

2013 NOTICE OF
ANNUAL GENERAL MEETING

DEXUS

Notice is hereby given by DEXUS Funds Management Limited, as Responsible Entity of each of the four Trusts that comprise DEXUS Property Group, that the 2013 Annual General Meeting of Security holders will be held at:

Place: DEXUS Head Office, Australia Square,
Level 25
264-278 George Street
Sydney NSW 2000

Date: Tuesday, 29 October 2013

Time: Registration – 1.30pm
Commencement – 2.00pm

In accordance with section 252S(1) of the Corporations Act 2001 (Cth), DEXUS Funds Management Limited appoints Chris Beare to act as Chair.

BUSINESS OF THE MEETING

Business of the meeting

a. To present the Financial Statements:

To present the Directors' Report, Financial Report and Independent Auditor's Report for the financial year ended 30 June 2013.

b. Resolutions:

1. Adoption of the Remuneration Report

To consider and if thought fit pass the following Resolution as an ordinary resolution:

"That the Remuneration Report for the financial year ended 30 June 2013 be adopted."

2. Approval of an Executive Director – Craig Mitchell

To consider and if thought fit pass the following Resolution as an ordinary resolution:

"That the initial appointment of Craig Mitchell as a Director of DEXUS Funds Management Limited be ratified."

3. Grant of performance rights to the Executive Directors

3.1 Grant of performance rights – Darren Steinberg

To consider and if thought fit pass the following Resolution as an ordinary resolution:

"That approval is given for:

- (a) the granting of 414,771 performance rights to Darren Steinberg under the DEXUS Short Term Incentive Rights Plan;
- (b) the granting of 1,128,176 performance rights to Darren Steinberg under the Long Term Incentive Rights Plan; and
- (c) the transfer or allocation of DEXUS stapled securities to Darren Steinberg upon vesting of the performance rights, as described in the Explanatory Memorandum to the 2013 Notice of Annual General Meeting convening this meeting."

3.2 Grant of performance rights – Craig Mitchell

To consider and if thought fit pass the following Resolution as an ordinary resolution:

"That approval is given for:

- (a) the granting of 177,759 performance rights to Craig Mitchell under the DEXUS Short Term Incentive Rights Plan;
- (b) the granting of 355,518 performance rights to Craig Mitchell under the DEXUS Long Term Incentive Rights Plan; and
- (c) the transfer or allocation of DEXUS stapled securities to Craig Mitchell upon vesting of the performance rights, as described in the Explanatory Memorandum to the 2013 Notice of Annual General Meeting convening this meeting."

Information on each of the Resolutions is set out in the accompanying Explanatory Memorandum. You should also read the Procedural Notes which form part of this Notice of Annual General Meeting.

By Order of the Board



John Easy

General Counsel and Company Secretary
DEXUS Funds Management Limited

6 September 2013

PROCEDURAL NOTES

DEXUS Property Group is the collective name of the four Trusts, and one unit in each of the Trusts together comprise one Security. As each Trust is a separate entity each is required to conduct a separate meeting.

Chris Beare, as Chair of the meetings, has determined that because the Resolutions to be proposed at each of the four meetings and the persons eligible to vote on the Resolutions are the same, each of the four meetings will be conducted concurrently so that, from an administrative and attendee point of view, the conduct of the meetings will be as if they were one single meeting.

Quorum

The quorum necessary for this Annual General Meeting is 10 Security holders present in person or by proxy. If a quorum is not present within 30 minutes after the scheduled time for the meeting, the meeting will be adjourned as the Chair directs.

Voting in person

If you wish to vote in person, you should attend the Annual General Meeting on Tuesday, 29 October 2013. Registration commences at 1.30pm with the meeting to commence at 2.00pm at DEXUS Head Office, Australia Square, Level 25, 264-278 George Street, Sydney NSW 2000.

A corporation that is a Security holder may appoint a person to act as its representative and vote at the meeting. The appointment must comply with section 253B of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment including any authority under which it is signed and a "Certificate of Appointment of Corporate Representative". A form of the certificate may be obtained from the Group's Security Registry.

If your Securities are jointly held, only one of the joint holders is entitled to vote. If both joint holders are present at the meeting, only the vote of the person named first in the register counts. In the case of joint holders the Proxy Form may be signed by any one holder.

Voting by proxy

If you are unable to attend the meeting in person you may appoint a proxy to attend the meeting in your place. The proxy does not need to be a Security holder. If you are entitled to cast two or more votes, then you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of your votes.

