

Dexus (ASX: DXS)

ASX release



17 August 2022

2022 Annual Results Presentation and property synopsis

Dexus releases its 2022 Annual Results Presentation.

An investor conference call will be webcast at 9.30am today on www.dexus.com/investor-centre

The 2022 property synopsis excel workbook is also available at www.dexus.com

Authorised by the Board of Dexus Funds Management Limited

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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 a Top 50 entity by market capitalisation 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

2022 Annual Results

17 August 2022

Acknowledgement of country

Dexus acknowledges the Traditional Custodians of the lands on which our business and assets operate, and recognises their ongoing contribution to land, waters and community.

We pay our respects to First Nations Elders past, present and emerging.

Artist: Amy Allerton, Indigico Creative, a Gumbaynggir and Bundjalung woman

Artwork: The Places Where We Thrive

Artwork description: The artwork tells the story of a vision for our communities, both large and small, where they are all thriving and strong as they build lives, homes and legacies for present and future generations. Every community is connected by spirit and by country, surrounded by flourishing waterways and vibrant land that is enriched and cared for by its people. Communities are empowered to find new ways to build and expand, as they dream and innovate to create the places where we thrive.



Agenda

Overview

Darren Steinberg, CEO

Financial results

Keir Barnes, CFO

Funds management

Deborah Coakley, EGM Funds Management

Office portfolio

Kevin George, EGM Office

Industrial portfolio

Stewart Hutcheon, EGM Industrial, Retail & Healthcare

Investments and Developments

Ross Du Vernet, CIO

Summary

Darren Steinberg, CEO

Appendices



25 Martin Place, Sydney NSW

Substantial progress towards strategic objectives

Acquisition of AMP Capital’s real estate and domestic infrastructure platform accelerates strategy

| | | | | |
|------------------------------------|---|---|--|--|
| <p>Strategy</p> | <p>To deliver superior risk-adjusted returns for investors from high-quality real estate in Australia’s major cities</p> | | | |
| <p>Strategic objectives</p> | <p>Resilient income streams</p> | | <p>Real estate investment partner of choice</p> | |
| | <p>Investing in income streams that provide resilience through-the-cycle</p> | | <p>Expanding and diversifying the funds management business</p> | |
| |  <p>\$1.4bn executed binding documents to fund, develop and invest in Atlassian Central</p> |  <p>Up-weighted balance sheet industrial allocation to 23% from 15% in FY19</p> |  <p>Agreed to acquire AMP Capital's real estate & domestic infrastructure platform (up to \$21.1bn² of FUM)</p> |  <p>\$1.3bn acquisition of Jandakot Airport industrial precinct, held across DXS, DXI & Cbus</p> |
| |  <p>95.6% Office occupancy¹ 98.1% Industrial occupancy¹ 98.5% rent collection (O&I)</p> |  <p>\$1,615.9m Net profit after tax \$572.2m AFFO</p> |  <p>Achieved non-binding HOA to sell down 35% of Atlassian Central</p> |  <p>\$1.6bn³ of equity raised through new and existing vehicles</p> |
| | <p>Prudent capital management and a commitment to sustainability</p> | | | |

1. Occupancy by income, excluding co-investments in pooled funds.
 2. Based on AMP Capital’s FUM as at 30 June 2022 net of the known transition of circa \$10 billion of FUM from the AMP Capital platform.
 3. Includes participation by Dexus in fund equity raisings

Environmental, Social and Governance highlights

Achieved Net Zero emissions across the group managed portfolio

2022 Global ESG benchmark performance

Sustainability Award
Gold Class 2022
S&P Global

Global real estate leader
S&P Global Sustainability
Yearbook

ESG update

Achieved net zero operational emissions for FY22

- › Reducing emissions and undertaking property upgrades
- › Transitioning to renewables and carbon offsets for managed assets



#4 Listed Office
Dexus Office Trust

Launched Reflect Reconciliation Action Plan (RAP)

- › Dexus's Reflect RAP commences our reconciliation journey through acknowledging and connecting with Australia's First Nations peoples



A-
CDP Climate Change

Named Employer of Choice for Gender Equality

- › By the Workplace Gender Equality Agency for the fifth consecutive year

Financial results



Key earnings drivers and valuations

Property portfolio and management operations driving earnings growth

Key earnings drivers

| Earnings driver | FY22 result |
|-----------------------------|--|
| Property portfolio | Property AFFO ¹ of \$622.6 million +2.7% office LFL income ² +3.1% industrial LFL income ³ 98.5% rent collections |
| Funds management | Management operations FFO of \$81.7 million – predominantly recurring earnings from funds management, property and development management |
| Co-investment income | \$29.1 million distribution income from investments in pooled property and real estate securities funds |
| Trading | Trading profits of \$23.4 million⁴ secured from settlement of Gladesville, Truganina, Ravenhall and Botany trading properties |

Property portfolio valuations

| | 30 June 2022 value ⁵ | Valuation 12-month movement ⁶ | Capitalisation rate 12-month movement |
|-----------------------------|---------------------------------|---|---------------------------------------|
| Total portfolio | \$18.4bn | ↑ \$926.0m 5.6% | 4.64% ↓ 27bps |
| Office portfolio | \$13.3bn | ↑ \$422.8m 3.3% | 4.75% ↓ 16bps |
| | | <ul style="list-style-type: none"> ■ Rental growth ■ Cap rate compression | |
| Industrial portfolio | \$4.3bn | ↑ \$482.4m 13.9% | 4.29% ↓ 63bps |
| | | <ul style="list-style-type: none"> ■ Rental growth ■ Cap rate compression | |

1. AFFO contribution is calculated before net finance costs, group corporate costs and tax. Property AFFO is equal to Property FFO of \$808.0m less total portfolio AFFO capex of \$185.4m.
 2. Office LFL income was +4.4% including the impact of rent relief and provision for expected credit losses.
 3. Excludes business parks, rent relief and provision for expected credit losses. Including business parks, effective LFL was 2.1%. Including business parks, rent relief and provision for expected credit losses, effective LFL was +2.4%

4. Post tax.
 5. Total portfolio value of \$18.4bn includes \$1.0bn look-through FUM for Dexus's co-investments in pooled funds and financial assets, and is comprised of office portfolio \$13.3bn, industrial portfolio \$4.3bn, healthcare portfolio \$0.6bn, retail \$0.1bn and opportunistic \$0.1bn.
 6. Valuation movement excludes co-investments in pooled funds and financial assets. Includes healthcare and other property revaluation gain of \$20.8m and excludes leased assets and right of use assets revaluation gain of \$0.8m.

FY22 financial results

Strong underlying growth in a complex operating environment

| | FY22 \$m | FY21 ⁴ \$m | Change % |
|--|--------------|--------------------------|----------------|
| Office property FFO | 655.6 | 658.3 | ↓ 0.4% |
| Industrial property FFO | 152.4 | 122.2 | ↑ 24.7% |
| Total property FFO | 808.0 | 780.5 | ↑ 3.5% |
| Management operations ¹ | 81.7 | 57.7 | ↑ 41.6% |
| Group corporate | (44.7) | (34.1) | ↑ 31.1% |
| Net finance costs | (118.4) | (129.7) | ↓ 9.3% |
| Co-investments in pooled funds ² | 29.1 | 8.1 | ↑ 259.3% |
| Other ³ | (21.5) | (15.9) | ↑ 35.2% |
| Underlying FFO | 734.2 | 666.6 | ↑ 10.1% |
| Trading profits (post tax) | 23.4 | 50.4 | ↓ 53.6% |
| FFO | 757.6 | 717.0 | ↑ 5.7% |
| Adjusted Funds from Operations (AFFO) | 572.2 | 561.7 | ↑ 1.9% |
| Distribution payout (% AFFO) | 100.0% | 99.9% | |
| Distribution | 572.2 | 561.0 | ↑ 2.0% |

› Office property FFO decreased primarily due to the impact of divestments, partly offset by fixed rent increases, the acquisition of Capital Square, Perth and non-recurring income on development impacted properties

› Industrial property FFO increased primarily due to acquisitions including Jandakot Airport, recently completed developments, as well as leasing success driving growth

› Management operations FFO increased significantly, driven by fee income from ADPF, the acquisition of the APN funds platform and other successful funds management initiatives

› Net finance costs reduced primarily due to interest reimbursement for the delayed settlement of Grosvenor Place, interest income from Capital Square and lower cost of debt, partially offset by higher average debt balance

› Co-investments in pooled funds grew significantly driven by investments in Dexus Industria REIT and Dexus Convenience Retail REIT, a full-year contribution from Dexus's investment in AUHPT, as well as income growth from DHPF

| Key per security metrics | FY22 | FY21 | Change |
|--|----------------------|-------------|---------------|
| Underlying FFO per security ⁵ | 68.3 cents | 61.5 cents | ↑ 11.1% |
| FFO per security | 70.4 cents | 66.1 cents | ↑ 6.5% |
| AFFO per security | 53.2 cents | 51.8 cents | ↑ 2.7% |
| Distribution per security | 53.2 cents | 51.8 cents | ↑ 2.7% |
| | FY22 | FY21 | Change |
| Net Tangible Assets (NTA) per security | \$12.28 ⁶ | \$11.42 | ↑ 7.5% |

1. Management operations FFO includes development management fees.
 2. Includes distribution income from Dexus's co-investment stake in pooled funds and excludes joint venture and partnership income which is proportionately consolidated in Note 1 Operating Segments within Dexus's Financial Statements. See slide 41 in Appendices for further detail.
 3. Other FFO includes non-trading related tax expense, directly owned healthcare property and other miscellaneous items.
 4. FY21 amounts have been restated to reflect the impacts resulting from presentational changes made during FY22, to separately disclose segment information relating to co-investments.
 5. Underlying FFO excludes trading profits post tax.
 6. Post the completion of the AMP Capital's platform acquisition, NTA is expected to reduce given the consideration in connection with the acquisition of management rights which are classified as an intangible asset.

Strong financial position

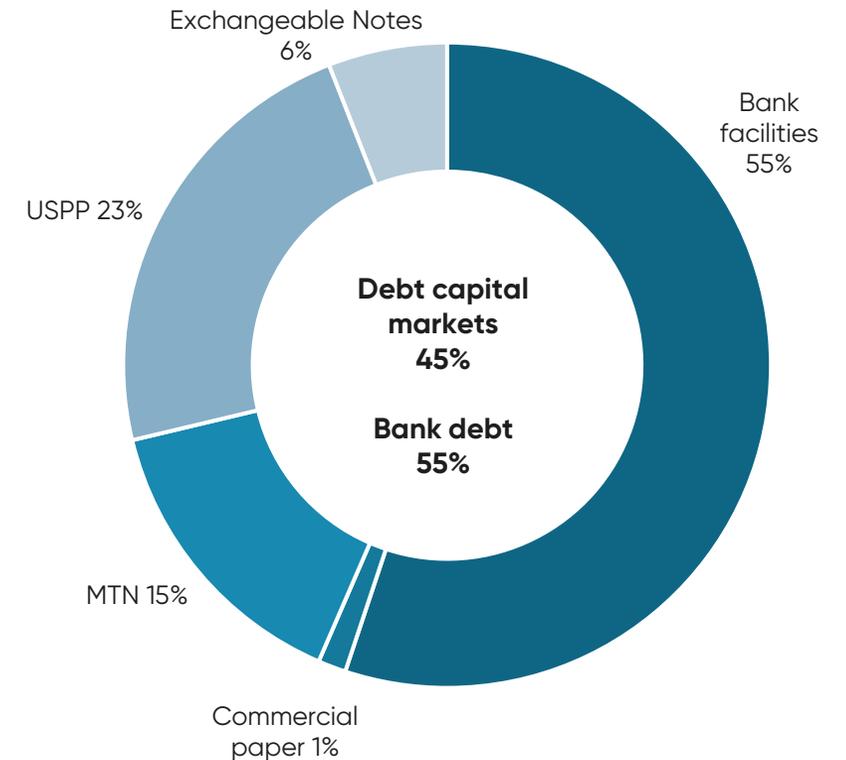
Prudent gearing and hedging management to maintain balance sheet strength

- › **Active debt management** achieving **\$700 million of facility extensions** with an average **tenor of 6.1 years**
- › Post 30 June 2022, completed **\$500 million of facility extensions** with an average **tenor of 4.9 years**
- › **Gearing of 26.9%^{1,2}** below the 30–40% target range, combined with strategic asset recycling, provides capacity to fund the acquisition of AMP Capital platform and developments
- › **65% of debt hedged across FY22**, and an **average hedge maturity of 5.9 years** providing material protection against interest rate movements over the medium term

| Key metrics | 30 June 2022 | 30 June 2021 |
|--------------------------------------|--------------------|--------------|
| Gearing (look-through) ¹ | 26.9% ² | 26.7% |
| Headroom ³ | \$1.9bn | \$1.1bn |
| Cost of debt ⁴ | 2.7% | 3.2% |
| Average maturity of debt | 5.5 years | 6.2 years |
| Hedged debt (incl caps) ⁵ | 65% | 81% |
| Weighted average maturity of hedges | 5.9 years | 5.1 years |
| S&P/Moody's credit rating | A- /A3 | A- /A3 |

1. Adjusted for cash and debt in equity accounted investments.
 2. Excluding Dexus's share of co-investments in pooled funds. Look-through gearing including Dexus's share of co-investments in pooled funds was 27.8% as at 30 June 2022.
 3. Undrawn facilities plus cash.
 4. Weighted average for the year, inclusive of fees and margins on a drawn basis.
 5. Average for the year. Hedged debt (excluding caps) was 68% for the 12 months to 30 June 2021 and 58% for the 12 months to 30 June 2022.

Diversified sources of debt



Funds management



Dexus Funds platform

Strong capabilities and track record



Broad capital base

- › Established capital partners in Australia and offshore
- › Access to all pools of capital including wholesale, retail, unlisted and listed investors



Access to Dexus's capabilities

- › Supported by a fully-integrated platform across the real estate sector with leading capability set
- › Ability to drive growth across new and established vehicles at speed

Grown FUM
by an average of
16% per annum
over the past decade



Strong governance

- › Strong, established governance frameworks across vehicles
- › Underpins our responsibility to deliver outcomes in the best interest of investors



Sustainability leader

- › Focused on long-term creation of sustained value for investors
- › GRESB Sector Leader for diversified office/retail entities in Oceania (DWPF)

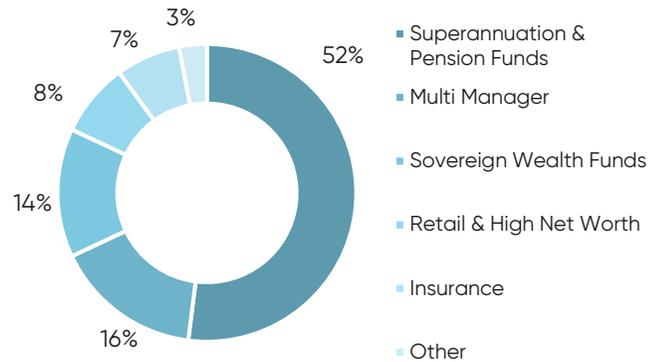
Raised **\$1.6 billion¹**
equity across the
platform in FY22

1. Includes participation by Dexus in fund equity raisings.

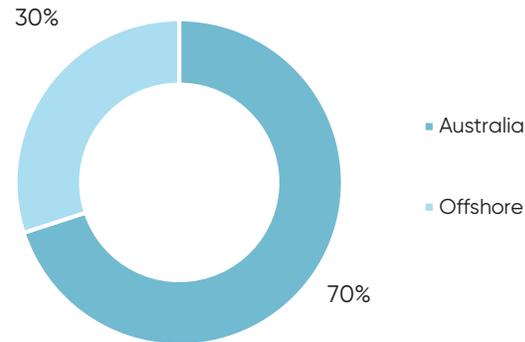
Dexus Funds platform

Diversified management business across 19 vehicles

Large diversified investor base



From Australia and Offshore



Investor sentiment

- › Investor sentiment remains positive toward Australian real estate
- › Under deployed offshore investors are actively seeking investment opportunities
- › Market uncertainty in some cases causing a temporary pause
- › Logistics, high-quality office and healthcare remain their top picks

Unlisted Institutional Pooled Funds

\$16.0bn
3 funds



Institutional Joint Ventures

\$6.6bn
7 funds



Listed Funds

\$2.2bn
2 funds



Real Estate Securities

\$1.0bn
5 funds



Venture Capital



Direct Unlisted

\$0.1bn
2 funds

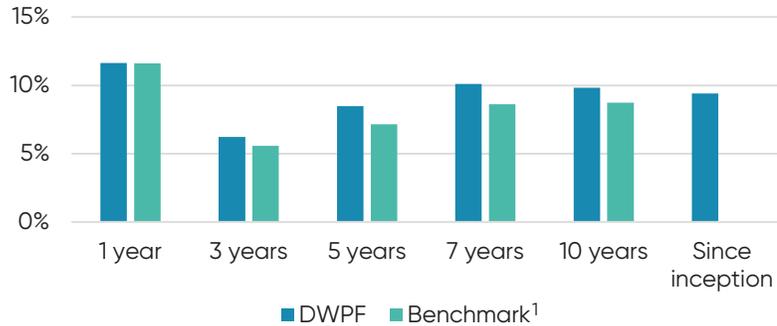


Funds management

FY22 highlights

Continued strong track record of performance

Dexus Wholesale Property Fund total returns



Dexus Healthcare Property Fund

delivered a one-year return of **20.4%**

Dexus Australian Logistics Trust

delivered a one-year return of **28.9%**

Raised \$1.6 billion² equity

1. Benchmark: MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index (Net returns, Net Asset weighted).
 2. Includes participation by Dexus in fund equity raisings.
 3. Representative of all sales to date, including Macquarie Centre, Pacific Fair and Milton Green.

Executing on capital partners' investment strategies

- › Further diversified investor base, welcoming high net worth, family offices and new institutional investors onto our platform
- › Completed circa \$1.8 billion³ of asset sales to fulfil legacy ADPF redemption requests
- › **DWPf** named as **Regional Sector Leader** by GRESB

Over \$2.5bn of acquisitions



Over \$2.2bn of divestments



CLUBHOUSE

Office portfolio



Office portfolio performance

High occupancy maintained despite challenging operating environment

| | | |
|---|---|---|
| <p>\$23.9 billion Dexus group office portfolio</p> <p>>1,380 Customers</p> <p>45 properties Across key CBDs</p> <p>1.6 million Square metres</p> <p>3.5-4.0% Average fixed rental increases</p> | <p>\$13.3 billion Dexus balance sheet office portfolio</p> | |
| | <p>Leased by area^{1,3} 152,877sqm FY21: 184,029sqm</p> | <p>Average incentives^{1,3} 29.4% FY21: 24.9%</p> |
| | <p>Occupancy³ 95.6% FY21: 95.2%</p> | <p>WALE³ 4.7 years FY21: 4.6 years</p> |
| | <p>Effective LFL income^{2,3} +2.7% Face: +1.7%</p> | <p>Portfolio one-year total return³ 7.1% at 30 June 2022</p> |

- › **Occupancy maintained at above 95%** despite the challenging operating environment
- › **Incentives appear to have peaked** across our key markets
- › **Sydney showing signs of recovery** with market effective rent growth turning positive
- › Dexus well placed with its **94% prime grade⁴ portfolio**
- › Customers upgrading accounted for 47% of space leased across new leasing deals

Historical leasing (including development leasing)

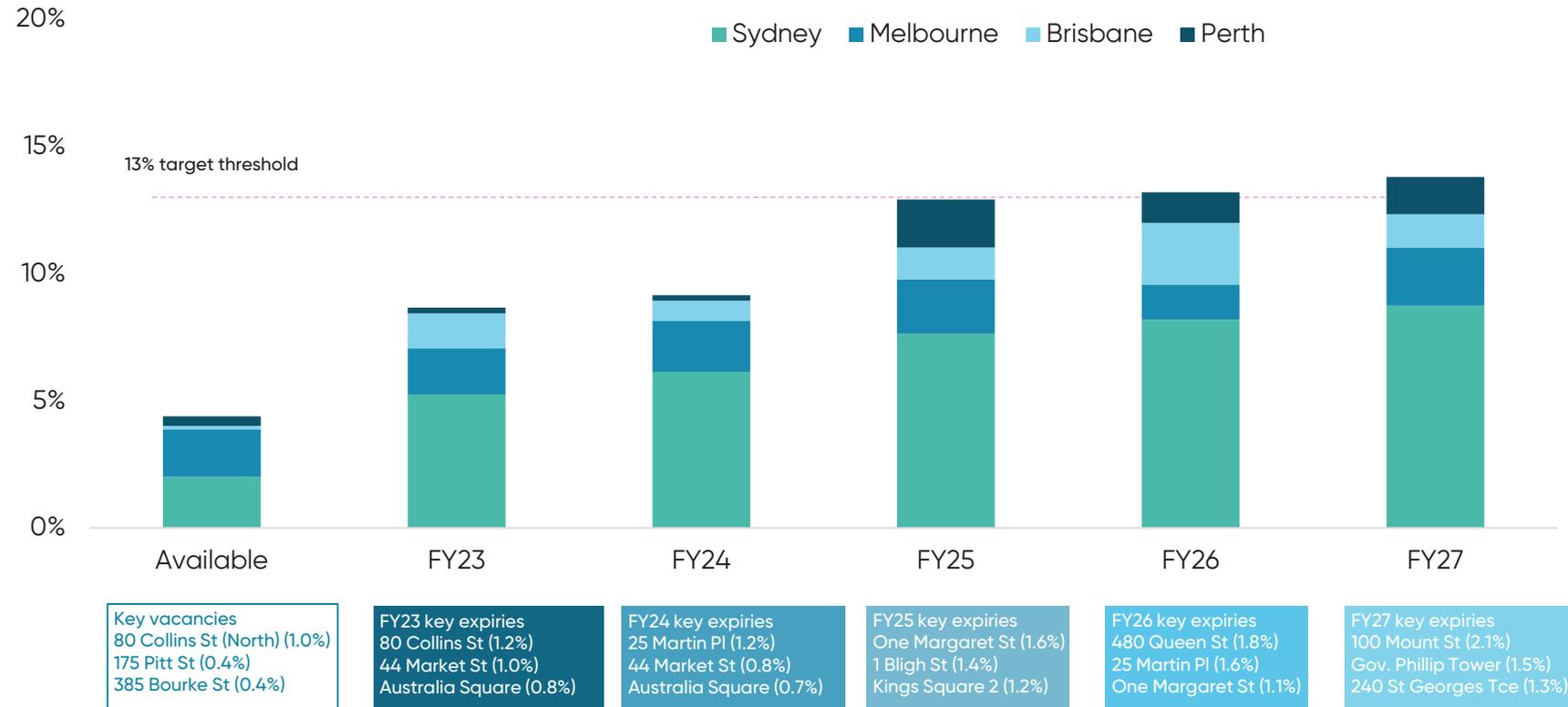


1. Excludes development leasing of 96,749sqm across 12 transactions.
 2. Excludes rent relief and provision for expected credit losses. Including these impacts: Effective +4.4% and Face +3.0%.
 3. Dexus balance sheet portfolio performance statistics exclude co-investments in pooled funds.
 4. Prime grade buildings represent 94% of the office portfolio excluding assets held for sale and including development-affected assets.

