

Media Release

For immediate release

17 January 2007

**VALUATION OF REAL ESTATE ASSETS OF
ALLCO REIT SHOW AN AVERAGE INCREASE OF
17.9%**

Key Highlights

- **Singapore properties increase in value by an average of 10.6%**
- **Perth property increases in value by 32.5%**
- **Total increase in value of direct real estate assets by \$125.3 million (17.9%)**

Singapore, 17 January 2007 – 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 that independent valuations of the China Square Central, 55 Market Street and Central Park (Perth) properties (collectively, the “Properties”) have been completed.

The full valuation as at 31 December 2006 of each of the Singapore properties was conducted by Savills (Singapore) Pte Ltd and the full valuation of the Perth property was conducted by C B Richard Ellis (C) Pty Ltd. The valuations have resulted in an increase of S\$125.3 million over the book value of Allco REIT’s Properties as at 31 December 2006.

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Continued Overleaf

The valuation details are set out below:

Properties	Book Value as at 31 December 2006 (Pre Revaluation)	Valuation as at 31 December 2006 (Post Revaluation)	Accretion in Value
	(S\$'million)	(S\$'million)	(S\$'million)
China Square Central	390.0	422.0	32.0
55 Market Street	73.8	91.0	17.2
Central Park (Perth) ¹	234.5 ²	310.6 ³	76.1
Total	698.3	823.6	125.3

Nicholas McGrath, Executive Director of Allco Singapore said, "I am delighted with the revaluations of Allco REIT's properties. The ongoing strength of both the Singapore and Perth office property markets continues to support the strong fundamentals of Allco REIT."

Mr McGrath went on to say, "The enhancement in the book value of Allco REIT's properties further strengthens Allco REIT moving forward into 2007."

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¹ In respect of a 50.0% interest in Central Park (Perth)

² A\$193.6 million (inclusive of A\$3.6 million of capital improvements since acquisition) translated at an exchange rate of A\$1 = S\$1.211 as at 31 December 2006

³ A\$256.5 million translated at an exchange rate of A\$1 = S\$1.211 as at 31 December 2006

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 current portfolio spans high quality assets in Singapore and Australia, being a 100% interest in the China Square Central Property, a 100% interest in 55 Market Street, Singapore, 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 unit holders, 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 a fully integrated global financial services business, listed on the Australian Stock Exchange (ASX:AFG) with a market capitalisation of over S\$5 billion as at 31 December 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 structured asset finance, funds management and debt funding activities, principally in the aviation, property, rail, shipping, small ticket equipment, infrastructure and financial assets. To date, Allco has completed in excess of S\$70 billion of transactions globally.

Headquartered in Sydney, Allco’s growth prospects are augmented by its network of offices in key markets throughout Asia Pacific, North America and UK/Europe.

IMPORTANT NOTICE

This announcement 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.