To appoint a proxy please complete the accompanying Proxy Form and return it to the Security Registry, Link Market Services Limited or alternatively you can lodge your Proxy vote online at linkmarketservices.com.au following instructions provided on the website. You will need your Holder Identification Number (HIN) or Security Reference Number (SRN) to lodge your Proxy vote online. Proxy Forms and online Proxy votes should be received by 2.00pm Sunday, 27 October 2013 in accordance with the instructions set out on the Proxy Form. Return your Proxy Form or vote by:

- lodging it online at linkmarketservices.com.au in accordance with the instructions provided on the website; or
- posting it in the reply paid envelope provided to DEXUS Property Group C/- Security Registry Link Market Services Limited, Locked Bag A14 Sydney South NSW 1235; or
- hand delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000; or
- faxing it to +61 2 9287 0309.

Voting entitlement

Subject to the following, all Security holders appearing on the register of Securities of DEXUS Property Group as at 7.00pm (EST) on Sunday, 27 October 2013 will be entitled to attend and vote at the meeting.

Majority required

All Resolutions are ordinary resolutions. Each will be passed if at least 50% of the votes cast by Security holders entitled to vote on the Resolution are cast in favour of the Resolution.

Poll

All Resolutions will be decided on a poll. On a poll, each Security holder has one vote for each whole \$1.00 of Security value (Security value is measured by reference to the last sale price for Securities on the ASX on the last day of trading immediately prior to the meeting being Monday, 28 October 2013).

Voting Exclusion Statement

In accordance with section 253E of the Corporations Act, the Responsible Entity and its associates are not entitled to vote their interest on any Resolution if they have an interest in the Resolution other than as a member.

Certain persons are not entitled to vote on Resolutions 1, 3.1 or 3.2. Refer to Sections 1 and 3 of the Explanatory Memorandum for further information.

How the Chair will vote undirected proxies

In accordance with the instructions on your Proxy Form, if the Chair is your proxy and you do not direct the Chair how to vote, you will be taken to have directed the Chair to vote in favour of Resolutions 1, 3.1 and 3.2 notwithstanding that those Resolutions are connected with the remuneration of members of DEXUS's key management personnel ("KMP"), details of whose remuneration are included in the Remuneration Report. The Chair intends to vote undirected proxies in favour of all other Resolutions. DEXUS Property Group asks all Security holders who submit proxies to direct their proxy how to vote on each Resolution.

Enquiries

If you have any questions about the Resolutions, attending the Annual General Meeting, how to vote on the Resolutions or completing the Proxy Form, please contact the DEXUS Infoline on 1800 819 675 Monday to Friday between 8.30am and 5.30pm (EST) or consult your financial or other professional advisor.

Introduction

This Explanatory Memorandum is intended to provide Security holders with information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting. Defined terms have the meaning attributed to them in the glossary. All monetary amounts (unless otherwise stated) are expressed in Australian dollars.

1. Adoption of the Remuneration Report

The purpose of Resolution 1 is to adopt the Remuneration Report for the financial year ended 30 June 2013. The Remuneration Report is contained in section 3 of the Directors' Report for the financial year ended 30 June 2013 commencing on page 19 of the 2013 DEXUS Annual Report.

Under the Corporations Act, a listed company is required at its Annual General Meeting to put a vote to its shareholders to approve its Remuneration Report. Consistent with its corporate governance framework, the Board of DXFM has determined that DEXUS Property Group will be subject to this obligation even though it is a listed stapled group comprising real estate investment trusts. The vote on Resolution 1 is advisory only and does not bind the Directors or DXFM. However, if at least 25% of the votes cast on Resolution 1 are voted against the adoption of the Remuneration Report at the Meeting then:

- (a) if comments are made on the Remuneration Report at the Meeting, then DEXUS's 2014 Remuneration Report will include an explanation of the DXFM Board's proposed action in response to those comments or, if no action is proposed, the DXFM Board's reasons for this; and
- (b) if, at the 2014 Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the 2014 Remuneration Report are voted against, DEXUS will put to Security holders at the 2014 Annual General Meeting a resolution proposing that an Extraordinary General Meeting ("EGM") be called to consider the election of Directors of DXFM ("**Spill Resolution**"). If the Spill Resolution is passed (ie more than 50% of the votes cast are in favour of it), DEXUS will call an EGM within 90 days of the 2014 Annual General Meeting and all of the DXFM Directors (other than the CEO) will cease to hold office following that EGM, unless they are re-elected at the EGM.

During the meeting there will be an opportunity for Security holders to comment upon, and ask questions about, the Remuneration Report.

Resolution 1 will be decided by poll. Resolution 1 must be decided by at least 50% of the votes cast at the Meeting by Security holders entitled to vote on the Resolution.

