

2012

DEXUS Property Group
HALF YEAR RESULTS
PRESENTATION



2012

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15 February 2012



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

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DEXUS HY12 RESULTS

- **Victor Hoog Antink, CEO**
 - Key financial outcomes
 - Overview of business performance
- **Craig Mitchell, CFO**
 - Financial performance
 - Capital management
 - Third Party Investment Management
- **Paul Say, CIO & Head of Office**
 - Portfolio overview
- **Victor Hoog Antink, CEO**
 - 2012 outlook and guidance

KEY FINANCIAL OUTCOMES

Results in line with prior guidance

		Dec 2010	Dec 2011
Key financial metrics	Statutory profit	\$294.4m	\$145.7m
	FFO ¹	\$179.0m	\$184.3m
	FFO per security	3.70c	3.81c
	Distribution per security	2.59c	2.67c
	Gearing	29.1%	29.0%
	NTA per security	\$0.98	\$1.01
Key portfolio metrics	Occupancy (by area)	90.0%	92.0%
	WALE (by income) years	5.1	4.8
	Like-for-like income growth	0.3%	2.4%
	Portfolio value ²	\$7.3bn	\$7.6bn
	Total assets under management	\$13.6bn	\$14.0bn
FFO guidance	Reaffirm guidance	FY12: 7.65c ³	
Distribution guidance	Reaffirm guidance	FY12: 5.35c ^{3, 4}	

1. Funds From Operations: statutory profit adjusted to exclude property revaluations, unrealised mark to market changes, changes in deferred tax, amortisation of tenant cash and fit out incentives and rent straight lining. Refer to the glossary for the detailed explanation and appendices for a reconciliation to statutory profit.
2. Excluding cash.
3. Barring unforeseen circumstances.
4. FFO payout ratio 70%.

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2012 – PROGRESS AGAINST GOALS

	FY12 goals	1H/FY12 progress
Office	<ul style="list-style-type: none"> Leasing of new developments <ul style="list-style-type: none"> 100% by 31 December 2011 80% by 30 June 2012 Progress Melbourne developments 	<ul style="list-style-type: none"> 123 Albert 100% leased 1 Bligh 82% leased/exclusive negotiations Ongoing
Industrial	<ul style="list-style-type: none"> 80,000sqm of development Trading profit at least \$4m 	<ul style="list-style-type: none"> 55,000sqm (\$71m) complete 58,000sqm (\$65m) underway Profit of \$2.7m
US industrial	<ul style="list-style-type: none"> Increase central portfolio occupancy >6% 	<ul style="list-style-type: none"> Central portfolio occupancy increased 12.8% Total US portfolio occupancy now 90.2%



Southgate, 3 Southbank Avenue, Southbank, VIC

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2012 — PROGRESS AGAINST GOALS

Third Party

Funds & Capital

FY12 goals

- Top quartile performance
- New capital partner opportunities

- Increase duration
- Reduce cost of funds

1H/FY12 progress

- DWPF top performing wholesale fund
- \$600m property transactions
- Ongoing

- Duration 4.3 years
- Refinanced \$800m of debt
- Interest cost 6.2%



1 Bligh Street and Gateway, 1 Macquarie Place, Sydney, NSW

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2012 — STRONG SHAREHOLDER RETURNS

Stakeholders and environment

Sector

Sustainability

Achievement

- NABERS 4.5 star upgrade program on track for completion
- DXS portfolio:
 - GHG ↓ 6.7%
 - Energy ↓ 4.7%
 - Water ↓ 5.9%

Environment & Stakeholders

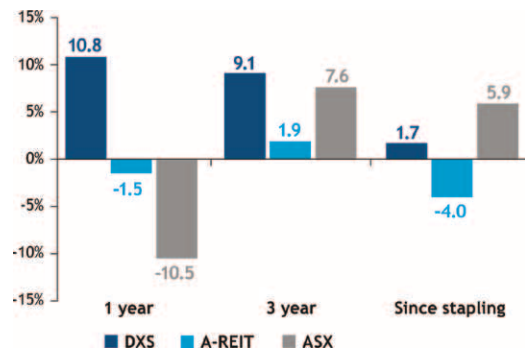
Investors

Consistently outperformed A-REIT index

Calendar year 2011

- Core portfolio: IRR 10.0%
- Return on equity 8.4%
- Total shareholder return 10.8%¹

Total shareholder returns to 31 Dec 2011¹



1. Source: UBS and S&P.

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FINANCIAL PERFORMANCE

Craig Mitchell
Chief Financial Officer

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FINANCIAL RESULTS AT A GLANCE

	Dec 2010 \$m	Dec 2011 \$m	Change \$m
Funds From Operations (FFO)	179.0	184.3	5.3
Less: Retained earnings ¹	(53.7)	(55.1)	(1.4)
Income distribution	125.3	129.2	3.9
NTA changes in statutory profit	163.9	11.8	(152.1)
Other ²	5.2	4.7	(0.5)
Statutory profit	294.4	145.7	(148.7)

1. FFO retained in accordance with our distribution policy.

2. RENTS capital distribution included in FFO (\$5.3m, classified as an equity related movement in the financial statements) and impairment of goodwill (\$0.6m).

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FUNDS FROM OPERATIONS

	Dec 2010 \$m	Dec 2011 \$m
Office NOI	127.2	141.0
Industrial NOI	56.8	58.4
Industrial US NOI ¹	38.2	37.6
Industrial EU NOI ¹	7.8	5.4
Currency impact on NOI	3.7	-
Management business contribution to FFO	(10.3)	(11.8)
Trading profits	-	2.7
Other net operating costs	(3.6)	(2.1)
Operating EBIT	219.8	231.2
Finance costs ¹	(44.7)	(57.4)
Currency impact on finance costs	(3.8)	-
Incentive amortisation and rent straight line ²	14.5	16.7
RENTS	(6.2)	(6.3)
Other	(0.6)	0.1
Funds From Operations (FFO)	179.0	184.3
FFO per security	3.70	3.81
Distribution per security	2.59	2.67

- Group like-for-like NOI up \$5m
- Operating EBIT higher due to like-for-like income growth and completion of developments offset by the impact of property sales in US and Europe
- Interest expense higher due to completion of developments, offset by property sales and reduction in interest costs
- FFO increased 3.0%

1. Constant currency: items shown at constant currency for Dec 10 have been restated using the Dec 11 average FX rates for comparative purposes.
2. Includes cash and fit out incentive amortisation.

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NET TANGIBLE ASSETS CHANGES

	Dec 2011 \$m	cps
Opening net tangible assets	4,878	101
Revaluation of real estate	58	1
Retained earnings ¹	55	1
Amortisation of tenant incentives ²	(17)	-
Fair value movements ³	(84)	(2)
NTA changes in statutory profit	12	-
Movement in FX reserve	(2)	-
Total movement in NTA	10	-
Closing net tangible assets	4,888	101

Investment property	Portfolio	Cap rate	Valuation movement
Office	60%	7.3%	\$33m
Industrial	22%	8.6%	\$5m
Industrial US	17%	7.3%	\$24m
Industrial EU	1%	n/a	(\$4m)
Total	100%	7.5%⁴	\$58m

- Growth in underlying NTA offset by interest rate hedge mark-to-market movements following decrease in Australian and US interest rates

1. Based on payout ratio being 70% of FFO.
2. Includes straight lining rent.
3. Includes primarily fair value movements of derivatives, deferred tax and gain on sale of assets.
4. Excludes Europe.

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CAPITAL MANAGEMENT

Active and conservative management

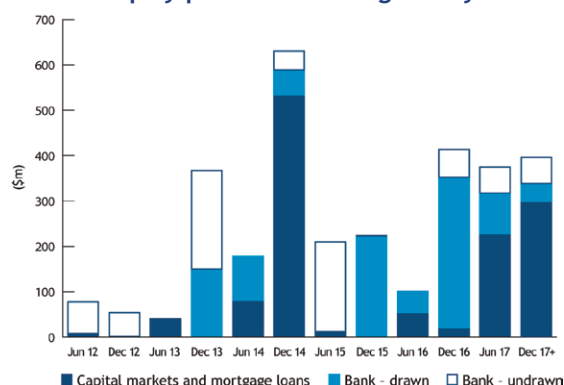
- Operating cash flows match distributions
 - Distributions funded by free cash flow
 - Stay in business capex funded by retained earnings
 - Investments funded by recycling existing capital

Operating cashflows	\$m
Cashflow from operations ¹	177.7
Stay in business capital ²	(44.3)
Distribution paid	(125.3)
Net surplus	8.1
Investing cashflows	
Acquisitions (incl. inventory)	(58.8)
Disposals	125.1
Development spend	(67.1)
Net investment activities	(0.8)

- Excludes capitalised interest, payments for inventory and proceeds from sale of inventory. Includes RENTS.
- Includes maintenance capex and leasing capex (excludes rent free incentives).
- Includes a \$200m facility that commenced in January 2012, maturing in the June 2015 period.

- Refinanced \$800m of facilities
- \$178m debt maturities in next 18 months³
- Reduced cost of debt to 6.2%
- \$204m RENTS (June 2012)
 - Notice to be given prior to 25 May

Debt expiry profile³ – average 4.3 years



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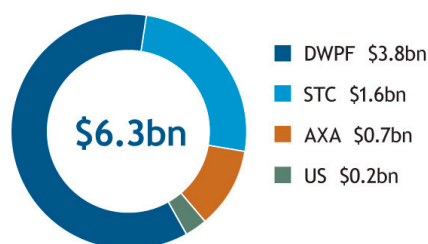


THIRD PARTY INVESTMENT MANAGEMENT

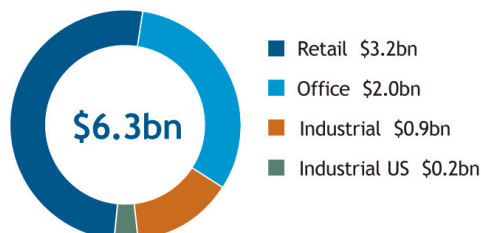
Significant activity

- Activity in mandates
 - AXA advised withdrawal of mandate arrangement effective May 2012
 - Mandates outperforming benchmarks
 - Sold QV1, Perth \$310m on behalf of STC mandate
- Good interest from wholesale investors for partnering opportunities
- DWPF top performing wholesale fund in 2011¹
 - Acquired \$298m properties²
 - \$201.5m office and \$96.5m industrial
 - Raised \$231m new equity
 - Standard & Poor's A (Stable) rated

Product type



Sector allocation



- For the year to 31 December 2011. Mercer IPD Australian Pooled Property Fund Index (net returns, net asset weighted).
- Purchase price excluding acquisition costs.

