DESANE
GROUP HOLDINGS LIMITED

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

Desane Announces a Solid 2012 Profit Result

The Sydney based property group, Desane Group Holdings Limited (ASX Code: DGH) is pleased to announce an after tax profit $937,381 for the 2012 financial year.

Desane Group Holdings Limited's (Desane) Managing Director, Phil Montrone, said the result compared to a loss of $2,065 for the previous corresponding year.

"When the Group's profit is viewed against the background of continuing difficult trading conditions for property companies in Australia, Desane has achieved a solid result," Mr Montrone said today.

"Our management team has been disciplined and focused during the financial year, in improving the quality of the Group's property assets and in the retention of the existing tenants."

Mr Montrone said key operational achievements for the year include:

- The Group's total assets have increased by 2.4% to $45.65 million;
- The Group's after tax profit has increased by $940,000;
- The Group has achieved **100% occupancy** for all properties owned and/or managed;
- The Group's debt servicing costs have decreased by 15%.

Mr Montrone said the profit result has meant that the Group's **net tangible assets** increased from 79 cents to **81 cents per share** and resulted in **net earnings per share of 3.1 cents**. A 1 cent unfranked dividend per share has been recommended by the directors.

Over the last four months, Desane has signed up lease agreements with four major tenants for approximately 8,000m^2 of space at an average rent rate of $230 per square metre gross, with an average weighted average lease expiry of 4.2 years.

The leases will contribute over $8 million in gross rental income over the initial four years of the leases.

Desane is now set for the next growth phase of its industrial property portfolio acquisition.

For further information, contact Phil Montrone on 0418 614 519