

Dexus Industria REIT (ASX:DXI)

ASX release

9 August 2023

2023 Annual Results presentation and property synopsis

Dexus Industria REIT (DXI) releases its 2023 Annual Results presentation.

An investor conference call will be webcast at today at 10.00am on www.dexus.com/investor-centre

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

Authorised by the Board of Dexus Asset Management Limited and Industria Company No. 1 Limited

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About Dexus Industria REIT

Dexus Industria REIT (ASX code: DXI) is a listed Australian real estate investment trust which is primarily invested in high-quality industrial warehouses. At 30 June 2023, the fund's portfolio is valued at \$1.6 billion and is located across the major Australian cities, providing sustainable income and capital growth prospects for security holders over the long term. The fund has a target gearing range of 30 – 40%. Dexus Industria REIT is governed by a majority Independent Board and managed by Dexus (ASX code: DXS), one of Australia's leading fully integrated real asset groups, with over 35 years of expertise in property investment, funds management, asset management and development. www.dexus.com

Dexus Asset Management Limited (ACN 080 674 479, AFSL No. 237500) (the "Responsible Entity") is the responsible entity and issuer of the financial products in respect of Industria Trust No. 1 (ARSN 125 862 875), Industria Trust No. 2 (ARSN 125 862 491), Industria Trust No. 3 (ARSN 166 150 938) and Industria Trust No. 4 (ARSN 166 163 186), and Industria Company No 1 Limited (ACN 010 794 957), collectively the Dexus Industria REIT (ASX code: DXI) stapled group. The Responsible Entity is a wholly owned subsidiary of Dexus (ASX code: DXS).

Level 5, 80 Collins Street (South Tower), Melbourne VIC 3000 Australia. PO Box 18011 Melbourne Collins Street East VIC 8003 Australia

2023 Full Year Results

9 August 2023

Dexus Asset Management Limited
ACN 080 674 479, AFSL 237500
as responsible entity for Industria Trust No. 1, Industria Trust No. 2, Industria Trust No. 3 and Industria Trust No. 4
Industria Company No. 1 Limited
ACN 010 794 957

Acknowledgement of country

Dexus Industria REIT 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 and present.

Artwork: The Land and the Rivers by Sharon Smith.



Agenda

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1-3 Westrac Drive, Tomago NSW

Introduction and highlights

A photograph of a large Amazon warehouse at night. The building is illuminated with warm lights, and the Amazon logo is visible on the facade. A tall street lamp is in the foreground, and a road with white lane markings is in the lower part of the image. The sky is dark blue.

DXI investment proposition

Generating superior risk-adjusted returns for investors seeking listed industrial real estate exposure in Australia



Delivering organic income growth

- › High-quality tenants diversified across interests in 94 properties
- › Secure income yield with **97.5%** occupancy and **6.3 year** WALE (by income)
- › Contracted rent growth – average FY23 reviews **4.9%** underpinned by **50%** of income linked to annual CPI rental escalations



Conservatively managing the balance sheet

- › **27.3%** pro forma look-through gearing¹; below the target range of 30 – 40%
- › Anticipate FY24 average hedging to be above **70%**²
- › Significant headroom to covenants
- › Tactically utilising balance sheet capacity to drive superior risk-adjusted returns over the long term



Creating value through active management

- › Driving overall performance through executing on asset plans that create value
- › Continuing to invest in higher risk-adjusted returning opportunities
- › Delivering development pipeline (**c. \$237 million** spend remaining) to further enhance portfolio quality



Aligned manager with deep real asset capability

- › Dexus principal ownership **17.5%**
- › Dexus brings capital transaction, development, leasing and asset management capability with **~\$13 billion** of industrial funds under management³

Key metrics



\$1.6bn
portfolio



5.38%
WACR



97.5%
occupancy
(by income)



6.3 year
WALE
(by income)



50%
income
linked to CPI



5.9%
distribution
yield⁴



19%
trading discount
to NTA⁴

1. Pro forma for the sale of 3 & 4 Forbes Close, Knoxfield VIC and 16-28 Quarry Road, Stapylton QLD which are expected to settle in August 2023 and October 2023 respectively. At 30 June 2023, look-through gearing was 31.2%.
2. Based on existing hedges in place as at 30 June 2023 and assuming no further transactional activity.

3. As at 31 December 2022. Pro forma post final completion of the AMP Capital acquisition.
4. Based on closing security price as at 8 August 2023.

FY23 highlights

Delivered guidance and strengthened balance sheet

Delivered on FY23 guidance

- › FFO of 17.1cps and distributions of 16.4cps

Actively positioned for future growth

- › Executed \$250 million of divestments at an average yield of 4.2%¹; recycling into new development opportunities at target yields on cost of 6%
- › Pro forma look-through gearing 27.3%², below the 30 - 40% target range, providing flexibility to pursue future opportunities

Generating higher rents

- › Strengthening momentum in 2H with 24% industrial re-leasing spreads (FY23: 16.5%)
- › 4.9% average rent review during FY23, driven by CPI-linked reviews

\$39 million of development completions

- › 50,400sqm completed, including a 21,700sqm facility leased to Amazon

1. Includes the sale of 3 & 4 Forbes Close, Knoxfield VIC and 16-28 Quarry Road, Stapylton QLD for combined proceeds of \$89.8 million which are expected to be received post 30 June 2023.
2. Pro forma for the sale of 3 & 4 Forbes Close, Knoxfield VIC and 16-28 Quarry Road, Stapylton QLD which are expected to settle in August 2023 and October 2023 respectively. At 30 June 2023, look-through gearing was 31.2%.



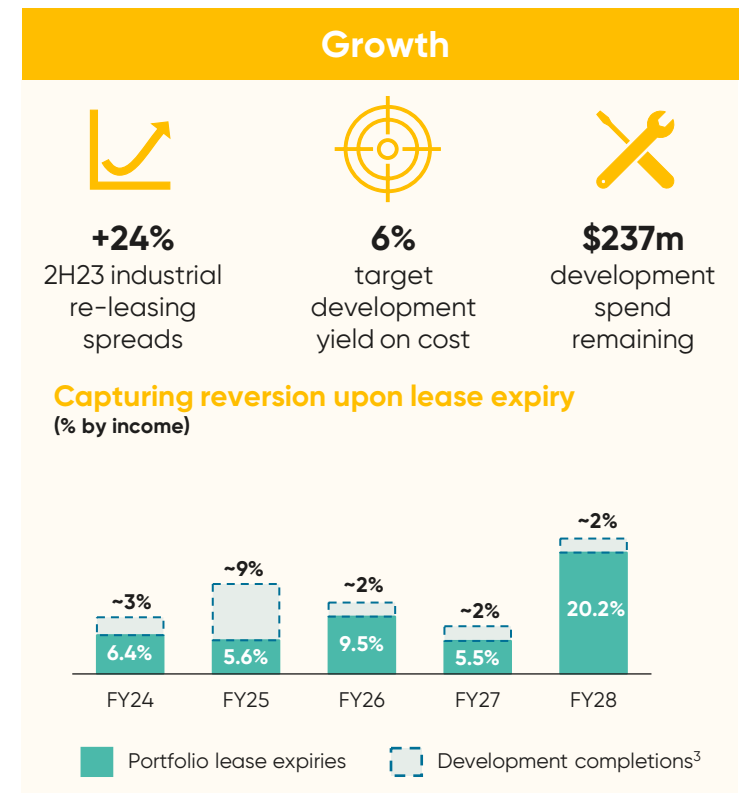
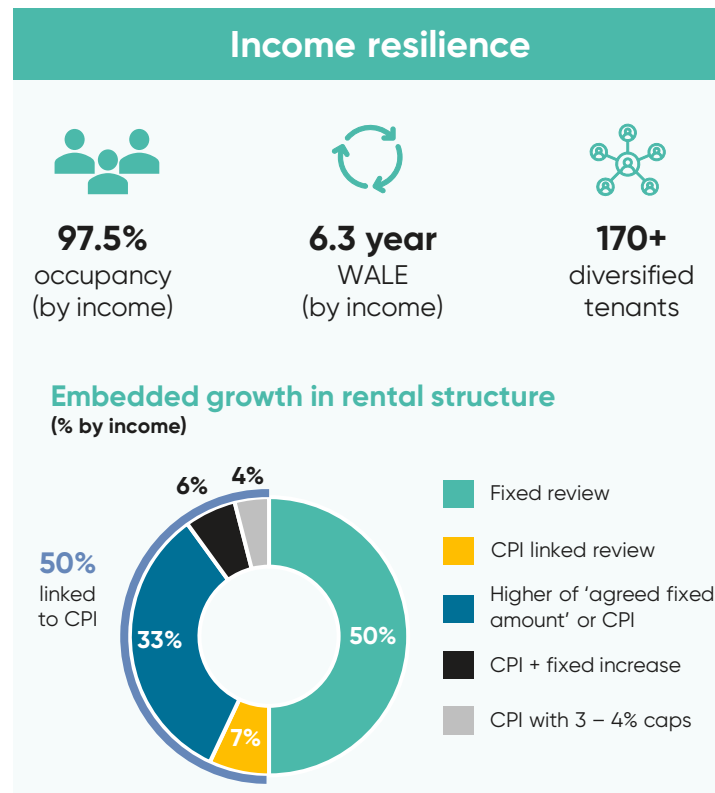
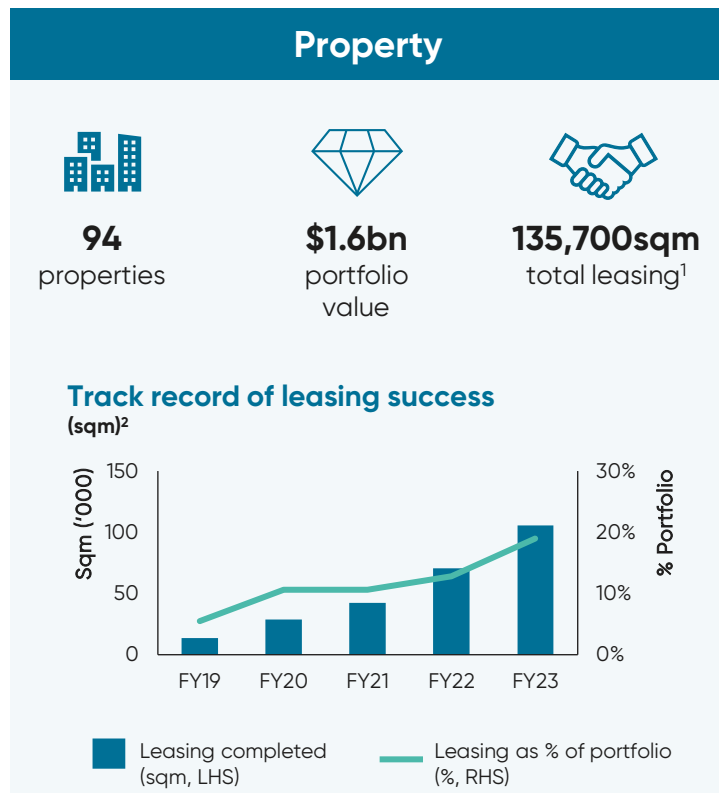
Amazon, Jandakot Airport industrial precinct, Perth WA