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PORTFOLIO OVERVIEW

Paul Say
Chief Investment Officer & Head of Office



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DXS PORTFOLIO

SECTOR – AUM/target allocation	CORE PORTFOLIO	ACTIVE PORTFOLIO
Office \$4.6bn 60%	\$4.6bn >85% AUM - target 9% IRR	\$0.0bn <15% AUM - target 15% IRR
Industrial \$1.7bn 20%	\$1.5bn >80% AUM - target 10% IRR	\$0.2bn <20% AUM - target 15% IRR
US industrial \$1.3bn 20%	\$1.2bn target 8.5% IRR	\$0.1bn



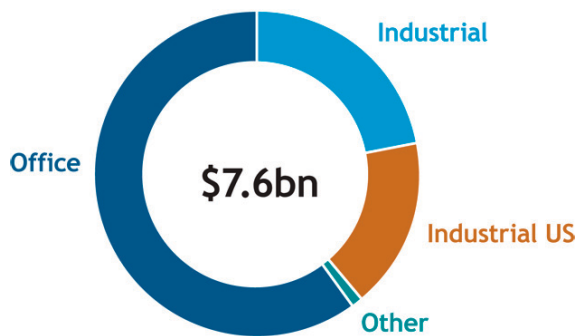
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PORTFOLIO HIGHLIGHTS

Core portfolio delivers 10% total return

Portfolio allocation



Core portfolio total returns

Office

Below IPD 3 year benchmark by 0.9%

7.5% 1.7% 9.3%

Industrial

Outperformed IPD 3 year benchmark by 0.7%

8.6% 0.7% 9.3%

Industrial US

Below NCREIF 1 year benchmark by 1.6%

7.0% 5.7% 13.0%

Notes: Returns are for 12 months to December 2011 and percentages inside core portfolio total return bars are income and capital returns respectively.

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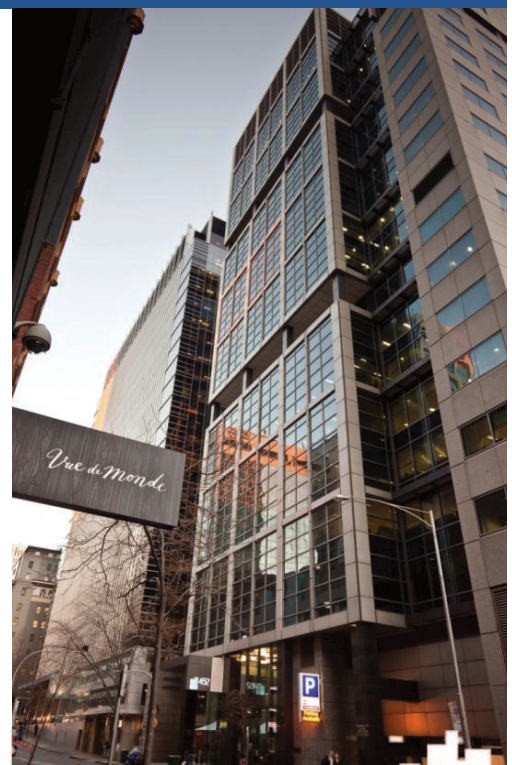


OFFICE PORTFOLIO – CORE

Managing risk as uncertainty returns

- Markets pause due to global uncertainty
 - Tenants taking longer to make decisions
 - Market rents stable
 - Leasing incentives remain unchanged
- Investors continue to chase prime office
 - Long term market fundamentals remain in place
 - Demand for prime CBD stock robust
 - Valuations lagging improving investor demand
 - Emerging acquisition opportunities
- DEXUS managing market volatility
 - Maintaining occupancy with forward leasing concentrated in softer markets
 - Target value add opportunities

452 Flinders Street, Melbourne, VIC



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OFFICE PORTFOLIO — CORE

Strong tenant relationships drive leasing performance

- Strong portfolio leasing performance
 - 26,284sqm leased (in 31 transactions)
 - 5.1% like-for-like NOI
 - Leases on average 4.0% higher than expiring
 - Average incentive 16.5%
 - Retention rate 73%
 - Occupancy up to 97.2%
 - NPV positive against budget
- Traction in managing future “at risk” leasing
 - Eg: Zenith, Chatswood
 - Austrac renewed 2,636sqm¹
 - Now 99.5% leased and 4.5 year WALE
- FY12 remaining rent at risk: \$1m



The Zenith, Pacific Highway, Chatswood, NSW

1. DXS ownership.

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OFFICE PORTFOLIO — ACTIVE

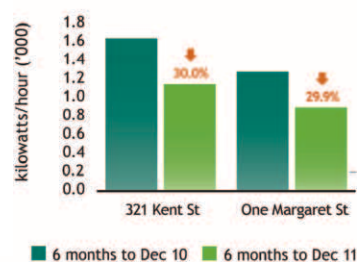
Soft market conditions create active investment opportunity

- Development & acquisition pipeline
 - 123 Albert Street 100% leased
 - 1 Bligh Street 82% leased/exclusive negotiation
 - \$500m property transactions
 - Flinders Gate development - seeking pre-commitment
- 4.5 Star NABERS Energy program on track — future proofing our portfolio
 - Expect 4.5 star average rating by December 2012
 - Project cost \$32m: 79% complete
 - Following upgrade works at 1 Margaret Street and 321 Kent Street, Sydney - net cost \$1.8m
 - Energy consumption reduced 30%
 - Outgoings savings approximately \$7.50psm p.a.



Artist's impression: Flinders Gate Complex, Melbourne, VIC

Electricity consumption



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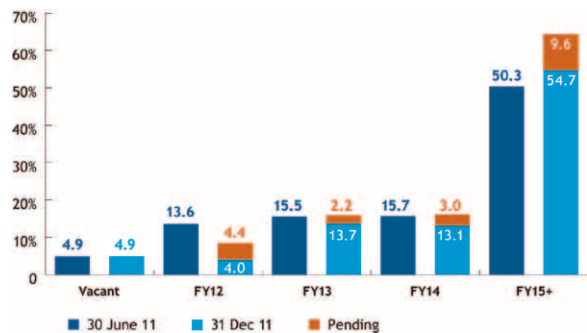
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INDUSTRIAL PORTFOLIO

Core portfolio stable, limited availability provides opportunity

- Core markets holding steady
 - Very low availability (less than 4%) of prime stock in key markets
 - Market rents steady while decision times increased
 - New demand from 3PL users and e-tailers
- Strong leasing performance
 - 109,500sqm leased (in 32 transactions)
 - Like-for-like NOI (1.7%)
 - Tenant retention rate 77%
 - Occupancy 96.1%
- Good traction on forward renewal leasing
- FY12: \$1.9m remaining rent at risk

Lease expiry (by income)



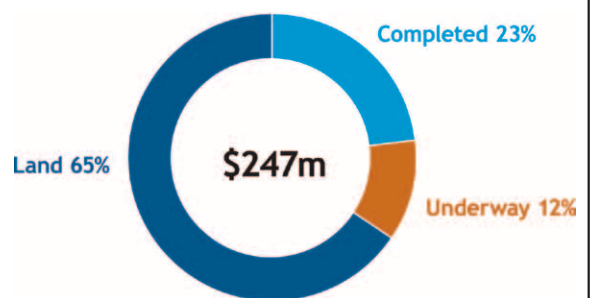
Quarry Industrial Estate, 6 Bellevue Circuit, Greystanes, NSW

INDUSTRIAL – ACTIVE

Focusing activity on industrial hotspots

- DEXUS development projects meeting market needs
 - 55,000sqm developments completed during period
 - 100% leased (70% commenced on spec)
 - Average yield on cost of 9.5%
 - 58,000sqm developments underway
 - 50% pre-committed, strong interest in balance
 - 8.6% forecast average yield on cost
 - Land bank of 108ha (\$162m current value)
 - During period: 11ha developed, 3.5ha sold
 - Sold \$22m in completed developments and land
 - Delivered \$2.7m trading profits

Active industrial portfolio

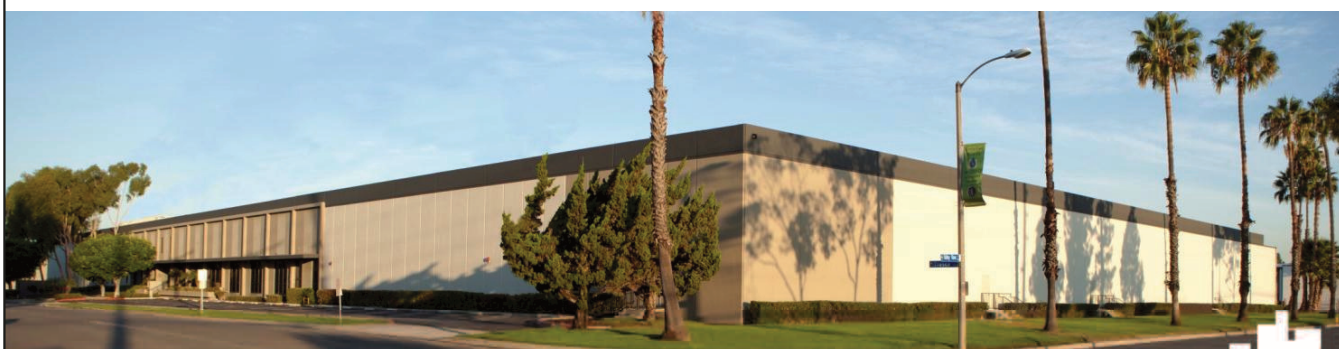


Spec development, DEXUS Industrial Estate, Laverton North, VIC

US INDUSTRIAL — PORTFOLIO UPDATE

Local team drive leasing outperformance

- Secondary markets improving despite sentiment remaining low
 - Market conditions remain positive in coastal markets
 - Improved leasing demand in Dallas, Minneapolis, and Phoenix
 - Investors turning to secondary assets
- Very strong first half leasing results
 - Portfolio occupancy increased to 90.2% from 84.4% following management internalisation
 - Central portfolio occupancy increased 12.8%
 - FY12 remaining rent at risk <\$1m
- Debtors at lowest level since portfolio acquired
- Value delivered at Fresca Drive, La Palma performed ahead of schedule: 14% IRR



5911 Fresca Drive, La Palma, CA

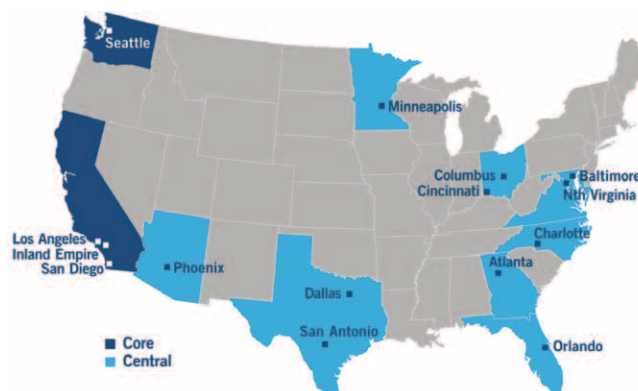
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US INDUSTRIAL — REPOSITIONING

Increased occupancy consistent with repositioning program

- Progress in repositioning program
 - US\$37m core market acquisitions: average cap rate 7.2%
 - Sold US\$32m central portfolio properties, 30% above book
 - Improved operating metrics increases central portfolio realisation options



Note: Core portfolio includes Whirlpool properties.



