



2011

DEXUS RENTS Trust

ANNUAL REPORT



DEXUS
PROPERTY GROUP

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A wide-angle photograph of the Sydney CBD skyline at sunset. The sky is a clear, pale blue, and the sun is low on the horizon, casting a warm, golden glow over the buildings. The water in the foreground is dark blue with gentle ripples. Several boats are visible in the harbor, including a white ferry and a yellow boat. The buildings are a mix of modern glass skyscrapers and older, more traditional structures. The AMP logo is visible on one of the taller buildings.

DEXUS RENTS Trust's objective is to provide quarterly income payments at an attractive yield.

NET ASSETS

\$204m

MARKET CAPITALISATION

\$190.9m

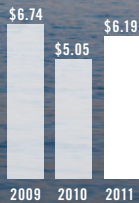
DISTRIBUTIONS

\$12.6m

KEY RESULTS

DISTRIBUTION
PER SECURITY

\$6.19



TOTAL ASSETS

\$207.2m



LETTER FROM THE CHAIR

I am pleased to present the DEXUS RENTS Trust (RENTS) Annual Report for the year ended 30 June 2011.

Real-estate perpetual Exchangeable Step-up Securities are fully paid preference units in RENTS. The monies raised through the issue of RENTS were used to subscribe for preference units in DOT Commercial Trust, a sub-trust of DEXUS Office Trust which forms part of DEXUS Property Group (DXS) stapled security.

RENTS paid distributions totalling \$6.19 per security for the year to June 2011 with 90% of that income being tax deferred. The distribution rate for RENTS is determined on the first business day of each quarter. Until 1 July 2012, the distribution rate will be equal to the 90 day bank bill rate plus 1.3% per annum.

The 90 day bank bill rate increased slightly from 4.84% to 4.89% during the 12 months to June 2011. The rise in the 90 day bank bill rate was influenced by the official cash rate which increased 25 basis points in November 2010 to contain above trend growth in the Australian economy resulting from our high terms of trade.

At 30 June 2011, the security price closed at \$93.59 on the Australian Securities Exchange resulting in a market capitalisation of \$190.9 million, a 12.8% increase on 2010.

DEXUS year in review

During the year we focused on further building our distinctive capabilities to deliver strong performance and strengthening our leadership positions in the office and industrial sectors. We achieved this by focusing on the value drivers that we believe contribute to outperformance mainly:

- Focusing investment in core markets with high barriers to entry allowing us to create further scale and market power

- Leveraging our concentrated scale to build and maintain local relationships
- Utilising our experienced in-house research team in acquisition, disposal and leasing transaction strategy
- Selectively engaging in value add developments

As a result of this focus DEXUS outperformed the S&P/ASX200 Property Accumulation Index in 2011 and has exceeded this benchmark on a rolling three year basis each year since inception in October 2004.

Stakeholder objectives

In 2011 we continued to drive performance and embed sustainability practices across our business in line with our corporate commitments to deliver positive outcomes for our key stakeholders by:

- Maximising returns for our investors
- Offering world class sustainable property solutions to our tenants
- Actively managing our purchasing and partnering decisions to ensure a positive impact and create shared value
- Being a preferred employer in the property industry to attract and retain the most talented team
- Ensuring we have a positive impact through engagement with the communities in which we operate
- Reducing resource consumption within our buildings including working with our tenants to minimise their resource consumption



L to R: Chair, Christopher Beare and CEO, Victor Hoog Antink

Board and Governance

At the date of this report the Board comprises nine Directors, eight of whom are independent. On 24 August 2011, Tonia Dwyer joined our Board and the appointment will be proposed at the upcoming DEXUS Annual General Meeting. Specific skills and experience the Directors bring to the Board include strategy, property investment, investment management, capital markets, financial and risk management.

During the year we established a new Board Membership policy, outlining our approach to Directors servicing multiple boards, to guard against Directors over committing their time. The policy also reflects our commitment to review and refresh Board and Committee memberships to ensure appropriate experience and insight.

In 2010 we formalised our diversity policy to reflect our belief that diversity is a competitive advantage for our investors. In June 2011, we agreed objectives for this policy and one of these was to achieve at least 33% female participation in both senior management through to the Board by June 2015. I am pleased to report that we currently sit at 31% female participation. This represents the top 30% of our workforce, including the Board, and is one of the highest in the ASX 100.

We continue to support and encourage diversity at all levels – the Board of Directors, the senior management team and throughout our organisation. The Board and management oversee progress towards the achievement of our diversity objectives, including regular monitoring of key workforce demographics.

On behalf of the Board, I would like to thank you for your support during the past year. I look forward to leading the Board again in 2012 and reporting our activities to you next year.

Yours sincerely,

Christopher T Beare
Chair

26 September 2011

CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to present the 2011 results for DEXUS RENTS Trust, a year where DEXUS has focused on leveraging market scale, strengthening our capital platform and driving sustainable performance across our business.

The 90 day bank bill rate increased in the year to 4.89% at 30 June 2011 influenced by the Australian cash rate which lifted by 25 basis points in November 2010. The Reserve Bank of Australia saw the Australian economy strengthening over the year as the terms of trade moved to the highest level seen since the early 1950s. This, coupled with above trend growth and an anticipated rise in inflation prompted the Reserve Bank of Australia to increase the cash rate by 25 basis points to 4.75%. Accordingly, income from ordinary activities and distributions to security holders increased during the year in line with this movement.

During the year RENTS paid a total distribution of \$6.19 per security (2010: \$5.05 per security) which was 90% tax deferred. RENTS pay quarterly distributions into investors' nominated Australian bank accounts. Investors who held RENTS for the 2011 year received the following income:

Quarter ending	Distribution rate %	Distribution rate \$
30 September 2010	6.14	1.55
31 December 2010	6.18	1.56
31 March 2011	6.26	1.54
30 June 2011	6.19	1.54
Total		6.19

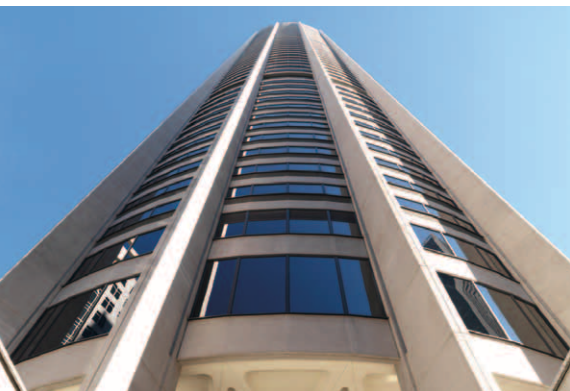
RENTS financial results

Total revenue for the year was \$12.6 million and profit attributable to investors was \$12.5 million. Distributions totalling \$12.6 million were paid to investors for the year ended 30 June 2011 representing a total distribution of \$6.19 per security. Total assets of RENTS were stable at \$207.2 million and net assets were \$204 million or \$100.02 per security. Further financial information can be found in the Financial Statements starting on page 24 of this report.

DEXUS Property Group

The assets of RENTS are invested in a sub-trust of DXS. DXS's portfolio was valued at \$7.5 billion at 30 June 2011 and comprises direct property in Australia, New Zealand, the United States and Europe.

Operating Earnings Before Interest and Tax (Operating EBIT) was \$437.2 million and statutory profit was \$553 million, an increase of \$521.6 million over \$31.4 million in 2010. The increase in Funds From Operations (FFO) to \$358 million (2010: \$350 million) resulted from solid operational performance in our Australian and core US portfolios, with like-for-like Net Operating Income (NOI) increasing 1.9% across the portfolio. Net Tangible Assets (NTA) increased 6 cents per security to \$1.01 as at 30 June 2011 which included 4 cents from property revaluations, with average capitalisation rates tightening by 30 basis points to 7.7% and a 2 cent contribution from retained earnings.



Australia Square, 264-278 George Street, Sydney, NSW



30 The Bond, Hickson Road, Sydney, NSW

During the year we focused on our core business of office and industrial property ownership, management and development. Key performance highlights included:

- The Australian core office portfolio provided a total return of 9.0% driven by 3.3% growth in like-for-like NOI and capitalisation rates tightening by 25 basis points
- The Australian industrial portfolio provided a 9.4% total return and delivered steady like-for-like income growth
- The US industrial portfolio provided a 14.3% total return

Capital management

DXS continues to maintain a strong balance sheet with the average maturity of funding sources improving to 4.2 years.

Gearing is at 28.4% down from 29.8% in 2010 and well below DXS's policy maximum level of 40%. DXS continues to maintain stable credit ratings of Standard & Poor's BBB+ and Moody's Baa1. Further information on DXS's 2011 results are available at www.dexus.com

Our CR&S commitment

This year DEXUS commenced the integration of UNPRI into our investment framework, focused on the material issues to our key stakeholders and enhanced our CR&S strategy through the development of our six pillar framework. Further CR&S information can be found at www.dexus.com/crs

Driving environmental performance

DEXUS continues to drive sustainable performance with reductions in resource consumption across the portfolio and leading the market in sustainable property design. We have further enhanced the quality of our portfolio under our 4.5-star NABERS Energy rating program and completed our two 6 Star Green Star office developments at 1 Bligh Street, Sydney and 123 Albert Street, Brisbane.

In the US we are partnering with Whirlpool to undertake the largest rooftop solar panel installation in the US. This will also be the first US solar power rooftop generation system with 100% of the electricity generated being transferred directly to the neighbouring Southern California Edison energy grid.

CHIEF EXECUTIVE OFFICER'S REPORT

CONTINUED

Across our industrial business we have advanced our team's expertise in leading sustainability principles by increasing our number of in-house accredited Green Star professionals in Australia and LEED accredited professionals in our US industrial team. As these tools in the industrial sector evolve we will continue to implement innovative and leading edge solutions to ensure we continue to offer the most sustainable workplaces for our tenants and drive value for our stakeholders through design efficiency.

Engaging and developing our people

Our annual Employee Opinion Survey reflected further improved results across the business and continued strength in employee satisfaction and engagement. Our employee engagement rate rose to 83% up from 78% in the previous year. Overall we outperformed 18 of the top 19 categories of the Towers Watson Australian National Norm and in several categories of the Global High Performing Norm.

A key focus this year has been to continue to deliver outperformance by further strengthening our high performing culture. In the second half of the financial year we rolled out a new quarterly business performance system which measures performance against KPIs across key business units. These KPIs are aligned to our Group objectives to achieve top quartile investment performance, earnings per share growth and further build our leadership position.

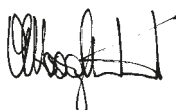
Contributing to our community

Contributing to our community is an integral part of the DEXUS culture. As one of Australia's largest property companies, we have aligned our corporate community approach to focus on projects which contribute to the provision of housing and other property solutions for those in need.

During 2011 we supported many causes through financial donations, in-kind support and employee volunteering. We are proud to announce that our overall financial and in-kind contributions increased by 68% to the equivalent of \$931,479. We also sought to increase engagement with our corporate partners to leverage community engagement and achieve greater outcomes.

Further information for RENTS and the DEXUS Group is available on our website at www.dexus.com

We thank you for your continued support and look forward to reporting to you in 2012.



Victor Hoog Antink
Chief Executive Officer

26 September 2011

BOARD OF DIRECTORS



Christopher T Beare Chair and Independent Director

BSc, BE (Hons), MBA, PhD, FAICD

Chris Beare is both the Chair and an Independent Director of DEXUS Funds Management Limited (appointed 4 August 2004). He is also a member of the Board Nomination and Remuneration Committee and the Board Finance Committee.

Chris has significant experience in international business, technology, strategy, finance and management. Previously Chris was Executive Director of the Melbourne based Advent Management venture capital firm prior to joining investment bank Hambros Australia in 1991.