Hello Fresh, Jandakot Airport industrial precinct, Perth WA

High-quality portfolio generating income growth

High occupancy with annual reviews, reversion and development upside



1. Excludes developments. At 100%, or 105,500sqm at DXI ownership.
 2. Excludes developments. At DXI ownership.
 3. Based on annualised income of both committed and uncommitted development completions.

Sustainability progress

Net zero status maintained for managed assets

DXI initiatives



Net zero¹

Continuing to maintain net zero emissions for managed assets in FY22 and FY23



2.3MW of solar arrays installed across portfolio



Operational waste diversion program designed at BTP



4.9 star average NABERS Energy rating²



4.9 star average NABERS Water rating²



3 star average Green Star Performance rating²

Dexus group initiatives

FY23 ESG initiatives

Supply chain monitoring

Implemented EcoVadis supplier verification across preferred group suppliers, with coverage of 72% of preferred supplier spend engaged on the group platform

Workplace inclusion

Dexus was recognised as a Bronze Employer by Pride in Diversity's Australian Workplace Equality Index - the definitive national benchmark for LGBTQ workplace inclusion

Reflect Reconciliation Action Plan (RAP)

Progressed the implementation of Dexus's Reflect RAP

FY23 review and update of the Dexus Sustainability Strategy

Dexus group sustainability priority areas that create value

Customer prosperity

Climate action

Enhancing communities

1. Accounted on a look-through basis across managed assets only.
 2. Applies to eligible business parks assets.

Financial overview



FY23 financial result

Delivered on guidance

Profit & loss	FY23	FY22	Change	
Property FFO (\$m)	83.4	73.7	▲ 13.3%	› Contracted rent reviews averaging 4.9% and full-period contribution from Jandakot, partially offset by asset sales
Management fees (\$m)	(8.7)	(7.0)	▲ 24.8%	› Full-period impact of Jandakot, and cessation of one-off fee-waiver in FY22
Net finance costs (\$m)	(18.0)	(12.1)	▲ 48.9%	› Driven by floating interest rates with average cost of debt 110 basis points above FY22, as well as higher average look-through debt
Tax expense (\$m)	(1.7)	(0.9)	▲ 100.9%	› Tax associated with Jandakot airport operating business and full utilisation of carryforward tax losses in IC1 ²
Other (\$m)	(0.6)	(0.2)	▲ 277.6%	› Includes share of Jandakot airport operating business and operational costs
FFO (\$m)	54.4	53.6	▲ 1.5%	› Primarily driven by higher securities on issue following the \$350 million equity raising completed in October 2021
FFO (cents per security)	17.1	18.5	▼ (7.2)%	› Includes \$31.0 million of fair value losses associated with the sale of Rhodes Corporate Park in 1H23 and like-for-like valuation declines of \$22.9 million across FY23
Distributions (cents per security)	16.4	17.3	▼ (5.2)%	
FFO payout ratio (%)	95.7%	93.7%	▲ 2.0ppt	
Balance sheet	30 Jun 2023	30 Jun 2022	Change	
NTA per security ¹ (\$)	\$3.44	\$3.60	▼ (4.4)%	

1. Calculated as total net assets less goodwill on a look-through basis, divided by total securities on issue.

2. Industria Company No. 1 Limited.

Balance sheet and capital management

Strengthened the balance sheet with \$250 million of asset sales¹

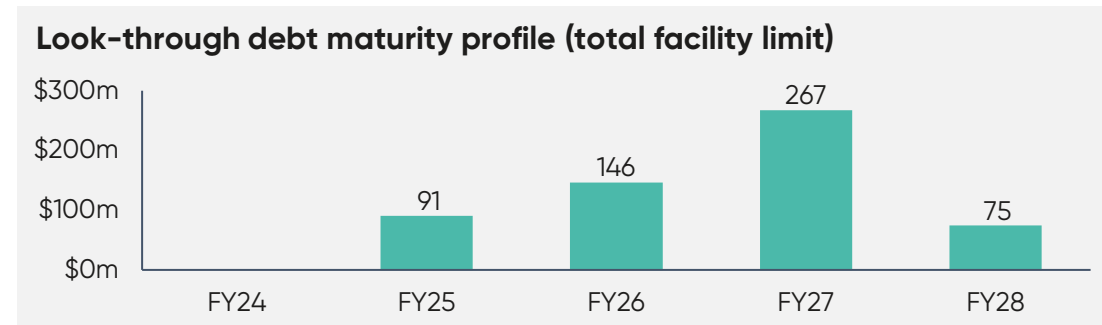
Proactively positioning the balance sheet

- › Repaid debt with asset sale proceeds to reduce gearing and enhance natural hedging
- › Provides balance sheet flexibility to pursue development pipeline – targeting 6% yield on cost
- › Continue to explore portfolio recycling and acquisition initiatives that add value

Active debt management

- › Pro forma gearing of 27.3% below 30-40% target range¹
- › Anticipate FY24 average hedging to be above 70% following contracted asset sales and incremental hedging²
- › Cancelled \$175 million of surplus facilities, and established \$75 million of new 5-year facilities
- › No debt maturities until FY25

Key metrics ³	30 Jun 2023	30 Jun 2022
Balance sheet gearing	20.4% ¹	28.9%
Gearing (look-through) ⁴	27.3% ¹	34.2%
Cost of debt ⁵	3.5%	2.4%
Average maturity of debt ⁶	3.1 years	3.6 years
Average hedged debt	68%	71%
Average maturity of hedges	2.6 years	2.4 years
Balance sheet headroom ⁷	\$63m	\$61m
Balance sheet interest cover (covenant)	4.5x	6.1x



1. Includes sale of 3 & 4 Forbes Close, Knoxfield VIC and 16-28 Quarry Road, Stapylton QLD (combined proceeds of \$89.8 million) which are expected to settle in August 2023 and October 2023 respectively. Gearing metrics presented on a pro forma basis. At 30 June 2023, balance sheet gearing was 25.1%, or 31.2% look-through.
 2. Based on existing hedges in place as at 30 June 2023 and assuming no further transactional activity.

3. All metrics are look-through unless stated otherwise.
 4. Adjusted for cash and debt in equity accounted investments.
 5. Weighted average for the period, inclusive of fees and margins on a drawn basis.
 6. Weighted average maturity of drawn debt. 30 Jun 2022 has been restated and was previously reported as 3.5 years based on a weighted average maturity of total facility limits.
 7. Undrawn facilities plus cash.