431 North 44th North Avenue, Phoenix, AZ

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OUTLOOK

Victor Hoog Antink
Chief Executive Officer



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2012 OUTLOOK AND GUIDANCE

- Outlook
 - Continued uncertainty
- DEXUS is well positioned:
 - Quality properties
 - Minimal leasing risk
 - Strong financial position
 - Low refinancing risk
- Guidance¹
 - FY12 FFO per security reaffirmed: 7.65 cents
 - Distribution per security² reaffirmed: 5.35 cents



1 Bligh Street, Sydney, NSW

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

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2012

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HALF YEAR RESULTS
APPENDICES



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CONTENTS

Statutory profit breakdown	27	Disposals	42
Profit to Funds From Operations reconciliation	28	Debt and financial risk management	43-49
Funds From Operations	29	Portfolio composition	50-51
Management Business EBIT	30	Office portfolio	52-62
Interest reconciliation	31	Industrial portfolio	63-69
Statement of financial position	32	Industrial US portfolio	70-76
Direct property portfolio movements	33	Industrial Europe portfolio	77-78
Net asset value composition	34	FX rates	79
Valuations: metrics and revaluations	35-37	Glossary	80
Developments	38-40	Important information	81
Acquisitions	41		


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STATUTORY PROFIT BREAKDOWN

\$m	NOI	Mgmt business	Internal fees & recoveries	Other income & expenses	Net finance costs	RENTS dist'n	Current tax	Deferred tax	Revals/ MTM /gain on sale	Elims	Group consol Dec 11
Revenue from ordinary activities											
Property revenue	322.8	0.1		0.2							323.1
Proceeds from sale of inventory		21.8									21.8
Management fees		44.3		(0.5)						(18.1)	25.7
Interest revenue					0.8						0.8
Net foreign exchange gain				0.8							0.8
Share of net profits – equity accounted	3.1										3.1
Net fair value gain of investment properties									60.0		60.0
Net gain on sale of investment properties									2.9		2.9
Expenses											
Property expenses	(83.5)									5.5	(78.0)
Cost of sale of inventory		(19.1)									(19.1)
Internal Responsible Entity fees and recoveries			(12.6)							12.6	–
Finance costs					(58.2)				(74.1)		(132.3)
Depreciation		(1.2)									(1.2)
Impairment									(2.6)		(2.6)
Employee related expenses		(35.7)									(35.7)
Net fair value loss of derivatives									(0.5)		(0.5)
Other expenses		(6.7)		(2.6)							(9.3)
Profit before tax	242.4	3.5	(12.6)	(2.1)	(57.4)	–	–	–	(14.3)	–	159.5
Income tax benefit							0.1				0.1
Withholding tax expense							(0.6)	(12.3)			(12.9)
Net profit attr. to non-controlling interests						(1.0)					(1.0)
Net profit	242.4	3.5	(12.6)	(2.1)	(57.4)	(1.0)	(0.5)	(12.3)	(14.3)	–	145.7

Operating EBIT = 231.2

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STATUTORY PROFIT TO FUNDS FROM OPERATIONS RECONCILIATION

\$m	Group consol Dec 11	Property revals/ impairment	MTM of derivatives	Profit on sale of invest prop	Deferred tax	Amortisation add-back ¹	RENTS capital distribution	Other	Funds from Operations (FFO)
Revenue from ordinary activities									
Property revenue	323.1					16.5			339.6
Proceeds from sale of inventory	21.8								21.8
Management fees	25.7								25.7
Interest revenue	0.8							(0.8)	–
Net foreign exchange gain	0.8								0.8
Share of net profits – equity accounted	3.1					0.2			3.3
Net fair value gain of investment properties	60.0	(60.0)							–
Net gain on sale of investment properties	2.9			(2.9)					–
Expenses									
Property expenses	(78.0)								(78.0)
Cost of sale of inventory	(19.1)								(19.1)
Internal Responsible Entity fees and recoveries	–								–
Finance costs	(132.3)		74.1					0.8	(57.4)
Depreciation	(1.2)								(1.2)
Impairment	(2.6)	2.6							–
Employee related expenses	(35.7)								(35.7)
Net fair value loss of derivatives	(0.5)		0.5						–
Other expenses	(9.3)								(9.3)
Profit before tax	159.5	(57.4)	74.6	(2.9)	–	16.7	–	–	190.5
Income tax benefit	0.1								0.1
Withholding tax expense	(12.9)				12.3				(0.6)
Net profit attr. to non-controlling interests	(1.0)						(5.3)		(6.3)
Other	–							0.6	0.6
Net profit	145.7	(57.4)	74.6	(2.9)	12.3	16.7	(5.3)	0.6	184.3

1. Comprises add back of fit out and cash amortisation of 18.6 and straight line rent adjustment of (1.9).

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FUNDS FROM OPERATIONS RECONCILIATION

\$m	Office	Industrial	US	Europe	Mgmt Business	Other costs	Elims	Operating EBIT	Finance costs	Amort add-back ¹	RENTS	Other	FFO
Property revenue	188.5	73.5	53.1	7.7	0.1	0.2		323.1		16.5			339.6
Proceeds from sale of inventory					21.8			21.8					21.8
Management fees					31.7	(0.5)	(5.5)	25.7					25.7
Net fx gain						0.8		0.8					0.8
Profit from associates	3.1							3.1		0.2			3.3
Other income								—					—
Property expenses	(50.6)	(15.1)	(15.5)	(2.3)			5.5	(78.0)					(78.0)
Cost of sale of inventory					(19.1)			(19.1)					(19.1)
Finance costs								—	(57.4)				(57.4)
Depreciation					(1.2)			(1.2)					(1.2)
Employee related expenses					(35.7)			(35.7)					(35.7)
Other expenses					(6.7)	(2.6)		(9.3)					(9.3)
Tax								—				(0.5)	(0.5)
RENTS								—			(6.3)		(6.3)
Other								—				0.6	0.6
FFO breakdown per slide 9	141.0	58.4	37.6	5.4	(9.1)	(2.1)	—	231.2	(57.4)	16.7	(6.3)	0.1	184.3

Total NOI = 242.4

1. Comprises add back of fit out and cash amortisation of 18.6 and straight line rent adjustment of (1.9).

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MANAGEMENT CONTRIBUTION TO FFO

Contribution to FFO (\$m)	Management business				Trust Other net trust expenses	Total DXS
	Balance sheet property	Funds management portfolio	Corporate costs	Total		
Investment management	—	13.9	—	13.9	—	13.9
Property services	8.1	9.8	—	17.9	—	17.9
Active trading profits	2.7	—	—	2.7	—	2.7
Other income	—	—	—	—	0.5	0.5
Property management salaries	(3.7)	(4.9)	—	(8.6)	—	(8.6)
Other salaries	(5.8)	(5.4)	(15.9)	(27.1)	—	(27.1)
Other costs	(0.4)	(0.2)	(6.1)	(6.7)	(2.6)	(9.3)
Depreciation & amortisation	—	—	(1.2)	(1.2)	—	(1.2)
Contribution to FFO	0.9	13.2	(23.2)	(9.1)	(2.1)	(11.2)
Add: Internal RE charge at cost	12.6	—	—	12.6		
Operating EBIT	13.5	13.2	(23.2)	3.5		

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INTEREST RECONCILIATION

	Dec 2010 \$m	Dec 2011 \$m
Interest paid/payable	60.8	67.5
Other finance costs	2.1	2.4
Realised interest rate swap expense ¹	15.4	3.3
Gross finance costs	78.3	73.2
Less: interest capitalised	(29.1)	(15.0)
Less: interest income	(0.7)	(0.8)
Net finance costs for distributable earnings (Slide 9)	48.5	57.4
Less: unrealised interest rate swap MTM (gain)/loss ¹	(51.6)	74.1
Add: interest income	0.7	0.8
Statutory finance costs/(income) (Financial Statements note 2)	(2.4)	132.3

1. Net fair value loss of interest rate swaps of \$77.4m (per note 2) consists of realised interest rate swap expense of \$3.3m plus unrealised interest rate swap MTM loss \$74.1m.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 31



STATEMENT OF FINANCIAL POSITION

	June 2011 \$m	Dec 2011 \$m
Cash & receivables	110	103
Direct property portfolio ¹	7,487	7,626
Other (including derivative financial instruments & intangibles)	391	410
Total assets	7,988	8,139
Payables & provisions	274	263
Interest bearing liabilities	2,215	2,295
Other (including derivative financial instruments)	192	265
Total liabilities	2,681	2,823
Less: non-controlling interests	204	204
Less: intangible assets	225	224
Net tangible assets (after non-controlling interests)	4,878	4,888
NTA per security (excluding non-controlling interests) (\$)	1.01	1.01
Securities on issue (million)	4,839	4,839
Gearing (net of cash)	28.4%	29.0%

1. Includes DXS's share of equity accounted investments.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 32



DIRECT PROPERTY PORTFOLIO MOVEMENTS

	Office ¹ \$m	Industrial \$m	US Industrial \$m	Other ² \$m	DEXUS total ¹ \$m
Opening direct property	4,511	1,631	1,171	174	7,487
Leasing incentive ³	16	3	9	1	29
Maintenance capex	16	7	5	—	28
Acquisitions	—	28	35	—	63
Developments ⁴	21	27	—	—	48
Disposals ⁵	—	(19)	(24)	(76)	(119)
FX	(1)	—	68	(5)	62
Revaluations	33	5	24	(4)	58
Amortisation	(22)	(3)	(7)	—	(32)
Straight lining	1	—	1	—	2
Closing direct property	4,575	1,679	1,282	90	7,626

1. Includes DXS's share of equity accounted investments.

2. Includes Europe.

3. Includes rent free incentives.

4. Includes capitalised interest.

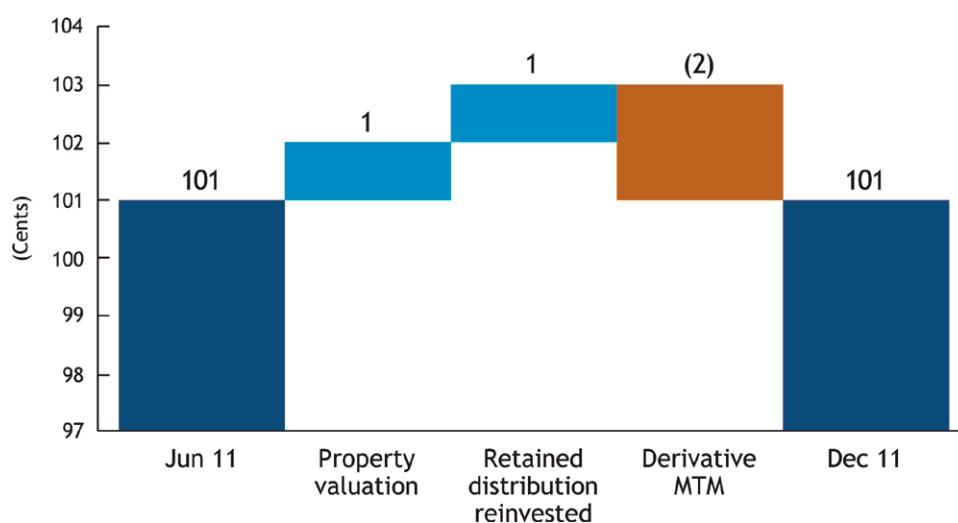
5. At book value.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 33



NET ASSET VALUE COMPOSITION

- Property valuations of \$58¹ million or 1.2 cents of NTA



1. Includes impairment of inventory.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 34



VALUATION METRICS

	Cap rate Jun 11 %	Cap rate Dec 11 %	Cap rate change bps	Discount rate Jun 11 %	Discount rate Dec 11 %	Discount rate change bps	Valuation change ¹ %
Office	7.4	7.3	(6)	9.1	9.1	2	0.7
Industrial	8.6	8.6	(1)	9.7	9.7	(5)	0.3
Industrial US ²	7.6	7.3	(26)	9.1	8.7	(41)	1.9
Industrial EU ³	—	—	—	—	—	—	(4.2)
Total	7.7	7.5	(11)	9.2	9.2	(7)	0.8

1. Valuation change includes investment property, development property, inventories and investments accounted for using the equity method.
2. For US portfolio: stabilised cap rate used for Jun 11, market cap rate for Dec 11.
3. Due to certain assets being held at Directors' valuation, weighted average cap rates and discount rates are not applicable for European portfolio.

