Cromwell Corporation Limited

ASX Release
14 December 2004

CROMWELL SETTLES PURCHASE OF MELBOURNE'S 700 COLLINS ST

Cromwell Property Securities Limited today announced settlement of the landmark 700 Collins St building in Melbourne, the latest addition to the $347 million Cromwell Diversified Property Trust (CDPT).

The prominent $133 million building at the gateway to Melbourne's Docklands precinct forms the cornerstone of the second offer of units in the CDPT.

Accounting for almost 40 percent of the Trust's income, 700 Collins St boasts uninterrupted views of Melbourne's CBD and incorporates the latest in ecologically sustainable design throughout.

Cromwell Executive Chairman Paul Weightman said the asset provided the perfect anchor for CDPT's nationwide portfolio.

"The settlement of this property will further strengthen investor enthusiasm in the second offer of units in the CDPT, with take-up already well ahead of initial expectations.'' Mr Weightman said.

The second offer of units in the CDPT was launched earlier this year with 146.3 million units at an issue price of $1.00 on offer. To date investors have subscribed close to $115 million worth of units in the Trust.

Major tenants at 700 Collins St include the Bureau of Meteorology who occupy 17,051 sqm on a 12-year lease, Medibank Private occupying 12,497 sqm on a 10-year lease and VicUrban with 2,668 sqm on an 8-year lease.

The building is now 98% leased for the next 8-12 years. The remaining retail tenancies are under rental guarantees and are expected to be leased in the New Year.

With the purchase of 700 Collins St completed, the Trust now holds a diversified portfolio of 15 industrial, office, retail and entertainment properties spread across six states.

The CDPT is an unlisted property trust which is managed by Cromwell Property Securities Limited, a wholly-owned subsidiary of the ASX-listed Cromwell Corporation.

Key features of the Trust include:

- **9% pa cash distributions** paid monthly
- **100% tax advantaged** in the year to 30 June 2005
- **Security** of a portfolio with a Weighted Average Lease Expiry of 8 years
- **Liquidity** option via a quarterly conversion of Units to ASX-listed Cromwell Property Preference Shares (PPS).
- **Bonus issue program** to capitalise any future growth and increase income

The 700 Collins St property was purchased from Folkestone / Leighton JV Pty Ltd, a joint venture between Folkestone Limited and Leighton Properties Pty Ltd.

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Cromwell Corporation Limited is listed on the Australian Stock Exchange and since recapitalisation in 1998, has established and maintained a track record for developing high quality, high yielding investment products for investors and delivering value for shareholders.

Cromwell Property Securities Limited, a wholly-owned subsidiary of Cromwell Corporation Limited, is an unlisted public company and was incorporated expressly for the purpose of promoting and managing planned investments. Cromwell Property Securities Limited was issued a Dealers Licence by the ASIC in 1997 entitling it to act as single responsible entity of direct property and mortgage schemes.

Cromwell Property Services Pty Ltd is a wholly-owned subsidiary of Cromwell Corporation Limited, holds a Corporate Real Estate Licence, and performs an ongoing role in managing the company's property portfolio.

Cromwell Capital Limited is a wholly-owned subsidiary of Cromwell Corporation Limited and focuses on the provision of investment analysis and the management of the higher yielding range of mezzanine debt products. Cromwell Capital conducts the day-to-day management activities for all mortgage investment schemes on behalf of Cromwell Property Securities Limited.