Portfolio valuation movements

Value reduction driven by divestments and cap rate expansion, partly offset by rents

- › 100% of portfolio revalued as at 30 June 2023¹
- › Portfolio declined in value by \$56.3 million:
 - › \$26.7 million in 1H23 driven by sale of Rhodes Corporate Park for \$160.5 million
 - › \$29.6 million in 2H23
- › On a like-for-like basis:
 - › WACR expanded 47 basis points to 5.38% (20bps 1H23; 27bps 2H23)
 - › Valuations reduced \$22.9 million (\$3.6 million gain 1H23; \$26.4 million loss 2H23)
- › Cap rate expansion partly offset by 13% increase in valuer rental assumptions for short WALE industrial assets

Property portfolio valuation summary – 30 Jun 2023²

Portfolio	30 Jun 2023 book value (\$m)	Reval change (\$m)	Reval change (%)	Cap rate (%)	Cap rate 12 month mvmt (bps)
Total excl. transactions	\$1,468	\$(22.9)	(1.5)%	5.38%	47 bps
Held for sale assets ³	\$90	\$(2.3)	(2.5)%	n.a.	n.a.
Settled divestments	n.a.	\$(31.0)	n.a.	n.a.	n.a.
Total portfolio	\$1,558	\$(56.3)	(3.5)%	5.38%	34 bps

1. Excluding held for sale assets.

2. Represents look-through portfolio.

3. Includes 16-28 Quarry Road, Stapylton QLD (\$66.9 million sale price) and 3 & 4 Forbes Close, Knoxfield VIC (\$22.9 million sale price).

Property performance and market dynamics



Industrial performance

Leasing outcomes driving future property income growth


Income growth

- › Average 5.0% rent reviews
- › 3.2% like-for-like income growth¹, with inter-period vacancy negatively impacting this by 2%
- › 2H23 24% re-leasing spreads (FY23: 16.5%)


Well-located and high-quality assets with value creation opportunities

- › Assets located near major transport infrastructure and can reach 80% of the population in each capital city within 60 minutes
- › Portfolio quality continues to be enhanced through developments
- › Average site cover of 35% provides future upside potential


1. On a face basis, or 2.3% on an effective basis.
 2. Represents stabilised leasing at 100%, or 96,900sqm at DXI ownership. Development leasing for the period was 3,200sqm at 100%, or 1,100sqm at DXI ownership.
 3. Including stabilised leasing, expiries, development leasing, and development completions at DXI ownership.
 4. Calculated as estimated yield on cost multiplied by total development spend.




\$1.4bn
book value




5.16%
WACR



100.0%
occupancy
(by income)



7.0 year
WALE
(by income)



127,100sqm²
leased

Leasing completed and forthcoming expiry (by area, sqm)³



Active asset management

Executing initiatives to create value

78 Henderson Road, Rowville VIC



- › Achieved **30%** re-leasing spread on renewal
- › 17% ahead of valuation rent assumptions

80-96 South Park Drive, Dandenong South VIC



- › Worked with tenant to secure early vacant possession to unlock **39%** re-leasing spread
- › Renewed 31% ahead of valuation rent assumptions

34 Australis Drive, Derrimut VIC



- › Achieved **21%** re-leasing spread with no downtime
- › 12% ahead of valuation rent assumptions

9 Boron Street, Narangba QLD

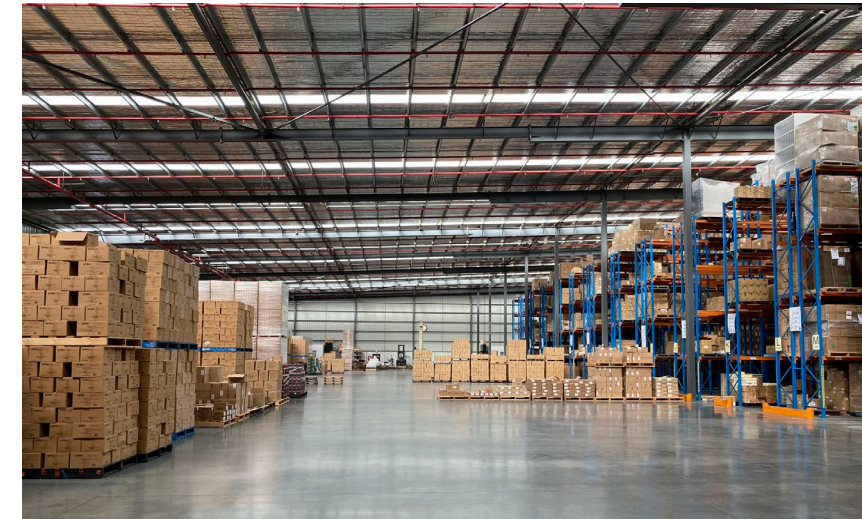


- › Extended lease from 6 to 11 years, underpinning a growing passing yield of 5.4%
- › Site coverage of **32%** provides ability to add further value over the medium term
- › 5% re-leasing spread was **22%** ahead of valuation rent assumptions

20-22 Butler Boulevard, Adelaide Airport SA



- › Acquired in March 2021 at a 9.7% passing yield
- › **5%** re-leasing spread embeds strong passing yield from acquisition price
- › High-quality ASX-listed tenant



78 Henderson Road, Rowville VIC



20-22 Butler Boulevard, Adelaide Airport SA

Jandakot performance

Strong operating performance

Stabilised portfolio

- › Average 5.4% rent reviews
- › 61% of income linked to CPI escalations
- › 45,300sqm leased¹; 21.6% re-leasing spreads

Developments

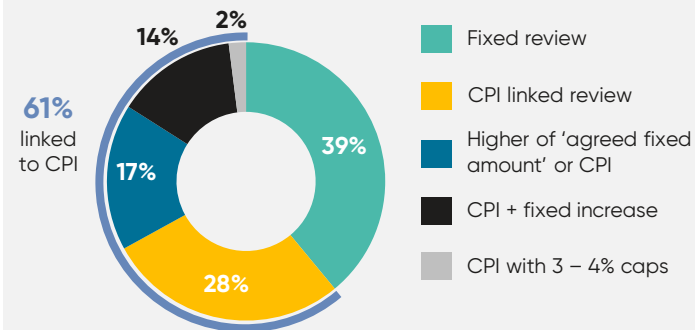
- › Targeting 6% yield on cost on new developments
- › 338,100sqm total pipeline
 - › \$51 million committed; \$20 million remaining spend
 - › \$150 million uncommitted

General aviation airport and infrastructure operations

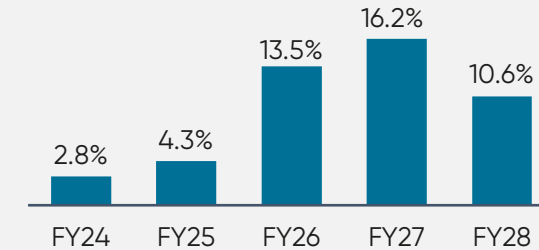
- › Long WALE (19.1 years by income)
- › Less than 10% of net income from landing fees



**Rent review
(% by income)**



**Lease expiry profile
(% by total Jandakot income)**



1. Excludes development. At 100%, or 15,100 square metres at DXI ownership.

Developments

Unlocking future growth

- › Remaining spend of \$87 million on committed projects; and circa \$150 million on uncommitted projects
- › Total pipeline of \$318 million across 398,200sqm – anticipate completion around 2027 where new developments could comprise over **one-fifth of total portfolio NLA¹**
- › Activating spec developments at Jandakot to capture strong rental growth – **rents up 18% over last 12 months²**
- › Existing headroom and capital recycling activity provides capacity to fund projects
- › Projects will **improve portfolio quality** and enhance overall risk-return profile



\$39 million completed at Jandakot

- › 50,400sqm completed and fully leased to Amazon, Hello Fresh and Tyremax; Marley Spoon completed July 2023
- › Amazon creates clustering effect among retail and logistics operators



\$87 million spend remaining (committed)

- › **Kemps Creek** – 42,300sqm facility which can be split into multi tenancies; fund-through structure mitigates cost risks
- › **Jandakot** – 70,000sqm committed (25% pre-leased)



c. \$150 million spend remaining (uncommitted)

