

DEXUS Property Group (ASX: DXS)

ASX release

1 May 2013

Successful pricing of long-dated US Private Placement

DEXUS Property Group (DEXUS) today announced that it has successfully priced a long-dated US Private Placement (USPP) offering for US\$300 million (A\$291 million).

The USPP issuance will comprise three tranches of notes totalling US\$300 million across tenors of 10, 12 and 15 years, equating to an average duration of 13 years. After converting these US dollar amounts into Australian dollars, the issue will represent an average margin of 185 basis points over BBSW at the time of pricing.

DEXUS Chief Financial Officer, Craig Mitchell said: "In what is a very pleasing endorsement of our active capital and risk management strategy, the offering was five times oversubscribed from the initial US\$125 million offering, resulting in the decision to increase the issuance to US\$300 million, supported by 14 investors.

"This will be DEXUS's third issue in the US private placement markets and will improve our diversification of funding sources, and will increase the debt capital markets proportion of the Group's debt to 48%. The issuance will also extend the average duration of debt to greater than 5 years.

"This transaction supports the Group's strong investment grade credit ratings of BBB+ from Standard & Poor's and Baa1 from Moody's."

The new long-dated debt is intended to refinance the short-term three year bridge facility put in place for DEXUS's joint acquisition of the Sydney office portfolio that was announced in December 2012.

Settlement of the issue is expected in July 2013, therefore there is no impact on FY13 cost of debt or earnings guidance.

The securities offered have not been registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

For further information please contact:

Investor relations

David Yates
T: +61 2 9017 1424
M: 0418 861 047
E: david.yates@dexus.com

Media relations

Louise Murray
T: +61 2 9017 1446
M: 0403 260 754
E: louise.murray@dexus.com

About DEXUS

DEXUS Property Group (DEXUS) is one of Australia's leading real estate groups, investing directly in high quality Australian office and industrial properties. With a total of \$13.1 billion of assets under management, DEXUS also actively manages office, industrial and retail properties located in key Australian markets on behalf of third party capital partners. DEXUS has an office portfolio of over 900,000 square metres across Sydney, Melbourne, Brisbane and Perth and is the largest institutional owner of office buildings in the Sydney CBD, Australia's largest office market. DEXUS is a Top 50 entity by market capitalisation listed on the Australian Securities Exchange under the stock market trading code 'DXS' and is supported by more than 18,000 investors from 15 countries. With over 25 years of experience in commercial property investment, development and asset management, DEXUS has a proven track record in capital and risk management, providing service excellence to tenants and delivering superior risk-adjusted returns to investors. www.dexus.com

DEXUS Funds Management Ltd ABN 24 060 920 783, AFSL 238163, as Responsible Entity for DEXUS Property Group (ASX: DXS)