

28 July 2010

A.B.N. 61 003 184 932

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

**ANNOUNCEMENT**

**Upgraded Profit Guidance**

**Desane expects an increased profit result for the 2010 financial year**

Further to the profit guidance announcement made to the ASX on 24 June 2010, Desane Group Holdings Limited wishes to advise that it expects to report an upgraded profit result for the 2010 financial year. It is expected that the net profit after tax (NPAT) for the year ended 30 June 2010 will be in the range of \$1,800,000 to \$1,900,000. This result will be a significant improvement on the 2009 financial year's result and indicates that Desane's property business is performing well and shareholders can look forward to a stable and sustainable performance.

The key drivers of the expected results 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.

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.

Following the finalisation of the accounts, completion of the audit review and consideration by the Board of Directors, Desane expects to announce the 2010 financial year result, by Tuesday, 24 August 2010.

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 \$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.*