DEXUS Property Group
ASX release

16 February 2011

ASX release and presentation for the half year ending 31 December 2010

DEXUS Property Group (DXS), provides the following documents to the ASX Limited:

- ASX Release – DEXUS Property Group announces improving first half performance; and
- Presentation – 2011 Half year results presentation and appendices

We have also published the December 2010 DEXUS Property Group property synopsis spread sheet on our web site in the DXS Investor Centre. The property synopsis spread sheet contains details for each property, a Reconciliation of Operating EBIT, FFO and Distribution and other information as at 31 December 2010.

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About DEXUS

DEXUS is one of Australia's leading property groups specialising in world-class office, industrial and retail properties with total assets under management of $13.6bn. In Australia, DEXUS is the number 1 owner/manager of office, a market leader in industrial and, on behalf of third party clients, a leading manager and developer of shopping centres. DEXUS is committed to being a market leader in Corporate Responsibility and Sustainability. **www.dexus.com**

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

DEXUS
PROPERTY GROUP

16 February 2011

DEXUS Property Group (ASX: DXS) announces improving first half performance

DEXUS Property Group today announced a Net Profit after Tax of $294.4m for the six months ended 31 December 2010, turning from a $107.0m net loss in the previous corresponding period. Funds from Operations (FFO) remained stable at $179.0m for the half year.

RESULTS HIGHLIGHTS

- Solid half year results: Profit $294.4m
- Favourable property revaluations: 3% increase in net tangible asset per security to 98 cents
- Strong capital management: BBB+ rating and conservative gearing of 29.1%
- Earnings guidance upgrade: FFO per security from 7.3 cents to 7.4 cents

Chief Executive Officer, Victor Hoog Antink said: "Our half year result reflects our focus on maximising performance from our core business, delivering solid fundamentals and overall value increases in line with improving market conditions. We have used the last six months to position the business for further growth as the property cycle continues to improve, by enhancing our operating platform.

The quality of our portfolio and strong management focus means DEXUS is well placed to capture the growth in office markets, create further value from our Australian industrial portfolio and benefit from the emerging US upswing. As a result, we are increasing our 2011 full year FFO guidance to 7.4 cents per security."

FINANCIAL RESULTS

- FFO $179.0m (Dec 2009: $181.1m)
- FFO per security 3.7 cents (Dec 2009: 3.8 cents)
- Operating EBIT $219.8m (Dec 2009: $240.5m)
- Distribution per security 2.59 cents (Dec 2009: 2.65 cents)
- Total assets $7.9bn (Dec 2009: $7.8bn)

Chief Financial Officer, Craig Mitchell said: "The headline numbers reported this period reflect prior period transactions and mask broad-based improvements across the business. FFO per security of 3.7 cents increased over the immediate preceding six month period result of 3.5 cents. When compared with the December 2009 result of 3.8 cents, the slight decline to 3.7 cents primarily reflects the impact of asset sales in late 2009 and early 2010 and the impact of refinancing debt at higher margins. This was offset by stronger income in Australia and the bottoming of US income resulting in positive like for like growth overall in the six months period

Property values increased by 0.9% in the six months to December 2010, building on early cycle improvements. This, together with an improvement in the mark to market derivative position and the contribution of retained earnings, resulted in NTA per security increasing by 3 cents to 98 cents since June 2010."

PORTFOLIO HIGHLIGHTS

Key portfolio metrics:

	Office	Industrial	Industrial US	Total[2]
Occupancy %	96.5	97.4	86.4	90.0
Tenant retention %	76	71	65	n/a
WALE(years)	5.6	4.5	4.7	5.1
Like-for-like growth %	3.1	1.4	(8.3[1])	0.3
Average cap rate %	7.5	8.7	8.1	7.9
Sqm under development	90,000	79,206	-	169,206

[1] US Net Operating Income (NOI) decreased when compared to the six months ended December 2009, primarily as a result of asset sales and a decrease in like-for-like income. Rental levels appear to have bottomed with like for like NOI being 0.6% higher than in the immediately preceding six month period ended June 2010.
[2] Includes Europe.

Note: Queensland floods

The floods in Queensland partially affected three of our properties in the Brisbane area (two industrial properties at Donkin Street, West End and Balham Road, Archerfield, and our office development at 123 Albert Street, Brisbane CBD). For the industrial properties all costs, including repairs, are covered by comprehensive flood insurance. At 123 Albert Street, the flood impact has caused a delay in practical completion from February to June 2011 but all costs, other than the capitalised interest cost associated with the delay, are covered by the construction and insurance contracts.

OPERATING RESULTS

Office

- Portfolio value $4.3bn (Dec 2009: $4.0bn)
- Like-for-like NOI growth 3.1% (Dec 2009: 2.7%)
- Occupancy (by area) 96.5% (Dec 2009: 95.8%)
- Lease duration (by income) 5.6 years (Dec 2009: 5.4 years)

Our office portfolio produced solid results outperforming market benchmarks to deliver higher occupancy, lower incentive costs and higher portfolio total returns. NOI increased over the period to $127.2m (Dec 2009: $121.9m). Like for like NOI reflected rental growth which was achieved through fixed rental increases of approximately 3.75% on over 80% of leases. Occupancy increased to 96.5% with more than 40 new leases for approximately 31,000sqm signed with an average rental increase of 3.0%. We reduced tenant incentives to an average of 18.0% (June 2010: 20.5%).

Our two 6 star Green Star premium office developments are progressing and are nearing completion. 123 Albert Street, Brisbane (DEXUS share 100%: $376m) is estimated to complete in June 2011, following delays as a result of the recent floods in Queensland (refer above). The development is currently 80% leased and the fully leased yield on cost is now forecast to be 6.75%. 1 Bligh Street, Sydney (DEXUS share 33%: $222m) is scheduled for completion in June 2011 and is 55% leased. Leasing interest in the building has continued to pick up with general market conditions improving and progress on development enabling tenants to tour available floors. Fully leased yield on cost is forecast at 7.0%.

The $26m redevelopment of Southgate in Melbourne is progressing on track with completion due in November 2011. In addition, we have lodged development approvals on two additional Melbourne properties for a 18,500sqm office development at Flinders Gate car park and on behalf of DEXUS Wholesale Property Fund (DWPF) a 20,000sqm office development at 360 Collins Street.

Industrial

- Portfolio value $1.6bn (Dec 2009: $1.5bn)
- Like for like NOI growth 1.4% (Dec 2009: 1.9%)
- Occupancy (by area) 97.4% (Dec 2009: 97.7%)
- Lease duration (by income) 4.5 years (Dec 2009: 4.7 years)

Our Australian industrial portfolio continued to deliver consistent performance during the first half of the year. In line with our forecast improvements in industrial market conditions, we reweighted a portion of our portfolio to higher returning value-add opportunities; selling $15.4m of stabilised properties above book value and investing into $38m of trading activity, land subdivision and speculative build opportunities.

NOI increased to $56.8m (Dec 2009: $52.7m) primarily as a result of accretive asset recycling in the prior period and improvements in like for like income. During the period 49 new leasing deals representing 62,675sqm of existing industrial space were completed. The portfolio experienced average rental reviews of 3.3% across 37% of the portfolio and a decrease of 5.6% in new lease rates. Average tenant incentives decreased to 4.4% (June 2010: 6.1%).

Good progress was made in recycling our development land bank including Laverton VIC, where the pre-leased development to Loscam for a 6,534sqm warehouse facility remains on track for completion in June 2011. The development, with a cost including land of $10m, has a forecast yield on total cost of 9.0%. In addition, a $14m speculative development for a 17,347sqm warehouse was commenced during the period. Completion is expected in August 2011 with good preliminary interest.

Greystanes, NSW is now 25% pre-committed. The pre-lease development for Solaris Paper is completed and the Symbion Pharmacy Services development will complete later in February 2011. Both developments will provide a return on cost of 8.7%. The $32m pre-lease development with Fujitsu remains on track for completion in October 2011.

In August 2010 we acquired a 7.6ha development site in Erskine Park NSW for $15.9m and we have secured development approval to subdivide. We are constructing a 21,000sqm warehouse on half of the site, which will be completed in October 2011, and we intend to sell the remaining 3.5ha.

Industrial - US

- Portfolio value US$1.3bn or A$1.3bn (Dec 2009: US$1.2bn or A$1.4bn)
- Like for like NOI down 8.3% (Dec 2009: down 10.8%)
- Occupancy (by area) 86.4% (Dec 2009: 87.8%)
- Lease duration (by income) 4.7 years (Dec 2009: 4.7 years)

During the period NOI, decreased to US$39.4m (Dec 2009: US$46.9m) but on a like for like basis was 0.6% higher than in the preceding six month period ended June 2010, signalling the recovery is underway with increasing income as market rental rates stabilise. The decrease in NOI was primarily related to the sale of $259.1m of assets ($220.7m in late calendar year 2009 and $38.4m in late calendar year 2010) together with an 8.3% decrease in like for like NOI as a result of new lease rates being 8% lower than expiring lease rates and a softening in occupancy.

Markets across the US are stabilising, with the emergence of a variable speed economy. While many inland markets are beginning to stabilise, vacancy remains high. Property values across the US have continued to increase over the last six months in anticipation of improving underlying market conditions and low US interest rates. While coastal markets have seen the greatest increase, the rise has been more tempered in DEXUS's non-core markets.

Further progress has been made in repositioning towards core markets with the exit from Harrisburg completed during the period. Significant progress has also been achieved in the management of the core portfolio with DEXUS's US team assuming control of the $650m core west coast and Whirlpool portfolios. RREEF continues to manage the remaining $620m of properties located in non-core markets.

Since 1 January 2011, our US team has leased or is in negotiation for leases covering 610,000sqft. Half of the leases are in relation to renewals and represent 100% retention of leases due for expiry. The other half are leases on space which is currently vacant and represents 1.2% of total US portfolio square footage.

Non-core property portfolios – European industrial

The European portfolio is valued at €132m or A$173m (Dec 2009: €133m or A$213m), contributing €5.8m (Dec 2009: €6.0m) or 3.5% of the Group's NOI with occupancy (by area) at 84.7% (Dec 2009: 87.8%). As transaction markets in Europe start to open up, it is expected that these properties will be sold over the short to medium term.

Funds Management

DEXUS operates a vertically integrated platform which also services third party funds and generates asset and development management income. We are seeking to expand our core funds management platform to leverage the forecast upswing in wholesale demand for direct property.

Our $6.1bn funds management platform is primarily made up of DWPF, two Australian mandates totalling $2.6bn and in the US, DEXUS manages $0.3bn of industrial real estate on behalf of five clients.

DWPF has total assets of $3.2bn. The portfolio outperformed the total return benchmark over one and three years, with a total return of 11% for the last 12 months. DEXUS has undertaken significant activity on behalf of DWPF including achieving an A (stable) rating by S&P, acquiring $256m of industrial property and securing $765m of equity, of which approximately $245m is new capital and the remainder transfers.

Corporate Responsibility & Sustainability

DEXUS continues to drive sustainable performance with improvements in resource consumption and progress in our 4.5 star NABERS Energy rating program. The Group's two 6 Star Green Star office developments are progressing to completion in June 2011 and we continued to progress sustainability innovation in our industrial business with environmentally sustainable design features incorporated into our new developments at Greystanes.

CAPITAL MANAGEMENT

DEXUS continues to maintain a strong balance sheet and has increased the diversification of our funding sources. Average maturity of our debt sources was improved to 3.4 years. Gearing remained stable at 29.1% and we continue to maintain credit ratings from Standard & Poor's of BBB+ and Moody's of Baa1. In recognition of the conservative gearing and continued high cost of equity, DEXUS suspended the distribution reinvestment program (DRP) during the period.

Chief Financial Officer, Craig Mitchell said: "We aim to be conservative in the use of new equity. The suspension of the DRP reflects the sustainability of our distribution policy, our comfortable level of gearing and the discount at which our equity is being priced in the market."

OUTLOOK

Our office portfolio, representing approximately 59% of book value, is expected to deliver consistent underlying growth as we increase face rents and incentives decrease further. We will continue to actively manage the core portfolio to extract additional growth as we reduce occupancy marginally to expose more of the portfolio to the forecast improvement in leasing conditions. We will further progress our new development applications and identify additional development opportunities.

The industrial portfolio, representing approximately 22% of book value, is expected to continue to provide stable underlying income. As the property cycle improves, we will continue to allocate up to 20% of our industrial portfolio to value-add opportunities including land subdivision, trading and speculative development and continue to further develop and recycle our two prime industrial land banks.

The US industrial portfolio, representing approximately 17% of book value, is expected to benefit from the cyclical recovery following recent weak economic conditions particularly in our core west coast markets. While the outlook for medium term growth appears robust, it is expected the portfolio will experience mixed but positive growth in the near term.

We will continue to enhance our funds management platform and provide opportunities for capital partnering and increased fee income for DXS.

Barring adverse changes to operating conditions, the forecast earnings (FFO) for the year ending 30 June 2011 has been upgraded to 7.4 cents per security. Consequently, distributions, being 70% of FFO, are forecast to be 5.18 cents per security.

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

2011

DEXUS Property Group

HALF YEAR RESULTS PRESENTATION

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

DEXUS PROPERTY GROUP

DEXUS HY11 RESULTS

- Victor Hoog Antink, CEO
  - — Key financial outcomes
  - — DEXUS platform
- Craig Mitchell, CFO
  - — Financial performance
  - — Funds Management
- Paul Say, CIO
  - — Portfolio overview
  - — Office portfolio
  - — US industrial portfolio
- Andrew Whiteside, Head of Industrial
  - — Industrial portfolio
- Victor Hoog Antink, CEO
  - — Outlook

DEXUS PROPERTY GROUP

HIGHLIGHTS

- Solid half year results
- Increases in property values
- Effective capital management
- Increased focus on management targets
- Increase earnings and distribution guidance

KEY FINANCIAL OUTCOMES
Results supporting guidance upgrade

	Dec 2009	6 months to June 2010	Dec 2010
Key financial metrics			
FFO[1]	3.8c	3.5c	3.7c
Distribution[1]	2.65c	2.45c	2.59c
Operating EBIT	$240.5m	$220.8m	$219.8m
Gearing	31.9%	29.8%	29.1%
NTA per security	$0.95	$0.95	$0.98
Key portfolio metrics			
Occupancy (by area)	91.2%	89.9%	90.0%
WALE (by income) years	5.0	5.1	5.1
Like-for-like growth	(0.3%)	(2.3%)	0.3%

FFO guidance

- Upgrade FY11 guidance: 7.4 cents[2] per security

1. Cents per security.
2. Barring unforseen circumstances.

DEXUS PLATFORM
The business

		SECTOR	STRATEGIC FOCUS	FUM $13.6bn[1]	TARGET
People	Property	Office	Prime in major CBD's: core/core+	$4.3	60%
		Industrial	Stable core with value add	$1.6	20%
		Industrial — US	Repositioning towards West Coast	$1.3	20%
	Funds	Funds management	Leveraging DXS management	$6.1	↑ ROE
	Capital	Funding & business risk	Conservative capital management strong governance, transparency and risk management		

1. Includes Europe, Syndicate, cash and other.

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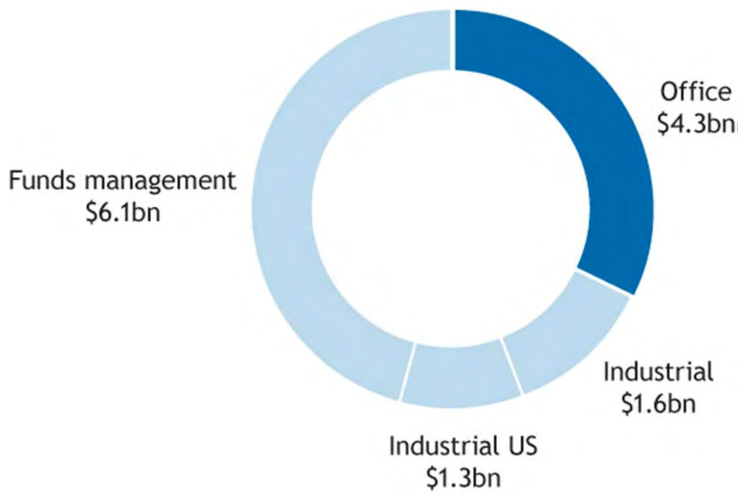
DEXUS PLATFORM
Office

Investment discipline

- Core→ core plus investment
- Prime quality properties in major CBD markets
- Incremental growth through development, refurbishment and asset management



Achievements

- Like-for-like in line with market
  - Outperformance of operational and total return benchmarks
- Developments
  - Sydney (Bligh St) and Brisbane (Albert St) completing (DXS share: $598 million)
  - Two new DA's in Melbourne

