

ASX and Media release

15 February 2016

DESANE ANNOUNCES PROFIT & INTERIM DIVIDEND INCREASE

The Sydney based listed property group, Desane Group Holdings Limited, today announced an **interim after tax profit increase of 153% to \$2.9 million** and a **fully franked interim dividend increase of 12.5% to 2.25 cents per share**, over the corresponding period, for the six months ended 31 December 2015.

The key drivers of this result for the Group were:

- The realisation of the Easton Rozelle residential apartment project;
- 29% reduction of the Group's debt;
- 100% occupancy across all of the Group's property investment portfolio;
- The quality and strong property market knowledge of the Group's management team;

The Group's Managing Director, Mr Phil Montrone, said, "The successful completion and sale of the Easton Rozelle residential apartments project and the strong income derived from its investment properties, has resulted in the Group being able to reduce its bank borrowings by \$12 million and retain **approximately \$17 million of free cash** in its balance sheet. This in turn will allow Desane to undertake, over the next 6 to 12 months, the purchase of **up to \$50 million** of residential and or industrial/commercial property investment".

The Group's after tax earnings increased by 109%, from 3.79 cents per share to 7.39 cents per share.

The Directors look forward, with confidence, to continuing to reward shareholders.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Phil Montrone
Managing Director & CEO
Desane Group Holdings Limited
(02) 9555 9922 M: 0418 614 519
philmontrone@desane.com.au

John Bartholomew
Company Secretary
Desane Group Holdings Limited
(02) 9555 9922
johnbartholomew@desane.com.au

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 **\$52.9 million** of properties and other assets and manages a further **\$5.2 million** of industrial and commercial properties in the Sydney region. For more information, please visit our website at www.desane.com.au.*