

DEXUS Property Group (ASX:DXS)

ASX release

12 August 2015

2015 Annual results presentation

DEXUS Funds Management Limited, as responsible entity for DEXUS Property Group provides the attached 2015 annual results presentation.

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About DEXUS

DEXUS Property Group is one of Australia's leading real estate groups, investing directly in high quality Australian office and industrial properties. With \$19.1 billion of assets under management, the Group also actively manages office, industrial and retail properties located in key Australian markets on behalf of third party capital partners. The Group manages an office portfolio of 1.7 million square metres located predominantly across Sydney, Melbourne, Brisbane and Perth and is the largest owner of office buildings in the Sydney CBD, Australia's largest office market. DEXUS is a Top 50 entity by market capitalisation listed on the Australian Securities Exchange under the stock market trading code 'DXS' and is supported by more than 32,000 investors from 21 countries. With more than 30 years of expertise in property investment, development and asset management, the Group has a proven track record in capital and risk management, providing service excellence to tenants and delivering superior risk-adjusted returns for its investors. www.dexus.com

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

DEXUS PROPERTY GROUP

2015 ANNUAL RESULTS PRESENTATION - 12 AUGUST 2015



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- } Darren Steinberg, CEO
- } Craig Mitchell, Executive Director Finance & COO
- } Kevin George, EGM Office and Industrial
- Craig Mitchell
- Ross Du Vernet, EGM Strategy, Transactions & Research
- Darren Steinberg

DEXUS TODAY

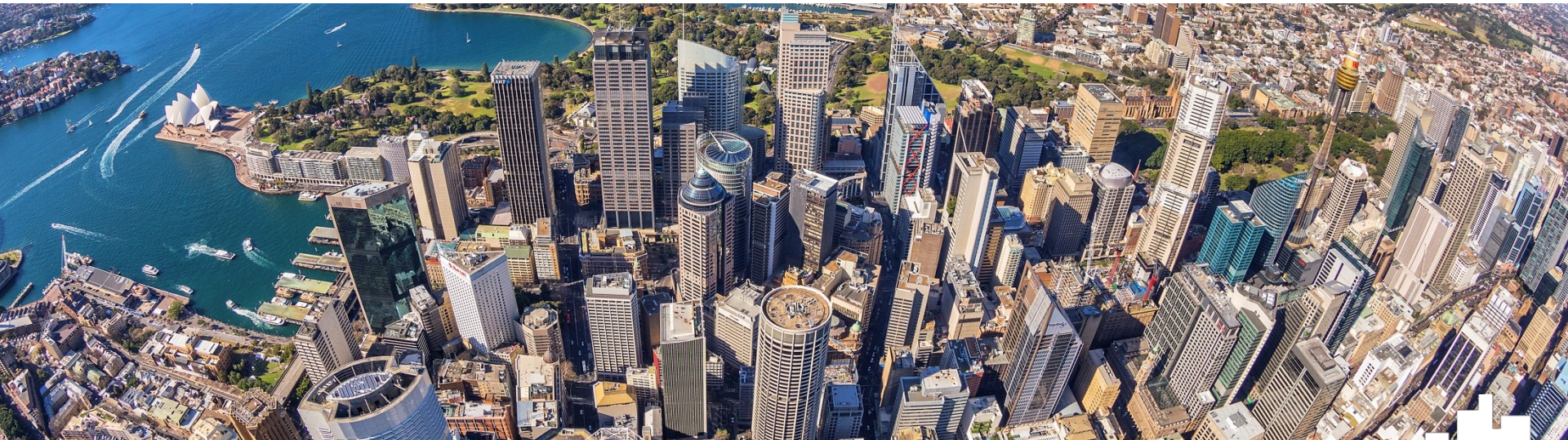
Australia's largest prime office portfolio

A significant and growing Third Party Funds Management business

A deep pipeline of value enhancement opportunities

8.6% p.a. growth in distributions and 15.8% p.a. TSR¹ since FY12

Underpinned by a strong balance sheet



1. Compound annual total security holder return over the three years to 30 June 2015.

GROUP HIGHLIGHTS – For the year ended 30 June 2015

KEY RESULTS ACHIEVED

11.5% Return on equity

9.3% Growth in FFO and distribution per security

HOW RESULTS WERE ACHIEVED

394,133sqm Leased across DEXUS total portfolio¹

10% Increase in third party funds under management

41bps Management expense ratio²

\$42.6m Trading profits³ realised

1. At 100% including Heads of Agreement across DEXUS office and industrial portfolios.
2. Management Expense Ratio is calculated as costs arising from managing DEXUS assets and corporate activity for the 12 months divided by closing balance sheet funds under management at the end of the financial year.
3. Trading profits generated less FFO tax expense that is being recognised for Rosebery in the year.

GROUP HIGHLIGHTS – Key earnings drivers

	PROPERTY PORTFOLIO	FUNDS MANAGEMENT & PROPERTY SERVICES	TRADING
FY15 TARGET	Positive like-for-like income growth	\$35-40 million	Approximately \$40 million
FY15 RESULT	\$645.6 million 95.3% office portfolio occupancy Total portfolio +0.3% L-F-L income growth ³	\$37.9 million DEXUS Office Partnership delivered a levered one-year total return to DEXUS of 20.4%	\$42.6 million²
	89% FFO¹	5% FFO¹	6% FFO¹
	UNDERLYING BUSINESS		TRADING

1. FFO contribution is calculated before Finance costs and Group corporate costs.
2. Trading profits generated less FFO tax expense that is being recognised for Rosebery in the year.
3. Like-for-like income growth is calculated on an effective basis.

FINANCIAL RESULTS



FINANCIAL RESULTS – Key financial metrics

Business contributions to FY15 FFO		FY14	FY15	Change
Underlying FFO ¹	\$m	442.3	501.9	↑ 13.5%
Trading profits (net of tax) ²	\$m	4.3	42.6	↑ 890.7%
Funds from Operations (FFO)	\$m	446.6	544.5	21.9%
Underlying FFO per security ³	cps	53.9	54.8	↑ 1.7%
FFO per security ³	cps	54.4	59.5	↑ 9.3%
Other key financial performance metrics		FY14	FY15	Change
Adjusted Funds from Operations (AFFO) ⁴	\$m	310.7	369.8	↑ 19.0%
Distribution per security ³	cps	37.56	41.04	↑ 9.3%
Statutory Net profit	\$m	406.6	618.7	↑ 52.2%
Other key metrics		FY14	FY15	Change
Gearing ⁵		33.7%	28.5% ⁶	↓ 5.2ppt
NTA per security ³		\$6.36	\$6.68	↑ 5.0%

1. 'Underlying' FFO contribution excludes Trading profits (net of tax).

2. Trading profits generated less tax expense recognised for Rosebery in the year.

3. Prior period per security figures are adjusted for the one-for-six security consolidation completed in November 2014.

4. AFFO is calculated in line with the Property Council of Australia definition and comprises PCA FFO and adjusted for: maintenance capex, incentives (including rent free incentives) given to tenants during the period and other items which have not been adjusted in determining FFO. Refer to slide 38 for a detailed breakdown.

5. Adjusted for cash and for debt in equity accounted investments.

6. Pro-forma gearing is 29.3% post the receipt of proceeds from the divestment of the Rosebery and Mascot trading properties and the acquisition of the Waterfront Place complex which is expected to settle in October 2015.

FINANCIAL RESULTS – Funds From Operations

	30 Jun 2014 \$m	30 Jun 2015 \$m	Change \$m	Change %
Office property FFO	455.4	533.3	77.9	17.1%
Industrial property FFO	122.8	112.3	(10.5)	(8.6)%
Total property FFO	578.2	645.6	67.4	11.7%
Management operations	27.9	37.9	10.0	35.8%
Group corporate	(27.5)	(30.4)	(2.9)	10.5%
Net Finance costs	(139.4)	(150.8)	(11.4)	8.2%
Other ¹	3.1	(0.4)	(3.5)	(112.9)%
Underlying FFO²	442.3	501.9	59.6	13.5%
Trading profits (net of tax) ³	4.3	42.6	38.3	890.7%
FFO	446.6	544.5	97.9	21.9%
Adjusted Funds from Operations (AFFO)	310.7	369.8	59.1	19.0%
Distribution payout (% AFFO)	101.5%	100.5% ⁴		
Distribution	315.4	385.6⁴	70.2	22.3%

1. 'Other' income includes Development management fees.

2. 'Underlying' FFO excludes Trading profits (net of tax).

3. Trading profits generated less FFO tax expense recognised for Rosebery in the year.

4. The AFFO payout ratio has been adjusted to exclude the \$13.9m of distributions paid on new securities issued through the institutional placement and SPP announced in April 2015 which were fully entitled to the distribution for the six months ending 30 June 2015. The AFFO payout ratio was 104.3% including this amount.

CAPITAL MANAGEMENT – FY15 achievements and FY16 focus

FY15 ACHIEVEMENTS

Key metrics	30 Jun 14	30 Jun 15	Change
Gearing (look-through) ¹	33.7%	28.5% ²	↓ 5.2 ppt
Cost of debt ³	5.4%	5.2%	↓ 20 bps
Duration of debt	5.2 years	5.7 years	↑ 0.5 years
Hedged debt (ex caps) ⁴	51%	69%	↑ 18 ppt
S&P/Moody's credit rating	A-/A3	A-/A3	No change

FY16 FOCUS

Improve diversification and length of the debt profile

Maintain an average cost of debt of circa 4.9% in FY16

Maintain conservative gearing

1. Adjusted for cash and for debt in equity accounted investments.
2. Pro-forma gearing is 29.3% post the disposal of Rosebery/Mascot and the acquisition of the Waterfront Place Complex which is expected to settle in October 2015.
3. Weighted average across the period, inclusive of fees and margins on a drawn basis.
4. Average for the period. Hedged debt (including caps) was 76% for 12 months to 30 June 2015 and 60% for 12 months to 30 June 2014. DEXUS was 95% hedged (including caps) as at 30 June 2015.

PROPERTY PORTFOLIO



PROPERTY PORTFOLIO – Total returns underpinned by valuation uplift

FY15 RETURNS

9.6%
Office portfolio
one-year
total return

11.3%
Industrial portfolio
one-year
total return

Contributed to
11.5%
Return on Equity

FY15 VALUES

Office portfolio
values
up \$213.5m
or 2.8%

Industrial portfolio
values
up \$27.5m
or 1.6%

Total portfolio
valuation uplift of
\$241.0m
or 2.6%

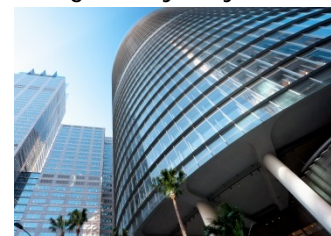
CAPITALISATION RATES

	30 June 2015	Change from 30 June 2014 ¹
DEXUS Office	6.71%	↓ 16bps
DEXUS Industrial	7.77%	↓ 55bps
Total DEXUS portfolio	6.88%	↓ 25bps

1. 30 June 2014 excludes DEXUS Office Partnership portfolio.

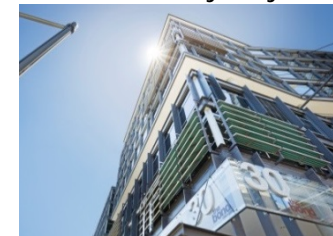
2. Reflects 100% of the DEXUS Office Partnership valuation uplift, of which DEXUS has a 50% share.

1 Bligh St, Sydney



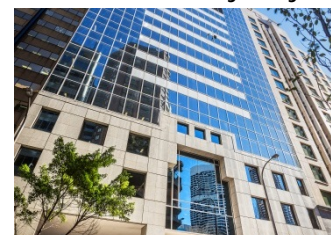
Up \$16.3m or 6.5%

30 The Bond, Sydney



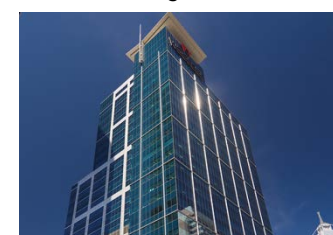
Up \$18.5m or 10.3%

45 Clarence St, Sydney



Up \$14.7m or 5.2%

240 St Georges Tce, Perth



Down \$19.8m or 4.0%

DEXUS Office Partnership properties



Up \$182.4m² or 5.2%

PROPERTY PORTFOLIO – Increased office leasing activity

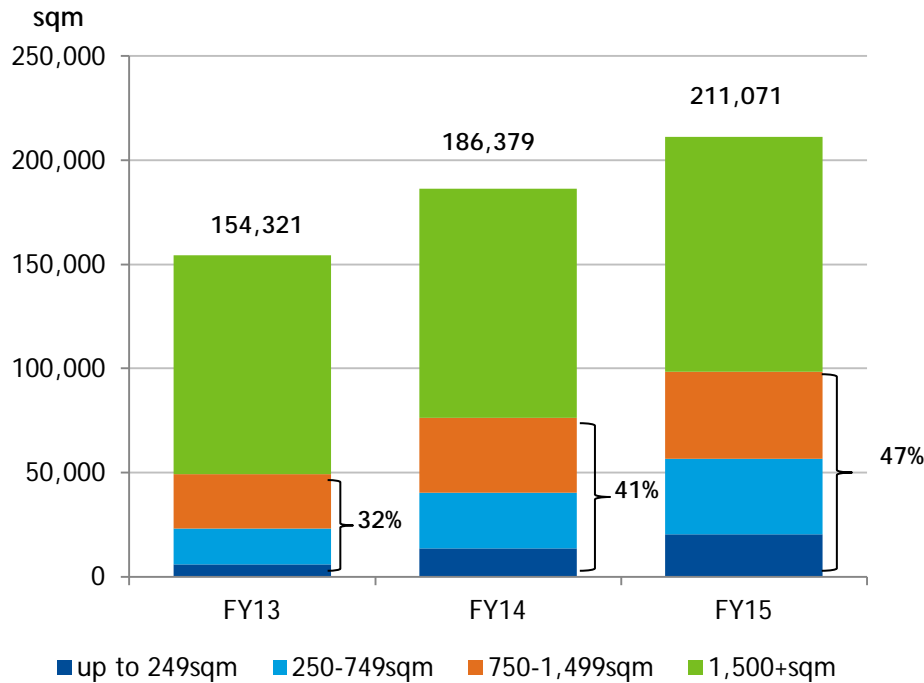
211,071sqm¹
Total office space leased across 303 deals

108,990sqm
101 renewals

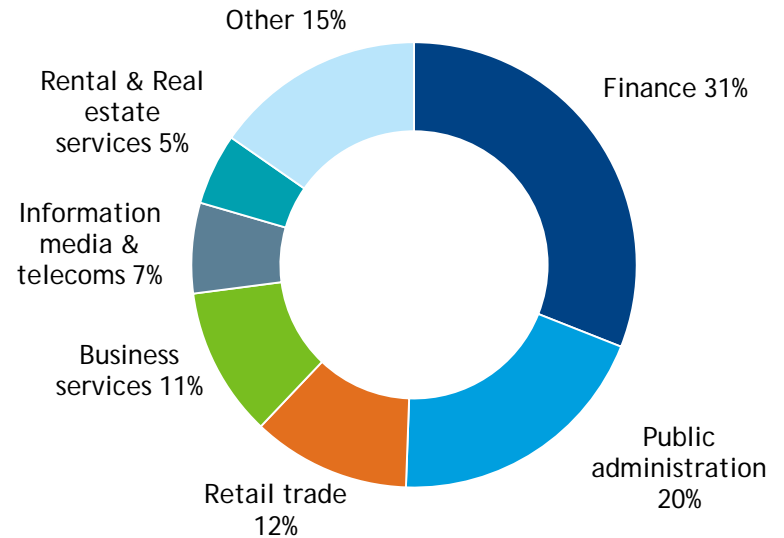
88,460sqm
185 new deals

13,620sqm
17 development deals

Office leasing by tenancy size



Office leasing by business sector



1. Including Heads of Agreement.

PROPERTY PORTFOLIO – Office FY15 performance and leasing metrics

KEY METRICS	95.3% Occupancy (FY14: 94.6%)	4.3yrs WALE (FY14: 4.7 years)
	9.6% Total return (FY14: 9.2% ¹)	+0.2% Like-for-like income growth ²

INCENTIVES	15.0% Average incentives (FY14: 18.6% ¹) Secured 85 effective deals
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RETENTION	61% (FY14: 61% ¹)
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AV. RENTAL GROWTH	+0.1% Face (3.2)% Effective
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UNDER-RENTING	(0.3)% Face (FY14: (0.7)%)
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150 George Street, Parramatta