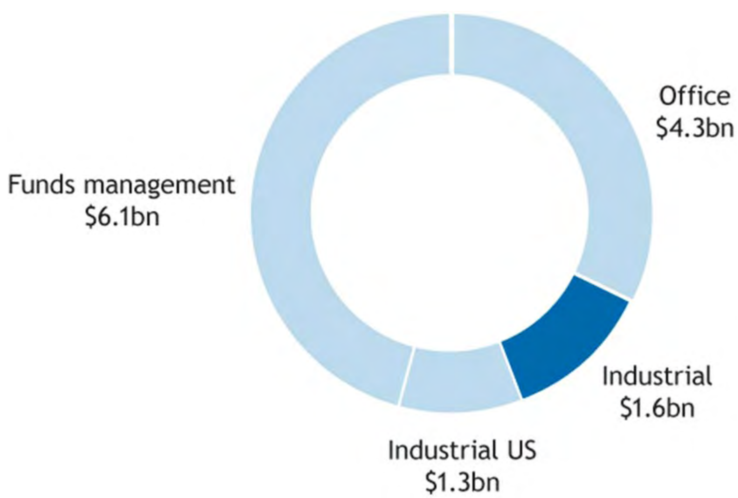
Targets

- Core portfolio >9% IRR
  - Outperform through asset management and recycling
- Developments: up to 15% of FUM >15% IRR

DEXUS PLATFORM
Industrial

Investment discipline

- Stable core portfolio (80%) & value add (20%)
- Enhanced growth through development, trading and asset recycling
- Key locations



Achievements

- Consistent operational performance (like-for-like 1.4%)
- Acquisitions, property sales and new DA's ($83m total balance sheet activity)
- Expanding footprint in key markets

Targets

- Core portfolio 80% of FUM >10% IRR
  - Outperform through asset management and recycling
- Value add up to 20% of FUM:
  - Trading activity: >15% IRR

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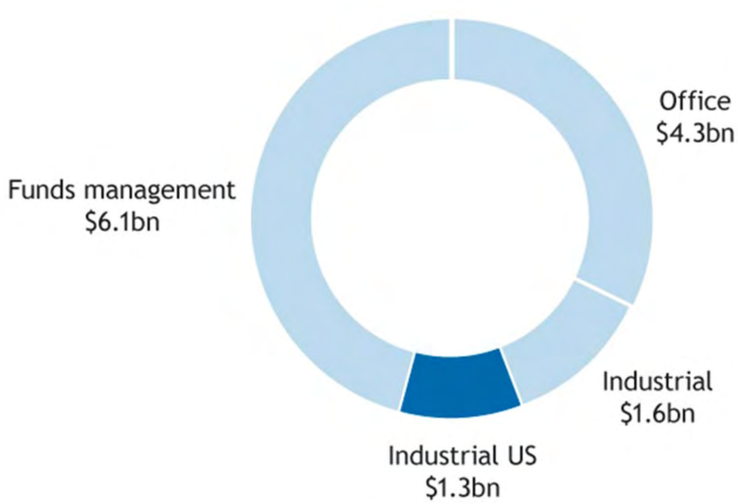
DEXUS PLATFORM
US Industrial

Investment discipline

- Core/value add
- Focus on four key West Coast markets
- Local expertise — focused approach



Achievements

- Operational outcomes
  - Established management platform
  - Internalised management of core portfolio complete ($0.7bn of $1.3bn)
- Portfolio transition
  - Sold/contracted $61m of non-core assets above book value
  - $41m of new investments in key markets

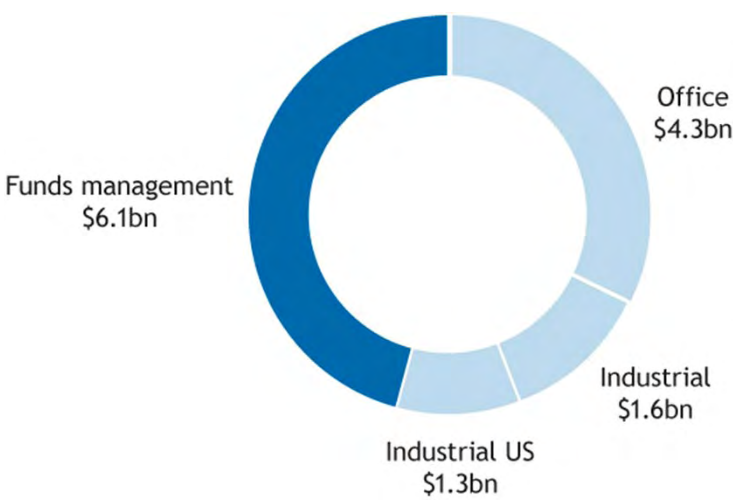
Targets

- Increase occupancy >91% by 2013 (1H11 86.4%)
- Portfolio transition to core markets: 24 mths
- Core returns >8.5% IRR
  - Expected returns next 3 years: 10%–15%
- Developments >15% IRR

DEXUS PLATFORM
Funds under management

Investment discipline

- Diversified product offering
- Leverage DXS management platform
- Institutional capital to deliver enhanced returns
- Good corporate governance



Achievements

- DWPF $765m new equity, $250m debt financing, $256m new investments
- Returns outperformed benchmarks
- Retail syndicate property sold

Targets

- Continue top quartile outperformance of relevant benchmarks
- Support investor plans for growth and diversification
  — Expect FUM increase 30% within 5 years

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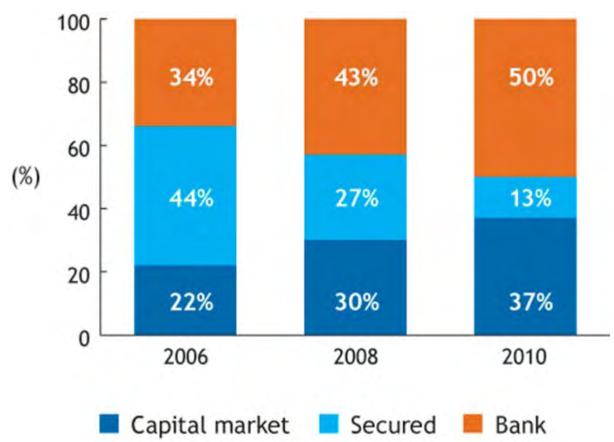
DEXUS PLATFORM
Funding and business risk

Investment discipline

- Target gearing <40%
- Diversity of debt by source and duration
- Strong and transparent balance sheet
- Strong governance, transparency, and business risk mitigation



Achievements

- Debt
  - Refinanced $475m
  - Improved debt diversification
  - Increased debt duration

Targets

- Maintain BBB+ rating and outlook
- Maintain debt diversity
- Extend debt duration to 4 years
- $600m debt refinancing in CY11

DEXUS PROPERTY GROUP

CORPORATE RESPONSIBILITY & SUSTAINABILITY
Committed to being a market leader

- Environment
  - 6 Star Green Star developments nearing completion
  - 4.5 star NABERS program on track
  - Resource consumption trending downward
  - Future proofing our portfolio with prudent risk management including climate change assessments
  - Sustainability innovation in AU and US industrial developments
- Community
  - Community engagement a key part of our culture

Investor Group on Climate Change Australia/New Zealand

PRI

CARBON DISCLOSURE PROJECT

FTSE4Good

CITY SWITCH Green Office Signatory

Dow Jones Sustainability Indexes Member 2009/10

AuSSI The Australian SAM Sustainability Index Member 2009

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DEXUS PLATFORM
People

Our approach

- High performance culture
- Preferred employer in the property sector

Achievements

- Realigned Executive team
- Established US DEXUS team
- Increased head count in key value-add areas

DEXUS Balanced Scorecard – typical objectives

Financial Performance	**Business development and business management**
■ earnings per security ■ distributions per security ■ third party funds performance ■ total security holder return, relative to peers	■ delivery of strategic projects on time and on budget ■ corporate responsibility and sustainability initiatives ■ achievement of international operations strategies
Stakeholder satisfaction	**Leadership**
■ investor relations ■ tenant satisfaction ■ employee engagement	■ executive succession ■ talent management ■ role modelling DEXUS cultural values ■ executive development

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FINANCIAL PERFORMANCE

Craig Mitchell
Chief Financial Officer

DEXUS PROPERTY GROUP

FINANCIAL RESULTS AT A GLANCE

	Dec 2009 $'m	Dec 2010 $'m
Operating EBIT	**240.5**	**219.8**
Finance costs	(68.1)	(48.5)
Fair value movements	(315.8)	126.0
Deferred tax	31.7	(1.2)
Other	4.7	(1.7)
Statutory profit/(loss)	**(107.0)**	**294.4**

	Jun 2010 $'m	Dec 2010 $'m
Real estate investment	7,307	7,343
Interest bearing liabilities	(2,240)	(2,178)
Other	(61)	11
Less: RENTS	(204)	(204)
Less: intangible assets	(226)	(225)
Net tangible assets	**4,576**	**4,747**
NTA per security	95c	98c

Note: refer to detailed income reconciliation in the Appendices.

CORE OPERATING METRICS
Underlying improvements in all sectors

	Dec 2009 $'m	6 months to June 2010 $'m	Dec 2010 $'m
Office	121.9	123.2	127.2
Industrial	52.7	57.2	56.8
Industrial — US[1]	54.0	46.2	45.0
Non-core[1,2]	18.6	12.5	9.6
Currency impact on NOI	—	(1.9)	(4.9)
Management EBIT	6.3	(0.2)	1.5
Eliminations/other	(13.0)	(16.2)	(15.4)
Operating EBIT	**240.5**	**220.8**	**219.8**
Finance costs	(68.1)	(59.6)	(53.0)
Currency impact on finance costs	—	1.8	4.5
Cash and fit-out incentive amortisation	15.1	15.3	14.3
RENTS	(4.7)	(5.8)	(6.2)
Other	(1.7)	(3.6)	(0.4)
Funds from Operations (FFO)	**181.1**	**168.9**	**179.0**
FFO per security	**3.8**	**3.5**	**3.7**

1. Constant currency: refer to Appendices for exchange rates.
2. Retail and European industrial.

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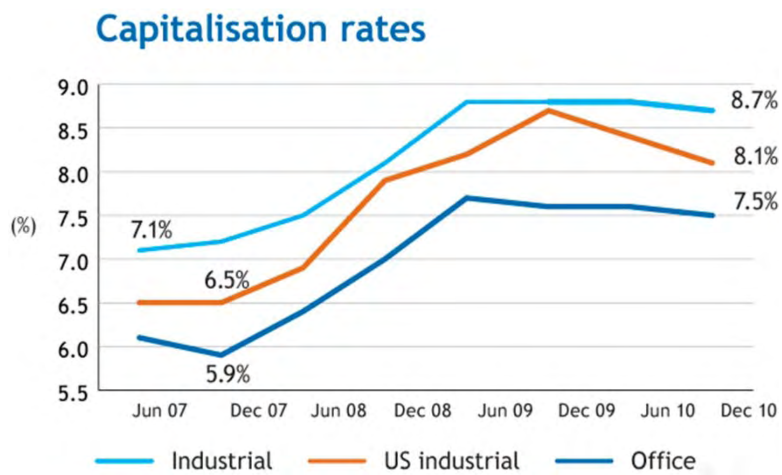
VALUATIONS
All sectors improving

- NTA increase 3% to $0.98
  — Retained earnings $54m
  — Mark to market gains $54m
- Revaluation uplift of $68m
  — Portfolio cap rate decreases 10bps (to 7.9%)
    - 30bps in US
    - 10bps in Australia



CAPITAL MANAGEMENT
Sustainable and return focused

- Operating cash flows match distributions
- Cost of equity and debt continue to be high
  - Suspended DRP
  - Gearing at lower range of target
  - Acquisitions self-funded
  - Future investments to meet high hurdle rates

	$'m
Operating cashflows	
Cashflow from operations[1]	169.0
Stay in business capital	(48.8)
Distribution	(118.1)
Net surplus/(deficit)	**2.1**
Cash retained: DRP Aug 2010	14.5
Investing cashflows	
Acquisitions (incl. inventory)	(52.3)
Disposals	44.9
Development spend	(199.1)
Net investment activities	**(206.5)**

1. Excludes capitalised interest, inventory acquisitions and includes RENTS distribution.

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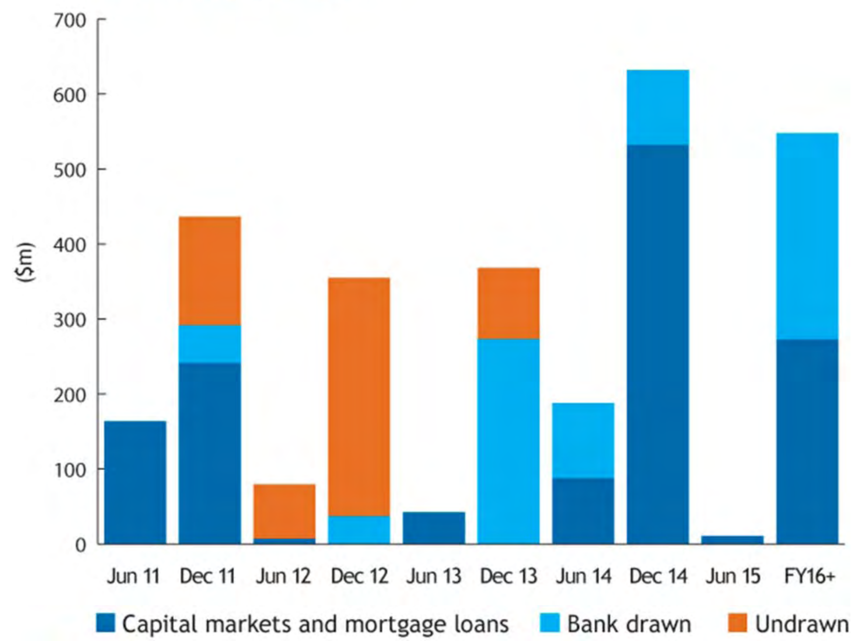
CAPITAL MANAGEMENT
Treasury — strong, stable platform

- Refinanced $475m and reduced headroom
- Duration target: 4 years
- Achieved target bank to non-bank debt mix

	Dec 2009	Jun 2010	Dec 2010
Gearing	32%	30%	29%
Headroom	$1.5bn	$1.2bn	$0.7bn
Debt duration (years)	2.8	3.2	3.4[2]
Cost of debt	6.5%[1]	6.6%	6.7%
Bank/non-bank debt	54%/46%	54%/46%	52%/48%
Hedged	90%	90%	85%

Maturity profile[2]



1. Re-stated to reflect drawn cost of debt.
2. Includes bank commitments received in February 2011

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FUNDS MANAGEMENT

Craig Mitchell
Chief Financial Officer

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WHOLESALE CAPITAL LANDSCAPE
Increasing investor demand

General trends

- Shift of capital to wholesale funds
- Sector specific preference from larger institutional investors
- International investors seeking core property exposure

DEXUS position

- DWPF: Pre-eminent diversified wholesale fund
  - Continues to receive positive net inflows
  - Superior returns above benchmark
  - International investor base (20%) and expected to grow
- Vertically integrated platform to service funds

DEXUS response

- Improve depth and strength of team: appointed new Head of Capital
- Build on success with DWPF
- Growth from existing and new relationships
- Higher risk/return sector specialist development funds

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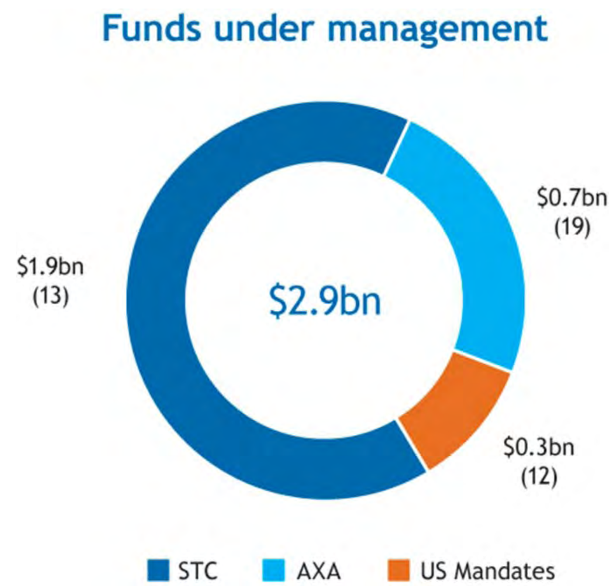
MANDATES
Area of future growth