Voting Exclusions

Consistent with DEXUS's corporate governance framework, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a member of DEXUS's KMP and their closely related parties.

However, a vote may be cast on Resolution 1 by a KMP if:

- (a) the vote is cast as a proxy and the proxy appointment is in writing and specifies how the proxy is to vote on Resolution 1; and
- (b) the vote is not cast on behalf of a KMP or a closely related party of a KMP.

In accordance with the instructions on the Proxy Form, if the Chair is your proxy and you do not direct the Chair on how to vote in respect of Resolution 1, you will be taken to have directed the Chair to vote in favour of Resolution 1.

Recommendation

The Board unanimously recommends that Security holders vote in favour of this Resolution to adopt the Remuneration Report.

2. Approval of an Executive Director – Craig Mitchell

At 30 June 2013, the Board of DXFM comprised 10 members. On 12 February 2013 Craig Mitchell was appointed as a Director of DXFM. Stewart Ewen OAM and Barry Brownjohn have advised the Board that they will not stand for re-election at the 2013 AGM and that they intend to retire from the Board following the 2013 AGM.

All Directors are independent except for DEXUS's Chief Executive Officer, Darren Steinberg, and DEXUS's Chief Financial Officer, Craig Mitchell. While the constitution of DXFM allows for a Board of up to 10 Directors, the Board has determined that a Board comprising nine members is appropriate after considering its role and the duties and responsibilities it discharges. This is not a limit on the number of Directors and further Directors (up to 10) may be appointed by the Board or Security holders from time to time. The Board is currently undertaking a search for a replacement Independent Director of DXFM and will announce the appointment in due course. This will take the number of Directors to nine, assuming Craig Mitchell's appointment is ratified.

In accordance with the corporate governance framework adopted by DEXUS Property Group, the Directors have determined that each Director other than the CEO will obtain Security holders' ratification at the Annual General Meeting immediately succeeding their initial appointment, and thereafter within three years, with at least one Director seeking ratification at each Annual General Meeting. If an individual Director's appointment or continued appointment as a Director fails to be ratified by a majority vote of Security holders at the required Annual General Meeting then that Director will thereafter cease to hold the office of Director of DXFM.

Craig Mitchell was appointed by the Board as a Director on 12 February 2013. In accordance with the corporate governance framework adopted by DEXUS Property Group, Craig Mitchell is seeking Security holders' ratification on his initial appointment as a Director of DXFM.

Craig is the Chief Financial Officer and an Executive Director of DXFM.

Craig is responsible for operational and strategic finance, accounting, tax, treasury and third party funds management including management of the DEXUS retail property portfolio. Craig has more than 20 years of financial management and accounting experience, with over 15 years specialising in the property industry.

Craig was previously the General Manager, Finance of the Commercial, Industrial, Capital Partners and Third Party Funds divisions at Stockland Group. Prior to this Craig worked in a number of senior finance roles at Westfield. Craig has a Masters of Business Administration (Executive) from the Australian Graduate School of Management, a Bachelor of Commerce and is a Fellow of CPA Australia. He has also completed the Advanced Management Program at Harvard Business School, Boston.

Resolution 2 will be decided by poll. Resolution 2 must be decided by at least 50% of the votes cast at the Meeting by Security holders entitled to vote on the Resolution.

In accordance with the instructions on the Proxy Form, if the Chair is your proxy and you do not direct the Chair on how to vote in respect of Resolution 2, you will be taken to have directed the Chair to vote in favour of Resolution 2.

Recommendation

The Board unanimously recommends that Security holders ratify the appointment of Craig Mitchell as a Director of DXFM.

3. Grant of performance rights to the Executive Directors

Resolutions 3.1 and 3.2 seek Security holder approval for the grant of performance rights to:

- (a) Darren Steinberg, Chief Executive Officer and Executive Director of DXFM; and
- (b) Craig Mitchell, Chief Financial Officer and Executive Director of DXFM, (together the “**Executive Directors**”) under the DEXUS Short Term Incentive Rights Plan (“**STI Rights Plan**”) and the DEXUS Long Term Incentive Rights Plan (“**LTI Rights Plan**”) on the terms set out below. The STI Rights Plan and the LTI Rights Plan were approved by Security holders at the Group’s Annual General Meeting on 5 November 2012.

Level of participation

Each of the Executive Director’s awards under the STI Rights Plan and the LTI Rights Plan were determined by the Board. The number of performance rights proposed to be granted under the STI Rights Plan is based on each Executive Director’s performance against a Balanced Scorecard of financial and non-financial KPIs in place for FY13. The number of performance rights proposed to be granted under the LTI Rights Plan is determined with reference to the Group’s remuneration framework.