Chris became Head of Corporate Finance in 1994 and joint Chief Executive in 1995, until Hambros was acquired by Société Générale in 1998. Chris remained a Director of SG Australia until 2002. From 1998 onwards, Chris helped form Radiata, a technology start-up in Sydney and Silicon Valley – and as Chair and Chief Executive Officer, Chris steered it to a successful sale to Cisco Systems in 2001 and continued part time for four years as Director Business Development for Cisco. Chris has previously been a director of a number of companies in the finance, infrastructure and technology sectors. Chris is currently Chair of Mnet Group an ASX listed company.



Elizabeth A Alexander AM Independent Director

BComm, FCA, FAICD, FCPA

Elizabeth Alexander is an Independent Director of DEXUS Funds Management Limited (appointed 1 January 2005), Chair of DEXUS Wholesale Property Limited and a member of the Board Audit and Board Risk and Sustainability Committees.

Elizabeth brings to the Board extensive experience in accounting, finance, corporate governance and risk management and was formerly a partner with PricewaterhouseCoopers.

Elizabeth's previous appointments include National Chair of the Australian Institute of

Company Directors, National President of the Australian Society of Certified Practising Accountants and Deputy Chairman of the Financial Reporting Council. Elizabeth was also on the Boards of Boral Limited and AMCOR Limited.

Elizabeth is currently Chair of CSL Limited from which she has indicated her intention to retire on 19 October 2011.

Elizabeth is also a director of Medibank Private and a Chancellor of the University of Melbourne.



Barry R Brownjohn Independent Director

BComm

Barry Brownjohn is an Independent Director of DEXUS Funds Management Limited (appointed 1 January 2005) and is Chair of the Board Audit and Board Risk and Sustainability Committees and a member of the Board Finance Committee.

Barry has over 20 years' experience in Australia, Asia and North America in international banking and previously held positions with the Bank of America including heading global risk management for the capital markets business, the Asia capital markets business and was the

Australasian CEO between 1991 and 1996. Following his career with Bank of America, Barry has been active in advising companies in Australia and overseas on strategic expansion and capital raising strategies. He has also held numerous industry positions including Chairing the International Banks and Securities Association in Australia and the Asia Pacific Managed Futures Association.

Barry is an Independent Director of Citigroup Pty Limited, an Advisory Board Member of the South Australian Financing Authority and a Director of Bakers Delight Holdings Pty Limited. He also serves as a Board Governor of the Heart Research Institute.

BOARD OF DIRECTORS

CONTINUED



John C Conde AO Independent Director
BSc, BE (Hons), MBA

John Conde is an Independent Director of DEXUS Funds Management Limited (appointed 29 April 2009), is the Chair of the Board Nomination and Remuneration Committee and a member of the Board Compliance Committee.

John brings to the Board extensive experience across diverse sectors including commerce, industry and government. John was previously a Director of BHP Billiton and Excel Coal Limited, Managing Director of Broadcast Investment Holdings Pty Limited, Director of Lumley Corporation and President of the National Heart Foundation of Australia.

John is Chairman of Ausgrid, the Bupa Australia Group and Whitehaven Coal Limited. John is President of the Commonwealth Remuneration Tribunal and Chairman of the Sydney Symphony. John is Chairman of the Australian Olympic Committee (NSW) Fundraising Committee, Chairman of the Homebush Motor Racing Authority Advisory Board and Chairman of Events NSW.



Tonia Dwyer Independent Director
BJuris (Hons), LLB (Hons)

Tonia Dwyer is an Independent Director of DEXUS Funds Management Limited (appointed 24 August 2011).

Tonia brings to the Board significant experience as a company director and executive working in listed property, funds management and corporate strategy across a variety of international markets. Tonia was a Director from 2006 until 2010 of Quintain Estates and Development – a listed United Kingdom property company comprising funds

management, investment and urban regeneration – and was previously Head of Funds Management from 2003. Prior to joining Quintain, Tonia was a Director of Investment Banking at Hambros Bank, SG Cowen and Société Générale based in London.

Tonia also held directorships on a number of boards associated with Quintain's funds management business including the Quercus, Quantum and iQ Property Partnerships and the Bristol & Bath Science Park Stakeholder Board.



Stewart F Ewen OAM Independent Director

Stewart Ewen is an Independent Director of DEXUS Funds Management Limited (appointed 4 August 2004) and a member of the Board Nomination and Remuneration Committee.

Stewart has extensive property sector experience and started his property career with the Hooker Corporation in 1966. In 1983, Stewart established Byvan Limited which, by 2000, managed \$8 billion in shopping centres in Australia, Asia and North America. In 2000, Stewart sold his interest in Byvan to the Savills Group. In 1990 he started NavyB Pty Ltd, which has completed in excess of \$600 million of major residential and commercial property projects in Australia and New Zealand. Stewart was previously Managing Director of Enaco Ltd,

a Director of the Abigroup and Chairman of Tuscan Pty Ltd, which developed and operated the Sydney University Village. Stewart was also a Director of CapitaCommercial Trust Management Limited in Singapore from 2004 to 2008. Stewart was previously President of the Property Council of NSW, member of the NSW Heritage Council and Chair of the Cure Cancer Australia Foundation.



Victor P Hoog Antink Executive Director and Chief Executive Officer
BComm, MBA, FAICD, FCA, FAPI, FRICS

Victor Hoog Antink is CEO and an Executive Director of DEXUS Funds Management Limited (appointed 1 October 2004).

Victor has over 30 years' experience in property and finance. Prior to joining DEXUS in November 2003, Victor held Executive positions at Westfield Holdings where he was the Director of Funds Management, responsible for both the Westfield Trust and the Westfield America Trust. Prior to joining Westfield in 1995, Victor held Executive management positions

in a number of financial services and property companies in Australia. Victor has a Commerce degree from the University of Queensland and an MBA from the Harvard Business School. He is a fellow of the Australian Institute of Company Directors, the Institute of Chartered Accountants in Australia, the Australian Property Institute and the Royal Institute of Chartered Surveyors. Victor also holds a Real Estate Agent's licence.

Victor is a former National President of the Property Council of Australia, Chair of the Property Industry Foundation and Director for Greenprint Foundation.



Peter B St George Independent Director
CA(SA), MBA

Peter St George is an Independent Director of DEXUS Funds Management Limited (appointed 29 April 2009), is Chair of the Board Finance Committee and is a member of the Board Audit and Board Risk and Sustainability Committees.

Peter has more than 20 years' experience in senior corporate advisory and finance roles within NatWest Markets and Hill Samuel & Co in London. Peter acted as Chief Executive/Co-Chief Executive Officer of Salomon Smith Barney Australia/NatWest Markets Australia

from 1995 to 2001. Peter was previously a Director of Spark Infrastructure Group and Chedha Holdings (Powercor and CitiPower, Victoria). Peter was also Chairman of Walter Turnbull Chartered Accountants and a Director of SFE Corporation Limited.

Peter is currently a Director of First Quantum Minerals Limited (listed on the Toronto Stock Exchange) and Board Longyear Limited.



Brian E Scullin Independent Director
BEC

Brian Scullin is an Independent Director of DEXUS Funds Management Limited (appointed 1 January 2005), DEXUS Wholesale Property Limited and Chair of the Board Compliance Committee.

Brian brings to the Board extensive domestic and international funds management knowledge as well as finance, corporate governance and risk management experience. Following a career in government and politics in Canberra, Brian was appointed the inaugural Executive Director

of the Association of Superannuation Funds of Australia (ASFA) in 1987. He joined Bankers Trust in Australia in 1993 and held a number of senior positions, becoming President of Japan Bankers Trust in 1997. In 1999 Brian was appointed Chief Executive Officer, Asia/Pacific for Deutsche Asset Management and retired from this position in 2002.

Brian was appointed Chair of BT Investment Management Limited in 2007 and Independent Director of Spark Infrastructure in May 2011.

ABOUT DEXUS PROPERTY GROUP

DEXUS is one of Australia's leading property groups specialising in superior quality office, industrial and retail properties with total funds under management of \$13.7 billion.

DEXUS Group structure

\$13.7 FUM | 240 properties | 5.9 million sqm net lettable area

DXS*
\$7.5bn

DXS Australia \$6.1bn

DXS United States \$1.2bn

OFFICE \$4.5bn

INDUSTRIAL \$1.6bn

INDUSTRIAL \$1.2bn



Third Party Investment Management

\$6.2bn

DWPF \$3.4bn

AXA & STC Mandates \$2.6bn

US Mandate \$223m

OFFICE \$1.1bn

INDUSTRIAL \$354m

RETAIL \$1.9bn

OFFICE \$943m

INDUSTRIAL \$381m

RETAIL \$1.2bn

INDUSTRIAL \$223m

* **About DXS** – In 2004 DXS completed a consolidation of its operations by stapling four of its trusts into one security forming DEXUS Property Group (ASX code: DXS). A DXS stapled security consists of a unit from each of DEXUS Diversified Trust (DDF), DEXUS Industrial Trust (DIT), DEXUS Office Trust (DOT) and DEXUS Operations Trust (DXO).



Governor Phillip & Governor Macquarie Tower Complex, 1 Farrer Place, Sydney, NSW

Our vision is to be the leading property owner, manager and developer of superior quality office and industrial properties in Australia and industrial properties in the US west coast markets and, on behalf of third party investors, to be a leading manager and developer of office, industrial and retail properties.

DEXUS specialises in owning, managing and developing world class office, industrial and retail properties with total funds under management of \$13.7 billion primarily in Australia and the US.

All our properties either form part of our \$7.5 billion direct property portfolio, one of the largest listed Australian Real Estate Investment Trusts (ASX: DXS), or our \$6.2 billion third party investment management business including DEXUS Wholesale Property Fund (DWPF) which invests in office, industrial and retail properties on behalf of third party investors. In Australia, DEXUS is a market leader in office and industrial properties and a leading manager and developer of shopping centres. Operating in the US since 2004, we specialise in owning, managing and developing high quality industrial properties focused on the west coast.

Core competencies in commercial property

DEXUS has a proven track record spanning over 25 years in commercial property investment and management. We are committed to delivering sustainable property solutions in partnership with our tenants and building enduring value for our investors and the wider community.

Our corporate culture is based on our values of Respect, Excellence, Service, Integrity, Teamwork and Empowerment.

We focus on three core activities; property ownership, portfolio and property management and select property development. Our key principles for each of these activities are provided below.

OWN We invest in superior quality property in strategic locations in Australia and the US. We build financial strength through active capital management and informed investment decisions.

MANAGE Through our fully integrated property management model we provide superior service to our tenants, investors and partners. We are committed to engaging with and responding to our key stakeholders to achieve leading property and environmental performance.

DEVELOP We undertake selective development to create value for investors and deliver the highest quality workspaces incorporating leading sustainable design principles.



Group Management Committee (L to R): John Easy – General Counsel, Craig Mitchell – Chief Financial Officer, Victor Hoog Antink – Chief Executive Officer, Paul Say – Chief Investment Officer and Head of Office, Tanya Cox – Chief Operating Officer

ABOUT DEXUS PROPERTY GROUP

CONTINUED



Members of the DEXUS team at 1 Bligh Street, Sydney

CORPORATE GOVERNANCE STATEMENT

DEXUS Funds Management Limited (DXFM) is the Responsible Entity of DEXUS RENTS Trust (RENTS). DXFM is also the Responsible Entity of the four Trusts that comprise DXS and the management of the third party mandates.

This corporate governance framework applies to all DXFM funds and mandates, and is designed to support the strategic objectives of the Group by defining accountability and creating control systems to mitigate the risks inherent in its day-to-day operations.

To achieve this objective, DXFM has implemented a corporate governance framework that meets the requirements of *ASX Corporate Governance Principles and Recommendations* (2nd edition) as amended 30 June 2010, and addresses additional aspects of governance that the Board considers appropriate. The Board is also committed to the early adoption of new and revised principles and recommendations. A reconciliation of the ASX Principles against DXFM's governance framework can be found at www.dexus.com/corporategovernance

The Board

Roles and responsibilities

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 1.1

DEXUS's corporate governance practices satisfy the requirements relevant to a unit trust.