- Achievements
  - — 10 transactions worth $150m in 2010
  - — STC outperforms benchmark
  - — AXA performance in line with benchmark
- Focus
  - — Review outcome of AXA/AMP merger
  - — Rebalance STC portfolio
  - — Growth from existing and new relationships



	Retail	Office	Industrial	US industrial
Value	$1.2bn	$1.0bn	$0.4bn	$0.3bn
Occupancy	98.8%	92.7%	93.2%	97.3%

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DEXUS WHOLESALE PROPERTY FUND
Significant activity

About DWPF

- $3.2bn pre-eminent diversified wholesale fund (<50 investors)
  - 27 properties: weighted cap rate 7.05%
- Standard & Poor's A (stable) rated
- Portfolio occupancy 96%
- Gearing 22%

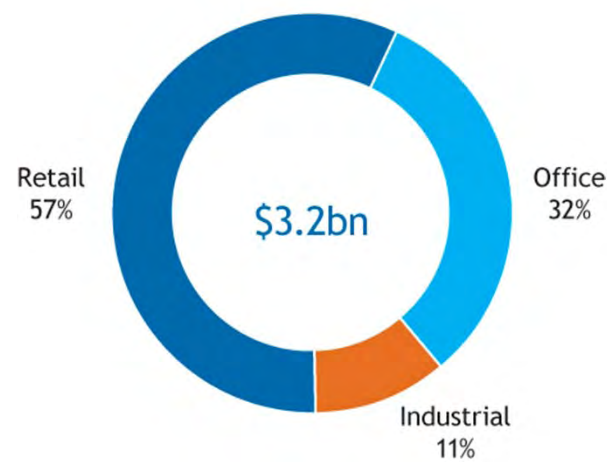
Achievements

- New equity/transfers of $765m
- Completed MTN issue $250m
- Acquired $256m industrial assets yield 9%
- Outperformed benchmark over 1 & 3 years

Focus

- Complete equity raising: $245m to date
- Maintain index outperformance
- Initiate retail/office developments

Sector allocation



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PORTFOLIO OVERVIEW

Paul Say
Chief Investment Officer

DEXUS
PROPERTY GROUP

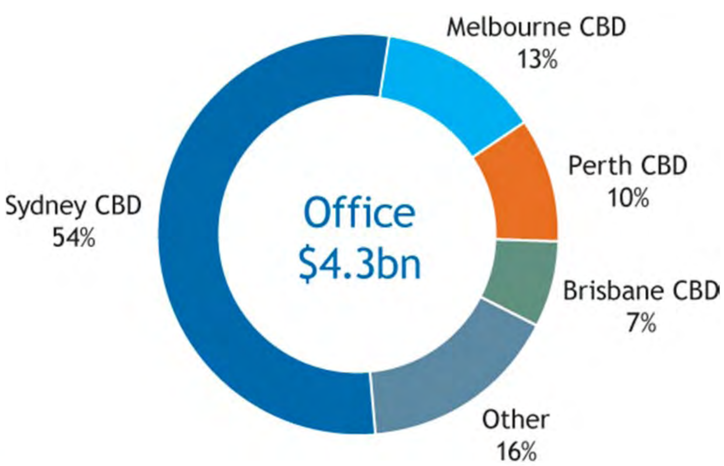
PORTFOLIO OVERVIEW
Australia — entering a growth phase

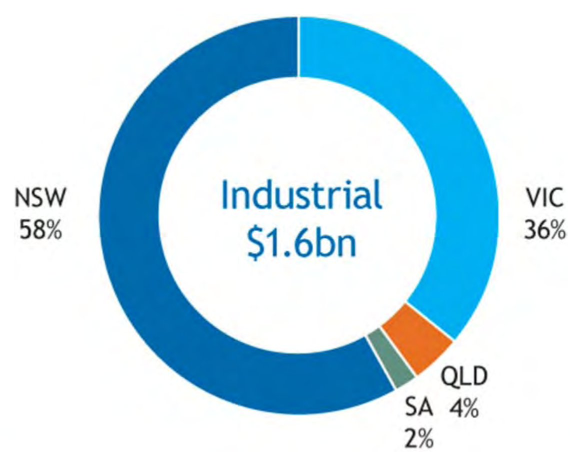
Office

- Entering growth phase
- Real office rents rising
- Opportunities
  - Hold line on incentive levels
  - Expose portfolio to improving market
  - Repositioning/redevelopment opportunity

Industrial

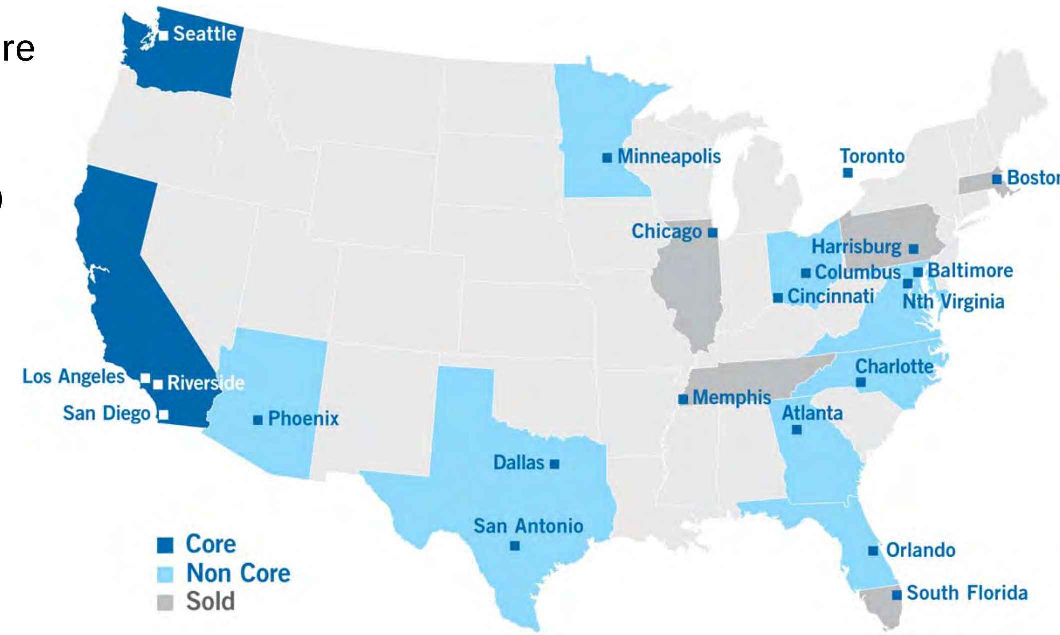
- Rents and occupancy stable through GFC
- Industrial markets now undersupplied
- Opportunities
  - Increase active investments





PORTFOLIO OVERVIEW
United States and Europe

- "Variable speed" recovery
  - Strong growth in core markets, non-core markets lagging
- Transactions markets opening up
- Recovery underway
  - Occupancy in 2011/12
  - Rents in 2012/13
- Europe
  - Selling down through 2011



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PORTFOLIO OVERVIEW
Performance — diversification benefits and improving outlook

	Office	Industrial	Industrial US	Total[1]
Occupancy % (area)	96.5	97.4	86.4	90.0
Tenant retention %	76	71	65	n/a
WALE (years)	5.6	4.5	4.7	5.1
Like-for-like growth %	3.1	1.4	(8.3)	0.3
Average cap rate %	7.5	8.7	8.1	7.9
3 year total return %[2]	2.2	2.5	(1.7)	n/a
3 year benchmark %[2]	1.7	1.6	(5.4)	n/a
Sqm under development	90,000	79,206	—	169,206

1. Includes Europe.
2. Source: IPD index as at September 2010 for office/industrial and NCREIF as at 31 December 2010 for industrial US.

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OFFICE PORTFOLIO

Paul Say
Chief Investment Officer

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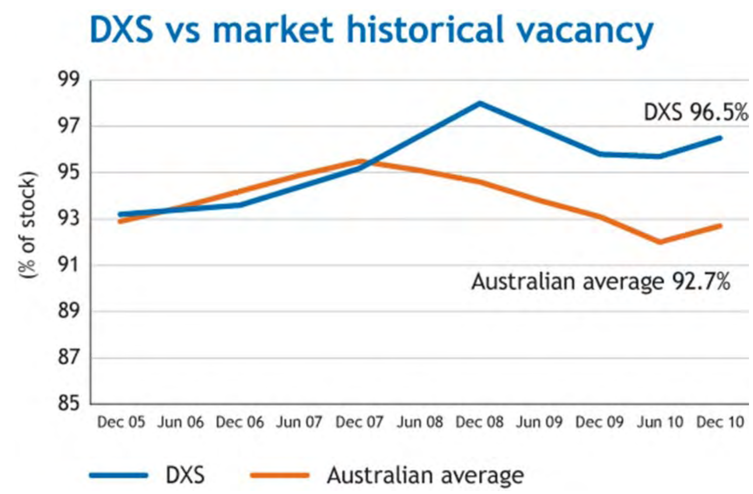
OFFICE
Highlights

- Consistent operational performance
  - Leasing success 30,945sqm
  - Occupancy and returns above benchmark
- Integrated model drives value improving:
  - Tenant satisfaction
  - Portfolio performance
- Short-medium term metrics all positive
  - Outperforming total return
  - Like-for-like 3.1%
- Total return above benchmark
- Valuations up



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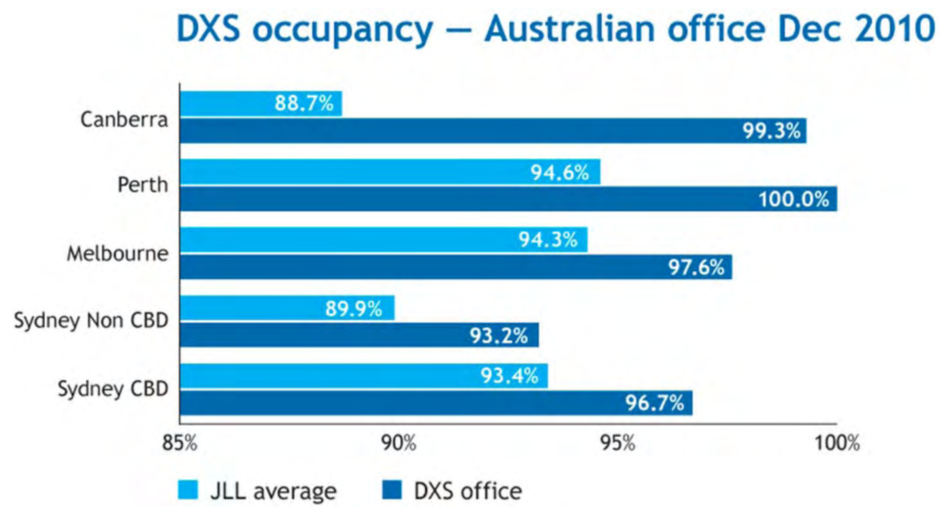
OFFICE
Portfolio fundamentals

- Income up
  - NOI $127.2m
  - Robust like-for-like up 3.1%
  - Retention at 76%[1]
- Value and risk
  - Occupancy strong at 96.5%
  - WALE up to 5.6 years
  - Cap rates firmed to 7.5%
- DEXUS outperforms benchmark[2]
  - 60bps in NSW and 50bps entire portfolio (3 years)



	1 year	3 years	5 years
DXS NSW Office	6.1%	1.5%	7.9%
IPD Benchmark[2]	6.3%	0.9%	7.2%

1. Rolling 12 months by area.
2. Benchmark: IPD NSW Office index as at September 2010.

Source: Jones Lang LaSalle direct vacancy.

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OFFICE
Leasing results underpin outperformance

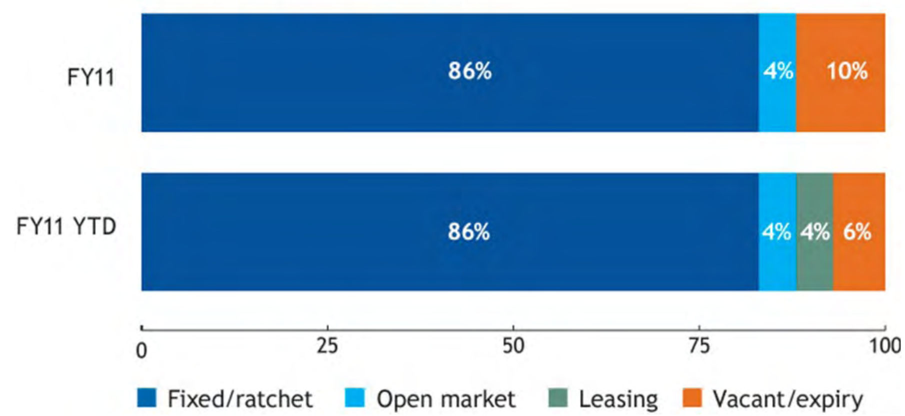
- Leasing demand up
- Average fixed increases 3.75%
- Leasing (new and renewals)
  - 44 Market Street leased at lower incentives
  - Southgate, 3 floors leased
- Tenant incentives down to 18% from 20.5%

Number of leases[1]	41
Area leased[2]	30,945 sqm
Average rental increase[2]	3%
Average tenant incentive[3]	18%
Average fixed increase	3.75%–4%
Current vacancy by income	3%

Looking forward 2011

- On track to deliver
  - 75% of income at risk contracted (FY11)
  - Woodside market review – benefit FY12

Stable income profile



1. 40,336sqm at 100% level. Includes vacancies, new deals and renewals.
2. Excludes development leasing.
3. Gross incentives: new tenants 22.8%, renewals 13.6%. Tenant incentives were given on 32 of 41 transactions averaging 19.9%. Across the 41 transactions, including those where no incentive was given, the average was 18.0%.

DEXUS PROPERTY GROUP

OFFICE
Developments — new projects enhance portfolio quality

- 123 Albert Street, Brisbane 38,000sqm (DXS 100%:$376m[1])
  - Completion delayed due to floods: estimated June 2011
  - 80% pre-committed
  - Forecast yield at cost of 6.75% (fully leased)
- 1 Bligh Street, Sydney 43,000sqm (DXS 33%:$222m[1])
  - On track for completion in June 2011
  - 55% leased. Proposals on remaining floors – only new significant premium space in Sydney in 2011
  - Forecast yield on cost of 7.0% (fully leased)
  - Focus on single floor tenants

1 Bligh Street, Sydney, NSW

1. Total project costs.

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OFFICE
Key deliverables

- Top quartile total returns
  - Target >9% IRR
  - Tougher stance on incentives
- Increase active (core plus) revenues
  - Redeploy up to 15% of office “balance sheet”
  - Activate development pipeline
    - Flinders Gate 18,500sqm
    - 360 Collins Street 20,000sqm (DWPF)
    - IRR target 15%-20%
  - Acquire assets for repositioning
    - IRR target 10-15%

201 Elizabeth Street, Sydney, NSW

US INDUSTRIAL PORTFOLIO

Paul Say
Chief Investment Officer

DEXUS
PROPERTY GROUP

US INDUSTRIAL
Highlights

- Strength in management platform
  - High calibre local team
  - $800m portfolio under direct management
- Traction in repositioning
  - $61m property sales above book yielding 1.4%
  - $41m acquisitions yielding 8.3%
- Total return above benchmark
  - Valuations up
  - Fundamentals improving

13602 12th Street, Chino, CA

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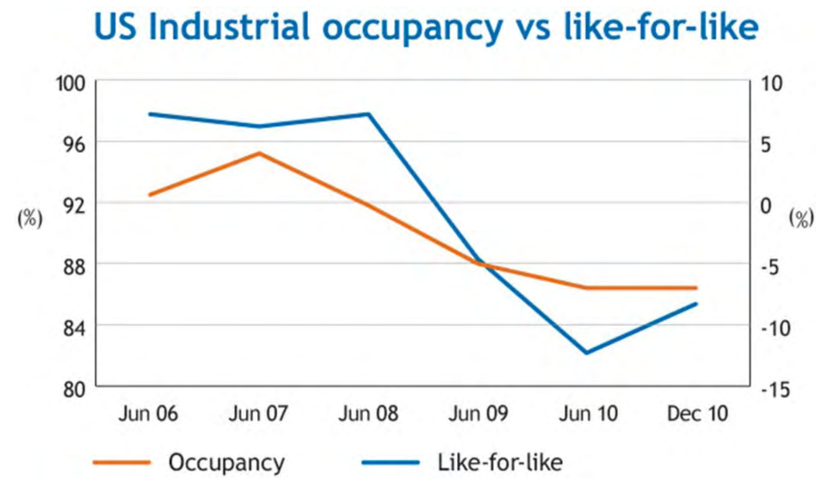
US INDUSTRIAL
Portfolio fundamentals — data supports turning market

