



2011

DEXUS Property Group
ANNUAL GENERAL MEETING

CHRISTOPHER BEARE

Chair



WELCOME AND INTRODUCTION TO THE BOARD OF DIRECTORS



ELIZABETH ALEXANDER AM



BARRY BROWNJOHN



JOHN CONDE AO



TONIANNE DWYER



VICTOR HOOG ANTINK

Chief Executive Officer



STEWART EWEN OAM



BRIAN SCULLIN



PETER ST GEORGE



DEXUS BOARD OF DIRECTORS





2011

DEXUS Property Group
ANNUAL GENERAL MEETING

2011 ONLINE REPORTING SUITE

WELCOME TO DEXUS PROPERTY GROUP'S 2011 ONLINE REPORTING SUITE

1 ANNUAL REVIEW

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2 ANNUAL REPORT

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3 COMBINED FINANCIALS

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4 NOTICE OF MEETING

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CHAIR'S ADDRESS

Christopher Beare
Chair



CURRENT MARKET CONDITIONS

- Global economy is uncertain with below trend growth projected
- In Australia, the economy and property markets are well placed
 - IMF forecast Australia to be one of the strongest developed markets
 - Weak confidence is having some impact on leasing in the near term

View of Circular Quay including GPT, 1 Bligh Street and Gateway, Sydney, NSW

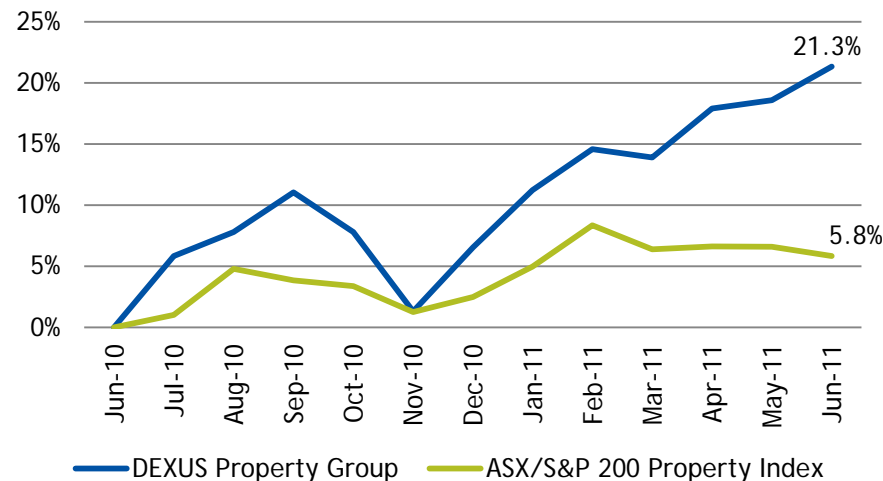


2011 PERFORMANCE

Delivering solid performance

- Net profit \$553m up from \$31.4m
- Funds From Operations up 2.3% to \$358m
- Full year distribution of 5.18 cents per security
- Outperformed A-REIT benchmark by 15.5% for FY11
 - Continues to outperform benchmark in Q1/FY12
 - Outperformed three year benchmark to 30 June every year since listing

