

CROMWELL IMPROVES HEDGING PROFILE

Cromwell Property Group (ASX:CMW) (Cromwell) has extended its hedging profile as part of a new interest rate hedging strategy.

The extension improves the interest rate protection from the current 1.6 year profile to 3.3 years. This strategy has been achieved through a mix of one to three year swaps and caps, at various rates and volumes.

For the next three years, the maximum base rate for 70% of all projected debt will be 2.25% per annum. With \$360 million of the profile being interest rate caps, Cromwell can still benefit from low variable interest rates while being protected against the risk of rate rises exceeding the base rate.

“At August’s FY17 results presentation, we indicated that we would look to further improve our hedging profile in the near term,” said Cromwell Chief Executive Officer Paul Weightman.

“Our interest rate hedging strategy will help secure our distributions, provide certainty of interest expense cost, and maintain flexibility for us to take advantage of the current low interest rate environment,” he said.

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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 2017, Cromwell had a market capitalisation of \$1.7 billion, a direct property investment portfolio in Australia valued at \$2.3 billion and total assets under management of \$10.1 billion across Australia, New Zealand and Europe.