The Board has determined that its governance framework will satisfy the highest standards of a publicly listed company. These additional governance aspects include the conduct of a DXS Annual General Meeting of which RENTS investors are invited to attend, the appointment of Directors by DXS security holders and additional disclosure, such as the remuneration report.

The governance framework enables the Board to provide strategic guidance, while exercising effective oversight of management. The framework also defines the roles and responsibilities of the Board and Executive management in order to clearly communicate accountability and ensure a balance of authority.

The Board is responsible for reviewing and approving DEXUS's business objectives and ensuring strategies for their achievements are in place and monitored. Objectives are reviewed periodically to ensure that they remain consistent with the Group's priorities and the changing nature of its business. These objectives become the performance targets for the Chief Executive Officer and Group Management Committee. Performance against these objectives is reviewed annually by the Board Nomination and Remuneration Committee and is taken into consideration during the remuneration review of Group Management Committee members.

The Board carries ultimate responsibility for the approval and monitoring of annual business plans, the approval of acquisitions, divestments and major developments. The Board also ensures that the fiduciary and statutory obligations RENTS owes to its security holders, third party clients and investors are met.

The Board is directly responsible for appointing and removing the Chief Executive Officer (CEO), and Company Secretary, ratifying the appointment of the Chief Financial Officer (CFO) and monitoring the performance of the Group Management Committee. The Board meets regularly throughout the year and, when required, Directors also meet to consider specific business. At each regular Board meeting the Independent Directors meet without the CEO. Each year the Directors also meet with senior management to specifically consider strategy.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

In addition to these responsibilities, DXFM is committed to maintaining, through both the Group Management Committee and the Board, a balance of skills, experience and independence appropriate to the nature and extent of its operations.

The Group Management Committee is responsible for the strategic alignment and achievement of DEXUS's goals and objectives. The Group Management Committee is focused on ensuring prudent financial and risk management of the Group.

Composition

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments):
2.1, 2.2, 2.3

The composition of the Board reflects its role and the duties and responsibilities it discharges. It reflects the need for the Board to work together as a team with each Director making his or her own contribution to the Board's decision making process.

General qualifications for Board membership include the ability and competence to make appropriate business recommendations and decisions, an entrepreneurial talent for contributing to the creation of investor value, relevant experience in the industry sector, high ethical standards, exposure to emerging issues, sound practical sense and a total commitment to the fiduciary and statutory obligations to further the interests of all investors and achieve the Group's objectives.

During the year, the Board implemented a Board Membership Policy which addresses the potential impact of multiple board memberships on Directors' ability to devote adequate time to each board/position. Should a Director seek to be appointed to additional boards, approval must be sought from the Chair of the DXFM Board.

At the date of this report, the Board comprises nine members, eight of whom are independent and the ninth member is the DEXUS CEO. Eight Directors held office for the full financial year with Toniaanne Dwyer joining the Board on 17 August 2011. The constitution allows for the appointment of up to 10 Directors.

Specific skills the incumbent Directors bring to the Board include strategy, property investment, funds management, capital markets, financial and risk management. Independent Directors have expertise in areas which enable them to relate to the strategies of RENTS and to make a meaningful contribution to the Board's deliberations.

Independent Directors are independent of management and free of any business or other relationship that could materially interfere with the exercise of his or her unfettered and independent judgement. To be independent, a Director must not have, in the previous three years:

1. been retained as a professional adviser to DEXUS either directly or indirectly; or
2. been a significant customer of DEXUS or supplier to DEXUS (as determined by the Chair); or
3. held a significant financial interest in DEXUS either directly or indirectly (as determined by the Chair); or
4. held a Senior Executive position at DEXUS.

The Board regularly assesses the independence of its Directors, in light of interests disclosed to it. Directors of the Responsible Entity are not technically subject to the approval of DXS security holders. However, the Board has determined that all Directors other than the CEO, will stand for election by DXS stapled security holders. If a nominated Director fails to receive a majority vote that Director will not be appointed to the Board of DXFM. DXFM Directors, other than the CEO, will hold office for three years, following his or her first appointment (or, if appointed by the Board between DXS Annual General Meetings, from the

date of the Annual General Meeting immediately succeeding the initial appointment). It is not generally expected that an Independent Director would hold office for more than ten years, or be nominated for more than three consecutive terms, whichever is the longer.

The Chair is an Independent Director, and is responsible for the leadership of the Board, for the efficient organisation and conduct of the Board's functions, and for the briefing of Directors in relation to issues arising relevant to the Board. The Board has clearly defined the responsibilities and performance of the CEO. The roles of the CEO and the Chair are not exercised by the same individual. The performance of the CEO is monitored by the Chair.

Biographies outlining the skills and experience of each Director are set out on pages 7 to 9 of this Report. The policy to select and appoint new Directors to the Board, including specific criteria applied to determine Director independence is available at www.dexus.com

Meetings

The Board generally meets at least 10 times a year (being monthly between February and November) as well as attending ad hoc meetings that are called throughout the year. Board meetings are generally held at the registered office of DEXUS, although a number of meetings will be held "off-site" allowing the Directors to visit DEXUS owned or managed properties. Directors are expected to attend at least 75% of meetings a year. To assist participation, video conferencing facilities have been established.

Agenda items for Board meetings include (but are not limited to):

- CEO report
- Company Secretary's report
- Minutes of Board Committee meetings
- Reports on asset acquisitions, disposals and developments
- Management presentations

Board papers are provided to Directors no less than five business days before the scheduled meeting. Management is available to provide clarification or answer any questions Directors may have prior to the Board meeting or attend the Board meeting if requested by the Directors. DEXUS is currently trialling the provision of Board papers via iPad.

Performance

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 1.2, 2.5

To ensure that each new Director is able to meet his or her responsibilities effectively, newly appointed Directors receive an information pack and induction briefing, which addresses the corporate governance framework, Committee structures and their terms of reference, governing documents and background reports. New Directors also attend briefings by DEXUS management on business strategy and operations. There were no new appointments during the 2011 financial year.

In addition, Directors undertake training, through regular presentations by management and external advisers on sector, fund and industry specific trends and conditions throughout the year.

Directors are also encouraged to:

- take independent professional advice, at the Group's expense and independent of management;
- seek additional information from management; and
- directly access the Company Secretary, General Counsel, Head of Risk and Governance and other DEXUS Executives as required.

The Board Nomination and Remuneration Committee oversees the Board performance evaluation program which extends over a two year period. Board and Committee performance is evaluated one year, and individual Director performance is evaluated the following year.

CORPORATE GOVERNANCE STATEMENT

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The process is designed to identify opportunities for performance improvement. In 2011 individual Director performance was evaluated. Evaluations are undertaken using questionnaires and face-to-face interviews on a broad range of issues.

The effectiveness of Board and Committees is reviewed on an annual basis, the findings of which are reported to the Board. Committees' Terms of Reference are reviewed on at least an annual basis. Each Committee has a standing item to address at each meeting any improvement to reporting or process that would benefit the Committee as well as any items that require immediate reference to the Board, or regulator (where applicable).

Governance

The Board has established a number of Committees to assist it in the fulfilment of its responsibilities. The Board and Board Committee Terms of Reference are reviewed at least annually, and are available at www.dexus.com/corporategovernance

Board Nomination and Remuneration Committee

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 2.4, 2.5, 8.1, 8.2

A Board Nomination and Remuneration Committee oversees all aspects of Director and Executive remuneration, Board renewal, Director, CEO and management succession planning, Board and Committee performance evaluation and Director nominations. It comprises three Independent Directors:

- John C Conde AO, Chair, Independent Director
- Christopher T Beare, Independent Director
- Stewart F Ewen OAM, Independent Director

Reporting to the Board Nomination and Remuneration Committee and the Group Management Committee, the Compensation

Committee oversees the development and implementation of human resource management systems and provides advice to the Board Nomination and Remuneration Committee. The Board Nomination and Remuneration Committee also has the power to engage external consultants independently of management.

Remuneration and incentive payments for employees are considered by the Compensation Committee following guidance from the Board Nomination and Remuneration Committee.

Recommendations to the Board Nomination and Remuneration Committee are based on the achievement of approved performance objectives and comparable market data. Details of the Group's remuneration framework for Executives, Independent Directors and employees are set out in DXS's Remuneration Report that forms part of the Directors' Report contained in DXS's Annual Report. In 2010/11 there were no base salary increases for DEXUS senior management and no fee increases for Independent Directors. There are no schemes for retirement benefits (other than superannuation) for Independent Directors.

The CEO and Head of Human Resources attend the Board Nomination and Remuneration Committee meeting by invitation. It is the practice of the Board Nomination and Remuneration Committee to meet without non-committee members as required. Non-committee members are not in attendance when their own performance or remuneration is discussed.

Board Audit Committee

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 4.1, 4.2, 4.3, 7.3

To ensure the factual presentation of each Trust's financial position, DXFM has put in place a structure of review and authorisation. This structure includes the establishment of a Board Audit Committee to:

- review the Financial Statements of each entity and review the independence and competence of the external auditor; and
- review semi-annual management representations to the Board Audit Committee, affirming the veracity of each entity's Financial Statements.

The Board Audit Committee's Terms of Reference require that all three Independent Director members have specific financial expertise and have an understanding of the industry in which the Group operates.

The Board Audit Committee operates under formal Terms of Reference, has access to management, and internal and external auditors without management present, and has the right and opportunity to seek explanations and additional information as it sees fit. Board Audit Committee members have unrestricted access to external auditors.

The external auditor is invited to attend all Board Audit Committee meetings. The Committee may also obtain independent professional advice in the satisfaction of its duties at the cost of the Group and independent of management. The Committee meets as frequently as required to undertake its role effectively and meets not less than four times a year.

The members of the Board Audit Committee are:

- Barry R Brownjohn, Chair, Independent Director
- Elizabeth A Alexander AM, Independent Director
- Peter B St George, Independent Director

In order to ensure the independence of the external auditor, the Board Audit Committee has responsibility for approving the engagement of the auditor for any non-audit service of greater than \$100,000.

Both the CFO and the CEO, on a semi-annual basis, make representations to the Board Audit Committee regarding the veracity of the Financial

Statements and the financial risk management systems. On a semi-annual basis, the Internal Risk Committee completes a Fraud Risk questionnaire identifying any instances of actual or perceived fraud during the period.

The CEO makes a representation at least quarterly to the Head of Risk and Governance, regarding conformance with compliance policies and procedures. Any significant exceptions are reported by Risk and Governance to the Board Compliance Committee. Furthermore, on a quarterly basis, the CFO provides certification to the Board Compliance Committee as to the continued adequacy of financial risk management systems.

As at June 2009, fees paid to the external auditor for non-audit services were 123% of audit fees. In 2010, non-audit service fees reduced to 44% of audit fees and in 2011 non-audit fees reduced to 28%.

Board Compliance Committee

The *Corporations Act 2001* does not require DXFM to maintain a Compliance Committee while more than half its Directors are external Directors. However, the Board of DXFM has determined that the Board Compliance Committee provides additional control, oversight and independence of the compliance function and therefore will be continued.

The Board Compliance Committee reviews compliance matters and monitors DXFM conformance with the requirements of its Australian Financial Services Licence and of the *Corporations Act 2001* as it relates to Managed Investment Schemes.

The Committee includes only members who are familiar with the requirements of Managed Investments Schemes and have extensive risk and compliance experience. The Committee is also encouraged to obtain independent professional advice in the satisfaction of its duties at the cost of the Group and independent of management.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

During the 2011 financial year, the Board Compliance Committee has not needed to seek independent professional advice.

As at 30 June 2011, the Committee comprised five members, three of whom are external members (i.e. members who satisfy the requirements of Section 601JB(2) of the *Corporations Act 2001*), and two of whom are Executives of the Group. The Compliance Plan Auditor is invited to each Board Compliance Committee meeting.

