

ASX and Media release

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DESANE ANNOUNCES STRONG FY2016 RESULT OF NPAT \$5.1M

The Sydney based property investment group, Desane Group Holdings Limited, today announced a strong net profit after tax of \$5.1 million for the full 2016 financial year. The 2016 solid profit result is 102% up on the 2015 financial year. The Group's earnings per share is 13.73 cents.

The Group's net tangible assets increased by 12% to 83 cents per share, up from 74 cents per share, over the previous corresponding period.

The Group's Managing Director, Mr Phil Montrone, said, "The 2016 financial year profit result is an excellent outcome for our shareholders. I am pleased that we are able to reward shareholders with a full year fully franked dividend of 4.5 cents. Over the past 3 financial years, including this financial year, Desane has rewarded shareholders with a combined 27.5 cents of fully franked dividends".

Following the completion and sale of the Easton Rozelle residential project, Desane has built up \$16 million of cash in its balance sheet, which will be used by the Group to continue its program of property acquisition in the Sydney metropolitan area.

Desane also recently locked in, with the Commonwealth Bank of Australia, \$16.6 million of bank loan facilities for a period of 3 years at 3.8%. The Group's property assets' loan to value ratio has fallen to below 50%.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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