

24 June 2010

A.B.N. 61 003 184 932

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

ANNOUNCEMENT

Profit Guidance

Desane expects a solid profit result for the 2010 financial year

Desane Group Holdings Limited wishes to advise that it expects to report an unaudited net profit after tax (NPAT) for the year ended 30 June 2010 of approximately \$1,500,000. This result will be a significant improvement on the previous period and indicates that Desane's property business is performing well and shareholders can look forward to a stable and sustainable performance.

In view of Desane's improving profit outlook, the Directors look forward to being able to reward shareholders with increased dividend distributions in future years.

The key drivers of the expected results in the current financial year are:

- ◆ 100% occupancy of all properties owned and or managed by the Group;
- ◆ A 13% reduction of the Group's borrowings;
- ◆ Cost savings achieved through the reduction of interest; and
- ◆ Solid income stream across the Group's business.

Following the finalisation of the accounts, completion of the audit review and consideration by the Board of Directors, Desane expects to announce its full result for the half year ended 30 June 2010, by Tuesday, 24 August 2010.

Yours faithfully,

DESANE GROUP HOLDINGS LIMITED



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 \$42.8 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 increase our property investment portfolio to \$100 million.