Staggered expiry profile and diversified tenant base

Supporting resilient income streams

Dexus office portfolio lease expiry profile (by income)¹



Diversified tenant base with limited concentration risk

Top customer – State of Victoria represents **3.5%** of property portfolio income

Top 10 tenants represent **17.2%** of property portfolio income

Top office customer industry groups
 Legal services – **15%**
 Financial/Insurance – **15%**
 Public Admin/Safety – **14%**
 (of Office portfolio income)

1. Dexus balance sheet portfolio performance statistics exclude co-investments in pooled funds.

Leasing observations

Return to office gaining momentum

- › Continued evidence of **flight to quality** as customers look to attract and retain talent
- › Large businesses indicating **strong desire for staff to return to the office** due to evidence of lower productivity, inequitable distribution of work and impact on culture. However, tight labour market is delaying mandated returns
- › Of the space renewed across the office portfolio in FY22, **20%** were **expansions**, **5%** were **contractions** and **75%** retained the **same space**
- › **Companies are looking through the current environment** to the future
 - Average lease term across FY22 leasing was 5.6 years (excluding developments)
 - Customers are investing in fitout and engaging with our strategic workplace team, Six Ideas
 - Strong interest in our development pipeline, with three large tenants conditionally secured across ~23,800 square metres at Waterfront Brisbane and ~12,000 square metres at 123 Albert Street, Brisbane



Kings Square, Wellington Street, Perth WA.

A large, modern industrial building with a prominent glass-walled section is shown at night. The building is brightly lit from within, and several streetlights in the foreground create starburst effects against the dark blue sky. A road with a black and white chevron sign is visible in the foreground. The overall scene is a well-lit industrial facility.

Industrial portfolio

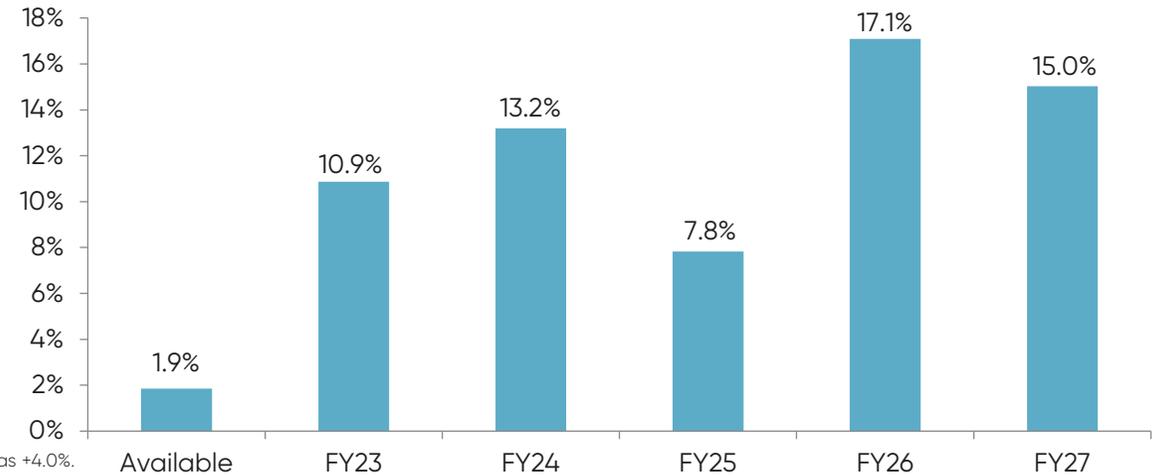
Industrial portfolio performance

Strong leasing across core and development properties

| | | |
|--|--|--|
| <p>\$11.6 billion Dexus group industrial portfolio</p> <p>>690 Customers</p> <p>213 Properties</p> <p>3.9 million Square metres</p> <p>3.0-3.5% Average fixed rental increases</p> | <p>\$4.3 billion Dexus balance sheet industrial portfolio</p> | |
| | <p>Leased by area^{1,3} 373,301sqm across 75 transactions FY21: 200,842sqm</p> | <p>Occupancy³ 98.1% FY21: 97.7%</p> |
| | <p>Average incentives^{1,3,4} 13.5% FY21: 17.8%</p> | <p>WALE³ 4.7 years FY21: 4.4 years</p> |
| | <p>Effective LFL income^{2,3} +3.1% Face: +2.6%</p> | <p>Portfolio one-year total return³ 18.9% at 30 June 2022</p> |

- › **Significant leasing volumes** across stabilised portfolio and development leasing
- › **Portfolio 4.0% under-rented** as a result of strong market rent growth, which remains supported by ongoing structural tailwinds
- › 24% of portfolio set to access **rental reversion** upon expiry in FY23 and FY24
- › Rising transport costs to increasingly **favour well located industrial assets**

Dexus industrial lease expiry profile (by income)³

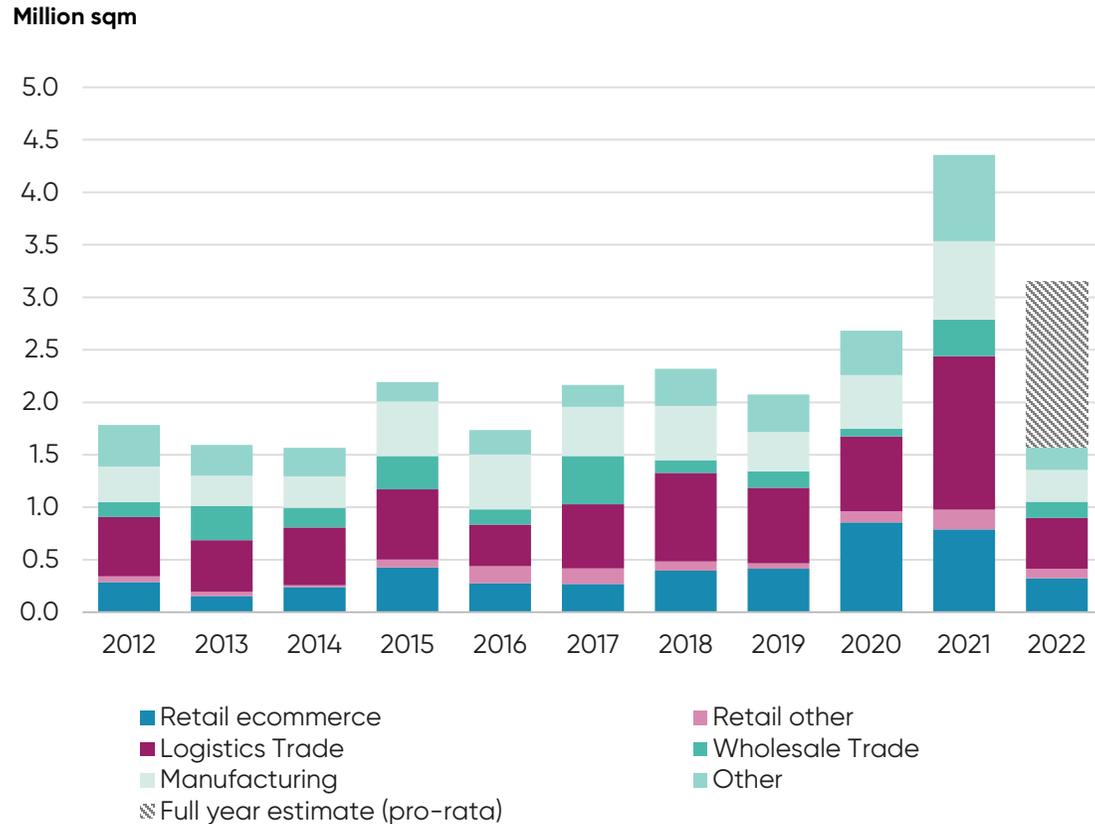


1. Excludes development leasing of 330,097sqm across 21 transactions.
 2. Excludes business parks, rent relief and provision for expected credit losses. Including business parks, effective LFL was 2.1% and face LFL was +4.0%. Including business parks, rent relief and provision for expected credit losses, effective LFL was +2.4% and face LFL was +4.1%.
 3. Dexus balance sheet portfolio performance statistics exclude co-investments in pooled funds.
 4. Including impact of one large renewal whose net effective rent remained the same. Excluding this renewal, average incentives for FY22 were 10.7%.

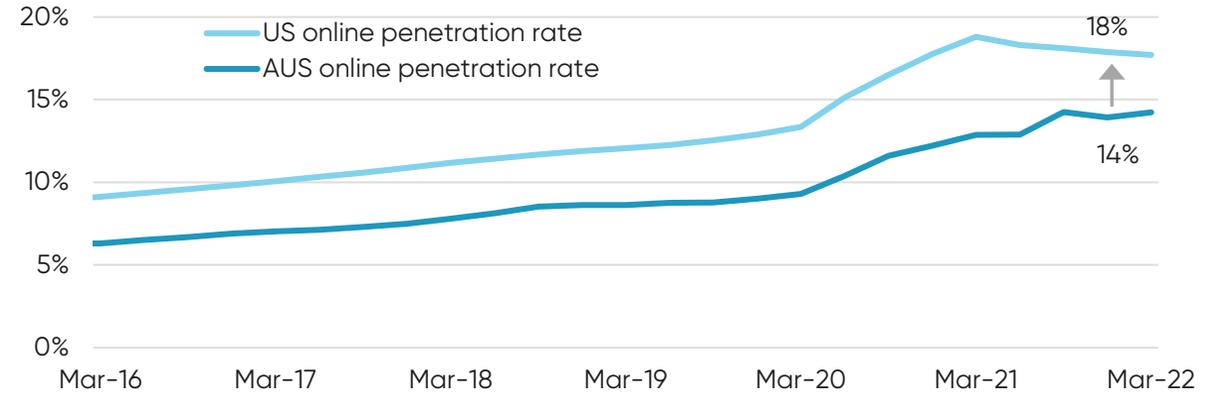
Industrial take-up has long-term drivers

Demand driven by investment in last mile fulfilment, population growth and inventory build up

National industrial take-up remains above long-term average



Ecommerce a long-term growth story for industrial as Australia catches up



Dexus leasing observations

- › **Demand is broad-based** including medical supplies, supermarkets and groceries, agribusiness, materials supporting transport infrastructure, general ecommerce and retailers investing in last mile fulfilment
- › Transport costs account for up to 50% of a tenant’s costs vs. rent accounting for c. 5%, reinforcing the **importance of having well located properties**
- › **Dexus’s development capability supports customers’ growth requirements**, and delivers quality new products to the platform

Source: ABS, JLL Research.

Investments and Developments

Significant transactional activity

Reallocating into higher returning opportunities

\$10.7 billion

Total group transactions across office, industrial, healthcare and convenience retail sectors

\$5.0 billion

Group property acquisitions sourced predominantly off-market



Capital Square, Perth WA



Jandakot Airport, Perth WA



Artist impression: Mamre Rd, Kemps Creek NSW



Warringah Mall, Bookvale NSW

\$5.7 billion

Group property divestments



Grosvenor Place, Sydney NSW



383 Kent Street, Sydney NSW



150 George Street, Parramatta NSW



60 Miller Street, North Sydney NSW



436-484 Victoria Road, Gladesville NSW

Development track record across multiple sectors

Office



180-189 Flinders Street, Melbourne VIC

City retail



175 Pitt Street, Sydney NSW

Industrial



18 Momentum Way, Ravenhall VIC

Healthcare



North Shore Health Hub, St Leonards NSW



80 Collins Street, Melbourne VIC



25 Martin Place, Sydney NSW



62 Ferndell Street, South Granville NSW



Australian Bragg Centre, Adelaide SA

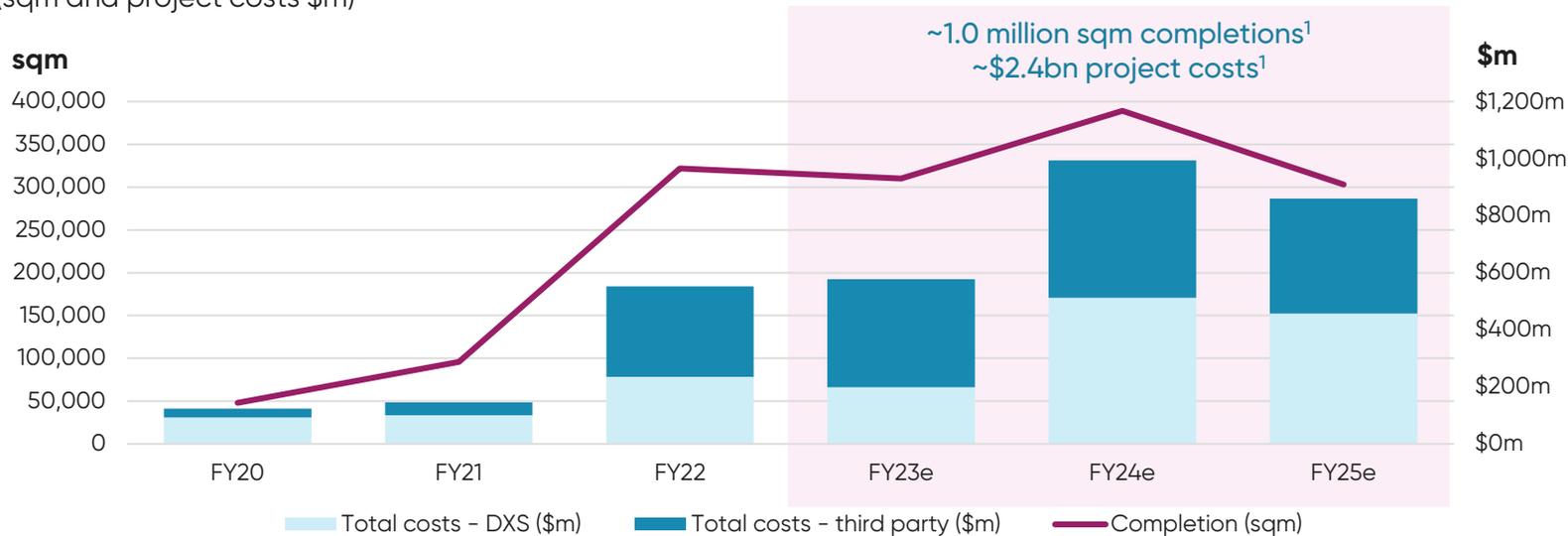
~465,000sqm industrial completions in past three years

Completions to remain strong over the next few years

- › **Completed ~465,000sqm developments** for the group in the past three years, equivalent to 13% of group industrial portfolio
 - FY22 alone achieved ~322,100 sqm completions, more than doubling the prior year run rate
- › **Leasing momentum remains strong**, securing 330,097 sqm across 21 transactions in FY22
- › **Circa 2.8 million sqm of land holdings as at FY22**, to be developed over the next seven years, supporting strong activities ahead
 - Expected completions of **circa 1.0 million sqm or ~\$2.4bn of industrial projects across the group** over the **next three years** based on existing pipeline
 - On a look-through basis, DXS **retains ~49%** of group development pipeline

Group industrial development completions

(sqm and project costs \$m)



1. Estimates only.

Key development pipeline projects

\$17.7bn diversified pipeline across key markets

Fixed price contracts in place for key committed projects

Flexibility around uncommitted project commencements



| Development | Sector | Development status | Project cost est. ¹ | Est. yield on cost | Commencement | FY23 | FY24 | FY25 | FY26 |
|--|------------|-----------------------------|--------------------------------|--------------------|--------------|------|------|------|------|
| Committed | | | | | | | | | |
| 123 Albert Street, Brisbane QLD | Office | Construction | \$0.6bn | c. 5% | FY22 | | | | |
| Atlassian Central, Sydney NSW ² | Office | Development Approval | \$1.4bn | 4-5% | FY23 | | | | |
| Ravenhall VIC | Industrial | Construction | \$0.3bn | c. 6% | FY21 | | | | |
| Jandakot Airport, Perth WA | Industrial | Construction | \$0.2bn | c. 5% | FY22 | | | | |
| Australian Bragg Centre, Adelaide SA | Healthcare | Construction | \$0.5bn | n/a | FY21 | | | | |
| Uncommitted | | | | | | | | | |
| Waterfront Brisbane QLD | Office | Active leasing | \$2.5bn | 5-6% | FY23 | | | | |
| 60 Collins Street, Melbourne VIC | Office | Active leasing and planning | \$1.0bn | c. 5% | FY23 | | | | |
| Central Place Sydney NSW ³ | Office | Active leasing and planning | \$1.5bn | 5-6% | FY24 | | | | |
| Pitt and Bridge Precinct, Sydney NSW | Office | Planning phase | \$3.1bn | c. 5% | FY25 | | | | |
| Jandakot Airport, Perth WA | Industrial | Active leasing and planning | \$0.6bn | 5-6% | FY23 | | | | |
| Ravenhall VIC | Industrial | Active leasing and planning | \$0.2bn | 5-6% | FY23 | | | | |

Development phase

1. Dexus group share in development cost (including land, funding cost and excludes downtime and income earned through development).
 2. Represents funding obligation for 100% of the project cost (ex land).
 3. Excluding external party share of project. External JV partner owns 50% of this project.

Trading profits

Work underway on securing FY23 contribution

- › **\$23.4 million¹ of trading profits (post tax)** realised during FY22 across four trading projects, in line with expectations
- › **Working on securing FY23 trading profits**, with potential contributions from 12 Frederick Street, St Leonards, Australian Bragg Centre, 20 Distribution Drive, Laverton, as well as 149 Orchard Road, Chester Hill, acquired in partnership with DREP1 mooted for FY24
- › **Two additional opportunities within existing portfolio** identified to replenish the pipeline
- › We expect trading profits to be **higher in FY23**

Trading profit track record since FY12²

\$475 million
total trading profits

30%
average IRR

1. Post tax trading profits including contribution from Truganina properties and Lakes Business Park South, Botany, 436-484 Victoria Road, Gladesville and 22 Business Park Drive, Ravenhall.
2. Pre tax.



Australia Bragg Centre, SA.

Summary



The Dexus investment proposition

High-quality portfolio with embedded upside from funds management and development

Fully integrated, multi-sector platform of scale and deep capability

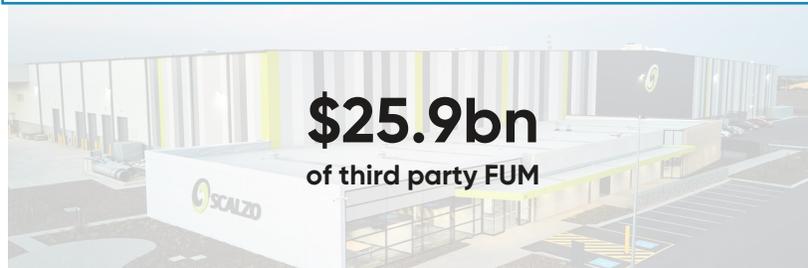
Investment



\$18.4bn
of capital invested directly

High-quality property portfolio across major cities
Active balance sheet to capitalise on new initiatives
Track record of strong performance

Funds management



\$25.9bn
of third party FUM

Diverse platform across multiple sectors and capital sources
Relationships with major global real estate investors
Grown FUM by an average of 16% p.a.
over the past 10 years

Development



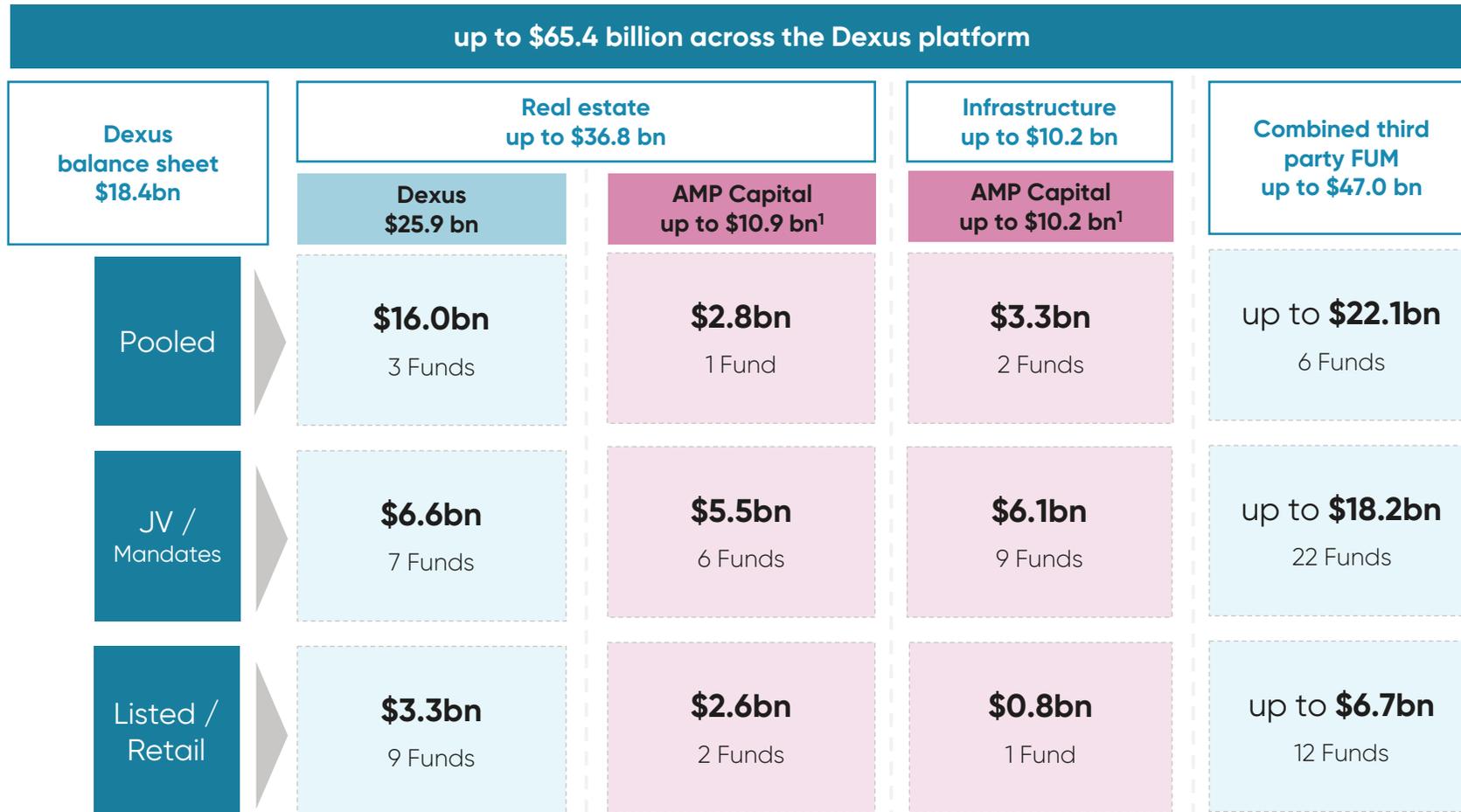
\$17.7bn
group development pipeline

Portfolio of city-shaping development projects
Improves quality of Dexus portfolio and
provides growth in funds
Embedded pipeline with flexibility on timing

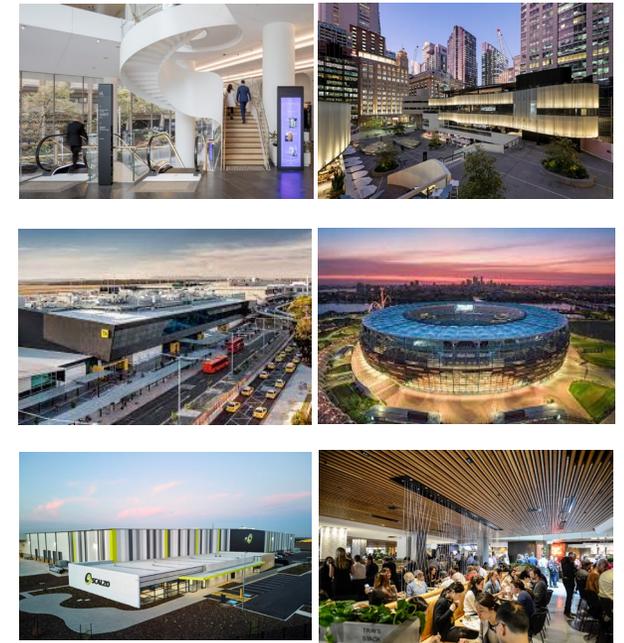
Moving towards a more capital efficient business model positioned to benefit from long-term megatrends

Evolution to a leading real asset manager

Acquisition of AMP Capital domestic real estate and infra platform expected to complete during 2H CY22



- › Expanded **product offering**
- › Expanded **investor base**
- › **New capabilities** in infrastructure and enhanced retail platform



1. Reflects AMP Capital FUM at 30 June 2022 net of the known transition of circa \$10 billion of FUM from the AMP Capital platform.

