

Dexus (ASX: DXS)

ASX release



16 December 2022

Portfolio valuation update

Dexus today announced that 177 of its 183¹ assets, comprising 34 office properties and 143 industrial properties have been externally valued as at 31 December 2022.

The draft external independent valuations have resulted in a total estimated decrease of circa \$322 million² or 1.9% on prior book values for the six months to 31 December 2022.

Darren Steinberg, Dexus CEO said: "The value of the office portfolio decreased circa 2.3% on prior book values driven by higher capitalisation rates and discount rates, partially offset by market rental growth. The industrial portfolio decreased circa 0.5% on prior book values, with strong rental growth largely offsetting the impact of higher capitalisation rates and discount rates.

"We expect a continued trend of well-located quality assets performing better than secondary assets against an uncertain macroeconomic backdrop."

The weighted average capitalisation rate across the total portfolio expanded by circa 16 basis points over the past six months from 4.64% at 30 June 2022 to 4.80% at 31 December 2022. The weighted average capitalisation rate of the office portfolio expanded by circa 14 basis points from 4.75% at 30 June 2022 to 4.89% at 31 December 2022 and the industrial portfolio weighted average capitalisation rate expanded by circa 17 basis points from 4.29% at 30 June 2022 to 4.46% at 31 December 2022.

Details relating to specific individual property valuations will be available in Dexus's HY23 results which will be released to the Australian Securities Exchange on Tuesday, 14 February 2023.

Authorised by the Board of Dexus Funds Management Limited.

For further information please contact:

Investors

Rowena Causley
Head of Listed Investor Relations
+61 2 9017 1390
+61 416 122 383
rowena.causley@dexus.com

Media

Louise Murray
Senior Manager, Corporate Communications
+61 2 9017 1446
+61 403 260 754
louise.murray@dexus.com

About Dexus

Dexus (ASX: DXS) is one of Australia's leading fully integrated real estate groups, managing a high-quality Australian property portfolio valued at \$44.3 billion. We believe that the strength and quality of our relationships will always be central to our success and are deeply committed to working with our customers to provide spaces that engage and inspire. We invest only in Australia, and directly own \$18.4 billion of office, industrial and healthcare properties, and investments. We manage a further \$25.9 billion of office, retail, industrial and healthcare properties for third party clients. The group's \$17.7 billion development pipeline provides the opportunity to grow both portfolios and enhance future returns. Sustainability is integrated across our business, and our sustainability approach is the lens we use to manage emerging ESG risks and opportunities for all our stakeholders. Dexus is listed on the Australian Securities Exchange and is supported by more than 29,000 investors from 24 countries. With over 35 years of expertise in property investment, funds management, asset management and development, we have a proven track record in capital and risk management and delivering superior risk-adjusted returns for investors. www.dexus.com

Dexus Funds Management Ltd ABN 24 060 920 783, AFSL 238163, as Responsible Entity for Dexus (ASX: DXS)
Level 25, 264 George Street, Sydney NSW 2000

1 Including Jandakot Airport, Perth which comprises 54 assets.

2 Includes assets held for sale at sale price and excludes expected settlement of assets prior to 31 December 2022.