CBA 21,964sqm

14 Lee Street, Sydney




State Govt of NSW 13,662sqm

130 George Street, Parramatta



**Commonwealth of Aust
12,273sqm**

45 Clarence Street, Sydney

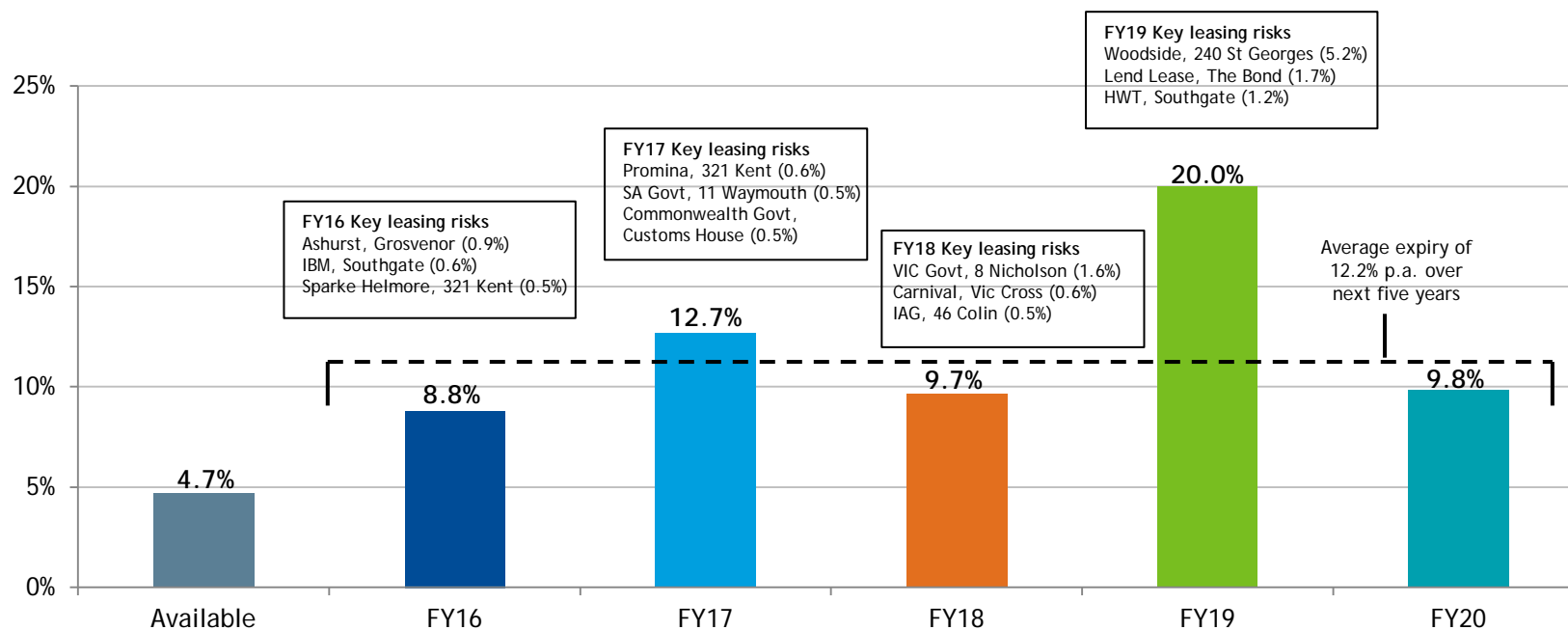


13 tenants across 10,758sqm

1. Excluding DEXUS Office Partnership properties.
2. Like-for-like income growth is calculated on an effective basis.

PROPERTY PORTFOLIO – Office lease expiry profile

- Active approach to leasing focused on maximising cash flow
- Increased office portfolio occupancy to 95.3%
 - Securing 8.9% of office portfolio income during FY15 (vacancy and rent at risk)
- Reduced WALE is a result of shorter-term leasing deals
 - Expectation that leases can be recalibrated on better terms in an improved market in the next few years
- Average expiry of 12.2% per annum over the next five years



Note: Key leasing risks boxes represent Tenant; Property; and percentage of office income.

PROPERTY PORTFOLIO – Industrial FY15 performance and leasing metrics

KEY METRICS	92.4% Occupancy (FY14: 93.0%)	4.0yrs WALE (FY14: 4.0 years)
	11.3% Total return (FY14: 9.0%)	+0.7% Like-for-like income growth ²

LEASING	183,062sqm Total industrial space leased ¹ across 75 deals		
	62,308sqm 30 renewals	95,104sqm 44 new deals	25,650sqm 1 development


INCENTIVES	10.8% Average incentives (FY14: 11.0%) Secured 34 effective deals
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RETENTION	53% (FY14: 41%)
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AV. RENTAL GROWTH	(4.6)% Face (7.7)% Effective
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OVER-RENTING	6.9% Face (FY14: 5.9%)
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15-23 Whicker Road, Gillman



Bevchain 22,294sqm

AXXESS Corporate Park,
Mt Waverley



46 tenants across 21,795sqm

Quarry at Greystanes



Yusen 12,506sqm

DEXUS Industrial Estate,
Laverton North



Linpac Packaging 11,886sqm

1. Including Heads of Agreement.

2. Like-for-like income growth is calculated on an effective basis.

PROPERTY PORTFOLIO – FY16 office and industrial focus

Maintain >95% occupancy in the DEXUS office portfolio

Reduce FY17 DEXUS office lease expiries to 10.0%

Expect flat like-for-like income across the combined DEXUS portfolio

Continue to focus on reducing incentives and undertake effective leasing deals



DEVELOPMENT



DEVELOPMENT – FY15 achievements

Ashurst moved in to 5 Martin Place, completed two Kings Square towers, and progressed 480 Queen Street

5 Martin Place, Sydney

Cost:	\$111m (25%)
Yield on cost ¹ :	7.3%
Final completion:	Sep-2015
Forecast Project IRR ² :	29%
WALE at PC:	8.4 years

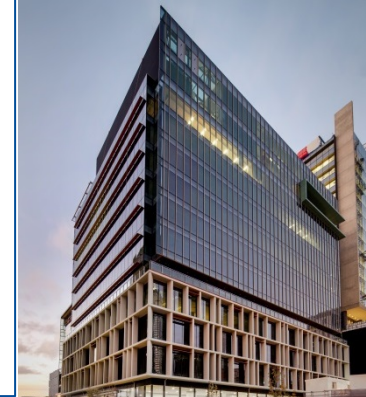
Ashurst moved in July 2015
Committed: 82% office 73% retail



Kings Square, Perth

Cost:	\$213m (50%)
Yield on cost ¹ :	8.2%
Final completion:	Sep-2015
Forecast Project IRR ³ :	15%
WALE at PC:	7.5 years

55% of office space committed with
100% of income secured under a 5yr
guarantee from practical completion



Achieved pre-commitment for a warehouse facility at Quarrywest



480 Queen Street, Brisbane

Cost:	\$288m (50%)
Yield on cost ¹ :	7.0-7.2%
Completion:	early 2016
Forecast Project IRR ⁴ :	17%
WALE at PC:	9.5 years

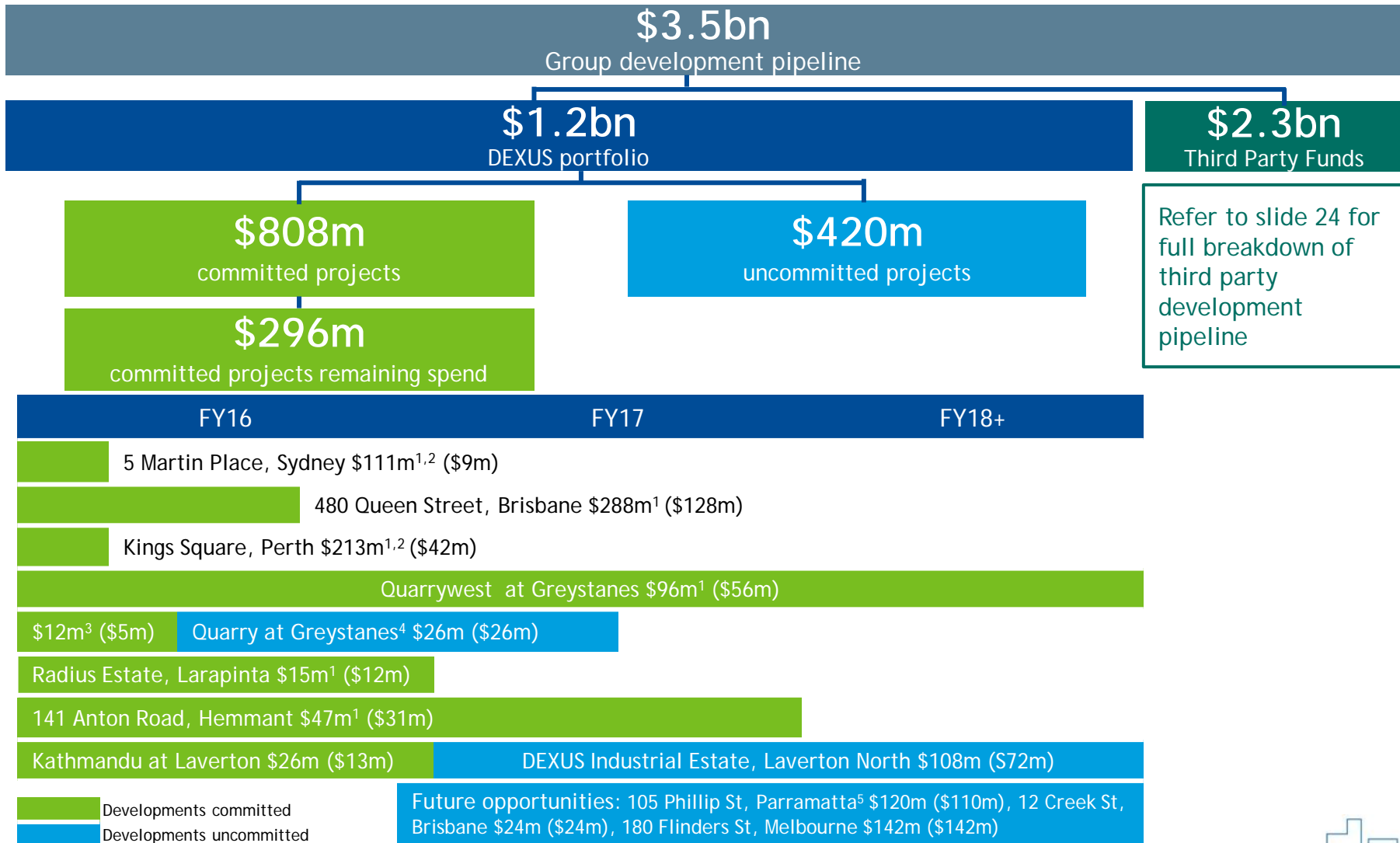
11 tenants secured with 81% office
space pre-committed
Otto Brisbane leased restaurant space
Topped out on 16 July 2015
100% of income secured under a 2yr
guarantee from practical completion



1. Initial net property income at completion divided by total development cost including capitalised interest.
2. 5 Martin Place unlevered Project IRR assumes 'as complete' cap rate of 5.625%.

3. Kings Square unlevered Project IRR assumes 'as complete' cap rate of 6.375%.
4. 480 Queen St unlevered Project IRR assumes 'as complete' blended cap rate of 7.26%.

DEVELOPMENT – DEXUS pipeline



Note: Development pipeline shows total estimated project cost and (est. cost to complete).

1. DEXUS interest in development costs.

2. Practical completion expected in September 2015.

DEXUS Property Group – 2015 Annual Results Presentation and Appendices

Slide 19

3. Lots WH11, WH12 and A4 are committed.



4. Lot A2 is uncommitted.

5. Also included in DEXUS trading pipeline. Property has DA approval for an office project.

TRADING

- >60% of FY15 trading profits before tax were generated from active repositioning of office properties
 - 50 Carrington Street, Sydney and 40 Market Street, Melbourne
- Tax expense accrued for in FY15 for Rosebery
- Settled on properties that comprise FY16 trading profits to deliver approximately \$60 million (post tax)

FY15	FY16	FY17	FY18+
30 Distribution Drive, Laverton ¹ Sold for \$19m (\$1m profit, 16.3% IRR)			
50 Carrington Street, Sydney ¹ Sold for \$88m (\$12m profit 13.2% IRR)			
40 Market Street, Melbourne ¹ Sold for \$105m (\$17m profit 26% IRR)			
5-13 Rosebery Ave and 22-55 Rothschild Ave, Rosebery ¹ Sold for \$190m (\$17m profit in FY15, \$74m profit in FY16)			
	154 O'Riordan Street, Mascot Sold for \$32m (approx. \$12m profit)		
		57-65 Templar Rd, Erskine Park	
		32 Flinders Street, Melbourne	
		Lakes Business Park, Botany (Southern site)	
		105 Phillip Street, Parramatta ²	
		14 properties in existing portfolio with development potential	
\$42.6m (post tax)	Approx. \$60m (post tax)	Target \$20m p.a. (pre tax)	

 Trading profits settled/secured
 Trading profits being progressed and yet to be secured

1. FY15 and FY16 trading profits quoted for each property are pre-tax.
 2. Also included in DEXUS development pipeline as property has DA approval for an office project.

DEVELOPMENT AND TRADING – FY16 focus

Deliver key office developments in Sydney, Perth and Brisbane

Progress industrial partnership developments

Progress the high priority opportunities in the trading pipeline



THIRD PARTY FUNDS MANAGEMENT



THIRD PARTY FUNDS MANAGEMENT – Delivering on clients' objectives

Third party funds under management increased by 10%¹

\$863m
Transactions²

\$2.3bn
Development pipeline

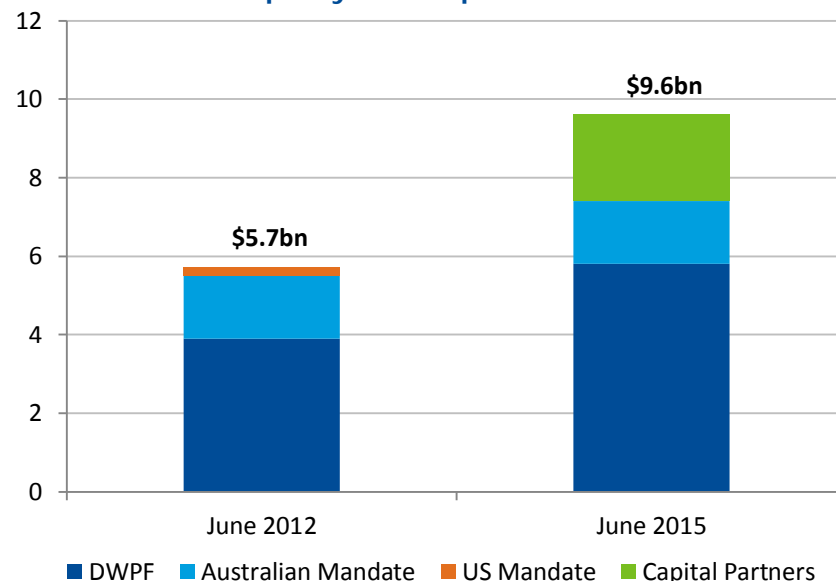
Acquired eight properties² on behalf of third party clients

Leased 74,834sqm of retail space and commenced three retail developments

DWPF continued to outperform benchmark over three and five year periods

DEXUS Office Partnership portfolio achieved a 12.7% unlevered total return

Growth of third party funds platform

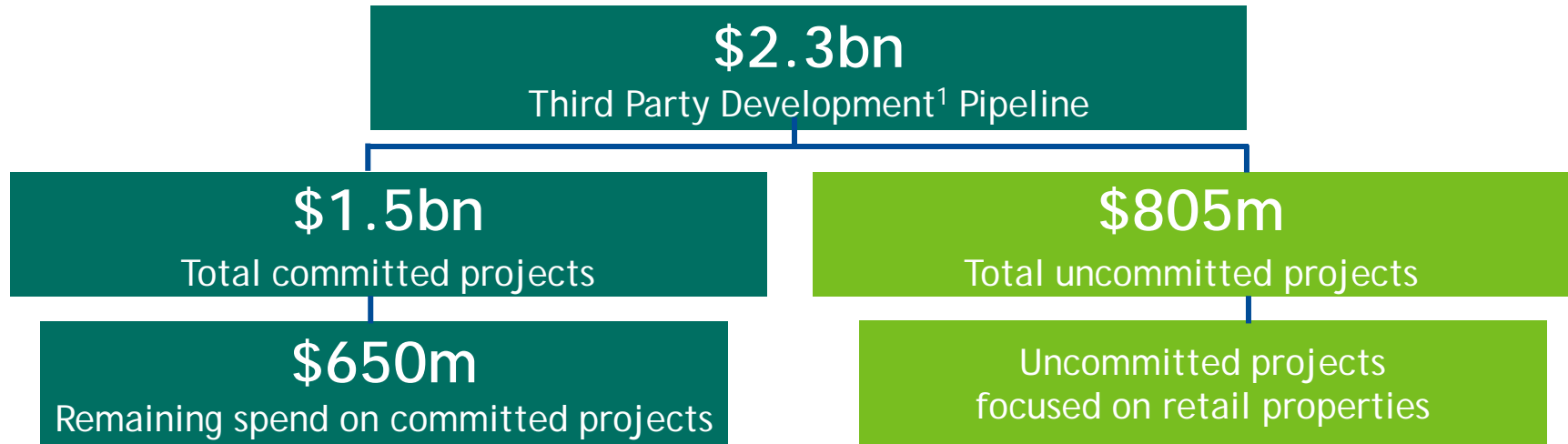


DWPF performance against benchmark

Total return (post fees)	One year	Three years	Five years
DWPF	9.83%	9.21%	9.77%
Benchmark ³	9.95%	9.00%	9.12%
Variance	(0.12)%	+0.21%	+0.65%

1. Compared to 30 June 2014.
2. Represents third party share of transactions undertaken. Includes the acquisition of Waterfront Place complex in Brisbane which is expected to settle in October 2015.
3. Mercer IPD Post Fee Net Asset Weighted Index (Net returns, Net Asset weighted).