STI Rights Plan

If approved by Security holders:

- (a) Darren Steinberg will be granted 414,771 performance rights under the STI Rights Plan; and
- (b) Craig Mitchell will be granted 177,759 performance rights under the STI Rights Plan.

The number of performance rights awarded under the STI Rights Plan to each Executive Director is equal to 25% of that Executive Director’s overall short term incentive award (“**STI award**”) divided by the volume weighted average price (“**VWAP**”) (\$1.0548) of Securities 10 trading days either side of 1 July 2013. Further information on the STI award for each of the Executive Directors is set out in the Remuneration Report contained in the 2013 DEXUS Annual Report.

On vesting, each performance right entitles each of the Executive Directors to one Security at no cost to them. The Securities to be received by each of the Executive Directors will be acquired by on-market purchase.

If the grant of performance rights to each of the Executive Directors is approved, it is expected that the performance rights will be granted as soon as practicable after the Meeting, and no later than 31 December 2013.

No other Director of DXFM is entitled to participate in the STI Rights Plan.

The key terms and conditions of the STI Rights Plan are the same as those approved at the Group’s Annual General Meeting on 5 November 2012. For ease of reference, the key terms have been set out in Annexure A to this Notice of Annual General Meeting. Further details of the STI Rights Plan and the STI awards can be found on pages 23-24 of the 2013 DEXUS Annual Report.

LTI Rights Plan

If approved by Security holders:

- (a) Darren Steinberg will be granted 1,128,176 performance rights under the LTI Rights Plan; and
- (b) Craig Mitchell will be granted 355,518 performance rights under the LTI Rights Plan.

The number of performance rights awarded under the LTI Rights Plan to each Executive Director is based on the dollar value of that Executive Director’s long term incentive award (“**LTI award**”) divided by the VWAP (\$1.0548) of Securities 10 trading days either side of 1 July 2013. Further information on the LTI award for each of the Executive Directors is set out in the Remuneration Report contained in the 2013 DEXUS Annual Report.

On vesting, each performance right entitles each of the Executive Directors to one Security at no cost to them. The Securities to be received by each of the Executive Directors will be acquired by on-market purchase.

If the grant of performance rights to each of the Executive Directors is approved, it is expected that the performance rights will be granted as soon as practicable after the Meeting, and no later than 31 December 2013.

No other director of DXFM is entitled to participate in the LTI Rights Plan.

The key terms and conditions of the LTI Rights Plan are substantially the same as those approved at the Group’s Annual General Meeting on 5 November 2012. The Board has clarified the operation of the performance conditions for the 2013 LTI Rights Plan and these performance conditions are detailed in the summary of key terms set out in Annexure B to this Notice of Annual General Meeting. Further details of the LTI Rights Plan and the LTI awards can be found on pages 24-26 of the 2013 DEXUS Annual Report.

Basis of participation

Darren Steinberg’s and Craig Mitchell’s participation in each of the STI Rights Plan and the LTI Rights Plan, and the performance rights proposed to be granted to them under each of those plans, will be on the same terms as the participation of the other key executives as described in the STI Rights Plan summary and LTI Rights Plan summary set out in Annexure A and Annexure B. This includes the conditions for vesting and for early lapse and clawback.

In the event that either of the Executive Director’s performance rights vest early upon the termination of employment, the value of the benefit received for the purposes of the retirement benefit provisions of the Corporations Act will be affected by the number of performance rights vesting and the value of the Securities at the date of vesting.

In determining the number of performance rights that vest upon the termination of that Executive Director’s employment, the Board in its absolute discretion will consider a range of matters which may include the Executive Director’s performance, the reasons for his termination and DEXUS’s performance during their tenure.

No loan will be provided to an Executive Director in relation to the grant of the performance rights under the STI Rights Plan or the LTI Rights Plan or in relation to the delivery of Securities on the vesting of the performance rights.

Security holder approval

The grant of performance rights to each of the Executive Directors under both of the STI Rights Plan and the LTI Rights Plan is conditional on Security holder approval. If Security holder approval of the grants to one or both of the Executive Directors is not obtained, then no grant will be made to the affected Executive Director(s).

Approval of the grant of performance rights under both of the STI Rights Plan and the LTI Rights Plan to each of the Executive Directors, as Directors of DXFM, is being sought for all purposes in accordance with the statements to Security holders in the 2013 DEXUS Annual Report and in respect of the ASX Listing Rules.

Resolutions 3.1 and 3.2 will be decided by poll. Both Resolutions 3.1 and 3.2 must be decided by at least 50% of the votes cast at the Meeting by Security holders entitled to vote on the Resolution.

