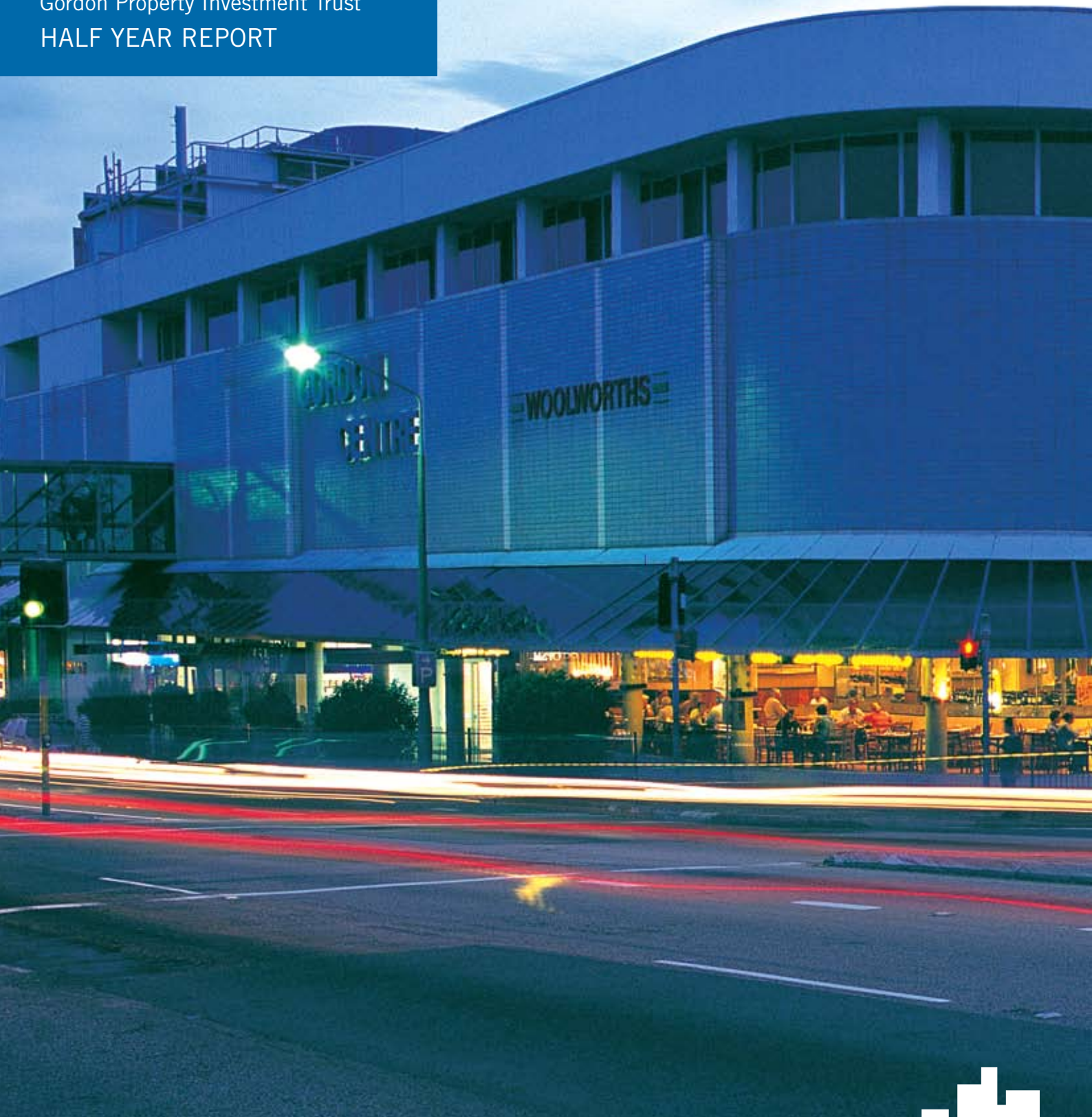


# 2009

**DEXUS Property Syndicate**  
Gordon Property Trust and  
Gordon Property Investment Trust  
HALF YEAR REPORT



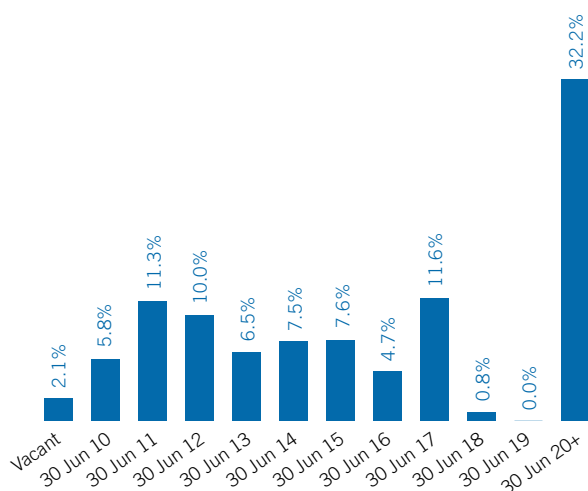
# MANAGER'S REPORT

## Property highlights

As at 31 December 2009, the Gordon Shopping Complex was 97.9% leased based on lettable area.

Weighted average lease expiry by income is 7.44 years.

### LEASE EXPIRY PROFILE BY NET PASSING INCOME



## Description

The Gordon Shopping Complex (the Complex) comprises two retail assets, the Gordon Centre (the Centre) and the Gordon Village Arcade (the Arcade). The Complex has a total lettable area of 13,817 square metres. The Centre is anchored by a Woolworths supermarket and Harvey Norman store, together with specialty retail and commercial office tenancies located over three levels. The Arcade provides retail accommodation for approximately 24 specialty retailers over four levels and is linked by a foot bridge over the Pacific Highway to the Centre.

## Location

The Complex is located on the Pacific Highway, Gordon, 16 kilometres north of the Sydney CBD.

## Leasing

The Complex was 97.9% leased at 31 December 2009.

Three lease deals were completed within the Centre for the six months ending December 2009 comprising two commercial suites and one retail tenancy. An average 16% increase over passing net income was achieved.

## Centre performance

The Centre's trade has been underpinned by the consistent performance of existing retailers.

Overall Moving Annual Turnover (MAT) for the Complex for the year to December 2009 was \$105.1 million reflecting similar sales compared to the previous year.

Woolworths continues to show strong sales growth, with supermarket sales over the period increasing by 5.00%.

## Valuation

The property was independently valued at 31 December 2009 at \$75.4 million. This represents a 6.2% decrease on the previous valuation undertaken six months ago of \$80.4 million. The decrease largely reflects a 0.5% softening in the capitalisation rate for the Centre and a 0.25% softening in the discount rate for the assets based on current market conditions.