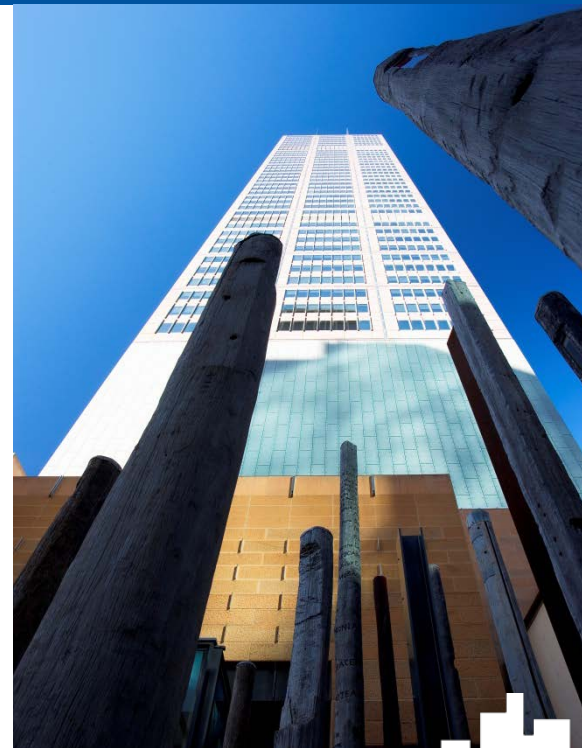
Accumulation performance



BOARD AND EXECUTIVE REMUNERATION

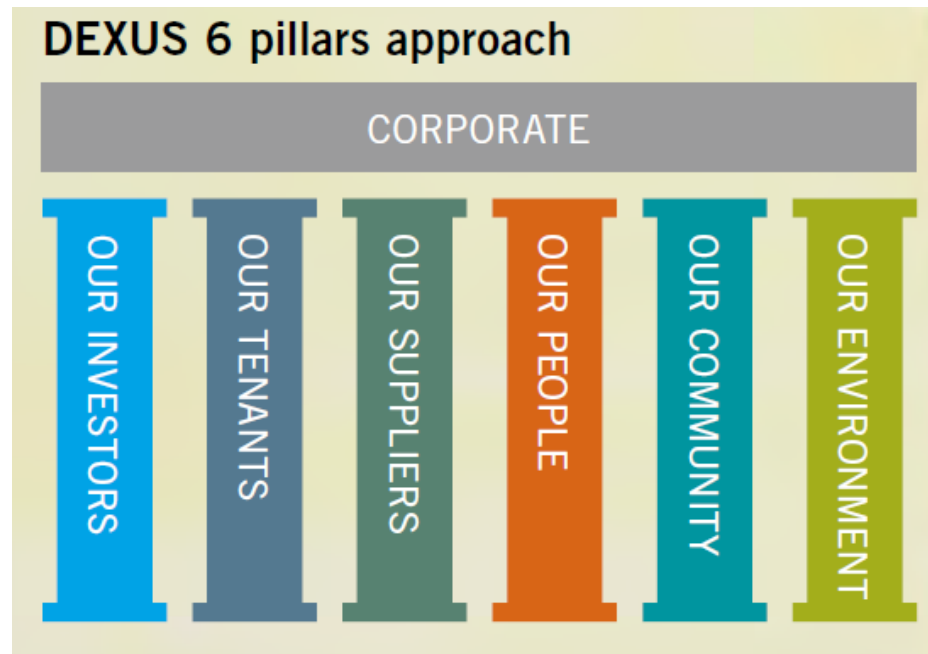
- Executive remuneration criteria:
 - Market competitiveness and reasonableness
 - Achievement of financial and non-financial measures
 - Appropriate mix of remuneration components
- Key financial performance measures:
 - Funds from Operation up 2.3% to 7.4 cents per security
 - Distributions up 1.6% to 5.18 cents per security
 - Net tangible assets increased 6.3% to \$1.01 per security
 - Total security holder one year return of 21.3%

Governor Phillip Tower, 1 Farrer Place, Sydney, NSW



CORPORATE RESPONSIBILITY & SUSTAINABILITY

- Maintain listings on DJSI, Australian SAM and FTSE4Good Indices
- Integration of United Nations Principles for Responsible Investment
- Employee Opinion Survey
 - Participation rate 88%
 - Engagement score increased to 83%



CORPORATE GOVERNANCE AND CHANGES TO THE BOARD

CORPORATE GOVERNANCE

- Board membership policy
- Diversity policy
 - Target 33% female participation by 2015
 - Currently stands at 31% - one of the highest in ASX 100

CHANGES TO THE BOARD

- Tonianne Dwyer appointed to the Board
 - Track record across listed property, funds management and corporate strategy
 - Experienced company director and executive
- Brian Scullin retiring from DEXUS Board