Summary

Demonstrated resilience in uncertain times

- › Dexus has **demonstrated resilience**:
 - Held or grown distributions over the past few years despite the impacts of the Covid-19 pandemic
 - Maintained a strong balance sheet through asset recycling, with portfolio benefiting from flight to quality
- › We anticipate a **challenging period over the next two years** with rising interest rates, ongoing supply chain disruptions, a global energy crisis and geopolitical risks contributing to continued economic uncertainty. Higher interest rates are expected to impact our results in FY23
- › Based on current expectations regarding interest rates, continued asset sales and barring unforeseen circumstances, Dexus expects **distributions of 50.0 – 51.5 cents per security** for the 12 months ended 30 June 2023¹, below the 53.2 cents per security delivered in FY22
- › Dexus is set to emerge as **one of the leading real asset managers in the Asia-Pacific** region and we are confident of continuing to deliver long-term value due to:
 - Our scale and capability
 - Our funds management business which enhances returns
 - The diversity and quality of our customers, investors and funds
 - Our city-shaping and industrial development pipeline

1. Assumes average floating interest rates of 2.75%-3.75% (90-day BBSW), the transition of circa \$21 billion of FUM from the acquisition of the AMP Capital real estate and domestic infrastructure equity platform and circa \$50 - \$55 million of trading profits (post-tax).



Artist impression: Atlassian Central and Central Place Sydney NSW.

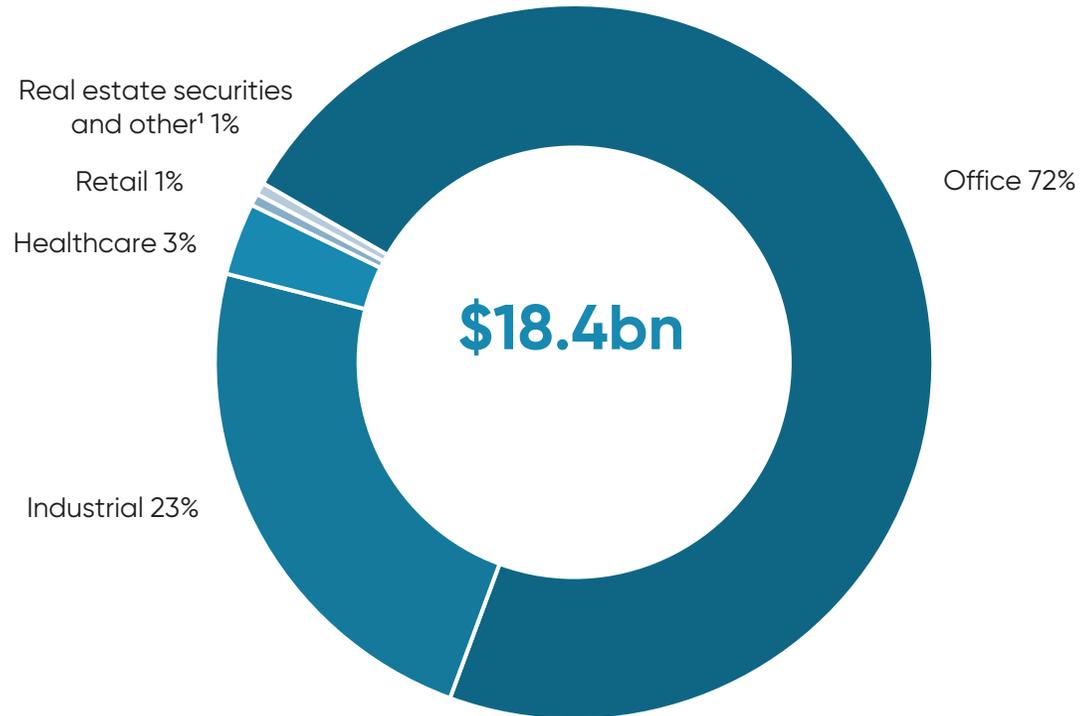
Appendices



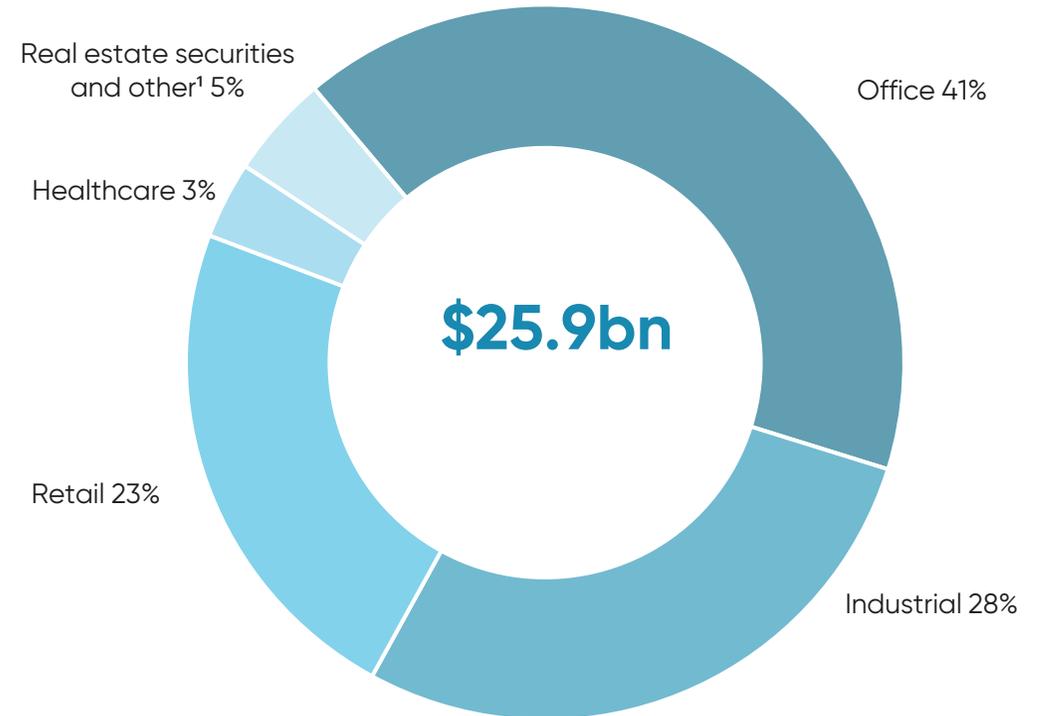
Dexus today

\$44.3 billion – total funds under management¹

Dexus portfolio



Funds Management portfolio



1. Includes co-investments in pooled funds.

Alignment with megatrends

to support long-term growth

- 1** **Urbanisation**
Population growth and infrastructure investment will support the ongoing urbanisation of major Australian cities and the development of vibrant communities around major transport nodes.

- 2** **Technological change**
Advancements in artificial intelligence, automation, big data and analytics will drive the continual evolution in how individuals and groups work, live and play.

- 3** **Pension capital fund flows**
Funds under management within pension funds are expected to increase significantly as populations in developed nations age and allocations to alternatives continue to increase.

**Positioned to benefit
from underlying
megatrends with a
continued focus on
sustainability**

Funds management - Wide offering across the platform

Diversified management business across a number of vehicles



Dexus FUM in JVs **\$5.2bn**

1. Reflects Dexus's share of FUM within pooled funds, except for Real Estate Securities funds and AUHPT, which are reflected at Dexus's equity stake in each fund.

Financial results

Reconciliation to statutory profit

| Reference | Item | 30 June 2022 \$m | 30 June 2021 ¹ \$m |
|--|--|---------------------|----------------------------------|
| Statutory AIFRS net profit after tax | | 1,615.9 | 1,138.4 |
| Investment property and inventory | (Gains)/losses from sales of investment property | 2.0 | (6.0) |
| | Fair value gain on investment properties | (926.0) | (583.4) |
| Financial instruments | Fair value (gain)/loss on the mark-to-market of derivatives | 37.8 | 102.4 |
| Incentives and rent straight-lining | Amortisation of cash and fit out incentives | 62.2 | 59.2 |
| | Amortisation of lease fees | 13.6 | 14.0 |
| | Amortisation of rent-free incentives | 85.5 | 79.9 |
| | Rent straight-lining | (8.7) | 1.6 |
| Tax | Non-FFO tax expense | (20.3) | 3.2 |
| Co-investments | Share of net profit of investments accounted for using the equity method | (60.7) | (22.6) |
| | Distributions from financial assets at fair value through profit or loss | (7.6) | (1.7) |
| | Distributions from co-investments | 29.1 | 8.1 |
| Other unrealised or one-off items ² | Other unrealised or one-off items | (65.2) | (76.1) |
| Funds From Operations (FFO) | | 757.6 | 717.0 |
| Maintenance and leasing capex | Maintenance capital expenditure | (72.4) | (72.0) |
| | Cash incentives and leasing costs paid | (37.0) | (29.9) |
| | Rent free incentives ³ | (76.0) | (53.4) |
| Adjusted Funds From Operations (AFFO) | | 572.2 | 561.7 |
| Distribution | | 572.2 | 561.0 |
| AFFO Payout ratio | | 100.0% | 99.9% |

1. Comparatives have been restated to reflect the impacts resulting from presentational changes made during FY22, to separately disclose segment information relating to Co-investments.

2. FY22 other unrealised or one-off items includes \$173.0m of unrealised fair value gains on interest bearing liabilities, offset by \$80.8m transaction costs and one-off significant items (including costs associated with the implementation of the Simplification, APN acquisition, other successful transactions and one off significant items (\$70.0m) and IFRIC SaaS customisation expenses (\$10.8m)), \$6.5m net fair value gain of investments at fair value, \$4.3m amortisation of intangible assets, \$30.0m rental guarantees, coupon income and other items as well as \$0.8m of fair value gains relating to Right-of-use assets.

3. As at 30 June 2021 cumulative actual and estimated rent waivers within rent free incentives is \$3.1m for tenants not in arrears, of which \$0.2m was recognised during FY22.

Financial results

Management operations profit

| FY22 (\$m) | Funds Management | Property Management | Development Management | Management Operations |
|--------------------|------------------|---------------------|------------------------|-----------------------|
| Revenue | 121.8 | 70.8 | 20.8 | 213.4 |
| Operating expenses | (45.6) | (63.1) | (23.0) | (131.7) |
| FY22 net profit | 76.2 | 7.7 | (2.2) | 81.7 |
| FY22 margin | 63% | 11% | (11%) | 38% |
| FY21 margin | 62% | 17% | 7% | 37% |



175 Pitt Street, Sydney NSW

Financial results

Cash flow reconciliation

| | 30 June 2022 \$m | 30 June 2021 ¹ \$m |
|--|---------------------|----------------------------------|
| Cash flow from operating activities | 560.1 | 999.3 |
| add back: payment for inventory acquisition and capex | 14.8 | 86.7 |
| less: cost of sale of inventory | (138.6) | (244.6) |
| less: tax on trading profits not yet paid | (10.0) | (21.6) |
| add back: capitalised interest | 8.3 | 1.8 |
| add back: adjustments for equity accounted distributions | 80.5 | (217.0) |
| less: other working capital movements | 126.0 | 61.6 |
| add back: transaction costs ² | 63.8 | 10.3 |
| Adjusted cash flow from operating activities | 704.9 | 676.5 |
| Add back: Rent free income | 76.0 | 53.4 |
| Less: Depreciation and amortisation (including deferred borrowing costs) | (23.3) | (12.9) |
| FFO | 757.6 | 717.0 |
| Less: payments from maintenance capex and incentives ³ | (185.4) | (155.3) |
| AFFO | 572.2 | 561.7 |
| Less: gross distribution | (572.2) | (561.0) |
| Cash surplus/(deficit) | 0.0 | 0.7 |

1. Comparatives have been restated to reflect the impacts resulting from presentational changes made during FY22, to separately disclose segment information relating to Co-investments.

2. Includes costs associated with the implementation of the Simplification, APN acquisition and other successful transactions.

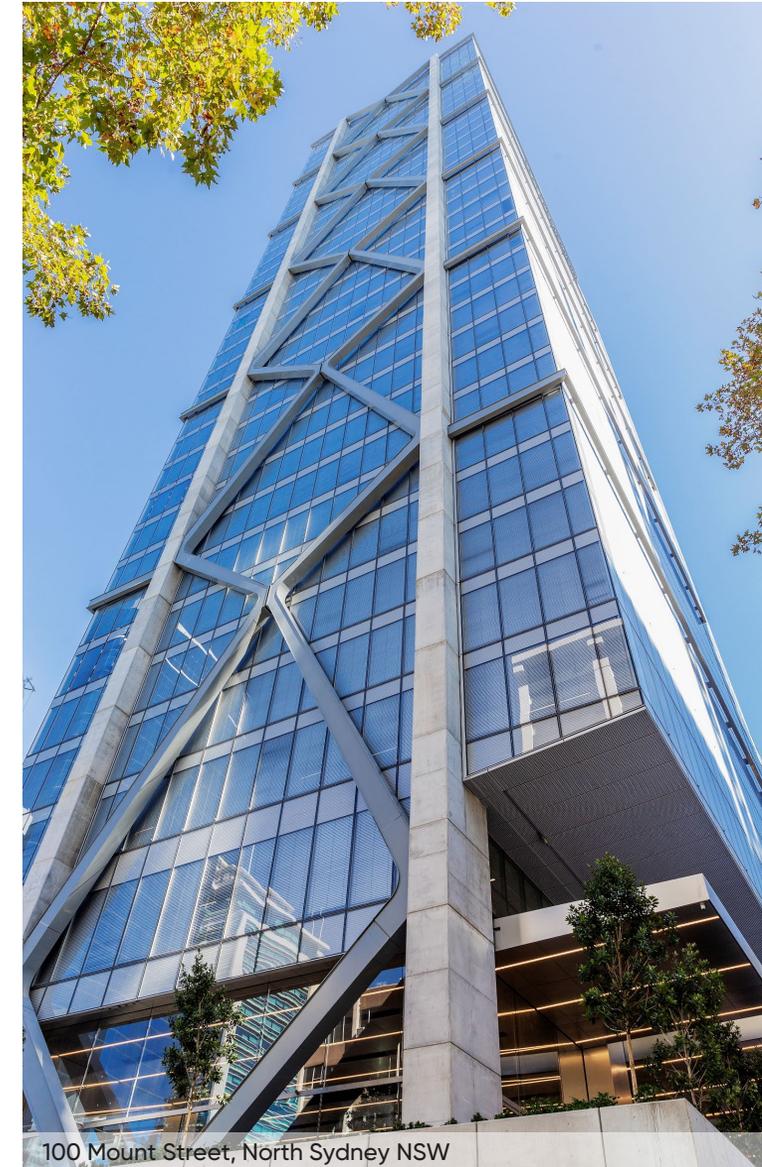
3. Includes cash and fitout incentives, lease fees and rent-free incentives. As at 30 June 2022 cumulative actual and estimated rent waivers within rent free incentives is \$3.1m for tenants not in arrears, of which \$0.2m was recognised during FY22.

Financial results

Interest reconciliation

| | 30 June 2022 \$m | 30 June 2021 ¹ \$m |
|---|---------------------|----------------------------------|
| Total statutory finance costs | 141.8 | 131.7 |
| Less: Debt modification and amortisation of exchangeable notes | (5.7) | 9.2 |
| Add: Finance costs attributable to investments accounted for using the equity method ² | 1.5 | (7.9) |
| Less: AASB 16 interest expense | (0.9) | (0.7) |
| Gross finance costs for FFO³ | 136.8 | 132.3 |
| Add: Interest capitalised | 20.0 | 15.7 |
| Gross finance costs for cost of debt purpose | 156.8 | 148.0 |

1. Comparatives have also been restated to reflect the impacts resulting from presentational changes made during FY22, to separately disclose segment information relating to co-investments.
2. Includes finance costs associated with properties held in investments accounted for using the equity method.
3. Excludes interest income of \$18.4m (FY21: \$1.8m) primarily due to interest reimbursement for the delayed settlement of Grosvenor Place and interest income from Capital Square.



100 Mount Street, North Sydney NSW

Financial results

Change in net tangible assets and revaluations

| | \$m | \$ps | | Investment portfolio | Valuation change \$m | Weighted average cap rate | % of portfolio FUM |
|---|-----------------|--------------|---|------------------------------|------------------------|---------------------------|--------------------|
| Opening net tangible assets¹ (1 July 21) | 12,280.2 | 11.42 | → | Dexus office portfolio | 423 | 4.75% | 72% |
| Revaluation of real estate | 926.0 | 0.86 | | Dexus industrial portfolio | 482 | 4.29% | 23% |
| Retained earnings ² | 185.4 | 0.17 | | Total Dexus portfolio | 926⁵ | 4.64% | 100% |
| Amortisation of tenant incentives ³ | (152.6) | (0.14) | | | | | |
| Fair value and other movements ⁴ | (32.4) | (0.03) | | | | | |
| Closing net tangible assets¹ (30 June 22) | 13,206.6 | 12.28 | | | | | |

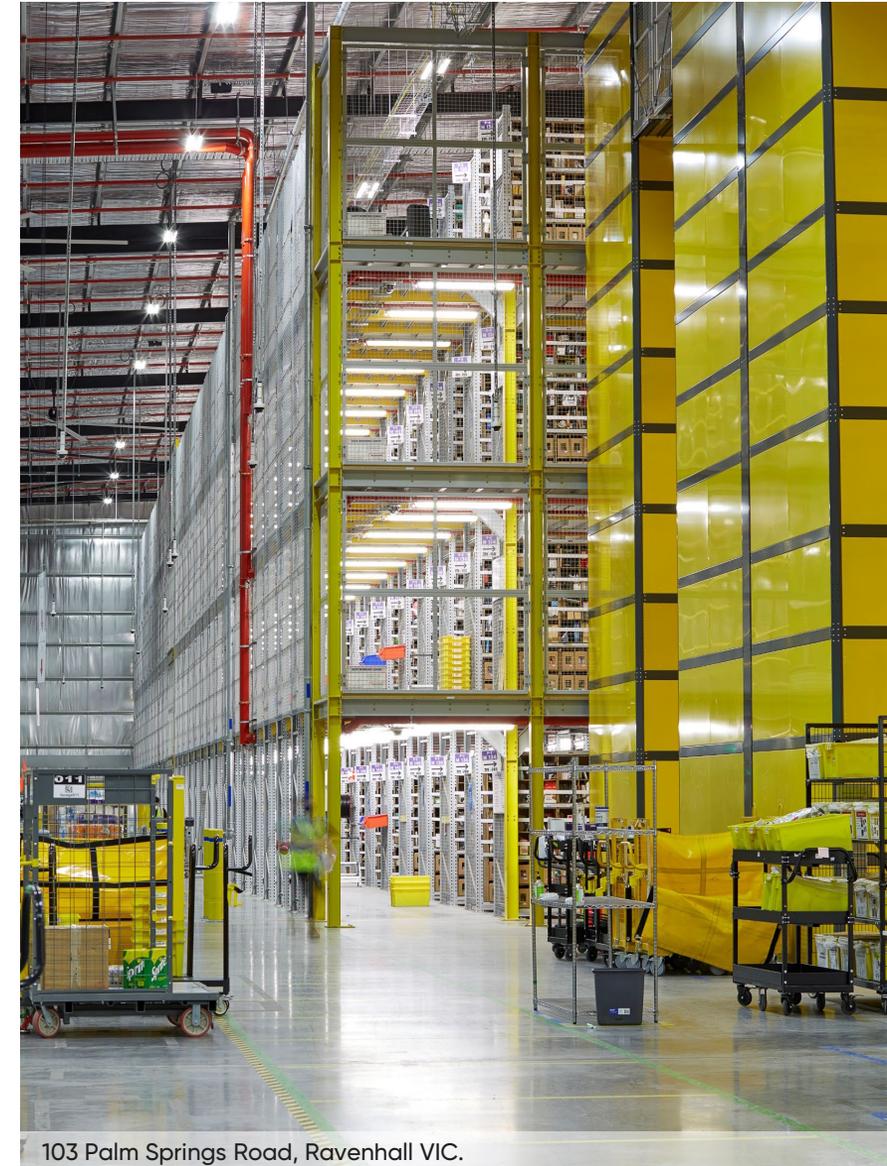
1. Net tangible assets exclude \$117.4m (FY21: \$76.6m) deferred tax liability relating to management rights.
2. Represents FY22 FFO less distributions.
3. Includes rent straight-lining.
4. Includes fair value movements of derivatives and interest-bearing liabilities, deferred tax and movement in reserves and other.
5. Valuation movement excludes co-investments in pooled funds and financial assets. Includes healthcare and other property revaluation gain of \$20.8m and excludes leased assets and right of use assets revaluation gain of \$0.8m.

