

CROMWELL SELLS PERTH INDUSTRIAL ASSET

Cromwell Property Group (ASX:CMW) has sold its only Western Australian asset, at 78 Mallard Way, Cannington, for \$8.6 million. The price represents a slight premium to the carrying value and most recent independent valuation of \$8.4 million.

The sale of the warehouse building, which Cromwell acquired in 2004, to The Coffee Source Pty Ltd leaves the Group with no exposure to the Western Australian property market.

Chief Executive Officer Paul Weightman said the decision to dispose of the warehouse was consistent with Cromwell's strategy of rebalancing its property portfolio towards assets with the highest risk-weighted return.

"The warehouse at Cannington has been a good investment for us but we believe we can achieve a higher medium-term return for securityholders by investing in assets elsewhere," Mr Weightman said.

The asset has a net lettable area of 12,438 sqm set on 27,870 sqm of land and is leased to Caffi Logistics. The location of the site presents the opportunity for further development in the future.

Cromwell's sale of 78 Mallard Way follows its recent disposal of the Scrivener Building at 7 Thynne Street, Bruce ACT, to the nearby University of Canberra for \$9.5 million.

ASX-listed Cromwell Property Group is a Real Estate Investment Trust and Property Fund Manager and has more than \$1.8 billion in property under management.

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