- Income in line with expectation
  - Like-for-like down 8% but improving
    - Up 0.6% on six months to June 2010
  - Tenant retention 65%
  - Net operating income $41.6m
- Value and risk
  - Cap rates firm at 8.1%
  - WALE up to 4.7 years
  - Occupancy at 86.4%
- DEXUS outperforms benchmark
  - 370bps over NCREIF 3 year return



	1 year	3 years	5 years
DXS US Industrial	12.8%	(1.7%)	5.1%
NCREIF[1]	9.4%	(5.4%)	2.6%

1. As at 31 December 2010.

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US INDUSTRIAL

Variable speed economy drives core portfolio leasing

HY11

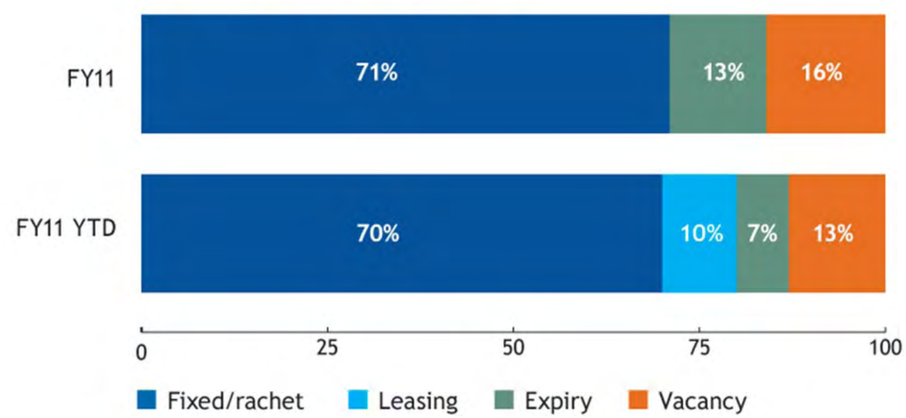
- Occupancy stabilised as leasing conditions improve
  - Core markets strengthening first
  - Secondary markets still challenging
  - Incentives dropping
  - Smart leasing supports sales

Number of leases[1]	67
Area leased	1.5msf
Average rental movement	(8%)
Average tenant incentive[2]	9%
Average fixed increase	2%-3%
Current vacancy by income	12.6%

Looking forward 2011

- Occupancy to increase in 2011
- Rent growth expected through 2012

Stable income profile



1. Includes vacancies, new deals and renewals.
2. Gross incentives.

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US INDUSTRIAL
Key deliverables

- People
  - Build “best in class” asset management team
- Above benchmark total return
  - Deliver 8.5% total return
  - Outperform NCREIF benchmark
- Portfolio repositioning
  - Disciplined buying in core markets
  - Ensure inherent value in non-core portfolio realised
    - Drive occupancy and earnings prior to sale

Golden Pacific Business Park, 1100 Hatcher & 17524-17531 Railroad Street, City of Industry, CA

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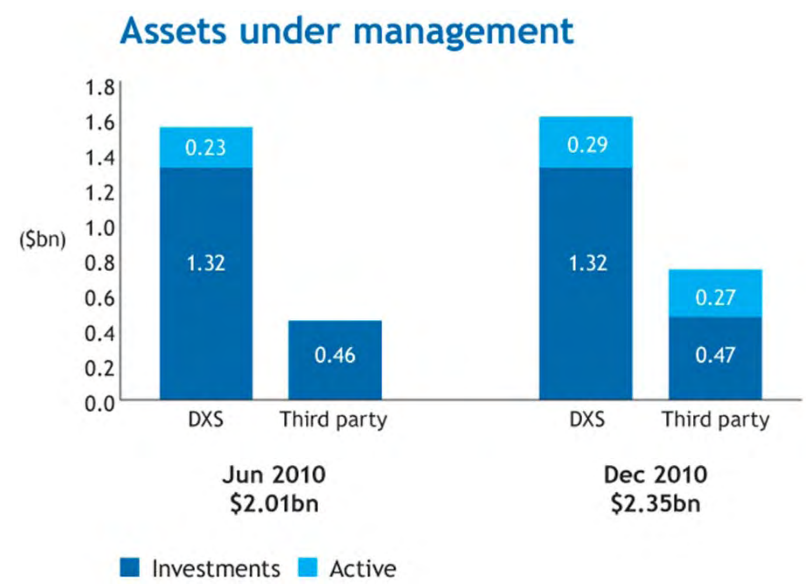
INDUSTRIAL PORTFOLIO

Andrew Whiteside
Head of Industrial

DEXUS
PROPERTY GROUP

INDUSTRIAL
Highlights — active period

- Consistent operational performance
  - Leasing success 103,000sqm[1]
  - Occupancy and returns above benchmark
- Recycling capital to drive growth
  - 2 non-core property sales underway for $39m
  - Acquired 2 value add properties for $38m
- Increased development activity
  - 98,000sqm completed and underway
  - 30% of land bank now active
- Expanded footprint in key markets
  - Acquisition for DWPF: 14 properties $269m[2]
  - Enhancing specialist industrial team



1. 63,000sqm in DXS, 40,000sqm in the third party portfolio.
2. Includes acquisition costs.

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INDUSTRIAL
Portfolio fundamentals — relative outperformance

- Consistent income with built in growth
  - NOI $56.8m
  - Like-for-like income growth 1.4%
  - Effective rents above market
- Strong operational performance
  - Occupancy out-performing market 97.4%
  - Tenant retention 71%
  - WALE steady at 4.5yrs
- Capital values contributing to returns
  - Up 0.6% YTD[2], led by Melbourne
  - Average cap rate firmed, 8.7%
  - Total return for 1H11 4.9% up on 2.5% for 1H10

Sydney and Melbourne return contribution[1]

	1 year	3 years	5 years
DXS industrial	8.3%	2.5%	7.7%
IPD Benchmark	7.1%	1.6%	6.8%

1. 12 month rolling returns for stabilised portfolio at 31 December 2010.
2. Stabilised portfolio.

Sources: Total returns: IPD Industrial Index as at September 2010 preliminary and return contribution: Savills Industrial Stock Survey 1H2010.

DEXUS PROPERTY GROUP

INDUSTRIAL
Leasing emphasis: from de-risking to exposure to market

Good leasing success

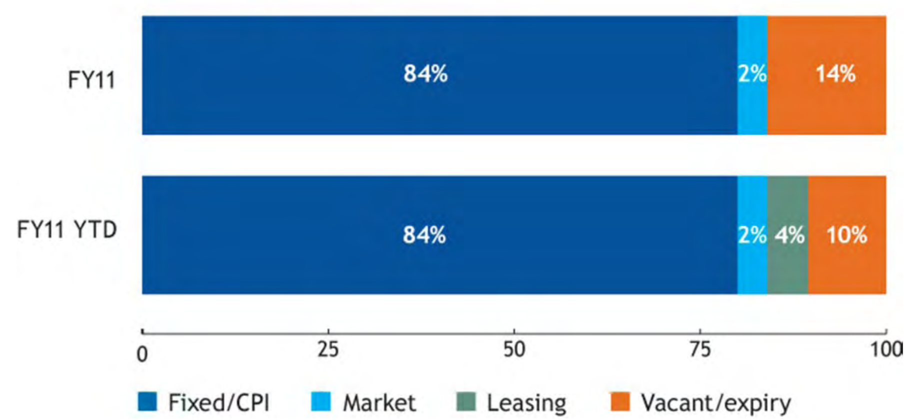
- 25% to new tenants, half long dated vacancy
- Capturing effective growth in new rents, leasing costs reduced

Looking forward 2011

- 42% of FY11 expiries leased
  - Income largely de-risked
  - 86% of vacancy concentrated on two sub-markets
- Retain strong passing income with contributions from development book

Number of leases	49
Area leased	62,675
Average rental change	(5.6%)
Average tenant incentive[1]	4.4%
Average fixed increase (in existing portfolio)	3.3%
Current vacancy by income	3.0%

Stable income profile



1. Tenant incentives were given on 17 of 49 transactions. Across the 49 transactions the average was 4.4%.

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INDUSTRIAL
Increased activity

- Land bank active, 42ha now employed, one-third being sold
- Development book now 98,000sqm
  - 60% preleased
- Value add initiatives
  - Archerfield acquired on short WALE, below replacement cost
  - Erskine Park subdivided to 3 lots, 21,000sqm spec DA, construction commenced

DEXUS PROPERTY GROUP

INDUSTRIAL
Key deliverables — leverage momentum

- Enhance leadership position
  - Leverage core and value add management capability
  - Sustainability innovation
- Investment portfolio
  - Expand platform in key markets, build scale for DXS and funds management initiatives
  - Continue to reposition portfolio by selling non-core assets, recycle capital, finalise asset sales
  - Deliver consistent returns >10%
- Active development business (up to 20% FUM)
  - Build out development pipeline and replenish
  - Continue to work land bank, including sales
  - Increase trading activity, 15% IRR


Templar Road, Erskine Park, NSW

DEXUS PROPERTY GROUP

OUTLOOK

Victor Hoog Antink
Chief Executive Officer

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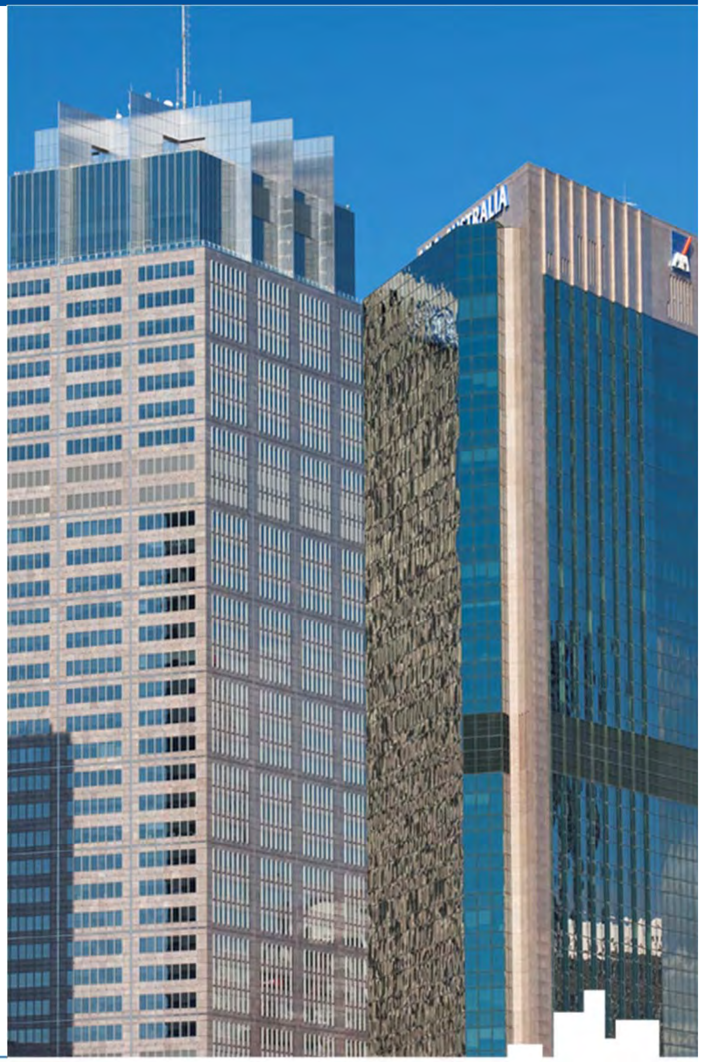
PROPERTY GROUP

MARKET POSITION AND OUTLOOK
Positive fundamentals

- Office
  - Demand improving and limited near term supply
  - Stronger effective rent growth expected
- Industrial
  - Limited market availability, emerging supply
  - Expected capital growth
- US industrial – stabilising
  - Net demand positive
  - Stronger rent growth from 2012
- Capital and funds
  - Significant wholesale investor demand
  - Interest margins high but decreasing



GPT and Gateway buildings, Sydney, NSW

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2011 FOCUS AND GUIDANCE

DEXUS focus

- Continue to drive portfolio returns harder
- Identify office development pipeline
- Increase industrial active business allocation
- Increase US occupancy
- Third party: respond to wholesale investor demand
- Tactical reduction in funding costs

Guidance[1]

- Upgrade FY11 FFO per security: 7.4 cents
- Distribution per security[2]: 5.18 cents

1. Barring unforeseen circumstances.
2. FFO payout ratio 70%.

DEXUS PROPERTY GROUP

2011

DEXUS Property Group

HALF YEAR RESULTS

APPENDICES

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

DEXUS PROPERTY GROUP

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PROPERTY GROUP

STATUTORY PROFIT BREAKDOWN

$'m	NOI	Mgmt income	Internal mgmt fees	Other income & expenses	Net finance costs	RENTS dist'n	Current tax	Deferred tax	Revals/ MTM gain on sale	Elims	Group consolidated Dec 10
Revenue from ordinary activities											
Property revenue	313.9	0.6								(0.1)	314.4
Management fees		45.4								(17.2)	28.2
Interest revenue					0.7						0.7
Net fair value gain of derivatives									1.9		1.9
Net foreign exchange gain				0.5							0.5
Share of net profits of associates accounted for using the equity method									12.9		12.9
Net fair value gain of investment properties									55.0		55.0
Net gain on sale of investment properties									4.7		4.7
Other income				0.6							0.6
Total income	**313.9**	**46.0**	**–**	**1.1**	**0.7**	**–**	**–**	**–**	**74.5**	**(17.3)**	**418.9**
Expenses											
Property expenses	(80.2)	(0.1)								5.0	(75.3)
Internal Responsible Entity fees			(11.8)							11.8	–
Finance costs					(49.2)				51.6		2.4
Depreciation		(1.2)									(1.2)
Impairment									(0.1)		(0.1)
Employee related expenses		(36.1)									(36.1)
Other expenses		(7.1)		(4.7)						0.5	(11.3)
Total expenses	**(80.2)**	**(44.5)**	**(11.8)**	**(4.7)**	**(49.2)**	**–**	**–**	**–**	**51.5**	**17.3**	**(121.6)**
Profit before tax	**233.7**	**1.5**	**(11.8)**	**(3.6)**	**(48.5)**	**–**	**–**	**–**	**126.0**	**–**	**297.3**
Tax expense											
Income tax benefit							(0.1)	3.1			3.0
Withholding tax expense							(0.7)	(4.3)			(5.0)
Total tax benefit/(expense)	**–**	**–**	**–**	**–**	**–**	**–**	**(0.8)**	**(1.2)**	**–**	**–**	**(2.0)**
Net profit attributable to other non-controlling interests						(0.9)					(0.9)
Net profit	**233.7**	**1.5**	**(11.8)**	**(3.6)**	**(48.5)**	**(0.9)**	**(0.8)**	**(1.2)**	**126.0**	**–**	**294.4**

Operating EBIT (slide 14 & 15) = 219.8

Other (slide 14) = (1.7)

Refer to reconciliation in the Property Synopsis at http://www.dexus.com/investor/dxs_reports.aspx?id=r&cur=reports&type=property_synopsis for full details.

DEXUS PROPERTY GROUP

PROFIT TO FUNDS FROM OPERATIONS RECONCILIATION

$'m	Group consolidated Dec 10	Property revals/ impairm't	MTM derivs	P/L on sale of invest prop	Deferred tax	Depr'n & amort'n	RENTS capital dist'n	Straight line rent adjust	Other	Funds From Operations (FFO)
Revenue from ordinary activities										
Property revenue	314.4					14.3		0.2		328.9
Management fees	28.2									28.2
Interest revenue	0.7								(0.7)	–
Net fair value gain of derivatives	1.9		(1.9)							–
Net foreign exchange gain	0.5									0.5
Share of net profits of associates accounted for using the equity method	12.9	(12.9)								–
Net fair value gain of investment properties	55.0	(55.0)								–
Net gain on sale of investment properties	4.7			(4.7)						–
Other income	0.6									0.6
Total income	**418.9**	**(67.9)**	**(1.9)**	**(4.7)**	**–**	**14.3**	**–**	**0.2**	**(0.7)**	**358.2**
Expenses										
Property expenses	(75.3)									(75.3)
Finance costs	2.4		(51.6)						0.7	(48.5)
Depreciation	(1.2)									(1.2)
Impairment	(0.1)	0.1								–
Employee related expenses	(36.1)									(36.1)
Other expenses	(11.3)									(11.3)
Total expenses	**(121.6)**	**0.1**	**(51.6)**	**–**	**–**	**–**	**–**	**–**	**0.7**	**(172.4)**
Profit before tax	**297.3**	**(67.8)**	**(53.5)**	**(4.7)**	**–**	**14.3**	**–**	**0.2**	**–**	**185.8**
Tax expense										
Income tax benefit	3.0				(3.1)					(0.1)
Withholding tax expense	(5.0)				4.3					(0.7)
Total tax benefit/(expense)	**(2.0)**	**–**	**–**	**–**	**1.2**	**–**	**–**	**–**	**–**	**(0.8)**
Net profit attributable to other non-controlling interests	(0.9)						(5.3)			(6.2)
Other									0.2	0.2
Net profit/FFO	**294.4**	**(67.8)**	**(53.5)**	**(4.7)**	**1.2**	**14.3**	**(5.3)**	**0.2**	**0.2**	**179.0**
Distribution (70% of FFO)										125.3
Securities for distribution (million)										4,839.0
Distribution per security (cents)										2.59

Fair value movements (slide 14) = (126.0)

Refer to reconciliation in the Property Synopsis at http://www.dexus.com/investor/dxs_reports.aspx?id=r&cur=reports&type=property_synopsis for full details.

