

21 January 2010

A.B.N. 61 003 184 932

The Manager Companies  
Australian Stock Exchange (Sydney) Limited  
20 Bridge Street  
SYDNEY NSW 2000

**ANNOUNCEMENT**

**Desane Completes Property Sale Program**

Desane Properties Pty Limited, a controlled entity of Desane Group Holdings Limited, has today completed the sale of the industrial strata Unit 3 at the J G Evans Business Centre located in the Sydney suburb of Lidcombe.

The proceeds from the sale of this property, together with other funds available to the Group since July 2009, have been partly utilised for the Group's working capital and partly utilised to reduce borrowings.

From July 2009 to January 2010, borrowings have been reduced by \$2 million, equating to a 10% reduction in overall borrowings. The combination of the reduction of borrowings, lower interest rates and strong tenant occupancy should have a positive outcome on the Group's profit for the 2010 financial year.



The completion of the sale of Unit 3 at the J G Evans Business Centre completes the sale program six months ahead of schedule. The Company is currently undertaking due diligence in order to acquire suitable properties which correspond with Desane's existing clients' and tenants' requirements.

All of the properties owned and or managed by the Group are fully occupied by quality national and international tenants.

Yours faithfully,  
**DESANE GROUP HOLDINGS LIMITED**

A handwritten signature in black ink, appearing to read 'John Bartholomew'.

**JOHN BARTHOLOMEW**  
**Company Secretary**

**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 \$44.5 million of properties and other assets and manages a further \$18.8 million of industrial and commercial properties in the Sydney region. Our medium term objective is to continue to increase our property holdings.*