Cromwell Corporation Limited

ASX Release
24 February 2005

CROMWELL CORPORATION REPORTS RECORD H1 EARNINGS

HIGHLIGHTS - SIX MONTHS TO DECEMBER 31, 2004

- Net profit of $2.27 million
- Revenue increase of 368.6 per cent to $10.087 million
- Funds Under Management (FUM) at the end of the half increased to $660 million, from approximately $350 million at the end of the same half last year
- Raised more than $127 million for Cromwell Diversified Property Trust (CDPT)
- Settled acquisition of $133 million 700 Collins St on December 14, 2004
- Announced purchase of $41 million Forsyth Centre in Melbourne on December 24, 2004

February 24, 2005 - Property and funds management group Cromwell Corporation Limited (ASX: CMW) today reported record first half earnings for the six months to December 31, 2004, with a net profit for the period of $2.271 million.

Excluding a one-off net gain of $736,000 in the previous corresponding first half the result represents a $3.25 million turnaround over the previous first half.

The result was achieved on a 368.6 per cent growth in revenue from $2.736 million to $10.087 million.

Cromwell manages a $700 million portfolio of 11 unlisted property trusts, including the $384 million Cromwell Diversified Property Trust (CDPT).

Cromwell Executive Chairman Paul Weightman said the result reflected the increase in revenues related to the expansion of the CDPT following the acquisition of 11 properties settled in June 2004.

Along with the $133 million 700 Collins St building in Melbourne the additional properties were added to the CDPT under a recently completed $147 million offer of new units.

"The result was built on the continuing growth in the funds management business, combined with strong capital inflows into the Cromwell Diversified Property Trust," Mr Weightman said.

Total revenue for the half was boosted by $7.92 million from acquisition co-ordination fees in connection with the purchase of 700 Collins St and the ongoing CDPT capital raising.

Ongoing revenue from funds under management rose 59 per cent over the previous corresponding half to $1.92 million. Total assets under management at December 31, 2004, stood at $660 million.

Basic earnings per share (EPS) increased to 1.45 cents from -0.16 cents in the previous corresponding half while the company's net tangible asset backing (NTA) increased from 3.16 cents to 4.64 cents in the half.

Mr Weightman said the company was now beginning to reap the benefits of its strict acquisition strategy.

"Cromwell is poised to take advantage of the expected continuation of strong investment inflows and acquire significant additional assets," Mr Weightman said.

"Our strategy of acquiring a diversified portfolio of quality properties and managing those assets effectively has built a strong following for our principal investment vehicle, the Cromwell Diversified Property Trust.

"By pursuing this strategy, and with the ongoing support of investors, we would expect to continue achieving our target of $1 billion in assets under management by 2006."

The most recent acquisition was announced in December last year with the purchase of the Forsyth Centre at Hoppers Crossing in Melbourne for $41 million.

The acquisition was followed last week by Cromwell Property Securities, a wholly-owned subsidiary of Cromwell Corporation and the manager of the CDPT, launching a new offer of 70 million units at $1.00 per unit in the CDPT.

Funds raised in the offer in excess of the purchase price of the Forsyth Centre may also be used to purchase additional properties which meet the Trust's strict acquisition criteria.

On completion of the Forsyth Centre purchase, the CDPT will hold a diversified portfolio of 16 industrial, office, retail and entertainment properties spread across six states valued at nearly $384 million.

Mr Weightman reaffirmed earlier guidance that the Forsyth Centre acquisition would help deliver a full year net profit of approximately $3.5 million. Any additional properties acquired would likely increase the projected full year net profit.

ENDS

For further information please contact: Paul Weightman, Chairman, Cromwell Corporation, Phone: (07) 3225 7777 or 0411 111 028.

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.