REVALUATION SUMMARY

	Office A\$m	Industrial A\$m	US Industrial A\$m	Europe A\$m	Total A\$m
Investment properties	35	8	24	(4)	63
Development properties ¹	(2)	(3)	—	—	(5)
Equity accounted properties	—	—	—	—	—
Total P&L revaluations	33	5	24	(4)	58

1. Includes land and inventory.

REVALUATION SUMMARY AS AT DECEMBER 2011

	Office A\$m	Industrial A\$m	US Industrial A\$m	Europe A\$m	Total A\$m
Carry value – investment properties					
Externally revalued	710	323	533	53	1,619
Internally revalued	3,628	1,098	726	36	5,488
Sub total	4,338	1,421	1,259	89	7,107
Carry value – development properties¹					
Externally revalued	—	—	—	—	—
Internally revalued	25	258	24	—	307
Sub total	25	258	24	—	307
Carry value – equity accounted					
Externally revalued	—	—	—	—	—
Internally revalued	212	—	—	—	212
Sub total	212	—	—	—	212
Total carry value	4,575	1,679	1,283	89	7,626

1. Includes inventory.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 37



DEVELOPMENTS – UNDERWAY

	Country	Area sqm	Est. total cost ¹ A\$m	Est. cost to completion A\$m	Est. yield on total cost %	Est. completion date
Industrial						
Greystanes, NSW – Camerons Transport	AU	23,340 ²	30.1	14.8		June 2012
Greystanes, NSW – UPS	AU	5,437	8.6	5.2		July 2012
Laverton, VIC – Toll	AU	13,720	12.1	7.3		June 2012
Laverton, VIC – speculative facility	AU	15,564	13.8	8.8		July 2012
Total underway		58,061	64.6	36.1	8.6	

1. Includes land, fully leased.

2. Camerons Transport has pre-committed to 46% of total area.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 38



DEVELOPMENTS — UNCOMMITTED PIPELINE

	Country	Building area sqm	Project est. A\$m	Project to est. completion A\$m	Target yield on project est. cost %
Office					
172 Flinders Street (Flinders Gate), Melbourne ¹	AU	20,000	—	—	—
Total office		20,000			
Industrial					
Quarry at Greystanes, NSW ²	AU	155,965	225	141	8.5
DEXUS Industrial Estate, Laverton North, VIC ^{2,3}	AU	175,654	203	137	8.5
Total industrial		331,619	428	278	
Total pipeline		351,619	428	278	

1. Pending DA approval.

2. Quarry at Greystanes and DEXUS Industrial Estate Laverton land apportioned out from committed developments underway.

3. Project estimated cost includes cost of land sales.

DEXUS Property Group 2012 Half Year Results Appendices — Slide 39



DEVELOPMENTS — COMPLETED

	Country	Area sqm	Project cost ¹ A\$m	Est. cost to completion A\$m	Yield on project cost %	IRR %	Completed date
Office							
Southgate Complex, Southbank, VIC	AU	9,000	26	6	9.0	>15	November 2011
Total office		9,000	26	6	9.0		
Industrial							
Laverton, VIC — Fastline	AU	17,347	14	1			September 2011
Erskine Park, NSW — Spec Warehouse	AU	21,000	25	4			September 2011
Greystanes, NSW — Fujitsu Australia	AU	17,025	32	1			September 2011
Total industrial		55,372	71	6	9.5	19.0	
Total underway		64,372	97	12			

1. Includes land, fully leased.

DEXUS Property Group 2012 Half Year Results Appendices — Slide 40



ACQUISITIONS

	Interest %	Acquisition A\$m	Settlement
Australia			
3676 Ipswich Road, Wacol, QLD	100	n/a ¹	November 2011
United States			
6711 Valley View Street, La Palma, CA	100	17.1	July 2011
2250 Riverside Avenue, Colton, CA	100	17.5	October 2011
Total acquisitions		34.6	

1. Acquired as inventory.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 41



DISPOSALS

	No of properties	Gross proceeds A\$m
Industrial	2	21.8
Industrial EU	6	76.0
Industrial US	4	32.1
Total disposals	12	129.9

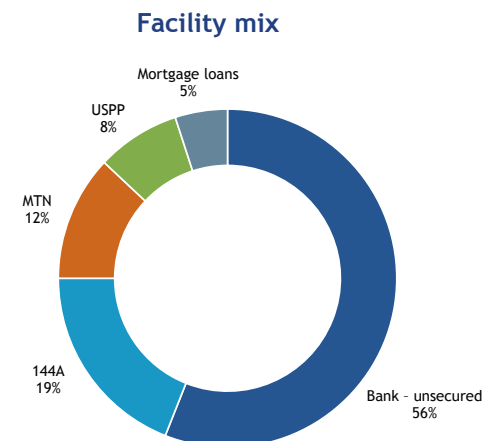
Link to www.dexus.com/dxs/propertyreports to view details.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 42



KEY CAPITAL MANAGEMENT MEASURES

	June 2011	Dec 2011
Headroom (approximately) ¹	\$0.6bn	\$0.6bn
Average maturity of debt	4.2 years	4.3 years
Gearing ²	28.4%	29.0%
Covenant gearing ² (covenant ³ <55%)	29.1%	29.7%
Interest cover (covenant ³ > 2.0x)	3.1x	3.4x
Priority debt (covenant ³ < 30%)	5.3%	2.0%
S&P/Moody's rating	BBB+ / Baa1	BBB+ / Baa1

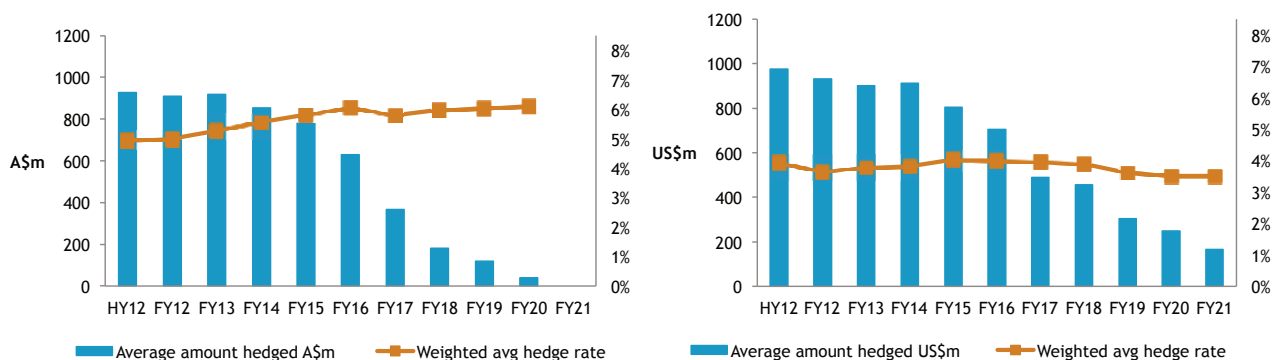


1. Undrawn facilities plus cash.
2. Refer to glossary for gearing definition.
3. As per public bond covenants.

INTEREST RATE HEDGING PROFILE

- Average amount of debt hedged: 80%¹
- Weighted average interest rate on hedged debt: 4.3%
- Weighted average fixed and floating rate: 6.2% (including margins and fees)
- Weighted average maturity of interest hedges: 5.7 years

Hedge maturity profiles



1. Includes RENTS.

INTEREST RATE HEDGING PROFILE

	HY12	FY12	FY13	FY14	FY15	FY16	Avg FY17+ ³
A\$ fixed coupon debt (A\$m) ¹	180	180	180	180	180	180	27
A\$ interest rate swaps (A\$m) ¹	747	730	738	674	600	448	114
A\$ total hedged (A\$m)¹	927	910	918	854	780	628	141
A\$ hedge rate (ex margin) ²	4.95%	4.99%	5.27%	5.57%	5.82%	6.08%	5.98%
US\$ fixed coupon debt (US\$m) ¹	887	865	821	770	459	322	238
US\$ interest rate swaps (US\$m) ¹	90	66	79	141	347	383	96
US\$ total hedged (US\$m)¹	977	931	900	911	806	705	334
US\$ hedge rate (ex margin) ²	3.70%	3.65%	3.78%	3.82%	4.03%	4.00%	3.78%
€m average hedged	107	85	50	50	48	30	0
€ hedge rate (ex margin) ¹	4.35%	4.27%	4.27%	4.27%	4.25%	4.03%	n/a
Total hedged (A\$m)	2,018	1,932	1,893	1,872	1,694	1,411	492
Hedge rate (ex margin)¹	4.32%	4.32%	4.53%	4.63%	4.86%	4.93%	4.39%

- Refer slide 47 for current period weighted average cost of debt including floating rate component, credit margins and fees

1. Average amount during the period
2. Weighted average rate of fixed debt and swaps for the period.
3. Hedging period FY17 – FY21.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 45



FIXED DEBT PROFILE

	HY12	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
A\$m fixed coupon debt (avg)	180	180	180	180	180	180	135	-	-	-	-
A\$ fixed debt rate (coupon)	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%	8.75%				
Average term (yrs)	5.3										
US\$m fixed coupon debt (avg)	887	865	821	770	459	322	273	250	250	250	167
US\$ fixed debt rate (coupon)	6.16%	6.19%	6.24%	6.24%	5.85%	5.61%	5.60%	5.60%	5.60%	5.60%	5.60%
Average term (yrs)	4.7										

- Note: DXS holds interest bearing liabilities at amortised cost in accordance with AASB 139 as the liabilities do not meet the criteria to fair value account. The fair value of fixed interest bearing liabilities is disclosed in the full year Financial Statements as a note. Refer to 30 June 2011 accounts note 30(2)(d) as an example.