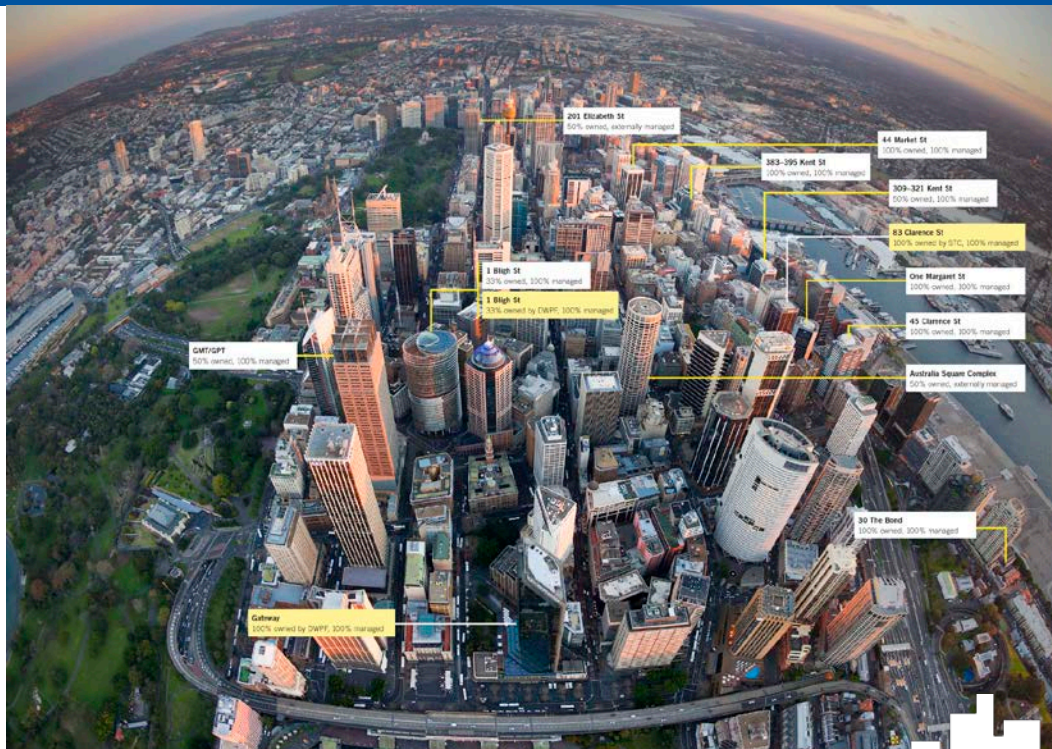
44 Market Street, Sydney, NSW



CONCLUSION

- DEXUS is one of Australia's leading property groups specialising in superior quality office and industrial properties
- We expect property market conditions to improve at a moderate pace in 2012
- We are well positioned to deliver consistent and secure income returns

View of Sydney CBD showing DEXUS and DEXUS third party properties



CEO'S ADDRESS

Victor Hoog Antink
Chief Executive Office



DXS PORTFOLIO

Focused platform: robust core returns - leveraged to cyclical upside

		SECTOR — AUM/target allocation		CORE RETURNS	ACTIVE RETURNS
Environment & Stakeholders	Property	Office	\$4.5bn 60%	Prime properties in major CBD's (>85% AUM: target 9% IRR)	Development and trading (<15% AUM: target 15% IRR)
		Industrial	\$1.6bn 20%	Sydney and Melbourne growth corridors (>80% AUM: target 10% IRR)	Development, trading & land (<20% AUM: target 15% IRR)
		Industrial US	\$1.2bn 20%	Reposition to core markets (currently 50% FUM: target 8.5% IRR)	Medium term focus
	Funds and Capital	Third Party	\$6.2bn managed	DWPF \$3.4bn and two mandates	Existing funds growth capital partnering
		Funding & capital management		Conservative approach, transparency and risk management	Reduced funding costs Increased return on equity

