

# Dexus (ASX: DXS)

## ASX release



29 October 2025

### September 2025 quarter update – Well positioned investment portfolio and continued fund outperformance

Ross Du Vernet, Dexus Group Chief Executive Officer & Managing Director said: “The outlook for Australian real asset markets continues to improve, with location and quality remaining key performance drivers.

“Dexus remains focused on driving performance across the Platform through actively managing our high-quality well-located investment portfolio, progressing our strategic priority areas, unlocking deep sector expertise and delivering for fund clients.”

### Key highlights

- **High quality property portfolio well positioned**, with Dexus industrial portfolio occupancy at 95.9% and Dexus office portfolio occupancy at 91.2%, with momentum in office portfolio leasing
- **Rent collections** remain strong at 99.5%
- **Exchanged or settled circa \$2.0 billion** of transactions across the Platform, the majority of which were transactions on behalf of funds
- **Delivered continued outperformance** from Dexus Wholesale Property Fund (DWPF) and Dexus Wholesale Shopping Centre Fund (DWSF)
- **DREP2 raised circa \$30 million of equity commitments**, taking total commitments to over \$510 million, with final close scheduled for HY26
- **Recognised for strong sustainability performance across funds** in the 2025 Global Real Estate Sustainability Benchmark (GRESB) results

### Outlook

Ross Du Vernet said: “Australia’s economy is entering a phase of cautious optimism, with a lift in business confidence a positive sign for real asset markets. Our high-quality investment portfolio, led by our market-leading office portfolio, together with a large, diversified funds management business, positions us for long-term value creation.

“Barring unforeseen circumstances, for the 12 months ended 30 June 2026, Dexus reiterates its expectation for AFFO of 44.5 - 45.5 cents per security and distributions of 37.0 cents per security<sup>1</sup>.”

### High quality property portfolio

Dexus’s \$14.5 billion<sup>2</sup> high quality portfolio comprises predominantly \$9.7 billion in office and \$3.6 billion in industrial.

| Key metrics <sup>3</sup>                  | Office          |                  | Industrial      |                  |
|-------------------------------------------|-----------------|------------------|-----------------|------------------|
|                                           | 30 Sep 2025     | 30 Jun 2025      | 30 Sep 2025     | 30 Jun 2025      |
| Occupancy by income                       | 91.2%           | 92.3%            | 95.9%           | 96.2%            |
| Occupancy by area                         | 90.7%           | 91.7%            | 96.4%           | 97.4%            |
| Weighted average lease expiry (by income) | 4.2 years       | 4.2 years        | 4.3 years       | 4.5 years        |
| Average incentives                        | 28.7%           | 26.8%            | 19.5%           | 16.3%            |
| <b>Leasing volumes<sup>4</sup></b>        | <b>3 months</b> | <b>12 months</b> | <b>3 months</b> | <b>12 months</b> |
| Stabilised leasing (sqm)                  | 49,200          | 107,500          | 47,500          | 461,500          |
| Number stabilised lease transactions      | 83              | 248              | 13              | 65               |
| Development leasing (sqm)                 | -               | -                | 22,200          | 114,900          |
| Number development lease transactions     | -               | -                | 6               | 11               |



## Office portfolio

The Australian office market showed a broad-based improvement in demand over the September quarter, reflecting expansion of tenants across a range of industries. Net absorption was positive in the quarter in Sydney, Melbourne and Brisbane. A flight to core and quality is evident with Premium vacancy rates well below the total market vacancy in each of the major capital cities. Net effective market rents are responding to tighter availability, growing by over 10% in both Sydney and Brisbane CBDs over the past year. With circa 76% of its office portfolio located in core CBD locations, Dexus continues to benefit from the flight to core and quality.

Dexus's portfolio occupancy at 91.2% remains well above the market average<sup>5</sup> of 85.7%, albeit slightly below occupancy at June 2025 as expected following known departures at 80 Collins South in Melbourne and 25 Martin Place in Sydney. Average incentives of 28.7% primarily reflected key large renewal deals in Perth and North Sydney and remain well below market average. Leasing volumes recovered during the quarter, exceeding the prior corresponding period as well as HY25, and included leasing of vacant space at 80 Collins North in Melbourne and 56 Berry Street in North Sydney, with 56 Berry Street now fully leased.

## Industrial portfolio

Following record volumes of stabilised leasing in FY25, leasing momentum continued across Dexus's industrial portfolio during the quarter led by new deals and development leasing in Sydney. Portfolio occupancy remained strong at 95.9%, while average incentives increased slightly to 19.5%. Dexus is in active leasing discussions on the vacant space across its portfolio and remains focused on delivering strong total returns over the lifecycle of its assets.

Releasing spreads of circa 36% were achieved in the quarter. The portfolio remains 9.5% under-rented, creating the opportunity to grow income by resetting the rents on vacancy and upcoming lease expiries across approximately 25% of the portfolio by FY27.

## Developments

The Platform's \$13.3 billion<sup>6</sup> real estate development pipeline comprises \$7.1 billion within the Dexus portfolio and \$6.2 billion within the funds management business.

