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23 April 2009

The Manager
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

DEXUS Property Group (ASX:DXS) completes institutional component of the equity raising and announces retail component of the equity raising now underwritten

DEXUS Funds Management Limited ("**DXFM**"), as responsible entity of DEXUS Property Group, today announces that it has successfully completed the institutional placement ("**Institutional Placement**") and institutional component of the accelerated non-renounceable 2 for 7 entitlement offer ("**Institutional Entitlement Offer**"), announced to the market on 21 April 2009.

Together, the Institutional Placement and Institutional Entitlement Offer will raise approximately A$658 million at A$0.65 per new stapled security ("**New Security**"), comprising:

- The Institutional Placement of approximately 138.5 million New Securities to raise approximately A$90 million, and
- The Institutional Entitlement Offer of approximately 875 million New Securities to raise approximately A$568 million. The Institutional Entitlement Offer received very strong support from DEXUS's existing institutional securityholders, with nearly all securityholders electing to take up their full entitlement under the offer.

Settlement of the New Securities issued under the Institutional Placement and the Institutional Entitlement Offer is scheduled to occur on 5 May 2009, with trading expected to commence on 6 May 2009.

The underwriters have now also agreed to underwrite the retail component of the entitlement offer which comprises approximately 139 million New Securities and will raise approximately A$91 million ("**Retail Entitlement Offer**").[1]

The Retail Entitlement Offer will proceed according to the timetable set out in the announcement released to ASX on 21 April 2009. A draft information booklet in relation to the Retail Entitlement Offer will be released to the market today and a final information booklet will be mailed to securityholders on 28 April 2009.

Following the completion of the Institutional Placement and the Institutional Entitlement Offer, Victor Hoog Antink, Chief Executive Officer of DEXUS Property Group, commented:

"We are delighted with the strong support we received from the market for the equity raising – from our existing securityholders and from new institutional investors. The support is an affirmation of our business strategy and proactive approach to capital management.

DEXUS is now well-positioned to drive value for our investors, as a leading owner, manager, developer of high quality property assets in the office and industrial sectors in select markets, predominantly in Australia."

Following the completion of the fully underwritten Equity Raising, DEXUS's pro-forma gearing will fall to 28.8%.[2] On 2 April 2009, prior to the announcement of the Equity Raising, Standard & Poor's reaffirmed DEXUS's BBB+/Stable credit rating.

Enclosed with this announcement is a revised Appendix 3B.

DEXUS requests that its trading halt be lifted with effect from open of market today.

Yours sincerely,

John Easy
Company Secretary

For further information, please contact:

Chief Executive Officer:	Victor Hoog Antink	(02) 9017 1129
Investor Relations:	Karol O'Reilly	(03) 8611 2930 or 0405 134 856
Media Relations:	Emma Parry	(02) 9017 1133 or 0421 000 329

About DEXUS
DEXUS is one of Australia's largest diversified property groups and a leading owner, manager, developer of world-class industrial, office and retail properties with total assets under management of $15 billion in Australia, New Zealand, the United States, Canada and Europe.

DEXUS is committed to the long-term integration of sustainability practices throughout its property portfolio and was recently recognised as one of the Global 100 Most Sustainable Corporations at the World Economic Forum in Davos.
www.dexus.com

1 The underwriting agreement contains usual terms and conditions including key termination events which continue until the final retail closing date

2 Gearing = Interest Bearing Liabilities (excluding deferred borrowing costs) less cash / Total Tangible Assets (excluding derivatives and deferred and current tax assets) less cash.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

DEXUS Funds Management Limited as responsible entity for
DEXUS Property Group (DXS)

ABN

24 060 920 783
ARSN of DDF 089 324 541, DIT 090 879 137, DOT 090 768 531, DXO 110 521 223

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Stapled Securities
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	1,152,351,637
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	The new securities have been issued on the same terms as existing stapled securities.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	$0.65 per stapled security
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Funds raised through the Institutional Placement and the Entitlement Offer will be used to repay debt.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	The institutional placement and the institutional component of the entitlement offer (Institutional Component) - 6 May 2009 The retail component of the entitlement offer (Retail Component) – 28 May 2009

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	Opening Securities 3,548,480,728 Add new Securities from the Institutional Component: 1,013,051,796 Add new Securities from the Retail Component: 139,299,841 Closing Securities: 4,700,832,365	Stapled Securities

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	Nil	Nil

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	There is no change in the distribution policy.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	The Entitlement ratio is 2 New Securities for 7 existing stapled securities
14	+Class of +securities to which the offer relates	Ordinary stapled securities
15	+Record date to determine entitlements	24 April 2009
16	Will holdings on different registers (or sub registers) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Rounding Up
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries other than Australia, New Zealand and any other jurisdiction into which it is decided to make offers.
19	Closing date for receipt of acceptances or renunciations	Institutional Component - 22 April 2009 Retail Component - 20 May 2009

+ See chapter 19 for defined terms.

20	Names of any underwriters	Credit Suisse (Australia) Limited and Deutsche Bank AG, Sydney Branch
21	Amount of any underwriting fee or commission	Underwriting fee of 2% of the Underwritten Proceeds and management fee of 0.5% of the Underwritten Proceeds. The Underwritten Proceeds now means the sum of the proceeds from the institutional placement, institutional component of the entitlement offer and retail component of the entitlement offer.
22	Names of any brokers to the issue	Commonwealth Securities Limited and Morgan Stanley Australia Securities Limited (as co-managers)
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	DEXUS will pay a stamping fee equal to 1.0% of Application Monies (exclusive of GST) on New Securities issued to stockbrokers (being those entities named as full service (advisory) brokers or non-advisory brokers on the ASX website) who submit a valid claim for a broker stamping fee on successful Applications, subject to a limit of $1,500 (exclusive of GST) per Application.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	28 April 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable

+ See chapter 19 for defined terms.

30	How do +security holders sell their entitlements *in full* through a broker?	Not applicable
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	Not applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Despatch date	Institutional Component – 6 May 2009 Retail Component – 28 May 2009

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☑ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

+ See chapter 19 for defined terms.

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: .23 April 2009......
(Director/Company secretary)

Print name: .John Easy...

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