FY11 KEY ACHIEVEMENTS

- Office
 - Like-for-like income growth 3.3%
 - Completed 1 Bligh Street and 123 Albert Street
- Industrial
 - Stable total return 9.4%
 - Completed over \$61 million in new developments
- US industrial
 - Total return 14.3% reflecting strong operational conditions
 - Sold US\$148m at 13% premium to book value
 - Acquired US\$59m properties in core west coast markets
- Third party investment management
 - DWPF - best performing unlisted diversified fund
- Capital management
 - Gearing at 28.4%
 - Average debt duration >4 years

OFFICE PORTFOLIO — CORE

Driving operational performance

- Strong FY11 like-for-like income growth 3.3%
- FY12 leasing >50% complete
 - Targeting at least 4% like-for-like income growth
- 123 Albert (DXS 100% interest: \$382m)
 - Stabilised with 90% occupancy
- 1 Bligh (DXS 33.3% interest: \$227m)
 - Expect: three floors leased by Christmas, occupancy increase to 67%
 - Targeting 80% leased by June 2012
- 4.5 Star NABERS program >50% complete
 - Future proofing our portfolio against rising energy costs

123 Albert Street, Sydney, NSW



OFFICE PORTFOLIO — ACTIVE

Continue to enhance portfolio quality and earnings stability

- Actively reinvesting into development pipeline
 - \$200m Melbourne project seeking pre-commitment
 - Planning approval received
- DWPF secured approval for annexe at 360 Collins Street



Governor Phillip Tower, 309 Kent Street, 1 Margaret Street and Australia Square, Sydney, NSW

INDUSTRIAL PORTFOLIO

Core portfolio stable, strong market drives active investment

- Stable like-for-like growth 1.1%
- Industrial cycle — limited supply and competition
 - FY11 \$61m development activity completed
 - FY12 year to date: \$71m new developments completed covering 55,000sqm



2-4 Military Road, Matraville, NSW

INDUSTRIAL US & EUROPEAN PORTFOLIOS

Driving returns through prudent timing of repositioning strategy

US PORTFOLIO

- FY11 repositioning progress
 - Sold US\$148m, 13% premium to book value
 - Reinvested US\$59m in core west coast markets
- Central portfolio occupancy now at 80%
 - Targeting >82% occupancy by FY12
- West coast and Whirlpool occupancy 97%

EUROPEAN PORTFOLIO

- Sold 5 properties for €54m
 - 1% above book value
- 13 properties remaining totalling €75m

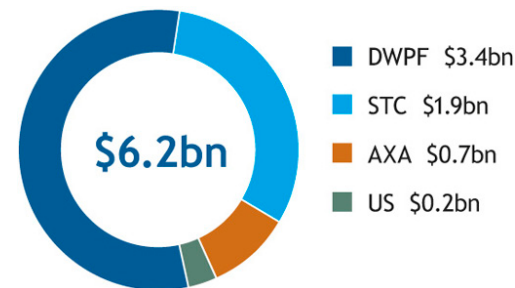
Note: Core portfolio includes Whirlpool properties.

THIRD PARTY INVESTMENT MANAGEMENT

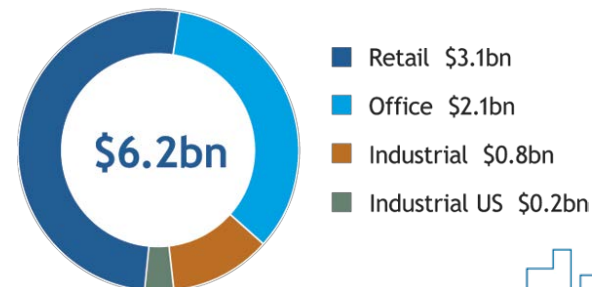
Significant activity

- DWPF best performing unlisted diversified fund¹
 - Raised \$313m new equity and satisfied \$500m+ transfers
 - Standard & Poor's 'A' rating (stable)
 - Raised \$250m in medium term note market
 - Acquired \$256m industrial properties
- Focus on additional equity raisings, acquisitions and developments
 - \$100 new equity raised in September 2011

