

20 November 2007

A.B.N. 61 003 184 932

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

## **Announcement**

# **Desane Achieves 100% Leased & Declares Full House**

Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited, wishes to announce that today it has signed an agreement to lease the last remaining vacant industrial unit located in the J. G. Evans Business Centre in the Sydney suburb of Lidcombe. The signing of this agreement to lease has resulted in **Desane leasing 100% of the properties it owns and manages.**

Desane owns and manages more than 25,000m<sup>2</sup> industrial and commercial property portfolio located in the Sydney basin. The properties owned and managed by Desane have an annual gross rental income of \$4.3 million, achieving an average rate of \$170 per square metre gross.

Desane has recently negotiated with a number of tenants an extension to their existing leases, resulting in an average increase of 8% net rental income per square metre. The Company expects this trend to continue as existing leases come up for renewal.

The Managing Director, Mr Phil Montrone, said:

*"In anticipation of achieving a full house result and having regards to existing tenants' requirements, Desane has programmed, over the next 24 months, the acquisition and construction of an additional 15,000m<sup>2</sup> of industrial building and commercial office space located in the fringe of the Sydney CBD."*

First amongst the Company's expected expansion is a planned 4,000m<sup>2</sup> additional commercial floor space to the Company's existing 6,000m<sup>2</sup> Multimedia Centre located in the Sydney suburb of Rozelle. When completed, the combined 10,000m<sup>2</sup> of high tech commercial and multimedia facilities will incorporate 190 security parking spaces, outdoor gardens, an indoor/outdoor café and childcare centre. When completed, this flagship property should result in a substantial increase in the average square metre rental rate.

Yours faithfully,  
**DESANE GROUP HOLDINGS LIMITED**



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

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### ***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 \$45 million of properties and other assets and manages a further \$17 million of industrial and commercial properties in the Sydney region. Our medium term objective is to increase our property holdings to \$100 million.***