DEBT BALANCES BY JURISDICTION

	Interest bearing liabilities \$m	Cross currency swaps ¹ \$m	RENTS \$m	Total liabilities after cross ccy swaps & RENTS ^{2,3} \$m	Weighted average cost of debt ⁴ %
Australia/New Zealand	A\$1,111	A(\$92)	A\$204	A\$1,222	7.5%
USA	US\$1,172	—	—	US\$1,172	5.1%
Europe	€38	€40	—	€78	4.7%
Total	A\$2,313	—	A\$204	A\$2,516	6.2%
Less amortised debt costs	(A\$19)				
Current & non-current interest bearing liabilities	A\$2,295				

1. Cross currency swap principal amounts included at contract exchange rates. Refer slide 49 for maturity profile and rates.
2. Differs to total interest bearing liabilities by the amount of RENTS plus the cross currency swap mark-to-market.
3. C\$30 of Canadian cross currency swaps remained in place as at 31 Dec 2011, to be repaid with sale proceeds currently held in escrow.
4. Weighted average of fixed and floating rates for the current period, inclusive of fees and margins on a drawn basis and includes RENTS.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 47



DEBT FACILITY DETAIL

	Facility limit A\$m	Drawn A\$m	Maturity dates	Security	Currency
Bilateral bank debt	128	—	May 12 - Jul 12	Unsecured	A\$
	368	148	Sep 13 - Dec 13	Unsecured	A\$, US\$
	200	155	Jan 14 - Sep 14	Unsecured	A\$
	225	222	Oct 15 - Dec 15	Unsecured	A\$
	195	187	Jun 16 - Sep 16	Unsecured	A\$
	252	196	Oct 16 - Dec 16	Unsecured	A\$, US\$
	250	140	Mar 17 - Jul 17	Unsecured	A\$
Mortgage loans	155	155	Jan 14 - Dec 17	Secured	US\$
Medium term notes (MTN)	160	160	Jul 14	Unsecured	A\$
	180	180	Apr 17	Unsecured	A\$
US senior notes (144a)	295	295	Oct 14	Unsecured	US\$
	246	246	Mar 21	Unsecured	US\$
US senior notes (USPP)	49	49	Mar 12 - Feb 13	Unsecured	US\$
	180	180	Dec 14 - Mar 17	Unsecured	US\$
Total	2,882	2,313			
Bank Guarantee utilised		3			
Cash		(77)			
Headroom		643			

Note: profile not adjusted for bank facilities completed after December 2011.

1. USPP maturities: US\$7m Mar 12, US\$43m Feb 13, US\$78m Dec 14, US\$11m Mar 15, US\$53m Feb 16, US\$19m Dec 16, US\$22m Mar 17

DEXUS Property Group 2012 Half Year Results Appendices – Slide 48



FOREIGN INCOME HEDGING & CROSS CURRENCY SWAP MATURITY PROFILE

Minimal foreign exchange risk due to natural hedging:

- Foreign balance sheet hedged¹: 85 %
- Foreign income hedged²: 80%

	HY12	FY12	FY13	FY14
Foreign income hedging profile				
Foreign exchange contracts (US\$m)	1.4	4.4	2.7	2.5
Average A\$/US\$ rate	0.6827	0.7098	0.6657	0.6798
Foreign exchange contracts (NZ\$m)	—	—	—	—
Average A\$/NZ\$ rate	—	—	—	—
Cross currency swap maturity profile				
€ maturities (€m)			40	
€ contract rate			0.7460	
CAD maturities (C\$m)		30	—	
C\$ contract rate		0.9346	—	

1. Excludes working capital and unrealised fair value of derivatives and fixed rate debt.

2. Hedging as % of total foreign exposure, including foreign interest expense ("natural hedging") and foreign exchange contracts.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 49



PORTFOLIO COMPOSITION

Income and lease expiry

	% Total income	FY12	FY13	FY14	FY15	FY16+
Office	59%	2%	8%	7%	7%	35%
Industrial	23%	2%	4%	4%	3%	10%
Industrial US	16%	1%	2%	2%	2%	9%
Industrial EU	2%	1%	0%	0%	0%	1%
Total	100%	6%	14%	13%	12%	55%

DEXUS Property Group 2012 Half Year Results Appendices – Slide 50



CORE PORTFOLIO Metrics

	Office	Industrial	Industrial US	Portfolio
Like-for-like income growth ¹	5.1% (↑2.0%)	(1.7%) (↓3.1%)	0% (↑8.3%)	2.4% ²
Occupancy by area	97.2% (↑1.0%)	96.1% (↓0.1%)	90.2% (↑5.8%)	92.0%
Average incentive	16.5% (↑0.1%)	6.7% (↑3.6%)	15.1% (↑1.3%)	
Retention ^{1,3}	73% (↓3.0%)	77% (↑6.0%)	50% (↓15.0%)	
Area leased sqm (% portfolio)	31,972 ⁵ (5%)	109,529 (9%)	305,179 (14%)	
Average rental increase	4.0% (↓0.6%)	(5.9%) (↑1.4%)	(14.5%) (↓1.8%)	
Average fixed increase on leased portfolio	4.2% (↑0.5%)	3.3% (↓0.1%)	2.0%	
Over/(under) rented ¹	(2.9%) (↑0.6%)	6.0% (↑1.0%)	16.3% (↑9.4%)	
Total value	\$4,575m	\$1,679m	\$1,283m	\$7,626m
Value per sqm ⁴	\$7,674	\$1,281	\$588	
Average cap rate	7.3%	8.6%	7.3%	7.5% ²

1. Variances compared to Dec 10 period. All other variances compared to Jun 11.

2. Excludes Europe.

3. Rolling 12 months.

4. Includes DXS's share of equity accounted investments.

5. Includes 5,688sqm development leasing

DEXUS Property Group 2012 Half Year Results Appendices – Slide 51



OFFICE Key portfolio statistics

	Dec 2010 ²	Dec 2011 ²
Net operating income	\$127.2m	\$141.0m
NOI change	4.3%	10.8%
Like-for-like	3.1%	5.1%
Occupancy (area)	96.5%	97.2%
Occupancy (income)	97.0%	96.5%
Over/(under) rented	(3.5%)	(2.9%)
Retention rates ¹	76%	73%
Lease duration (income)	5.6yrs	5.1yrs
Portfolio value	\$4.3bn	\$4.6bn
Average cap rate	7.5%	7.3%

View of Circular Quay including 1 Bligh, Gateway and Australia Square, Sydney, NSW



1. Rolling 12 months.

2. Includes DXS's share of equity accounted investments.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 52



OFFICE

Portfolio composition – leased by area

	Occupancy 30 June 2011	Expiries sqm	Renewals sqm	New sqm	Other sqm	L4L closing occupancy	Transaction impact ¹	Occupancy 31 Dec 2011
Current period leases	96.2%	(6,560)	1,686	12,400	(394)	97.0%	0.2%	97.2%
Future periods leases	—	(17,886)	17,886	—	—	—	—	—
Total square metres	536,899	(24,446)	19,572	12,400	(394)	544,031	35,247	579,278
Retention								
— Rolling 12 months ²								73%

1. Inclusion of 123 Albert Street following practical completion.
2. By area.

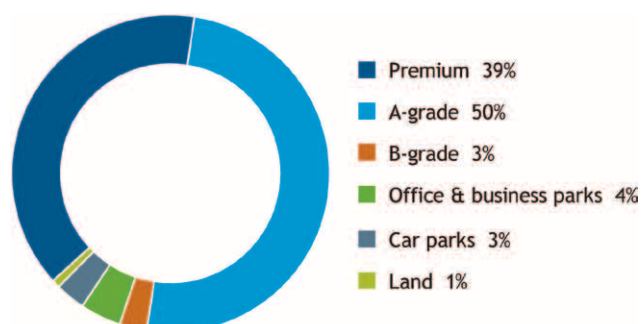
DEXUS Property Group 2012 Half Year Results Appendices – Slide 53



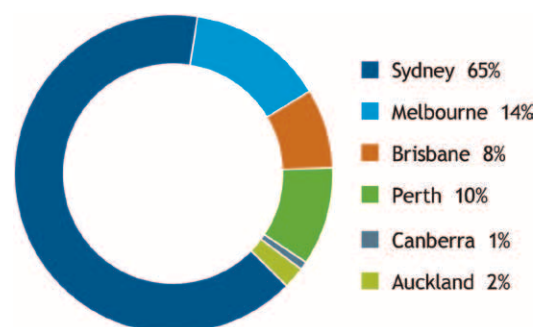
OFFICE

Portfolio diversification

Property type by book value



Geographical weighting by book value



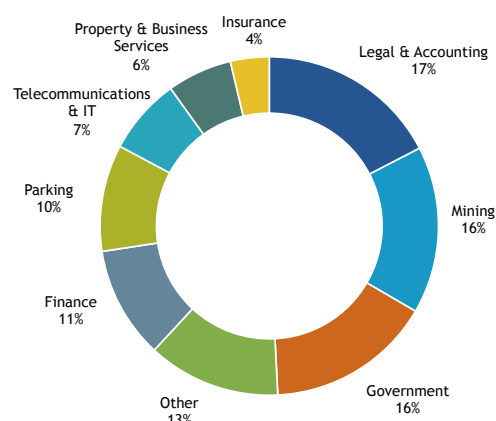
DEXUS Property Group 2012 Half Year Results Appendices – Slide 54



OFFICE Top ten tenants

Tenant	S&P rating ¹	% of NOI
Woodside Energy	BBB+ negative	7.5%
S&K Car Park Management	Not rated	6.8%
Commonwealth of Australia (Govt)	AAA stable	5.1%
Rio Tinto	A- stable	4.7%
State of NSW	AAA stable	4.2%
Lend Lease	BBB- stable	2.8%
State of Victoria	AAA stable	2.4%
IBM Australia	A+ stable	2.4%
Mallesons	Not rated	2.3%
Clayton Utz	Not rated	2.1%

Diversity of tenants by income



1. As at 13 February 2012.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 55



OFFICE NABERS upgrade program

	30 June 2011	31 December 2011
Capital expenditure ^{1,2}	\$20.5m	\$25.3m
NABERS Energy rating – with green power (period end) ¹	3.4	3.5
NABERS Energy rating – without green power (period end) ¹	3.0	3.0
NABERS Water rating (period end) ¹	3.1	3.2

- Estimated cost to complete the NABERS upgrade program is \$6.7 million³

1. DXS listed portfolio only.
2. Cumulative spend at period end.
3. DXS share.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 56



OFFICE NABERS ratings

Rating status ¹	NABERS Energy				NABERS Water	
	Jun 2011		Dec 2011		Jun 2011	Dec 2011
	Inc GP	Ex GP	Inc GP	Ex GP		
The Zenith, 821 Pacific Highway, Chatswood	3.5	2.5	4.0	3.0	2.0	3.0
11 Talavera Road, Macquarie Park	3.5	3.5	3.5	3.5	4.0	4.0
40-50 Talavera Road, Macquarie Park	2.0	2.0	1.5	1.5	2.0	2.0
130 George Street, Parramatta ¹	—	—	—	—	3.0	3.5
Victoria Cross, 60 Miller Street, North Sydney	3.0	2.5	3.0	2.5	3.5	3.5
45 Clarence Street, Sydney	3.5	3.0	3.5	3.0	3.0	3.0
201-217 Elizabeth Street, Sydney	2.5	2.0	2.5	2.0	3.5	3.0
Governor Phillip Tower, 1 Farrer Place, Sydney	4.0	3.0	4.0	3.0	3.0	3.5
Governor Macquarie Tower, 1 Farrer Place, Sydney	4.5	3.5	4.5	3.5	4.0	3.5
Australia Square — Tower	5.0	4.0	5.0	4.0	3.5	3.5
Australia Square — Plaza	5.0	4.5	5.0	4.5	4.0	4.0
309 Kent Street, Sydney	4.0	3.5	4.0	3.5	3.5	3.5
321 Kent Street, Sydney	4.0	3.5	4.0	3.5	3.5	3.5