Other information

Pursuant to approval by Security holders at the Group's Annual General Meeting on 5 November 2012, 453,417 performance rights were granted to Darren Steinberg in the year to 30 June 2013 under the DEXUS Transitional Performance Rights Plan ("**Transitional Plan**").

Craig Mitchell was granted 539,782 performance rights in the year to 30 June 2013 under the Transitional Plan. Craig Mitchell was not a Director of DXFM when those performance rights were granted.

Further details of these performance rights are set out on page 28 in the 2013 DEXUS Annual Report. No other Director or associate of a Director received Securities under the Transitional Plan in the year to 30 June 2013.

Voting exclusions

Consistent with DEXUS's corporate governance framework, a vote must not be cast on Resolutions 3.1 or 3.2 by a member of DEXUS's KMP or a closely related party, acting as proxy, if the appointment does not specify the way the proxy is to vote on Resolutions 3.1 or 3.2. However, this voting exclusion does not apply if the member of DEXUS's KMP is the Chair of the Meeting acting as proxy and their appointment expressly authorises the Chair of the Meeting to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Group.

As required by the ASX Listing Rules and the Corporations Act, the Group will disregard any votes cast on Resolutions 3.1 or 3.2 by any Director of DXFM employed within the Group (except one who is ineligible to participate in any employee incentive scheme in relation to the Group) and any associate of those persons. However, the Group need not disregard a vote if:

- (a) it is cast by a person referred to above as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with the instructions on the Proxy Form, if the Chair is your proxy and you do not direct the Chair on how to vote in respect of Resolutions 3.1 and 3.2, you will be taken to have directed the Chair to vote in favour of Resolutions 3.1 and 3.2.

Recommendation

The Directors, excluding Darren Steinberg and Craig Mitchell, believe that participation in each of the STI Rights Plan and LTI Rights Plan on the terms and conditions described above is an appropriate equity based incentive scheme for the Executive Directors. Accordingly, the Directors, other than Darren Steinberg and Craig Mitchell, unanimously recommend that Security holders vote in favour of Resolutions 3.1 and 3.2.

Given their personal interest in the outcome of Resolutions 3.1 and 3.2, both Darren Steinberg and Craig Mitchell have refrained from providing a recommendation in connection with the Resolutions.

STI Rights Plan summary

The following is a summary of the key terms of the STI Rights Plan.

Participants	Participants will be those executives categorised as General Manager or above in seniority or as determined by the Nomination, Remuneration & Governance Committee as approved by the Board.
Purpose	<p>The STI Rights Plan provides the participant with an opportunity to achieve an annual remuneration outcome in addition to fixed remuneration, subject to the achievement of pre-agreed Group, divisional and individual performance objectives which are set out in a personalised balanced scorecard.</p> <p>Only 75% of any STI award will be immediately payable in cash. The remaining 25% of all STI awards will be deferred into performance rights to be granted under the STI Rights Plan.</p> <p>For more detail on the STI Rights Plan and STI awards, please refer to pages 23-24 of the 2013 DEXUS Annual Report.</p>
Allocations	<p>Participants have the ability to earn an annual STI award expressed as a percentage of their fixed remuneration.</p> <p>The number of performance rights under the STI Rights Plan awarded to each participant will be equal to 25% of their overall STI award divided by the VWAP of Securities 10 trading days either side of the first trading day of the new financial year.</p>
Award and vesting	<p>Participants will not be required to make any payment in connection with either the issue or vesting of performance rights.</p> <p>Proposed performance rights under the STI Rights Plan will be communicated to participants in August of the financial year immediately following the performance period, following the sign-off of statutory accounts and announcement of the Group's annual results.</p> <p>The performance rights will vest in equal tranches in 12 and 24 months, calculated from the end of the annual performance period, being 1 July, subject to the conditions described below.</p> <p>Forfeiture will occur should the participant's employment terminate within six months of the issue of the performance right for any reason, or if the participant voluntarily resigns or is terminated for cause prior to the vesting date.</p> <p>Notwithstanding the above, if a participant's employment is terminated for reasons such as retirement, redundancy, reorganisation, change in control or other unforeseen circumstances, the Nomination, Remuneration & Governance Committee will recommend whether the participant should remain in the plan as a "good leaver", for decision by the Board.</p> <p>Upon vesting, Securities will be delivered or allocated to the participant automatically and participants will need to observe all prevailing policies or procedures with respect to holding equity or trading in Securities as an employee.</p> <p>The Board may determine that Securities delivered or allocated are not able to be dealt with until the expiry of a further restriction period which may last for up to seven years calculated from the end of the annual performance period, being 1 July.</p>
Conditions	<p>Performance rights represent a conditional promise by the Group to provide the participant with a number of Securities, as specified in the grant, for nil consideration.</p> <p>Vesting under the STI Rights Plan is subject to the following conditions:</p> <ul style="list-style-type: none"> ▪ Clawback – performance rights may be reduced or cancelled at the Board's discretion including in circumstances such as a participant committing an act of fraud, wilful misconduct, serious or wilful negligence or incompetence, being convicted of a criminal offence or if there has been a material misstatement of the Group's financial accounts as a consequence of a deliberate misrepresentation or fraud. ▪ Service – where a participant ceases to be employed by the Group, all unvested performance rights will lapse unless the Board in its discretion determines otherwise. If the participant is a "good leaver", the Board may, in its discretion, determine that the participant's unvested performance rights are to become vested rights at that time or are to remain in the plan as if the participant remained an employee. The Board may exercise these discretions at any time during the life of a performance right (upon a participant becoming a "good leaver"). However, if the participant becomes a "good leaver" within six months of the issue date of a performance right (or if a post-vesting restriction period applies, 12 months of the issue date), the Board will only exercise these discretions in exceptional circumstances.
Distributions	Participants will be entitled to the benefit of distributions paid on the Securities to which their performance rights relate prior to those performance rights vesting through the allocation of additional performance rights immediately prior to their vesting.