THIRD PARTY FUNDS MANAGEMENT – Pipeline of organic growth



Remaining spend on committed projects in Third Party Funds

Committed projects	FY16	FY17	FY18/19
Office - 5 properties	\$310m		
Retail - 5 properties	\$220m		
Industrial - 5 properties	\$120m		
Remaining spend on committed Third Party projects	\$650m		

1. Third party funds' or partners' share of development spend and including DEXUS third party funds' or partners' share of Westfield redevelopments.

THIRD PARTY FUNDS MANAGEMENT – FY16 focus

Secure pre-commitments for third party development projects

Deliver on third party clients' investment objectives

Drive performance in the third party portfolios through active leasing



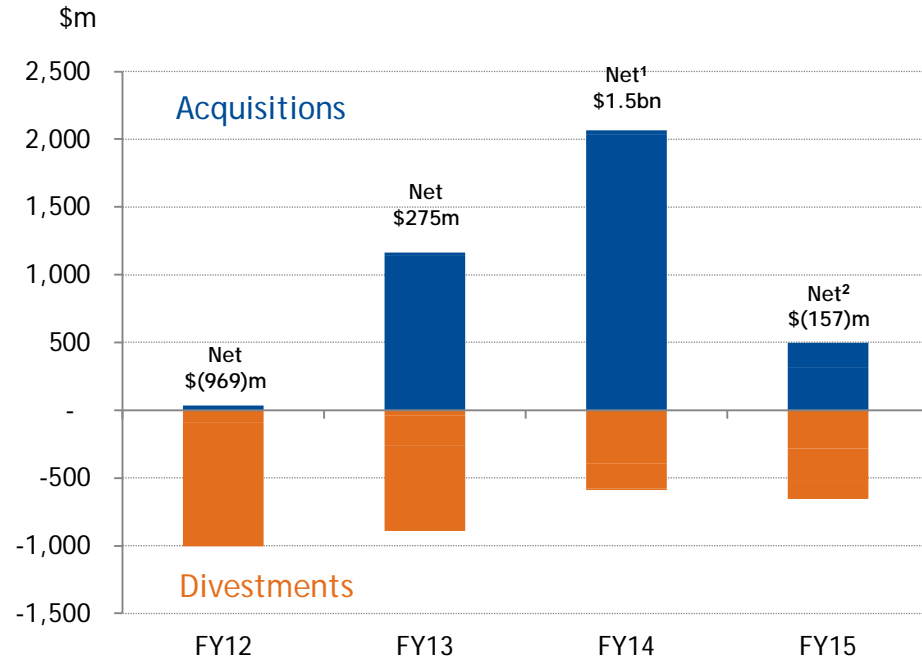
TRANSACTIONS AND MARKET OUTLOOK



TRANSACTIONS – \$2.0 billion of transactions² in a competitive market in FY15

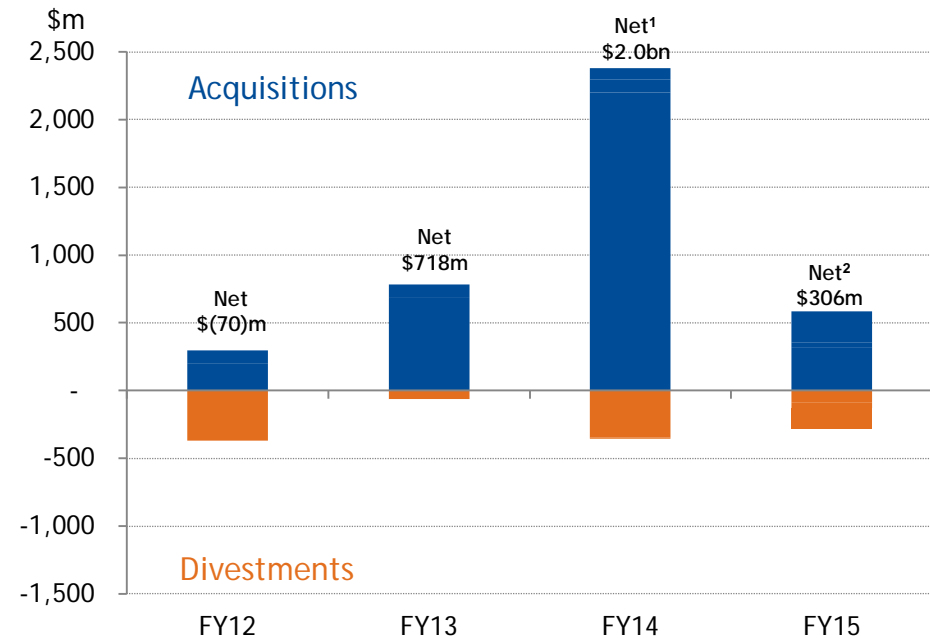
DEXUS portfolio¹

Invested early in the cycle



Third party funds portfolio

Satisfied clients' investment objectives



- Across the platform, assessed 285 deals to acquire eight properties² in FY15

1. Includes proportional share of Commonwealth Property Office Fund (CPA) properties acquired/sold.
 2. Includes acquisition of the Waterfront Place Complex, which is expected to settle in October 2015.

TRANSACTIONS – Acquisition of Waterfront Place, Brisbane

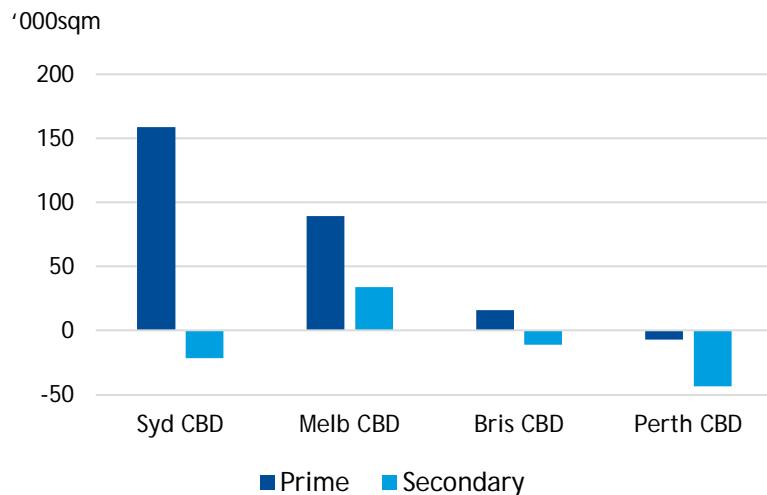
- On 22 June 2015, DEXUS and DWPF announced they had entered into a conditional agreement to acquire Waterfront Place and Eagle Street Pier
- \$635 million price reflects a 6.9% cap rate and a rate per square metre of \$9,644
- Premium grade office tower and prime riverfront retail precinct
 - Excellent long term core investment
 - Eagle Street Pier offers one of the best development sites in the Brisbane CBD
- 90% occupancy enables DEXUS to leverage its leasing expertise
 - 68% of tenants are already in DEXUS's portfolio
 - Flight to quality trend continues in Brisbane market



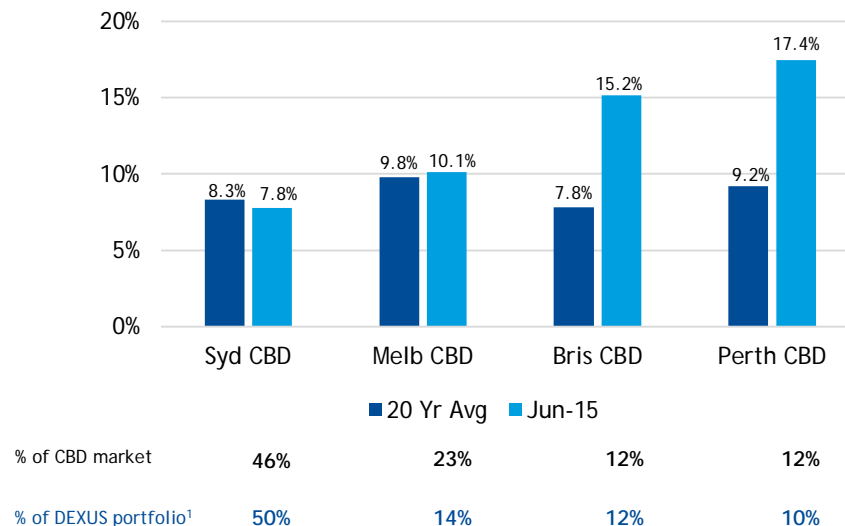
MARKET OUTLOOK – Prime space benefiting from flight to quality

- Net absorption in prime buildings is far exceeding take-up in secondary
- Flight to quality will speed take-up of new supply in FY16
- Sydney and Melbourne, which comprise 69% of CBD stock by value, are in a state of balance
- Current vacancy rates are at or below the long term average in Sydney and Melbourne

Net absorption by grade (FY15)



Current vacancy vs long term average



Source: JLL Research, DEXUS Research and MSCI-IPD.

1. As at 30 June 2015 and excluding the acquisition of the Waterfront Place Complex which is expected to settle in October 2015.

MARKET OUTLOOK – Sydney CBD vacancy to fall below 6.5% by FY18

DEXUS EXPECTATIONS

444,000sqm of supply
over the next 3 years

- 8.9% of stock, around 1.5 times average
- Barangaroo completion in FY17 followed by decline in supply in FY18

281,000sqm of withdrawals
over the next 3 years

- 42% of withdrawals will be permanent
- Withdrawal rate higher than previous decade average (~43,000sqm p.a.)

240,000sqm of net absorption
over the next 3 years

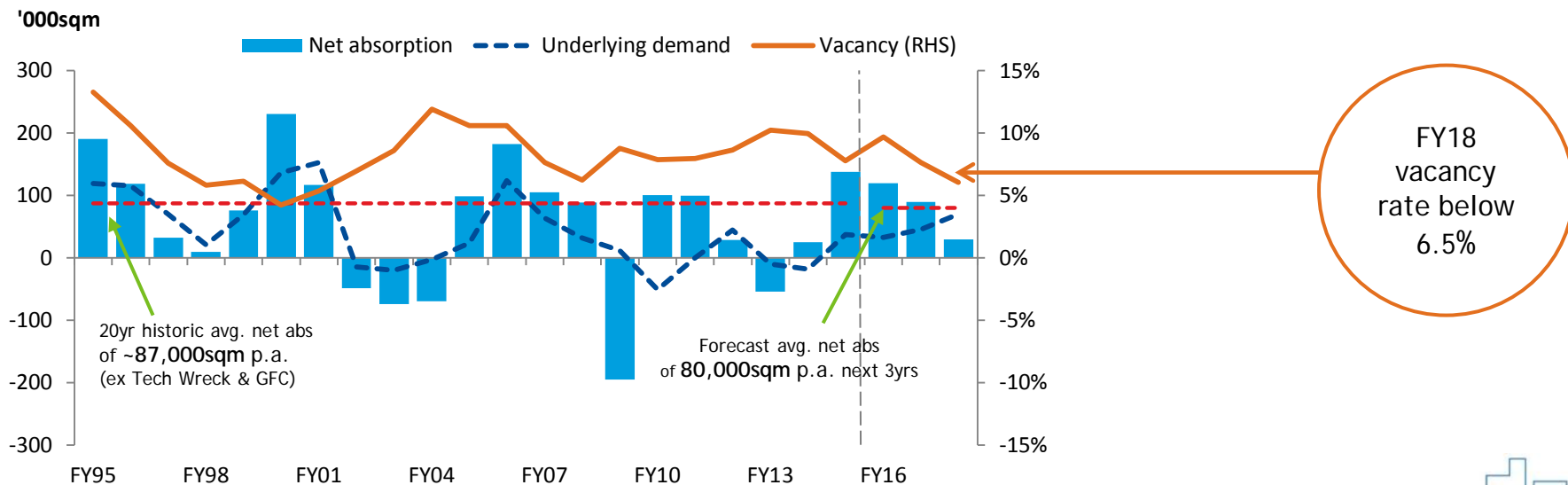
- Comparable with 20 year historic average net absorption of 87,000sqm p.a. (ex Tech Wreck & GFC)

Flight to quality
above average take up in prime space

- Past 12 months +158,000sqm net absorption of Prime
- Includes +21,000sqm net movement (secondary to prime)

Vacancy to increase in FY16
Barangaroo effect

- 265,000sqm of supply (73% committed)
- Limited supply FY17-18 will see vacancy quickly reduce



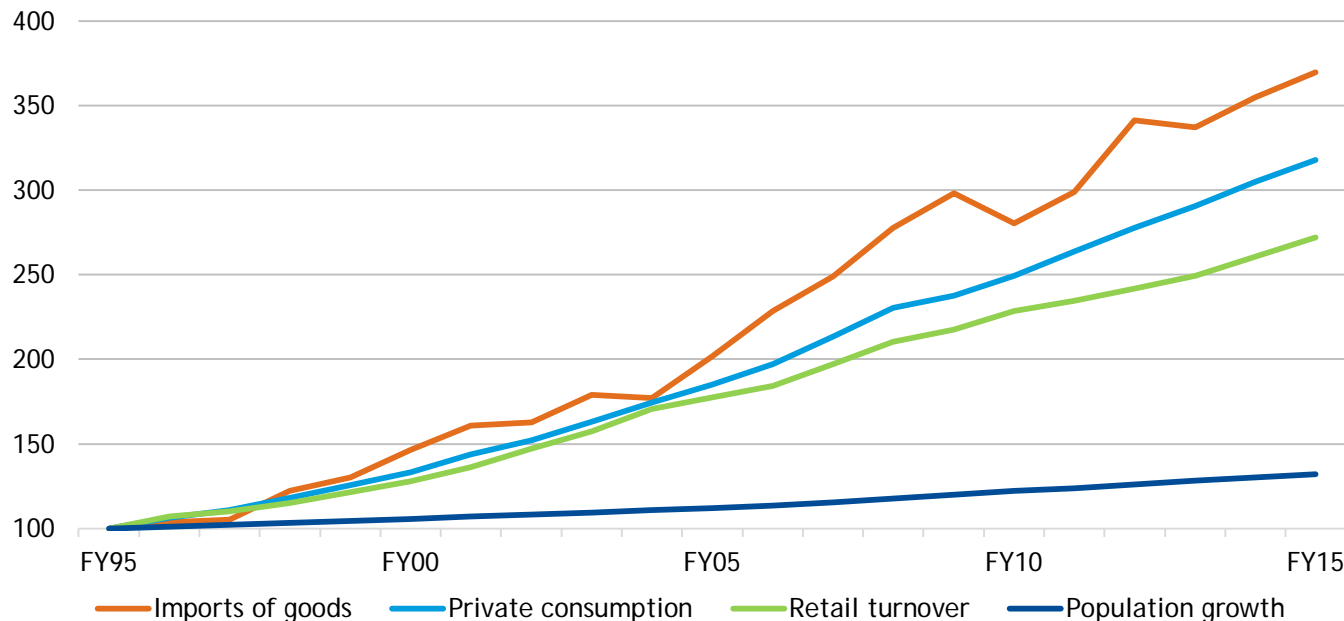
Source: DEXUS Research, JLL Research, Deloitte Access Economics.