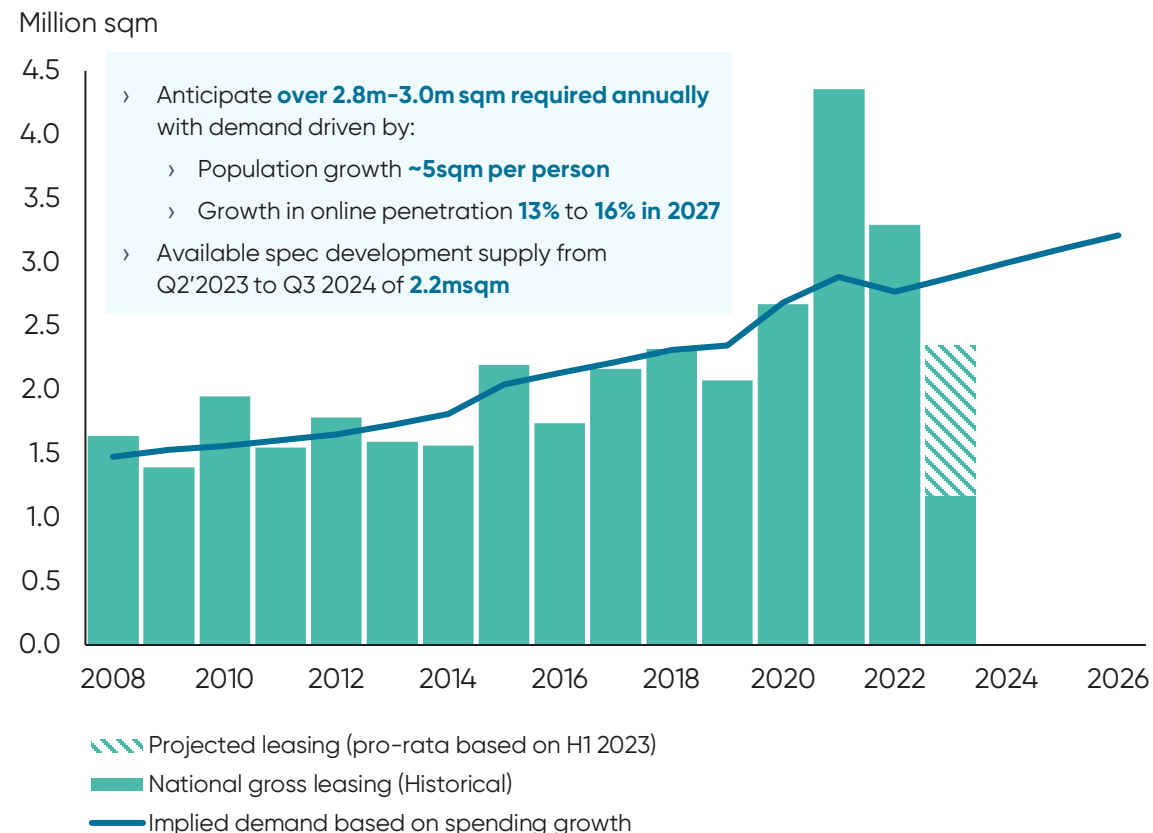
- › **Moorebank** – 17,800sqm last mile development opportunity in planning, anticipate completion mid FY25
- › **Jandakot** – 268,100sqm to be developed over ~5 years

1. NLA and development completions at DXI ownership.
2. Source: JLL.

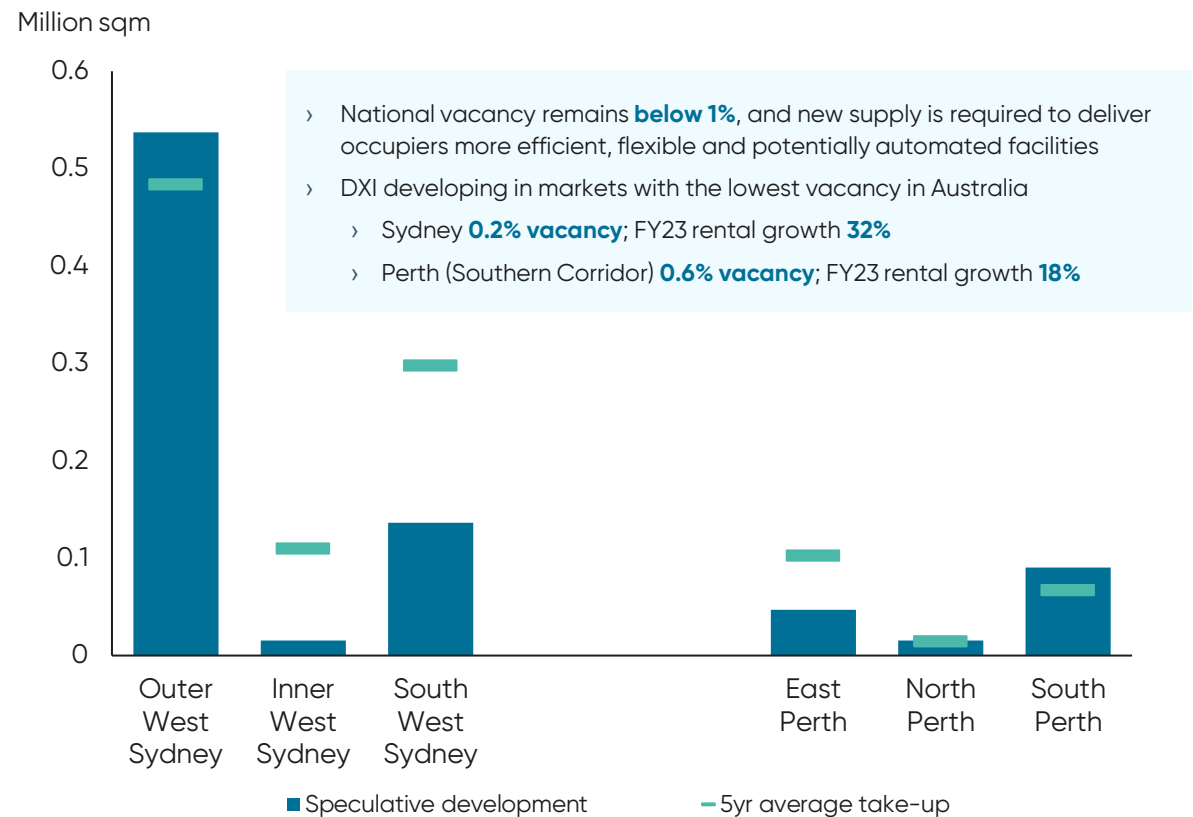
Market dynamics

Above-average demand and low vacancy leading to significant rent growth

Structural level of demand vs. actual gross leasing



Spec development and take-up to Q3'24 – Sydney and Perth sub-markets



Source: JLL Research, Dexus Research, CBRE Research, SA1 Property, ABS, NAB, Oxford Economics. Figures in include gross leasing across capital cities (Sydney, Melbourne, Brisbane, Perth, Adelaide)

Brisbane Technology Park performance

Strong demand from life sciences tenants

Continued leasing success

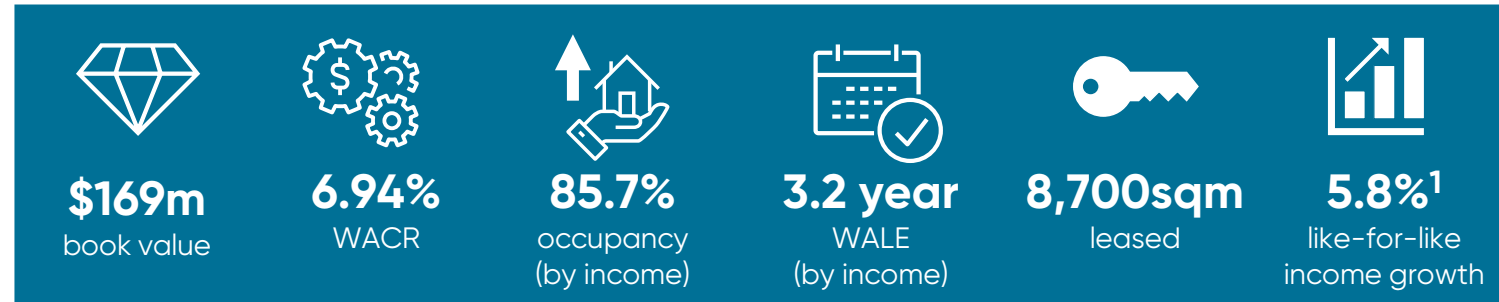
- › 8,700sqm leased equivalent to 27% of total area
- › 2,500sqm of leasing to technology and life sciences tenants in FY23
- › Increased occupancy to 86%
- › Rents broadly flat on prior passing

Smaller suite offering remains in demand

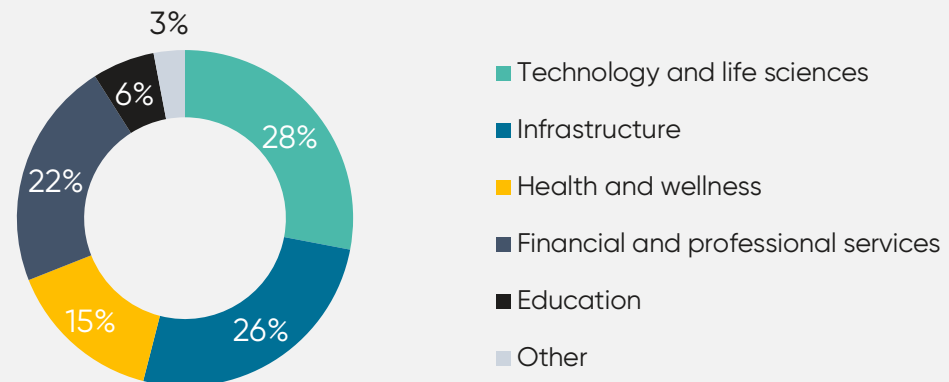
- › Continued strength from small users with 69% of space retained or backfilled within 3 months
- › Provides diversified cash flow with 55 tenants occupying <250sqm

Solid cash flow generation

- › Cash yield of 6.4%



Tenant type (% by BTP income)



80+
diverse customers
across 12 assets

1. On a face basis, or 5.1% on an effective basis.

Summary

Well placed to deliver long-term value



Embedded property income growth driven by development completions, double-digit re-leasing spreads achieved in FY23 and 50% of the portfolio linked to CPI rental escalations



Resilient balance sheet well placed to fund growth initiatives with gearing below the target band, substantial liquidity and no debt maturities until FY25