LTI Rights Plan summary

The following is a summary of the key terms of the LTI Rights Plan.

Eligibility	Participants will be senior executives determined by the Nomination, Remuneration & Governance Committee and approved by the Board.
Purpose	<p>The LTI Rights Plan offers participants the potential to be rewarded for the long-term financial performance of the Group.</p> <p>The LTI Rights Plan will act as a key motivational and retention mechanism and aligns the long-term interests of participants with those of investors. Under the LTI Rights Plan, the Board will set performance conditions which are required to be met before any reward is realised by the participant.</p>
Allocations	<p>Participants have the potential to receive an LTI grant under the LTI Rights Plan, expressed as a percentage of their fixed remuneration.</p> <p>Participants will be allocated performance rights based on the approved proportion of their fixed remuneration, divided by the VWAP of Securities for the period ten trading days either side of the first trading day of the new financial year.</p> <p>The allocation and quantum of LTI grants available to a limited number of senior executives will be determined by the Board. Please refer to pages 24-26 of the 2013 DEXUS Annual Report for more detail.</p>
Award and vesting	<p>Participants will not be required to make any payment in connection with either the issue or vesting of performance rights.</p> <p>Performance against the performance conditions will be assessed in two equal tranches over two periods, three and four years calculated from the commencement of the performance period, being 1 July.</p> <p>Performance rights that meet the performance conditions applicable in any tranche will vest. Performance rights that fail to meet the performance conditions in any tranche are permanently forfeited, with no re-testing in subsequent years available.</p> <p>Additionally, forfeiture will occur should the participant's employment terminate within 12 months of the issue of the performance right for any reason, or if the participant voluntarily resigns or is terminated for cause prior to the vesting date.</p> <p>Notwithstanding the above, if a participant's employment is terminated for reasons such as retirement, redundancy, reorganisation, change in control or other unforeseen circumstances, the Nomination, Remuneration & Governance Committee will recommend whether the participant should remain in the plan as a "good leaver", for decision by the Board.</p> <p>Upon vesting, Securities will be delivered or allocated to the participant automatically and participants will need to observe all prevailing policies or procedures with respect to holding equity or trading in Securities as an employee.</p> <p>The Board may determine that Securities delivered or allocated are not able to be dealt with until the expiry of a further restriction period which may last for up to seven years calculated from the commencement of the performance period, being 1 July.</p>
Performance conditions	<p>The Board sets the performance conditions for the LTI Rights Plan on an annual basis. For the 2013 LTI grant, a set of external and internal performance conditions has been selected.</p> <p>Notably, the Board has clarified the operation of the Relative Total Shareholder Return ("TSR") component of the LTI Rights Plan. The previously communicated 50% weighting to Relative TSR will be split into two distinct groups, the first being a standard Relative TSR measurement against listed peers, the second being a Relative Return on Equity ("ROE") measurement against unlisted peers. The Board feels this is an accurate comparison given the way investors measure the performance of listed and unlisted entities.</p> <p>The four performance conditions for the 2013 LTI Rights Plan are:</p> <p>External performance conditions (50%)</p> <ul style="list-style-type: none"> ■ 25% is based on the Group's relative performance against a Relative TSR performance hurdle measured against a peer group of listed entities within the A-REIT sector <ul style="list-style-type: none"> TSR represents an investor's return, calculated as the percentage difference between the initial amount invested and the final value of Securities at the end of the relevant period, assuming distributions were reinvested. ■ 25% is based on the Group's relative performance against a Relative ROE performance hurdle measured against a peer group of unlisted entities within the A-REIT sector <ul style="list-style-type: none"> ROE represents the annualised composite rate of return to Security holders, calculated as a percentage, comprising the change in net tangible asset value per Security together with the distributions paid to Security holders per Security, divided by the net tangible asset value per Security at the beginning on the period.