MARKET OUTLOOK – Industrial market is supported by growth in fundamentals

- Industrial demand is stable and growing, supported by long term growth in key indicators
- Demand also comes from optimisation of transport, logistics and retailer activity
- Infrastructure, urban activation and residential re-use a key factor in certain markets going forward

Growth in key indicators - historical and projected

Index: FY95 =100



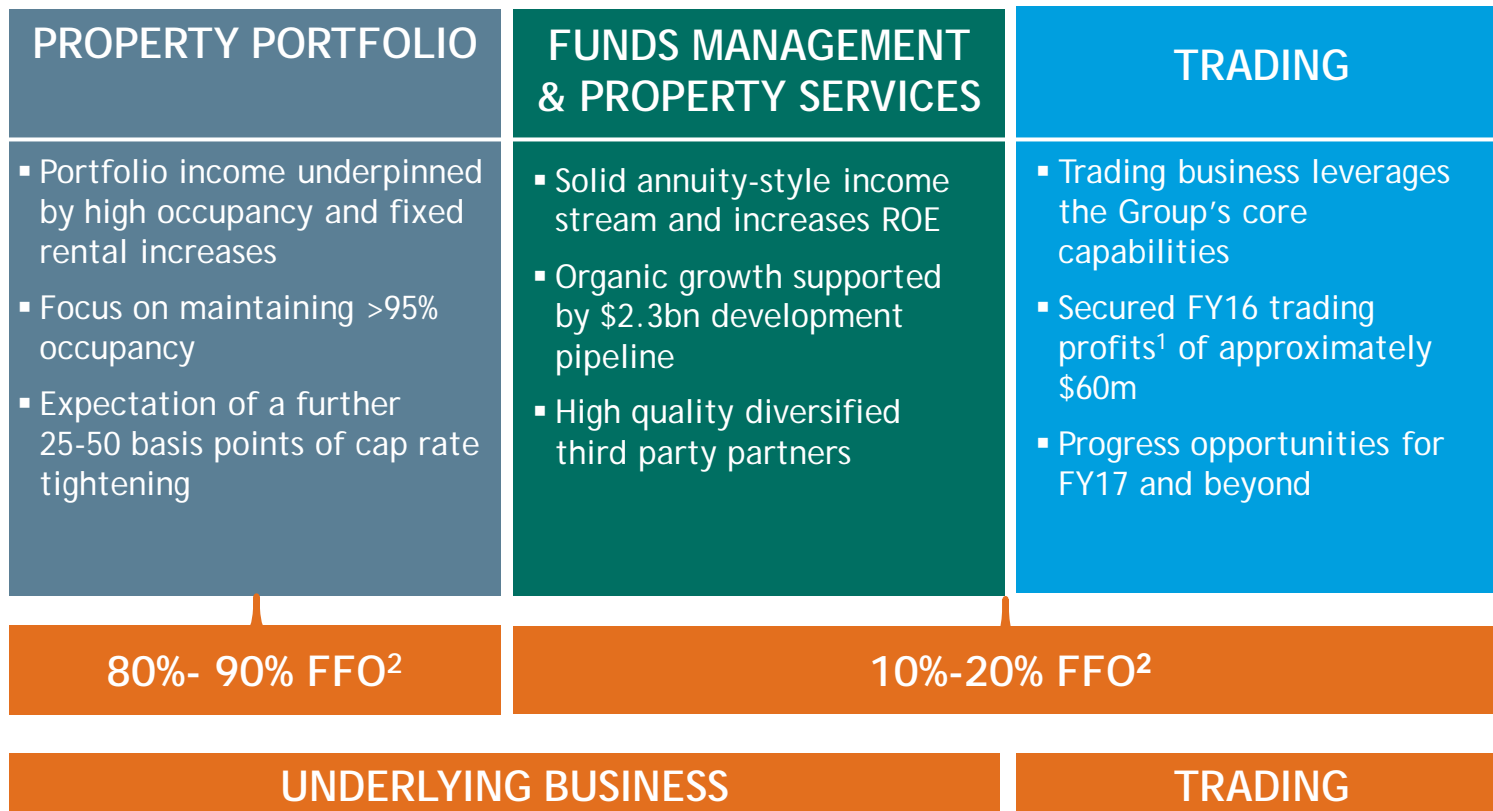
Historical Last 20 years	Projected Next 5 years*
6.8%	4.7%
6.0%	5.7%
5.1%	4.2%
1.4%	1.5%

Source: DEXUS Research, ABS, *Deloitte Access Economics

SUMMARY



SUMMARY – Outlook



1. Net of tax.
 2. FFO contribution is calculated before Finance costs and Group Corporate costs.

SUMMARY

- In a strong position to take advantage of improving office markets, despite supply coming online in FY16
- Market guidance¹ for the 12 months ending 30 June 2016
 - FFO per security growth of 5.5-6.0%, with FFO from the underlying business (ex trading profits net of tax) expected to grow by 3.0-3.5%
 - Payout in line with free cash flow to deliver growth in distribution per security of 5.5-6.0%

1. Barring unforeseen circumstances guidance is supported by the following assumptions: flat like-for-like income across the DEXUS combined portfolio, weighted average cost of debt of circa 4.9%, trading profits of approximately \$60m net of tax, Management Operations FFO of \$45-50m (including third party development management fees), approximately \$150m net proceeds from non-core property divestments during FY16, excluding any buy-back of DEXUS securities, and excluding any further transactions.



APPENDICES



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- Group highlights
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 - Underlying FFO growth drivers
 - Management operations profit & ROE
 - Management operations profit & MER
 - Cash flow reconciliation
 - Interest reconciliation
 - Change in net tangible assets and revaluations
 - Direct property portfolio movements
- Capital management
 - FY15 overview
 - Interest rate hedging profile
- Portfolio results
 - Office portfolio
 - Industrial portfolio
 - Office & Industrial portfolio sustainability metrics
 - DEXUS developments committed
 - DEXUS uncommitted development pipeline
- Transactions
 - Trading versus non-trading opportunities
 - Involved in \$2.0bn of transactions
- Market outlook
- Exchange rates & securities used in statutory accounts
- Glossary
- Important information

GROUP HIGHLIGHTS – DEXUS today

DEXUS PORTFOLIO	THIRD PARTY FUNDS PORTFOLIO	TOTAL GROUP PORTFOLIO
\$9.5bn	\$9.6bn	\$19.1bn
DEXUS owned and managed portfolio of Australian office and industrial properties	Management of a diverse portfolio of office, industrial and retail properties on behalf of third party partners and funds	
OFFICE: \$7.8bn	OFFICE: \$4.6bn	OFFICE: \$12.4bn
INDUSTRIAL: \$1.7bn	INDUSTRIAL: \$1.2bn	INDUSTRIAL: \$2.9bn
	RETAIL: \$3.8bn	RETAIL: \$3.8bn
DEVELOPMENT PIPELINE (future growth)		
DEVELOPMENT: \$1.2bn	DEVELOPMENT: \$2.3bn	DEVELOPMENT: \$3.5bn

FINANCIAL RESULTS – Reconciliation to statutory net profit

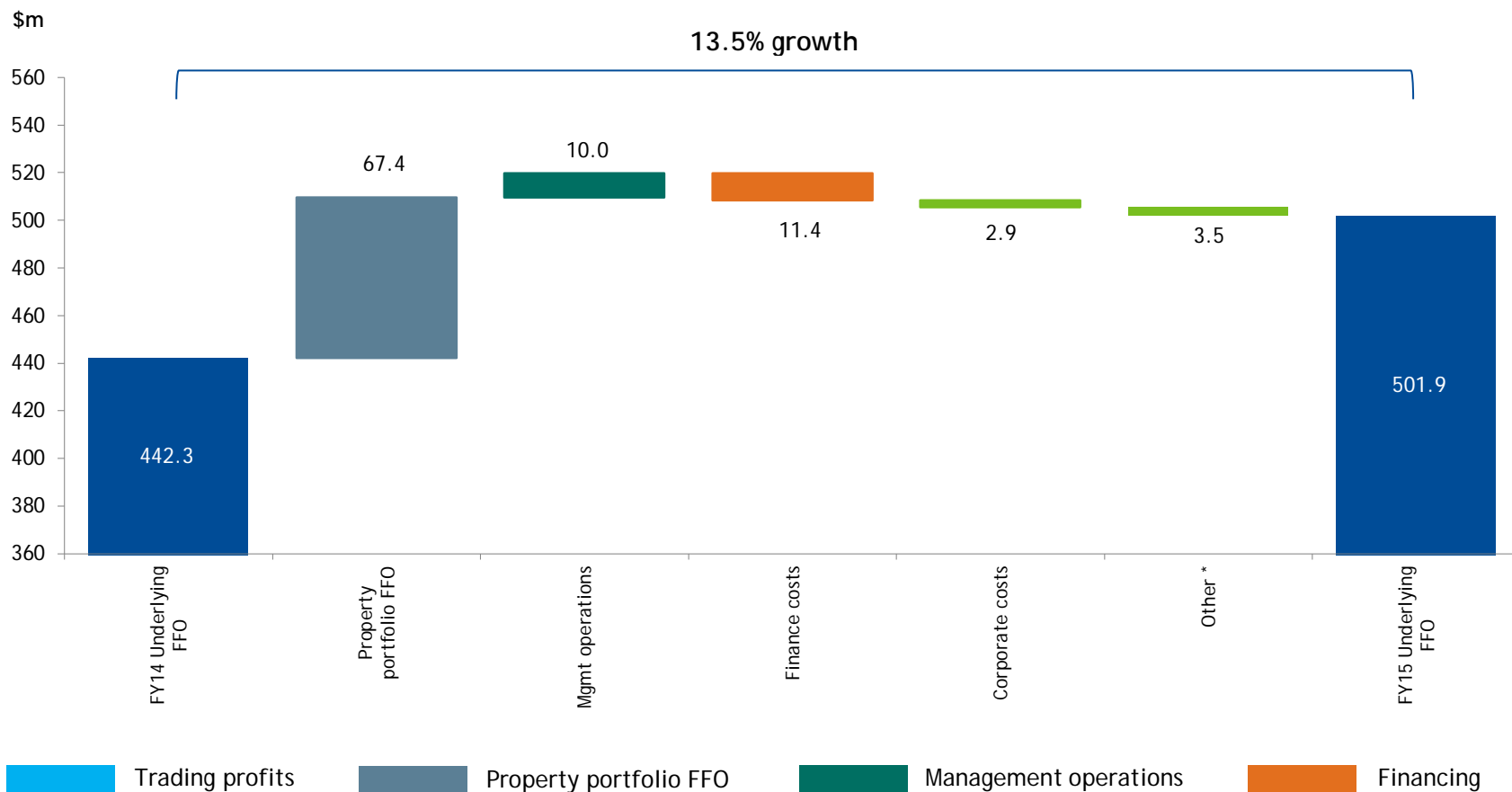
- From 1 July 2014, DEXUS has adopted a new definition for calculating FFO, in accordance with the PCA white paper “Voluntary best practice guidelines for disclosing FFO and AFFO”. The table below shows the breakdown of DEXUS’s FFO and AFFO under the PCA definition

Reference	Item	30 June 2014 \$m	30 June 2015 \$m
Statutory AIFRS net profit after tax		406.6	618.7
A Investment property and inventory			
A2	Losses from sales of investment property	8.3	3.1
A3	Fair value gain on investment property	(165.5)	(241.0)
B Goodwill and intangibles			
B2	Reversal of impairment of goodwill or intangibles	(7.3)	-
C Financial instruments			
C2	Fair value loss on the mark-to-market of derivatives	52.9	31.1
D Incentives and rent straight-lining			
D1	Amortisation of fit out incentives	33.8	42.2
D2	Amortisation of lease fees	4.2	6.5
D4	Amortisation of rent-free periods	36.0	40.4
D5	Rent straight-lining	(15.6)	(9.2)
E Tax			
E1	Non-FFO deferred tax benefits	12.0	19.2
F Other unrealised or one-off Items			
F1	Recycling of foreign currency translation reserve (FCTR)	(0.8)	2.1
F2	Other unrealised or one-off items ¹	82.0	31.4
FFO		446.6	544.5
G Maintenance and leasing capex			
G1	Maintenance capital expenditure	46.3	52.9
G2	Cash incentives and leasing costs paid	48.5	65.4
G3	Rent free incentives	41.1	56.4
AFFO		310.7	369.8
Distribution		315.4	385.6
AFFO Payout ratio (Distribution/AFFO)²		101.5%	100.5%²

1. Includes \$15.5 million coupon income and \$15.9 million of unrealised fair value losses on interest bearing liabilities.

2. The FY15 AFFO payout ratio has been adjusted to exclude the \$13.9m of distributions paid on new securities issued through the institutional placement and SPP announced in April 2015 which were fully entitled to the distribution for the six months ending 30 June 2015. The AFFO payout ratio was 104.3% including this amount.

FINANCIAL RESULTS – Underlying FFO growth drivers



* 'Other' income includes Development management fees.

FINANCIAL RESULTS – Management operations profit and ROE

Management operations net profit

FY15 (\$m)	Property Mgmt	Funds Mgmt	Mgmt Operations	Dev't & Trading ²
Revenue	49.7	40.5	90.2	226.5
Operating expenses ¹	(36.5)	(15.8)	(52.3)	(6.2)
Cost of sales –trading	-	-	-	(177.5)
Total operating expenses	(36.5)	(15.8)	(52.3)	(183.7)
FY15 net profit	13.2	24.7	37.9	42.8
FY15 margin	27%	61%		
FY14 margin	27%	57%		

Return on Equity

	FY13	FY14	FY15	3yr Avg
Return on Equity ³	11.2%	6.7%	11.5%	9.8%

1. Comprises property management salaries of \$12.2m and management operations expenses of \$46.3m.

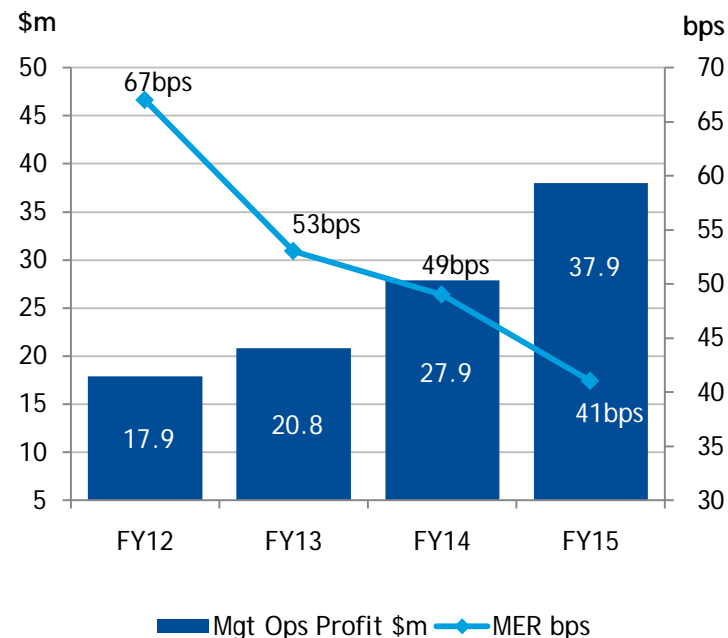
2. Net profit from Development & Trading comprises \$42.6m from trading (post tax) and \$0.2m net development profit.

3. Return on Equity is calculated as the growth in NTA per security plus the distribution paid/payable per security divided by the opening NTA per security.

FINANCIAL RESULTS – Management operations profit and MER

Gross MER	30-Jun-14 \$m	30-Jun-15 \$m
Group corporate	(27.5)	(30.4)
Asset management	(10.8)	(9.1)
A. Total corporate & AM	(38.3)	(39.5)
B. Closing FUM (balance sheet FUM only)	7,820 ¹	9,533
Gross MER = A/B	49bps	41bps
C. Total closing FUM	14,855 ¹	19,078
Gross MER (on total FUM) A/C	26bps	21bps

Management operations and MER FY15 MER down 8bps from FY14



1. FY14 balance sheet FUM and Total FUM uses an average rather than closing balance to account for the purchase of the CPA portfolio in April 2014.

FINANCIAL RESULTS – Cash flow reconciliation

	30 June 2015 \$m	30 June 2014 \$m
Cash flow from operating activities	661.4	418.3
add back: payment for inventory acquisition and capex	53.3	23.1
less: cost of sale of inventory	(172.2)	(65.3)
less: proceeds from sale of Rosebery received in advance	(1.7)	-
less: tax on sale of Rosebery not yet paid	(5.3)	-
add back: capitalised interest	6.0	6.1
add back: equity accounted distribution receivable	(55.9)	13.6
add back: adjustment for net CPA distribution	-	5.2
Adjusted cash flow from operating activities	485.6	401.0
less: payments from maintenance capex and incentives ¹	(118.3)	(94.8)
less: gross distribution – Feb-15 (paid) and Aug-15 (declared)	(385.6)	(315.4)
add back: distribution paid on new securities ²	13.9	-
Cash deficit	(4.4)	(9.2)

1. Includes cash and fitout incentives and lease fees.

2. Distributions paid on new securities issued through the institutional placement and SPP announced in April 2015, which were fully entitled to the distribution for the six months ending 30 June 2015

FINANCIAL RESULTS – Interest reconciliation

	30 June 2014 \$m	30 June 2015 \$m
Total statutory finance costs	190.0	192.4
Less: unrealised interest rate swap MTM loss ¹	(50.8)	(48.5)
Less: finance costs attributable to sales transaction	(4.5)	-
Add: finance costs attributable to investments accounted for using the equity method	5.4	7.9
Net finance costs for distributable earnings	140.1	151.8
Add: interest capitalised	6.4	7.2
Gross finance costs for cost of debt purpose	146.5	159.0

1. Net fair value loss of interest rate swap of \$57.7 million (per note 4) includes realised interest rate swap expense of \$9.2 million and unrealised interest rate swap MTM loss of \$48.5 million.

FINANCIAL RESULTS – Change in net tangible assets and revaluations

	\$m	cps
Opening net tangible assets (30 Jun14)	5,761	636.2
Revaluation of real estate	241	26.6
Retained earnings ¹	159	17.5
Amortisation of tenant incentives ²	(80)	(8.8)
Issue of additional equity ³	471	3.9
Fair value movements ⁴	(67)	(7.4)
NTA changes in comprehensive income	724	31.8
Closing net tangible assets (30 Jun15)	6,485	668.0

Investment portfolio	Valuation change \$m	Cap rate %	% of portfolio
DEXUS office portfolio	213.5	6.71%	82%
DEXUS Industrial portfolio	27.5	7.77%	18%
Total DEXUS portfolio	241.0	6.88%	100%

1. Represents FY15 FFO less distributions.
2. Includes rent straight-lining.
3. Net of transaction costs.
4. Primarily includes fair value movements of derivatives and interest bearing liabilities, deferred tax and movement in reserves, coupon payments and other.