Continue to explore capital recycling initiatives to further reduce debt, take advantage of opportunities and provide additional capacity to fund the development pipeline



FY24 guidance: Barring unforeseen circumstances, DXI expects FFO of 17.1 cps and distributions of 16.4 cps

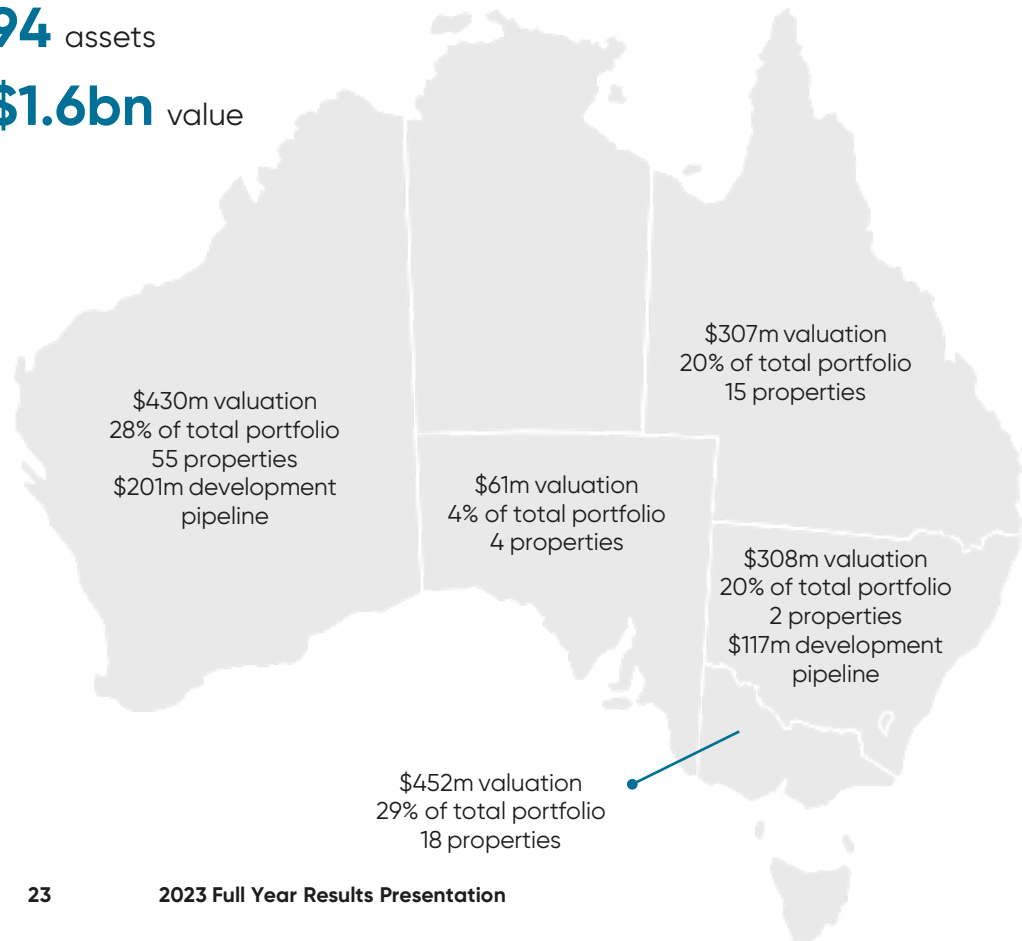
Appendices



Geographical presence

Exposure to all key markets in Australia

94 assets
\$1.6bn value



Overview

New South Wales

- › Delivering new developments in core industrial markets with sub-1% vacancy
- › Leading investment at Westrac Newcastle – constructed in 2012

Victoria

- › Diverse portfolio across the core west, north, and south eastern markets
- › Captured material rental growth in FY23, underpinning FY24 growth

Queensland

- › Industrial presence in key precincts including Wacol and Narangba
- › Diversified portfolio of 12 business park properties leased to over 80 tenants

Western Australia

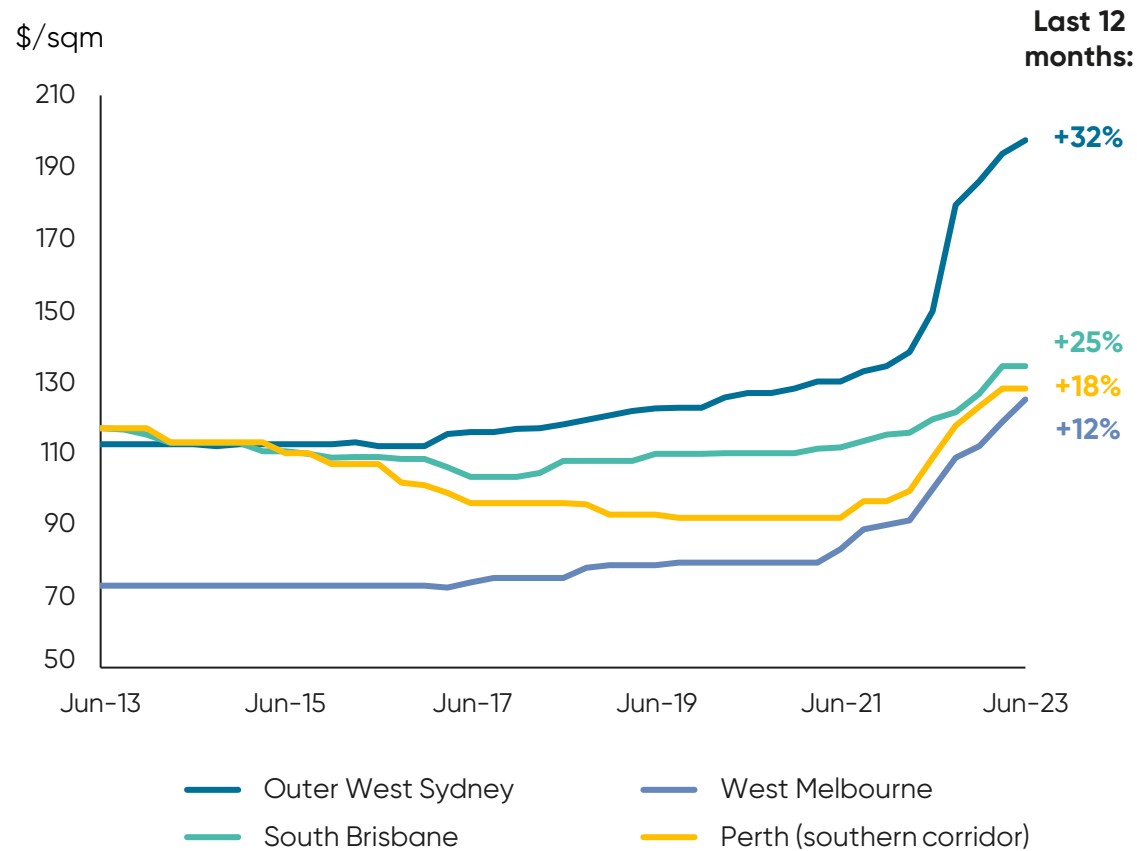
- › Perth’s leading master-planned estate with occupiers including Amazon, Hello Fresh and Marley Spoon
- › Gateway location in close proximity to residential growth areas
- › Unlocking value through development – with over 300,000 square metres to be built out

South Australia

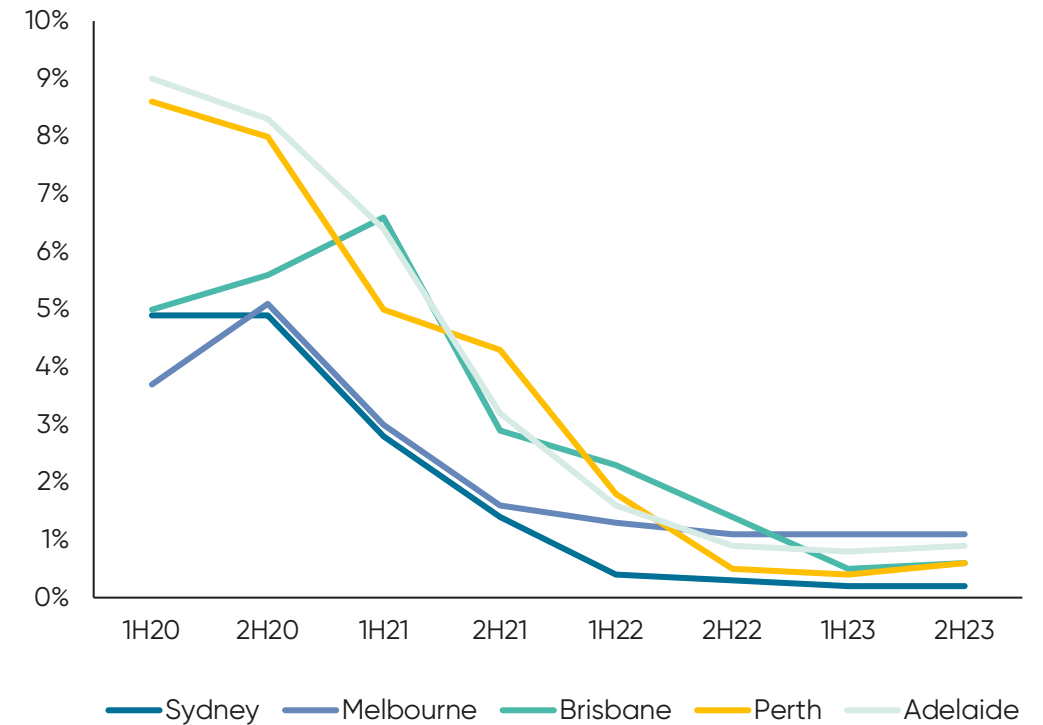
- › Located within the Adelaide Airport precinct, these assets provide high-quality warehousing for tenants requiring a presence within close proximity of the Adelaide CBD