Performance conditions continued	<p>Internal performance hurdles (50%)</p> <ul style="list-style-type: none"> ▪ 25% is based on the Group's performance against a predetermined Funds From Operations ("FFO") per Security growth hurdle For the purposes of these performance hurdles, FFO is defined as per the definition adopted by the Property Council of Australia ▪ 25% is based on the Group's performance against a predetermined ROE performance hurdle <p>Relative TSR and Relative ROE</p> <p>Vesting under both the Relative TSR and Relative ROE measures will be on a sliding scale reflecting relative performance against a comparator group of entities.</p> <ul style="list-style-type: none"> ▪ Nil vesting for performance below the median of the comparator group ▪ 50% vesting for performance at the median of the comparator group ▪ Straightline vesting for performance between the 50th and 75th percentile ▪ 100% vesting for performance at or above the 75th percentile <p>The listed and unlisted comparator groups have been reviewed and selected by the Board as being appropriate entities within similar asset classes, investment risk/return profiles and market capitalisation/size. The 2013 LTI grant comparator groups are:</p> <ul style="list-style-type: none"> ▪ Listed: CPA, IOF, GPT, CFX, WRT, SCP, CMW and FDC ▪ Unlisted: AWOF, GWOF, APPFC, ICPF, ISPT, ACP, QPF and APPFR <p>The Board reserves the right to review the peer group annually, with relative performance monitored by an independent external advisor at 30 June each year.</p> <p>FFO growth and ROE</p> <p>Vesting under both the FFO growth and ROE measures will be on a sliding scale reflecting performance against predetermined performance hurdles set by the Board.</p> <ul style="list-style-type: none"> ▪ Nil vesting for below target performance ▪ 50% vesting for target performance ▪ Straightline vesting between target and outperformance ▪ 100% vesting for outperformance <p>Having determined the Group's strategy, the Board has adopted the following FFO growth and ROE performance conditions for the 2013 LTI grant:</p> <ul style="list-style-type: none"> ▪ FFO growth target of 3% p.a. – with outperformance at 5.5% p.a. ▪ ROE target of 9% p.a. – with outperformance at 11% p.a. <p>The targets are measured as the per annum average over the three and four year grant periods.</p>
Additional Conditions	<p>Performance rights represent a conditional promise by the Group to provide the participant with a number of Securities, as specified in the grant, for nil consideration.</p> <p>Vesting under the LTI Rights Plan is subject to achievement of performance conditions (described above) as well as the following additional conditions:</p> <ul style="list-style-type: none"> ▪ Clawback – performance rights may be reduced or cancelled at the Board's discretion including in circumstances such as a participant committing an act of fraud, wilful misconduct, serious or wilful negligence or incompetence, being convicted of a criminal offence or if there has been a material misstatement of the Group's financial accounts as a consequence of a deliberate misrepresentation or fraud. ▪ Service – where a participant ceases to be employed by the Group, all unvested performance rights will lapse unless the Board at its discretion determines otherwise. If the participant is a "good leaver", the Board may, in its discretion, determine that the participant's unvested performance rights are to become vested rights at that time or are to remain in the plan as if the participant remained an employee. The Board may exercise these discretions at any time during the life of a performance right (upon a participant becoming a "good leaver"). However, if the participant becomes a "good leaver" within 12 months of the issue date of a performance right, the Board will only exercise these discretions in exceptional circumstances.
Distributions	<p>Unlike under the STI Rights Plan, there is no entitlement to distributions or equivalent benefits with respect to the LTI Rights Plan performance rights prior to vesting.</p>

GLOSSARY

In the Explanatory Memorandum, Procedural Notes and Notice of Annual General Meeting, the following expressions have the following meanings unless stated otherwise or the context otherwise requires:

ASIC	means the Australian Securities & Investments Commission
ASX	means ASX Limited or the market operated by ASX Limited , as applicable
ASX Listing Rules	means the listing rules of ASX, except to the extent of any express written waiver by ASX
Board	means the Board of Directors of DXFM being the responsible entity of the Trusts
DEXUS Property Group or DEXUS or the Trusts or the Group or DXS Group	means DDF, DIT, DOT and DXO and their controlled entities
DDF	means DEXUS Diversified Trust (ARSN 089 324 541)
DIT	means DEXUS Industrial Trust (ARSN 090 879 137)
DOT	means DEXUS Office Trust (ARSN 090 768 531)
DXFM	means DEXUS Funds Management Limited (ABN 24 060 920 783)
DXO	means DEXUS Operations Trust (ARSN 110 521 223)
Meeting	means the meetings of the Security holders of the units in each of the four Trusts to be held concurrently and in conjunction with each other on the date set out in this Notice of Annual General Meeting
Notice	means the Notice of Annual General Meeting dated 6 September 2013
Responsible Entity	means DEXUS Funds Management Limited (ABN 24 060 920 783) as the responsible entity of each of the four Trusts
Resolution	means a resolution contained in the Notice of Annual General Meeting
Security or Securities	means a stapled Security of DEXUS Property Group each consisting of one unit in each of the four Trusts that comprise DEXUS Property Group (ASX: DXS)
Security holders	means the holders of Securities

QUESTIONS

Name	
Address	

As a DEXUS Property Group Security holder, we invite you to submit questions relating to DEXUS Property Group or the business of the meeting prior to the 2013 Annual General Meeting.

Your questions can be directed toward the Chair, DEXUS Property Group's Auditor or the Chief Executive Officer. You will also have the opportunity to raise questions during the meeting. To submit questions, please complete this question form.

Questions must be received by DEXUS Property Group's security registrar, Link Market Services Limited by 2.00pm Wednesday, 23 October 2013 by:

- posting it in the reply paid envelope provided; or
- posting it to Locked Bag A14, Sydney South NSW 1235; or
- faxing it to +61 2 9287 0309.

We will endeavour to respond to as many questions as possible during the Annual General Meeting. We may address a number of questions together with one response, however there may not be sufficient time during the meeting to address all questions or topics.

Please note individual responses will not be sent to Security holders.

Question for the:

Chair Auditor Chief Executive Officer

Question for the:

Chair Auditor Chief Executive Officer

Question for the:

Chair Auditor Chief Executive Officer

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
AFSL 238163

Registered office of Responsible Entity

Level 25, Australia Square
264 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
Tonianne Dwyer
Stewart F Ewen OAM
Craig D Mitchell, CFO
Richard Sheppard
Darren Steinberg, CEO
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
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

Infoline: 1800 819 675
Fax: +61 2 9287 0303
Email: registrars@linkmarketservices.com.au
Website: linkmarketservices.com.au

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

For enquiries regarding your holding please
contact the Security Registry, or access your
holding details at www.dexus.com using the
Investor Login link.

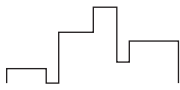
Australian Securities Exchange

ASX code: DXS

IR App

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





DEXUS

PROPERTY GROUP

DEXUS PROPERTY GROUP
 ABN 24 060 920 783
 AFS Licence No: 238163

LODGE YOUR VOTE



ONLINE >

www.linkmarketservices.com.au



By mail:
 DEXUS Property Group
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1800 819 675

SECURITY HOLDER PROXY FORM

I/We being a member(s) of DEXUS Property Group ("Group") and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chair
 of the Meeting
 (mark box)

OR if you are NOT appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered Security holder) you are appointing as your proxy. I/we appoint the Chair of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chair of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Group to be held at 2:00pm on Tuesday, 29 October 2013, at DEXUS Head Office, Australia Square, Level 25, 264-278 George Street, Sydney NSW 2000 and at any adjournment or postponement of the Meeting. I/we expressly authorise the Chair of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chair of the Meeting intends to vote undirected proxies in favour of all Resolutions.

Proxies will only be valid and accepted by the Group if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

STEP 2

VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval of an Executive Director - Craig Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.1 Grant of performance rights - Darren Steinberg	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3.2 Grant of performance rights - Craig Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SECURITY HOLDERS - THIS MUST BE COMPLETED

Security holder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Security holder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Security holder 3 (Individual)

Director

This form should be signed by the Security holder. If a joint holding, either Security holder may sign. If signed by the Security holder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

DXS PRX301R



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Group's Security register. If this information is incorrect, please make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your Securities using this form.**

Appointment of a Proxy

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chair of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chair of the Meeting as your proxy, you will also be appointing the Chair of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the Meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your Securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of Securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses (subject to the restrictions set out in the Notice of Annual General Meeting). If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Group's Security registry or you may copy this form and return them both together. The appointment of the Chair of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of Securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either Security holder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Group's Security registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm Sunday, 27 October 2013**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, Security holders will need their "Holder Identifier" (Security Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



by mail:

DEXUS Property Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.