Construction at Dexus's city shaping office development Atlassian Central in Sydney continues to progress, with completion scheduled for late 2026. Construction at Waterfront Brisbane continues, with the core now out of the ground and completion expected in late 2028.

Dexus secured 22,200 square metres of industrial development leasing and completed construction of two assets across 30,500 square metres in Ravenhall and a 7,000 square metre facility at Jandakot, all 100% leased. Construction continues at eight projects across 180,400 square metres at key industrial sites in NSW, VIC and WA.

## Funds management

Dexus manages \$35.6 billion<sup>2</sup> of funds across its diversified funds management business.

Fund raising continues for DREP2 with an additional circa \$30 million of equity committed, taking total commitments to over \$510 million, with final close scheduled for HY26.

Powerco, New Zealand's largest dual electricity and gas distributor and majority-owned by Dexus-managed funds, entered into an agreement to acquire Firstlight Network, a New Zealand electricity distribution business. The acquisition, subject to regulatory approval, reflects Powerco's strong asset management capabilities and strategic approach to bolt-on growth and aligns with Dexus's Climate Transition Action Plan to invest in resilient, future-focused infrastructure that supports the energy transition.

Flagship fund, DWPF, continued to outperform its benchmark across all time periods, while DWSF has outperformed its benchmark over the 2, 3 and 5-year time periods.

Dexus continues to work through fund specific matters and redemptions, including the resolution of the APAC matter. On the application of other parties to the matter, the New South Wales Supreme Court has rescheduled the hearing to April 2026 and mediation to be held by 12 December 2025. This is in place of the earlier hearing date of between 10 and 21 November 2025, with mediation to be held by 3 November 2025. Dexus continues to work towards a resolution of this matter in the best interests of its clients.



## Environmental, Social and Governance (ESG)

Dexus continues to be recognised for its sustainability performance, maintaining a 5-star GRESB rating for 2025. Dexus's funds also performed well with DDIT achieving a historical best score of 98/100 and 5 stars, while DHPF, DWPF and DALT all ranked in the top three of their categories in Australia.

During the quarter, Dexus continued to deliver on the key strategic pillars of its sustainability strategy. Key highlights include:

- Showcasing innovative sustainable development and climate practices with the unveiling of the first of seven timber habitats at the Atlassian Central development, with the use of timber over conventional materials delivering a 50% reduction in upfront carbon
- Achieving a 6 Star Green Star rating for the Nike facility at Ravenhall recognising world leadership in industrial design
- Raising awareness and funds through campaigns with community partners across the Platform, including R U OK Day, Hard Hat Day and NAIDOC Week

*Authorised by Brett Cameron, General Counsel and Company Secretary of Dexus Funds Management Limited*

For further information please contact:

### Investors

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

### Media

Louise Murray  
Head of Corporate Affairs & Communications  
+61 403 260 754  
louise.murray@dexus.com

## About Dexus

Dexus (ASX: DXS) is a leading Australasian fully integrated real asset group, managing a high-quality Australasian real estate and infrastructure portfolio valued at \$50.1 billion. The Dexus Platform includes the Dexus listed portfolio and the funds management business. The \$14.5 billion listed portfolio includes direct and indirect ownership of office, industrial, retail, healthcare, infrastructure, alternatives and other investments. We manage a further \$35.6 billion of investments in our funds management business which connects third party capital with exposure to quality sector specific and diversified real asset products. The funds within this business have a strong track record of delivering performance and benefit from Dexus's Platform capabilities. The Platform's \$13.3 billion real estate development pipeline provides the opportunity to grow both the listed and funds' portfolios and enhance future returns. We are deeply connected to our purpose **unlock potential, create tomorrow**, reflecting our unique ability to create value for our people, customers, investors and communities over the long term. Our sustainability approach focuses on the priority areas where we believe we can make the most impact: Customer Prosperity, Climate Action and Enhancing Communities. Dexus is supported by more than 37,000 investors from 26 countries. With more than four decades of expertise in real asset investment, funds management, asset management and development, we have a proven track record in capital and risk management and delivering returns for investors. [www.dexus.com](http://www.dexus.com)

Dexus Funds Management Limited ABN 24 060 920 783, AFSL 238163, as Responsible Entity for Dexus (ASX: DXS)  
(Dexus Property Trust ARSN 648 526 470 and Dexus Operations Trust ARSN 110 521 223)  
Level 30, 50 Bridge Street, Sydney NSW 2000

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- 1 Based on current expectations relating to asset sales, performance fees and trading profits, APAC litigation assumptions, and subject to no material deterioration in conditions.
  - 2 Data as at 30 June 2025.
  - 3 Dexus balance sheet portfolio performance statistics exclude co-investments in pooled funds and development leasing.
  - 4 Includes Heads of Agreements.
  - 5 Australian CBD vacancy average by Property Council of Australia at July 2025.
  - 6 Includes Central Place Sydney scheme which is under review.