DEXUS PROPERTY GROUP

MANAGEMENT BUSINESS EBIT

Profit and Loss	Balance sheet property $'m	Third party portfolio $'m	Corporate costs $'m	Total $'m
Investment management	—	13.4	—	13.4
Internal RE charge at cost	11.8	—	—	11.8
Property services	10.8	10.0	—	20.8
Property management salaries	(3.9)	(4.6)	—	(8.5)
All other salaries and costs	(8.1)	(6.9)	(21.0)	(36.0)
Operating profit/(costs)	10.6	11.9	(21.0)	1.5
Assets under management $'bn				13.6
MER — corporate costs			0.31%	
MER[1]				0.53%

1. Excludes property management.

DEXUS PROPERTY GROUP

INTEREST RECONCILIATION

	Dec 2009 $'m	Dec 2010 $'m
Interest paid/payable	60.8	60.8
Other finance costs	2.5	2.1
Realised interest rate swap expense[1]	23.9	15.4
Gross finance costs	87.2	78.3
Less: interest capitalised	(18.3)	(29.1)
Less: interest income	(0.8)	(0.7)
Net finance costs for distributable earnings (Slide 14)	68.1	48.5
Less: unrealised interest rate swap MTM loss[1]	(20.3)	(51.6)
Add: finance costs attributable to asset disposal programme	9.2	—
Add: interest income	0.8	0.7
Statutory finance costs (Fin Stats note 2)	57.8	(2.4)

1. Net fair value loss of interest rate swaps of $36.3m (per note 2) consists of realised interest rate swap expense ($15.4m) plus unrealised interest rate swap MTM gain $51.6m.

DEXUS PROPERTY GROUP

STATEMENT OF FINANCIAL POSITION

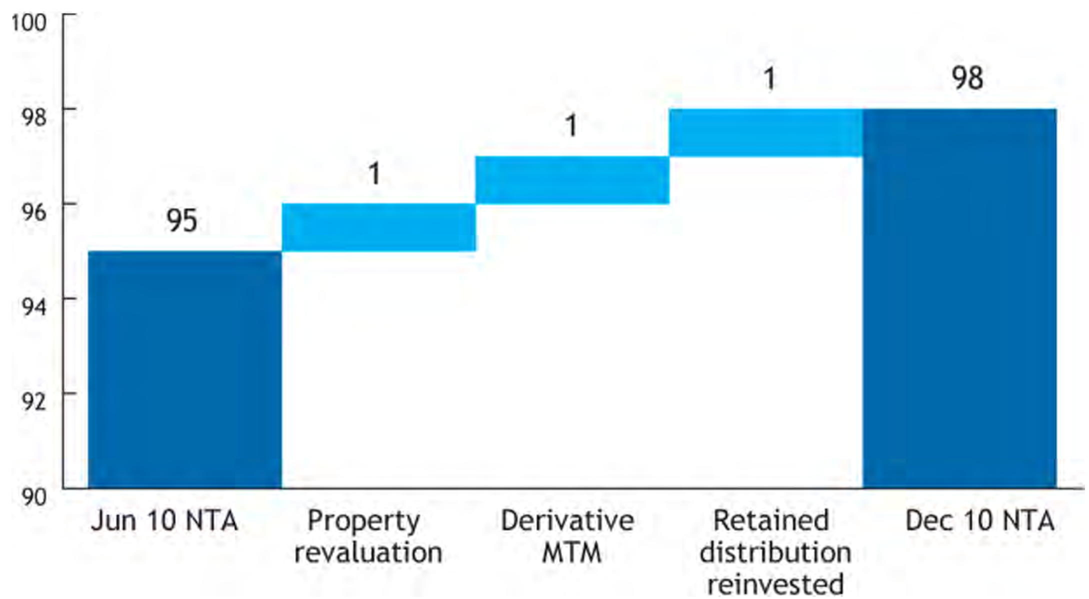
	June 2010 $'m	Dec 2010 $'m
Cash and receivables	89	74
Direct property portfolio	7,307	7,343
Other (including derivative financial instruments and intangibles)	475	440
Total assets	7,871	7,857
Payables and provisions	281	259
Interest bearing liabilities	2,240	2,178
Other (including derivative financial instruments)	343	244
Total liabilities	2,864	2,681
Less: non-controlling interests	205[1]	204
Less: intangible assets	226	225
Net tangible assets (after non-controlling interests)	4,576	4,747
NTA per security (excluding non-controlling interests) ($)	0.95	0.98
Gearing (net of cash)	29.8%	29.1%

1. Includes RENTS ($204m) and other non-controlling interests ($1m).

DEXUS PROPERTY GROUP

NET ASSET VALUE COMPOSITION

- Property revaluations of $68 million or 1.4 cents of NTA



VALUATION METRICS

	Cap rate Jun 10 %	Cap rate Dec 10 %	Cap rate change Bps	IRR Jun 10 %	IRR Dec 10 %	IRR change Bps	Revaluation increment/ (decrement) change[1] %
Office	7.6	7.5	10	9.2	9.1	10	1.2
Industrial	8.8	8.7	10	9.7	9.7	—	(1.0)
Industrial — US[2]	8.4	8.1	30	8.9	8.7	20	3.1
Industrial — EU	8.0	7.8	20	8.7	8.7	—	(1.7)
Total	**8.0**	**7.9**	**10**	**9.2**	**9.1**	**10**	**0.9**

1. Revaluation change includes investment property, development property and investments accounted for using the equity method.
2. Stabilised cap rate used for the US industrial portfolio.

DEXUS PROPERTY GROUP

REVALUATION SUMMARY

	Office $'m	Industrial $'m	US $'m	Europe $'m	Total $'m
P&L Revaluations — investment properties					
External valuations	19	(3)	30	(3)	43
Internal valuations	9	5	8	—	22
Sub total	**28**	**2**	**38**	**(3)**	**65**
P&L revaluations — development properties					
External valuations	9	—	—	—	9
Internal valuations	—	(19)	—	—	(19)
Sub total	**9**	**(19)**	**—**	**—**	**(10)**
P&L revaluations — equity accounted properties					
External valuations	13	—	—	—	13
Internal valuations	—	—	—	—	—
Sub total	**13**	**—**	**—**	**—**	**13**
Total P&L revaluations	**50**	**(17)**	**38**	**(3)**	**68**
Carry value — investment properties					
Externally revalued	1,048	335	838	173	2,408
Internally revalued	2,769	992	409	—	4,156
Sub total	**3,817**	**1,327**	**1,247**	**173**	**6,564**
Carry value — development properties					
Externally revalued	343	—	—	—	343
Internally revalued	—	282	6	—	288
Sub total	**343**	**282**	**6**	**—**	**631**
Carry value — equity accounted					
Externally revalued	148	—	—	—	148
Internally revalued	—	—	—	—	—
Sub total	**148**	**—**	**—**	**—**	**148**
Total carry value	**4,308**	**1,609**	**1,253**	**173**	**7,343**

DEXUS PROPERTY GROUP

DEVELOPMENTS UNDERWAY

	Country	Area sqm	Est total cost[1] $'m	Est cost to completion $'m	Est yield on total cost %	Est completion date
Office						
123 Albert Street, Brisbane QLD	Australia	38,000	376	68	6.75	Jun 2011
1 Bligh Street, Sydney NSW[1]	Australia	43,000	222	67	7.0	Jun 2011
Southgate Complex, Southbank VIC	Australia	9,000	26	23	8.8	Nov 2011
Total office		**90,000**	**624**	**158**		
Industrial						
Greystanes NSW — Symbion	Australia	17,300	32	5	8.7	Feb 2011
Greystanes NSW — Fujitsu Australia	Australia	17,025	32	12	9.9	Oct 2011
Laverton VIC — Loscam	Australia	6,534	10	7	9.0	Jun 2011
Laverton VIC — Spec warehouse	Australia	17,347	14	11	8.9	Aug 2011
Erskine Park NSW — Spec warehouse	Australia	21,000	24	15	9.4	Oct 2011
Total industrial		**79,206**	**112**	**50**		
Total underway		**169,206**	**736**	**208**		

1. Includes land.

DEXUS PROPERTY GROUP

DEVELOPMENTS — UNCOMMITTED PIPELINE

Developments	Country	Building area Sqm	Project est $'m	Project to est completion $'m	Projected yield on project est cost %
Industrial					
Greystanes, Western Sydney NSW[1]	Australia	188,581	251	164	9.2
DEXUS Industrial Estate, Laverton North VIC[1]	Australia	146,606	185	121	9.2
Axxess Corporate Park, Mt Waverley VIC	Australia	16,000	51	44	9.0
Total pipeline		**351,187**	**487**	**329**	

1. Greystanes and DEXUS Industrial Estate Laverton land apportioned out for committed developments underway.

ACQUISITIONS

	Interest %	Acquisition A$'m	Settlement
Australia			
Templar Road, Erskine Park NSW	100	15.9	Aug 2010
Balham Road, Archerfield QLD	100	21.7	Nov 2010
United States			
City of Industry Centre, California	100	14.7	Oct 2010
La Mirada, California	100	26.3	Jan 2011
Total acquisitions		**78.6**	

DEXUS PROPERTY GROUP

DISPOSALS

	No of properties	A$'m
Industrial — US	3	37.7
Industrial — EU	1	7.2
Total disposals at 31 Dec 2010		**44.9**
Industrial US — post date contract price	4	22.8
Total disposals		**67.7**

DEXUS PROPERTY GROUP

KEY FINANCIAL RISK MANAGEMENT MEASURES

	June 2010	Dec 2010
Gearing[1]	29.8%	29.1%
Covenant gearing[1] (covenant[2] <55%)	30.4%	29.5%
Headroom (approx)[3]	$1.2bn	$0.7bn
Average maturity of debt	3.2 yrs	3.4 yrs[4]
Average maturity of interest hedge	6.2 yrs	6.1 yrs
Weighted average cost of debt[5]	6.6%	6.7%
Debt plus RENTS hedged[6]	90%	85%
Foreign balance sheet hedged[7]	93%	91%
Foreign income hedged[8]	95%	104%
Interest cover (covenant[2] > 2.0x)	3.1x	3.2x
Priority debt (covenant[2] < 30%)	8.3%	7.5%
S&P/Moody's rating	BBB+/Baa1	BBB+/Baa1

1. Refer to glossary for gearing definition.
2. As per public bond covenants.
3. Undrawn facilities plus cash.
4. Includes bank commitments received in February 2011.
5. Inclusive of margins, line and upfront fees, with margins calculated on a drawn basis (includes RENTS).
6. Average amount hedged for the period (includes RENTS).
7. Excludes working capital and cash.
8. Hedging as % of total foreign exposure, including foreign interest expense ("natural hedging") and Foreign Exchange Contracts.

DEXUS PROPERTY GROUP

DEBT PROFILE

	Facility limit A$'m	Drawn A$'m	Maturity dates	Security	Currency
Bilateral bank debt	145	—	Sep 11	Unsecured	Multi-ccy, A$ limit[1]
	178	—	May 12-Jul 12	Unsecured	Multi-ccy, A$ limit[1]
	250	37	Dec 12	Unsecured	Multi-ccy, A$ limit[1]
	250	155	Sep 13	Unsecured	Multi-ccy, A$ limit[1]
	118	118	Dec 13	Unsecured	Multi-ccy, US$ limit[2]
	275	275	Jan 14-Dec 15	Unsecured	Multi-ccy, A$ limit[1]
Secured bank debt	250	250	Oct 11	Secured	A$
Mortgage loans	40	40	Feb 11	Secured	US$
	179	179	Sep 11	Secured	US$
	88	88	Feb 14	Secured	US$
Medium term notes (MTN)	21	21	Feb 11	Unsecured	A$
	160	160	Jul 14	Unsecured	A$
	180	180	Apr 17	Unsecured	A$
US senior notes (144a)	294	294	Oct 14	Unsecured	US$
US senior notes (USPP)	102	102	Feb 11	Unsecured	US$
	292	292	Dec 11-Mar 17[3]	Unsecured	US$
Total	**2,822**	**2,191**			
Bank Guarantee utilised		9			
Cash		(44)			
Headroom		**666**			

1. Capacity to draw in multi-currencies, facility limit denominated in AUD.
2. Capacity to draw in multi-currencies, facility limit denominated in USD.
3. $69m FY12, $223m FY13-17.

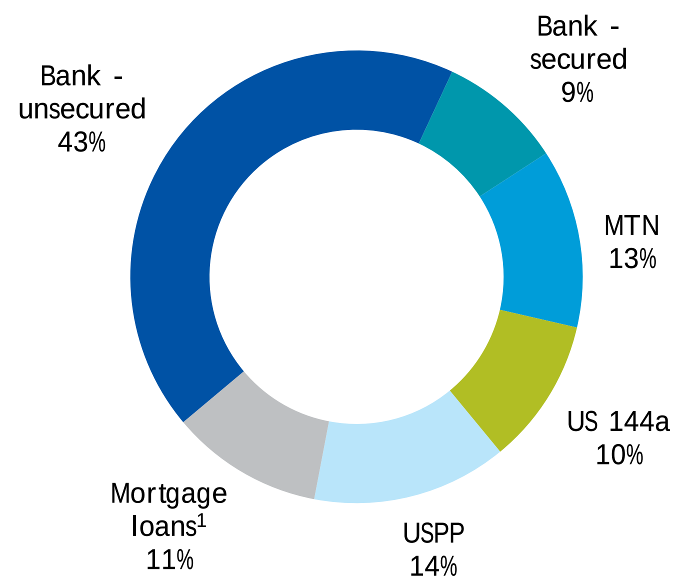
Note: profile not adjusted for bank commitments received in 2011.

DEXUS PROPERTY GROUP

FACILITY MIX

- No off balance sheet debt
  (no look through adjustments)
- All unsecured facilities rank pari passu
- All secured facilities are non-recourse to DEXUS

Facility mix



1. US$ loans predominantly from insurance companies, secured by mortgages over property.

DEBT BALANCES BY JURISDICTION

	Interest bearing liabilities $'m	Cross currency swaps[1] $'m	RENTS $'m	Total liabilities after cross ccy swaps incl RENTS) for hedging[2] $'m	Weighted average cost of debt[3] %
Australia/New Zealand	A$935	A$(182)	A$204	A$957	7.31%
USA	US$1,202	—	—	US$1,202	6.56%
Europe	€56	€80	—	€136	4.82%
Canada	—	C$50	—	C$50	5.93%
Average/total	**A$2,191**	**—**	**A$204**	**A$2,366[2]**	**6.74%**
Less amortised debt costs	(A$13)				
Current and non-current interest bearing liabilities	**A$2,178**				

- Balance sheet naturally hedged through foreign liabilities
- Minimal foreign currency debt drawn under multi-currency facilities

1. Cross currency swap principal amounts included at contract exchange rates. Refer slide 66 for maturity profile and rates.
2. Differs to total interest bearing liabilities ("IBLs") by the amount of RENTS plus the cross currency swap mark-to-market.
3. Weighted average of fixed and floating rates for the current period, inclusive of fees and margins on a drawn basis. Includes RENTS.

INTEREST RATE HEDGING PROFILE

	HY11	FY 11	FY 12	FY 13	FY 14	FY15	Avg FY16[4]
A$'m average hedged[1,3]	680	718	750	642	560	510	203
A$ hedge rate (ex margin)[2,3]	4.66%	4.74%	4.91%	5.39%	5.74%	6.08%	6.11%
US$'m average hedged[1]	1,092	1,002	797	925	943	924	381
US$ hedge rate (ex margin)[2]	4.97%	5.25%	6.08%	5.49%	5.43%	5.12%	5.08%
€'m average hedged[1]	138	138	128	105	70	68	14
€ hedge rate (ex margin)[2]	4.40%	4.40%	4.43%	4.55%	4.86%	4.21%	4.08%
C$'m average hedged[1]	50	50	50	50	50	50	24
C$ hedge rate (ex margin)[2]	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%	5.41%
Total hedged (A$'m) [1,3]	**2,075**	**1,979**	**1,750**	**1,738**	**1,629**	**1,558**	**620**
Hedge rate (ex margin)[2,3]	**4.82%**	**4.97%**	**5.40%**	**5.37%**	**5.50%**	**5.39%**	**5.41%**

- Note: the above rates do not include fees, credit margins or floating interest rate assumptions. Refer slide 65 for current period weighted average cost of debt.