The scope of the Committee includes all Trusts, including the Group's investment mandates. The Committee reports to the Board of the Responsible Entity, breaches of the *Corporations Act 2001* or breaches of the provisions contained in any Trust's Constitution or Compliance Plan, and further reports to ASIC in accordance with legislative requirements. DEXUS employees also have access to Board Compliance Committee members to raise any concerns regarding unethical business practices.

The members of the Board Compliance Committee are:

- Brian E Scullin, Chair, external member
- John C Conde AO, external member
- Andy Esteban, external member
- Tanya L Cox, executive member
- John C Easy, executive member

The skills, experience and qualifications of Mr Conde AO and Mr Scullin are on pages 8 and 9. Ms Cox and Mr Easy are available at www.dexus.com

Andy Esteban holds a Bachelor of Business majoring in Accounting. He is a CPA and a member of the Australian Institute of Company Directors. Andy has over 30 years' experience in the financial services industry, 21 years of which were with Perpetual Trustees. In December 1999 he established FP Esteban and Associates, which specialises in implementing and monitoring risk

management and compliance frameworks in the financial services industry. Andy has provided compliance consulting services to organisations including UBS Global Asset Management in Australia, Hong Kong, Singapore, Taiwan and China. Andy is Chair of Certitude Global Investments Ltd (formerly HFA Asset Management Ltd) and a Director of HFA Holdings Ltd and Chair of their Audit and Risk Committee; Director of Equitable Asset Management (Australia) Limited; Chair of the Compliance Committees of Aberdeen Asset Management Ltd, Deutsche Asset Management Australia Ltd, Grant Samuel and SPARK Infrastructure RE Ltd; and an Independent Member of the of Australian Unity Funds Management Ltd, Celsius Investment Management Limited, Schroder Investment Management Australia Ltd and Alliance Bernstein Compliance.

To enable the Board Compliance Committee to effectively fulfil its obligations, an Internal Compliance Committee has been established to monitor the effectiveness of the Group's internal compliance and control systems.

Board Risk and Sustainability Committee

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 7.1, 7.2

To oversee risk management at DEXUS, the Board has established a Board Risk and Sustainability Committee responsible for reviewing the Group's operational risk management, environmental management, sustainability initiatives, internal audit practices and any incidents of fraud. The Committee also approves and oversees the effectiveness of the Group's Risk Management Framework.

The Board Risk and Sustainability Committee and Board Audit Committee share common membership to ensure that a comprehensive understanding of control systems is maintained by both Committees.

The members of the Board Risk and Sustainability Committee are:

- Barry R Brownjohn, Chair, Independent Director
- Elizabeth A Alexander AM, Independent Director
- Peter B St George, Independent Director

The management of risk is an important aspect of the Group's activities. Consequently the Group has created a segregated risk function reporting to the Chief Operating Officer on a day-to-day basis, as well as an Internal Compliance Committee, an Internal Audit Committee and an Internal Risk Committee, all of whom have independent reporting lines to corresponding Board Committees.

The Risk and Governance team's responsibility is to promote an effective risk and compliance culture including the provision of advice, the drafting and updating of relevant risk and compliance policies and procedures, conducting training, monitoring and reporting adherence to key policies and procedures. Frameworks have been developed and implemented in accordance with Australian Standards AS 31000:2009 (Risk Management) and AS 3806:2006 (Compliance Programs). The ongoing effectiveness of the risk management and internal control systems is reported by the Head of Risk and Governance to the Board Risk and Sustainability Committee and Board Compliance Committee on a quarterly basis. Furthermore, on an annual basis, DEXUS's internal control procedures are subject to independent verification as part of the GS007 (Audit Implications of the Use of Service Organisations for Investment Management Services) audit.

DEXUS recognises that risks come from numerous sources, driven by both internal and external factors. The main sources of risk faced by DEXUS include (and in no particular order):

- Strategic risks
- Financial risks
- Market risks
- Regulatory risks
- Health and safety risks
- Fraud risks
- Operational risks
- Environmental risks

While some risks are identified, managed and monitored internally, DEXUS has appointed independent experts to undertake monitoring of health and safety and environmental risks, and other risks where expert knowledge is essential to ensure DEXUS has in place best practice processes and procedures.

DEXUS has in place a range of policies supporting the risk and compliance framework including (but not limited to):

- Good Faith Reporting – encouraging employees to raise concerns regarding corruption, illegality or substantial waste of company assets with appropriate management or members of the Board Compliance Committee
- Occupational Health, Safety and Liability – covering DEXUS's duty of care to investors, tenants, employees, agents and the wider community, to ensure all Occupational Health, Safety and Liability (OHS&L) risks in our property portfolio and corporate offices are appropriately managed
- Environmental Management – covering DEXUS's duty of care to its investors, tenants, employees, agents and the wider community to sustain and protect the environment during the management of its property portfolio, and to ensure that environmental obligations receive equal importance to its commercial and other competitive obligations
- Fraud Control and Awareness – covering the detection, recognition and prevention of fraud
- Anti-Bribery – covering DEXUS's policy on political donations, charitable donations, lobbying, the receipt and provision of gifts and benefits

While Internal Audit is resourced internally, DEXUS has adopted a co-sourcing arrangement. The appointment of an external firm as co-source service provider has the advantage of ensuring DXFM is informed of broader industry trends and experience. A partner from the internal audit co-source service provider is invited to each Board Risk and Sustainability Committee meeting.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

The internal audit program has a three year cycle. The results of all audits are reported to the Internal Audit Committee and the Board Risk and Sustainability Committee on a quarterly basis, and the internal audit function has a dual reporting line to the Internal Audit Committee and the Board Risk and Sustainability Committee.

The Board Risk and Sustainability Committee is empowered to engage consultants, advisers or other experts independently of management. During the 2011 financial year, the Board Risk and Sustainability appointed PricewaterhouseCoopers to undertake AS1000 assurance of its Corporate Responsibility and Sustainability Report.

Board Finance Committee

The Group experiences significant financial risk, including interest rate and foreign exchange exposures. To assist in the effective management of these exposures, the Board has established a Committee to specifically manage these financial risks. The Board Finance Committee's role is to review and recommend for approval to the Board, financial risk management policies, hedging and funding strategies, to review forward looking financial management processes and recommend periodic market guidance.

Supporting this Committee, management has established a Capital Markets Committee. Members of the Board Finance Committee are:

- Peter B St George, Chair, Independent Director
- Barry R Brownjohn, Independent Director
- Christopher T Beare, Independent Director

Management

The day-to-day management of each of the Trusts rests in the hands of the management team. To assist this team in the direction, implementation and monitoring of its plans and strategies, a number of management Committees have been established and responsibilities delegated.

Ethical behaviour

Code of Conduct

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 3.1

To ensure the satisfaction of statutory and fiduciary obligations to each of its investor groups and to maintain confidence in its integrity, the Board has implemented a series of clearly articulated compliance policies and procedures to which it requires that all employees adhere.

In addition, the Board considers it important that its employees meet the highest ethical and professional standards and consequently has established both an Employee Code of Conduct, for all employees, and a Directors' Code of Conduct. Codes of Conduct are approved by the Board Compliance Committee. Please refer to www.dexus.com/corporategovernance for a copy of the Group's Codes of Conduct.

During the year, an Anti-Bribery policy has been developed and implemented. The policy covers the acceptance and provision of appropriate gifts and benefits and reiterates DEXUS's policy of not making donations to any political party. The policy has been approved by the Board Compliance Committee.

The Group is committed to and strongly supports disclosure being made of corrupt conduct, illegality or substantial waste of company assets under its Good Faith Reporting policy. The Group provides protection to employees who make such disclosures from any detrimental action or reprisal.

On an annual basis, all employees are required to confirm compliance with key policies such as Code of Conduct, Employee Trading and Good Faith Reporting.

Diversity

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 3.2, 3.3, 3.4

DEXUS comprises a socially and culturally diverse workplace which helps create a culture that is tolerant, flexible and adaptive to the changing needs of our environment. DEXUS believes that Boards should be small enough to be able to act decisively, but large enough that a diverse range of views is heard on any issue. DEXUS also believes that Boards need to have continuity and experience with DEXUS, as well as bringing fresh perspectives, and the DEXUS Board continually reviews these two factors.

DEXUS is committed to diversity and promotes an environment conducive to the merit-based appointment of qualified employees, senior management and Directors. Where professional intermediaries are used to identify or assess candidates, they are made aware of the Group's commitment to diversity.

DEXUS currently publishes annual statistics on the diversity profile of its Board and senior management, including a breakdown of the type and seniority of roles undertaken by women in DXS's 2011 Annual Review.

Insider trading and trading in DEXUS securities

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 3.1

The Board has determined that Directors will not trade in any security managed by the Group, and the Senior Executive team has similarly determined that they will not trade in any security managed by the Group. This decision has been made because the Board of DXFM has responsibility for the performance of RENTS, DXS and the third party business. Directors are obliged to act in the best interests of each group of investors independently

of each other. Therefore, to minimise the appearance of conflict that may arise, the Board has determined that it will not invest in any fund managed by the Group, including RENTS. This position is periodically reviewed by the Board.

The Group has implemented a trading policy that applies to employees who wish to invest in any of the Group's financial products for his or her personal account or on behalf of an associate. The policy requires any employee who wishes to trade in any security issued or managed by DXFM to obtain written approval from the CEO or member of the Group Management Committee and the Head of Risk and Governance before entering into a trade.

Generally, approval will not be granted during defined blackout periods. These periods commence at the end of the financial half-year and full-year reporting periods and end on the day RENTS results are released. In addition, if Risk and Governance or the Chief Executive Officer considers that there is the potential that inside information may be held or that a significant conflict of interest may arise, additional blackout periods will be imposed.

With regard to aligning Senior Executives' interests with the interests of DEXUS's investors, the Board has put in place a deferred performance scheme that it considers ensures an alignment of Senior Executives' interests with all investors. A description of the Senior Executives' payment scheme is available in the Remuneration Report in DXS's 2011 Annual Report.

All employees are required to provide an annual declaration confirming his or her understanding and compliance with the Employee Trading Policy. Risk and Governance undertakes regular monitoring of the security registers. Please refer to www.dexus.com/corporategovernance for a copy of the Key Management Personnel and Employee Trading Policies.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

Conflicts of interest and related party dealings

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 3.1

The Group has implemented policies covering the management of conflicts of interest which include:

Personal conflicts

These may arise where the interests of clients or DEXUS are in conflict with the interests of employees. The policies which deal with Personal conflicts are the:

- Director Code of Conduct;
- Employee Code of Conduct;
- Key Management Personnel Trading;
- Employee Trading; and
- Gifts and Entertainment

Business conflicts

These may arise in the following ways:

- conflicts arising from allocating property transactions, where there may be conflicts between the interests of different DEXUS clients;
- when allocating a limited investment opportunity between a number of clients;
- tenant conflicts, where a prospective tenant has two similar properties to choose from both owned or managed by DEXUS;
- conflicts arising from related party dealings involving more than one of DEXUS's clients, where those clients are on opposite sides of the transaction; and
- conflicts arising from transfer of assets involving the interests of DEXUS clients when transferring real estate between schemes and/or accounts which a DEXUS entity manages.

Where a conflict of interest has been identified, Risk and Governance liaises with the parties concerned to ensure the effective and timely management of the conflict. Where information

barriers are put in place, the Risk and Governance team monitors compliance with the relevant policies.

On a monthly basis, the General Counsel reports to the Board on related party transactions. On a quarterly basis, the Head of Risk and Governance reports related party transactions to the Board Compliance Committee.

During the 2010/11 financial year, DEXUS managed a related party transaction where DEXUS Property Services Pty Limited was appointed to provide property management services for the newly acquired industrial properties within the DEXUS Wholesale Property Fund portfolio. Independent verification was sought to ensure the fee structure reflected market rates.