1. Ratings including and excluding Green Power (GP).

DEXUS Property Group 2012 Half Year Results Appendices — Slide 57



OFFICE NABERS ratings

Rating status ¹	NABERS Energy				NABERS Water	
	Jun 2011		Dec 2011		Jun 2011	Dec 2011
	Inc GP	Ex GP	Inc GP	Ex GP		
383-395 Kent Street, Sydney	4.0	3.5	4.0	3.5	3.5	3.5
One Margaret Street, Sydney	3.5	3.0	3.5	3.0	2.0	2.0
44 Market Street, Sydney	2.5	2.0	2.0	1.5	2.5	2.5
30-34 Hickson Road, Sydney	5.0	4.5	5.0	4.5	2.5	3.5
Garema Court, 140-180 City Walk, Canberra	3.0	3.0	3.5	3.5	—	—
14 Moore Street, Canberra	3.5	3.0	2.5	2.5	2.5	3.5
172 Flinders Gate, Melbourne ¹	2.5	2.0	3.0	2.5	3.5	3.0
189 Flinders Gate, Melbourne ¹	2.5	2.5	3.5	3.0	—	1.0
8 Nicholson Street, Melbourne	3.0	3.0	3.5	3.5	4.5	3.5
Southgate Complex — HWT Tower	3.5	3.5	4.0	3.5	3.0	3.5
Southgate Complex — IBM Tower	4.0	3.5	4.0	3.5	3.0	4.0
Woodside Plaza, 240 St Georges Terrace, Perth	2.0	1.5	2.0	1.5	3.0	3.0
Total	3.4	3.0	3.5	3.0	3.1	3.2

1. Ratings including and excluding Green Power (GP).

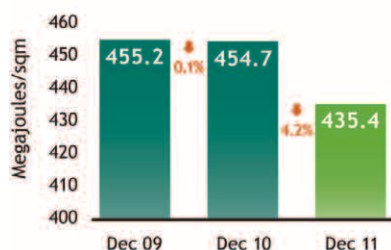
DEXUS Property Group 2012 Half Year Results Appendices — Slide 58



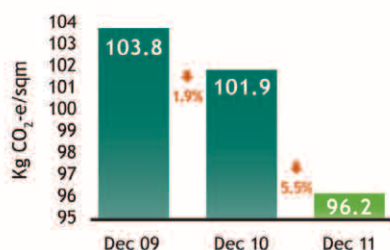
OFFICE

Resource consumption

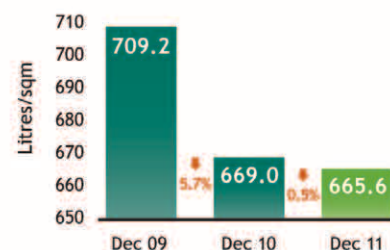
DXS office energy intensity



DXS office GHG intensity



DXS office water intensity



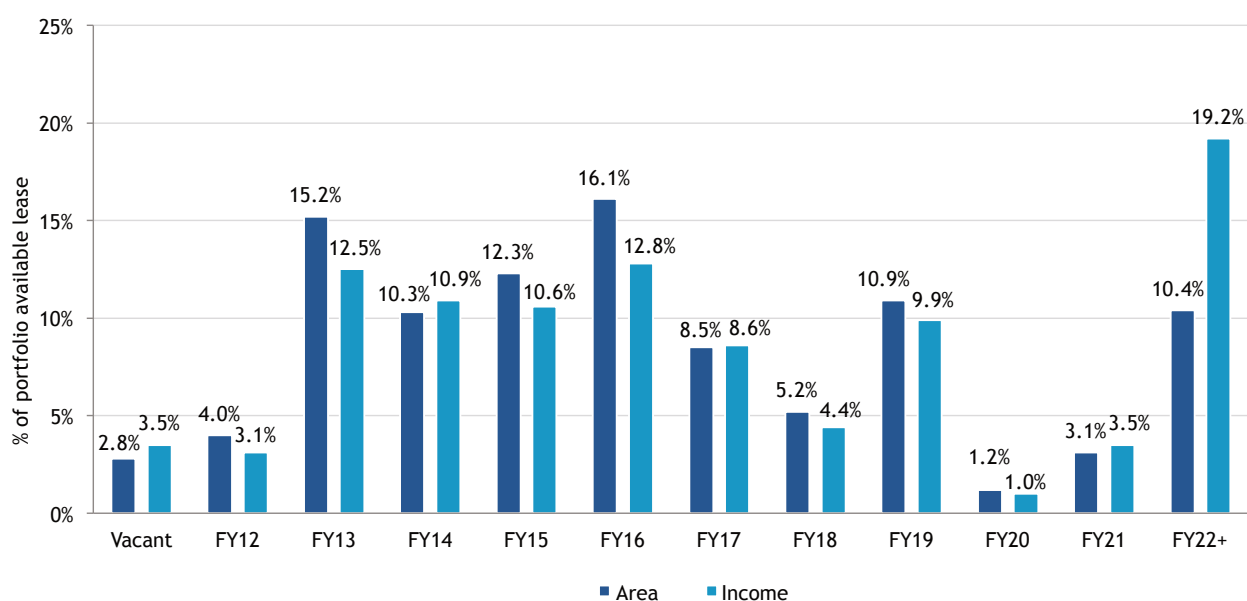
Source: Ward Consulting.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 59



OFFICE

Lease expiry profile at 31 December 2011



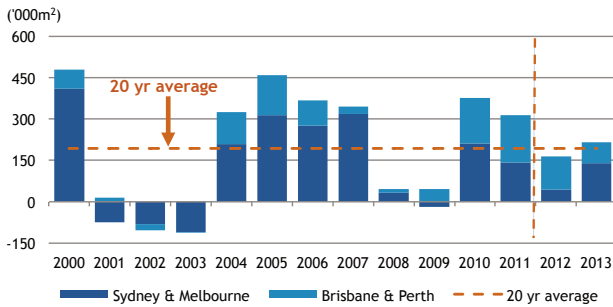
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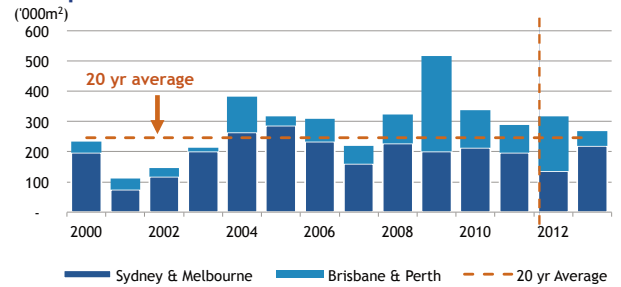
OFFICE

CBD office outlook – Sydney, Melbourne, Brisbane & Perth

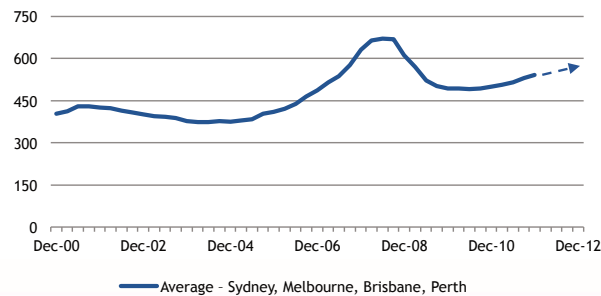
Net demand has weakened in the past 6 months



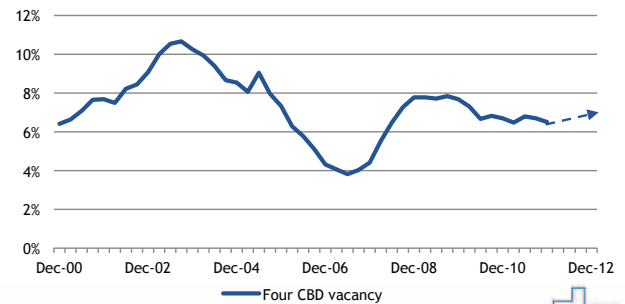
Completions subdued



Gross effective rent – modest growth



Vacancy relatively stable



Sources: Jones Lang LaSalle actual and DEXUS forecast.

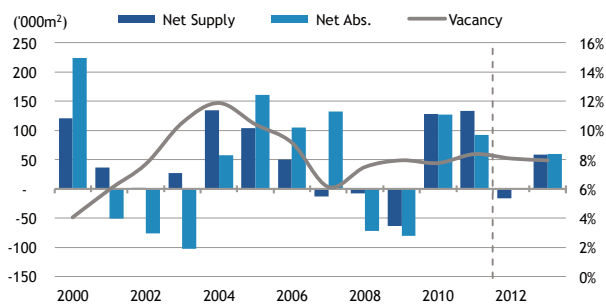
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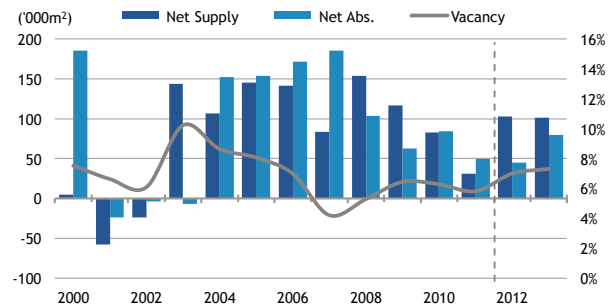
OFFICE

Demand – supply balance

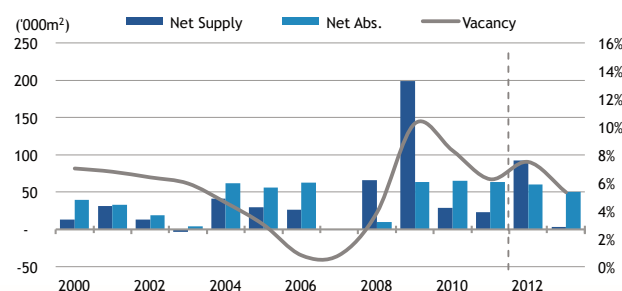
Sydney CBD



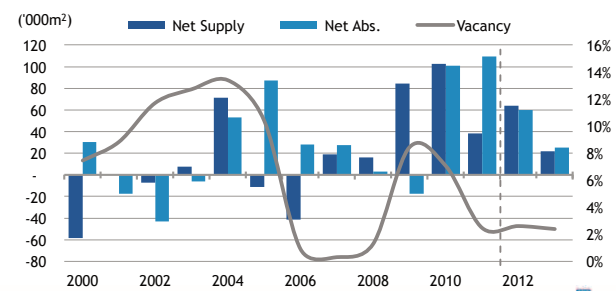
Melbourne CBD



Brisbane CBD



Perth CBD



Sources: Jones Lang LaSalle actual and DEXUS forecast.