Financial results

Direct property portfolio book value movements

| | Office ¹ \$m | Industrial ¹ \$m | Healthcare and other ^{1,2} \$m | Dexus total ¹ \$m | Trading assets ³ (inventory) \$m |
|---|----------------------------|--------------------------------|---|---------------------------------|--|
| Opening direct property | 13,895.3 | 2,903.6 | 66.5 | 16,865.4 | 178.2 |
| Lease incentives ⁴ | 98.1 | 14.9 | - | 113.0 | 0.8 |
| Maintenance capex | 64.9 | 7.5 | - | 72.4 | - |
| Acquisitions | 516.5 | 965.1 | 17.9 | 1,499.5 | - |
| Developments ⁵ | 148.9 | 107.1 | 31.3 | 287.3 | 14.2 |
| Disposals ⁶ | (1,712.8) | (511.2) | - | (2,224.0) | (138.6) |
| Revaluations | 422.8 | 482.4 | 20.8 | 926.0 | - |
| Amortisation | (145.2) | (16.1) | - | (161.3) | (0.5) |
| Rent straight lining | 6.2 | 2.5 | - | 8.7 | 0.2 |
| Closing balance at the end of the period | 13,294.7 | 3,955.8 | 136.5 | 17,387.0 | 54.4 |

1. Includes Dexus's share of equity accounted investments except those classified as co-investments and excludes leased assets.
2. Includes Dexus's 50% share in the Australian Bragg Centre which has been identified as a potential trading opportunity.
3. Trading assets are included in Industrial and Dexus total amounts.
4. Includes rent free incentives.
5. Includes capitalised interest.
6. At book value and includes internal transfers to and from investment property.



103 Palm Springs Road, Ravenhall VIC.

Financial results

Co-investments in pooled funds

| | Ownership stake (%) | Dexus co-investment value (\$m) ¹ | Dexus FY22 co-investment income (\$m) | Passing distribution yield (%) ² | Number of properties | Total assets (\$m) | Occupancy (%) | WALE (years) | WACR (%) | Fund look-through gearing (%) |
|-----------------------------------|---------------------|--|---------------------------------------|---|----------------------|--------------------|--------------------|--------------|----------|-------------------------------|
| Healthcare | | | | | | | | | | |
| DHPF | 23.1% | \$243.4 | \$9.5 | 4.5% | 10 | \$1,233 | 99.9% | 17.8 | 4.4% | 13.5% |
| AUHPT ³ | 7.0% | \$186.5 | \$7.6 | 4.6% ⁴ | 84 | \$3,331 | 98.5% | 16.0 | 4.6% | 20.9% |
| Industrial | | | | | | | | | | |
| DXI | 17.5% | \$202.8 | \$8.7 | 4.7% ⁵ | 94 | \$1,732 | 96.2% ⁶ | 5.6 | 5.0% | 34.2% |
| Other real estate classes | | | | | | | | | | |
| DREP1 | 36.6% | \$8.2 | - | n/a | 3 | \$69 | n/a | n/a | n/a | 45-55% ⁸ |
| DXC | 9.0% | \$49.9 | \$2.9 | 5.8% ⁵ | 112 | \$850 | 99.7% | 10.8 | 5.7% | 35.0% |
| Securities and other ⁷ | n/a | \$26.7 | \$0.4 | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Total | | \$717.5 | \$29.1 | | | | | | | |

1. Represents the equity accounted investment value recognised on Dexus balance sheet.

2. With reference to the last announced distribution annualised (except for DHPF which refers to FY22 distributions), and the closing unit price at 30 June 2022.

3. As reported by Australian Unity Healthcare Property Trust at 30 June 2022.

4. Returns stated are for the 12-month period to 30 June 2022 for AUHPT's Wholesale Units.

5. Passing yield based on the equity accounted book value of Dexus's co-investment as at 30 June 2022. Passing yield based on market value was 6.4% for DXI and 8.1% for DXC based on closing security prices as at 30 June 2022.

6. DXI occupancy by area.

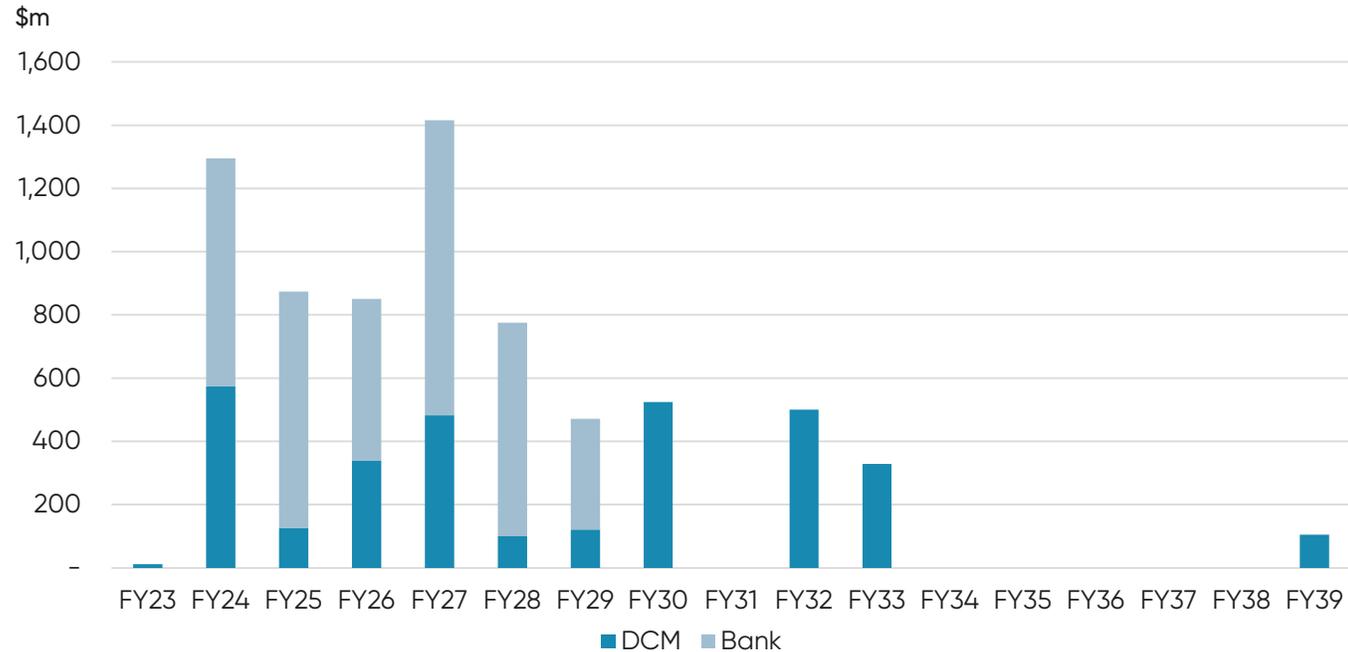
7. Includes investments in APN Asian REIT Fund, APN Global REIT Income Fund, Dexus Development Fund No. 2, Dexus Regional Property Fund, RealTech Ventures and Divvy Parking Pty Limited.

8. Target gearing range for Fund.

Capital management

FY22 position

Debt maturity profile¹



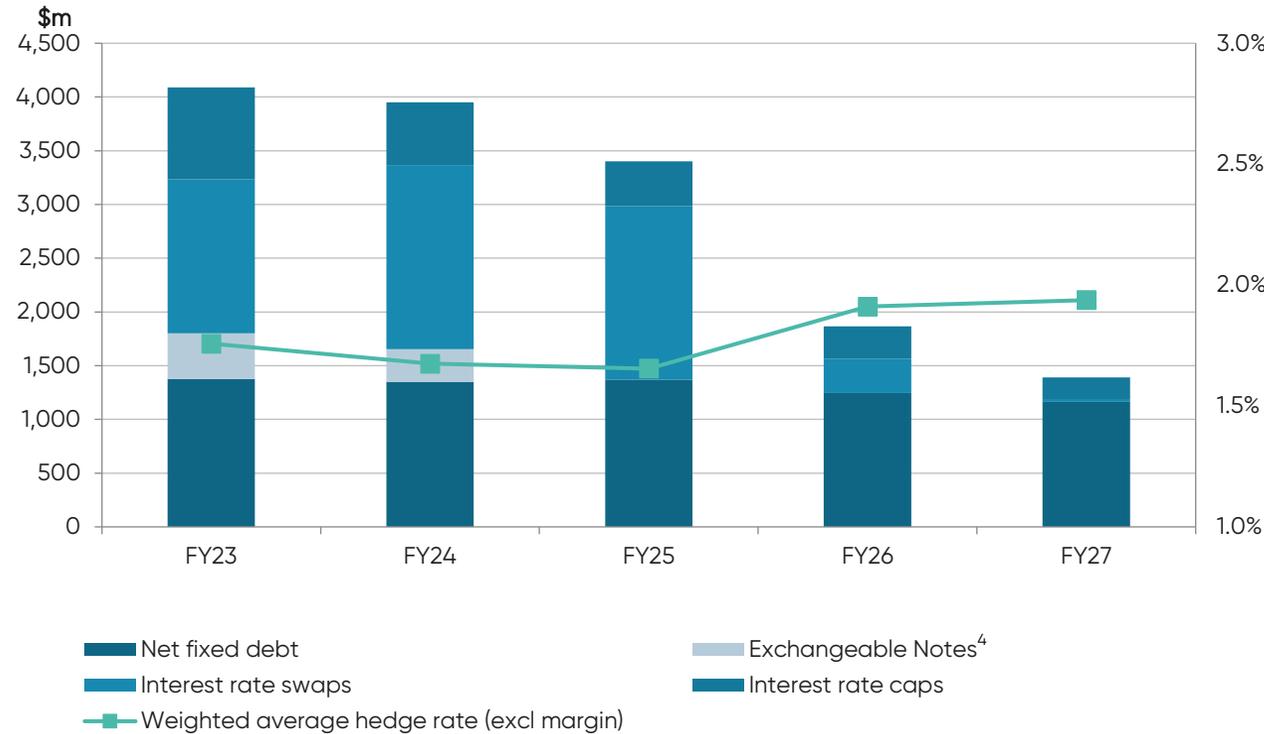
| Key metrics | 30 June 2022 | 30 June 2021 |
|---|--------------------|--------------|
| Total debt ² | \$4,882m | \$4,925m |
| Headroom (approximately) ³ | \$1.9bn | \$1.1bn |
| Gearing (look-through) ⁴ | 26.9% ⁵ | 26.7% |
| Covenant gearing (covenant ⁶ <55%) | 25.5% | 26.5% |
| Interest cover (covenant ⁶ >2.0x) | 6.0x | 5.1x |
| Priority debt (covenant ⁶ <30%) | 0.2% | 0.0% |

1. Includes \$425m Exchangeable Notes based on investor put date in FY24. Includes \$500m bank debt facility extensions executed post 30 June 2022
 2. Total debt does not include debt in equity accounted investments or Dexus's share of co-investments in pooled funds.
 3. Undrawn facilities plus cash.
 4. Adjusted for cash and debt in equity accounted investments.
 5. Excluding Dexus's share of co-investments in pooled funds. Look-through gearing including Dexus's share of co-investment in pooled funds was 27.8% as at 30 June 2022.
 6. As per public bond covenants.

Capital management

Interest rate hedging profile

Hedge profile



1. Average amount hedged for the year (including caps).
2. Including fixed rate debt (without credit margin).
3. Weighted average for the year, inclusive of fees and margins on a drawn basis.
4. Based on investor put date in FY24.

| Hedging profile | 30 June 2022 | 30 June 2021 |
|--|--------------|--------------|
| Average amount of debt hedged ¹ | 65% | 81% |
| Average amount of debt hedged excluding caps | 58% | 68% |
| Weighted average interest rate on hedged debt ² | 1.5% | 1.7% |
| Cost of debt ³ | 2.7% | 3.2% |
| Weighted average maturity of hedges | 5.9 years | 5.1 years |

Capital management

Debt facilities¹

| | Facility limit A\$m | Drawn A\$m | Maturity | Currency |
|---|------------------------|---------------|-----------------|----------|
| Bilateral bank debt | 500 | 500 | FY24 | A\$ |
| | 600 | 577 | FY25 | A\$ |
| | 450 | 160 | FY26 | A\$ |
| | 850 | 104 | FY27 | A\$ |
| | 675 | - | FY28 | A\$ |
| | 350 | 100 | FY29 | A\$ |
| Commercial paper² | 100 | 100 | FY24 | A\$ |
| Medium term notes | 185 | 185 | FY26 | A\$ |
| | 130 | 130 | FY27 | A\$ |
| | 200 | 200 | FY30 | A\$ |
| | 500 | 500 | FY32 | A\$ |
| | 30 | 30 | FY39 | A\$ |
| US senior notes (USPP)³ | | | | |
| Series 1 | 291 | 291 | Jul-23 - Jul-28 | US\$ |
| Series 2 | 225 | 225 | Feb-24 - Feb-27 | US\$ |
| Series 3 | 286 | 286 | Dec-24 - Dec-26 | US\$ |
| Series 4 (A\$) | 100 | 100 | Jun-28 | A\$ |
| Series 5 | 503 | 503 | Nov-29 - Nov-32 | US\$ |
| Series 5 (A\$) | 150 | 150 | Nov-29 - Nov-32 | A\$ |
| Series 6 (A\$) | 75 | 75 | Oct-38 | A\$ |
| Exchangeable notes⁴ | 425 | 425 | Mar-24 | A\$ |

| | Facility limit A\$m | Drawn A\$m |
|---|------------------------|---------------|
| Sub total | 6,625 | 4,639 |
| Currency translation and fair value adjustments | 292 | 292 |
| Deferred borrowing costs and debt modifications | (31) | (31) |
| Exchangeable notes adjustments | (18) | (18) |
| Total interest bearing liabilities | 6,867 | 4,882 |
| Bank guarantee utilised | | (114) |
| Cash | | 75 |
| Headroom including cash | | 1,946 |

1. Does not include debt facilities in equity accounted investments or Dexus's share of co-investments in pooled funds. Includes \$500m bank debt facility extensions executed post 30 June 2022.

2. Based on maturity date of commercial paper standby facility.

3. USPP US\$ amount shown at the cross-currency swap contract rate.

4. Based on investor put date in FY24.

COVID-19 impacts

Rent collections of 98.5% for FY22

FY22 rent collections

- › **Strong cash collections** in line with pre-covid levels across the total portfolio
- › **Rent relief assessment nearing finalisation**

| Rent collections ¹ | Office | Industrial | Total |
|-------------------------------|--------|------------|-------|
| Total FY22 | 98.5% | 98.5% | 98.5% |
| Total July-22 | 96.5% | 94.4% | 96.1% |

FY22 direct COVID-19 AFFO impacts²

| Direct COVID-19 AFFO impacts ² | FY22 total | FY21 total | FY22 Est. rent waivers | FY21 Est. rent waivers | FY22 provisions ³ | FY21 Provisions |
|---|------------|------------|------------------------|------------------------|------------------------------|-----------------|
| Office | -\$5.9m | -\$18.6m | -\$11.6m ⁴ | -\$4.6m | \$5.7m | -\$14.0m |
| Industrial | -\$1.4m | \$1.6m | -\$1.4m ⁵ | \$2.1m | - | -\$0.5m |
| Total ⁶ | -\$7.3m | -\$17.0m | -\$13.0m | -\$2.5m | \$5.7m | -\$14.5m |

1. Dexus share.

2. Estimated rent waivers and provisions for the 12 months to 30 June 2022. In addition, rent deferrals of \$2.8m, which do not directly impact FFO or AFFO, have been agreed or estimated during FY22.

3. Including the reversal of \$5.7m in provisions recognized in FY21 which were subsequently released in FY22.

4. Cumulative rent waivers within AFFO as at 30 June 2022 is \$31.2m, of which \$11.6m was recognised in FY22.

5. Cumulative rent waivers within AFFO as at 30 June 2022 is \$3.5m, of which \$1.4m was recognised in FY22.

6. The FY22 statutory impact is -\$7.1m. The difference between the statutory impact and AFFO impact of -\$0.2m relates to a FY22 adjustment for actual and estimated rent waivers for tenants that were not in arrears.

Funds management

Development pipeline

\$7.4 billion
Funds management development pipeline

\$1.6 billion
Committed projects

\$5.2 billion
Uncommitted projects

\$0.6 billion
Concept projects

Project cost on uncommitted projects in funds management business

| Uncommitted projects | FY23 | FY24 | FY25+ |
|--|------|----------------|-------|
| Office - 4 properties | | \$3.7bn | |
| Industrial - 7 properties | | \$1.3bn | |
| Retail - 1 property | | \$0.2bn | |
| Project cost on uncommitted funds management projects | | \$5.2bn | |

Property portfolio

Office and industrial key metrics



| Key metrics | Office | Industrial |
|--|------------------------------|------------------------------|
| Amount of space leased ¹ | 152,877sqm ² | 373,301sqm ³ |
| No. of leasing transactions | 292 ² | 75 ³ |
| Occupancy by income | 95.6% | 98.1% |
| Occupancy by area | 95.2% | 99.0% |
| Average incentives | 29.4% ⁴ | 13.5% ⁵ |
| No. of effective deals | 56 | 30 |
| Weighted average lease expiry ⁶ (WALE) | 4.7 years | 4.7 years |
| Like-for-like income growth (excluding rent relief and provision for expected credit losses) | Face +1.7% ⁷ | Face +2.6% ⁸ |
| | Effective +2.7% ⁷ | Effective +3.1% ⁸ |

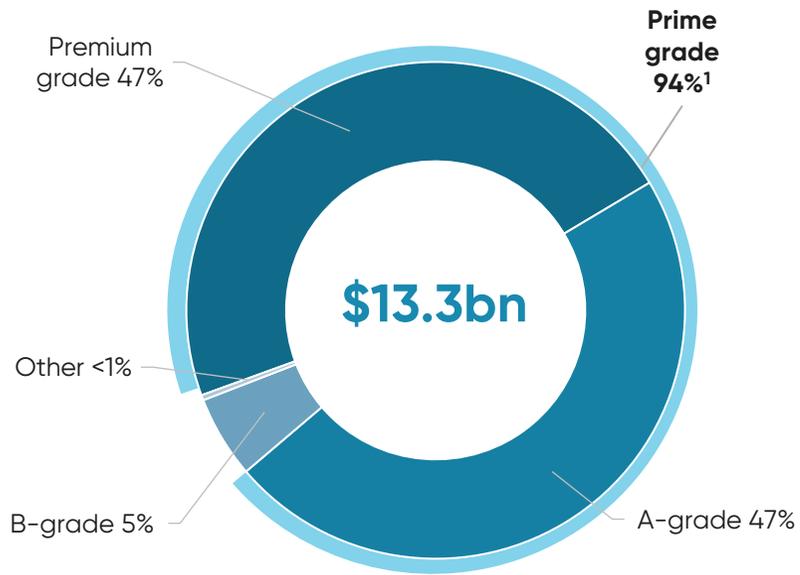
1. Including Heads of Agreement.
2. Excluding development leasing of 96,749sqm across 12 transactions.
3. Excluding development leasing of 330,097sqm across 21 transactions.
4. Gross basis excluding development leasing.
5. Net basis excluding development leasing.
6. By income.

7. Including rent relief and provision for expected credit losses office LFL growth was Effective +4.4% and Face was +3.0%.
8. Excludes business parks, rent relief and provision for expected credit losses. Including business parks, effective LFL was 2.1% and face LFL was +4.0%. Including business parks, rent relief and provision for expected credit losses, effective LFL was +2.4% and face LFL was +4.1%.

Property portfolio

Office portfolio diversification

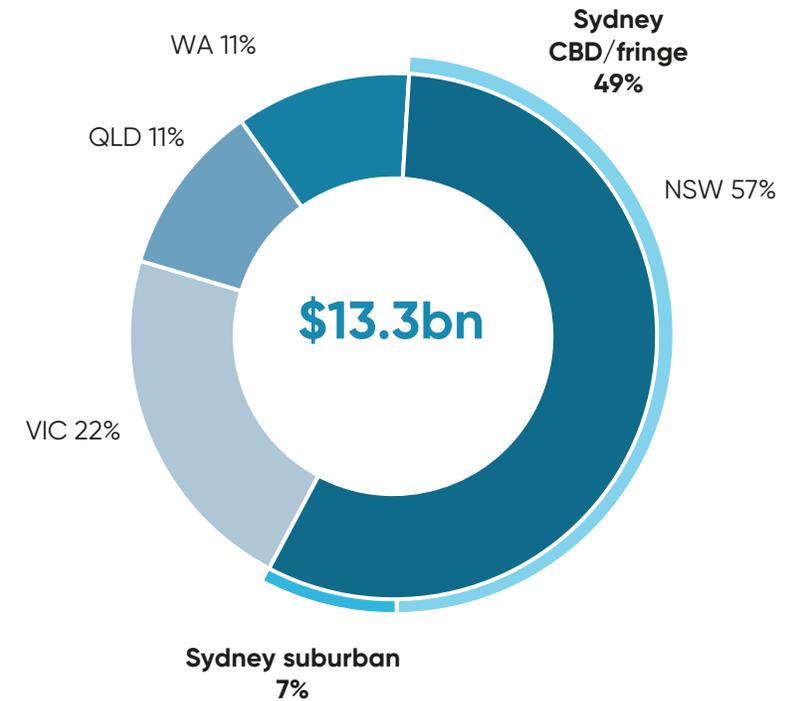
Office by asset type



1. Prime grade buildings represent 94% of the office portfolio including stabilised assets only and excluding development affected assets and land.