Continuous disclosure

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 5.1

DXFM has established a Committee to ensure timely and accurate continuous disclosure for all material matters that impact the Group.

The Committee meets regularly to consider the activities of the Group and whether any disclosure obligation is likely to arise as a result of those activities. This Committee has been established to ensure that:

- investors continue to have equal and timely access to material information, including the financial status, performance, ownership and governance of the Trusts; and
- announcements are factual and presented in a clear and balanced way.

The Continuous Disclosure and Analyst Briefings Policy is available on our website.

Compliance with our Continuous Disclosure and Analyst Briefing policy is subject to ongoing monitoring, the results of which are reported to the Board Compliance Committee.

Training

Newly appointed members of the Senior Executive team undertake induction training soon after commencing employment. Induction training in relation to the operations of DEXUS takes the form of a half day, interactive training session presented by the heads of various business units. The Head of Risk and Governance conducts a one-to-one Compliance Induction session with each newly appointed Senior Executive outlining DEXUS's approach to risk management and compliance. In addition, all new employees attend face-to-face Compliance Induction training facilitated by Risk and Governance, which covers key compliance issues. Induction training for US employees is facilitated by video conferencing.

Training is also identified throughout the year based on changes to legislation, compliance and risk issues highlighted during the period, or changes to business operations. Training is facilitated by employee, external service providers or the completion of online exams after reference to policies and procedures.

Annual General Meeting

ASX Corporate Governance Principles and Recommendations (with 2010 Amendments); 6.1

DEXUS respects the rights of security holders and to facilitate the effective exercise of those rights, the Board has committed to the conduct of an Annual General Meeting (AGM) for DXS security holders. RENTS security holders are also invited to attend this meeting.

Each AGM is designed to:

- supplement effective communication with security holders;
- provide security holders ready access to balanced and understandable information;

- increase the opportunities for security holder participation; and
- facilitate security holders' rights to appoint Directors to the Board of DXFM.

The Group has adopted a policy which requires Directors to attend its AGM. In October 2010 all Directors attended the AGM. The external auditor of the Trusts also attends each AGM and is available to answer investor questions about the conduct of the audits of both the Trusts' financial records and their Compliance Plans, and the preparation and content of the Auditor's Report. In addition to conducting an AGM, the Group has a communications and investor relations strategy that promotes an informed market and encourages participation with its investors.

This strategy includes use of the Group's website to enable access to RENTS announcements, annual and half-year reports, presentations and analyst support material. The website also contains significant historical information on announcements, distributions and other related information at www.dexus.com/rents DEXUS engages Link Market Services to independently conduct any vote undertaken at the AGM of security holders.

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The Directors of DEXUS Funds Management Limited (DXFM) as Responsible Entity of DEXUS RENTS Trust (RENTS or the Trust) present their Directors' Report together with the Financial Statements for the year ended 30 June 2011.

1. Directors and other Key Management Personnel

1.1 Directors

The following persons were Directors of DXFM at all times during the year and to the date of this Directors' Report:

Directors	Appointed
Christopher T Beare	4 August 2004
Elizabeth A Alexander, AM	1 January 2005
Barry R Brownjohn	1 January 2005
John C Conde, AO	29 April 2009
Stewart F Ewen, OAM	4 August 2004
Victor P Hoog Antink	1 October 2004
Brian E Scullin	1 January 2005
Peter B St George	29 April 2009

1.2 Other Key Management Personnel

In addition to the Directors listed above the following persons were deemed by the Board Nomination and Remuneration Committee to be Key Management Personnel (KMP) at all times during the financial year.

Name	Title
Victor P Hoog Antink	Chief Executive Officer
Tanya L Cox	Chief Operating Officer
John C Easy	General Counsel
Craig D Mitchell	Chief Financial Officer
Paul G Say	Chief Investment Officer

2. Remuneration report

Remuneration received by the KMP of the Trust is a cost of DEXUS Holdings Pty Limited (DXH) and not the Trust. DXH does not recover any proportion of KMP remuneration from the Trust.

3. Directors' interests

As at the date of this Directors' Report, no Director directly or indirectly held:

- RENTS securities; or
- options over, or any other contractual interest in, RENTS securities; or
- an interest in any other fund managed by DXFM or any other entity that forms part of DEXUS Property Group.

4. Principal activities

During the year the principal activity of the Trust consisted of an investment in preference units of DOT Commercial Trust (DCT), a sub-trust of DEXUS Office Trust (DOT). DOT forms part of the DXS stapled security. There were no significant changes in the nature of the Trust's activities during the year.

5. Total value of trust assets

The total value of the assets of the Trust as at 30 June 2011 was \$207.2 million (2010: \$207.2 million). Details of the basis of the valuation are outlined in note 1 of the Notes to the Financial Statements and form part of this Directors' Report.

6. Review and results of operations

The Trust's results for the year ended 30 June 2011 was:

- Profit attributable to unitholders was \$12.5 million (2010: \$10.5 million);
- Distributions paid and payable to unitholders was \$12.6 million (2010: \$10.3 million);
- Total assets were \$207.2 million (2010: \$207.2 million); and
- Net assets were \$204.0 million (2010: \$204.2 million).

7. Likely developments and expected results of operations

At the discretion of DXFM, as Responsible Entity of the Trust, the preference units issued by the Trust may be exchanged for cash or stapled securities in DXS from 1 July 2012 (the Step-up Date) or continue as preference units. The margin will increase by a once only step-up of 2% per annum for each distribution period following the Step-up Date unless the preference units are repurchased or exchanged. All options are available to DXS management in the current market and a final decision has not yet been made as at the date of this Directors' Report.

8. Significant changes in the state of affairs

The Directors are not aware of any matter or circumstance not otherwise dealt with in this Directors' Report or the Financial Statements that has significantly or may significantly affect the operations of the Trust, the results of those operations, or the state of the Trust's affairs in future financial years.

9. Matters subsequent to the end of the financial year

Since the end of the financial year the Directors are not aware of any matter or circumstance not otherwise dealt with in this Directors' Report or the Financial Statements that has significantly or may significantly affect the operations of the Trust, the results of those operations, or the state of the Trust's affairs in future financial years.

10. Distributions

Distributions paid and payable by the Trust for the year ended 30 June 2011 are outlined in note 10 of the Notes to the Financial Statements and forms part of this Directors' Report.

11. DXFM's fees and associate interests

Details of fees paid or payable by the Trust to DXFM and its associates for the year ended 30 June 2011 are outlined in note 14 of the Notes to the Financial Statements and form part of this Directors' Report.

The number of units in the Trust held by DXFM or its related entities as at the end of the financial year were nil (2010: nil).

12. Interests in the Trust

The movement in units on issue in the Trust during the year and the number of units on issue as at 30 June 2011 are detailed in note 8 of the Notes to the Financial Statements and form part of this Directors' Report.

The Trust did not have any options on issue as at 30 June 2011 (2010: nil).

13. Environmental regulation

DXS senior management, through its Board Risk and Sustainability Committee, oversee the policies, procedures and systems that have been implemented to ensure the adequacy of its environmental risk management practices. It is the opinion of this Committee that adequate systems are in place for the management of its environmental responsibilities and compliance with its various licence requirements and regulations. Further, the Committee is not aware of any material breaches of these requirements and to the best of its knowledge all activities have been undertaken in compliance with environmental requirements.

14. Indemnification and insurance

The insurance premium for a policy of insurance indemnifying Directors, officers and others (as defined in the relevant policy of insurance) is paid by DXH.

PricewaterhouseCoopers (PwC or the Auditor) is indemnified out of the assets of the Trust pursuant to the DEXUS Specific Terms of Business agreed for all engagements with PwC, to the extent that the Trust inappropriately uses or discloses a report prepared by PwC. The Auditor, PwC, is not indemnified for the provision of services where such an indemnification is prohibited by the *Corporations Act 2001*.

15. Audit

15.1 Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

15.2 Non-audit services

Details of the amounts paid or payable to the Auditor, for audit and non-audit services provided during the year, are set out in note 3 of the Notes to the Financial Statements.

The Board Audit Committee is satisfied that the provision of non-audit services provided during the year by the Auditor (or by another person or firm on the Auditor's behalf) is compatible with the standard of independence for auditors imposed by the *Corporations Act 2001*.

The reasons for the Directors being satisfied are:

- a Charter of Audit Independence was adopted in 2010 that provides guidelines under which the Auditor may be engaged to provide non-audit services without impairing the Auditor's objectivity or independence.
- the Charter states that the Auditor will not provide services where the Auditor may be required to review or audit its own work, including:
 - the preparation of tax provisions, accounting records and financial statements;
 - the design, implementation and operation of information technology systems;
 - the design and implementation of internal accounting and risk management controls;
 - conducting valuation, actuarial or legal services;
 - consultancy services that include direct involvement in management decision making functions;
 - investment banking, borrowing, dealing or advisory services;

DIRECTORS' REPORT

For the year ended 30 June 2011

CONTINUED

15. Audit (continued)

15.2 Non-audit services (continued)

- acting as trustee, executor or administrator of trust or estate;
 - prospectus independent expert reports and being a member of the due diligence committee; and
 - providing internal audit services.
- the Board Audit Committee regularly reviews the performance and independence of the Auditor and whether the independence of this function has been maintained having regard to the provision of non-audit services. The Auditor has provided a written declaration to the Board regarding its independence at each reporting period and Board Audit Committee approval is required before the engagement of the Auditor to perform any non-audit service for a fee in excess of \$100,000.

The above Directors' statements are in accordance with the advice received from the Board Audit Committee.

15.3 Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out in the Financial Statements and forms part of this Directors' Report.

16. Rounding of amounts and currency

The Trust is a registered scheme of the kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the rounding off of amounts in this Directors' Report and the Financial Statements. Amounts in this Directors' Report and the Financial Statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, unless otherwise indicated.

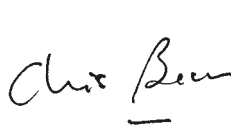
All figures in this Directors' Report and the Financial Statements, except where otherwise stated, are expressed in Australian dollars.

17. Management representation

The Chief Executive Officer and Chief Financial Officer have reviewed the Trust's financial reporting processes, policies and procedures together with its risk management, internal control and compliance policies and procedures. Following that review, it is their opinion that the Trust's financial records for the financial year have been properly maintained in accordance with the *Corporations Act 2001* and the Financial Statements and their notes comply with the accounting standards and give a true and fair view.

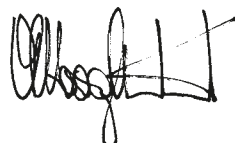
18. Directors' authorisation

The Directors' Report is made in accordance with a resolution of the Directors. The Financial Statements were authorised for issue by the Directors on 16 August 2011. The Directors have the power to amend and reissue the Financial Statements.



Christopher T Beare
Chair

16 August 2011



Victor P Hoog Antink
Chief Executive Officer

16 August 2011



Auditor's Independence Declaration

PricewaterhouseCoopers
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As lead auditor for the audit of DEXUS RENTS Trust for the year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of DEXUS RENTS Trust during the period.

A handwritten signature in black ink, appearing to read 'JA Dunning', is written over a horizontal line.

