

# Chairman's Script

## General Meeting of Cromwell Corporation Limited & Cromwell Diversified Property Trust

Meeting Date: Friday 12 July 2013

Meeting Time: 1.30pm

**Cromwell Property Group** comprises:  
Cromwell Corporation Limited (ABN 44 001 056 980) and  
Cromwell Diversified Property Trust (ARSN 102 982 598)  
the responsible entity of which is Cromwell Property Securities Limited (ABN 11 079 147 809, AFSL 238052).

# Opening Speech

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## 1 Opening Speech

Good afternoon Ladies and Gentlemen and welcome to the general meeting of Cromwell Corporation Limited and Cromwell Diversified Property Trust. My name is Paul Weightman and I am the Chairman for today's meeting, having been appointed in writing by Cromwell Property Securities Limited, the responsible entity of Cromwell Diversified Property Trust.

Cromwell Corporation Limited, referred to as 'the Company', forms part of the stapled security Cromwell Property Group, along with the Cromwell Diversified Property Trust, referred to as 'the Trust'.

The general meetings of the Company and the Trust will be held concurrently.

During the meeting, there are some formalities to be followed. Those securityholders and proxyholders who have registered to vote will have received a yellow voting card. Non-voting attendees should have received a blue non-voting card and visitors should have received a white non-voting card.

Before I open the meetings I would like to introduce to you Mr Daryl Wilson, Cromwell's Director – Finance & Funds Management.

I take this opportunity to note that each director who holds Cromwell Property Group securities has voted in favour of all resolutions.

## 2 Status of Attendees

Anyone present who is not a Cromwell securityholder, proxy holder or representative is welcome to attend and listen but they cannot address the meeting or vote. No attendee can make tape or video recordings or take photographs of the proceedings without our consent.

# Meeting Procedures

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## 3 Meeting Called to Order

Now I would like to open the meetings.

I have been informed that a quorum for each meeting is present, and I formally declare each of the meetings open.

## 4 Who may speak and vote

Shortly, securityholders will be asked to vote on each of the resolutions to be put to the meetings. You will have an opportunity to ask questions or discuss the resolutions when the resolution is put to the meeting.

To save repetition I propose that the resolution be discussed and voted on concurrently rather than separately for each of the Company and the Trust unless there are any objections from securityholders.

If any securityholder considers a matter should be considered separately by securityholders of the Company or unitholders of the Trust, I can adjourn the relevant meeting to have the matter considered separately.

Accordingly, I move the proposal that resolutions be discussed and voted on concurrently.

All those in favour?

Those against?

I declare the motion carried.

# General Meeting

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## 5 Chairman's address

Before we turn to the formal part of today's proceedings, I'd like to provide some commentary and background to the resolution being proposed.

In May and June this year, Cromwell undertook a \$250 million equity raising; including a placement of approximately \$128 million from new and existing institutional investors and a pro-rata entitlement offer to existing securityholders of approximately \$122 million.

As announced to the market, the proceeds of the equity raising were used, together with a new 3 year debt facility of \$200 million, to fund the acquisition of a portfolio of seven office buildings from the NSW State Government. The 3 Sydney CBD assets and 4 regional NSW assets were acquired for \$405 million. The properties are currently returning 9% per annum on the purchase price, have a weighted average lease term of 10 years and are 68% leased to Government Property NSW.

Subsequent to the placement, and during the entitlement offer, Cromwell also announced the acquisition of two adjoining office buildings in the Brisbane CBD for \$65 million, funded from available cash reserves. The properties are 100% leased to the Queensland State Government with approximately 50% expiring in July 2015 and 50% in November 2017. The properties have a current passing income equivalent to approximately 20% on the purchase price until July 2015, reducing to 10% from that date until November 2017.

Following the equity raising and the acquisition of both the NSW portfolio and Brisbane properties, Cromwell was able to provide guidance of forecast operating earnings for the 2014 financial year of at least 8.3 cents per security and distributions of 7.5 cents per security.

The Group's pro forma gearing has increased slightly to 45%. Cromwell anticipates maintaining gearing at around its target level of approximately 45% with any future property acquisitions expected to be funded through a combination of equity, debt and the sale of existing property assets.

These recent acquisitions are a continuation of our strategy of providing securityholders with a secure steadily growing distribution stream from an actively managed portfolio of high quality properties with a long weighted average lease term.