1. Average amount hedged across the period.
2. Weighted average rate of fixed debt and swaps for the period.
3. Includes RENTS.
4. Hedging out to 10 years.

DEXUS PROPERTY GROUP

FOREIGN INCOME HEDGING AND CROSS CURRENCY SWAP MATURITY PROFILE

	HY11	FY11	FY12	FY13	FY14
Foreign income hedging profile					
Foreign exchange contracts (US$m)[1]	—	—	4.4	2.7	2.5
Average A$/US$ rate[1]	—	—	0.7098	0.6657	0.6798
Foreign exchange contracts (NZ$m)	1.0	2.0	—	—	—
Average A$/NZ$ rate	1.1834	1.1847	—	—	—

	FY11	FY12
Cross currency swap maturity profile		
€ maturities (€m)	40	40
€ contract rate	0.6160	0.6145
CAD maturities (C$m)	15	35
C$ contract rate	0.9657	0.9345

1. Excludes contracts that have been reversed.

DEXUS PROPERTY GROUP

PORTFOLIO COMPOSITION
Income and lease expiry

	% of total income	2011 %	2012 %	2013 %	2014 %	2015+ %
Office	54	3	3	8	6	34
Industrial	24	2	5	3	3	11
Industrial – US	18	2	3	2	1	10
Industrial - Europe	4	1	1	1	0	1
Total	**100**	**8**	**12**	**14**	**10**	**56**

DEXUS PROPERTY GROUP

OFFICE
Key portfolio statistics

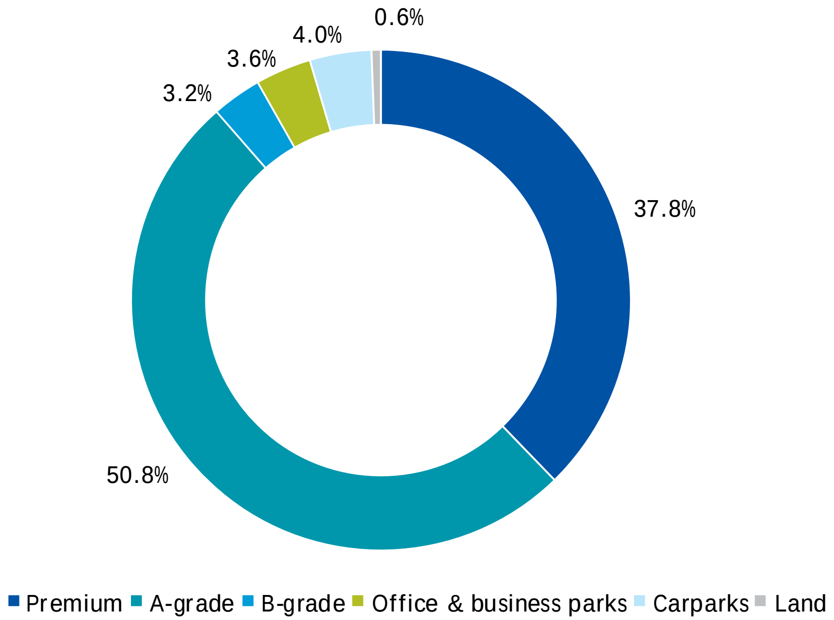
	HY Dec 2009	HY Dec 2010
Net operating income	$121.9 m	$127.2m
NOI change	2.4%	4.3%
Like-for-like	2.7%	3.1%
Occupancy (area)	95.8%	96.5%
Occupancy (income)	96.5%	97.0%
Over/(under) rented	(3.7%)	(3.5%)
Retention rates[1]	61%	76%
Lease duration by income (years)	5.4	5.6
Portfolio value	$4.0bn	$4.3bn
Average cap rate	7.6%	7.5%

1. Rolling 12 months.

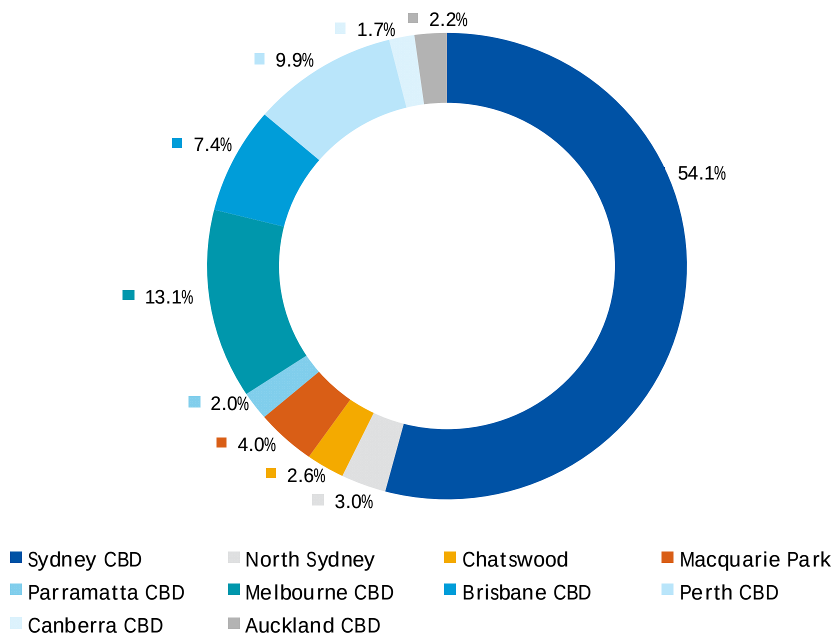
DEXUS PROPERTY GROUP

OFFICE
Portfolio diversification

Property classification by book value



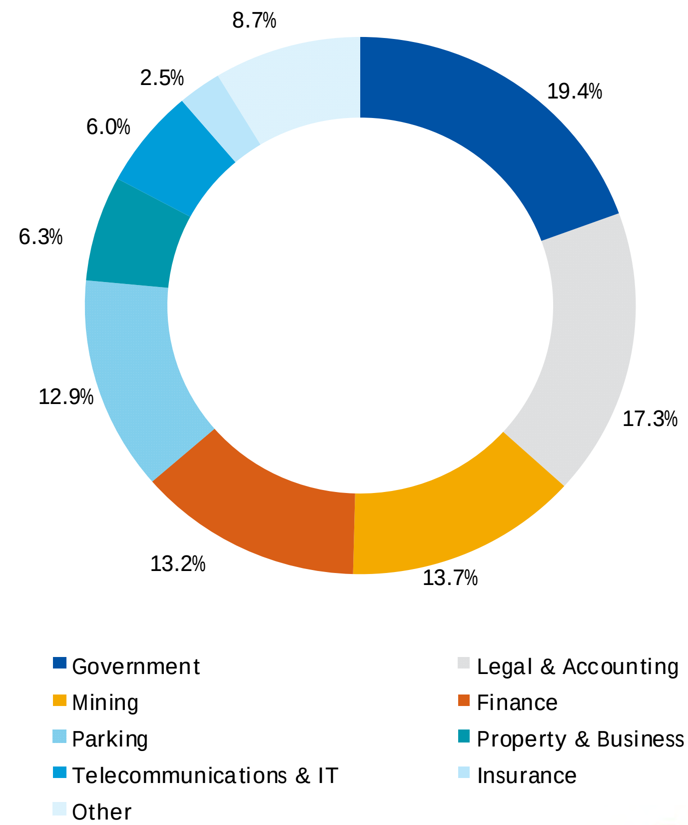
Geographical weighting by book value



OFFICE
Top ten tenants

Tenant	S&P rating	% of NOI[1]
Woodside Energy	BBB+ stable	8.5
S&K Car Park Management	Not rated	7.6
Commonwealth of Australia	AAA stable	5.5
State of NSW	AAA stable	4.5
Lend Lease	BBB- stable	3.3
State of Victoria	AAA stable	2.9
IBM Australia	A+ stable	2.8
Mallesons Stephen Jacques	Not rated	2.6
The Herald and Weekly Times	BBB+ stable	2.2
Goldman Sachs & Partners	A-1[2]	1.7

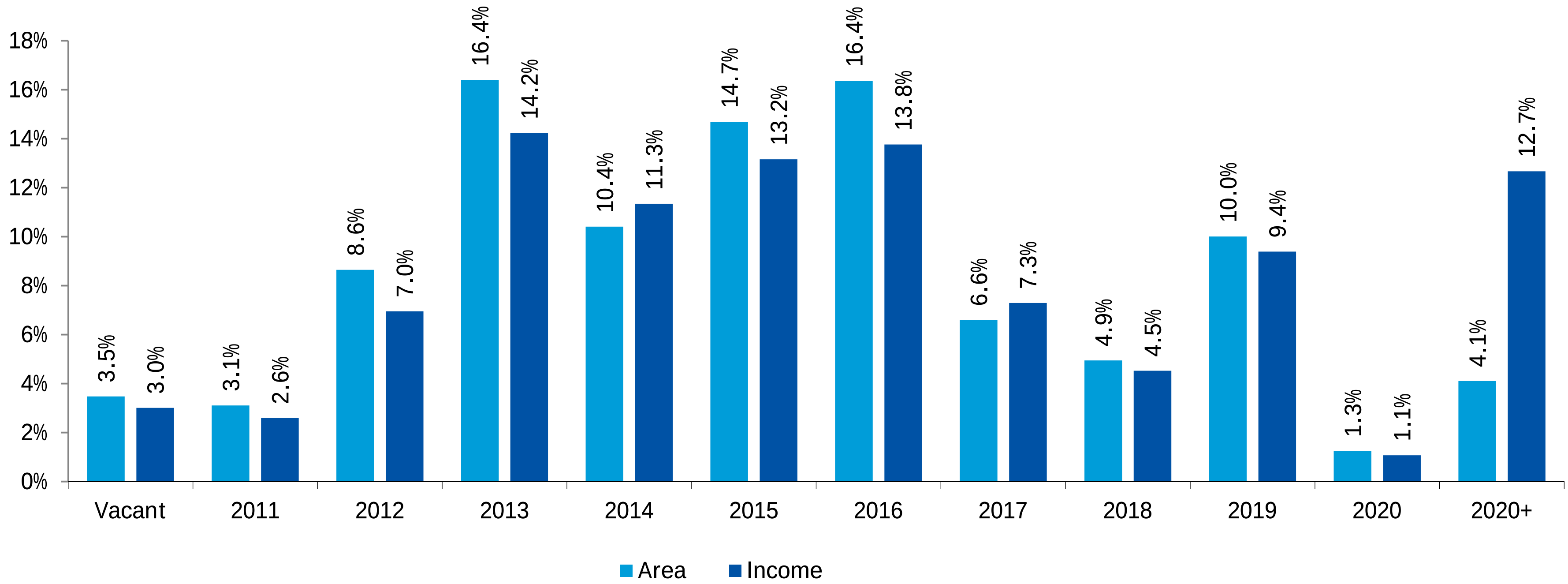
Diversity of tenants by income



1. 31 December fully leased passing income annualised excluding pre-leased developments.
2. Short term rating only.

DEXUS PROPERTY GROUP

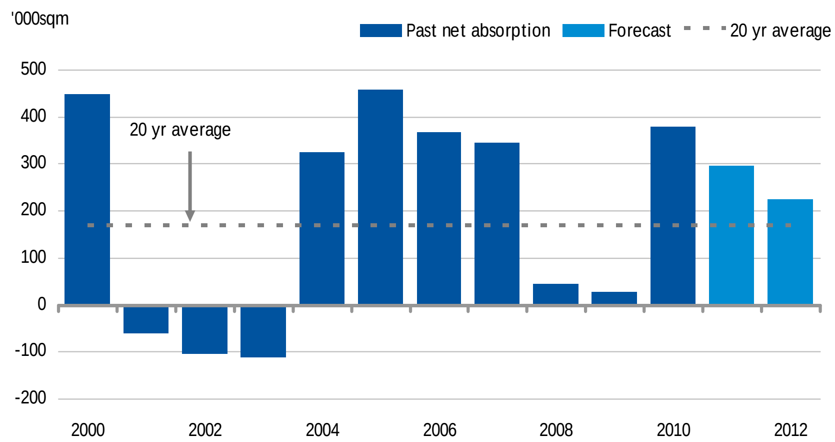
OFFICE
Lease expiry profile at 31 December 2010



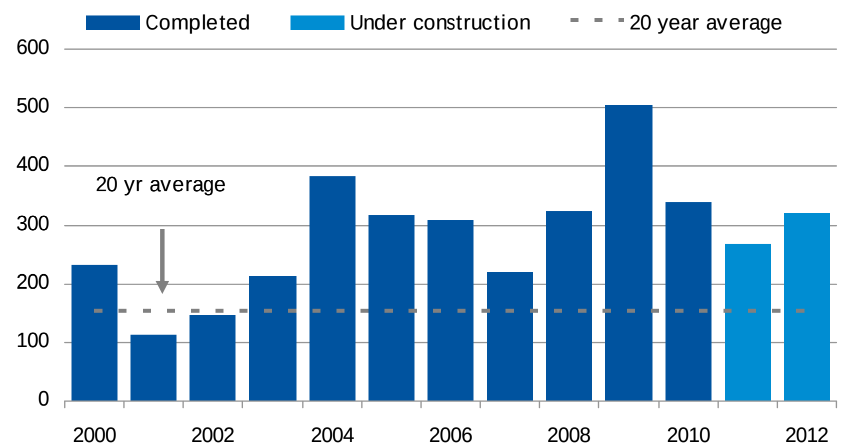
DEXUS PROPERTY GROUP

OFFICE
CBD office outlook

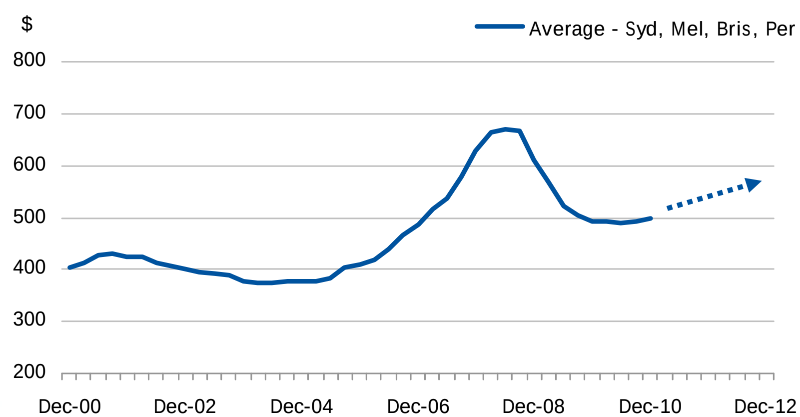
Net demand positive



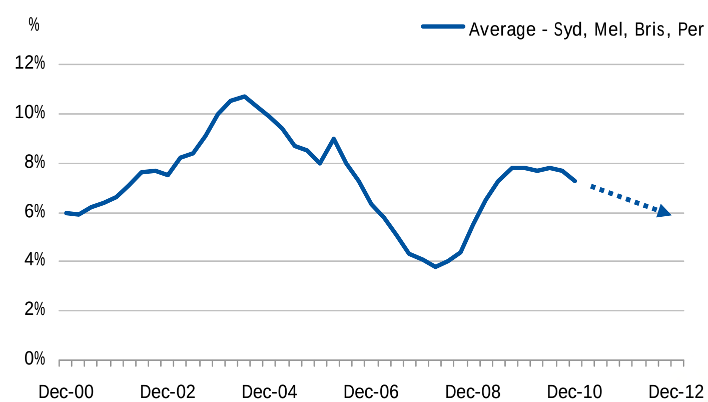
Supply subdued



Gross effective rent turning



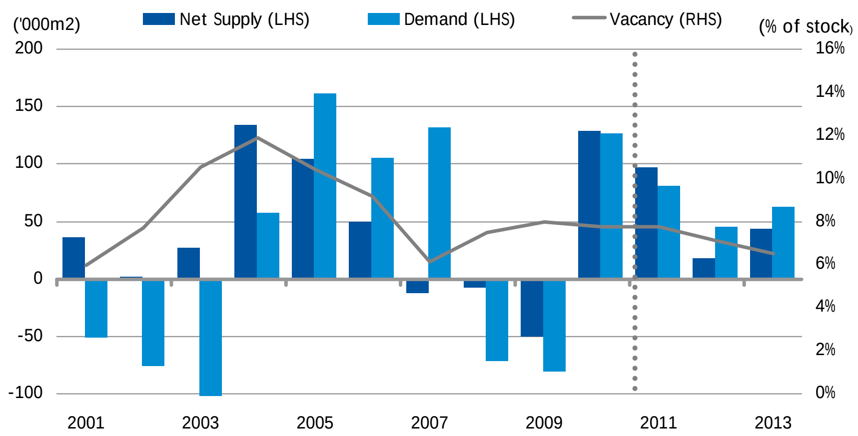
Vacancy falling



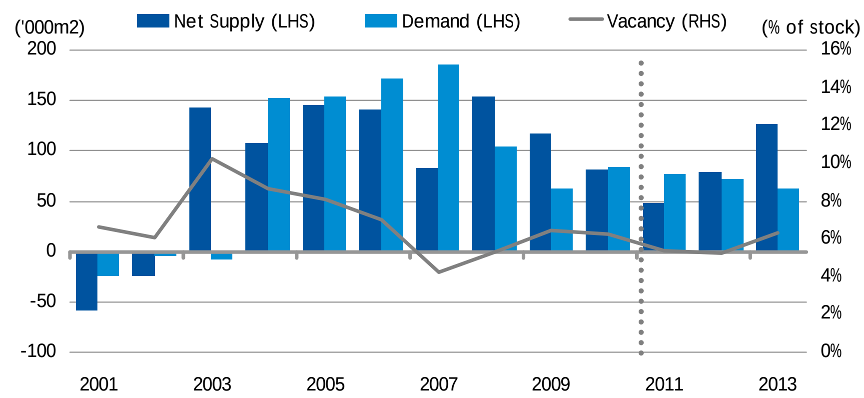
Sources: Jones Lang LaSalle actual & DEXUS forecast.