The valuation of \$75.4 million results in a net asset backing per unit attributable to members at 31 December 2009 of \$3.22 for Gordon Property Trust (previously \$3.44 at June 2009) and \$2.04 for Gordon Property Investment Trust (previously \$2.24 at June 2009).

## Performance

Income distribution for the first half of the financial year is 5.50 cents per unit.

## Syndicate strategy

The term for the Gordon Property Trust and the Gordon Property Investment Trust (collectively "the Trusts") are due to expire on 14 June 2010. It is intended, in accordance with the constitutions for the Trusts, that the property is sold as soon as practicable after the expiry date, and the Trusts subsequently wound up.

## DISCLOSURE

### Syndicate Capital Management – Gordon

Borrowings	\$28.430 million
Interest cover covenant	EBIT/IE > 2x
Interest cover	3.5x
Security ratio covenant	< 60%
Current security ratio	39%
Debt maturity	June 2011

Security ratio – Total commitment to value ratio

IE – Interest Expense

EBIT – Earnings Before Interest and Tax

## GORDON Property Trust

### As at 31 December 09

Total assets	\$76,605,176
Net assets attributable to members	\$69,959,417
Net asset backing per unit attributable to members	\$3.22

### Six months to 31 December 09

Distributions to members	\$1,193,500
Net distribution after loan interest expense	5.50 cpu

## GORDON Property Investment Trust

### As at 31 December 09

Total assets	\$47,936,439
Net assets attributable to members	\$30,126,804
Net asset backing per unit attributable to members	\$2.04

### Six months to 31 December 09

Distributions to members	\$810,370
Gross distribution	5.50 cpu

#### Note 1

In accordance with Australian International Financial Reporting Standards, unitholder funds have been reclassified from debt to equity. Additionally, the Gordon distributions will be classified to equity.

#### Note 2

Unaudited financial statements as at 31 December 2009.

## DIRECTORY

### Responsible Entity

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For enquiries regarding holding, change of address, or other matters please contact the unit registry.

### Custodian

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[www.dexus.com](http://www.dexus.com)