Market dynamics

Lack of available space has led to a rapid growth in rents



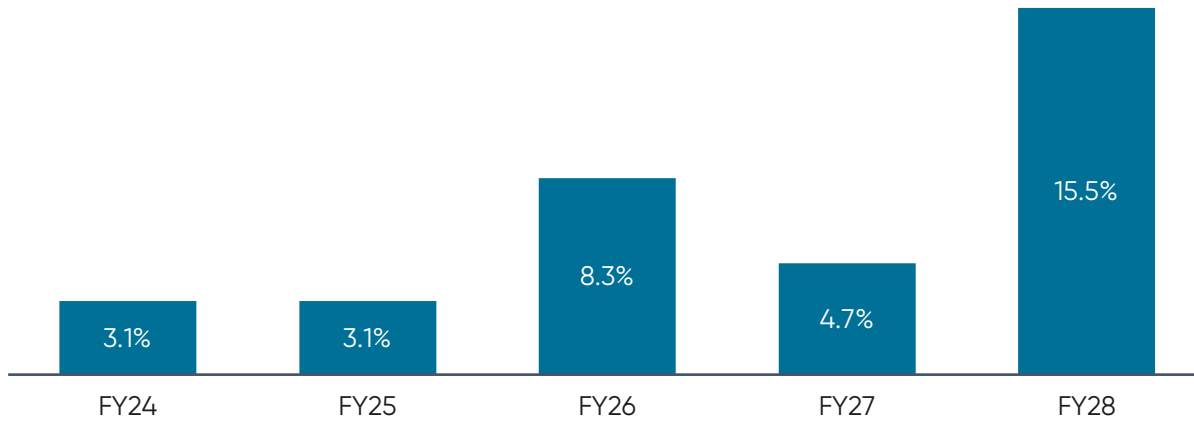
Vacancy rates hit record lows across all markets



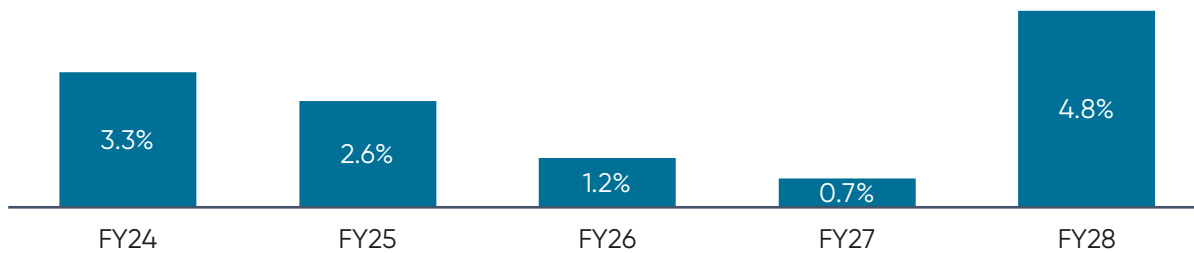
Source: JLL Research, CBRE Research, Dexus Research.

Lease expiry profile

Industrial – 89% of portfolio value
(% by total DXI income)

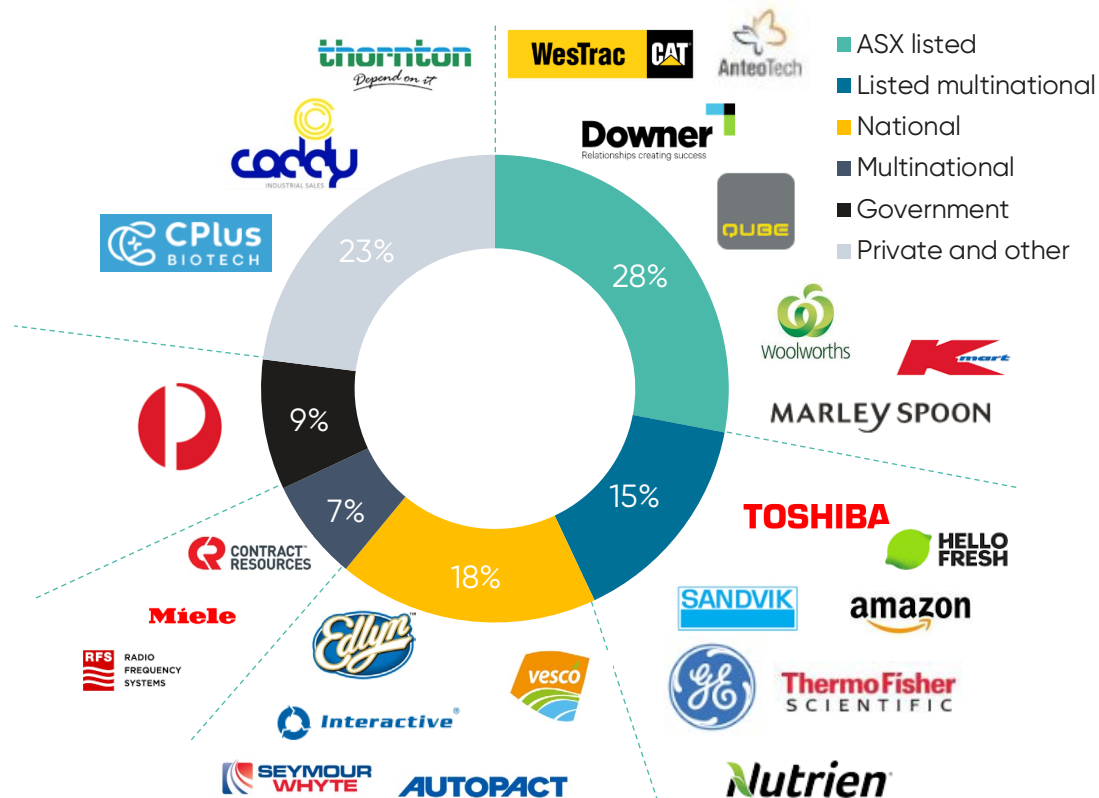


Brisbane Technology Park – 11% of portfolio value
(% by total DXI income)



Portfolio tenancy mix

Tenant type (% by income)



Tenant concentration (%)

Tenant	% portfolio income
WesTrac	16%
Australian Postal Corporation	4%
Qube	3%
Sandvik	3%
Thornton Engineering	3%
AAE Retail	3%
Interactive	2%
Autopact Victoria	2%
Radio Frequency Systems	2%
Kmart	2%
Top 10	40%
Other	60%
Total	100%

Jandakot Airport industrial precinct

Stabilised portfolio

- › 100% occupancy (by income)
- › 6.2 year WALE (by income)
- › 45,300sqm of space leased¹
- › 21.6% re-leasing spreads
- › 39% of income generating fixed rental growth of 3.0 – 3.5% per annum and 61% linked to CPI escalations

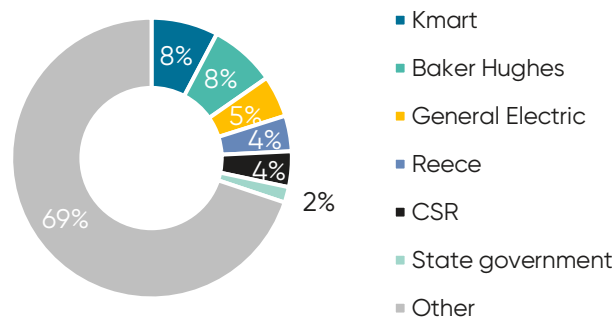
General aviation airport and infrastructure operations

- › 19.1 year WALE (by income)
- › Recurring revenue through economic cycles, including ground rent, infrastructure services, apron licenses and airside parking from more than 100 tenants
- › Less than 10% of net income from landing fees
- › Opportunity for large-scale solar installation

Development

- › \$145 million spend remaining (at DXI share) of which \$20 million committed
- › 338,100sqm to be delivered to FY28
- › 25% of committed product pre-leased
- › Targeting yield on cost 6%

Diverse tenancy mix (% by Jandakot income)



Jandakot JV balance sheet

- › 26.9% gearing (joint-venture level)
- › \$420m drawn debt (100% basis)
- › \$250m hedging (100% basis)



Jandakot Airport industrial precinct, Perth WA

1. At 100%, or 15,100 square metres at DXI ownership.

Jandakot

Key metrics

55 assets

\$430m external valuation on investment property
 - \$332m stabilised
 - \$99m development