OFFICE
Demand — supply balance

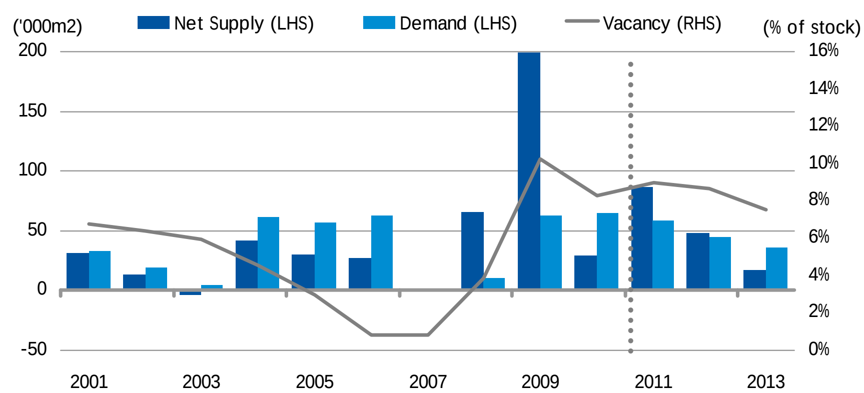
Sydney CBD



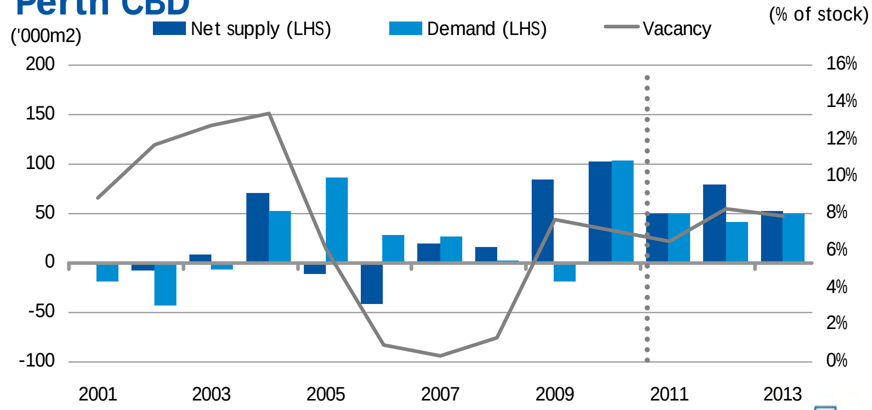
Melbourne CBD



Brisbane CBD



Perth CBD



Sources: Jones Lang LaSalle actual & DEXUS forecast.

INDUSTRIAL
Key portfolio statistics

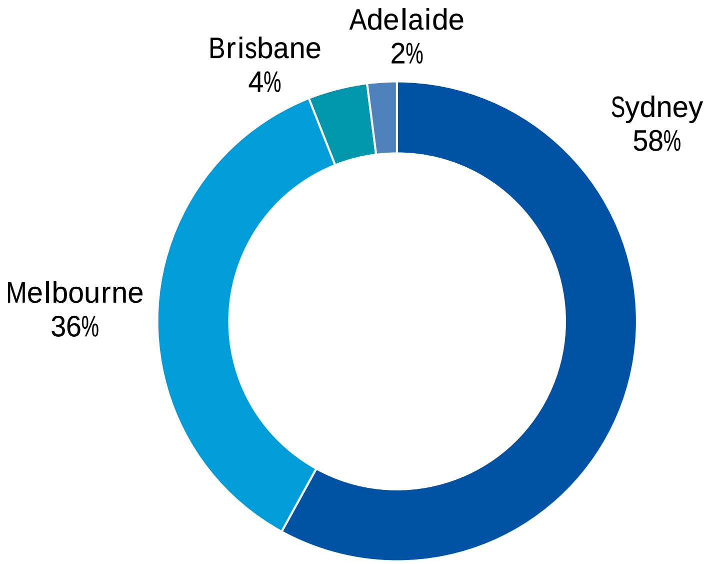
	HY Dec 2009	HY Dec 2010
Net operating income[1]	$52.7m	$56.8m
NOI change	(1.3%)	7.8%
Like-for-like	1.9%	1.4%
Occupancy (area)	97.7%	97.4%
Occupancy (income)	97.3%	97.0%
Over/(under) rented	6.6%	5.0%
Retention rates[1]	76%	71%
Lease duration by income (years)	4.7	4.5
Portfolio value	$1.5bn	$1.6bn
Average cap rate	8.8%	8.7%

1. Rolling 12 months.

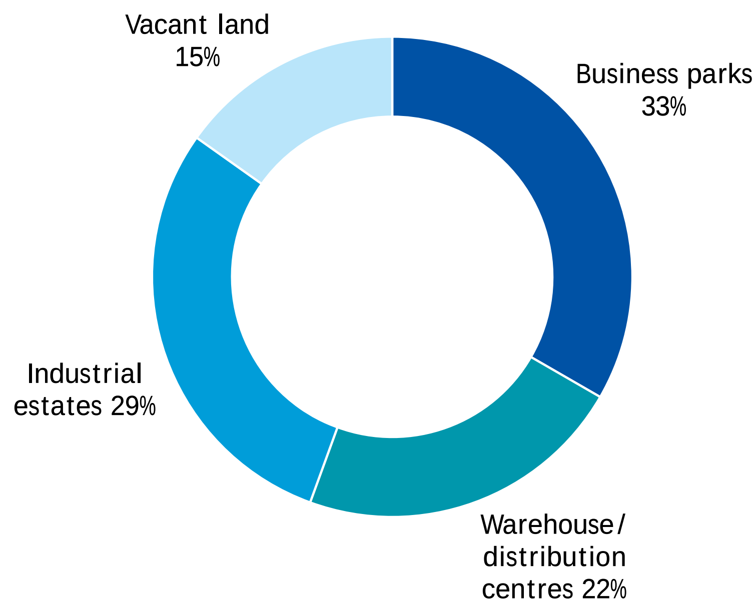
DEXUS PROPERTY GROUP

INDUSTRIAL
Portfolio diversification

Geographical weighting by book value



Property classification by book value

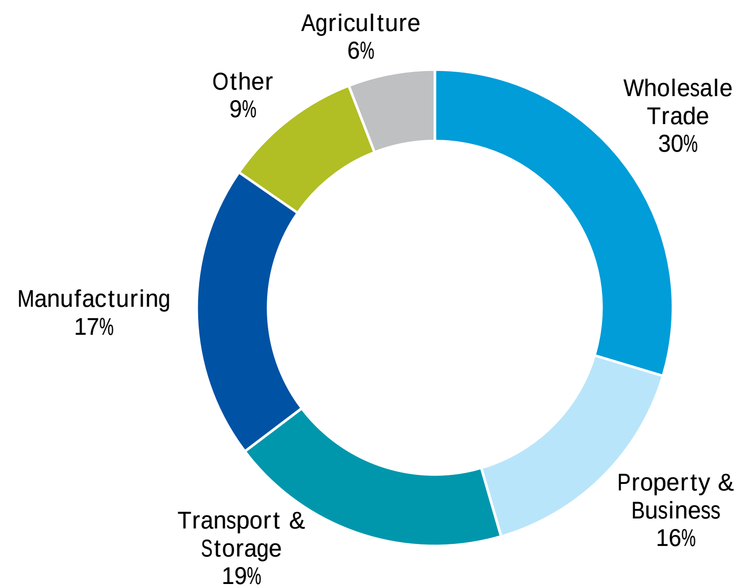


DEXUS PROPERTY GROUP

INDUSTRIAL
Top ten tenants

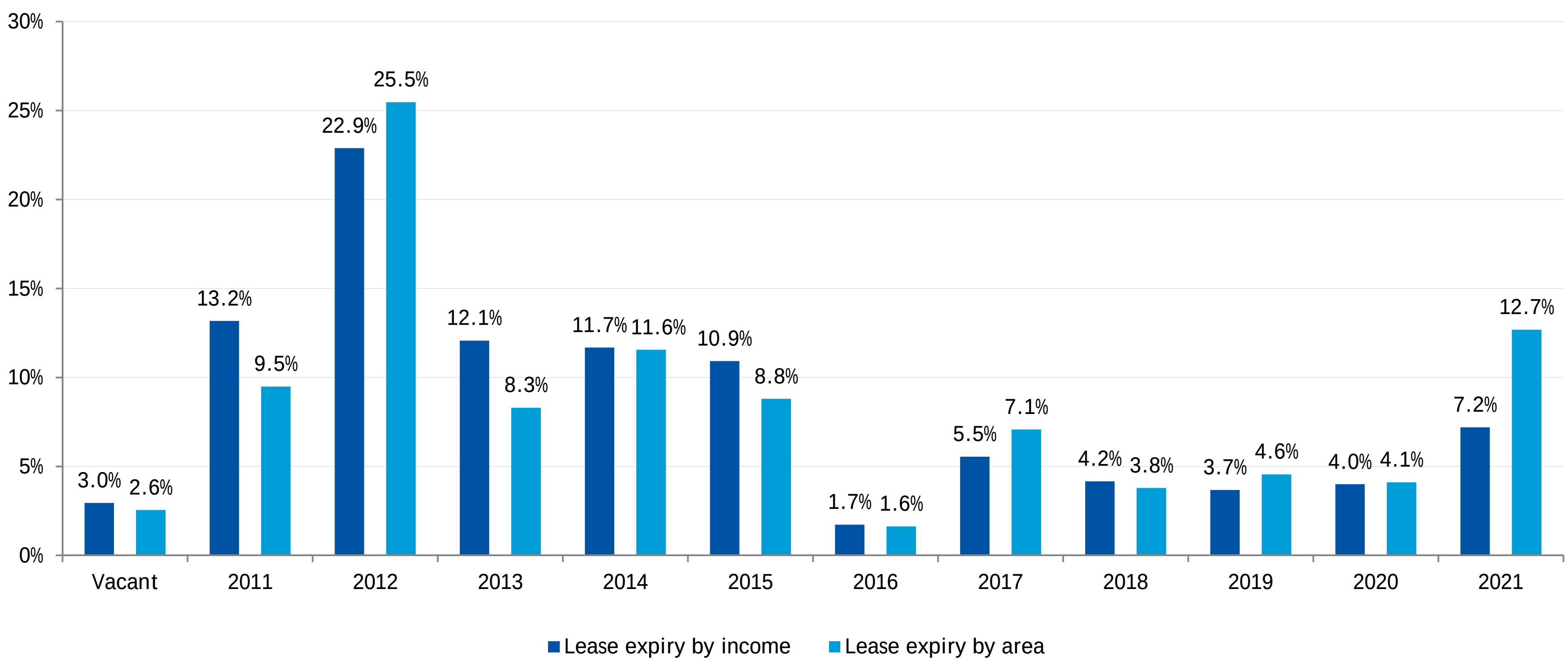
Tenant	S&P rating	% of NOI
Wesfarmers	BBB+ positive	6.6%
Elders Limited	BBB stable	5.6%
Visy	Not rated	3.7%
IBM Australia Limited	A+ stable	3.1%
DHL Logistics	BBB+ stable	2.6%
Fujitsu	Not rated	2.5%
Toll Transport Pty Ltd	Not rated	2.5%
Commonwealth of Australia	AAA stable	2.3%
Salmat BusinessForce Pty Ltd	Not rated	2.2%
Symbion Pharmacy Services	Not rated	2.2%

Diversity of tenants by income



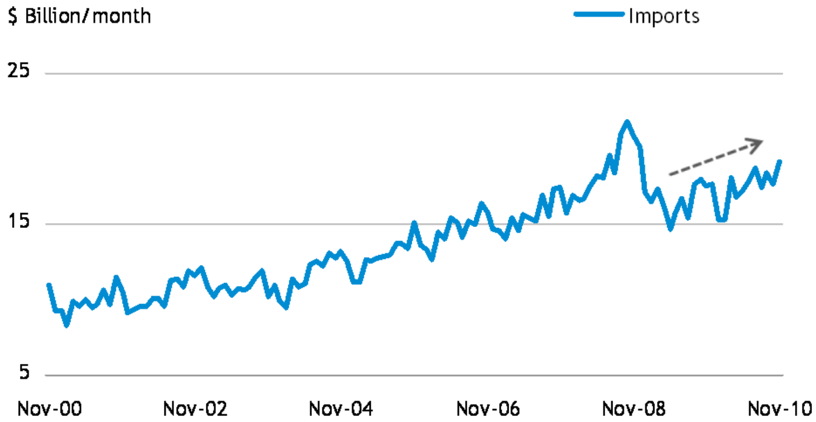
DEXUS PROPERTY GROUP

INDUSTRIAL
Lease expiry profile at 31 December 2010

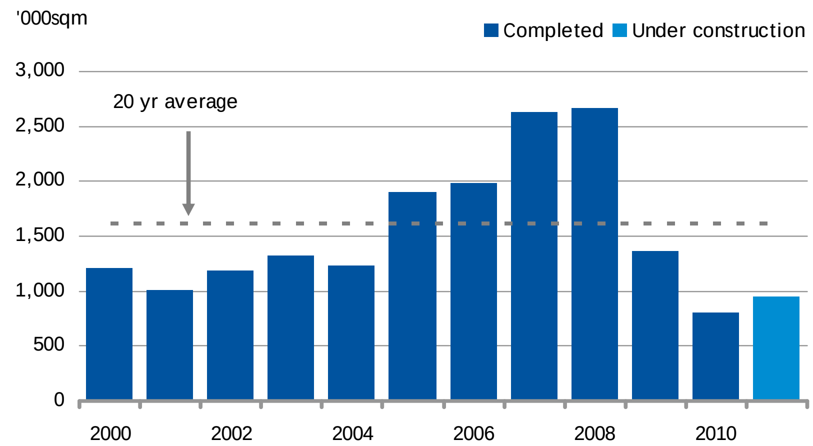


INDUSTRIAL
National outlook

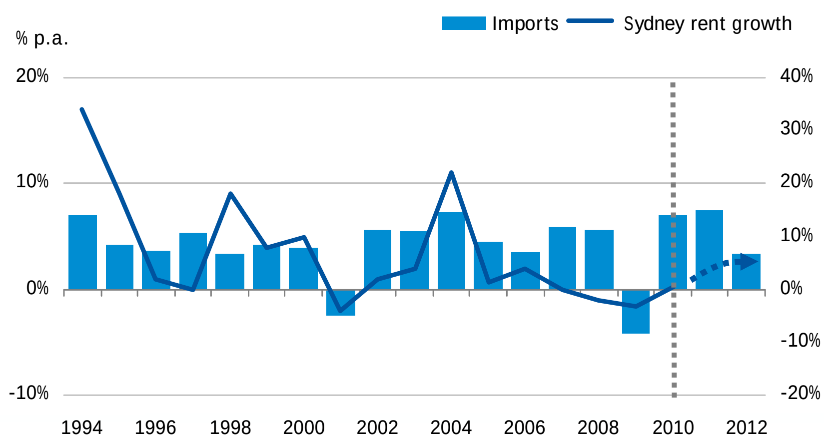
Merchandise imports rising



Industrial supply subdued



Industrial imports and rent growth



Sources: Jones Lang LaSalle actual , Access Economics & DEXUS forecast.