Product type at 30 June 2011



Sector allocation at 30 June 2011



1. Mercer IPD Pre Fee Gross Asset Weighted Index (excluding single asset funds).

CAPITAL MANAGEMENT

Active and conservative management

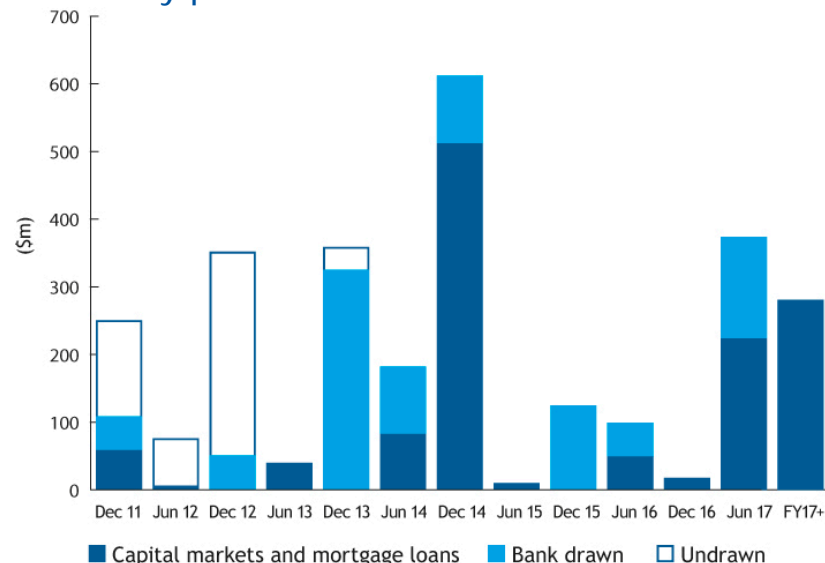
FY11 ACHIEVEMENT

- Refinanced \$830m in US and AU debt markets
 - Improved duration to >4 years
 - Decrease future interest cost

FY12 PROGRESS

- Refinanced \$250m at margins below 2%
 - \$140m of FY12 debt expiry remaining
- Current headroom \$600m
- Negotiating \$350m of \$400m FY13 expiry

Maturity profile at 30 June 2011



1. Re-stated to reflect drawn cost of debt.

AREAS OF FOCUS

- Office
 - Like-for-like income growth >FY11
 - Residual leasing at 1 Bligh Street
 - Secure pre-lease commitments for DA's
- Industrial
 - Consistent like-for-like income growth
 - Complete 80,000sqm of developments
 - Trading profits >\$4m
- US industrial
 - Increase central market occupancy >6% and position for sale
- Funds
 - Establish new capital partner relationships
- Capital management
 - Reduce cost of funds
 - Increase duration

2012 OUTLOOK AND GUIDANCE

OUTLOOK

- Global market concerns increasing market uncertainty
- DEXUS's strong business platform
 - Financially well positioned
 - Quality portfolio
 - Positioned to face future opportunities

GUIDANCE

- FY12 FFO per security: 7.65¹ cents
- Distribution per security²: 5.35 cents

Solaris, Quarry at Greystanes, NSW



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

DEXUS TEAM



WRITTEN QUESTIONS



GENERAL QUESTIONS



RESOLUTIONS



ELIZABETH ALEXANDER AM



RESOLUTION 1.1

“That the continuing appointment of Elizabeth Alexander as a Director of DEXUS Funds Management Limited be ratified”

RESOLUTION 1.1

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	3,302,640,535	68.25%
Open	9,192,950	0.19%
Against	14,201,977	0.29%
<hr/>		
Total proxies	3,326,035,462	68.73%

VOTING FOR RESOLUTION 1.1 — ELIZABETH ALEXANDER AM



BARRY BROWNJOHN



RESOLUTION 1.2

“That the continuing appointment of Barry Brownjohn as a Director of DEXUS Funds Management Limited be ratified”

RESOLUTION 1.2

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	3,302,621,272	68.25%
Open	9,313,994	0.19%
Against	13,967,334	0.29%
<hr/>		
Total proxies	3,325,902,600	68.73%