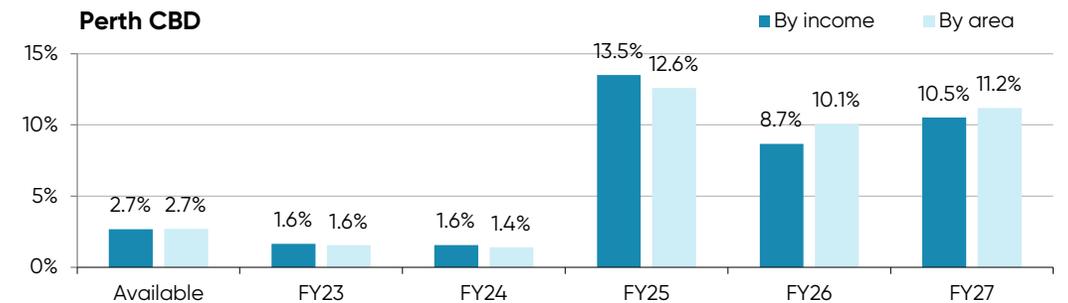
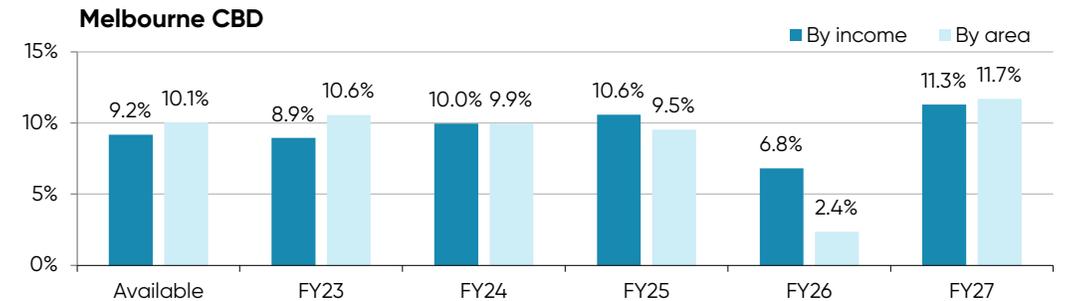
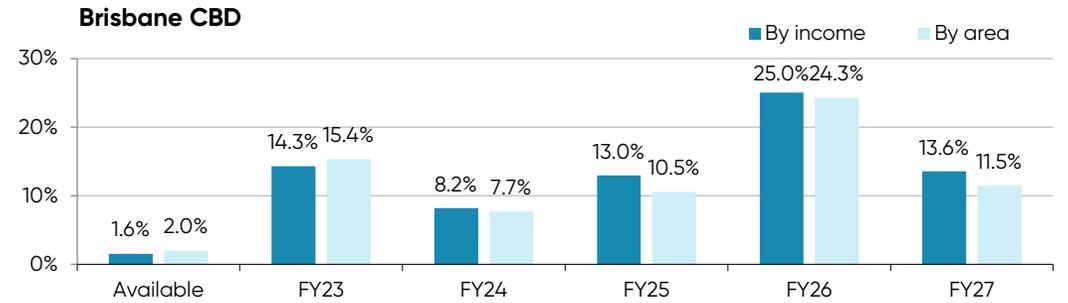
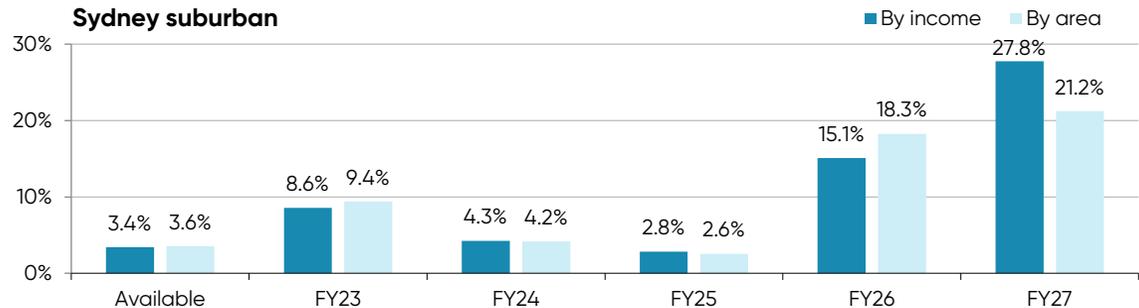
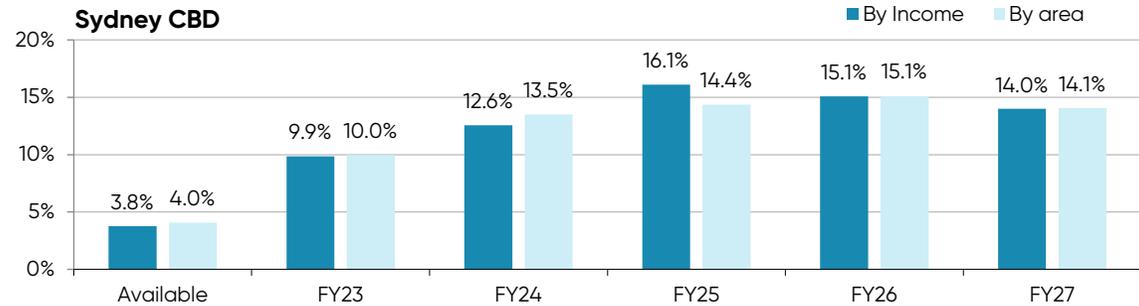


Office by location



Property portfolio

Office portfolio lease expiry profiles by region



| Dexus Office ¹ | Value (\$m) | Cap rate (%) | Yield ² (%) |
|---------------------------|-------------|--------------|------------------------|
| Sydney CBD | 6,240 | 4.56% | 4.13% |
| Sydney suburban | 945 | 4.83% | 5.08% |
| Melbourne CBD | 2,795 | 4.69% | 3.56% |
| Brisbane CBD | 975 | 5.12% | 5.59% |
| Perth CBD | 1,372 | 5.39% | 5.78% |

1. Includes stabilised properties only.
 2. Passing FFO yield based on annualised income excluding the effects of COVID-19 rent waivers.

Property portfolio

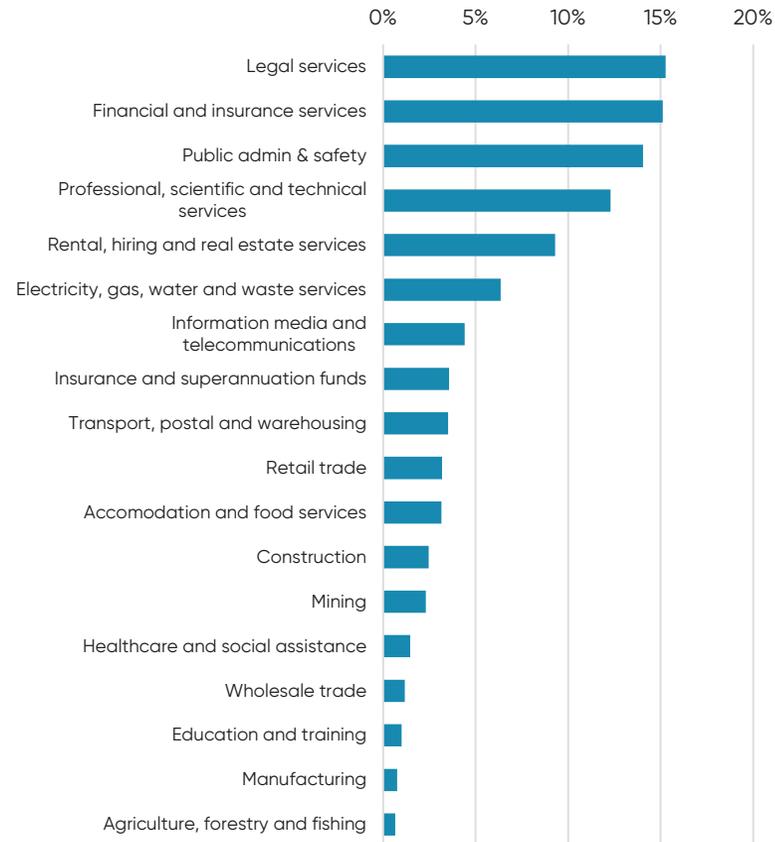
Office top 10 customers represents 17.2% of total property portfolio income

Office top 10 customers

| Office customers ¹ | Credit rating ² | % of total property portfolio income ³ |
|-------------------------------|----------------------------|---|
| State of Victoria | AA | 3.5% |
| Woodside | BBB+ | 3.0% |
| Commonwealth of Australia | AAA | 2.6% |
| Wilson Parking | Not rated | 1.7% |
| King & Wood Mallesons | Not rated | 1.2% |
| Herbert Smith Freehills | Not rated | 1.1% |
| NBN | A+ | 1.1% |
| HWL Ebsworth | Not rated | 1.1% |
| John Holland | Not rated | 1.0% |
| Shell Energy Australia | Not rated | 0.9% |

1. Includes executed heads of agreement at 30 June 2022.
 2. Highest equivalent S&P rating.
 3. Annualised income is based on the sum of the passing gross rental and secured gross rental (for signed leases and for signed Heads of Agreement).

Diversity of office customers (by income)



Artist impression: 60 Collins Street, Melbourne VIC.

Case study: Vintage does not define performance

Australia Square, Sydney – standing the test of time

Built in 1960s

- › Sydney's first skyscraper
- › Comprises two office towers (the Tower and the Plaza) and a vibrant retail precinct



Today, it remains a **highly sought-after** office premise

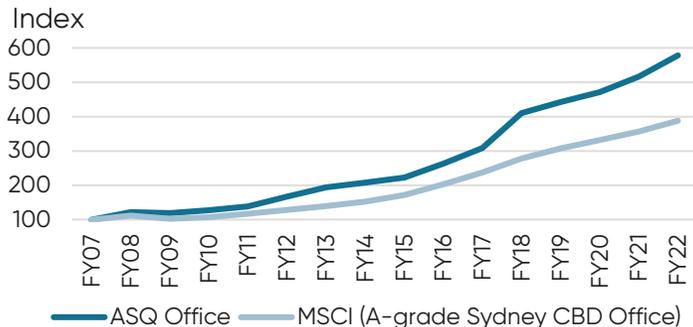
- › Occupancy¹ averaged 96.8% since FY13 (FY22: 96.6%), leading A-grade benchmark
- › Catering for 107 customers² across a wide range of industries and price points ranging from \$1,000-\$1,920 per sqm³
- › **Outperforming total return benchmark** over the past 15 years
- › Continued improvements in **ESG credentials**

Long-term value creation through

- › **Active leasing strategy** averaging ~25 office leasing deals p.a. in the past five years
- › **Continued strategic initiatives** to drive performance, e.g. spec suite strategy achieving
 - › Higher per sqm rents
 - › Reduced downtime

Blended office total return outperforming benchmark

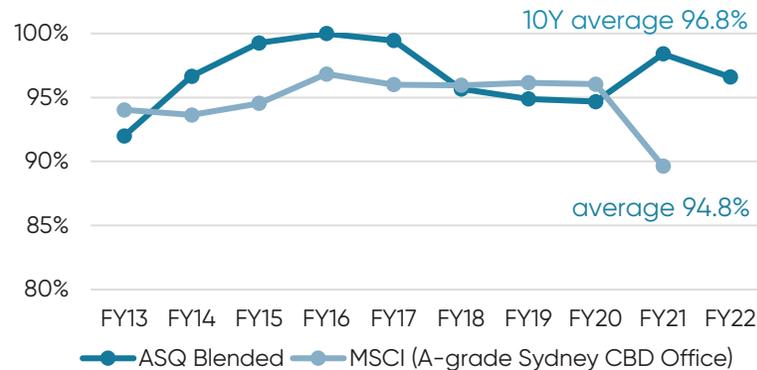
Rebased to 100 in FY07



1. Blended occupancy by area.
 2. Office customers only, excluding retail.
 3. Gross passing rent.
 4. 2023 NABERS Energy rating for the Tower and the Plaza are yet to be completed.
 5. Without GreenPower.

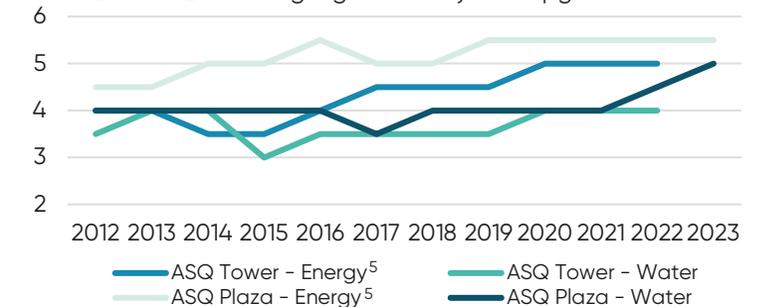
Occupancy leading benchmark

(by area)



Consistent ESG improvements (NABERS ratings⁴)

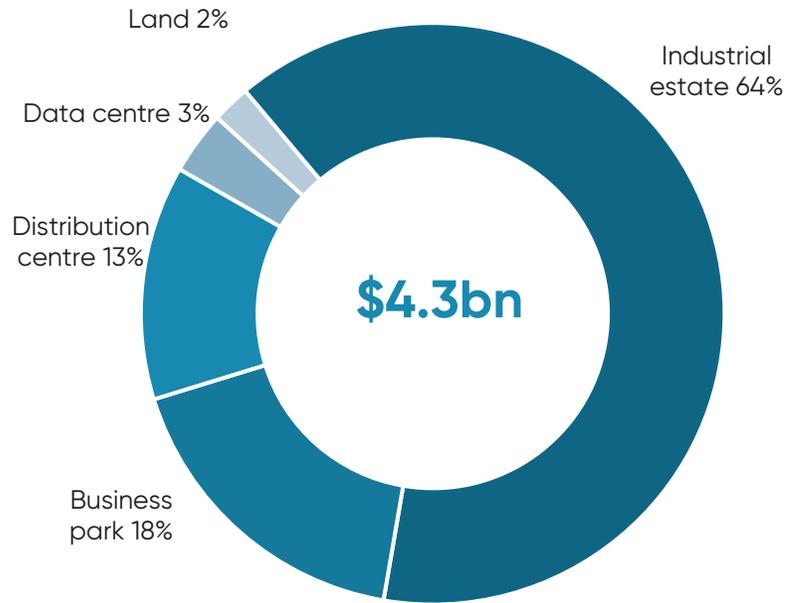
2016: Tower air conditioning upgrade
 2018: Tower customer condenser water upgrade
 2019: Plaza building mgt control system upgrade



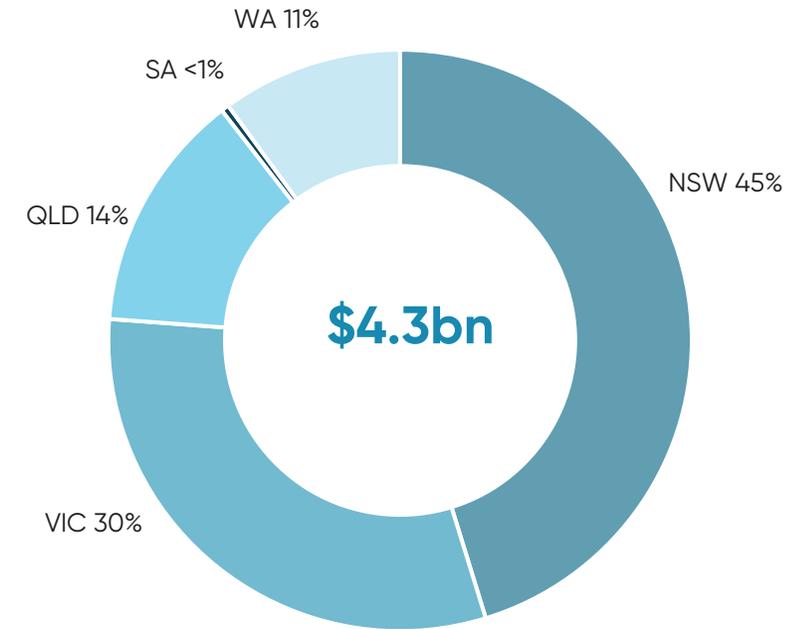
Property portfolio

Industrial portfolio diversification

Industrial by asset type

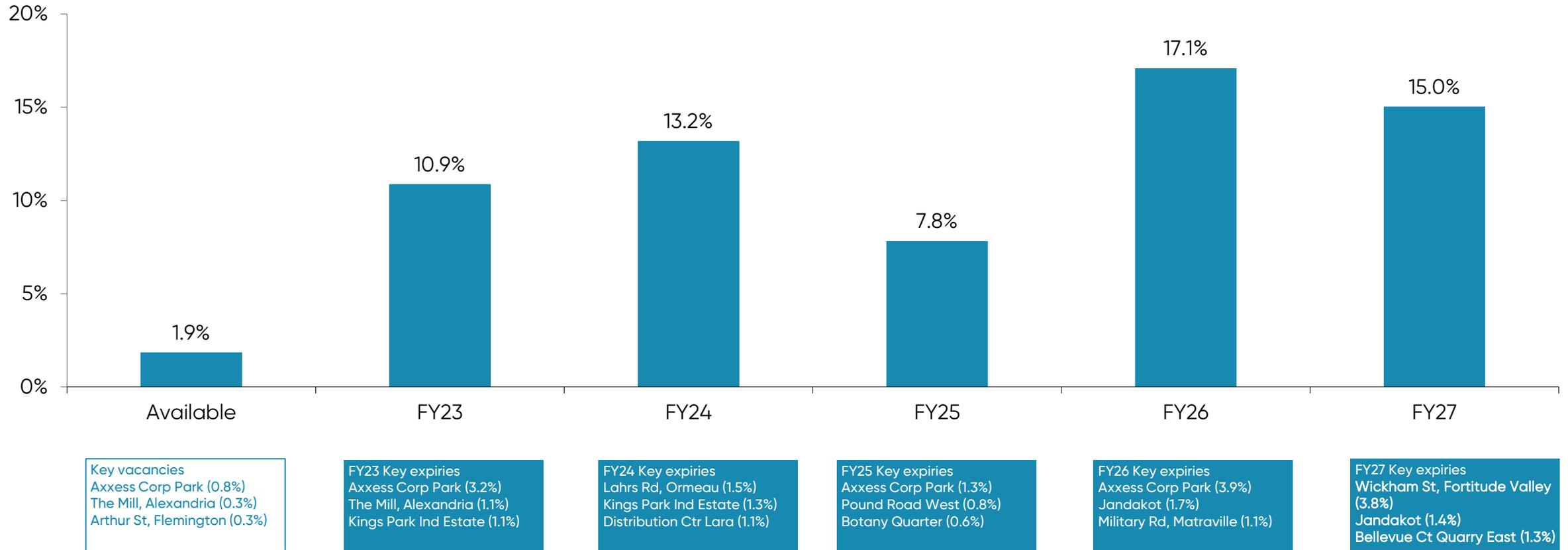


Industrial by location



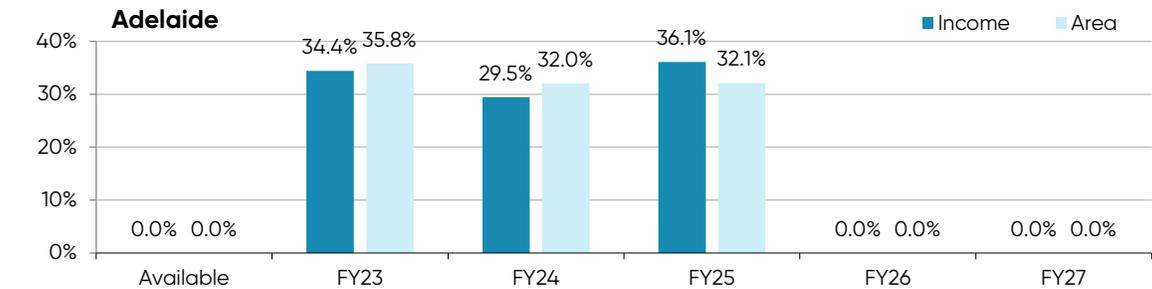
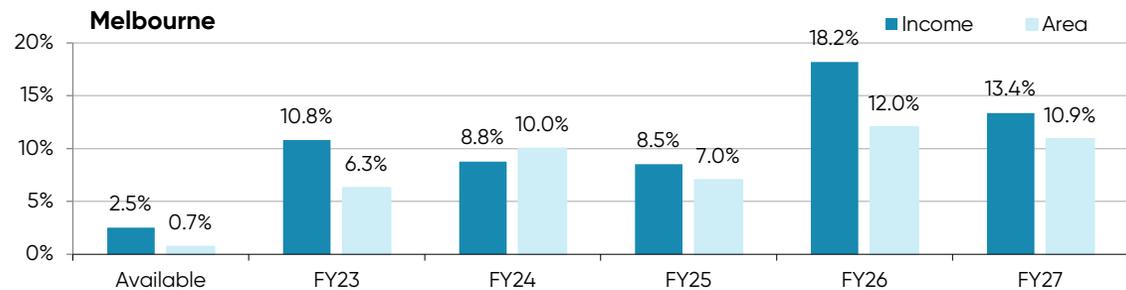
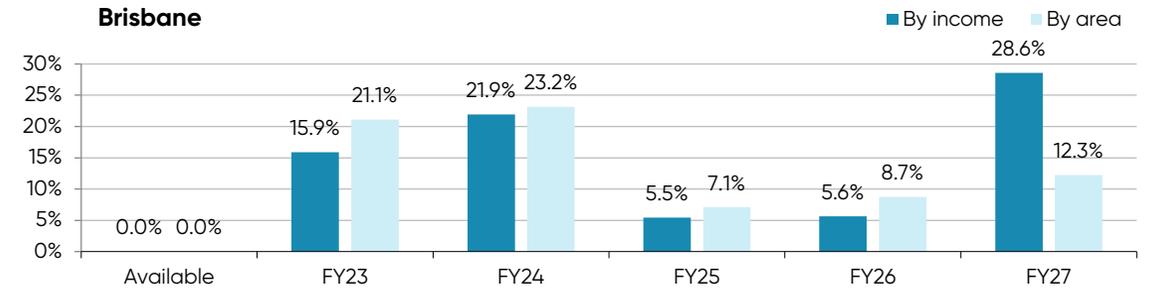
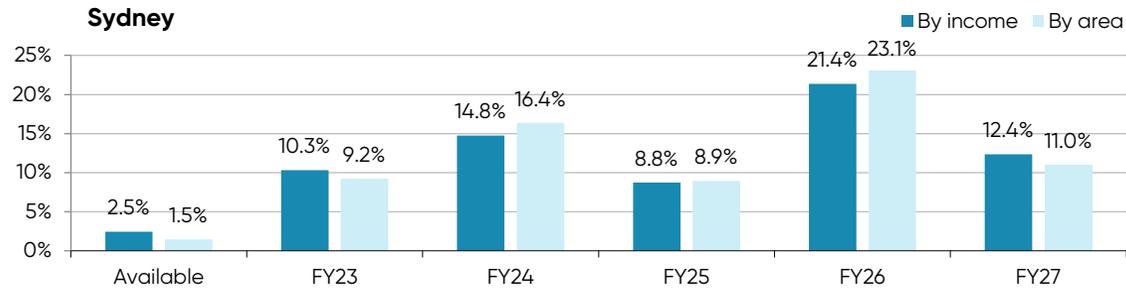
Property portfolio