JA Dunning
Partner
PricewaterhouseCoopers

Sydney
16 August 2011

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	Note	2011 \$'000	2010 \$'000
Revenue			
Distribution revenue		12,628	10,652
Interest revenue		15	11
Total revenue		12,643	10,663
Expenses			
Other expenses	2	(188)	(185)
Total expenses		(188)	(185)
Net profit attributable to unitholders of DEXUS RENTS Trust		12,455	10,478
Total comprehensive income attributable to unitholders of DEXUS RENTS Trust		12,455	10,478
		Cents	Cents
Earnings per unit¹			
Basic earnings per unit	18	–	–
Diluted earnings per unit	18	–	–

1 Earnings per unit represents the earnings attributable to the ordinary unitholder, DEXUS Office Trust. Details of earnings per unit attributable to preference unitholders are included in note 18 of the Notes to the Financial Statements.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	Note	2011 \$'000	2010 \$'000
Current assets			
Cash and cash equivalents		3,214	3,185
Receivables	4	2	2
Total current assets		3,216	3,187
Non-current assets			
Financial assets at fair value through profit or loss	5	204,000	204,000
Total non-current assets		204,000	204,000
Total assets		207,216	207,187
Current liabilities			
Payables	6	45	68
Provisions	7	3,142	2,917
Total current liabilities		3,187	2,985
Total liabilities		3,187	2,985
Net assets		204,029	204,202
Equity			
Contributed equity	8	197,705	197,705
Retained profits	9	6,324	6,497
Total equity		204,029	204,202

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2011

	Note	Contributed equity \$'000	Retained profits \$'000	Total equity \$'000
Opening balance as at 1 July 2009		197,705	6,321	204,026
Total comprehensive income for the year		–	10,478	10,478
Transactions with owners in their capacity as owners				
Distributions paid or provided for	10	–	(10,302)	(10,302)
Closing balance as at 30 June 2010		197,705	6,497	204,202
Opening balance as at 1 July 2010		197,705	6,497	204,202
Total comprehensive income for the year		–	12,455	12,455
Transactions with owners in their capacity as owners				
Distributions paid or provided for	10	–	(12,628)	(12,628)
Closing balance as at 30 June 2011		197,705	6,324	204,029

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2011

	Note	2011 \$'000	2010 \$'000
Cash flows from operating activities			
Payments in the course of operations (inclusive of GST)		(211)	(179)
Interest received		15	11
Distributions received		12,628	10,652
Net cash inflow from operating activities	17	12,432	10,484
Cash flows from financing activities			
Distributions paid		(12,403)	(9,629)
Net cash outflow from financing activities		(12,403)	(9,629)
Net increase in cash and cash equivalents		29	855
Cash and cash equivalents at the beginning of the year		3,185	2,330
Cash and cash equivalents at the end of the year		3,214	3,185

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Note 1. Summary of significant accounting policies

(a) Basis of preparation

These general purpose Financial Statements for the year ended 30 June 2011 have been prepared in accordance with the requirements of the Trust's Constitution, the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and interpretations. Compliance with Australian Accounting Standards ensures that the Financial Statements and notes also comply with International Financial Reporting Standards (IFRS).

These Financial Statements are prepared on a going concern basis and in accordance with historical cost conventions and have not been adjusted to take account of either changes in the general purchasing power of the dollar or changes in the values of specific assets, except for the revaluation of certain non-current assets and financial instruments (refer note 1(b)).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Critical accounting estimates

The preparation of Financial Statements requires the use of certain critical accounting estimates and management to exercise its judgement in the process of applying the Trust's accounting policies. Other than the estimations described in note 1(b), no key assumptions concerning the future or other estimation of uncertainty at the end of each reporting period have a significant risk of causing material adjustments to the Financial Statements in the next annual reporting period.

(b) Financial assets at fair value through profit and loss

The Trust has designated its investment in DCT as a financial asset at fair value through profit and loss to reduce a measurement or recognition inconsistency. The investment is revalued at each reporting date to its fair value in accordance with AASB 139 *Financial Instruments Recognition and Measurement*. Changes in the fair value of the investment are recognised in the Statement of Comprehensive Income for the year.

The fair value of the investment is determined using a discounted cash flow analysis. The discount rate applied in calculating the fair value of the investment is 1.3% per annum over the 90 day bank bill rate (2010:1.3%).

(c) Revenue recognition

(i) Distribution revenue

Revenue from distributions are recognised when declared. Amounts not received at the end of the reporting period are included as a receivable in the Statement of Financial Position.

(ii) Interest revenue

Interest revenue is brought to account on an accruals basis using the effective interest rate method and, if not received at the end of the reporting period, is reflected in the Statement of Financial Position as a receivable.

(d) Expenses

Expenses are brought to account on an accruals basis and, if not paid at the end of the reporting period, are reflected in the Statement of Financial Position as a payable.

(e) Goods and Services Tax

Revenues, expenses and capital assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as cash flows from operating activities.

(f) Taxation

Under current legislation, the Trust is not liable for income tax, provided it satisfies certain legislative requirements.

(g) Distributions

In accordance with the Trust's Constitution, the Trust distributes its distributable income to unitholders by cash. Distributions are provided for when they are approved by the Board of Directors and declared.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Receivables which are known to be uncollectable are written off.

(j) Financial assets and liabilities

(i) Classification

DEXUS RENTS Trust has classified its financial assets and liabilities as follows:

Financial Asset/ Liability	Classification	Valuation Basis	Reference
Cash	Fair value through profit or loss	Fair value	Refer note 1(h)
Receivables	Loans and receivables	Amortised cost	Refer note 1(i)
Other financial assets	Fair value through profit or loss	Fair value	Refer note 1(b)
Payables	Financial liability at amortised cost	Amortised cost	Refer note 1(k)

Financial assets and liabilities are classified in accordance with the purpose for which they were acquired.

(ii) Fair value estimation of financial assets and liabilities

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement and for disclosure purposes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

CONTINUED

(k) Payables

These amounts represent liabilities for amounts owing at the end of the reporting period. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Earnings per unit

Basic and diluted earnings per unit is determined by dividing the net profit attributable to unitholders of the Trust by the weighted average number of ordinary units outstanding during the year.

(m) Operating segments

Operating segments are reported in a manner that is consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM has been identified as the Board of Directors as they are responsible for the strategic decision making within the Trust.

(n) Rounding of amounts

The Trust is the kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the rounding off of amounts in the Financial Statements. Amounts in the Financial Statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

(o) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2011 reporting period. Our assessment of the impact of these new standards and interpretations is set out below:

AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective 1 January 2011).

In June 2010, the AASB made a number of amendments to Australian Accounting Standards as a result of the IASB's annual improvements project. The Trust intends to apply the standard from 1 July 2011 and does not expect any significant impacts.

AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets* (effective 1 July 2011).

Amendments made to AASB 7 *Financial Instruments: Disclosures* in November 2010 introduce additional disclosures in respect of risk exposures arising from transferred financial assets. The amendments will particularly affect entities that sell, factor, securitise, lend or otherwise transfer financial assets to other parties. The Trust intends to apply the standard from 1 July 2011 and does not expect any significant impacts.

AASB 9 *Financial Instruments* and AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2010) (effective 1 January 2013).

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value. The Trust intends to apply the standards from 1 July 2013 and does not expect any significant impacts.

AASB 1054 Australian Additional Disclosures, AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project and AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements (effective 1 July 2011).

The AASB and NZ FRSB have issued accounting standards that eliminate most of the existing differences between their local standards and IFRS. Where additional disclosures were considered necessary, they were moved to new standard AASB 1054. Adoption of the new rules will not affect any of the amounts recognised in the Financial Statements, but may simplify some of the Trust's current disclosures. The Trust intends to apply the standards from 1 July 2011.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (effective 1 July 2013).

In July 2011 the AASB decided to remove the individual Key Management Personnel disclosure requirements from AASB 124 *Related Party Disclosures* to achieve consistency with the international equivalent standard and remove a duplication of the requirements with the *Corporations Act 2001*. While this will reduce the disclosures that are currently required in the Notes to the Financial Statements, it will not affect any of the amounts recognised in the Financial Statements. The amendments apply from 1 July 2013 and cannot be adopted early. The Corporations Act requirements in relation to remuneration reports will remain unchanged for now, but these requirements are currently subject to review and may also be revised in the near future.

The IASB has issued new and amended standards as discussed below. The AASB is expected to issue equivalent Australian standards shortly.

IFRS 13 Fair value measurement (effective 1 January 2013).

IFRS 13 explains how to measure fair value and aims to enhance fair value disclosures. Application of this standard will not affect any of the amounts recognised in the Financial Statements, but may impact some of the Trust's current disclosures. The Trust intends to apply the standard from 1 July 2013.

Revised IAS 1 Presentation of Financial Statements (effective 1 July 2012).

In June 2011, the IASB made an amendment to IAS 1 *Presentation of Financial Statements*. The AASB is expected to make equivalent changes to AASB 101 shortly. The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether they may be recycled to profit or loss in the future. It will not affect the measurement of any of the items recognised in the balance sheet or the profit or loss in the current period. The Trust intends to adopt the new standard from 1 July 2012.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

CONTINUED

Note 2. Other expenses

	Note	2011 \$'000	2010 \$'000
Audit and taxation fees	3	27	30
Legal and other professional fees		37	12
Custodian fees		15	12
Registry costs and listing fees		101	91
Other expenses		8	14
Annual reporting expense		–	26
Total other expenses		188	185

Note 3. Audit and taxation fees

During the year the Auditor of the Trust and its related practices and non-related audit firms earned the following fees:

	2011 \$	2010 \$
Audit fees		
PwC Australia - audit and review of Financial Statements	21,472	25,229
PwC Australia - regulatory audit and compliance services	3,230	3,230
Total audit fees	24,702	28,459
Taxation fees		
Fees paid to PwC Australia	2,000	1,223
Total taxation fees¹	2,000	1,223
Total audit and taxation fees	26,702	29,681

1 These services include general compliance work, one off project work and advice with respect to the management of day to day affairs of the Trust.

Note 4. Current assets – receivables

	2011 \$'000	2010 \$'000
GST receivable	2	2
Total current assets – receivables	2	2

Note 5. Financial assets at fair value through profit and loss

Name of Entity	Principal activity	2011 \$'000	2010 \$'000
DOT Commercial Trust (DCT)	Office property investments	204,000	204,000
Total financial assets at fair value through profit or loss		204,000	204,000

On 15 June 2005, the Trust purchased 1,976,320 preference units in DCT for \$100 each. Preference units do not confer on their holders any rights on the winding up of DCT or any rights to distributions. However, where a distribution is declared to preference unitholders, this distribution must be paid in preference to any distribution declared to ordinary unitholders. Preference units hold no voting rights in relation to DCT, other than where the matter is in relation to the rights of the preference units. In these matters, each preference unit carries 1,000 votes on a poll.

Note 6. Current liabilities – payables

	2011 \$'000	2010 \$'000
Accruals	45	68
Total current liabilities – payables	45	68

Note 7. Current liabilities – provisions

	2011 \$'000	2010 \$'000
Provision for distribution		
Opening balance at the beginning of the year	2,917	2,244
Additional provisions	12,628	10,302
Payment of distributions	(12,403)	(9,629)
Closing balance at the end of the year	3,142	2,917

A provision for distribution has been raised for the period ended 30 June 2011. This distribution was paid on 15 July 2011.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

CONTINUED

Note 8. Contributed equity

(a) Value of units on issue

	2011 \$'000	2010 \$'000
Ordinary units		
Opening balance at the beginning of the year	–	–
Closing balance at the end of the year	–	–
Preference units		
Opening balance at the beginning of the year	197,705	197,705
Closing balance at the end of the year	197,705	197,705
Total value of units issued at the end of the year	197,705	197,705

(b) Number of units on issue

	2011 No. of units	2010 No. of units
Ordinary units		
Opening balance at the beginning of the year	1	1
Closing balance at the end of the year	1	1
Preference units		
Opening balance at the beginning of the year	2,040,000	2,040,000
Closing balance at the end of the year	2,040,000	2,040,000

Terms and Conditions

Each preference unit ranks equally with all other preference units for the purposes of distributions and on termination of the Trust.

The one ordinary unit holds all the voting rights in the Trust, but has no beneficial interest in the Trust assets. The preference units hold the beneficial interest in the assets of the Trust. Payment of distributions to preference unitholders is at the Directors' discretion.