VOTING FOR RESOLUTION 1.2 — BARRY BROWNJOHN



TONIANNE DWYER



RESOLUTION 1.3

“That the initial appointment of Tonianne Dwyer as a Director of DEXUS Funds Management Limited be ratified”

RESOLUTION 1.3

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	3,310,700,851	68.42%
Open	9,325,162	0.19%
Against	5,851,594	0.12%
<hr/>		
Total proxies	3,325,877,607	68.73%

VOTING FOR RESOLUTION 1.3 — TONIANNE DWYER



RESOLUTIONS



REMUNERATION PROCESS

DEXUS Balanced Scorecard - typical objectives

Financial performance

- Earnings per security
- Distributions per security
- Third party funds performance
- Total security holder return, relative to peers

Stakeholder satisfaction

- Investor relations
- Tenant satisfaction
- Employee engagement

Business development and business management

- Delivery of strategic objectives on time and on budget
- Corporate responsibility and sustainability initiatives
- Achievement of international operations strategies

Leadership

- Executive succession
- Talent management
- Role modelling DEXUS cultural values
- Executive development

RESOLUTION 2

“That the Remuneration Report for the financial year ended 30 June 2011 be adopted.”

RESOLUTION 2

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	2,379,645,725	49.18%
Open	9,142,217	0.19%
Against	934,390,318	19.31%
<hr/>		
Total proxies	3,323,178,260	68.67%

VOTING FOR RESOLUTION 2



RESOLUTIONS



RESOLUTION 3

“That:

- a) The Constitutions of each of DEXUS Diversified Trust, DEXUS Office Trust, DEXUS Industrial Trust and DEXUS Operations Trust (together, “Trusts”) be amended in accordance with the provisions of the supplemental deed polls in respect of the miscellaneous amendments described in the Annexure to the Explanatory Memorandum (attached to the Notice of Meeting) tabled at the meeting and initialled by the Chair for the purposes of identification; and
- b) DEXUS Funds Management Limited, as Responsible Entity of each of the Trusts, be authorised to execute the supplemental deed polls in respect of the miscellaneous amendments described in the Annexure to the Explanatory Memorandum (attached to the Notice of Meeting), in the same form as the supplemental deed polls referred to in (a), and to lodge them with ASIC to give effect to the amendments to the Trusts’ Constitutions.”

RESOLUTION 3

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	3,305,796,046	68.32%
Open	9,559,846	0.20%
Against	7,348,866	0.15%
<hr/>		
Total proxies	3,322,704,758	68.66%

VOTING FOR RESOLUTION 3



RESOLUTIONS



RESOLUTION 4.1

“That subject to and conditional on Resolution 4.2 being passed, the Capital Reallocation Proposal described in Section 4 of the Explanatory Memorandum be approved for all purposes.”

RESOLUTION 4.1

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	3,276,332,978	67.71%
Open	9,485,199	0.20%
Against	39,175,493	0.81%
<hr/>		
Total proxies	3,324,993,670	68.71%

VOTING FOR RESOLUTION 4.1



RESOLUTION 4.2

“That subject to, and conditional on Resolution 4.1 being passed:

- a) The Constitutions of each of DEXUS Diversified Trust, DEXUS Office Trust, DEXUS Industrial Trust and DEXUS Operations Trust (together, “Trusts”) be amended by inserting the new clause 9.9 set out in Section 4.2.5 of the Explanatory Memorandum (attached to the Notice of Meeting); and
- b) DEXUS Funds Management Limited, as Responsible Entity of each of the Trusts, be authorised to execute supplemental deed polls incorporating the amendment set out in (a) and to lodge them with ASIC to give effect to the amendments to the Trusts’ Constitutions.”

RESOLUTION 4.2

Proxies held by the Chair

Proxies held by the Chair of the meeting

	Number of units	% of units on issue
For	3,276,331,905	67.71%
Open	9,555,698	0.20%
Against	38,609,239	0.80
<hr/>		
Total proxies	3,324,496,842	68.70%



VOTING FOR RESOLUTION 4.2

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