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INDUSTRIAL

Key portfolio statistics

	Dec 2010	Dec 2011
Net operating income	\$56.8m	\$58.4m
NOI change	7.8%	2.8%
Like-for-like	1.4%	(1.7)%
Occupancy (area)	97.4%	96.1%
Occupancy (income)	97.0%	95.1%
Over/(under) rented	5.0%	6.0%
Retention rates ¹	71%	77%
Lease duration (income)	4.5yrs	4.3yrs
Portfolio value	\$1.6bn	\$1.7bn
Average cap rate	8.7%	8.6%



94-106 Lenore Drive, Erskine Park, NSW

1. Rolling 12 months.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 63



INDUSTRIAL

Portfolio composition – leased by area

	Occupancy 30 June 2011	Expiries sqm	Renewals sqm	New sqm	Other sqm	L4L closing occupancy	Transaction impact	Occupancy 31 Dec 2011
Current period leases	96.2%	(22,862)	15,822	4,887	561	96.1%	0.0%	96.1%
Future periods leases	—	(24,164)	21,363	2,801	—	—	—	—
Total square metres	1,059,248	(47,026)	37,185	7,688	561	1,057,656	17,004	1,074,660
Retention								
— Rolling 12 months ¹								77%

1. By area.

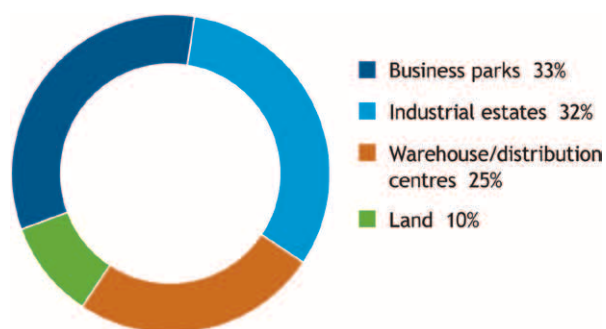
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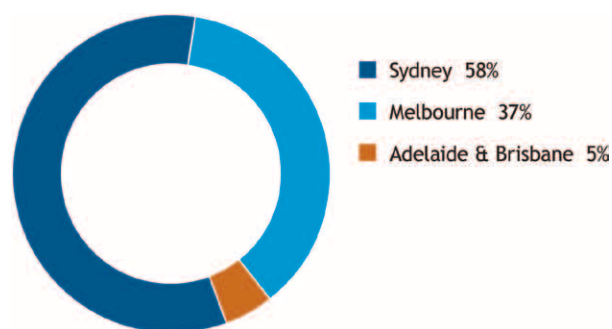
INDUSTRIAL

Portfolio diversification

Property type by book value



Geographical weighting by book value

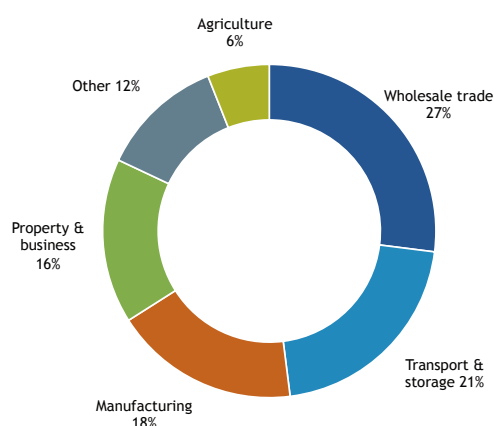


INDUSTRIAL

Top 10 tenants

Industrial	S&P rating ¹	% of NOI
Wesfarmers Limited	A- stable	6.5%
Elders Ltd	A- stable	5.6%
Visy Pet Pty Ltd	Not rated	3.6%
IBM Australia Limited	A+ stable	3.1%
DHL	BBB+ neg watch	2.6%
Toll Transport Pty Ltd	Not rated	2.5%
Fujitsu	A- stable	2.5%
Commonwealth of Australia (Govt)	AAA stable	2.2%
Salmat Business Force Pty Ltd	Not rated	2.2%
Foster's Australia Ltd	BBB stable	2.0%

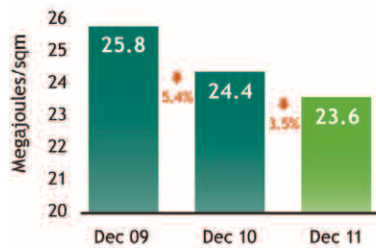
Diversity of tenants by income



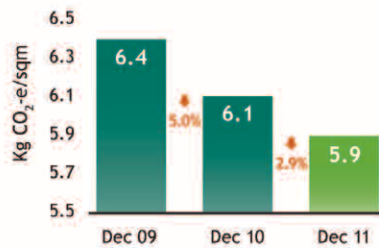
1. As at 13 February 2012.

INDUSTRIAL Resource consumption

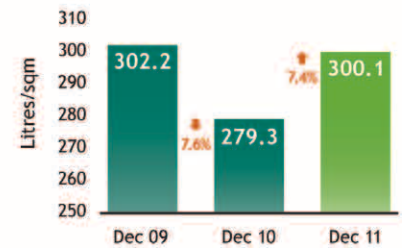
DXS industrial energy intensity



DXS industrial GHG intensity



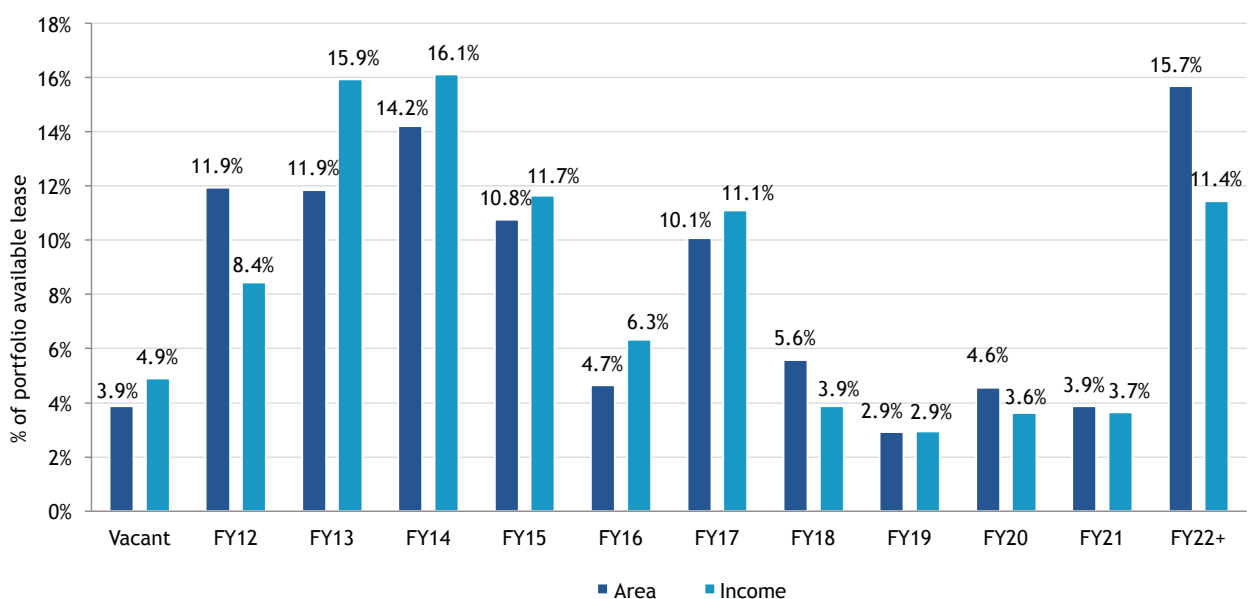
DXS industrial water intensity



Source: Ward Consulting.

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INDUSTRIAL Lease expiry profile at 31 December 2011



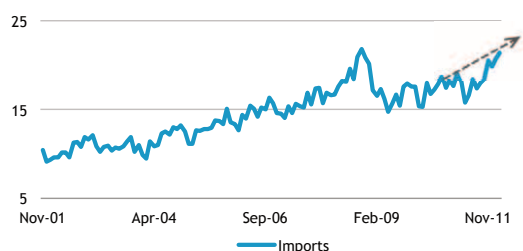
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INDUSTRIAL

National outlook

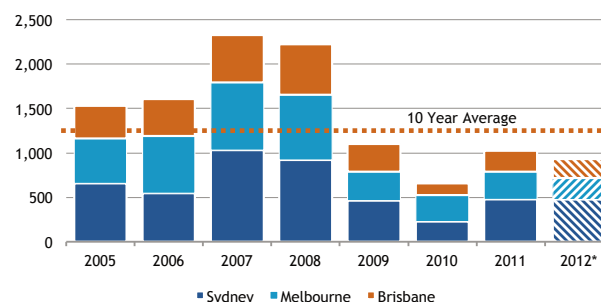
Merchandise imports rising

\$billion/month



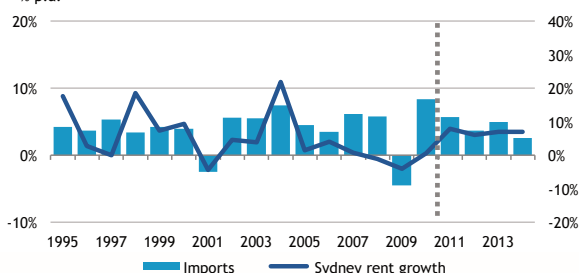
Industrial supply subdued

('000m²)



Industrial imports and rent growth

% p.a.



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

DEXUS Property Group 2012 Half Year Results Appendices – Slide 69



INDUSTRIAL US

Key portfolio statistics

	Dec 2010	Dec 2011
Net operating income	US\$39.4m	US\$38.6m
Net operating income ¹	A\$41.6m	A\$37.6m
NOI change (USD)	(16.0%)	(2.0%)
Like-for-like (USD)	(8.3%)	0%
Occupancy (area)	86.4%	90.2%
Occupancy (income)	87.4%	91.8%
Over/(under) rented	6.9%	16.3%
Retention rates ²	65%	50%
Lease duration (income)	4.7yrs	4.4yrs
Portfolio value	US\$1.3bn	US\$1.3bn
Portfolio value ¹	A\$1.3bn	A\$1.3bn
Average cap rate	8.1%	7.3%



1777 S Vintage Avenue, Ontario, CA

1. At prevailing US/AUD FX rates (not constant currency).
2. Rolling 12 months.

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INDUSTRIAL US

Portfolio composition – leased by area

	Occupancy 30 June 2011	Expiries m sf	Renewals m sf	New m sf	Other m sf	L4L closing occupancy	Transaction impact	Occupancy 31 Dec 2011
Current period leases	84.4%	(1.9)	1.0	1.9	0.0	89.9%	0.3%	90.2%
Future periods leases		(0.3)	0.4	—	—			
Total m sf	19.9	(2.2)	1.4	1.9	0.0	21.1	0.1	21.2
Retention								
— Rolling 12 months ¹								50%

1. By area.

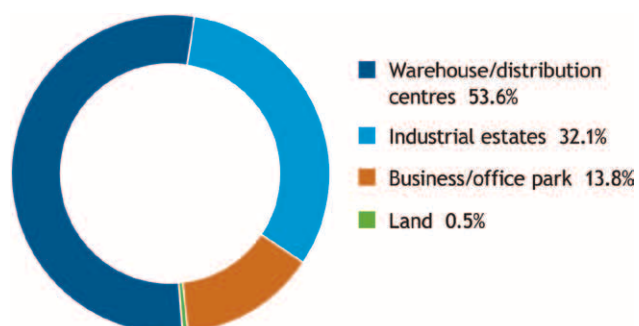
DEXUS Property Group 2012 Half Year Results Appendices – Slide 71