Industrial portfolio lease expiry profile by income



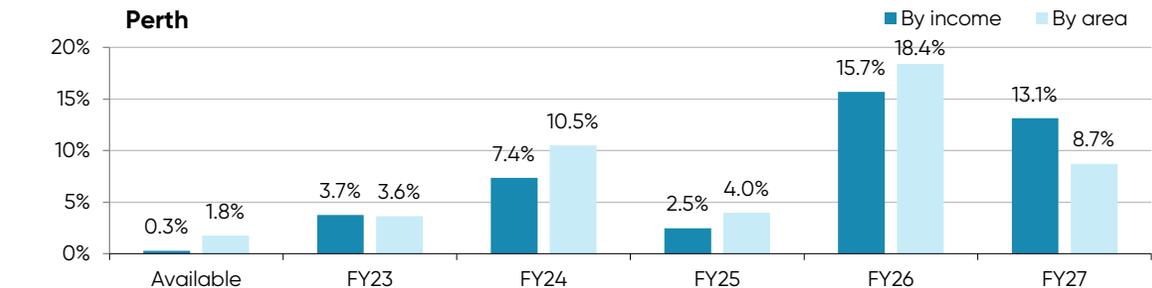
Property portfolio

Industrial portfolio lease expiry profiles by region



| Dexus Industrial ¹ | Value (\$m) | Cap rate (%) | Yield ² (%) |
|-------------------------------|-------------|--------------|------------------------|
| Sydney | 1,763 | 3.87% | 3.58% |
| Melbourne | 1,205 | 4.35% | 4.59% |
| Brisbane | 520 | 4.96% | 4.71% |
| Adelaide | 17 | 9.75% | 11.07% |
| Perth | 391 | 4.50% | 5.30% |

1. Includes stabilised properties only.
 2. Passing FFO yield based on annualised income excluding the effects of COVID-19 rent waivers and one-off income.



Property portfolio

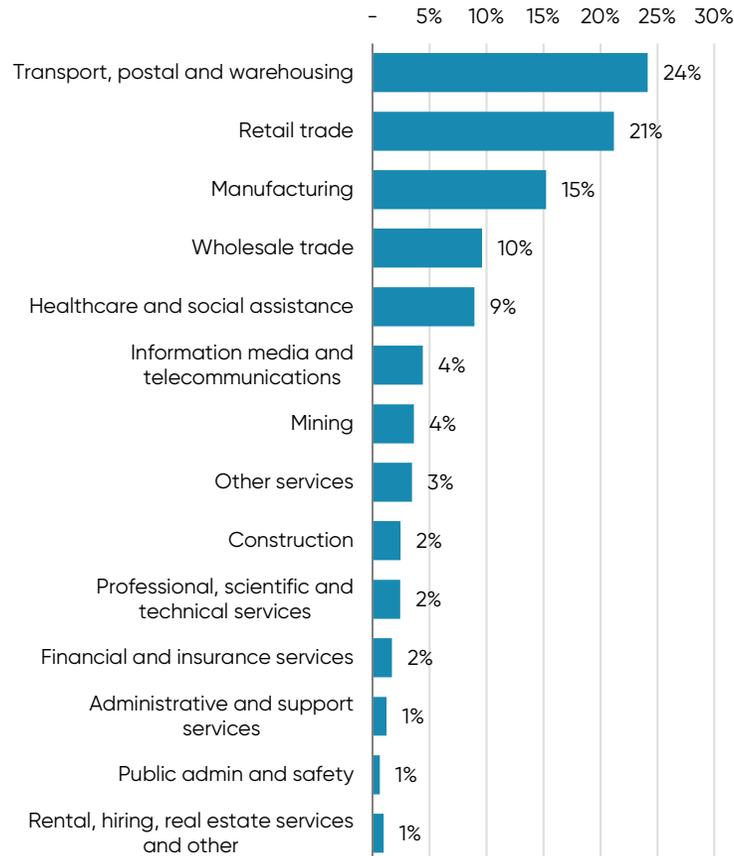
Industrial top 10 customers represent 4.3% of total property portfolio income

Industrial top 10 customers

| Industrial customers ¹ | % of total property portfolio income ² |
|-----------------------------------|---|
| Visy | 0.7% |
| Autosports Group | 0.7% |
| IBM Australia | 0.5% |
| AWH | 0.4% |
| Reece | 0.4% |
| Coles | 0.3% |
| Symbion Health | 0.3% |
| Linfox | 0.3% |
| Scotts Refrigerated Logistics | 0.3% |
| Mcphée Distribution Services | 0.3% |

1. Includes executed Heads of Agreement at 30 June 2022.
 2. Annualised income is based on the sum of the passing gross rental and secured gross rental (for signed leases and for signed Heads of Agreement).

Diversity of industrial customers (by income)

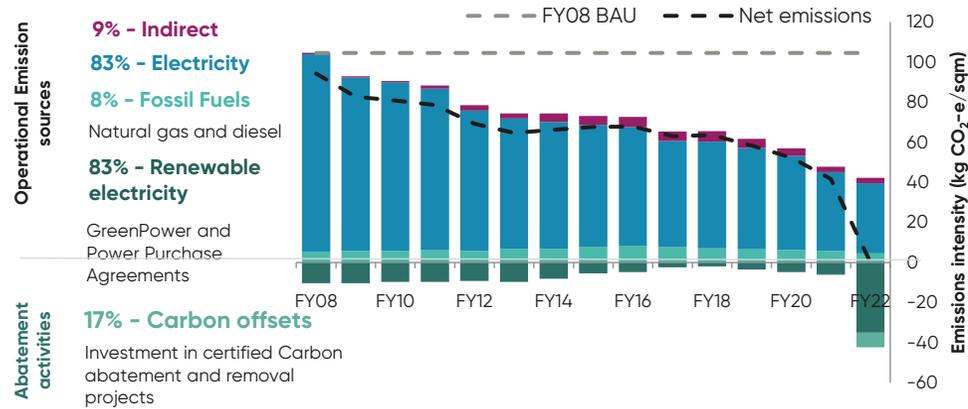


2-6 Dolerite Way, Greystanes NSW.

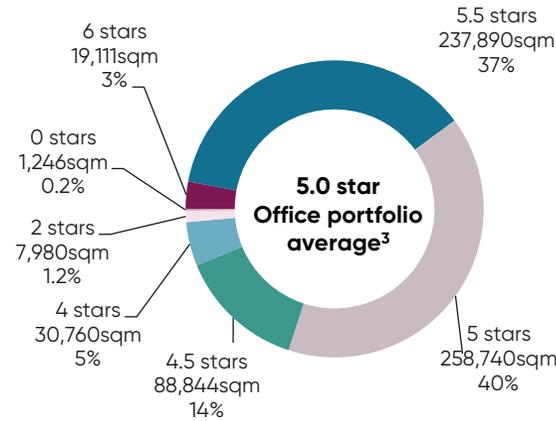
Environmental metrics

Office portfolio sustainability metrics

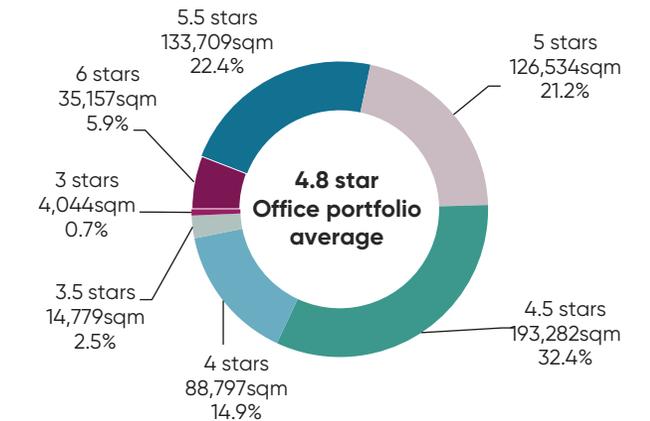
Dexus portfolio net emissions intensity



Dexus Office NABERS Energy ratings



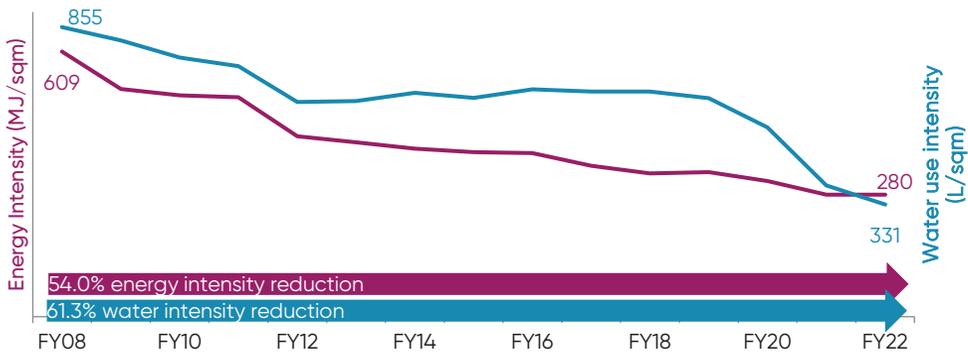
Dexus Office NABERS Water ratings



Dexus Office NABERS portfolio average ratings (stars)

| | Energy with GreenPower | Energy | Water | Waste | Indoor Environment |
|---------------|------------------------|------------|------------|----------------------------|----------------------------|
| Jun 17 | 4.8 | 4.5 | 3.6 | - | - |
| Jun 18 | 4.9 | 4.7 | 3.6 | - | - |
| Jun 19 | 5.0 | 4.8 | 3.6 | - | - |
| Jun 20 | 5.0 | 4.8 | 3.7 | 2.6 | 4.1 |
| Jun 21 | 5.1 | 5.0 | 4.5 | 2.6 | 4.8 |
| Jun 22 | 5.3 | 5.0 | 4.7 | 2.9 70% coverage | 4.9 73% coverage |

Dexus Office Energy and Water intensity



1. GHG = greenhouse gas.
 2. Location-based GHG emissions are calculated using published emissions coefficients and do not consider voluntary renewable electricity purchases made by Dexus.
 3. Excluding GreenPower.

Development

Dexus completed developments

| Pipeline | | Building area ¹ sqm | Project cost ² \$m | Yield on cost % | Leased % | Final completion | Third party partner interest % |
|-------------------------------------|--|-----------------------------------|----------------------------------|--------------------|-------------|---------------------|-----------------------------------|
| Industrial | Palm Springs Road, Ravenhall VIC | 132,100 | 43 | 6-7% | 100% | Mar-22 | 75% |
| | Jandakot Airport, Perth WA | 4,800 | 6 | 5.0% | 100% | Jan-22 | 67% |
| | 31 Innovation Drive, Merrifield VIC | 51,600 | 37 | n/a | 100% | Aug-21 | 49% |
| | Lot 501 Innovation Drive, Merrifield VIC | 21,400 | 14 | n/a | 100% | Mar-22 | 49% |
| | 54 Ferndell Street, South Granville, NSW | 57,100 | 83 | 6.2% | 100% | Jul-21 | 75% |
| | 425-479 Freeman Road, Richlands, QLD | 55,100 | 43 | 6.6% | 100% | Jul-21 | 49% |
| Total developments completed | | 322,100 | 226 | | | | |

1. At 100% ownership.

2. Dexus share in development cost (including land, funding cost and excludes downtime and income earned through development).

Development

Dexus committed developments and fund-throughs

| Pipeline | | Building area ¹ sqm | Project cost est. ² \$m | Est. cost to completion ² \$m | Yield on cost ³ % | Leased % | Completion due | Third party partner interest % |
|-------------------------------------|---|-----------------------------------|--|--|---------------------------------|-------------|----------------|--------------------------------------|
| Office | 123 Albert Street, Brisbane QLD | 39,600 | 595 | 185 | c. 5% | 34% | Late 2023 | - |
| | Atlassian Central, Sydney NSW ⁴ | 58,000 | 1,450 | 1,450 | 4-5% | 100% | Late 2026 | n/a |
| Total office | | 97,600 | 2,045 | 1,635 | | | | |
| Industrial | Palm Springs Road, Ravenhall VIC | 211,400 | 79 | 48 | c. 6% | 80% | Mid 2023 | 75% |
| | Jandakot Airport, Perth WA | 74,700 | 59 | 30 | c. 5% | 100% | Mid 2023 | 67% ⁵ |
| | 12 Frederick Street, St Leonards NSW - Stage 2 | 17,600 | 67 | 14 | 7-8% | 73% | Late 2022 | - |
| | Stage 2 1-21 McPhee Drive, Berrinba QLD | 13,800 | 42 | 31 | n/a | 100% | Mid 2023 | - |
| | 884 Mamre Road, Kemps Creek NSW | 42,500 | 69 | 52 | n/a | - | Late 2023 | 50% |
| | 20 Distribution Drive, Truganina VIC | 21,300 | 40 | 35 | 4-5% | - | Mid 2023 | - |
| | 141 Anton Road, Hemmant QLD | 59,700 | 159 | 130 | 4-5% | 77% | Late 2024 | - |
| Total industrial | | 441,000 | 515 | 340 | | | | |
| City retail/ healthcare | 25 Martin Place, Sydney NSW | 11,000 | 211 | 34 | 4-5% | 96% | Late 2022 | 50% |
| | Australian Bragg Centre, North Terrace, Adelaide SA | 24,500 | 231 | 134 | n/a | 77% | Late 2023 | 50% |
| Total city retail/healthcare | | 35,500 | 442 | 168 | | | | |
| Total committed developments | | 574,100 | 3,002 | 2,143 | | | | |

1. At 100% ownership.

2. Dexus share in development cost (including land, funding cost and excludes downtime and income earned through development).

3. Target yield on cost calculation includes cost of land, funding cost, downtime and income earned through development in the denominator.

4. Represents funding obligation for 100% of the project cost (ex land).

5. Reflects DXI 33.3% stake and Cbus Super 33.3% stake.

Development

Dexus uncommitted developments

| Pipeline ⁵ | | Building area ^{1,5} sqm | Project cost est. ² \$m | Est. yield on est. project cost ³ % | Third party partner interest % |
|---------------------------------------|---|-------------------------------------|---------------------------------------|---|--------------------------------|
| Office | Waterfront Brisbane QLD | 134,600 | c. 1,250 | 5-6% | 50% |
| | 60 Collins Street, Melbourne VIC | 43,100 | c. 1,000 | c. 5% | - |
| | Central Place Sydney NSW ⁴ | 138,700 | c. 750 | 5-6% | 25% |
| | Pitt and Bridge Precinct, Sydney NSW | 80,000 | c. 1,550 | c. 5% | 50% |
| Total office | | 396,400 | c.4,550 | | |
| Industrial | Jandakot Airport, Perth WA | 299,000 | c. 200 | 5-6% | 67% |
| | Palm Springs Road, Ravenhall VIC | 138,800 | c. 50 | 5-6% | 75% |
| | 113-153 Aldington Road, Kemps Creek NSW | 156,000 | c. 200 | 4-5% | 50% |
| | 311 South Street, Marsden Park NSW | 41,800 | c. 100 | 4-5% | 49% |
| | 12 Church Road, Moorebank NSW | 34,000 | c. 50 | 4-5% | 50% |
| | 149 Orchard Road, Chester Hill NSW | 23,200 | c. 50 | 4-5% | 50% |
| | Riding Boundary Road, Ravenhall VIC | 234,400 | c. 300 | 4-5% | 50% |
| | Axxess Corporate Park, Mount Waverley VIC | 79,500 | c. 300 | 4-5% | - |
| Total industrial | | 1,006,700 | c.1,250 | | |
| Total uncommitted developments | | 1,403,100 | c.5,800 | | |

1. At 100% ownership.

2. Dexus share in development cost (including land, funding cost and excludes downtime and income earned through development).

3. Target yield on cost calculation includes cost of land, funding cost, downtime and income earned through development in the denominator.

4. Excluding external party share of project. External JV partner owns 50% of this project.

5. Figures are indicative and subject to relevant planning approvals and leasing commitment outcomes. Building area and project costs are presented on a rounded basis.

Transactions

Dexus⁹

| Dexus acquisitions | Purchase price ¹⁰ \$m | Interest | Settlement | Dexus divestments | Sale price ¹⁰ \$m | Interest | Settlement |
|---|-------------------------------------|----------|---------------------|--|---------------------------------|----------|---------------------|
| 1 Bligh Street, Sydney NSW ¹ | \$37.5 | 33% | 8-Jul-21 | 60 Miller Street, North Sydney NSW | \$275.0 | 100% | 3-Aug-21 |
| Capital Square Tower 1, Perth WA ² | \$475.3 | 49% | 22-Jul-21 | 436-484 Victoria Road, Gladesville NSW | \$55.0 | 100% | 9-Aug-21 |
| Jandakot Airport, Perth WA ³ | \$1,300.0 | 100% | 1-Nov-21 & 1-Apr-22 | Grosvenor Place, 225 George Street, Sydney NSW | \$693.8 | 37.5% | 2-Dec-21 |
| 1-21 McPhee Drive, Berrinba QLD ⁴ | \$69.3 | 100% | 7-Dec-21 | Truganina VIC & Lakes Business Park South, Botany NSW ⁸ | \$269.4 | 100% | 4-Nov-21 & 2-Dec-21 |
| 116-130 Gilmore Road, Berrinba QLD | \$37.5 | 100% | 23-Feb-22 | 201 Miller Street, North Sydney NSW | \$76.2 | 50% | 18-Feb-22 |
| 28 Jones Road, Brooklyn VIC | \$46.0 | 100% | 20-Apr-22 | Jandakot Airport, Peth WA ³ | \$432.9 | 33.3% | 19-Nov-21 |
| Lot 2, 884-928 Mamre Road, Kemps Creek NSW ⁵ | \$62.7 | 50% | Oct-22 | Jandakot Airport, Peth WA ³ | \$432.9 | 33.3% | 1-Apr-22 |
| 3 Spring, 58 Pitt and 60 Pitt Street, Sydney NSW | \$177.0 | 50% | Aug-18 - Aug-22 | 12 Creek Street, Brisbane QLD | \$210.0 | 50% | 31-Mar-22 |
| 113-153 Aldington Road, Kemps Creek NSW ⁶ | \$125.5 | 100% | Apr-23 | 309-321 Kent Street, Sydney NSW | \$401.3 | 50% | 29-Apr-22 |
| Development land, West Melbourne VIC ⁷ | \$33.2 | 50.1% | May-25 | 171 Edward Street, Brisbane QLD | \$82.2 | 100% | 28-Jun-22 |
| All other acquisitions under \$30m | \$102.5 | n/a | Jul-21 - Aug-22 | 383-395 Kent Street, Sydney NSW | \$385.0 | 100% | 29-Jul-22 |
| | | | | 140 & 150 George Street, Parramatta NSW | \$77.3 | 50% | 29-Jul-22 |
| | | | | All other divestments under \$30m | \$13.5 | n/a | Jul-21 - Jun-22 |

- Reflecting the DXS share of the acquisition price for the 33.33% interest in 1 Bligh Street (of which Mercatus will hold a 90% share and Dexus a 10% share).
- Dexus paid \$339m for its 49% equity stake in the trust owning the property valued at \$970m, a \$157m loan receivable and \$450m of senior secured debt.
- On 1 November 2021, Dexus Holdings Pty Limited acquired 100% of Jandakot City Holdings Pty Ltd (JCH) and 49% of Jandakot Airport Holdings (JAH) through the newly established Jandakot City Holdings Trust (JCHT) and Jandakot Airport Holdings Trust (JAHT). On 19 November 2021, shortly after initial settlement, Dexus Industria REIT (DXI) acquired a 33.3% interest in JCHT and 68% interest in JAHT. On 1 April 2022, Dexus Projects Pty Limited settled on the remaining 51% interest of JAH through the establishment of Jandakot Airport Domestic Trust (JADT), with Cbus acquiring a 33.3% interest in each of JCH and JAH by acquiring a 33.3% interest in JCHT and 65.3% interest in JADT. The joint venture which owns 100% of Jandakot Airport, Perth, is held in the following proportions: Dexus 33.4%; DXI 33.3% and Cbus Super 33.3%. The existing structure includes senior asset-level debt of \$405 million, reflecting a combined equity commitment of \$895 million excluding acquisition costs.

- The purchase price reflects both the stabilised Stage 1 warehouse and the development completion price of the Stage 2 land acquired via a fund-through arrangement with practical completion expected March 2023.
- The purchase price reflects the development completion price. The property will be acquired via a fund-through arrangement with development payments to commence late 2022 and practical completion expected in May 2023.
- Settlement subject to exercise of put and call option.
- Acquisition conditional on successful rezoning of land
- Dexus settled the first tranche of the industrial assets in October 2020 and December 2020. The put and call options were exercised for tranche 2 in September 2021, with the Laverton assets settling in November 2021 and Botany settling in December 2021.
- Excludes Dexus's share of transactions in its co-investments in pooled funds.
- Excludes transaction costs.