The preference units entitle holders to receive non-cumulative quarterly floating rate distributions at a margin of 130 basis points above the 90-day bank bill rate. The preference units may be exchanged for cash or stapled securities in DXS on 1 July 2012 (the Step-up Date). For each distribution period following the Step-up Date, the margin will increase by a once only step-up of 2% per annum unless the preference units are repurchased or exchanged.

Payments which become due and payable to holders are guaranteed on an unsecured and subordinated basis by the Responsible Entity of each of the DXS stapled trusts (each a guarantor). This guarantee ranks ahead of the distribution payments on stapled securities, but is subordinated to the claims of senior creditors.

Note 9. Retained profits

	2011 \$'000	2010 \$'000
Opening balance at the beginning of the year	6,497	6,321
Total comprehensive income attributable to unitholders	12,455	10,478
Distributions provided for or paid	(12,628)	(10,302)
Closing balance at the end of the year	6,324	6,497

Note 10. Distributions paid and payable

	2011 \$'000	2010 \$'000
30 September 2010 (paid 18 October 2010)	3,162	2,285
31 December 2010 (paid 18 January 2011)	3,182	2,387
31 March 2011 (paid 15 April 2011)	3,142	2,713
30 June 2011 (payable 15 July 2011)	3,142	2,917
Total distributions paid and payable	12,628	10,302

	2011 Cents per unit	2010 Cents per unit
30 September 2010 (paid 18 October 2010)	155.00	112.00
31 December 2010 (paid 18 January 2011)	156.00	117.00
31 March 2011 (paid 15 April 2011)	154.00	133.00
30 June 2011 (payable 15 July 2011)	154.00	143.00
Total cents per unit	619.00	505.00

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

CONTINUED

Note 11. Financial risk management

To ensure the effective and prudent management of the Trust's capital and financial risks, the Trust (as part of DXS), has a well established framework consisting of a Board Finance Committee and a Capital Markets Committee. The Board Finance Committee is accountable to and primarily acts as an advisory body to the DXFM Board and includes three Directors of the DXFM Board. Its responsibilities include reviewing and recommending financial risk management policies and funding strategies for approval.

The Capital Markets Committee is a management committee that is accountable to both the Board Finance Committee and the Group Management Committee. It convenes at least quarterly and conducts a review of financial risk management exposures including liquidity, funding strategies and hedging. It is also responsible for the development of financial risk management policies and funding strategies for recommendation to the Board Finance Committee, and the approval of treasury transactions within delegated limits and powers.

Further information on the DXS governance structure, including terms of reference, is available at www.dexus.com

1. Capital risk management

Capital risk management is not managed at the individual trust level, but rather holistically as part of DXS.

DXS manages its capital to ensure that entities within DXS will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance.

The Trust is not rated by ratings agencies, however, DXS is rated BBB+ by Standard and Poor's (S&P) and Baa1 by Moody's. The Trust considers potential impacts upon the rating when assessing the strategy and activities of the Trust.

DXFM has been issued with an Australian Financial Services Licence (AFSL). The licence is subject to certain capital requirements including the requirement to hold minimum net tangible assets (of \$5 million), and to maintain a minimum level of surplus liquid funds. Furthermore, the Responsible Entity maintains trigger points in accordance with the requirements of the licence. These trigger points maintain a headroom value above the AFSL requirements and the entity has in place a number of processes and procedures should a trigger point be reached.

2. Financial risk management

The Trust's activities expose it to a variety of financial risks: credit risk, market risk (interest rate risk) and liquidity risk. Financial risk management is not managed at the individual trust level, but rather holistically as part of DXS. DXS's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of DXS.

Risk management is implemented by a centralised treasury department (Group Treasury) whose members act under written policies that are endorsed by the Board Audit Committee and approved by the Board of Directors of the Responsible Entity. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the Trust's business units. The treasury policies approved by the Board of Directors cover overall treasury risk management, as well as policies and limits covering specific areas such as liquidity risk, interest rate risk, foreign exchange risk, credit risk and the use of derivatives and other financial instruments.

In conjunction with its advisers, as part of DXS, the Responsible Entity continually reviews the Trust's exposures and (at least annually) updates its treasury policies and procedures.

(a) Liquidity risk

Liquidity risk is the risk that the Trust will not have sufficient available funds to meet financial obligations in an orderly manner when they fall due or at an acceptable cost.

The Trust identifies and manages liquidity risk by continuously monitoring forecast and actual cash flows.

Refinancing risk

A key liquidity risk is the Trust's ability to refinance its current facilities or alternative forms of capital. As the Trust's facilities mature, they are usually required to be refinanced with a replacement facility or alternative form of capital. The Trust distributes the majority of its realised operating income and therefore is not available to be used for funding requirements. The refinancing of existing facilities or alternative forms of capital or the requirement to raise new debt may also result in margin price risk, whereby market conditions may result in an unfavourable change in credit margins on the new or refinanced facilities.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of the Trust's financial instruments will fluctuate because of changes in market prices. The market risk that the Trust is exposed to is detailed further below.

(i) Interest rate risk

Interest rate risk is the risk that fluctuating interest rates will cause an adverse impact on interest payable (or receivable), or an adverse change on the capital value (present market value) of long term fixed rate instruments.

Interest rate risk for the Trust arises from distributions on the Trust's units which are priced based on the 90 day bank bill rate (until 1 July 2012). This exposes the Trust to cash flow interest rate risk.

Sensitivity on interest rates

An increase of a 50 basis points in interest rates would result in an increase to the Trust's distribution of \$1.0 million (2010: \$1.0 million). The sensitivity on cash flow arises due to the impact that a change in interest rates will have on the Trust's distribution calculation. The increase or decrease in the distribution is proportional to the increase or decrease in interest rates.

(c) Credit risk

Credit risk is the risk of loss to the Trust in the event of non-performance by the Trust's financial instrument counterparties. Credit risk arises from cash and cash equivalents and loans and receivables.

The Trust manages this risk by:

- adopting a process for determining an approved counterparty, with consideration of qualitative factors as well as the counterparty's rating; and
- regularly monitoring loans and receivables on an ongoing basis.

The maximum exposure to credit risk at 30 June 2011 and at 30 June 2010 is the carrying amount of financial assets recognised on the Statement of Financial Position.

As at 30 June 2011, there were no loans or receivables that were past due or impaired (2010: nil).

The credit quality of financial assets that are neither past due nor impaired is consistently monitored to ensure that there are no adverse changes in credit quality.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

CONTINUED

Note 11. Financial risk management (continued)**2. Financial risk management (continued)****(d) Fair value of financial instruments**

As at 30 June 2011 and 30 June 2010, the carrying amounts and fair value of financial assets and liabilities are shown as follows:

	2011 Carrying amount¹ \$'000	2011 Fair value² \$'000	2010 Carrying amount¹ \$'000	2010 Fair value² \$'000
Financial assets				
Cash and cash equivalents	3,214	3,214	3,185	3,185
Loans and receivables (current)	2	2	2	2
Financial assets at fair value through profit and loss	204,000	204,000	204,000	204,000
Total financial assets	207,216	207,216	207,187	207,187
Financial liabilities				
Payables	45	45	68	68
Total financial liabilities	45	45	68	68

1 Carrying value is equal to the value of the financial instruments on the Statement of Financial Position.

2 Fair value is the amount for which the financial instrument could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction, however, not recognised on the Statement of Financial Position.

Refer note 1(b) for the fair value methodology.

Determination of fair value

The Trust uses methods in the determination and disclosure of the fair value of financial instruments. These methods comprise:

- Level 1: the fair value is calculated using quoted prices in active markets;
- Level 2: the fair value is determined using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable data.

The following table presents the Trust's financial assets and liabilities measured and recognised at fair value at 30 June 2011 and 30 June 2010.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	2011 \$'000
Financial assets				
Financial assets at fair value through profit and loss	–	204,400	–	204,400
	–	204,400	–	204,400

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	2010 \$'000
Financial assets				
Financial assets at fair value through profit and loss	–	204,400	–	204,400
	–	204,400	–	204,400

Note 12. Contingent liabilities

The Directors of the Responsible Entity are not aware of any contingent liabilities in relation to the Trust, other than those disclosed in the Financial Statements, which should be brought to the attention of unitholders as at the date of completion of this report.

Note 13. Commitments

There are no commitments receivable or payable which have not been recognised at the end of the reporting period.

Note 14. Related parties

Responsible Entity

The Trust was formed on 27 January 2005, at which time DXFM was appointed as the Responsible Entity.

Responsible Entity fees

Under the terms of the Trust Constitution, the Responsible Entity is not entitled to receive fees in relation to the management of the Trust. However, DXH is entitled to be reimbursed for expenses incurred in relation to administration or management of the Trust.

During the year the Trust paid \$33,705 (2010: \$15,144) to DXH in relation to administration expenses.

Related party transactions

All related party transactions are conducted on normal commercial terms and conditions unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

CONTINUED

Note 14. Related parties (continued)

Unitholdings

The Trust has no investments in the Responsible Entity. The Trust has an investment in DCT, a sub-trust of DOT, whose Responsible Entity is also DXFM. DOT is part of the DXS stapled security which is listed on the Australian Stock Exchange.

Directors

The following persons were Directors of DXFM during the whole of the financial year unless otherwise stated:

C T Beare, BSc, BE (Hons), MBA, PhD, FAICD^{1,4,5}

E A Alexander, AM, BComm, FCA, FAICD, FCPA^{1,2,6}

B R Brownjohn, BComm^{1,2,5,6}

J C Conde, AO, BSc, BE(Hons), MBA^{1,3,4}

S F Ewen, OAM^{1,4}

V P Hoog Antink, BComm, MBA, FAICD, FCA, FAPI, FRICS

B E Scullin, BEC^{1,3}

P B St George, CA(SA), MBA^{1,2,5,6}

1 Independent Director

2 Board Audit Committee Member

3 Board Compliance Committee Member

4 Board Nomination and Remuneration Committee Member

5 Board Finance Committee Member

6 Board Risk and Sustainability Committee Member

No Directors held an interest in the Trust for the years ended 30 June 2011 and 30 June 2010.

Other Key Management Personnel

In addition to the Directors listed above, the following persons were deemed by the Board Nomination and Remuneration Committee to be Key Management Personnel during all or part of the financial year.

Name	Title
Victor P Hoog Antink	Chief Executive Officer
Tanya L Cox	Chief Operating Officer
John C Easy	General Counsel
Craig D Mitchell	Chief Financial Officer
Paul G Say	Chief Investment Officer

Remuneration received by Key Management Personnel of the Trust is a cost of DXH and not the Trust. DXH does not recover any proportion of their remuneration from the Trust.

No Key Management Personnel or their related parties held an interest in the Trust for the years ended 30 June 2011 and 30 June 2010.

There were no loans or other transactions with Key Management Personnel or their related parties during the years ended 30 June 2011 and 30 June 2010.

Note 15. Events occurring after reporting date

Since the end of the year, the Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in their Directors' Report or the Financial Statements that has significantly or may significantly affect the operations of the Trust, the results of those operations, or state of the Trust's affairs in future financial periods.

Note 16. Operating segments

The Chief Operating Decision Maker (CODM) has been identified as the Board of Directors of DXFM as they are responsible for the strategic decision making for the Trust. The CODM monitors the performance and makes decisions on the allocation of resources for the Trust on a stand alone basis. Therefore management has determined that there are no separate operating segments within the Trust.

The Trust operates within the property trust investment sector with all investments being located in Australia.

