

ASX Announcement

30 November 2016



RESPONSE TO MEDIA SPECULATION

Cromwell Property Group (ASX:CMW) (Cromwell) refers to media speculation regarding Cromwell's intentions towards Investa Office Fund (ASX:IOF) (IOF).

Since acquiring a relevant interest in 9.83% units of IOF on Tuesday 12 April 2016, Cromwell has had an interest in IOF as a major unitholder. Cromwell submitted a proposal to the Board of Investa Listed Funds Management Limited (ILFML) in its capacity as responsible entity of IOF on Monday 14 November 2016 to make a fully funded cash offer to privatise IOF at \$4.45 per IOF unit (the Proposal).

This Proposal was subject to a number of conditions including 40 days of due diligence and Foreign Investment Review Board approval. Cromwell made it clear that Cromwell would not be seeking exclusivity and would not be seeking a break fee. Following discussions with IOF's Independent Chairman, Cromwell submitted letters of support from debt and third party equity providers for the Proposal.

On Tuesday 29 November 2016, Cromwell received notice from the Directors of ILFML that they were ceasing discussions as they did not believe the framework or the price of the Proposal to be compelling or attractive to IOF unitholders and therefore they would not provide Cromwell with access to due diligence, and would not be considering the Proposal any further.

Shortly following Cromwell's receipt of this letter on the same day, Investa Wholesale Funds Management Limited (IWFML), in its capacity as responsible entity of the Investa Commercial Property Fund (ICPF), (who recently purchased the Investa management platform from Morgan Stanley) announced that on Friday 25 November 2016 it had entered into an agreement to acquire Morgan Stanley's 8.94% stake in IOF for \$4.23 per IOF unit. A summary of events is shown below.

Cromwell feels this is a disappointing outcome for IOF unitholders. Cromwell is of the view that its Proposal is compelling in the current market environment, being:

- an all cash offer made to all unitholders
- a 5.7% premium to IOF's 30 day volume weighted average price of \$4.21 per IOF unit
- a 5.2% premium to IOF's last stated net tangible assets of \$4.23 per IOF unit, and to IWFML's recent IOF unit acquisition price from Morgan Stanley

Cromwell continues to seek the opportunity to undertake a limited period of due diligence in order to make an all cash proposal to all IOF unitholders.

Media Enquiries:

Paul Weightman
Managing Director/CEO
+61 411 111 028
pweightman@cromwell.com.au

Cromwell Securityholder Enquiries:

Investor Services Centre
1300 276 693
invest@cromwell.com.au

Cromwell Property Group (ASX:CMW) comprising Cromwell Corporation Limited ABN 44 001 056 980 and the Cromwell Diversified Property Trust ABN 30 074 537 051, ARSN 102 982 598 (the responsible entity of which is Cromwell Property Securities Limited ABN 11 079 147 809, AFSL 238052)

Further information and media releases can be found at the Cromwell website: www.cromwell.com.au

Summary of events

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| Monday 14 November 2016 | Cromwell submitted a conditional and non-binding cash offer for IOF to IOF's Board at \$4.45 per IOF unit |
| Tuesday 15 November 2016 | IOF's Chairman raised a number of questions and issues with the Proposal during a phone call |
| Wednesday 16 November 2016 | Cromwell wrote to IOF addressing issues raised |
| Thursday 17 November 2016 | IOF's Chairman requested Cromwell provide further details of Cromwell's proposed funding and a list of due diligence items |
| Tuesday 22 November 2016 | Cromwell resubmitted the Proposal including letters of support from debt and third party equity providers accompanied by a list of due diligence items |
| Friday 25 November 2016 | ICPF entered into an agreement to acquire an 8.94% stake in IOF from Morgan Stanley at \$4.23 per IOF unit |
| Tuesday 29 November 2016 | IOF's Board notified Cromwell of its intention not to consider the Proposal any further |
| Tuesday 29 November 2016 | ICPF announced it had acquired the 8.94% stake in IOF |

Ends

About Cromwell Property Group

Cromwell Property Group (ASX:CMW) is a Global Real Estate Investment Manager. The Group is included in the S&P/ASX 200. As at 30 June 2016, Cromwell had a market capitalisation of \$1.8 billion, a direct property investment portfolio in Australia valued at \$2.3 billion and total assets under management of \$10.3 billion across Australia, New Zealand and Europe.