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## **Cromwell successfully completes placement and institutional entitlement offer**

On 23 May 2013 Cromwell Property Group (Cromwell) announced that it would conduct a placement (Placement) and 1 for 12 non-renounceable accelerated entitlement offer, comprising an institutional component (Institutional Entitlement Offer) and retail component (Retail Entitlement Offer, together the Entitlement Offer) to raise approximately \$250 million (Equity Raising).

Cromwell is pleased to announce that it has completed the Placement and Institutional Entitlement Offer and successfully raised approximately \$193 million. The Institutional Offer was strongly supported by both Cromwell's existing institutional securityholders and by new institutional investors.

Cromwell CEO, Paul Weightman, said "We are delighted by the robust and continuing support demonstrated by Cromwell's existing institutional securityholders and welcome a number of new institutional investors to Cromwell's register. We consider their support a strong endorsement of Cromwell's disciplined and highly successful investment strategy.

In furtherance of this strategy, funds raised under the Equity Raising will be applied to partially fund the acquisition of a portfolio of seven office assets from the NSW State Government and to repay existing debt."

All new securities to be issued under the Equity Raising (New Securities) will be issued at \$1.00 (Issue Price) and will rank equally with existing Cromwell stapled securities and will have full entitlement to the June 2013 quarterly distribution.

Settlement of the Institutional Offer (along with early applications under the Retail Entitlement Offer<sup>1</sup>) is expected to be completed on Friday, 7 June 2013 and accordingly the New Securities to be issued under the Institutional Offer (and to early applicants under the Retail Entitlement Offer) are expected to be issued and commence trading on ASX on Tuesday, 11 June 2013.

The Equity Raising is being underwritten by Merrill Lynch Equities (Australia) Limited and RBS Morgans Corporate Limited.<sup>2</sup>

### **Commencement of the Retail Entitlement Offer**

The Retail Entitlement Offer is expected to raise a further \$57 million and is fully underwritten. The Retail Entitlement Offer will be open from Friday, 31 May 2013 to 5.00pm (AEST) Monday, 17 June 2013<sup>3</sup>.

Cromwell retail securityholders with a registered address in Australia, New Zealand or South Africa on the record date (Eligible Retail Securityholders)<sup>4</sup> as at 7.00pm (AEST) Tuesday, 28

<sup>1</sup> Eligible Retail Securityholders (defined below) have the opportunity to be issued with New Securities at the same time as eligible institutional securityholders if they take up all or part of their entitlement and make payment of the requisite application monies no later than 5.00pm AEST on 6 June 2013.

<sup>2</sup> The participation of Redefine (as defined below) in the Equity Raising is not underwritten.

<sup>3</sup> Retail Securityholders will be given the opportunity to have New Securities issued to them at the same time as New Securities are issued to institutional Securityholders under the accelerated Institutional Entitlement Offer. Further details are available in the Retail Offer Booklet

<sup>4</sup> Other eligibility criteria will be set out in the Retail Offer Booklet

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May 2013 (Record Date), will be entitled to participate in the Retail Entitlement Offer on the terms, and subject to the conditions, set out in the booklet to be sent to Eligible Retail Securityholders shortly (Retail Offer Booklet).

Eligible Retail Securityholders will have the opportunity to participate at the same Issue Price and the same offer ratio as the Institutional Entitlement Offer, being entitled to 1 New Security for every 12 existing securities held on the Record Date. Fractional entitlements to New Securities will be rounded down to the nearest whole number.

Eligible Retail Securityholders may also apply for New Securities in excess of their entitlement (subject to scale back at Cromwell's discretion as described in the Retail Offer Booklet).

The Entitlement Offer is non-renounceable and rights will not be tradeable on ASX or otherwise transferable. Eligible Retail Securityholders who do not take up their entitlement under the Retail Entitlement Offer in full or in part, will not receive any value in respect of those entitlements that they do not take up.

