

ASX and Media release

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SETTLEMENT OF 7-9 ORION ROAD, LANE COVE NSW

Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited (ASX: DGH) (**Desane**), wishes to announce that it today completed the sale of its 5,766m² industrial property located at 7-9 Orion Road, Lane Cove, for **\$18.2 million**.

The sale price reflects a 5.5 per cent yield on a fully leased basis.

Managing Director, Phil Montrone said “Desane acquired 7-9 Orion Road in 2003 from Tower Life Insurance for \$7.8 million. At the time, the Group deliberately sought a well located metropolitan asset which needed work on its tenancy mix and the completion and upgrading of capital works.

The completion of the sale of this property is a further demonstration of Desane’s management’s track record of identifying and upgrading well located properties and thereby adding value to the asset over the longer term”.



Aerial view of 7-9 Orion Rd, Lane Cove

The sale of this property is expected to contribute to the Group's FY17 financial results.

Desane will deploy some of the capital realised from the sale of 7-9 Orion Road into its capital management strategy. It will also continue to utilise its strong property team and balance sheet, to seek new investments and development opportunities in metropolitan Sydney that complements its existing property portfolio.

David Bolt, of Hartigan Bolt, brokered the off market sale.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ABOUT DESANE:

Desane Group Holdings Limited is a property investment and development business based in Sydney, with expertise in property acquisitions, investment, management, leasing, sales and development of industrial, commercial and residential properties. Desane has a disciplined "add value" property acquisition approach, which will deliver maximum shareholder value in the medium to long term.