Transactions

Funds management

| Funds Management acquisitions | Purchase price ⁹ \$m | Interest | Settlement |
|--|------------------------------------|----------|-------------------------|
| Bethesda Mental Health Clinic, Cockburn Central WA ¹ | \$58.3 | 100% | 07-Jul-21 |
| Arcadia Pittwater Private Hospital, Sydney NSW | \$50.5 | 100% | 24-Aug-21 |
| 2 Maker Place, Truganina VIC | \$69.0 | 100% | 07-Oct-21 |
| 233-247 Glen Huntley Road, Elsternwick VIC ² | \$31.4 | 50% | 21-Oct-21 |
| Jandakot Airport, Perth WA ³ | \$865.8 | 66.6% | 19-Nov-21 & 1-Apr-22 |
| 525 Boundary Street, Spring Hill QLD ⁴ | \$97.4 | 100% | 17-Nov-21 |
| 43 Butterfield Street, Herston QLD ⁴ | \$33.3 | 100% | 17-Nov-21 |
| Warringah Mall Shopping Centre, 180 Old Pittwater Road, Bookvale NSW | \$410.0 | 25% | 2-Dec-21 |
| Truganina VIC & Lakes Business Park South, Botany NSW ⁵ | \$269.4 | 100% | 4-Nov-21 & 2-Dec-21 |
| 9 Boron Street, Narangba QLD | \$44.5 | 100% | 16-Dec-21 |
| Lot 2, 884-928 Mamre Road, Kemps Creek NSW ⁶ | \$62.7 | 50% | Oct-22 |
| 3 Spring, 58 Pitt and 60 Pitt Streets, Sydney NSW | \$177.0 | 50% | Aug-18 - Aug-22 |
| 9-15 Brighton Street, Richmond VIC | \$35.0 | 100% | Nov-22 |
| Development land, West Melbourne VIC ⁷ | \$33.1 | 49.9% | May-25 |
| All other acquisitions under \$30m | \$292.6 | n/a | Jul-21 - May-25 |

1. The purchase price reflects the development completion price. This property will be acquired via a fund-through arrangement.

2. The purchase price reflects DREP's 50% share of the syndicated loan facility investment. The other 50% is provided by an external party, Solido Capital Partners Pty Ltd.

3. On 1 November 2021, Dexus Holdings Pty Limited acquired 100% of Jandakot City Holdings Pty Ltd (JCH) and 49% of Jandakot Airport Holdings (JAH) through the newly established Jandakot City Holdings Trust (JCHT) and Jandakot Airport Holdings Trust (JAHT). On 19 November 2021, shortly after initial settlement, Dexus Industria REIT (DXI) acquired a 33.3% interest in JCHT and 68% interest in JAHT. On 1 April 2022, Dexus Projects Pty Limited settled on the remaining 51% interest of JAH through the establishment of Jandakot Airport Domestic Trust (JADT), with Cbus acquiring a 33.3% interest in each of JCH and JAH by acquiring a 33.3% interest in JCHT and 65.3% interest in JADT. The joint venture which owns 100% of Jandakot Airport, Perth, is held in the following proportions: Dexus 33.4%; DXI 33.3% and Cbus Super 33.3%. The existing structure includes senior asset-level debt of \$405 million, reflecting a combined equity commitment of \$895 million excluding acquisition costs.

| Funds Management divestments | Sale price ⁹ \$m | Interest | Settlement |
|--|--------------------------------|----------|-----------------|
| 140 St Georges Terrace, Perth WA | \$254.9 | 100% | 22-Sep-21 |
| 56-88 Lisbon Street, Fairfield East NSW | \$200.2 | 100% | 12-Oct-21 |
| Grosvenor Place, 225 George Street, Sydney NSW | \$231.3 | 12.5% | 02-Dec-21 |
| Macquarie Centre, Cnr Herring & Waterloo Roads, North Ryde NSW | \$422.5 | 25% | 31-Jan-22 |
| Pacific Fair, Hooker Boulevard, Broadbeach Waters QLD | \$336.4 | 20% | 31-Jan-22 |
| 201 Miller Street, North Sydney NSW | \$76.2 | 50% | 18-Feb-22 |
| Milton Green Business Park, Milton QLD ⁸ | \$213.1 | 50% | 25-Feb-22 |
| 12 Creek Street, Brisbane QLD | \$210.0 | 50% | 31-Mar-22 |
| 198 Princes Highway, South Nowra NSW | \$36.1 | 100% | 4-Apr-22 |
| 140 & 150 George Street, Paramatta NSW | \$77.3 | 50% | 29-Jul-22 |
| Carillon City, Perth WA | \$80.5 | 100% | Aug-22 |
| Shepparton Marketplace, 110-120 Benalla Road, Shepparton VIC | \$88.1 | 100% | Aug-22 |
| All other divestments under \$30m | \$53.8 | n/a | Jul-21 - Jul-22 |

4. The purchase price reflects the development completion price. The property has been acquired via a fund-through arrangement with development expected to complete at the end of 2022.

5. Dexus settled the first tranche of the industrial assets in October 2020 and December 2020. The put and call options were exercised for tranche 2 in September 2021, with the Laverton assets settling in November 2021 and Botany settling in December 2021.

6. The purchase price reflects the development completion price. The property will be acquired via a fund-through arrangement with development payments to commence late C2022 and practical completion expected in May 2023.

7. Acquisition conditional on successful rezoning of land

8. Milton Green Business Park comprises the following properties: 135-147 Coronation Drive, Milton and 6, 7, 18, 19-23, 30 and 45 Little Cribb Street, Milton QLD.

9. Excludes transaction costs.

Trading profit track record

Further opportunities in pipeline

| Trading projects | Trading strategy | FY22 | FY23 | FY24+ |
|---|------------------------|------|------|-------|
| Truganina (Laverton) properties VIC ^{1,2} | Development | ✓ | | |
| Botany Quarter (Lakes Business Park South), Botany NSW ² | Development | ✓ | | |
| 436-484 Victoria Road, Gladesville NSW ³ | Rezoning | ✓ | | |
| 22 Business Park Drive, Ravenhall VIC ⁴ | Repositioning | ✓ | | |
| 12 Frederick Street, St Leonards NSW – Stage 2 | Industrial development | | | |
| Australian Bragg Centre, Adelaide SA | Healthcare | | | |
| 20 Distribution Drive, Laverton VIC | Industrial development | | | |
| 149 Orchard Road, Chester Hill NSW | Industrial development | | | |
| Other identified opportunity (two projects) | Reposition, mixed use | | | |

Key

✓ Secured

Unsecured

| Track record | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
|-------------------|---------|---------|----------|----------|----------|----------|---------|---------|
| Post tax profit | \$42.6m | \$63.3m | \$47.2m | \$36.6m | \$34.7m | \$35.3m | \$50.4m | \$23.4m |
| Post tax guidance | \$40m | \$60m | \$45-50m | \$35-40m | \$35-40m | \$35-40m | N/A | N/A |

1. Share of Truganina (Laverton) lots.

2. During FY21, Dexus contracted to sell six trading assets to DALT, which realised tranche 1 trading profits (pre-tax) of \$19.8m in FY21 and tranche 2 trading profits (pre-tax) of \$18.3m in FY22.

3. Dexus settled on the sale of 436-484 Victoria Road, Gladesville on 9 August 2021.

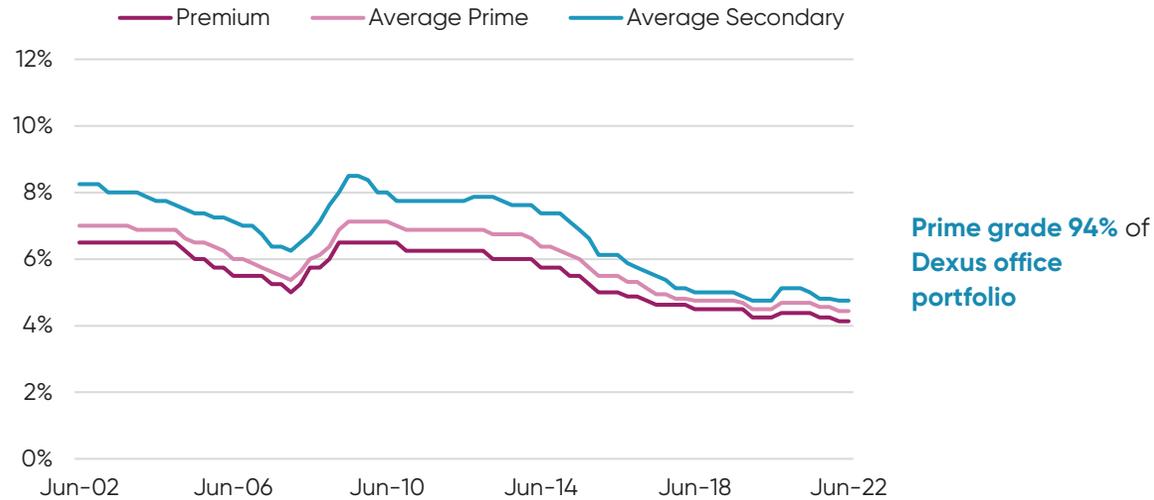
4. On 13 August 2021, Dexus entered into a put and call option arrangement to sell 22 Business Park Drive, Ravenhall. Dexus subsequently exercised its put option and on 17 November 2021 settlement occurred.

Prime grade properties better placed

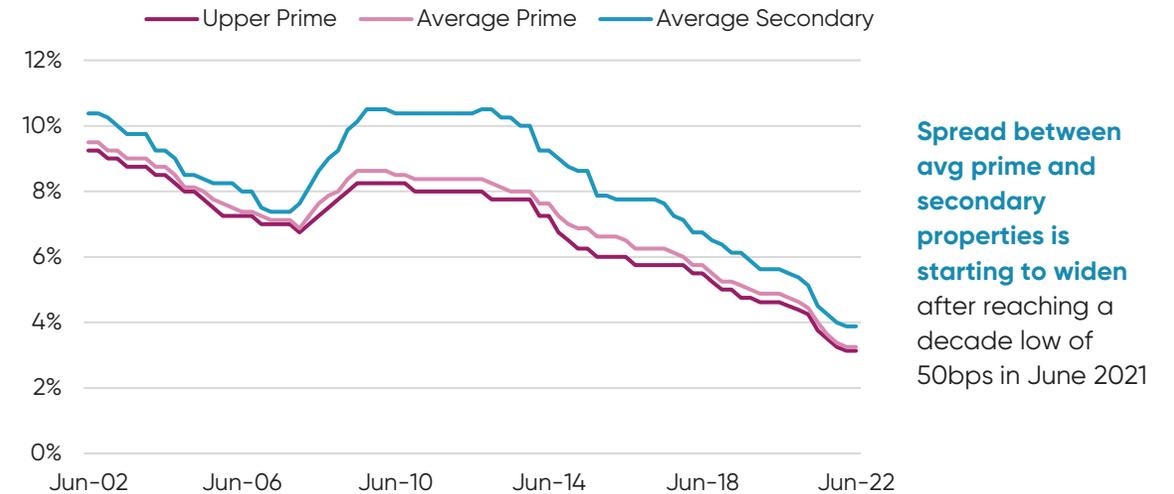
Dexus portfolio predominantly weighted to Prime grade

- › We expect quality assets to perform better in the current environment, with regard to both tenant demand (continued flight to quality) and investor demand
- › Strong market rental growth to provide some support for industrial valuations
- › Direct property investors tend to hold long term investment horizons

Sydney CBD office capitalisation rates by grade



Sydney industrial capitalisation rates by grade¹

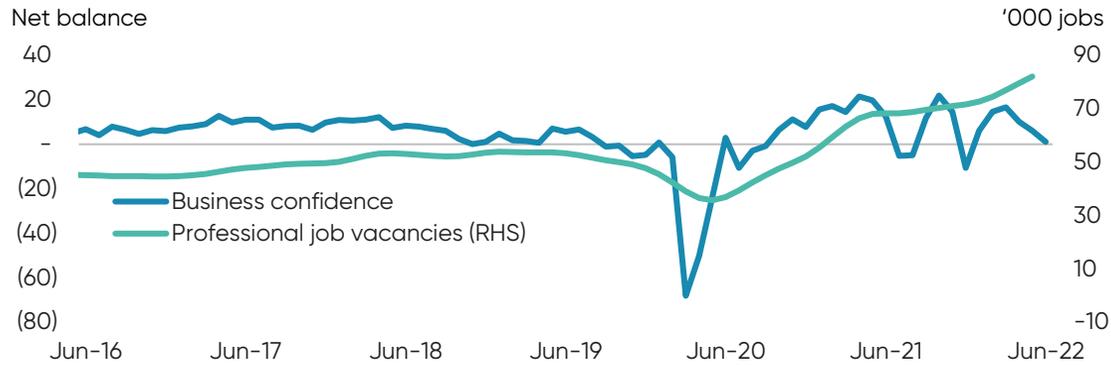


Source: JLL Research
 1. Outer Western Sydney industrial market cap rate data used.

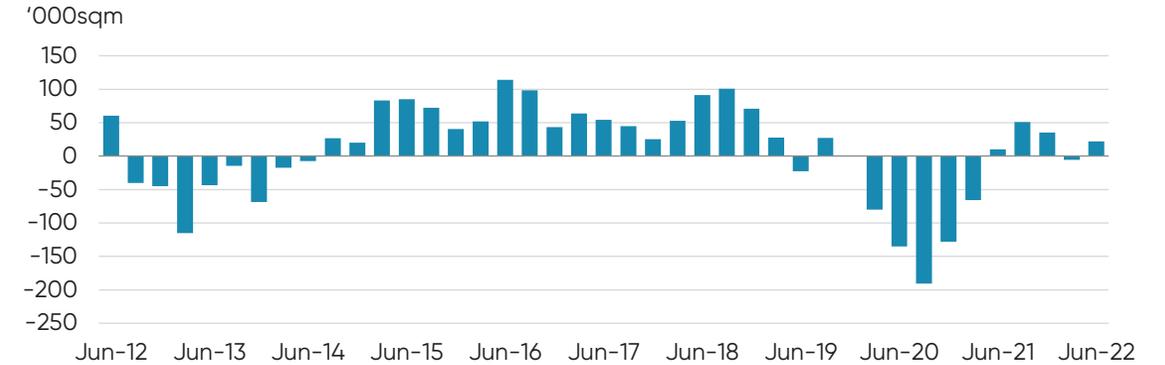
Office demand indicators are positive

Despite emerging cyclical risk, demand to benefit from strength in white collar industries

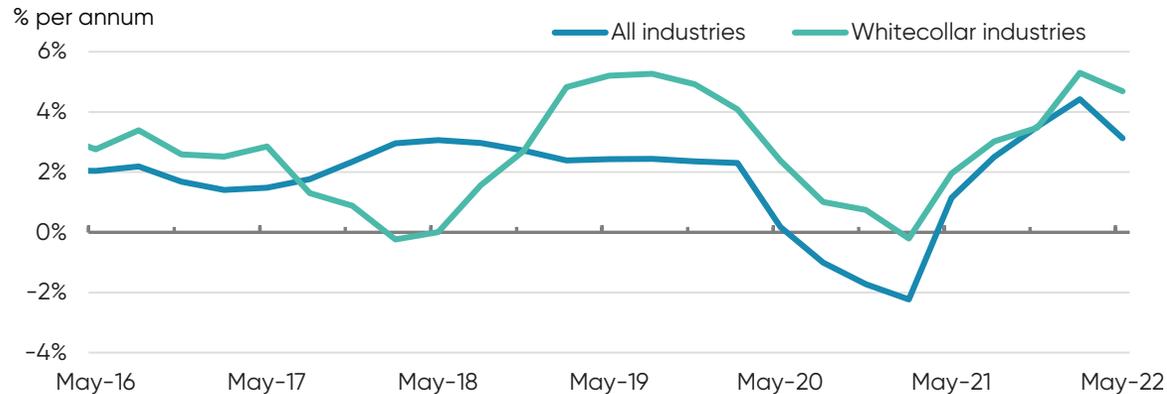
Hiring intentions are positive despite uncertainty



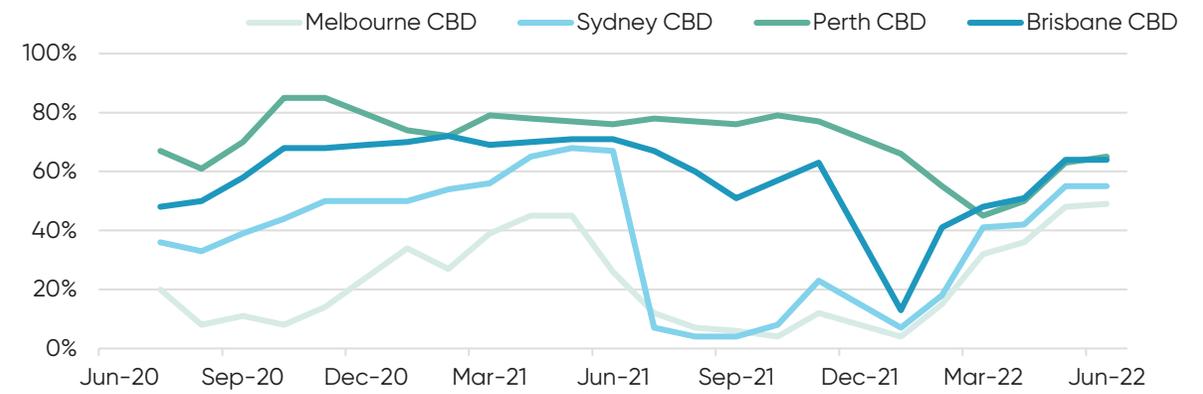
Net absorption positive in the four major CBDs*



White collar employment growth is running strongly



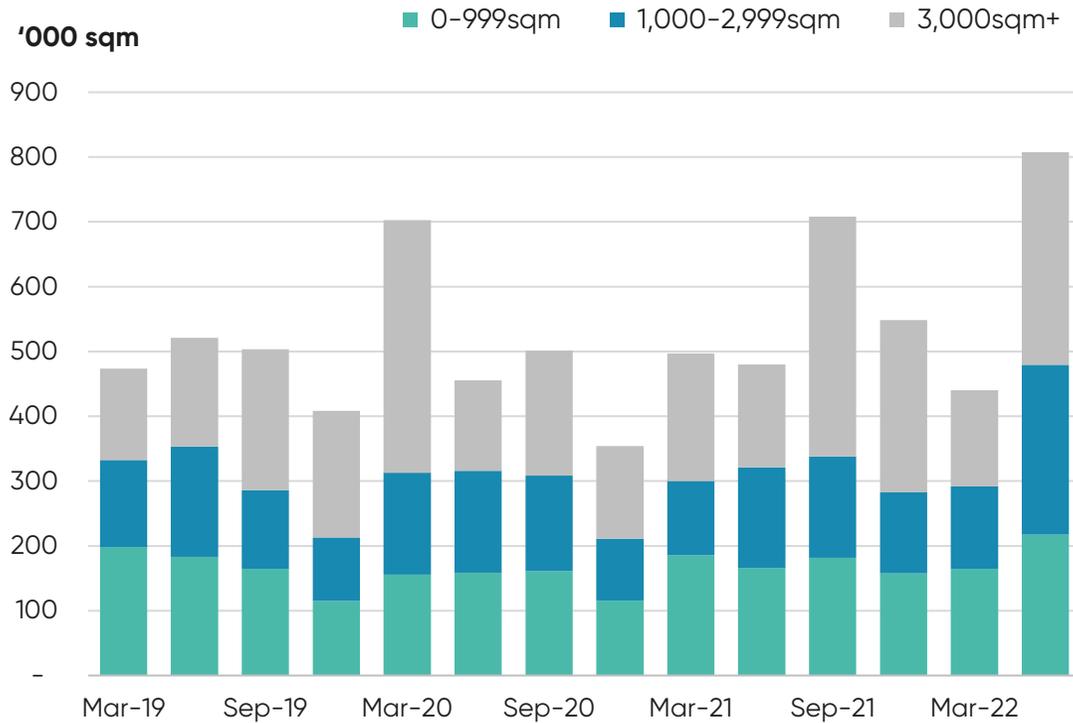
Physical building occupancy increasing



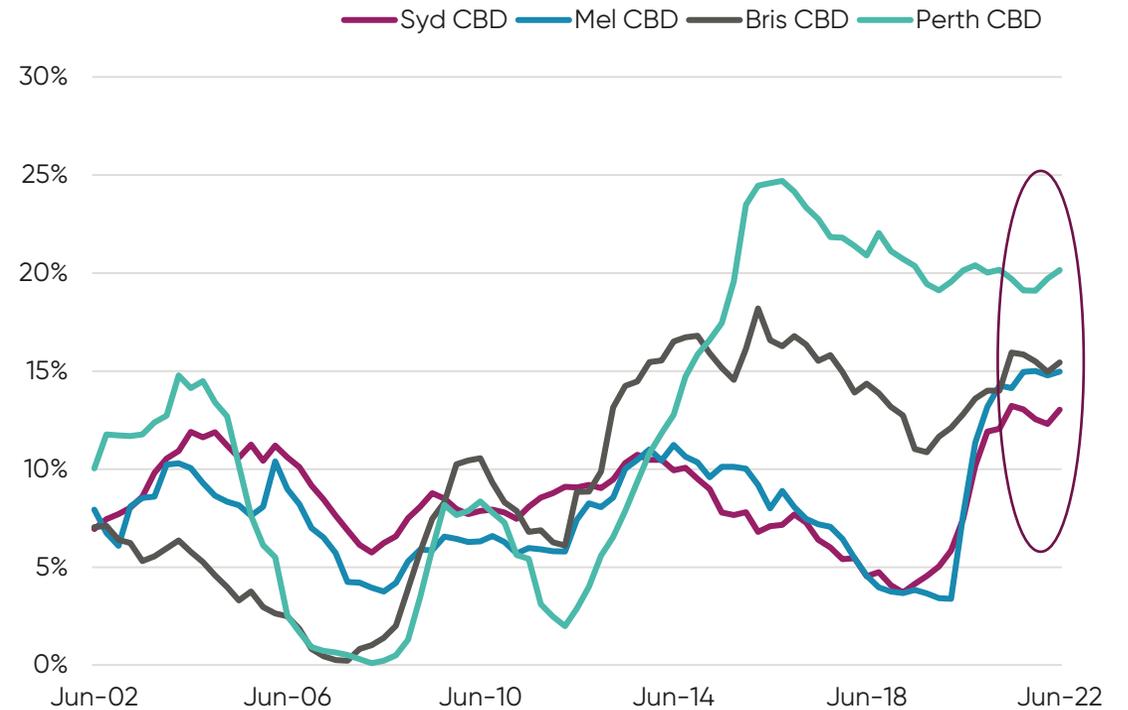
Source: NAB, ABS, PCA, JLL Research (*Sydney CBD, Melbourne CBD, Brisbane CBD, Perth CBD).

