition date	Dec 2007
Book value \$m	\$4.60
Independent valuation date	Jun 2014
Independent valuation \$m	\$4.60
Market cap rate (%)	7.75
Initial yield (%)	7.66
Leased by area (%)	100
Weighted lease term by income (year/s)	5.5



Quarry Industrial Estate, 5 Bellevue Circuit, Greystanes

5 Bellevue Circuit is a purpose built facility completed in 2011 as part of the Quarry at Greystanes industrial estate. The building incorporates two levels of office accommodation and one level of warehouse. The dispatch area incorporates three on grade roller shutter doors and three loading docks featuring cantilever awnings for all-weather protection.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2010
Site area (hectares)	3.8
Lettable area adjusted ('000 m ²)	8.6
Site coverage (%)	46
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	8.6
Office content (%)	14
Car parking	243
Major tenant	Symbion Health
Acquisition date	Dec 2007
Book value \$m	\$18.10
Independent valuation date	Jun 2014
Independent valuation \$m	\$18.10
Market cap rate (%)	7.13
Initial yield (%)	7.36
Leased by area (%)	100
Weighted lease term by income (year/s)	11.7



Quarry Industrial Estate, 6 Bellevue Circuit, Greystanes

6 Bellevue Circuit is a purpose built data centre facility comprising three levels of warehouse and data storage and two levels of office accommodation. This high quality building was one of the first developments in the premium Quarry at Greystanes industrial estate.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 50
Co-owner	AIP
Zoning	IN2 Light Industrial
Year built	2011
Site area (hectares)	3.9
Lettable area adjusted ('000 m ²)	8.5
Site coverage (%)	44
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	8.5
Car parking	115
Major tenant	Fujitsu
Acquisition date	Dec 2007
Book value \$m	\$23.30
Independent valuation date	Jun 2014
Independent valuation \$m	\$23.30
Market cap rate (%)	7.25
Initial yield (%)	7.28
Leased by area (%)	100
Weighted lease term by income (year/s)	12.3



Quarry Industrial Estate, 8 Basalt Road, Greystanes

Completed in 2010, 8 Basalt Road was the first development at Quarry at Greystanes, a premium industrial estate in Sydney's west. The facility incorporates a single level of office and warehouse accommodation, parking, six recessed loading docks and seven on grade roller shutter doors covered by a large external awning.

Details

Metro area	Sydney, Outer West
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 5C
Co-owner	AIF
Zoning	IN2 Light Industrial
Year built	2010
Site area (hectares)	3.1
Lettable area adjusted ('000 m ²)	9.3
Site coverage (%)	62
Number of buildings	1
Number of units	1
Average unit size ('000 m ²)	9.3
Office content (%)	3
Car parking	84
Major tenant	Solaris Paper
Acquisition date	Dec 2007
Book value \$m	\$14.3C
Independent valuation date	Jun 2014
Independent valuation \$m	\$14.3C
Market cap rate (%)	7.5C
Initial yield (%)	7.5E
Leased by area (%)	10C
Weighted lease term by income (year/s)	6.2



154 O'Riordan Street, Mascot

154 O'Riordan Street is located in Mascot, an established industrial precinct approximately 9kms from the Sydney CBD and close to key transport hubs. The Sydney Kingsford Smith Airport is located 2 kilometres south and Port Botany is located approximately 5 kilometres to the south east.

Details

Metro area	Sydney, South
Building type	Industrial Estate
Title	Freehold
Ownership (%)	DXS 100
Zoning	B5 Business Development
Year built	1985
Site area (hectares)	1.4
Lettable area adjusted ('000 m ²)	8.2
Site coverage (%)	58
Number of buildings	3
Number of units	7
Average unit size ('000 m ²)	1.2
Office content (%)	27
Car parking	130
Major tenant	Gearhouse Broadcast
Acquisition date	Jun 1997
Leased by area (%)	100
Weighted lease term by income (year/s)	2.6



25-55 Rothschild Avenue, Rosebery

25-55 Rothschild Avenue provides excellent main road exposure and three street frontages. Rothschild Avenue runs parallel to Botany Road, a major thoroughfare providing direct access to the CBD. Conveniently located to Southern Cross Drive, the Eastern Distributor and the Sydney Kingsford Smith Airport.

Details

Metro area	Sydney, South
Building type	Business Park
Title	Freehold
Ownership (%)	DXS 100
Zoning	B4 Mixed Use
Year built	1984
Site area (hectares)	1.9
Lettable area adjusted ('000 m ²)	16.8
Site coverage (%)	89
Number of buildings	1
Number of units	2
Average unit size ('000 m ²)	8.4
Office content (%)	37
Car parking	110
Major tenant	Commonwealth Australia AQIS
Acquisition date	Oct 2001
Leased by area (%)	72
Weighted lease term by income (year/s)	4.1



5-15 Rosebery Avenue, Rosebery

5-15 Rosebery Avenue provides excellent main road exposure and three street frontages. Rosebery Avenue runs parallel to Botany Road, a major thoroughfare providing direct access to the CBD. Conveniently located to Southern Cross Drive, the Eastern Distributor and the Sydney Kingsford Smith Airport.

Details

Metro area	Sydney, South
Building type	Business Park
Title	Freehold
Ownership (%)	DXS 100
Zoning	B4 Mixed Use
Year built	1986
Site area (hectares)	3
Lettable area adjusted ('000 m ²)	27.3
Site coverage (%)	91
Number of buildings	3
Number of units	34
Average unit size ('000 m ²)	0.8
Office content (%)	54
Car parking	523
Major tenant	Trimex
Acquisition date	Apr 1998
Leased by area (%)	93
Weighted lease term by income (year/s)	3

DEXUS PROPERTY GROUP 2014 INVESTOR DAY