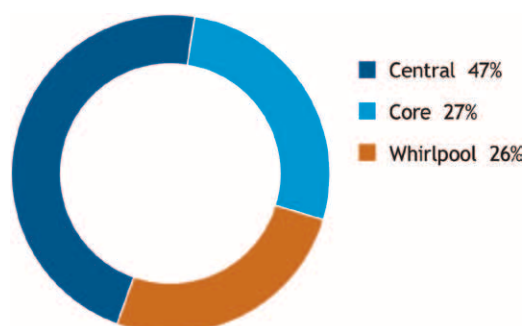
INDUSTRIAL US

Portfolio diversification

Property type by book value



Geographical weighting by book value



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INDUSTRIAL US

Portfolio data

31 December 2011	Area sf (million)	Occupancy	Occupancy average	WALE ¹	Retention rolling 12 mth
West coast portfolio	4.1	86.3%	89.2%	3.6 years	45%
Whirlpool portfolio	6.2	100.0%	100.0%	7.1 years	—
Central portfolio	13.1	86.8%	79.9%	3.5 years	52%
Total	23.4	90.2%	86.8%	4.4 years	50%

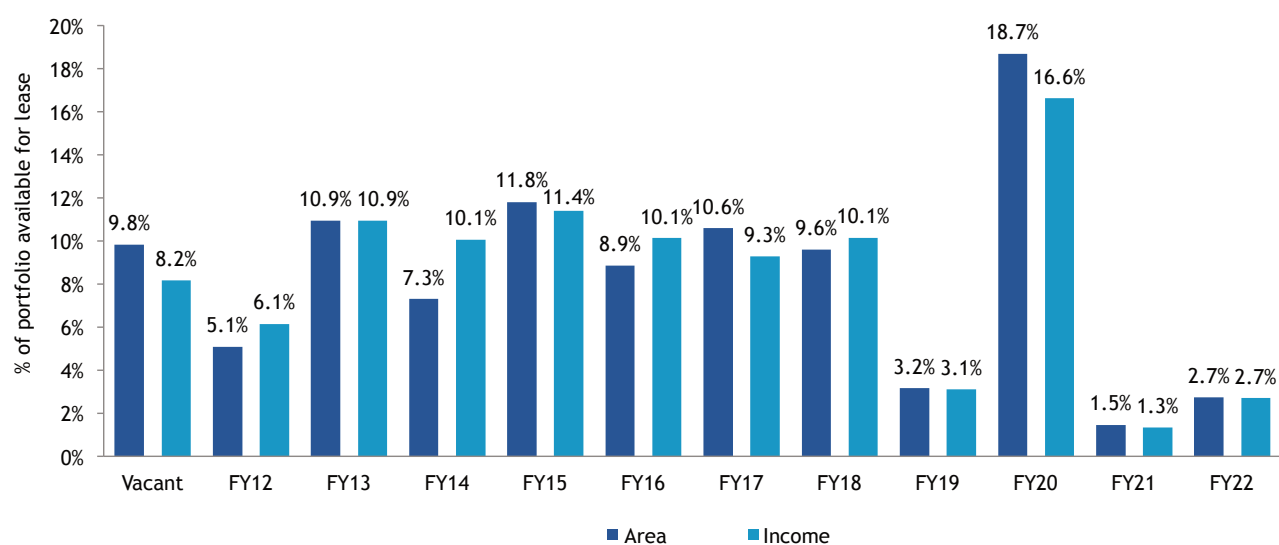
1. By income.

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INDUSTRIAL US

Lease expiry profile at 31 December 2011



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INDUSTRIAL US

Major tenants by income

	S&P rating	% of NOI
Whirlpool	BBB- positive	24.3%
Advanced Bionics	Not rated	3.3%
US Government	AA+ negative	3.0%
Living Spaces	Not rated	2.3%
Fedex	BBB stable	1.9%
Fiesta Warehousing & Distributors	Not rated	1.3%
US Xpress	B rating	1.3%
Michaels Stores	B-positive	1.1%
States Logistics Services	Not rated	1.0%
B&E Storage	Not rated	1.0%

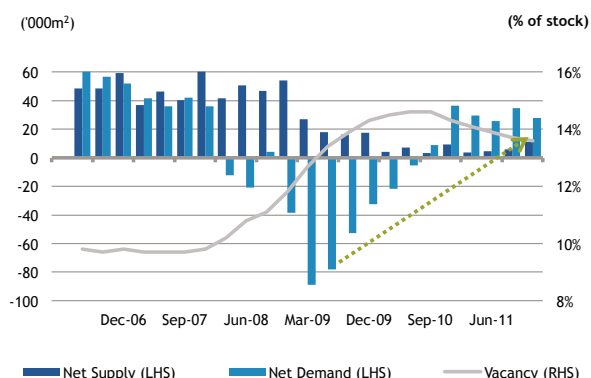


1401 E Cedar Street, Ontario, CA

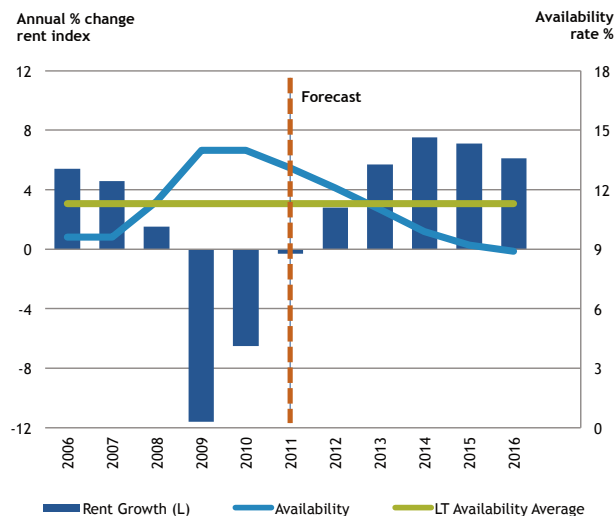
INDUSTRIAL US

Net demand positive

Total US Industrial – net demand positive



Rent growth outlook



INDUSTRIAL EUROPE

Key portfolio statistics

	Dec 2010	Dec 2011
Net operating income	€5.8m	€4.1m
Net operating income ¹	A\$8.1m	A\$5.4m
Occupancy (area)	84.7%	75.5%
Occupancy (income)	90.5%	87.2%
Lease duration (income)	3.1yrs	2.1yrs
Portfolio value	€132m	€70m
Portfolio value ¹	A\$173m	A\$89m
Average cap rate ²	7.8%	n/a

Top 5 tenants	% of NOI
Woolworths	14.4
Coca Cola	11.3
Deutsche Post Immobilien GmbH	10.4
Relais Colis	10.0
Schober Grundstücksverwaltung GmbH	8.6

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

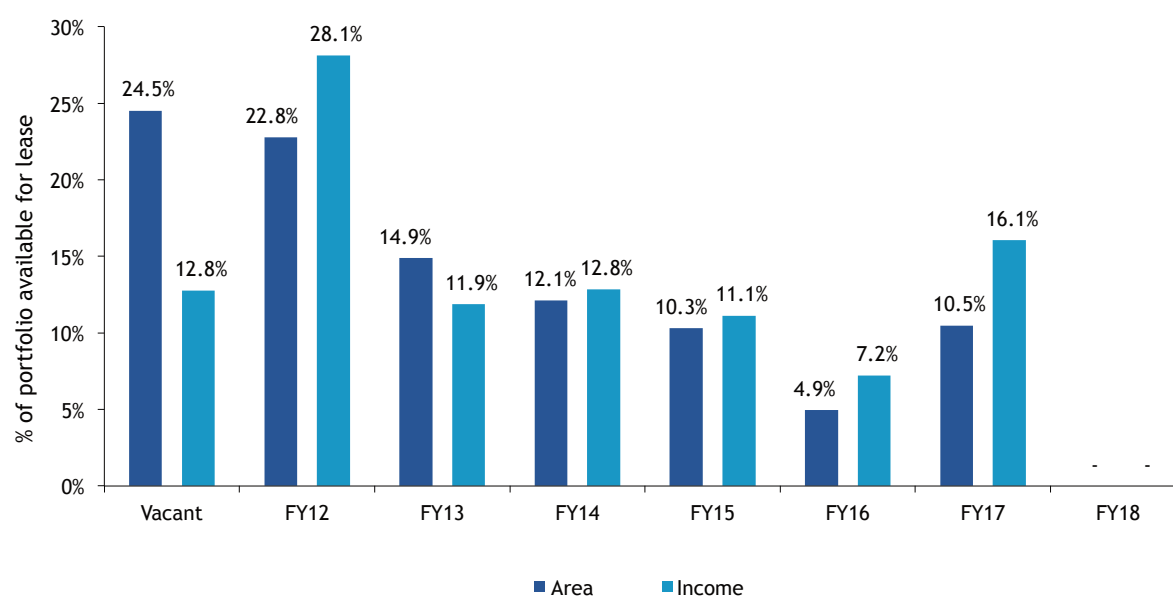
2. Due to certain assets being held at Directors' valuation, weighted average cap rate as at 31 December 2011 is not applicable.

DEXUS Property Group 2012 Half Year Results Appendices – Slide 77



INDUSTRIAL EUROPE

Lease expiry profile at 31 December 2011



DEXUS Property Group 2012 Half Year Results Appendices – Slide 78



EXCHANGE RATES USED IN STATUTORY ACCOUNTS

		Dec 2010	June 2011	Dec 2011
Closing rates for Statement of Financial Position	USD	1.0163	1.0739	1.0156
	EUR	0.7647	0.7405	0.7847
	NZD	1.3171	1.2953	1.3145
	CAD	1.0167	1.0389	1.0364
Average rates for Net Operating Income	USD	0.9431	0.9865	1.0280
	EUR	0.7132	0.7247	0.7444
	NZD	1.2803	1.3037	1.2823
	CAD	0.9698	0.9868	1.0313

GLOSSARY

Constant currency:	Items shown at constant currency for Dec 10 have been restated using the Dec 11 average FX rates for comparative purposes.
Distribution payout policy:	Distribution paid will be 70% of Funds From Operations (FFO).
Funds From Operations:	Funds From Operations (FFO) is often used as a measure of real estate operating performance after finance costs and taxes. DXS's FFO comprises profit/loss after tax attributable to stapled security holders measured under Australian Accounting Standards and adjusted for: property revaluations, impairments, derivative and FX mark to market impacts, amortisation of certain tenant incentives, gain/loss on sale of certain assets, straight line rent adjustments, deferred tax expense/benefit and DEXUS RENTS Trust capital distribution.
Gearing:	Gearing is represented by Interest Bearing Liabilities (excluding deferred borrowing costs and including the fair value of cross currency swaps) 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 Business EBIT:	Comprises Responsible Entity fee revenue, third party fee revenue, trading profits and corporate expenses including employee costs for the DEXUS Group.
Management Business Contribution to FFO:	Comprises third party fee revenue, trading profits and corporate expenses including employee costs for the DEXUS Group.
Non-cash items:	Includes property revaluations, impairment of goodwill, derivative MTM, gain on sale and deferred tax.
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.
Weighted Average Lease Expiry (WALE):	A measure, in years, of the average term to expiry of in-place rent. Excludes vacancies.

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2012

DEXUS Property Group
HALF YEAR RESULTS
PRESENTATION
15 February 2012



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