DEXUS PROPERTY GROUP

INDUSTRIAL — US
Key portfolio statistics

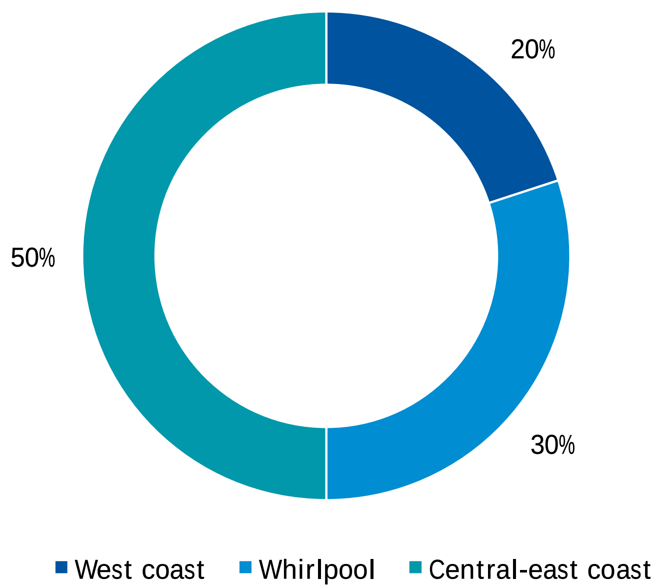
	HY Dec 2009	HY Dec 2010
Net operating income	US$46.9m	US$39.4m
Net operating income[1]	A$54.0m	A$41.6m
NOI change (USD)	(6.6%)	(16.0%)
Like-for-like (USD)	(10.8%)	(8.3%)
Occupancy (area)	87.8%	86.4%
Occupancy (income)	83.2%	87.4%
Over rented	6.3%	6.9%
Retention rates	60%	65%
Lease duration by income (years)	4.7	4.7
Portfolio value	US$1.2bn	US$1.3bn
Portfolio value[1]	A$1.4bn	A$1.3bn
Average cap rate	8.7%	8.1%

1. At prevailing US/AUD FX rates (not constant currency).

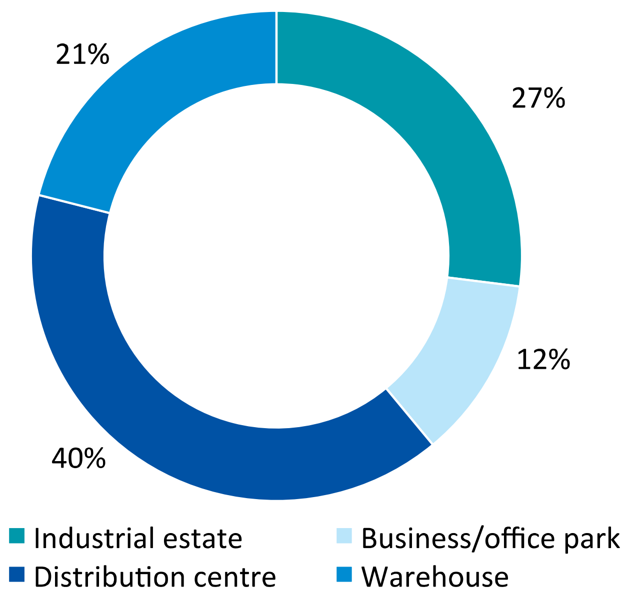
DEXUS
PROPERTY GROUP

INDUSTRIAL — US
Portfolio diversification

Geographical weighting by book value



Property classification by book value



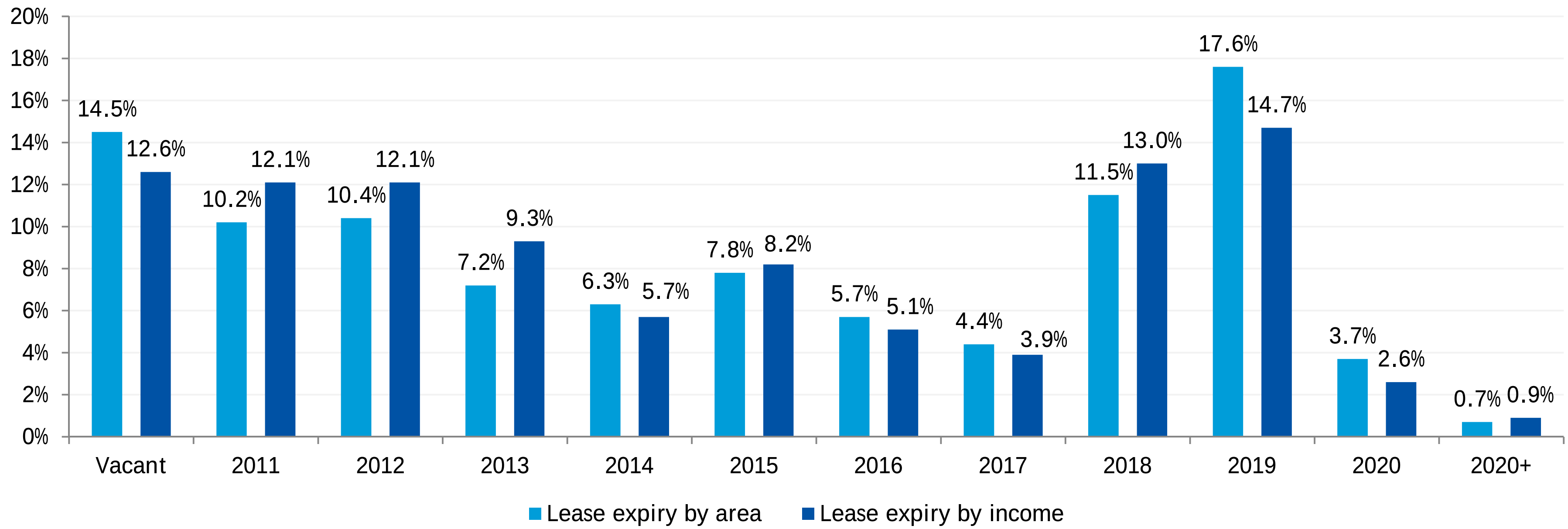
INDUSTRIAL — US
Top ten tenants

US Industrial	S&P rating	% of NOI
Whirlpool Corporation	BBB- positive	24.4%
US Government/GSA	AAA stable	3.1%
Advanced Bionics LLC	Not rated	2.8%
Fedex Ground Package System	BBB stable	1.8%
Skechers USA, Inc	Not rated	1.1%
Fiesta Warehousing & Distribution	Not rated	1.0%
States Logistics Services, Inc.	Not rated	0.9%
Michaels Stores, Inc.	B- stable	0.9%
B&E Storage	Not rated	0.9%
Kittrich Corporation	Not rated	0.8%

1777 S Vintage Avenue, Ontario, CA

DEXUS PROPERTY GROUP

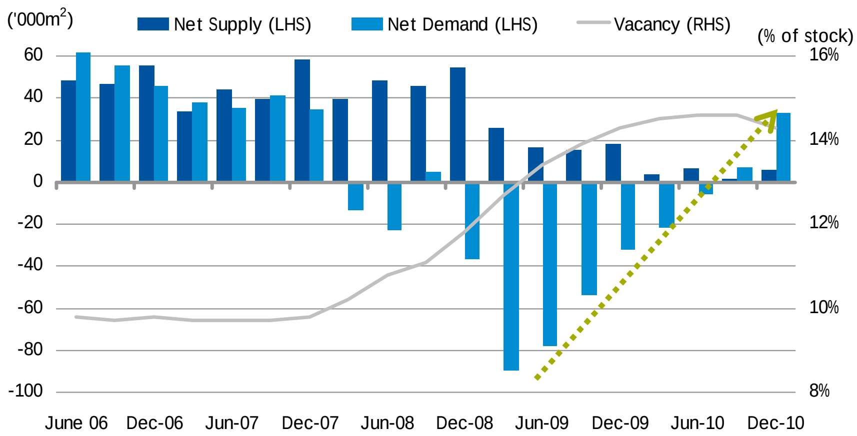
INDUSTRIAL — US
Lease expiry profile at 31 December 2010



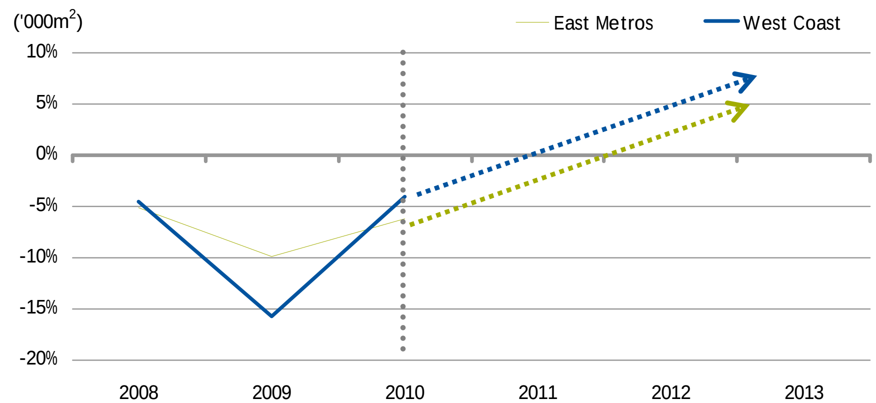
DEXUS PROPERTY GROUP

INDUSTRIAL — US

Total US Industrial — net demand positive



Rent growth outlook



Source: CBRE/Torto Wheaton and RREEF.

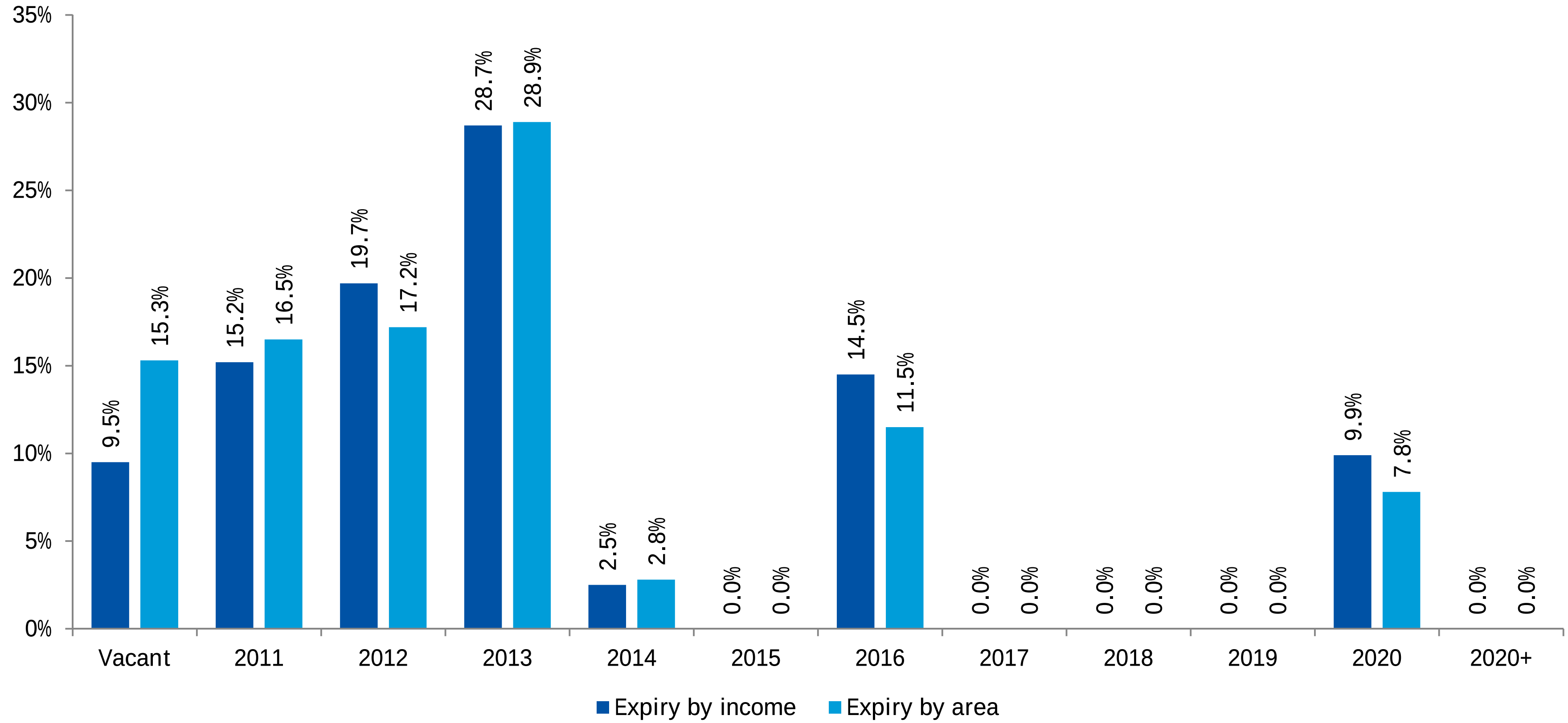
INDUSTRIAL — EUROPE
Key portfolio statistics

	HY Dec 2009	HY Dec 2010
Net operating income	€6.0m	€5.8m
Net operating income[1]	A$10.0m	A$8.1m
Like for like income growth	(5.2%)	(2.8%)
Occupancy (area)	87.8%	84.7%
Occupancy (income)	92.1%	90.5%
Lease duration by income (years)	2.6	3.1
Portfolio value	€133m	€132m
Portfolio value[1]	A$213m	A$173m
Average cap rate	8.2%	7.8%

Top 5 tenants	% of NOI
EDEKA Handelsgellschaft Südwest GmbH	21.7%
Solideal Deutschland GmbH	10.9%
Compass Security Logistick GmbH	8.5%
Woolworth GmbH	7.9%
Coca Cola	6.1%

1. At prevailing €/AUD FX rates (not constant currency).

INDUSTRIAL — EUROPE
Lease expiry profile at 31 December 2010



DEXUS PROPERTY GROUP

EXCHANGE RATES USED IN STATUTORY ACCOUNTS

		Dec 2009	June 2010	Dec 2010
Closing rates for Statement of Financial Position	USD	0.8969	0.8523	1.0163
	EUR	0.6241	0.6979	0.7647
	NZD	1.2354	1.2308	1.3171
	CAD	0.9434	0.8976	1.0167
Average rates for Net Operating Income	USD	0.8699	0.8800	0.9431
	EUR	0.5995	0.6285	0.7132
	NZD	1.2436	1.2554	1.2803
	CAD	0.9375	0.9306	0.9698

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GLOSSARY

- **Constant currency**: Items shown at Constant currency for Dec 10 have been restated using the Dec 09 average FX rates for comparative purposes.
- **Distribution adjustments**: Includes all distribution adjustments except for revaluations and impairments, unrealised MTM of derivatives, gain on sale and deferred tax.
- **Distribution payout policy**: Distribution paid will be 70% of funds from operations (FFO).
- **Gearing**: Gearing is represented by Interest Bearing Liabilities (excluding deferred borrowing costs) less cash divided by Total Tangible Assets (excluding derivatives and deferred tax assets) less cash. Covenant gearing is the same definition but not adjusted for cash.
- **Management EBIT**: Comprises Responsible Entity fee revenue, third party fee revenue and corporate expenses including all staff costs for the DEXUS group.
- **Non-cash items**: Includes property revaluations, impairment of intangibles, derivative MTM, gain on sale and deferred tax benefit.
- **Operating EBIT**: Comprises net operating income, Management EBIT and other income less Responsible Entity fees and other expenses paid.
- **Portfolio value**: Unless otherwise stated, Portfolio value is represented by investment properties, development properties and investments accounted for using the equity method, and excludes cash and other assets.
- **Responsible Entity fees**: In this presentation Responsible Entity fees are shown at cost following internalisation in Feb 08. This Responsible Entity fee expense and the corresponding management fee revenue are eliminated in the statutory financial statements as the management business is a wholly owned consolidated entity.
- **Securities on issue**: FFO per security is based on the average weighted units on issue prior to the Theoretical Ex-Rights Price (TERP) adjustment. In accordance with AASB133 the weighted average number of securities for earnings (EPS) purposes is adjusted by a factor equal to the security price immediately prior to issue divided by the TERP.

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IMPORTANT INFORMATION

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HALF YEAR RESULTS

APPENDICES

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

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