FINANCIAL RESULTS – Direct property portfolio movements

	Office ¹ \$m	Industrial ¹ \$m	DEXUS total ¹ \$m	Trading assets ² (inventory)
Opening direct property	7,659	1,470	9,129	316
Leasing incentives ³	107	15	122	-
Maintenance capex	47	6	53	-
Acquisitions	-	190	190	46
Transfer to inventories ⁴	-	-	-	32
Developments ⁵	253	35	288	54
Disposals ⁶	(379)	(27)	(406)	(172)
FX	(4)	-	(4)	-
Revaluations	214	27	241	-
Amortisation	(82)	(7)	(89)	(1)
Straight-lining	7	2	9	-
Closing direct property	7,822	1,711	9,533	275

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

2. Assets held by DXO are also included in Office, Industrial and DEXUS total amounts.

3. Includes rent free incentives.

4. Transfers to inventories are eliminated within the Office, Industrial and DEXUS total amounts.

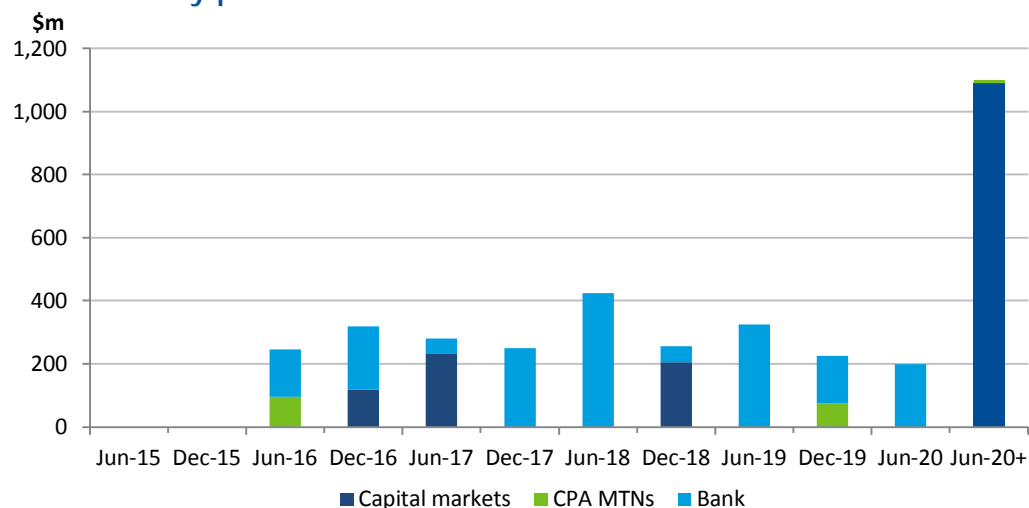
5. Includes capitalised interest.

6. At book value.

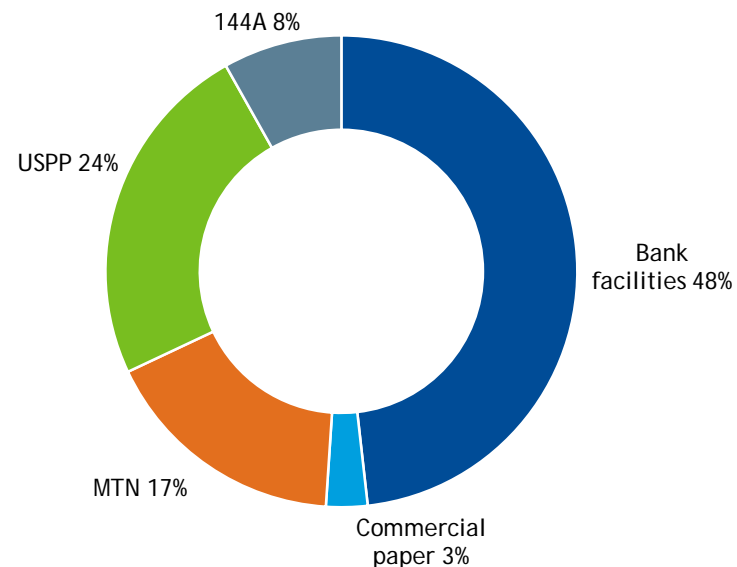
CAPITAL MANAGEMENT – FY15 overview

Key metrics	30 June 2014	30 June 2015
Total debt ¹	\$2,932m	\$2,774m
Cost of debt ²	5.4%	5.2%
Gearing (look-through) ³	33.7%	28.5%
Headroom (approximately) ⁴	\$0.5bn	\$0.8bn
Debt duration	5.2 years	5.7 years
S&P/Moody's rating	A-/A3	A-/A3
Covenant gearing (covenant ⁵ <55%)	31.2%	27.2%
Interest cover (covenant ^{5,6} >2.0x)	4.3x ⁶	4.8x
Priority debt (covenant ⁵ <30%)	0%	0%

Debt maturity profile⁷



Diversified mix of facilities⁷

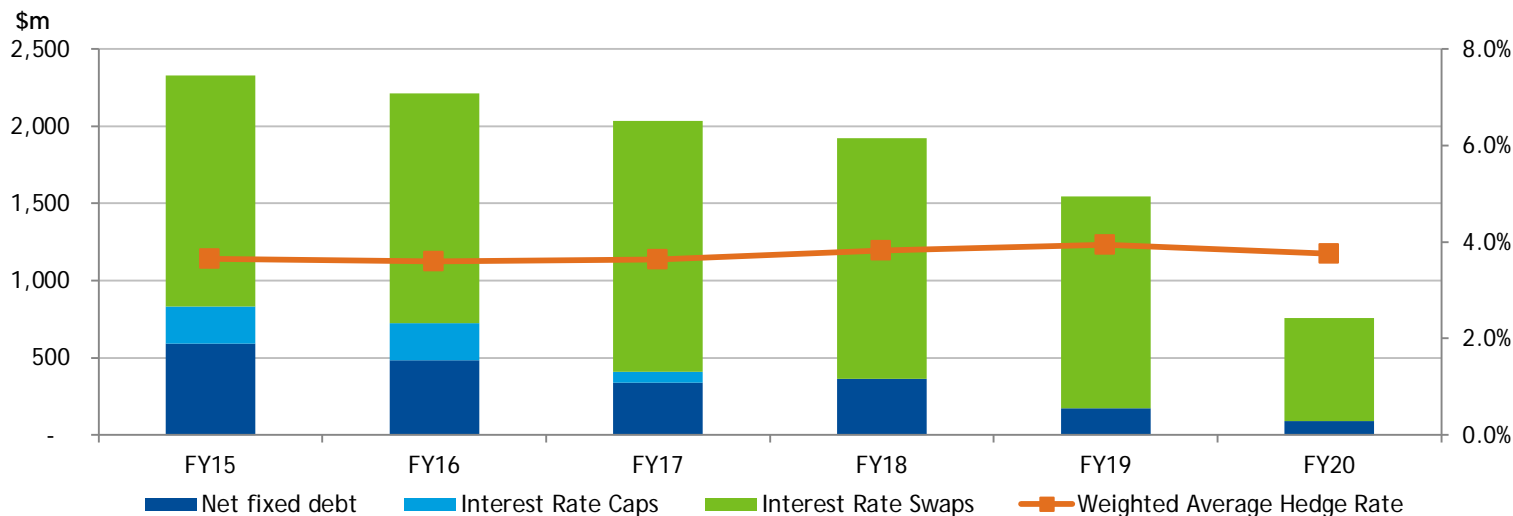


1. Total debt does not include \$183m of debt in an equity accounted investment.
2. Weighted average for the year.
3. Adjusted for cash and for debt in equity accounted investments. Pro forma gearing is 29.3% post the receipt of proceeds from the divestment of the Rosebery and Mascot trading properties and the acquisition of Waterfront Place Complex, Brisbane which is expected to settle in October 2015.
4. Undrawn facilities plus cash. Excluding forward start commitments.
5. As per public bond covenants.
6. Look-through interest cover is 4.5x.
7. Current position at 12 August 2015 including domestic MTNs in equity accounted investments.

CAPITAL MANAGEMENT – Interest rate hedging profile

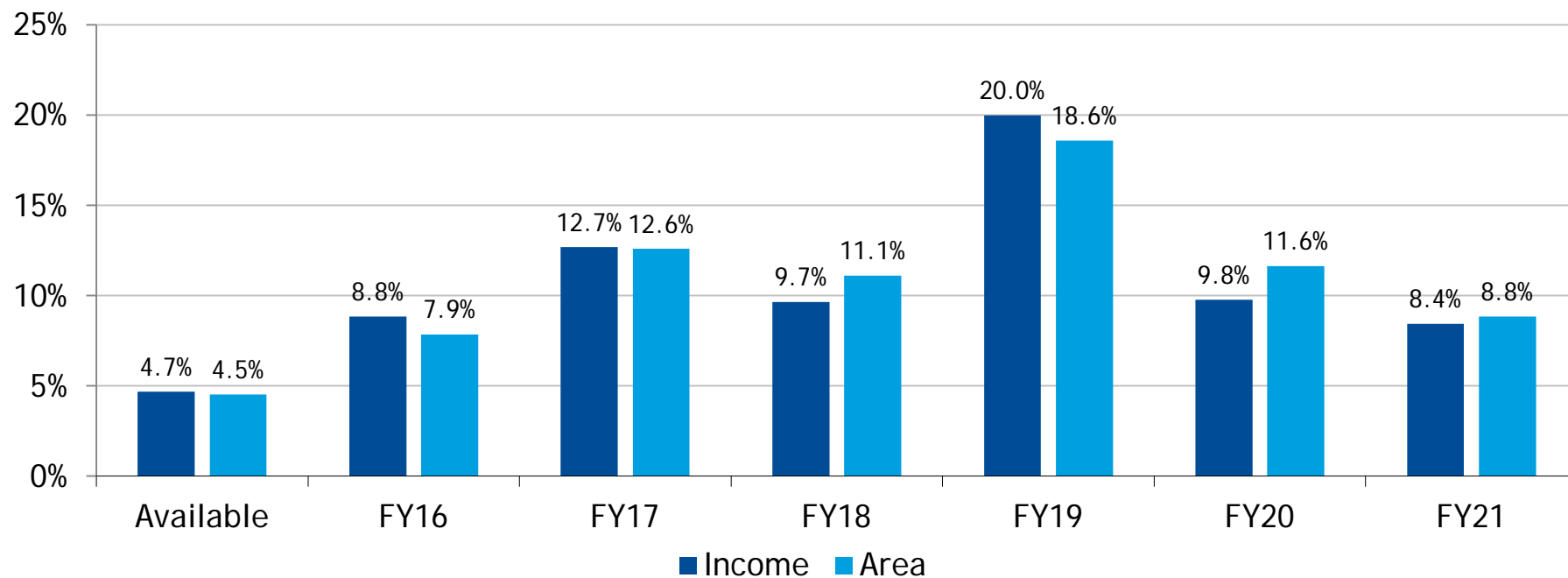
Hedging profile	30 June 2014	30 June 2015
Average amount of debt hedged ¹	60%	76%
Average amount of debt hedged excluding caps ¹	51%	69%
Weighted average interest rate on hedged debt ²	3.7%	3.7%
Weighted average fixed & floating rate ³	5.4%	5.2%
Weighted average maturity of interest hedges	5.7 years	3.8 years

Hedge maturity profile⁴



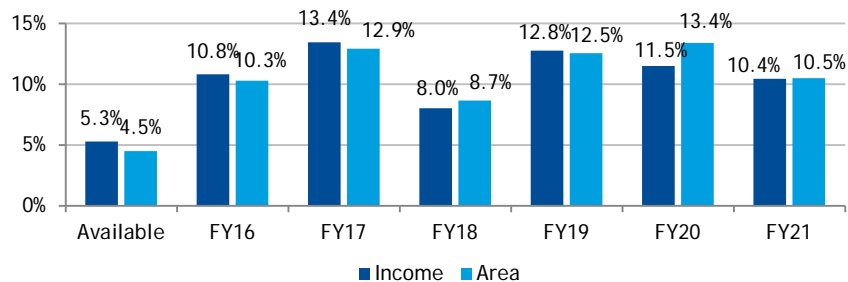
1. Average amount hedged for the period (including caps). DEXUS was 95% hedged (including caps) as at 30 June 2015.
2. Including fixed rate debt (without credit margin).
3. Including fees and margins.
4. Current position at 12 August 2015.

PORTFOLIO RESULTS – Office portfolio lease expiry profile at 30 June 2015

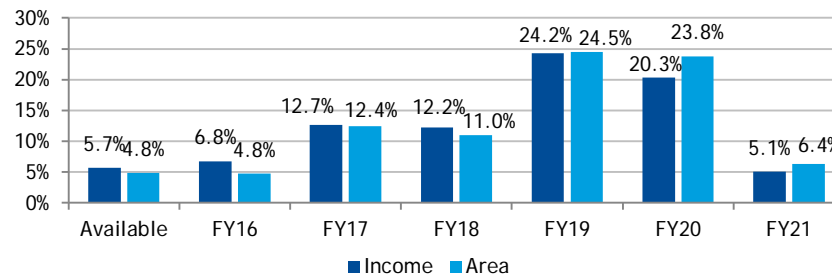


PORTFOLIO RESULTS – Office portfolio lease expiry profile at 30 June 2015

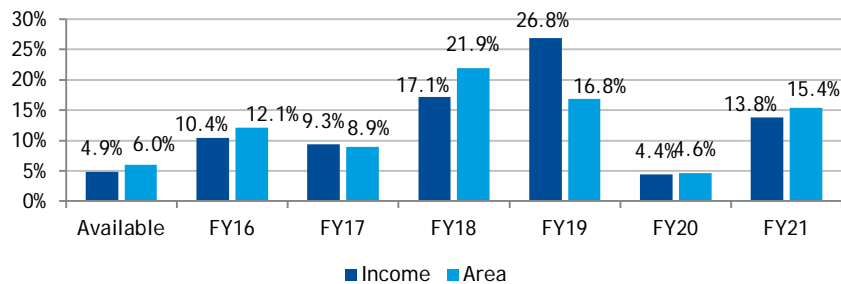
Sydney CBD office portfolio



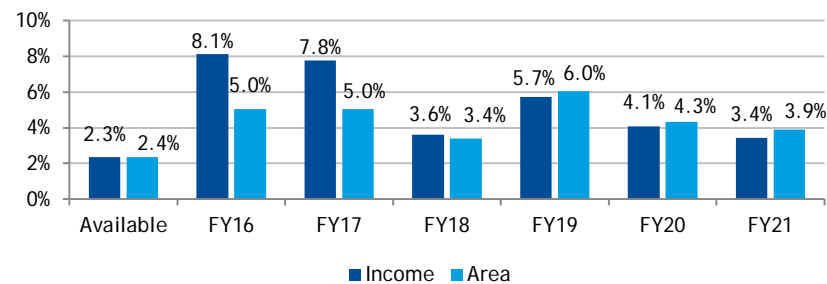
Sydney Suburban office portfolio



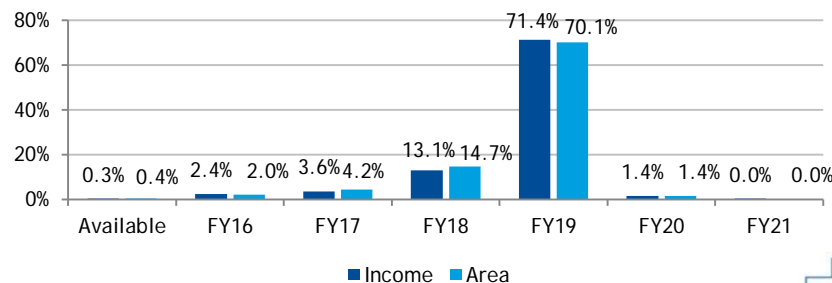
Melbourne office portfolio



Brisbane office portfolio



Perth office portfolio

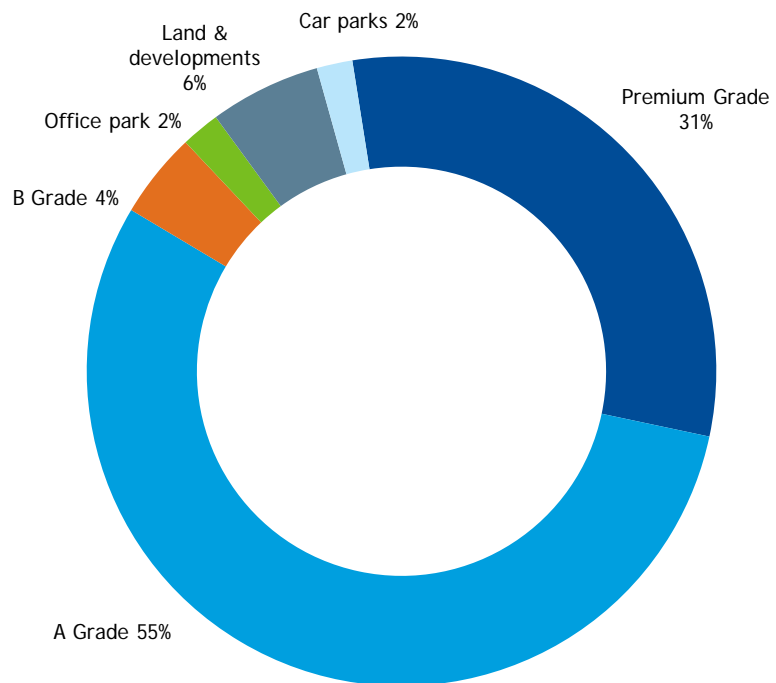


DEXUS Office ¹	Value (\$m)	Cap rate (%)	Yield (%)
Sydney CBD	\$3,802.5	6.28%	6.43%
Sydney Suburban	\$889.4	7.80%	7.72%
Melbourne	\$1,080.4	6.95%	7.08%
Brisbane	\$788.2	6.64%	6.78%
Perth	\$557.6	7.07%	7.58%