Redefine<sup>1</sup>, Cromwell's largest securityholder, participated in the Institutional Offer so as to maintain its interest in Cromwell after the Equity Raising at approximately 26%.

### Additional information

Further information on the impact of the Equity Raising on Cromwell's financial position and performance can be found in the presentation given to ASX by Cromwell on Thursday, 23 May 2013.

### Indicative timetable

| Key Event                                                                                                                     | Date                         |
|-------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Record Date To Determine Entitlements                                                                                         | 7.00pm Tuesday, 28 May 2013  |
| Retail Entitlement Offer Opens                                                                                                | Friday, 31 May 2013          |
| Last Date For Receipt Of Early Retail Entitlement Offer Applications                                                          | 5.00pm Thursday, 6 June 2013 |
| Settlement of New Securities under Institutional Placement & Entitlement Offer and early Retail Entitlement Offer Acceptances | Friday, 7 June 2013          |
| Issue Of New Securities Under Institutional Placement & Entitlement Offer And Early Retail Entitlement Offer Acceptances      | Tuesday, 11 June 2013        |
| Retail Entitlement Offer Closes                                                                                               | 5.00pm Monday, 17 June 2013  |
| Settlement of New Securities Under Retail Entitlement Offer                                                                   | Monday, 24 June 2013         |
| Issue Of New Securities Under Retail Entitlement Offer                                                                        | Tuesday, 25 June 2013        |

Note. All times and dates in this announcement refer to Australian Eastern Standard Time (AEST)

The above timetable is indicative only and subject to change. Cromwell, in conjunction with the underwriters and subject to the Corporations Act, the ASX Listing Rules and other applicable laws, has the right to vary any of the above dates, including the last date for acceptance of early retail applications and the Retail Entitlement Offer closing date, without notice and to accept late applications, in each case, either generally or in particular cases. Cromwell also reserves the right not to proceed with the whole or part of the Entitlement Offer at any time prior to allotment of New Securities under the Retail Entitlement Offer. In that event, application money will be returned without interest. The commencement of quotation of New Securities is subject to confirmation from ASX.

Eligible Retail Securityholders are encouraged to carefully read the Retail Offer Booklet for further details relating to the Retail Entitlement Offer. Securityholders who are in any doubt as to how they should respond should consult their stockbroker, accountant or other independent professional adviser without delay.

<sup>1</sup> Redefine refers to Redefine Properties Limited and Redefine Australian Investments Limited, or either of them, as applicable. The commitment by Redefine is not underwritten. Following settlement of the Institutional Offer, the interest of Redefine Properties Limited in Cromwell is expected to be approximately 12.9% and that of Redefine Australian Investments Limited is expected to be approximately 14.2%. Following the Retail Entitlement Offer, those interests will reduce to approximately 12.5% and approximately 13.7%, respectively, or 26.2% in aggregate.

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An investment in Cromwell stapled securities is subject to investment and other known and unknown risks, some of which are beyond the control of Cromwell, including possible delays in repayment and loss of income and principal invested. Cromwell does not guarantee any particular rate of return or the performance of Cromwell nor do they guarantee the repayment of capital from Cromwell or any particular tax treatment. Persons should have regard to the risks outlined in the Acquisition and Equity Raising Presentation released to ASX on 23 May 2013.

Past performance information given in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

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**This announcement contains pro forma financial information. The pro forma historical financial information included in this announcement does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Investors should also be aware that certain financial data included in this announcement is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by the Australian Securities and Investments Commission (ASIC) and "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934. These measures include distributions per security, earnings per security, gearing and net tangible assets per security. The disclosure of such non-GAAP financial measures in the manner included in this announcement would not be permissible in a registration statement under the Securities Act. Cromwell believes this non-IFRS financial information provides, and these non-GAAP financial measures provide, useful information to users in measuring the financial performance and conditions of Cromwell. The non-IFRS financial information and these non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information or non-GAAP financial measures and ratios included in this announcement.**