

ASX & Media release

18 February 2015

DIVIDEND POLICY

Desane Group Holdings Limited (ASX: DGH) is pleased to announce that the Board of Directors have reviewed the Group's medium to long term profit sustainability. As a result of the review, the Directors have resolved to recommend to shareholders the payment of interim and full year franked dividends to the extent permissible under the Corporations Act and the Company's Constitution. Any payment of dividends will be subject to Desane's capital management requirements, operational profits, property acquisition activities and cashflows. Franking of the dividends will be subject to franking availability and corporate income tax legislation at the time.

By June 2015, Desane will have available up to \$3 million of franking credits, which will be utilised in providing Desane's shareholders with franked dividends for future dividend payments.

The Managing Director, Mr Phil Montrone said, "The Directors decision to implement a dividend policy that rewards its shareholders in a sustainable and tangible way, in this financial year and in coming years, will be welcomed by all shareholders."

Desane's Board and management will continue to focus on its core strategies and stated objectives, of continuing to reward shareholders and increasing its property asset portfolio to \$100 million in the medium to long term.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ABOUT DESANE:

*Desane Group Holdings Limited is a significant Sydney based landlord. The areas we specialise in are property investment, property services and property management. Desane owns **\$54.5 million** of properties and other assets and manages a further **\$4.6 million** of industrial and commercial properties in the Sydney region. For more information please visit our website at www.desane.com.au*