Note 17. Reconciliation of net profit to net cash inflow from operating activities

	2011 \$'000	2010 \$'000
Net profit	12,455	10,478
Change in operating assets and liabilities		
Decrease in receivables	–	1
(Decrease)/increase in payables	(23)	5
Net cash inflow from operating activities	12,432	10,484

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

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Note 18. Earnings per unit

	2011 Cents per unit	2010 Cents per unit
Basic earnings per ordinary unit	–	–
Basic earnings per preference unit	610.54	513.63
Diluted earnings per ordinary unit	–	–
Diluted earnings per preference unit	610.54	513.63

(a) Reconciliation of earnings used in calculating earnings per unit

	2011 \$'000	2010 \$'000
Profit attributable to ordinary unitholders of the Trust used in the calculation of basic and diluted earnings per unit	–	–
Profit attributable to preference unitholders of the Trust used in the calculation of basic and diluted earnings per unit	12,455	10,478
Profit attributable to unitholders of the Trust used in the calculation of basic and diluted earnings per unit	12,455	10,478

(b) Weighted average number of units used as a denominator

	2011 No. of units	2010 No. of units
Weighted average number of ordinary units outstanding used in the calculation of basic and diluted earnings per unit	1	1
Weighted average number of preference units outstanding used in the calculation of basic and diluted earnings per unit	2,040,000	2,040,000

DIRECTORS' DECLARATION

For the year ended 30 June 2011

The Directors of DEXUS Funds Management Limited as Responsible Entity of DEXUS RENTS Trust declare that the Financial Statements and notes set out on pages 30 to 48:

- (i) comply with Australian Accounting Standards, the *Corporations Act 2001* and other mandatory professional reporting requirements; and
- (ii) give a true and fair view of the Trust's financial position as at 30 June 2011 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date.

In the Directors' opinion:

- (a) the Financial Statements and notes are in accordance with the *Corporations Act 2001*;
- (b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- (c) the Trust has operated in accordance with the provisions of the Constitution dated 27 January 2005 during the year ended 30 June 2011.

Note 1(a) confirms that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Christopher T Beare
Chair

16 August 2011

INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2011



Independent auditor's report to the unitholders of DEXUS RENTS Trust

Report on the financial report

We have audited the accompanying financial report of DEXUS RENTS Trust (the Trust), which comprises the balance sheet as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for DEXUS RENTS Trust.

Directors' responsibility for the financial report

The directors of the DEXUS Funds Management Limited (the Responsible Entity) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Liability limited by a scheme approved under Professional Standards Legislation

PricewaterhouseCoopers
ABN 52 780 433 757

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SYDNEY NSW 1171
DX 77 Sydney
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Facsimile +61 2 8266 9999
www.pwc.com/au

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

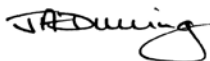
- (a) the financial report of DEXUS RENTS Trust is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Trust's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the Trust's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of DEXUS RENTS Trust for the year ended 30 June 2011 included on DEXUS RENTS Trust web site. The Responsible Entity's directors are responsible for the integrity of the DEXUS RENTS Trust web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report and named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.



PricewaterhouseCoopers



JA Dunning
Partner

Sydney
16 August 2011

INVESTOR INFORMATION

DEXUS RENTS structure Real-estate perpetual ExchaNagable sTep-up Securities are fully paid preference units in RENTS. RENTS are issued by DEXUS Funds Management Limited (DXFM) as Responsible Entity of the Trust.

The monies raised through the issue of RENTS were used to subscribe for preference units in DOT Commercial Trust, a sub-trust of DEXUS Office Trust which forms part of the DEXUS stapled security.

RENTS securities are perpetual and have no maturity date. Investors have the benefit of a subordinated guarantee from DXFM as the Responsible Entity of DEXUS Diversified Trust, DEXUS Industrial Trust, DEXUS Office Trust and DEXUS Operations Trust, the four Trusts that comprise DEXUS Property Group (each a Guarantor). More information on the structure of DEXUS RENTS can be found on our website at www.dexus.com/rents

DEXUS RENTS information

Other DEXUS RENTS Trust and DEXUS Property Group information, including ASX announcements, reports and distribution and taxation information is available on our website at www.dexus.com

Holders of RENTS are entitled upon request to receive all reports and notice of meetings of DEXUS Property Group at the same time or within a reasonable time, as DEXUS Property Group stapled security holders. If you have any queries in relation to your investment in RENTS, please contact the DEXUS Infoline on 1800 819 675 or from outside Australia on +61 2 8280 7126 or email to ir@dexus.com

Security Registry

If you have administrative enquiries, such as change of address or the way in which you wish your distributions to be paid, you can contact Link Market Services on the DEXUS Infoline 1800 819 675 or update your account details using our Investor Login at www.dexus.com/rents

Complaints management

Investors wishing to lodge a complaint should do so in writing and forward it to DEXUS Funds Management Limited at the address shown in the Directory. DEXUS Funds Management Limited is a member of Financial Ombudsman Service (FOS), an independent dispute resolution scheme who may be contacted at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

Phone: 1300 780 808
Fax: +61 3 9613 6399
Email: info@fos.org.au
Website: fos.org.au

Stock Exchange listing

RENTS are listed on the ASX and the ticker code is (ASX: DXRPA).

Payment of distributions

Distributions can only be paid directly into a nominated Australian bank, building society or credit union account.

Annual tax statement

After the end of each financial year you will receive a Tax Statement. This statement includes information required to complete your tax return. If you lose your Tax Statement, you can obtain a free replacement using the “Investor Login” box on our website at www.dexus.com/rents

Tax file number

You are not required by law to provide your Tax File Number (TFN), Australian Business Number (ABN) or Exemption. However, if you do not provide your TFN, ABN or Exemption, withholding tax at the highest marginal rate, currently 46.5%, may be deducted from income distributions paid to you. If you would like provide your TFN, ABN or Exemption, please advise the Link Market Services or your sponsoring broker.

Non-resident tax information

Estimates that make up the DEXUS RENTS Trust 2010/11 distributions are published on our website at www.dexus.com/rents/distributions These estimates are updated for each distribution period prior to the distribution payment and are for non-resident security holders and custodians of non-resident security holders.

Distribution timetable

The distribution timetable below indicates the anticipated distribution, banking and mailing dates for the year to June 2012. Investors should note that these dates are indicative only and may change.

Period end	Announcement date	Ex-distribution date	Record date	Payment date
30 Sep 2011	21 Sep 2011	26 Sep 2011	30 Sep 2011	18 Oct 2011
31 Dec 2011	19 Dec 2011	22 Dec 2011	30 Dec 2011	17 Jan 2012
31 Mar 2012	21 Mar 2012	26 Mar 2012	30 Mar 2012	18 Apr 2012
30 Jun 2012	20 Jun 2012	25 Jun 2012	29 Jun 2012	16 Jul 2012

Unclaimed distributions

RENTS has a number of investors who have unclaimed distributions. If you believe you have unclaimed distributions please contact our Link Market Services on 1800 819 675 for assistance. For outstanding monies older than seven years you should contact the:

NSW Office of State Revenue
Infoline: 1300 366 016
Email: unclaimedmoney@osr.nsw.gov.au
Website: osr.nsw.gov.au

Distributions

RENTS pays quarterly distributions into each investor's nominated Australian bank account. The distribution rate for RENTS is determined on the first business day of each quarter. Until 1 July 2012, the distribution rate will be equal to the 90 day bank bill rate plus 1.3% per annum. The distribution for the quarter ended 30 June 2010 was paid to investors on 15 July 2010. RENTS distribution history can be found at www.dexus.com/rents/distributions

ADDITIONAL INFORMATION

Top 20 security holders as at 25 August 2011

No.	Name of holder	Number of securities	% of issued capital
1	J P Morgan Nominees Australia Limited	749,906	36.8
2	Pan Australian Nominees Pty Limited	119,632	5.9
3	RBC Dexia Investor Services Australia Nominees Pty Limited <GSENI A/C>	89,415	4.4
4	Citicorp Nominees Pty Limited	89,174	4.4
5	M F Custodians Ltd	68,298	3.3
6	HSBC Custody Nominees (Australia) Limited – A/C 2	50,939	2.5
7	Tynong Pastoral Co Pty Ltd <Tynong Pastoral Unit A/C>	50,000	2.5
8	Questor Financial Services Limited <TPS RF A/C>	34,731	1.7
9	UBS Wealth Management Australia Nominees Pty Ltd	33,170	1.6
10	Mr John Edward Mytton Barnes	30,289	1.5
11	Cogent Nominees Pty Limited	29,240	1.4
12	RBC Dexia Investor Services Australia Nominees Pty Limited MLCI	25,520	1.3
13	Brispot Nominees Pty Ltd <House Head Nominee No 1 A/C>	24,374	1.2
14	National Nominees Limited	15,315	0.8
15	HSBC Custody Nominees (Australia) Limited	12,225	0.6
16	Australian Executor Trustees Limited <No 1 Account>	11,390	0.6
17	EASN Pty Ltd <Penance A/C>	10,000	0.5
18	Questor Financial Services Limited <TPS PIP A/C>	9,685	0.5
19	Mr Edward Furnival Griffin & Mrs Deborah Ann Griffin <Griffin Super Fund A/C>	9,000	0.4
20	Mr Gary Dean Corby & Mrs Helen Corby	8,000	0.4
Total top 20		1,470,303	72.1
Balance of register		569,697	27.9
Total securities		2,040,000	100.00

Substantial holders

The names of substantial holders, who at 25 August 2011, have notified the Responsible Entity in accordance with Section 671B of the *Corporations Act 2001* are:

Date	Name	Number of securities	Voting %
19 December 2006	Deutsche Bank Group	135,916	6.66
1 September 2005	Challenger Financial Services	397,060	19.43

Class of securities

DEXUS RENTS Trust has one class of security trading on the ASX with 1,575 investors holding 2,040,000 securities at 25 August 2011.

Spread of securities at 25 August 2011

Range	Securities	%	Number of holders
100,001 and over	869,538	42.62	2
10,001 to 100,000	564,080	27.65	14
5,001 to 10,000	61,443	3.01	8
1,001 to 5,000	187,553	9.19	96
1 to 1,000	357,368	17.52	1,455
Total	2,040,000	100.00	1,575

At 25 August 2011, there are two investors holding unmarketable parcels and they hold a total of six securities.

Voting rights

In the event that a meeting of RENTS investors is called, each investor has one vote. Voting is conducted by way of a show of hands. On a poll, each investor has one vote for each dollar of the value of the total interests they have in the Trust, for which they are eligible to vote as RENTS investors.

The number and class of securities that are restricted or subject to voluntary escrow

There are no securities that are restricted or subject to voluntary escrow.

On-market buy-back

DEXUS RENTS Trust has no on-market buy-back currently in place.

DIRECTORY

DEXUS RENTS Trust
ARSN 112 705 852

Responsible Entity

DEXUS Funds Management
Limited
ABN 24 060 920 783

Registered office of Responsible Entity

Level 9, 343 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

www.dexus.com

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4200 Von Karman Avenue
Newport Beach CA 92660

Phone: +1 949 783 2801
Fax: +1 949 433 9124
Email: ir@dexus.com

www.dexus.com/us

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
Victor P Hoog Antink, CEO
Brian E Scullin
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
or +61 2 8280 7126

Investor Relations:
+61 2 9017 1330
Email: ir@dexus.com

Website: www.dexus.com/rents

Security Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Locked Bag A14
Sydney South NSW 1235

Registry Infoline: 1800 819 675
or +61 2 8280 7126
Fax: +61 2 9287 0303

Email: registrars@linkmarketservices.com.au

Website:
www.linkmarketservices.com.au

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

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

Australian Stock Exchange

ASX Code: DXRPA



Consistent with DEXUS's commitment to sustainability, this report was printed on an FSC Mixed Sources Certified paper, which ensures that all virgin pulp is derived from well-managed forests and controlled sources. It contains elemental chlorine free (ECF) bleached pulp and is manufactured by an ISO 14001 certified mill. The paper is 55% recycled and is certified Carbon Neutral by the Carbon Reduction Institute (CRI) in accordance with the global Greenhouse Gas Protocol under the international standard ISO 14040. The printer of this report has Forest Stewardship Council® (FSC), Chain of Custody Certification.

DEXUS RENTS Trust
2011 ANNUAL REPORT



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