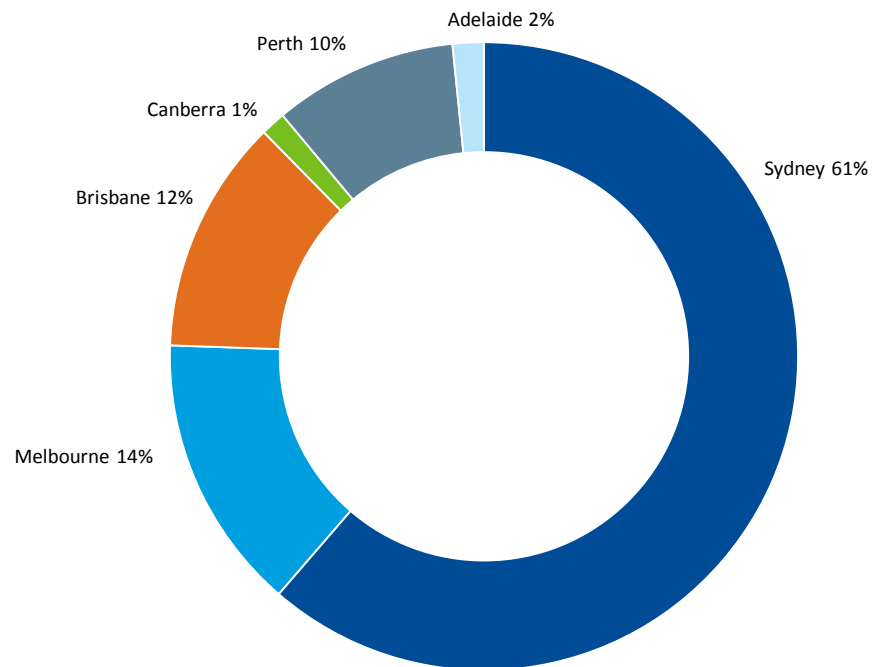
1. Includes stabilised properties only. Excludes Adelaide and Canberra office properties.

PORTFOLIO RESULTS – Office portfolio diversification

DEXUS office by asset type

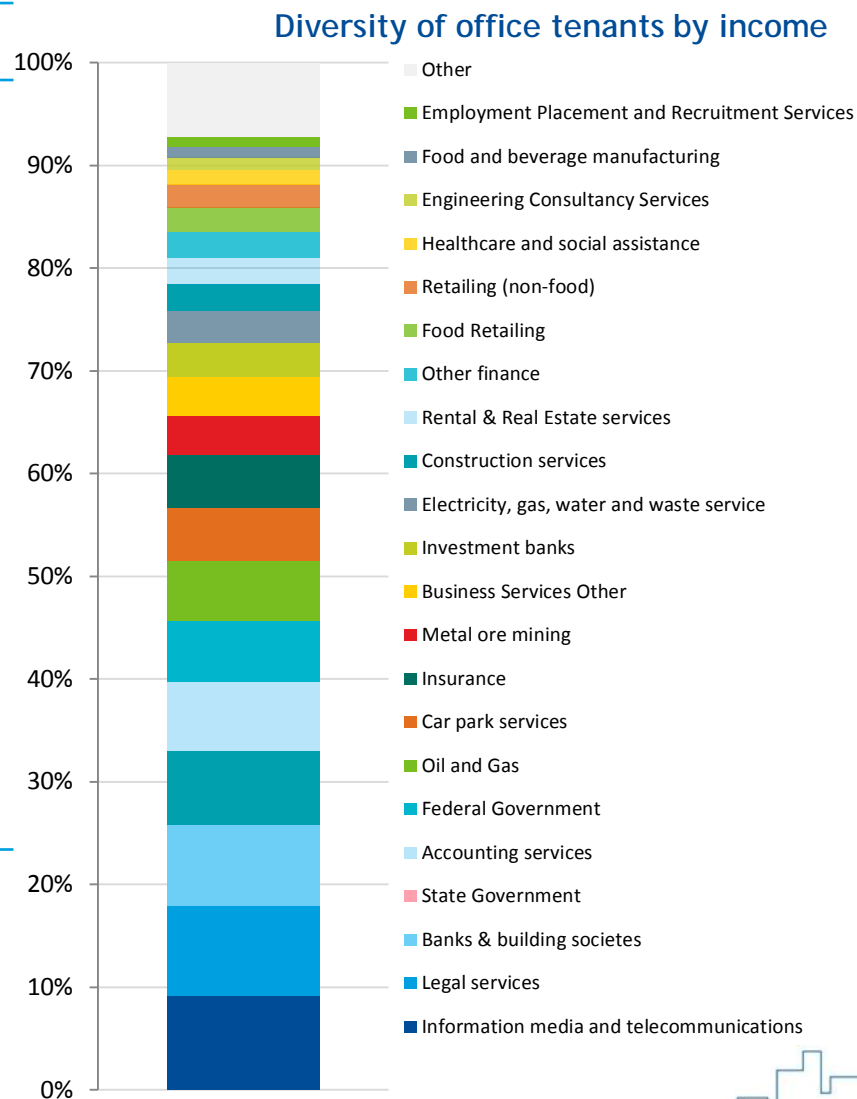


DEXUS office by location



PORTFOLIO RESULTS – Office portfolio top 10 tenants

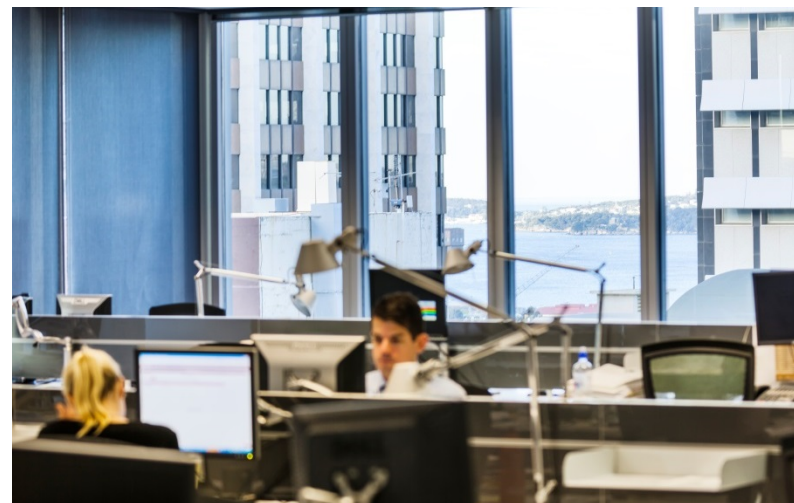
Office tenant	S&P rating	% of income ¹
Woodside Energy	BBB+ positive	4.4%
Wilson Parking Australia	Not rated	4.2%
Commonwealth of Australia	AAA stable	4.0%
Commonwealth Bank of Australia	AA-	2.9%
Rio Tinto	A- negative	2.9%
Deloitte Services Pty Ltd	Not rated	2.1%
State of NSW	AAA negative	1.8%
Lend Lease Management Services	BBB- stable	1.5%
IBM Australia Limited	AA- stable	1.5%
State Of Victoria	AAA stable	1.4%



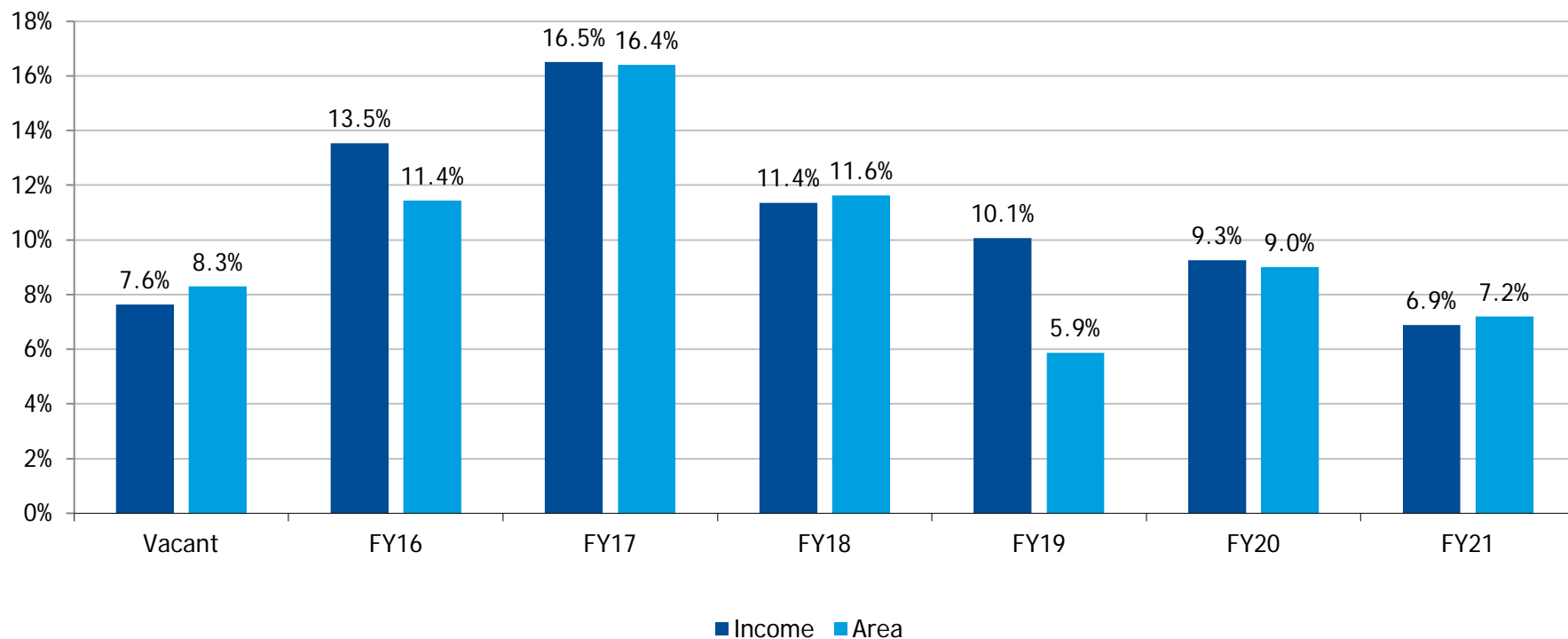
1. 30 June 2015 fully leased DEXUS portfolio passing income.

PORTFOLIO RESULTS – Sydney CBD office properties with >98% occupancy

Property	Occupancy (by area)	Change in occupancy since FY14
One Margaret Street	100.0%	+16.6%
60 Castlereagh Street	100.0%	+9.5%
56 Pitt Street	98.5%	+6.8%
383-395 Kent Street	100.0%	+7.0%
Australia Square Complex	99.3%	+2.6%
39 Martin Place	98.3%	+1.1%
44 Market Street	100.0%	+0.7%
30 The Bond	100.0%	-
175 Pitt Street	100.0%	-
14-18 Lee Street, Sydney	100.0%	-

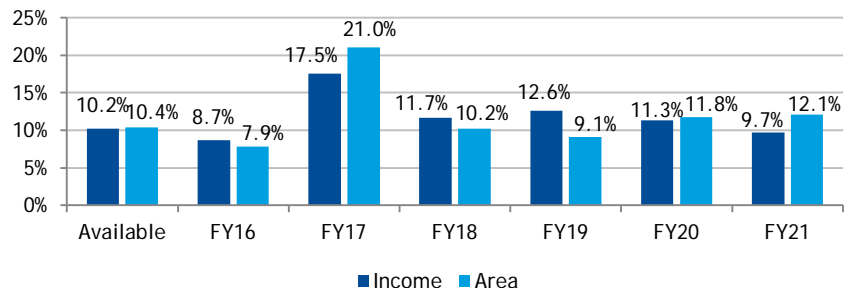


PORTFOLIO RESULTS – Industrial portfolio lease expiry profile at 30 June 2015

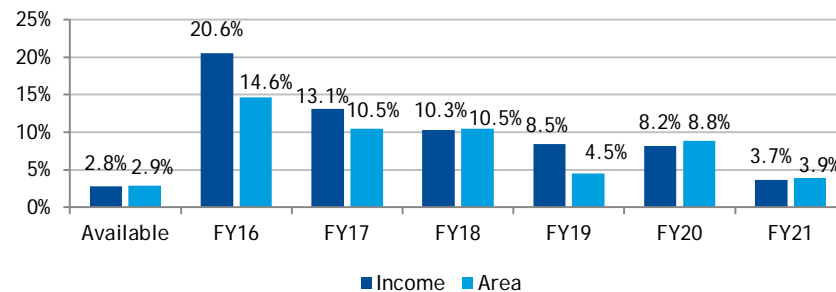


PORTFOLIO RESULTS – Industrial portfolio lease expiry profile at 30 June 2015

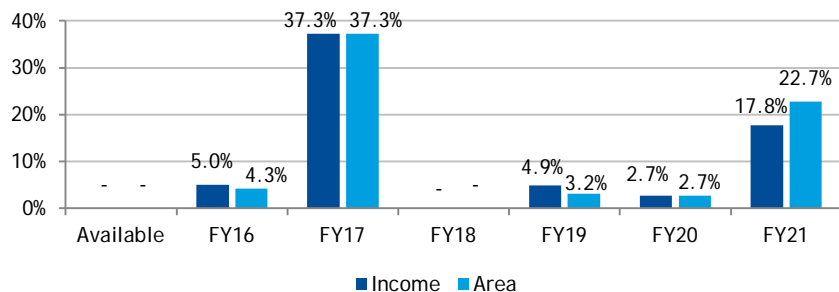
Sydney industrial portfolio



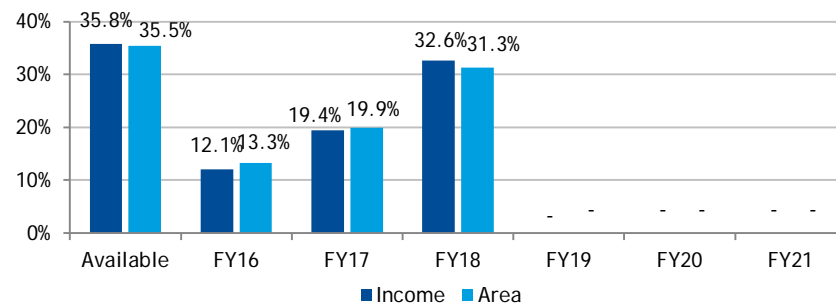
Melbourne industrial portfolio



Brisbane industrial portfolio



Adelaide industrial portfolio

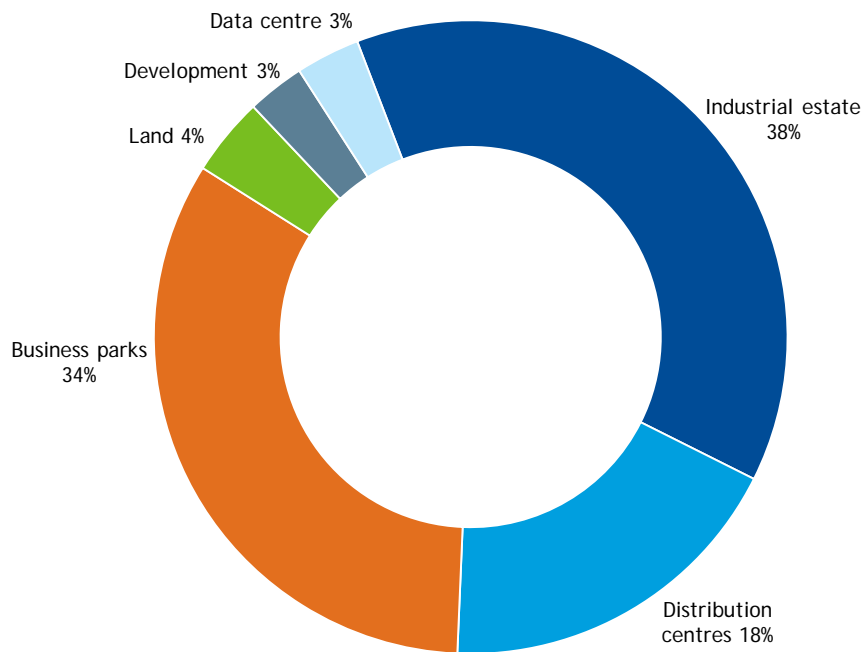


DEXUS Industrial ¹	Value (\$m)	Cap rate (%)	Yield (%)
Sydney	\$715.1	7.49%	6.02%
Melbourne	\$517.3	7.94%	8.60%
Brisbane	\$54.3	7.63%	8.02%
Adelaide	\$25.7	11.00%	9.18%

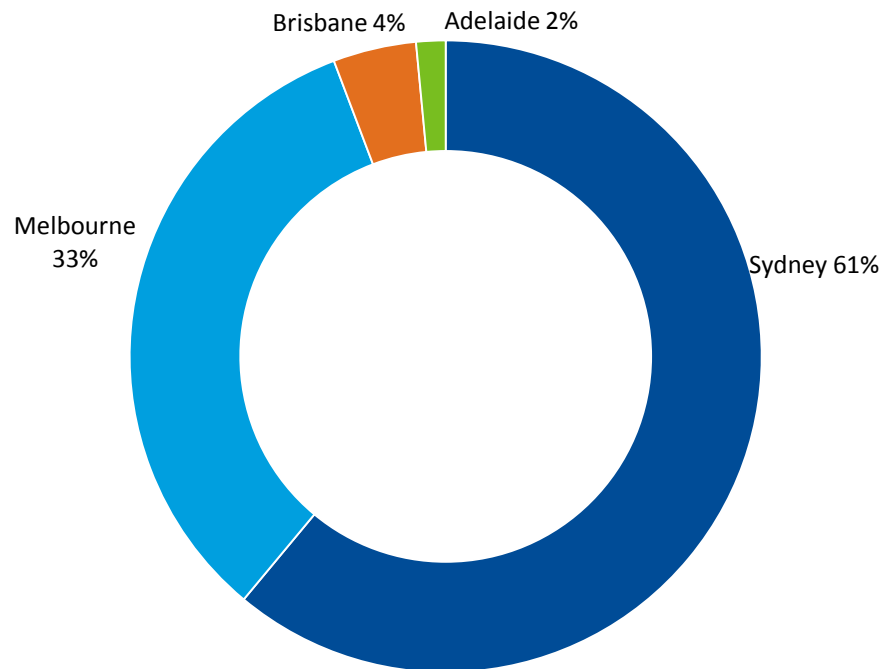
1. Includes stabilised properties only.

