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Media Release

For immediate release

26 July 2007

ALLCO REIT 1H2007 DISTRIBUTABLE INCOME EXCEEDS FORECAST BY 42.1%

Key Highlights

- **Amount available for distribution of S\$20.85 million for 1H2007 exceeds forecast by 42.1%**
- **Net Property Income of S\$25.35 million for 1H2007 exceeds forecast by 28.7%**
- **Annualised distribution yield of 5.20% based on unit closing price of \$1.16 as at 26 July 2007**
- **Unitholders funds increased by 66.3% during 1H2007**

Singapore, 26 July 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 the financial results of Allco REIT for the period 1 January 2007 to 30 June 2007 (“1H2007”) have exceeded forecast.

For 1H2007, the total amount available for distribution to Unitholders rose by 42.1% to S\$20.85 million against the forecast of S\$14.67 million. The increase was attributed to higher rental income growth from the Central Park (Perth) property, additional rental contribution from the 55 Market Street property, and an additional distribution from the Allco Wholesale Property Fund (“AWPF”) arising from the sale proceeds of 222 Exhibition Street (Melbourne).

Gross revenue for 1H2007 was \$29.75 million, a 30.0% increase in comparison to the forecast of S\$22.88 million. Net property income was up 28.7% against the forecast of S\$19.70 million. DPU for 1H2007 is 2.99 cents per unit.

Following completion of the successful Rights Issue and the 30 June 2007 revaluations, Allco REIT’s market capitalisation has increased to S\$806.92 million¹. In addition, Allco REIT’s unitholder’s funds have increased to S\$963.37 million from S\$579.42 million as at 31 December 2006.

Nicholas McGrath, Chief Executive Officer and Managing Director of Allco Singapore said, “This result follows on from our recent asset re-valuation announcement of 23 July 2007, which saw a 22.1% accretion over the valuation of the property portfolio as at 31 December 2006. Allco REIT’s net asset value per unit post Rights Issue has increased to S\$1.38.

¹ Based on a closing price of S\$1.16 as at 26 July 2007 and 695,622,348 Units In Issue.

Management continue to work towards achieving continued improvement in returns for unitholders.”

SUMMARY OF CONSOLIDATED RESULTS OF ALLCO REIT AND ITS SUBSIDIARIES

	2Q2007			1H2007		
	Actual S\$'000	Forecast ⁽¹⁾ S\$'000	Increase / (Decrease) %	Actual S\$'000	Forecast ⁽¹⁾ S\$'000	Increase / (Decrease) %
Gross Revenue ⁽²⁾	17,498	11,503	52.1%	29,749	22,880	30.0%
Net Property Income ⁽²⁾	15,122	9,906	52.7%	25,351	19,702	28.7%
Available for distribution to Unitholders	12,900	7,376	74.9%	20,850	14,670	42.1%
Available for distribution per Unit (cents)						
For Period ⁽³⁾	1.85c	1.48c	25.0%	2.99c	2.94c	1.7%
Annualised ⁽⁴⁾	NM ⁽⁵⁾	5.90c	NM	6.03c	5.90c	2.2%
Annualised Distribution Yield						
Based on Closing Price as at [25] July 2007 [(S\$1.20)]	NM	4.92%	NM	5.03%	4.92%	2.7%

NM – Not meaningful

Footnotes

- (1) *The forecast is based on management's projection for the period 1 January 2007 to 31 December 2007 shown in the Prospectus, pro-rated for the period from 1 April 2007 to 30 June 2007, and from 1 January 2007 to 30 June 2007. Allco REIT is required to disclose any variance between this forecast and the actual results for the quarter.*
- (2) *The actual Gross Revenue and the Net Property Income from Central Park (Perth) and AWPf have been translated at the average exchange rate for the quarter, whereas the forecast is based on a rate of S\$1.00:A\$0.81. The Trust has entered into an option to convert the forecast distributable income from these assets into SGD at the rate of S\$1.00:A\$0.81.*
- (3) *The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 697.3 million Units consisting of 4.0m Units held by Allco Origination Pte. Ltd. prior to the Initial Public Offering, 490.6m Units issued at the Initial Public Offering, 1.0m Units issued as payment of the property management fees for the period ended 31 December 2006, 3m Units issued and issuable as payment of the management and property management fees for the half year ended 30 June 2007, and 198.7m Units which were issued on 18 July 2007 pursuant to the renounceable underwritten rights issue.*
- (4) *Forecast distribution of 2.94 cents per Unit calculated for the period from 1 January 2007 to 30 June 2007 represents an annualised distribution yield of 5.90% (based on Initial Public Offering price of S\$1 per Unit) as stated on page 75 of the Prospectus.*
- (5) *Not meaningful as the distribution for the period included a non-recurring distribution from AWPf arising from its gain on sale of 222 Exhibition Street (Melbourne, Australia).*

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About Allco Commercial Real Estate Investment Trust (“Allco REIT”)

Allco REIT was listed on the main board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 30 March 2006. The Portfolio currently spans high quality assets in both Singapore and Australia. Allco REIT’s Singapore assets are a 100.0% interest in the China Square Central Property and a 100.0% interest in 55 Market Street Property. In Australia, Allco REIT owns a 50.0% interest in Central Park (Perth) and a 50.0% interest in the Centrelink Property (Canberra). Allco REIT also holds an investment in the Allco Wholesale Property Fund (“AWPF”). The interest in AWPF was valued at A\$46.6 million (S\$56.4 million) as at 31 December 2006. AWPF 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 Neeta Shopping Centre in Sydney.

Allco (Singapore) Limited’s (the “Manager”) investment policy for Allco REIT 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:

- (a) deliver regular, stable and growing distributions to Unitholders; and
- (b) achieve long term growth in the net asset value per Unit.

About the Manager

The Manager was incorporated on 15 March 2005 and is the manager of Allco REIT. Allco Finance Group Limited (“Allco”) is the ultimate holding company of the Manager.

About Allco

Allco is a fully integrated global financial services business, listed on the Australian Stock Exchange (ASX: AFG) and specialising in structured asset finance, specialised funds management and debt funding.

Allco commenced operations in Australia as a private structured finance business in 1979. The Group has evolved significantly from its origins as a leveraged lease packager and underwriter and is now a diversified finance group with a global network of operations.

Throughout its history, Allco has recognised that with change comes opportunity, and has positioned itself at the forefront of structured finance through product innovation.

Allco’s business has grown rapidly as access to capital has facilitated the origination of more transactions. 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. For more information please refer to www.allco.com.au

Allco's Asian operations

Hong Kong – established in 2005 to extend Allco's global operations into Asia, in particular, the Greater China region. Currently, a joint venture investment fund is established with CITIC Capital in Hong Kong to focus on Greater China investments.

Singapore – is responsible for the operation of Allco's finance and funds management activities in Singapore including property related acquisitions and the funds management activities of the Allco REIT (SGX:ALLC).

Malaysia – operations commenced in Malaysia in 2006 and its dedicated structured asset finance subsidiary, Allco (Malaysia) Sdn Bhd. was incorporated in January 2007. Allco has entered into a JV Agreement with CIMB Group to jointly structure, originate and create sophisticated asset based products and provide structured asset finance solutions.

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.