9 November 2010

The Manager
Company Announcements Platform
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

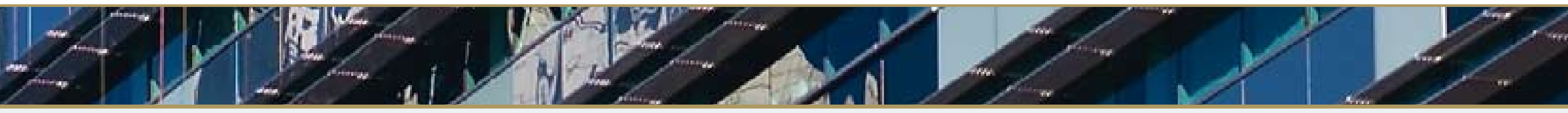
Dear Sir/Madam

RE: CROMWELL GROUP - QUARTERLY UPDATE

Attached is the Cromwell Group Quarterly Update to 30 September 2010 which will be sent to all Securityholders within the next 5 business days.

Yours faithfully
CROMWELL CORPORATION LIMITED
CROMWELL PROPERTY SECURITIES LIMITED

NICOLE RIETHMULLER
COMPANY SECRETARY



CROMWELL GROUP

CROMWELL CORPORATION LIMITED & CROMWELL DIVERSIFIED PROPERTY TRUST

Cromwell Group (ASX:CMW) owns an Australian commercial property portfolio valued in excess of $1.3 billion and has an active property and funds management business. The Group is committed to building investor wealth through outstanding performance.

Cromwell's Portfolio Strengthened

In the September quarter Cromwell continued to improve the quality of its property portfolio.

The most important acquisition during the period was the Qantas Headquarters building at Mascot, NSW. The acquisition enhanced Cromwell's existing portfolio quality and provided an additional weighting to the Sydney office market.

Cromwell now has the opportunity to work cooperatively with Qantas to deliver a facility which will meet its requirements well into the next decade, and potentially to further expand the lease term beyond 10 years.

The Qantas acquisition followed the recent acquisition, from the Cromwell Property Fund, of the 321 Exhibition St office tower in Melbourne and the one third of the TGA Complex in Symonston, ACT not already owned.

As part of portfolio rebalancing, Village Hobart was sold for $15.9 million, in line with its book value. Following the rebalancing Cromwell had a weighted average lease term of approximately six years, an occupancy level of 94% and receives approximately 89% of its income from government and blue chip tenants.

Performance Summary

As at 30 September 2010

Market Capitalisation	$640.6 million
2010-11 expected distribution	**7.0-7.4 cents**
Closing Price	$0.71

Rights Issue Now Closed

Cromwell Group's rights issue to fund the acquisition of the Qantas Headquarters building in Mascot, NSW closed on 13 August 2010. Cromwell Group raised $13.7 million through the rights issue and $61.7 million through institutional placements, for a total of $75.4 million.

The placement and rights issue were undertaken at a price which was close to the underlying net asset value of Cromwell's assets and not significantly dilutive to either Net Tangible Asset backing per security or expected full-year 2011 operating earnings.

Cromwell would like to thank investors who took up their rights under the offer for their ongoing support which has allowed us to take advantage of this excellent opportunity.

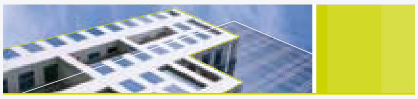
ASX Announcements Summary

A complete list of announcements can be found at www.cromwell.com.au

21 July 2010	Cromwell announces settlement of 321 Exhibition St and TGA Complex (one-third) acquisitions
11 August 2010	Cromwell confirms its prior announcement that Origin Energy has signed an agreement to lease 78% of 321 Exhibition Street, Melbourne
18 August 2010	Cromwell announces that $67.7 million has been raised to date through a placement and rights issue *(on 7 October 2010, Cromwell announced the finalisation of the rights issue shortfall facility which resulted in an additional $7.7 milllion being raised, bringing the total capital raised to $75.4 million.)*
19 August 2010	Cromwell announces full-year operating earnings of $64.6 million or 8.5 cents per security
23 August 2010	Cromwell announces settlement of Qantas Headquarters building in Mascot, NSW
27 September 2010	Cromwell announces distribution of 1.75 cents per security for the September quarter

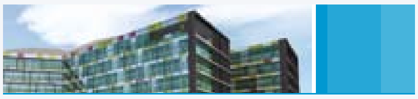
Funds Management update

Cromwell Property Fund



Cromwell has recommenced distributions and charging management and other fees on the unlisted Cromwell Property Fund. Fees had been temporarily suspended during the period that the Fund was not paying distributions to investors.

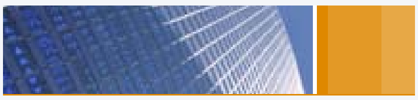
Cromwell Riverpark Trust



After nearly two years of planning and construction, the six-star Green Star v2 by Design Riverpark building underwent final testing and commissioning of plant and equipment in August with all the building's complex systems meeting the required design brief. It achieved Practical Completion on 27 August.

The building is fast approaching full completion with finishing touches to be applied to fitouts through October before tenants begin taking up occupancy in November.

Cromwell Phoenix Property Securities Fund



The Fund has been added to a number of major industry master funds and wrap accounts and also to the Recommended List of major Australian dealer groups. This is likely to result in a greater inflow of investment money to the Fund over time.

Is there now value in retail property?

Noel Woodward, Cromwell's Head of Property Services, discusses the Retail Property sector in Australia.

I have a special fondness for retail property after spending the first half of my career in the sector.

I believe it is an attractive asset class for the professional manager because it is a sector where, over a relatively short time, you can add value by re-mixing tenants, redeveloping or extending the size of the asset or repositioning to better satisfy the market trade area.

To date, Cromwell has not entered the traditional retail shopping centre market. During the first 7-8 years of the new millennium yields on retail properties continued to fall to an unrealistic and unsustainable level, with investors purchasing neighbourhood and sub-regional centres at yields of 6% - 7%. Today the same quality of asset can be bought on yields of 8.0% – 8.75%. Cromwell would consider entering the retail sector if there was an opportunity to acquire a critical mass of four or more centres.

Cromwell's preference is not for regional / super-regional shopping malls but sub-regional and neighbourhood centres underpinned by supermarkets and possibly a discount department store, typically with a trade area population of 15,000 to 40,000. These types of centres are less exposed to rises and falls in discretionary spending. They are based on everyday requirements and shoppers go there for their needs not their wants.

According to Kevin Stanley, Executive Director Global Research and Consulting with CB Richard Ellis, 2010 will be a transitional year for retail following a relatively positive two years for the sector during very difficult times.

"In investment terms retail was less affected than any other commercial property sector by the GFC. It has always been a resilient sector in Australia, but sentiment was even stronger over the past two years because it was seen as a safe haven compared to other areas," says Stanley.

Stanley also suggests that, although the economic downturn had affected asset values across all property sectors and all markets, there had been a wide variation in retail value adjustments dependent on factors including tenancy profile, location, quality and growth potential.

The key to retail assets that experience upward valuation adjustments, in my experience, is that they are managed by retail specialists who are able to achieve the best investment performance. Retail property success demands regular customer research, focus, a proprietary interest and, in particular, a quality tenant mix.

So in the current climate with yields at 8.0% - 8.75% opportunities should be sought in areas best placed to benefit from the forecast growth potential of both the population in the local trade area as well as the broader economy.

Registry - Link Market Services

For all enquiries and correspondence regarding your Cromwell Group holdings please contact Link Market Services on

1300 550 841 or visit **www.cromwell.com.au/registry**

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