

**Media Release**

*For immediate release*

*23 November 2006*

**ALLCO REIT COMPLETES ACQUISITION OF  
55 MARKET STREET SINGAPORE 048941**

**Key Highlights**

- **Purchase price of S\$72.5 million, \$981 per square foot**
- **Leasehold tenure of 999 years commencing from 20 April 1826**
- **Marketing activities commenced with strong interest received**

**Singapore, 23 November 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 the completion of the acquisition of the property located at 55 Market Street Singapore 048941 (the “Property”) on 22 November 2006. The purchase price of the Property was S\$72.5 million.

Nicholas McGrath, Executive Director of Allco Singapore said, “With the ongoing strength and growth in the Singapore office property market, this is a wonderful time to be adding a new property that is located in the Raffles Place precinct of Singapore to the Allco REIT portfolio.”

The tenure of the Property is a leasehold estate for 999 years commencing from 20 April 1826. It has a land area of 6,574.65 square feet and has undergone extensive refurbishment involving the replacement of mechanical and electrical equipment and extension of the Property from 14 storeys to 16 storeys. Following completion of the refurbishment and a Temporary Occupation Permit for the building being issued on 16 November 2006, the Property has a net lettable area of 73,916 square feet comprising a net lettable office area of approximately 67,253 square feet and a net lettable retail area of approximately 6,663 square feet.

The Property has been acquired with vacant possession. However, the Manager has commenced marketing activities in respect of the Property. Natalie Prince, Director of Asset Management of Allco Singapore said, “Marketing activities have recently commenced at the Property. The building has been well received by prospective tenants, with strong interest shown to date and a number of lease tenancies currently under negotiation.”

The acquisition of the Property was funded by debt and internal cash resources. Following completion of the acquisition, Allco REIT’s debt/total asset ratio has increased from 33.9% to 38.8% (based on Allco REIT’s total assets reported in the financial statements for the quarter ended 30 September 2006 and the valuation of the Property dated 25 May 2006 by Savills (Singapore) Pte Ltd). In compliance with the Property Fund Guidelines issued by the Monetary Authority of Singapore, Allco REIT has obtained a credit rating from Moody’s (investment grade – Baa3). This was announced on 16 November 2006.

Mr McGrath went on to say, “Recent reports from property analysts suggest that Raffles Place office vacancies have dropped to a 10 year low of less than 3.5%. Forecasts suggest this trend is likely to continue, resulting in ongoing increases in achieved office rents.”

Mr McGrath commented further: “It is a wonderful time to be an office landlord in the Singapore CBD.”

**For more information contact:**

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**About Allco Commercial Real Estate Investment Trust**

Allco REIT listed on the main board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) 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, a 100.0% interest in 222 Exhibition Street in Melbourne and a 100% interest in Neeta Shopping Centre in Sydney.

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 was incorporated in March 2005 and is the manager of Allco REIT. Allco Finance Group Limited is the ultimate holding company of Allco Singapore.

**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 as at 2 November 2006. Allco was formed by the merger on 1 July 2006 of the privately-owned Allco Finance Group Limited (“AFGL”), Sponsor of Allco REIT, and Australian public listed company Record Investments Limited (a company established and managed by AFGL). 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 global offices in the key financial centres of London, New York, Frankfurt, San Francisco, Singapore and Hong Kong.

## **IMPORTANT NOTICE**

This 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 Allco REIT units ("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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Allco REIT is not necessarily indicative of the future performance of Allco REIT.