\$78m general aviation airport & infrastructure operations value¹

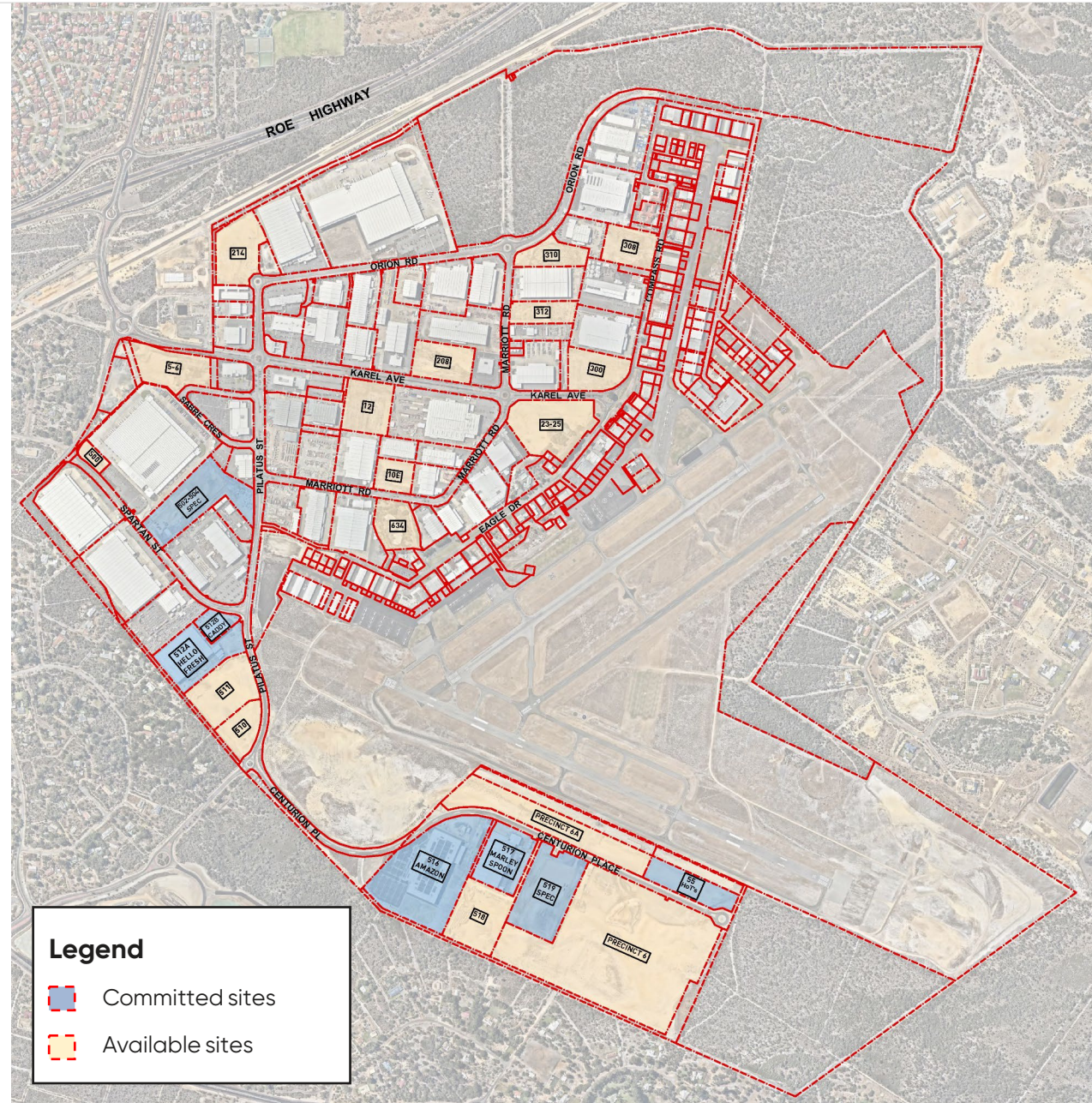
338,100sqm development pipeline

c. \$201m development pipeline value

c. \$145m development spend remaining

6% target yield on cost

1. Based on right-of-use asset value of the ground leases on completed developments and airport plant & equipment.



Developments

Project	Building area (sqm at 100%)	Building area (sqm at DXI ownership)	Development status	Project cost est. ¹	Remaining spend ¹	Est. yield on cost ²	Est. final completion
Completed							
Jandakot, WA	50,400	16,800	Completed	\$39m	-	5.2%	Tyremax – Jul 22 Amazon – Oct 22 Hello Fresh – May 23
Committed							
Jandakot, WA	70,000	23,300	Construction	\$51m	\$20m	5-6%	Mid FY25
Kemps Creek, NSW	42,300	21,200	Fund-through	\$67m	\$67m	n.a.	Mid FY25
Uncommitted³							
Jandakot, WA	268,100	89,400	Active leasing and planning	c.\$150m	c.\$125m	c.6%	Late FY28
Moorebank, NSW	17,800	8,900	Planning phase	c.\$50m	c.\$25m	c.6%	Mid FY25

1. Reflects costs at DXI ownership.

2. Yield on cost calculation includes cost of land, downtime and income earned through development in the denominator.

3. Figures are indicative and subject to relevant planning approvals and leasing commitment outcomes. Project cost and remaining spend estimates are presented on a rounded basis.

Divestments

Settled	# assets	Price	Settlement
1A & 1C Homebush Bay Drive, Rhodes NSW	2	\$160.5m	30 Nov 22

To be settled	# assets	Price	Settlement
16-28 Quarry Road, Stapylton QLD	1	\$66.9m	Oct 23
3 & 4 Forbes Close, Knoxfield VIC	2	\$22.9m	Aug 23



2 Maker Place, Truganina VIC

Independent valuations

Property	Occupancy by income (%)	Occupancy by area (%)	Book value (\$m)	Reval gain / (loss) (\$m)	Cap rate (%)	Cap rate mvmt (bps)
34 Australis Drive, Derrimut VIC	100%	100%	\$48.4	\$6.0	4.88%	38 bps
80-96 South Park Drive, Dandenong South VIC	100%	100%	\$38.0	\$(0.4)	5.50%	75 bps
1 West Park Drive, Derrimut VIC	100%	100%	\$19.2	\$0.3	5.00%	50 bps
89 West Park Drive, Derrimut VIC	100%	100%	\$30.1	\$(2.4)	5.00%	75 bps
32-40 Garden Street, Kilsyth VIC	100%	100%	\$31.0	\$(0.7)	4.50%	38 bps
140 Sharps Road, Tullamarine VIC	100%	100%	\$16.8	\$(0.5)	7.25%	51 bps
13 Ricky Way & 10 Jersey Drive, Epping VIC	100%	100%	\$25.1	\$(0.6)	4.88%	50 bps
81-83 Rushdale Street, Knoxfield VIC	100%	100%	\$13.0	\$(0.2)	5.00%	50 bps
45-55 O'Briens Road, Corio VIC	100%	100%	\$37.9	\$(3.8)	5.63%	62 bps
57-67 Mark Anthony Drive, Dandenong VIC	100%	100%	\$13.8	\$(1.2)	5.50%	100 bps
137-147 Fitzgerald Road, Laverton North VIC	100%	100%	\$28.5	\$(1.7)	4.75%	50 bps
78 Henderson Road, Rowville VIC	100%	100%	\$26.7	\$3.4	4.75%	50 bps
350 & 356 Cooper Street, Epping VIC	100%	100%	\$30.0	\$(3.1)	5.50%	50 bps
1-3 Westrac Drive, Tomago NSW	100%	100%	\$286.0	\$(9.3)	5.13%	38 bps
60 Grindle Road, Wacol QLD	100%	100%	\$25.0	\$(2.5)	6.50%	75 bps
5 Butler Boulevard, Adelaide Airport SA	100%	100%	\$19.3	\$(1.1)	6.23%	39 bps
5b Butler Boulevard, Adelaide Airport SA	100%	100%	\$14.3	\$(0.3)	5.98%	39 bps
18-20 Butler Boulevard, Adelaide Airport SA	100%	100%	\$9.3	\$(0.3)	6.23%	39 bps
20-22 Butler Boulevard, Adelaide Airport SA	100%	100%	\$17.8	\$(0.6)	5.73%	(11) bps

Independent valuations (cont'd)