PORTFOLIO RESULTS – Industrial portfolio diversification

DEXUS industrial by asset type

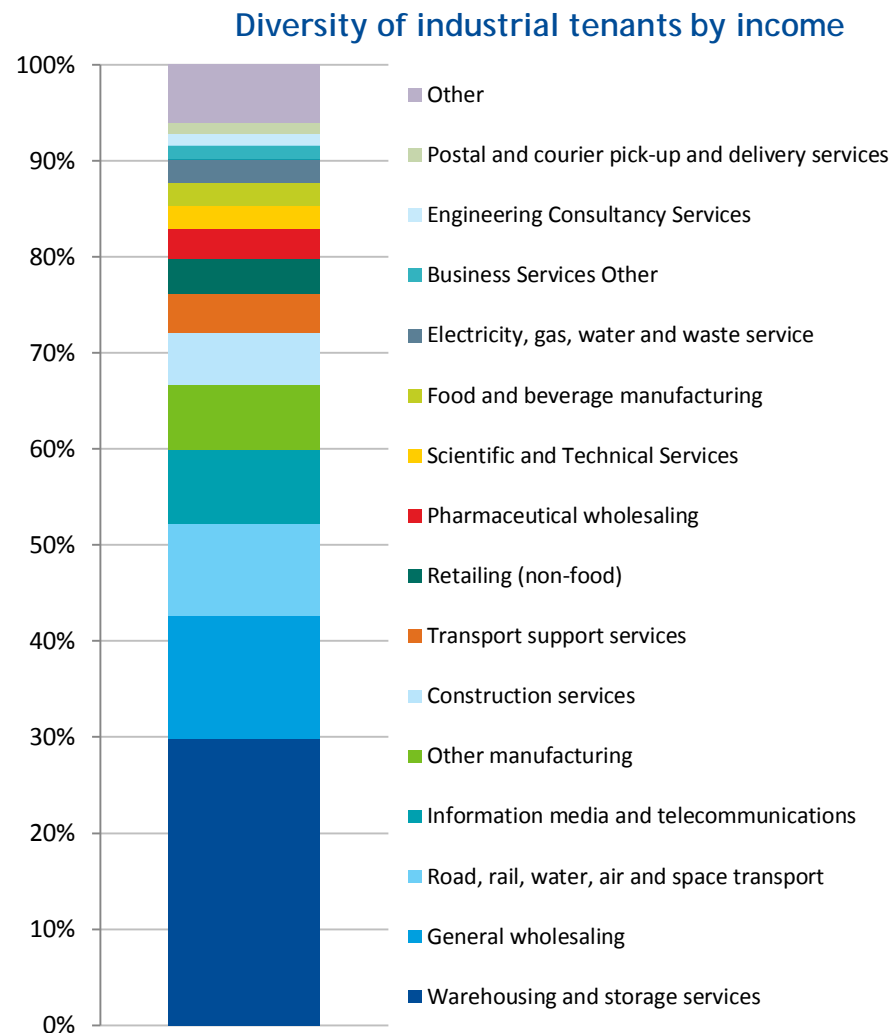


DEXUS industrial by location



PORTFOLIO RESULTS – Industrial portfolio top 10 tenants

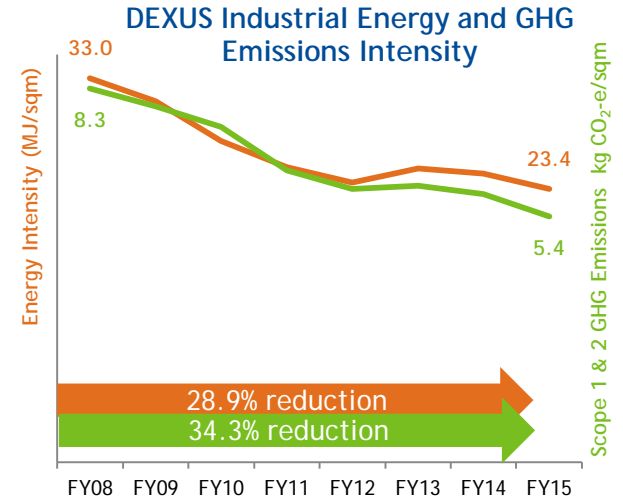
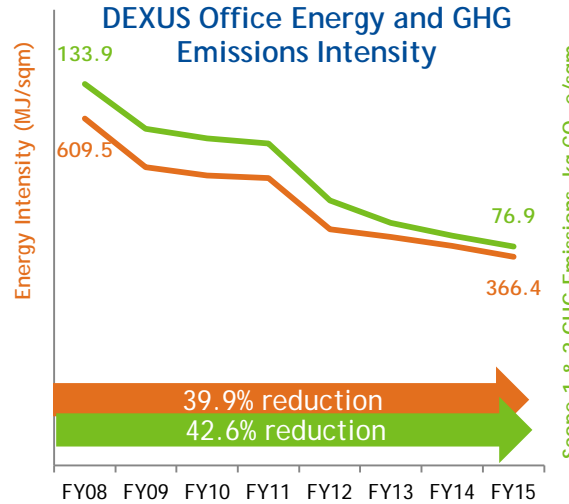
Office tenant	% of income ¹
Wesfarmers Limited	1.0%
Toll Transport Pty Ltd	0.8%
AWH Pty Ltd	0.7%
IBM Australia	0.6%
Visy Industry Packaging Pty Ltd	0.5%
Blackwoods	0.4%
Jemena Pty Ltd	0.4%
Fonterra Co-Operative Group	0.4%
Agility Logistics	0.3%
Reece	0.3%



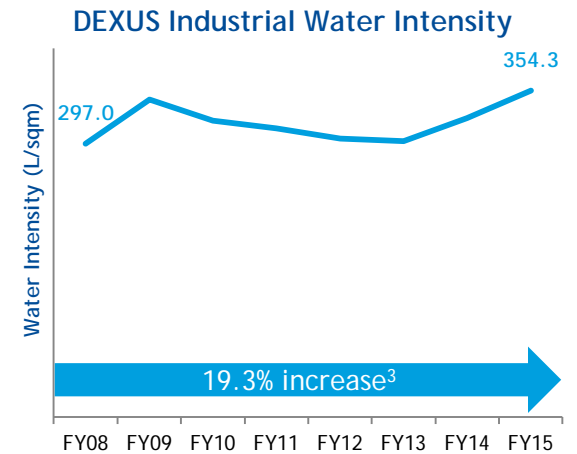
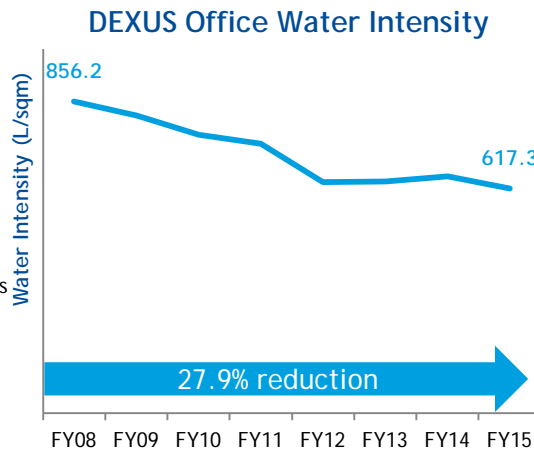
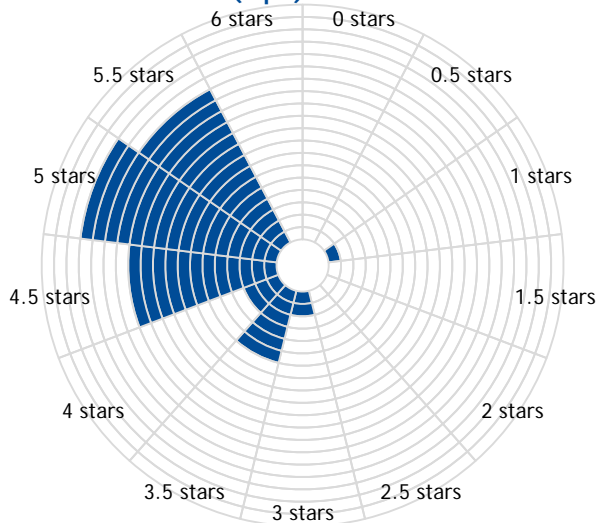
1. 30 June 2015 fully leased DEXUS portfolio passing income.

PORTFOLIO RESULTS – Office and Industrial portfolio sustainability metrics

DEXUS office portfolio	NABERS Energy average rating	NABERS Water average rating
Jun 08	—	—
Jun 12	3.9 ¹	3.1 ¹
Jun 13	4.7 ¹	3.2 ¹
Jun 14	4.8 ¹ 4.6 ²	3.5 ¹ 3.5 ²
Jun 15	4.7 ²	3.8 ²



NABERS Energy Ratings by area (sqm)



Note: Data in charts is unaudited.

1. NABERS ratings on a like-for-like basis.

2. NABERS ratings on an absolute basis.

3. Water consumption is primarily under the control of tenants, with the increase in FY15 due to tenant demand for water at Kings Park Industrial Estate, NSW.

PORTFOLIO RESULTS – DEXUS developments committed

Pipeline	Building area sqm ¹	Project cost A\$m ²	Yield on cost %	Leased %	Completion due
Office					
5 Martin Place, Sydney, NSW	33,520	111	7.3%	82%	Sep-15
480 Queen Street, Brisbane, QLD	57,126	288	7.0-7.2%	81%	Early 2016
Kings Square, Perth, WA	52,781	213	8.2%	55%	Sep-15
Total office	143,427	612			
Industrial					
Quarry at Greystanes, NSW ³	1,800	5	Circa 7.9%	100%	Mid 2015
Supply Network at Quarry, NSW ⁴	7,900	7	Circa 7.9%	100%	Mid 2015
Quarrywest at Greystanes, NSW	129,400	96	Circa 8.3%	0%	Mid 2018
Kathmandu at Laverton, VIC	25,650	26	Circa 7.4%	100%	Mid 2016
Radius Industrial Estate, Larapinta, QLD	22,950	15	Circa 8.7%	0%	Early 2016
141 Anton Road, Hemmant, QLD	66,100	47	Circa 8.5%	0%	Mid 2017
Total industrial	253,800	196			
Total developments committed	397,227	808			

DEXUS total portfolio capital expenditure	Actual FY15	Estimated FY16
Maintenance capital expenditure	\$52.9m	\$60-70m
Cash incentives and leasing costs	\$65.4m	\$60-70m
Total capital expenditure	\$119.5m	\$120-140m

1. At 100%.
2. DEXUS interest.
3. Includes Lot A4 awaiting tenant pre-commitment.
4. Includes Lots WH11 and WH12 underway (100% tenant pre-committed).

PORTFOLIO RESULTS – DEXUS uncommitted development pipeline

Pipeline	Building area ¹ sqm	Project est. ^{2,3} \$m	Est. cost to completion \$m	Est. yield on est. project cost %
Office				
180 Flinders Street, Melbourne, VIC	19,000	142	142	7.0-7.5%
12 Creek Street, Brisbane, QLD	5,000	24	24	9.0-9.5%
105 Phillip Street, Parramatta, NSW ⁴	20,000	120	110	8.25-8.75%
Total office	44,000	286	276	
Industrial				
DEXUS Industrial Estate, Laverton North, VIC ⁵	84,100	108	72	8.0-8.5%
Quarry at Greystanes, NSW ⁶	20,000	26	26	8.0-8.5%
Total industrial	104,100	134	98	
Total uncommitted	148,100	420	374	

1. At 100%.

2. Including land.

3. DEXUS share.

4. Also in DEXUS trading pipeline.

5. Stage 3 estimated cost includes cost of land sales and excludes Kathmandu facility which is now committed.

6. Includes Lot A2.

TRANSACTIONS – Trading versus non-trading opportunities

Origination	Acquisitions ¹		Balance Sheet Assets	
Activity / Strategy	Reposition & Sell	Develop & Sell	Reposition/ Develop & Sell	Divestment (non trading)
Type	Trading asset ² (inventory)	Trading asset ² (inventory)	Trading asset ² (transfer to inventory) ³	Investment property (no transfer to trading)
Properties	<ul style="list-style-type: none"> 50 Carrington Street, Sydney 40 Market Street, Melbourne Archerfield, Brisbane Lakes Business Park (Southern site) 	<ul style="list-style-type: none"> Wacol, Brisbane Laverton North, Melbourne Erskine Park, Sydney 	<ul style="list-style-type: none"> Mascot, Sydney Rosebery, Sydney 32 Flinders Street, Melbourne 105 Phillip Street, Parramatta 	<ul style="list-style-type: none"> Lumley Centre, NZ 201 Kent Street, Sydney
Accounting Treatment	<ul style="list-style-type: none"> Net profit/loss after tax in FFO⁴ 	<ul style="list-style-type: none"> Net profit/loss after tax in FFO⁴ 	<ul style="list-style-type: none"> Net profit/loss after tax in FFO⁴ Transferred at fair value 	<ul style="list-style-type: none"> Profit/loss on sale held in passive trust (DIT/DOT/DDF) Reflected in NTA Not recognised in FFO

1. Assets or land acquired externally with the intention to sell for profit.
 2. Activities are undertaken in a tax paying entity (DXO).

3. Intention changed to significantly participate in profit from change of use (residential, mixed-use or retail), development and subsequent sale. Future use may be uncertain.