We will continue to target assets that will increase the overall quality of the portfolio, with some non-core property assets having been identified for sale over the medium term. Our disciplined approach to executing our investment strategy over many years has been one of the major factors contributing to the Group's ability to outperform the market over the medium and long term.

Although the equity raising provided additional working capital, further capital may be needed if we identify larger higher quality assets targeted for acquisition by the Group to further its investment strategy and complement the Group's existing portfolio.

The ASX Listing Rules limit the number of securities that can be issued by a listed entity in any 12 month period without securityholder approval. Subject to the exceptions set out in the Listing Rules, the limit is generally 15% of the number of securities on issue 12 months before. The placements undertaken in May 2013 were made in accordance with the Listing Rules and have significantly reduced the number of securities Cromwell can issue without securityholder approval until May 2014. However, if the resolution being considered today is passed, the placement will be treated as having been made with securityholder approval for the purposes of the Listing Rules. This will provide Cromwell with immediate increased funding flexibility in respect of potential acquisitions, investment opportunities and general capital management initiatives.

## 6 Proxies

I now move to the more formal part of today's proceedings. A number of proxies have been received and in accordance with the requirements of the Corporations Act 2001 (Cth), details of all proxies in respect of the resolution will be recorded in the minutes, irrespective of whether the motion is voted on by a show of hands or on a poll. I will advise details of the proxies which have been received before the resolution is discussed. You should note that, for all resolutions I intend to vote undirected proxies in favour of the resolution.

## 7 Securityholder Identification

When raising to ask a question or make a comment, please show your voting or attendee card, state your name and whether you are a securityholder in your own right or whether you are attending as a proxy for one or more securityholders. Alternatively if you are attending as a representative or attorney of a securityholder or proxy, please state your name and the name of the securityholder you represent.

A Cromwell staff member will provide anyone wishing to ask a question or make a comment with a microphone once you are called on.

## 8 Notices of Meeting

The notice of meeting was sent within the notice periods required pursuant to the Corporations Act and the respective constitutions of Cromwell Corporation Limited and the Cromwell Diversified Property Trust.

Accordingly, I move that the notice be taken as read.

All those in favour?

Those against?

I declare the motion carried.

## 9 Item of Business – Ratification of the Placement of Stapled Securities to new and existing institutional investors that occurred in June 2013 for the purposes of ASX Listing Rule 7.4

The resolution relates to the ratification of the placement of stapled securities to new and existing institutional investors that occurred in June 2013. There is commentary relating to the approval in the notice of meeting, which I will take as having been read. This resolution relates to both the Company and the Trust. The resolution is being tabled as an ordinary resolution of the Company and a special resolution of the Trust.

The resolution reads:

"That the issue of 128,023.212 Stapled Securities in Cromwell to new and existing institutional investors that occurred on 11 June 2013, as described in the Explanatory Memorandum accompanying this Notice of Meeting convening the Meeting, is ratified and approved for the purposes of ASX Listing Rule 7.4 and for all other purposes."

Voting exclusions apply in relation to this resolution. The exclusions are outlined in the notices of meeting and explanatory memoranda which are taken as being read. However, I am happy to have the Company Secretary read the voting exclusion if requested.

Here are the proxies for the Company:

	By Number	% of proxies received
<b>For</b>	94,346,463	79.05%
<b>Open</b>	24,150,260	20.24%
<b>Against</b>	849,611	0.71%
<b>Abstain</b>	1,423,020	

Here are the proxies for the Trust:

	By Value	% of proxies received
<b>For</b>	86,647,792	79.05%
<b>Open</b>	22,179,599	20.24%
<b>Against</b>	780.283	0.71%
<b>Abstain</b>	1,306,902	

Would any securityholder like to speak in relation to this resolution?

***[Leave time for questions]***

Would a securityholder care to move the item being the ratification of the placement of Stapled Securities to new and existing institutional investors that occurred in June 2013?

Thank you.

Could I have a seconder please?

Thank you.

All those in favour?

Those against?

I declare the motion carried.

\*\* If show of hands doesn't reflect proxies need poll – see last page for wording

## 10 Closure

In the absence of any other business lawfully brought forward, or otherwise required to be dealt with in this meeting, I formally declare the General Meeting of Cromwell Corporation Limited and the general meeting of unitholders of the Cromwell Diversified Property Trust closed.

I thank you for your attendance at today's meeting and for your continued support.