Office leasing inquiry improving

Leasing inquiry strengthened through FY22, driven by smaller users



Vacancy rates in CBD office markets plateauing

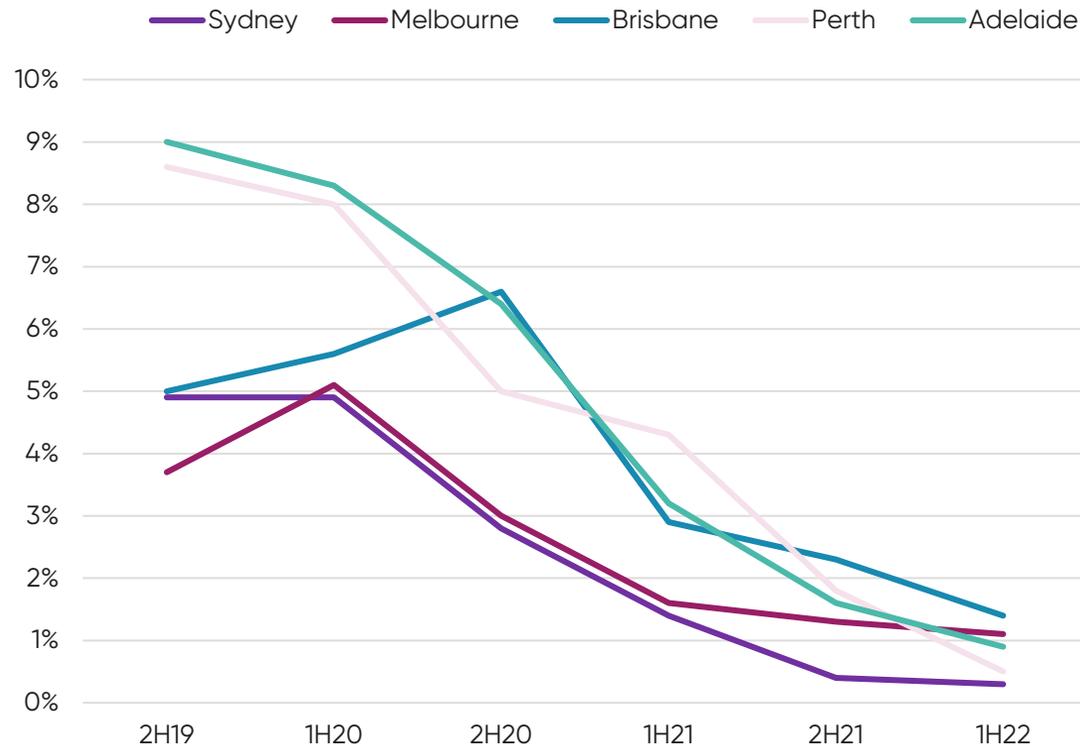


Source: Colliers International, inquiry data for Sydney, Melbourne, Brisbane and Perth. JLL Research.

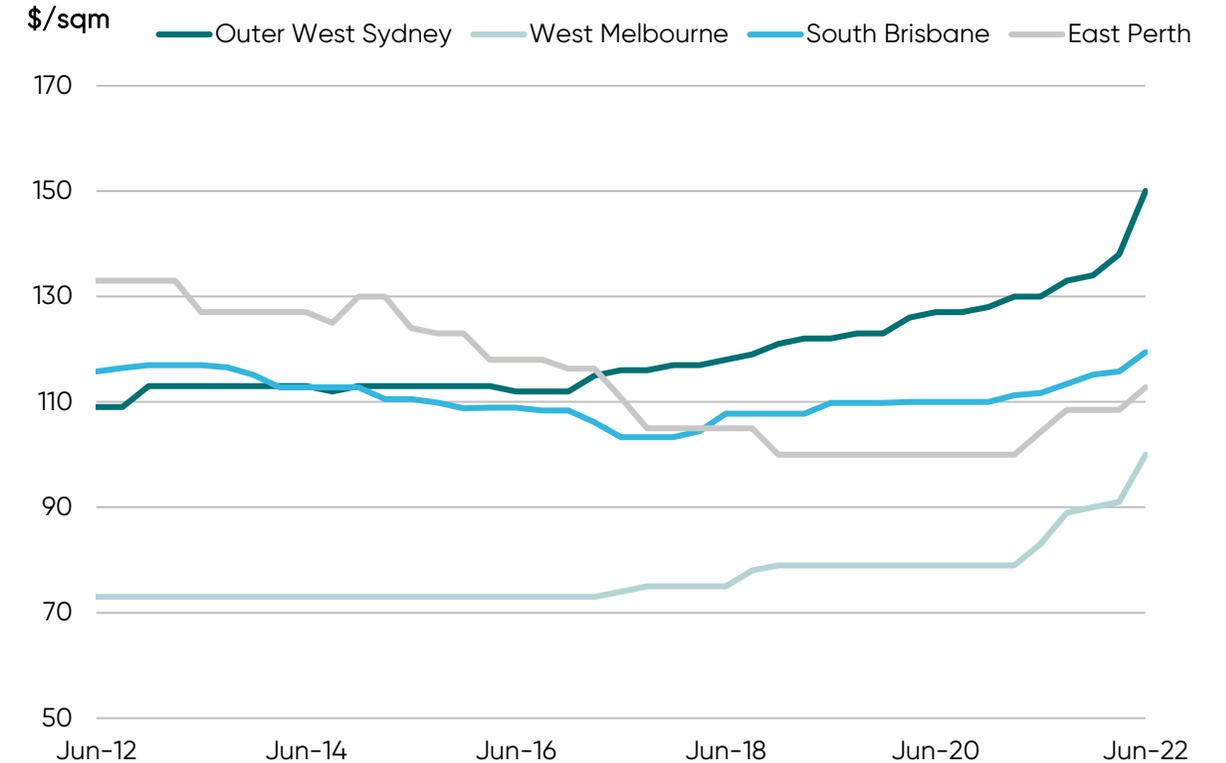
Industrial sector

Strong demand and low vacancy leading to significant rent growth

Vacancy rates hit record lows across all markets



Lack of space leading to rapid growth in rents

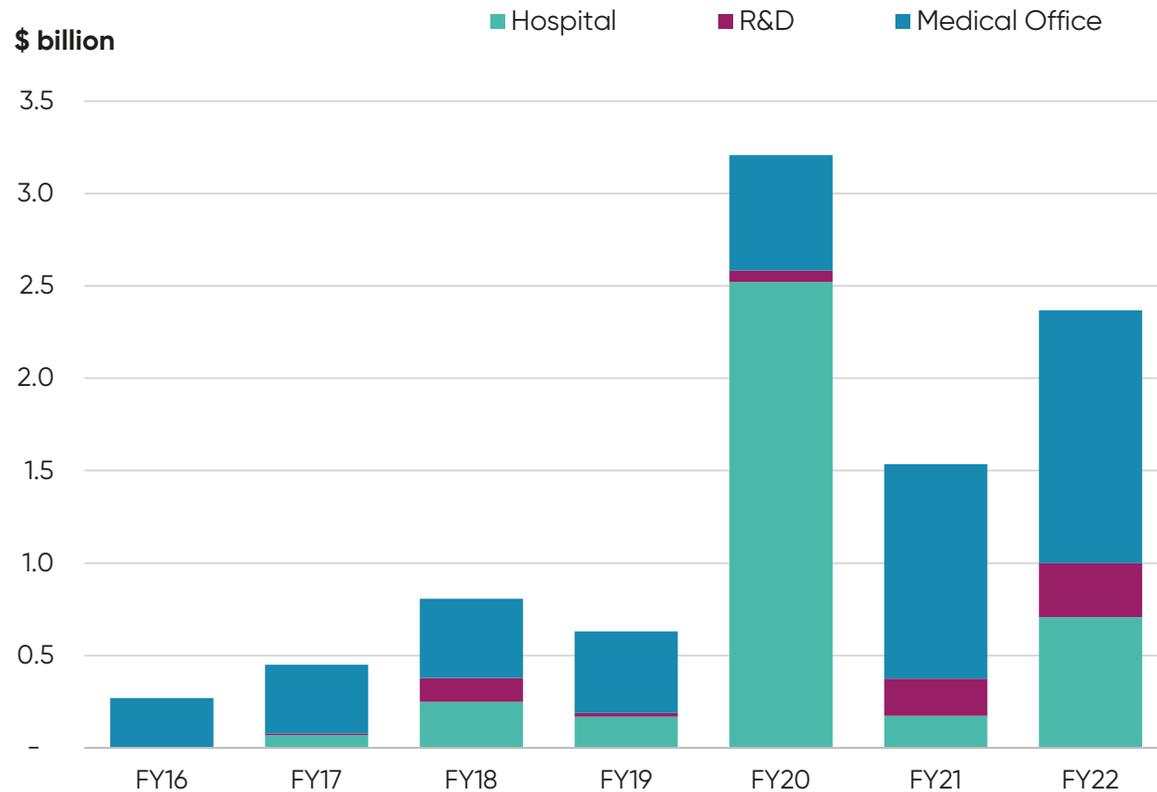


Source: Dexus Research JLL Research.

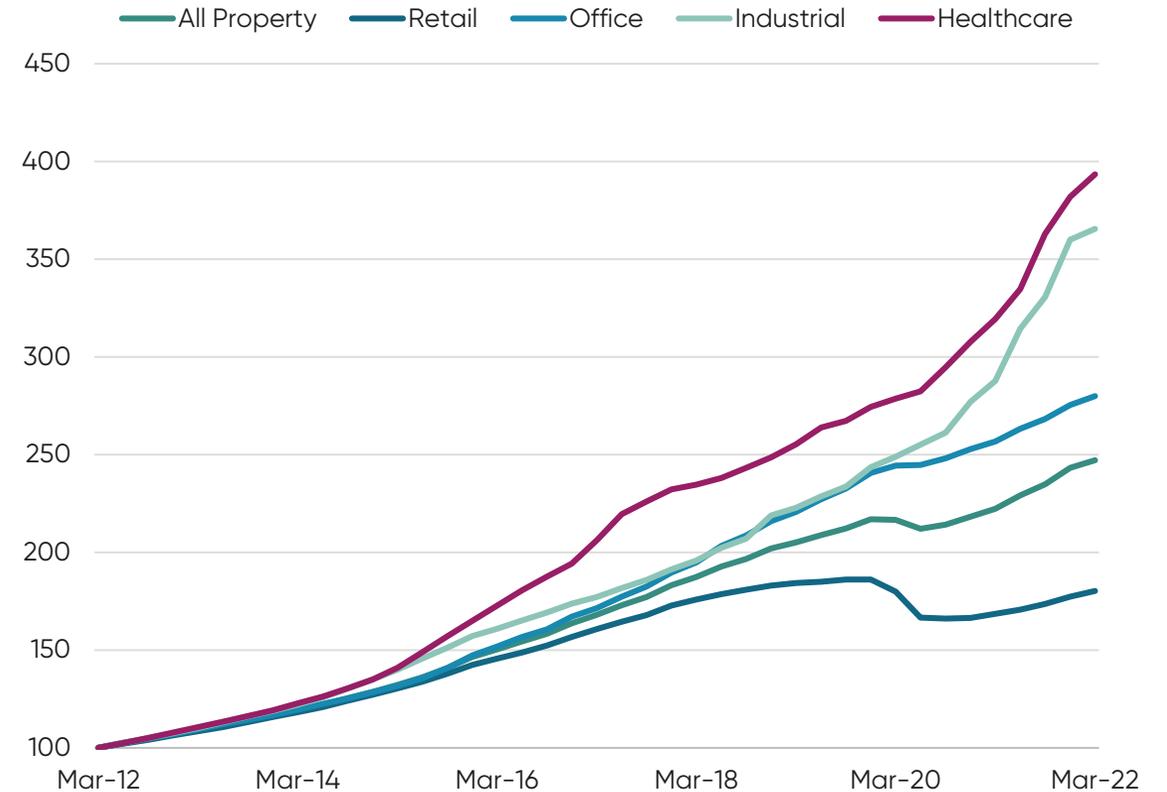
Healthcare sector

Healthcare has outperformed other sectors over the past decade

Growing institutional demand drives healthcare transactions higher



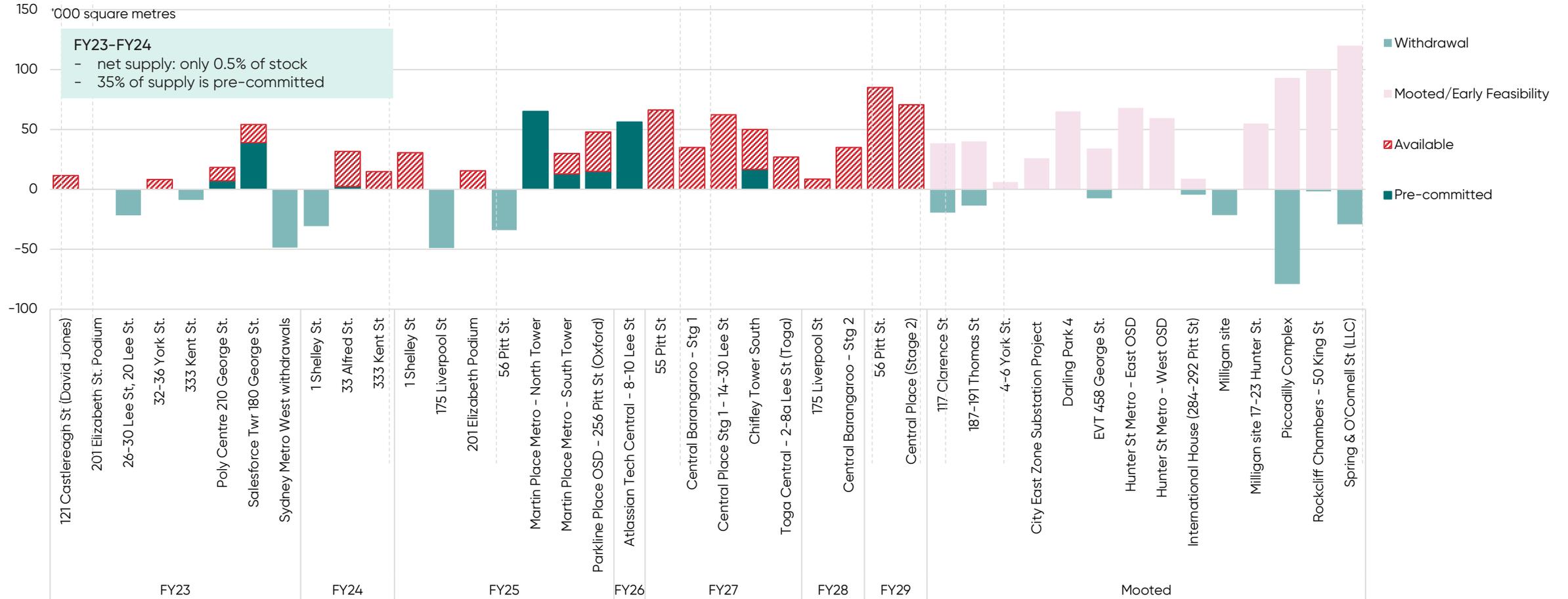
Indexed returns by sector (10yrs) (March 2012=100)



Source: Real Capital Analytics, MSCI, Dexus Research.

Market outlook

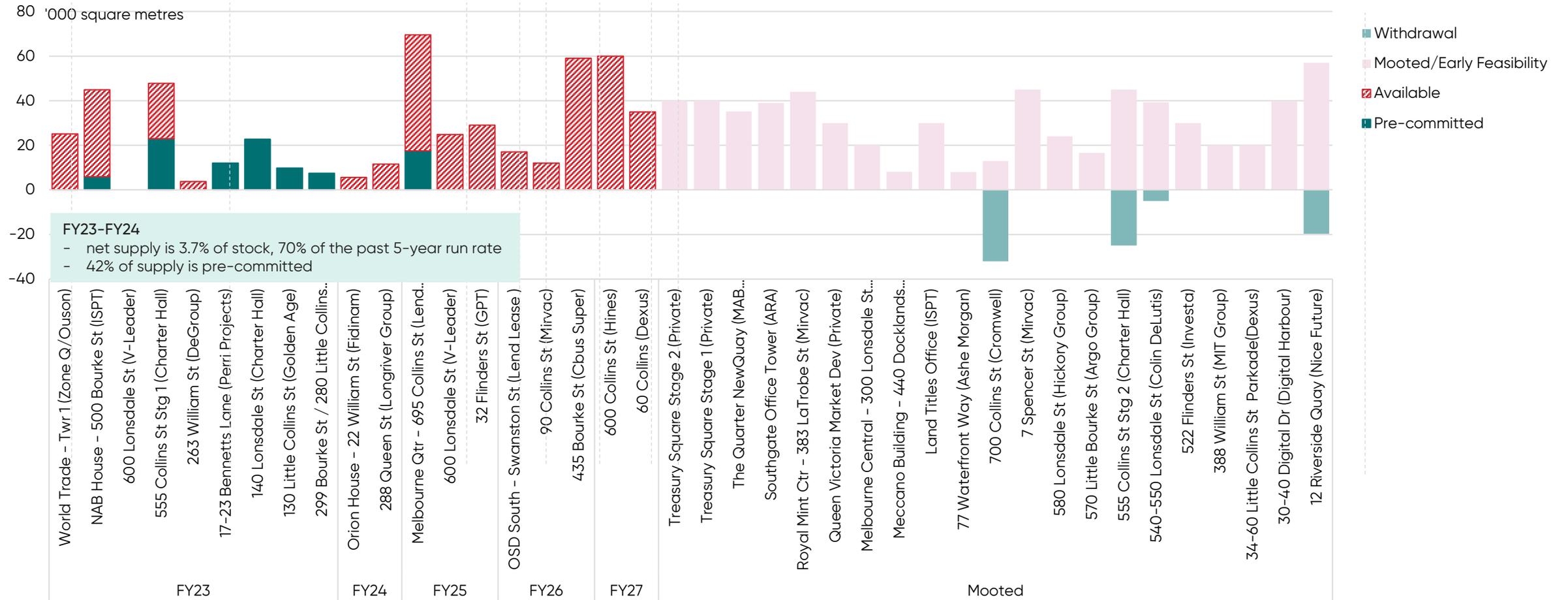
Sydney CBD – Supply reasonably subdued over the next two years



Source: JLL Research, Dexus Research.

Market outlook

Melbourne CBD – many projects will require pre-commitment in order to proceed



Source: JLL Research, Dexus Research.

Office markets

Dexus's position in CBD office

| CBD office market | Sydney | Melbourne | Brisbane | Perth |
|---------------------------|--------------|--------------|--------------|--------------|
| Total NLA | 5,197,561sqm | 5,183,018sqm | 2,340,577sqm | 1,832,462sqm |
| Prime vacancy average | 12.9% | 15.1% | 16.8% | 16.1% |
| Dexus CBD exposure | | | | |
| Total NLA | 491,662 | 421,852 | 190,330 | 184,091 |
| Number of properties | 14 | 8 | 4 | 4 |
| Occupancy (by area) | 96.1% | 91.2% | 98.0% | 97.3% |
| Occupancy (by income) | 96.2% | 91.7% | 98.4% | 97.3% |
| WALE | 4.0 years | 5.0 years | 3.8 years | 6.7 years |



Other information

Exchange and securities used in statutory accounts

| | | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|---|-----|-------------|-------------|-------------|
| Closing rates for Statement of Financial Position | USD | 0.6889 | 0.7256 | 0.7518 |
| Average rates for Statement of Comprehensive Income | USD | 0.7030 | 0.7319 | 0.7468 |

| Post consolidation equivalent amounts | | 12 mths to 30 Jun 2022 | 6 mths to 31 Dec 2021 | 12 mths to 30 Jun 2021 |
|--|--|-----------------------------------|----------------------------------|-----------------------------------|
| Average weighted number of securities ¹ | | 1,075,565,246 | 1,075,565,246 | 1,084,536,777 |
| Closing number of securities | | 1,075,565,246 | 1,075,565,246 | 1,075,565,246 |

1. Used to calculate FFO, Underlying FFO and AFFO per security.

Glossary

| | |
|---------------------------------------|--|
| Distribution payout policy: | Policy is to distribute in line with free cash flow for which AFFO is a proxy |
| 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 and reversal of impairments, derivative and foreign exchange mark-to-market impacts, fair value movements on financial assets held at fair value through profit or loss, fair value movements of interest bearing liabilities, amortisation of tenant incentives, gain/loss on sale of certain assets, straight line rent adjustments, non-FFO tax expenses, certain transaction costs, one-off significant items (including write off of IFRIC SaaS customisation expenses), amortisation of intangible assets, movements in right-of-use assets and lease liabilities, rental guarantees and coupon income. |
| Adjusted FFO (AFFO): | AFFO in accordance with guidelines provided by the Property Council of Australia (PCA): comprises net profit/loss after tax attributable to stapled security holders calculated in accordance with Australian Accounting Standards and adjusted for: property revaluations, impairments and reversal of impairments, derivative and foreign exchange mark-to-market impacts, fair value movements on financial assets held at fair value through profit or loss, fair value movements of interest bearing liabilities, amortisation of tenant incentives, gain/loss on sale of certain assets, straight line rent adjustments, non-FFO tax expenses, certain transaction costs, one-off significant items (including write off of IFRIC SaaS customisation expenses), amortisation of intangible assets, movements in right-of-use assets and lease liabilities, rental guarantees and coupon income, less maintenance capital expenditure and lease incentives. |
| 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. Interest Bearing Liabilities and Total Tangible Assets are both adjusted for debt in equity accounted investments (other than Dexus's share of co-investments in pooled funds). |
| Covenant gearing: | Represents Gearing defined above but not adjusted for cash or debt in equity accounted investments (including co-investments in pooled funds). |
| 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. |
| 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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