

Media Release

For immediate release

10 August 2006

ALLCO REIT's MAIDEN RESULTS ANNOUNCEMENT

SECOND QUARTER 2006 RESULTS EXCEED PROSPECTUS FORECAST BY 4.79%

Key Highlights for Second Quarter 2006

- **Amount available for distribution for the period of 1.53 cents per unit, exceeding IPO prospectus projection by 4.79%**
- **Announces signing of a Sale and Purchase Agreement of Singapore office asset**
- **Organic growth in asset performance**

Singapore, 10 August 2006 – Allco (Singapore) Limited (the “Manager” or “Allco Singapore”), the manager of Allco Commercial Real Estate Investment Trust (“Allco REIT”) (SGX:ALLC) is pleased to announce it has exceeded its forecasts made in its prospectus dated 23 March 2006 for the period 30 March 2006 to 30 June 2006 (2Q 2006), in respect of revenue, net property income and the amount available for distribution to unitholders from operations.

For 2Q 2006, Allco REIT reported:

- revenue of \$11.743 million against a forecast of S\$11.224 million (up 4.6%);
- net property income of S\$9.759 million against a forecast of S\$9.652 million (up 1.1%) and
- amount available for distribution to unitholders from operations of S\$7.570 against a forecast of S\$7.246 million (up 4.5%).
- Amount available for distribution for the period of 1.53 cents per unit against a forecast of 1.46 cents (up 4.79%)

Nicholas McGrath, Executive Director of Allco Singapore said, “As the first Asia Pacific REIT in Singapore, we are delighted to deliver even better results than forecast in our prospectus.”

“It gives me great pleasure to announce such a strong start for Allco REIT as an SGX listed property trust. These results are due to the strength of our assets, tenants, management team and of course the ongoing growth in both the Singapore and Australian office property markets.”

Mr McGrath went on to say, “This is the theme of Allco REIT’s results that we announce today: strength and growth.” Mr McGrath commented further: “The markets in which Allco REIT invests suggest continued strong growth in income and asset values over the coming reporting periods”.

These results follow on from recent Allco Singapore announcements:

- The announcement on 2 August 2006 that Hamersley Iron Pty Ltd (“Hamersley Iron”) had renewed its lease arrangement in respect of Central Park (Perth) for a further 12-year period commencing from 1 July 2006. The lease covers over 23% of the net lettable area of the property and includes an annual increment to its rent over the entire 12 year lease.
- The announcement on 5 June 2006 that British and Malayan Trustees Limited in its capacity as trustee of Allco REIT had signed a sale and purchase agreement for the acquisition of 55 Market Street Singapore, which is expected to settle in the fourth quarter of 2006.

Overview of Allco REIT’s financial results for 2Q 2006

Summary of Consolidated Allco REIT Results (Actual Vs Forecast)				
	2Q 2006 Actual S\$'000	30 March 2006 to 30 June 2006		
		Forecast S\$'000	Increase	
			S\$'000	%
Gross revenue	11,743	11,224	519	4.62%
Net property income	9,759	9,652	107	1.11%
Amount available for distribution to unitholders from operations	7,570	7,246	324	4.47%

Available for Distribution Per Unit (cents)	2Q 2006 Actual (cents)	30 March 2006 to 30 June 2006		
		Forecast (cents)	Increase	
			(cents)	%
For Period	1.53	1.46	0.07	4.79%
Annualised	6.01	5.73	0.28	4.89%

Annualised Distribution Yield	Actual	Forecast	Change
Based on IPO Price (S\$1.00 per Unit)	6.01%	5.73%	4.89%
Based on Closing Price as at 9 August 2006 (S\$0.855)	7.02%	6.70%	4.89%

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In relation to the initial public offering on 30 March 2006, the sole global coordinator and sole financial adviser was Credit Suisse (Singapore) Limited. The joint lead underwriters and bookrunners were Credit Suisse (Singapore) Limited and DBS Bank Ltd.

About Allco Commercial Real Estate Investment Trust

Allco REIT listed on the main board of the Singapore Stock Exchange on 30 March 2006. Allco REIT's initial portfolio spans high quality assets in Singapore and Australia, being a 100% interest in the China Square Central Property, a 50% interest in Central Park (Perth) and an investment of A\$48.0 million (S\$55.4 million) in the Allco Wholesale Property Fund ("AWPF"), which has a 50.0% interest in each of Ernst & Young Centre and World Square Retail Complex and Public Car Park in Sydney, and a 100.0% interest in 222 Exhibition Street in Melbourne.

Managed by Allco (Singapore), Allco REIT's investment policy is to invest primarily in real estate and real estate related assets in the office and retail sectors in Singapore, other parts of Asia and Australia. The Manager's key objectives are to deliver regular and stable distributions to unitholders, and to achieve long term growth in such distributions and the net asset value per unit.

About Allco (Singapore) Limited

Allco (Singapore) Limited was incorporated in March 2005 and is the manager of Allco REIT.

About Allco Finance Group Limited ("Allco")

Commencing business in 1979, Allco is an Australian Stock Exchange listed financial services company with a market capitalisation of circa S\$4 billion. Allco specialises in asset-based financing and funds management activities, principally in the aviation, property, rail, shipping and infrastructure sectors. Since its inception, Allco has built a reputation in innovative asset-based structured financing and has developed a range of specialist financing structures utilising both domestic and cross border benefits in a diverse range of jurisdictions. Its key focus areas are funds management, asset finance, principal investing and capital markets finance. As at 20 February 2006, Allco managed gross funds in excess of A\$7.6 billion (S\$9.4 billion).

Headquartered in Sydney, Allco has three Australian offices and seven global offices in the key financial centres of London, New York, Frankfurt, San Francisco, Toronto, Singapore and Hong Kong.

IMPORTANT NOTICE

This media release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Allco REIT is not necessarily indicative of the future performance of Allco REIT.