Property	Occupancy by income (%)	Occupancy by area (%)	Book value (\$m)	Reval gain / (loss) (\$m)	Cap rate (%)	Cap rate mvmt (bps)
9 Boron Street, Naranga QLD	100%	100%	\$45.8	\$0.4	5.50%	88 bps
2 Maker Place, Truganina VIC	100%	100%	\$71.0	\$0.8	4.50%	50 bps
Jandakot – stabilised portfolio	100%	100%	\$331.7	\$9.1	5.00%	50 bps
Jandakot – development ²	n.a.	n.a.	\$98.7	\$(1.1)	n.a.	n.a.
12 Church Road, Moorebank NSW	n.a.	n.a.	\$21.7	\$0.1	n.a.	n.a.
Total Industrial	100%	100%	\$1,298.8	\$(9.8)	5.16%	46 bps
7 Clunies Ross Court & 17-19 McKechnie Drive, BTP QLD	99.4%	100%	\$53.8	\$(6.8)	6.75%	50 bps
BTP Central, BTP QLD	91.9%	87.9%	\$40.0	\$(5.1)	6.87%	35 bps
8 Clunies Ross Court & 9 McKechnie Drive, BTP QLD	76.5%	74.7%	\$32.0	\$3.1	6.90%	3 bps
37 Brandl Street, BTP QLD	60.8%	58.2%	\$14.3	\$(2.0)	7.30%	29 bps
18 Brandl Street, BTP QLD	61.9%	56.7%	\$12.2	\$(1.7)	7.25%	25 bps
88 Brandl Street, BTP QLD	96.3%	96.6%	\$17.0	\$(0.6)	7.25%	25 bps
Total Brisbane Technology Park	85.7%	82.7%	\$169.2	\$(13.1)	6.94%	33 bps
Total portfolio excluding transactions¹	97.5%	98.8%	\$1,468.0	\$(22.9)	5.38%	47 bps
Held for sale assets ³	n.a.	n.a.	\$89.8	\$(2.3)	n.a.	n.a.
Settled divestments	n.a.	n.a.	n.a.	\$(31.0)	n.a.	n.a.
Total portfolio¹	97.5%	98.8%	\$1557.8	\$(56.3)	5.38%	34 bps

1. Represents look-through portfolio.

2. Includes Hello Fresh facility which reached practical completion in May 2023.

3. Includes 16-28 Quarry Road, Stapylton QLD (\$66.9 million sale price) and 3 & 4 Forbes Close, Knoxfield VIC (\$22.9 million sale price).

Profit & loss and FFO reconciliation

\$'000	Direct investments (100% owned)		Joint ventures ¹		Total portfolio	
	FY23	FY22	FY23	FY22	FY23	FY22
Property revenue	77,623	77,279	27,157	15,692	104,780	92,971
Property expenses	(14,993)	(15,552)	(6,363)	(3,766)	(21,356)	(19,318)
Property FFO	62,630	61,727	20,794	11,926	83,424	73,653
Management fees	(6,759)	(5,591)	(1,971)	(1,402)	(8,730)	(6,993)
Net finance costs	(14,334)	(10,300)	(3,646)	(1,774)	(17,980)	(12,074)
Tax expense	(696)	-	(1,016)	(852)	(1,712)	(852)
Other net (expense)/income	(1,302)	(1,466)	679	1,301	(623)	(165)
FFO	39,539	44,370	14,840	9,199	54,379	53,569
Net fair value gain/(loss) of investment properties	(64,370)	114,783	8,088	(14,483)	(56,282)	100,300
Net fair value gain/(loss) of right-of-use assets	(1,217)	(311)	9,651	1,031	8,434	720
Net fair value gain/(loss) of derivatives	(760)	15,603	(14)	5,959	(774)	21,562
Net loss on sale of assets	-	(342)	-	-	-	(342)
Impairment of investments accounted for using the equity method	(1,296)	-	-	-	(1,296)	-
Incentive amortisation and rent straight-line	(2,673)	(3,594)	318	302	(2,355)	(3,292)
Non-FFO tax benefit/(expense)	2,838	(3,713)	(2,730)	(2,241)	108	(5,954)
Debt modification (expense)/gain	(696)	2,586	-	-	(696)	2,586
Rental guarantees, coupon income and other	(37)	15	(1,213)	186	(1,250)	201
Profit/(loss) for the period	(28,672)	169,397	28,940	(47)	268	169,350

1. Includes investment in Jandakot City Holdings Trust, Jandakot Airport Holdings Trust, Dexus Moorebank Trust and Dexus Mamre Road Trust.

Summary balance sheet and gearing

Summary balance sheet

\$'000	30 Jun 2023	30 Jun 2022
Cash and cash equivalents	5,514	5,583
Investment properties	1,016,000	1,319,450
Equity accounted investments	391,733	317,486
Other assets	149,186	73,235
Total assets	1,562,433	1,715,754
Borrowings	(376,034)	(475,929)
Distributions payable	(13,008)	(13,722)
Other liabilities	(71,624)	(72,572)
Total liabilities	(460,666)	(562,223)
Net assets	1,101,767	1,153,531
Stapled securities on issue (thousands)	317,270	317,270
NTA per security¹ (\$)	\$3.44	\$3.60

Gearing (reported)

\$'000	30 Jun 2023	30 Jun 2022
Balance sheet gearing		
Drawn debt	379,250	480,500
Total tangible assets	1,511,989	1,664,628
Balance sheet gearing (%)	25.1%	28.9%
Pro forma balance sheet gearing (%)	20.4% ³	n.a.
Look-through		
Drawn debt less cash ²	513,596	614,773
Total tangible assets less cash ²	1,646,335	1,798,905
Look-through gearing (%)	31.2%	34.2%
Pro forma look-through gearing (%)	27.3% ³	n.a.

1. Calculated as total net assets less goodwill on a look-through basis, divided by total securities on issue.

2. Adjusted for debt in equity accounted investments.

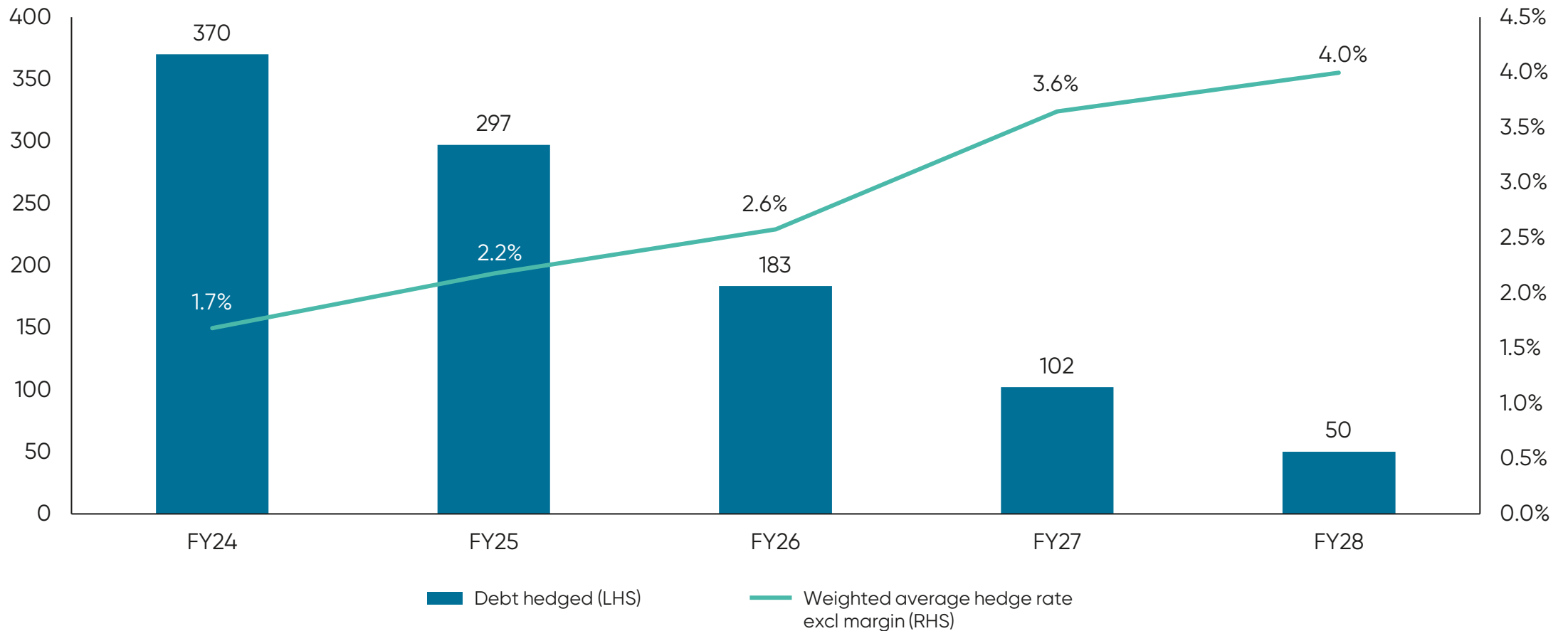
3. Includes sale of 3 & 4 Forbes Close, Knoxfield VIC and 16-28 Quarry Road, Stapylton QLD (combined proceeds of \$89.8 million) which are expected to settle in August 2023 and October 2023 respectively.

Book value reconciliation

\$'000	Direct investments (100% owned)		Joint ventures ¹		Total portfolio	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22
Investment properties	1,016,000	1,319,450	-	-	1,016,000	1,319,450
Investments accounted for using the equity method	-	-	452,044	412,074	452,044	412,074
Non-current assets classified as held for sale	89,775	-	-	-	89,775	-
Property portfolio	1,105,775	1,319,450	452,044	412,074	1,557,819	1,731,524

1. Includes investment in Jandakot City Holdings Trust, Jandakot Airport Holdings Trust, Dexus Moorebank Trust and Dexus Mamre Road Trust..

Look-through interest rate hedging profile



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