4. Profits will not be recognised in FFO on any previous impairment amounts.

TRANSACTIONS – Involved in \$2.0bn of transactions in a competitive market

DEXUS acquisitions	Purchase price \$m	Interest	Cap rate	Settlement date
Waterfront Complex, QLD ¹	317.5	50%	6.9%	1 Oct 15
Lakes Business Park, NSW	153.5	100%	7.0%	16 Jan 15
Total	471.0			

DWPF acquisitions	Purchase price \$m	Interest	Cap rate	Settlement date
Waterfront Complex, QLD ¹	317.5	50%	6.9%	1 Oct 15
42 Manton Street, VIC	9.2	100%	7.6%	24 Mar 15
Deepwater Plaza, NSW	98.5	100%	7.25%	25 Jul 14
Sturt Mall, NSW	61.2	100%	7.5%	28 Jul 14
Shepparton, VIC	70.6	100%	7.0%	18 Dec 14
Total	557.0			

DEXUS Industrial Partnership acquisitions ⁴	Purchase price ⁴ \$m	Interest	Cap rate	Settlement date
Radius Industrial Estate, QLD	9.2	100%	n/a	1 Aug 14
141 Anton Road, QLD	25.2	100%	n/a	22 Dec 14
112 Cullen Avenue, QLD	20.7	100%	n/a	27 Feb 15
Total	55.1			

DEXUS divestments	Sale price \$m	Interest	Settlement date
201 Kent Street, NSW ²	86.5	25%	1 Sep 14
50 Carrington Street, NSW	88.0	100%	1 Dec 14
40 Market Street, VIC	105.3	100%	5 May 15
154 O'Riordan Street, NSW	32.0	100%	31 Jul 15
Rosebery properties, NSW	190.0	100%	21 Jul 15
30 Distribution Drive, VIC	19.0	100%	1 Jul 14
79a Egerton Street, NSW	1.7	100%	23 Jan 15
Lumley Centre, NZ ³	132.9	100%	18 Nov 14
Total	741.9		

DWPF divestments	Sale price \$m	Interest	Settlement date
1 International Drive, VIC	23.9	100%	23 Jul 15
Total	23.9		

Other third party divestments	Sale price \$m	Interest	Settlement date
201 Kent Street, NSW ²	86.5	25%	1 Sep 14
66 Glendenning Road, NSW	19.2	100%	30 Apr 15
Capalaba Central, QLD	148.5	100%	30 Jun 15
Total	167.7		

1. Conditional agreement entered into, with settlement expected in October 2015.

2. Pre-emptive right exercised by co-owner resulted in the divestment.

3. NZ\$146m proceeds converted at NZD/AUD of \$1.0984.

4. DEXUS has a 50% interest in the DEXUS Industrial Partnership.

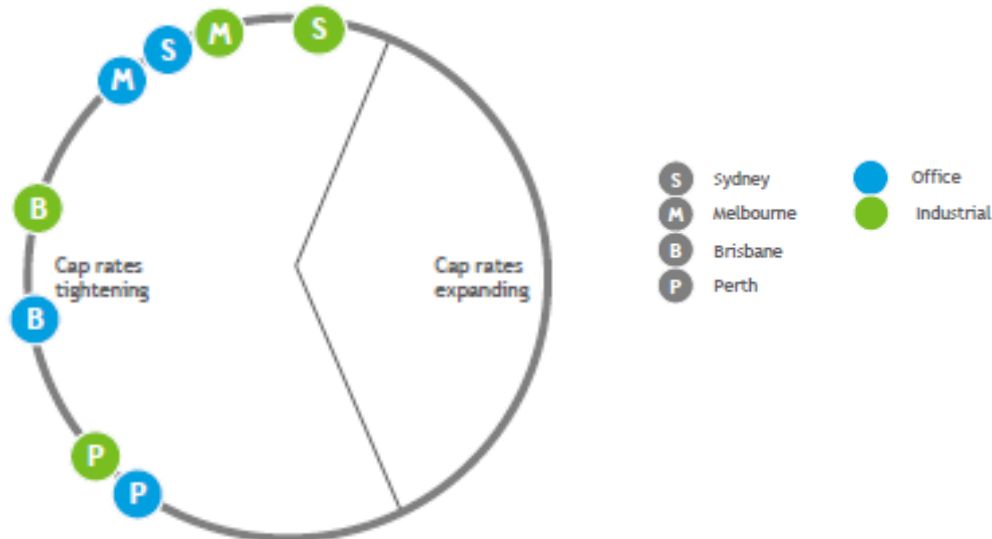
MARKET OUTLOOK – DEXUS’s view on position in Rental and Pricing Cycle

Position of prime properties in Rental Cycle



- The rental cycle, as defined by movement in effective rent, is weak, with most markets in, or slowly recovering from, a trough

Position of prime properties in Pricing Cycle

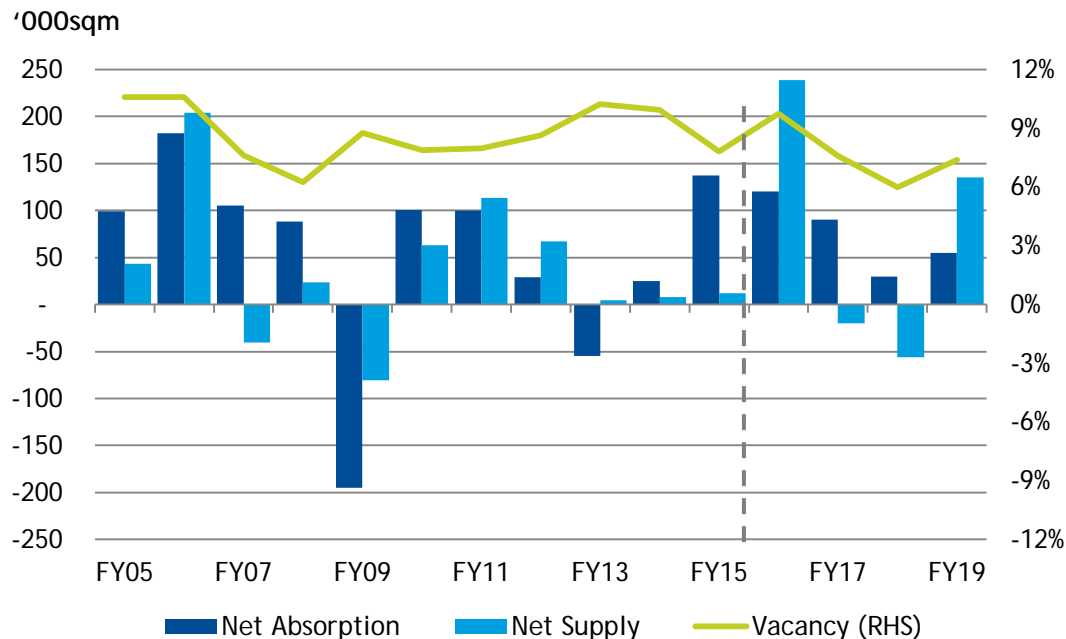


- The pricing cycle, representing the movement in average prime yields, is strong
- Property yields continue to compress as investors compete for prime assets

1. As defined by movement in effective rent.

MARKET OUTLOOK – Sydney CBD office

Sydney CBD office market



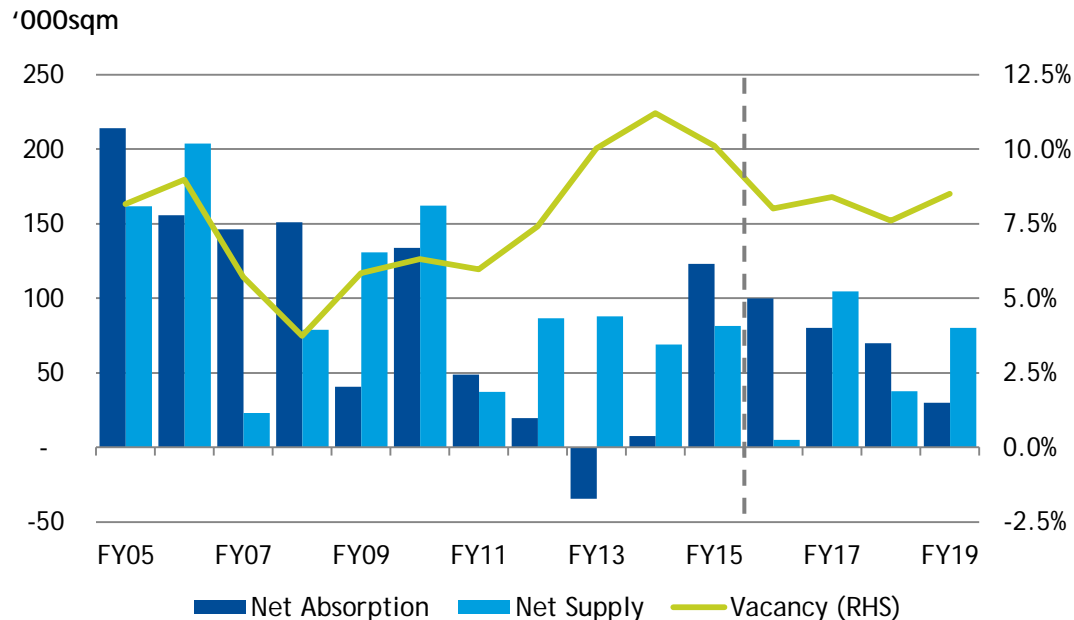
Sydney CBD office market	At 30 June 2015
Total net lettable area	5.00 million sqm
Prime vacancy average	7.5%
DEXUS Sydney CBD exposure	
Net lettable area	594,848
Number of properties	17
% of portfolio by value	50%
Occupancy by area	95.5%
Occupancy by income	94.7%
Weighted average lease expiry	4.5 years

- Recovery well underway with demand to remain firm FY16-FY17
- Vacancy has fallen to c7.8% (FY15), which is better than expected
- Vacancy to temporarily lift FY16 due to significant new supply
- Positive demand and withdrawal of older stock to drive vacancy down to 6.5% in FY18

Source: JLL Research actual & DEXUS Research forecast.

MARKET OUTLOOK – Melbourne CBD office

Melbourne CBD office market



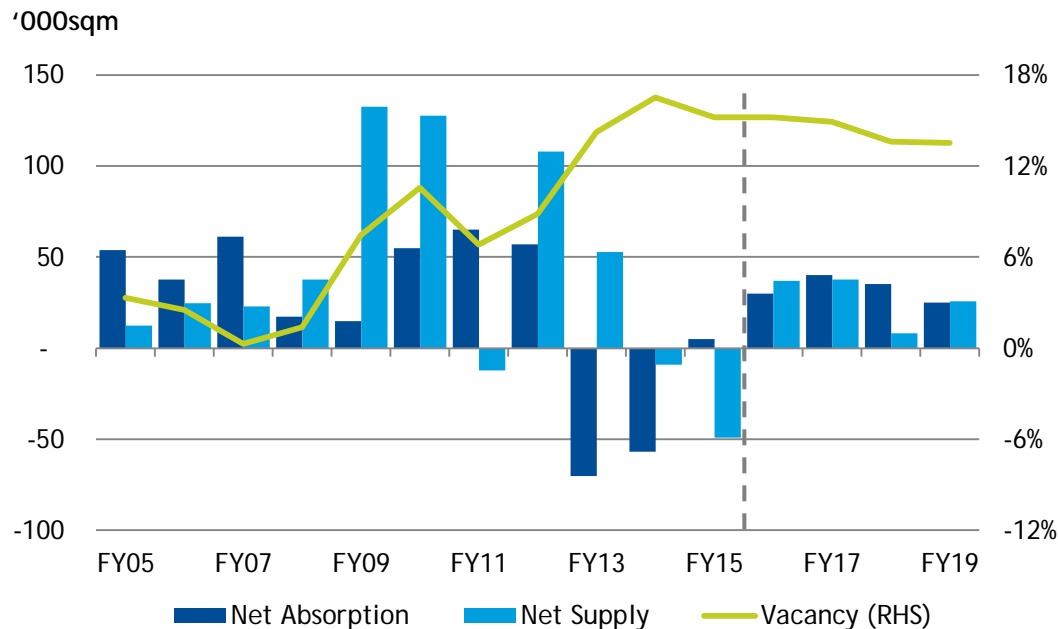
Melbourne CBD office market	At 30 June 2015
Total net lettable area	4.57 million sqm
Prime vacancy average	9.8%
DEXUS Melbourne CBD exposure¹	
Net lettable area	285,273
Number of properties	7
% of portfolio by value	14%
Occupancy by area	94.6%
Occupancy by income	93.1%
Weighted average lease expiry	3.9 years

- Demand strengthening due to growth in education and professional services
- Tenant migration from the fringe to the CBD anticipated to continue
- Vacancy to tighten over the medium-term due to muted supply

1. Including CPA properties.
Source: JLL Research actual & DEXUS Research forecast.

MARKET OUTLOOK – Brisbane CBD office

Brisbane CBD office market



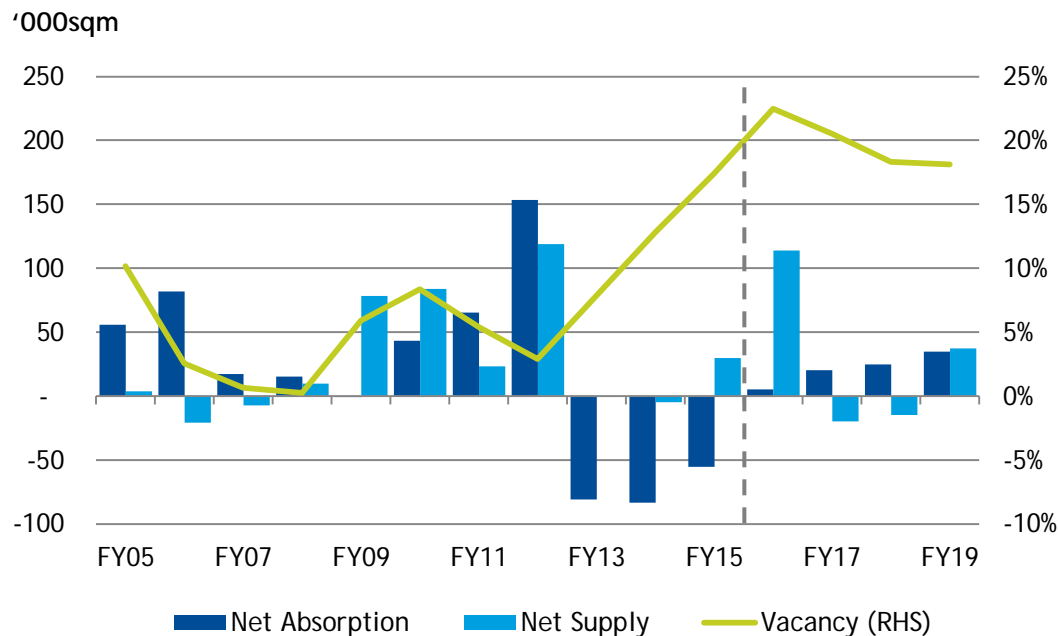
Brisbane CBD office market	At 30 June 2015
Total net lettable area	2.15 million sqm
Prime vacancy average	10.2%
DEXUS Brisbane CBD exposure¹	
Net lettable area	460,005
Number of properties	5
% of portfolio by value	12%
Occupancy by area	97.6%
Occupancy by income	97.7%
Weighted average lease expiry	5.3 years

- Government and mining sector consolidation is tapering
- Demand turning a corner with positive net absorption from FY15
- Two tier market as tenants migrate to high quality space
- Should benefit longer-term from significant withdrawals for residential conversion

1. Including CPA properties.
Source: JLL Research actual & DEXUS Research forecast.

MARKET OUTLOOK – Perth CBD office

Perth CBD office market



Perth CBD office market	At 30 June 2015
Total net lettable area	1.64 million sqm
Prime vacancy average	15.9%
DEXUS Perth CBD exposure¹	
Net lettable area	422,916
Number of properties	4
% of portfolio by value	10%
Occupancy by area	99.6%
Occupancy by income	99.7%
Weighted average lease expiry	3.5 years

- Cyclical slowdown as the mining sector transitions from investment phase to production
- Vacancy to rise due to new supply, and further cutbacks in mining sector
- Rents likely to weaken further
- Perth's longer term prospects will be underpinned by rising exports and population growth

1. Including CPA properties.
Source: JLL Research actual & DEXUS Research forecast.

EXCHANGE RATES AND SECURITIES USED IN STATUTORY ACCOUNTS

		30 June 2014	31 Dec 2014	30 June 2015
Closing rates for Statement of Financial Position	NZD	1.0761	1.0462	1.1294
	USD	0.9420	0.8202	0.7680
Average rates for Statement of Comprehensive Income	NZD	1.1061	1.0962	1.0756
	USD	0.9184	0.8906	0.8367

Post consolidation equivalent amounts ²	12 mths to 30 June 2014	6 mths to 31 Dec 2014	12 mths to 30 June 2015
Average weighted number of securities ¹	820,257,691	905,531,797	915,462,824
Closing number of securities	905,531,797	905,531,797	970,806,349

1. Used to calculate FFO per security.
2. Where the number of securities held by a security holder following the consolidation resulted in a fraction of a security, the fraction was rounded up to the nearest whole number.

GLOSSARY

Distribution payout policy:	Policy is to distribute in line with free cash flow.
Funds From Operations (FFO):	FFO is in line with Property Council of Australia definition and comprises net profit/loss after tax attributable to stapled security holders calculated in accordance with Australian Accounting Standards and adjusted for: property revaluations, impairments, derivative and FX mark to market impacts, fair value movements of interest bearing liabilities, amortisation of tenant incentives, gain/loss on sale of certain assets, straight line rent adjustments, deferred tax expense/benefit, rental guarantees, coupon income and distribution income net of funding costs.
Adjusted FFO (AFFO):	AFFO is calculated in line with the Property Council of Australia definition and comprises PCA FFO and adjusted for: maintenance capex, incentives (including rent free incentives) given to tenants during the period and other items which have not been adjusted in determining FFO.
Gearing:	Gearing is represented by Interest Bearing Liabilities (excluding deferred borrowing costs and including the currency gains and losses 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.
Gearing (look through):	Represents Gearing defined above adjusted to include debt in equity accounted investments.
Portfolio value:	Unless otherwise stated, portfolio value is represented by investment properties, inventories 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 calculated based on the weighted average number of DEXUS securities for the relevant period.
Weighted Average Lease Expiry (WALE):	A measure in years of the average term to expiry of in-place rent. Includes vacancies.

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