



**ALLCO COMMERCIAL REAL ESTATE INVESTMENT TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
for the period ended 31 December 2006**

These financial statements for the quarter from 1 October 2006 to 31 December 2006 and for the period 30 March 2006 to 31 December 2006 have not been audited but have been reviewed by our auditors.

Allco Commercial Real Estate Investment Trust ("Allco REIT" or the "Trust") was established under a Trust Deed dated 12 September 2005 entered into between Allco (Singapore) Limited (as manager of Allco REIT) (the "Manager") and British and Malayan Trustees Limited (as trustee of Allco REIT), as amended by a First Amending and Restating Deed dated 23 February 2006 and amended by a Second Amending and Restating Deed dated 20 March 2006.

The Manager's principal investment policy is for Allco REIT to invest primarily in real estate and real estate related assets in the office and retail sectors, in Singapore and other parts of Asia and Australia.

Upon listing on 30 March 2006, the property portfolio of Allco REIT consisted of 2 properties, the China Square Central Property located in the Singapore CBD and a 50% interest in a "premium" grade office tower building in Perth, Australia, Central Park (Perth). It also acquired an investment in Allco Wholesale Property Fund ("AWPF") which holds a 50% interest in the Ernst & Young Centre (Sydney, Australia), a 50% interest in the World Square Retail Complex and Public Car Park (Sydney, Australia), a 100% interest in 222 Exhibition Street (Melbourne, Australia) and a 100% interest in Neeta Shopping Centre (Sydney, Australia). AWPF is a registered managed investment scheme managed by Record Funds Management Limited, an indirect, wholly owned subsidiary of Allco Finance Group Limited.

On 22 November 2006, British and Malayan Trustees Limited as trustee of Allco REIT completed the acquisition of 100% of the property located at 55 Market Street Singapore 048941 at a purchase price of S\$72.5 million.

Unless otherwise stated, all capitalised terms used in this announcement shall have the same meaning as in the Prospectus dated 23 March 2006.

In relation to the initial public offering of the Units of Allco REIT 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.

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SUMMARY OF CONSOLIDATED ALLCO REIT RESULTS (ACTUAL VS FORECAST)

	4Q 2006	30 March 2006 to 31 December 2006		
	Actual S\$'000	Actual S\$'000	Forecast ⁽¹⁾ S\$'000	Increase/ (Decrease) %
Gross Revenue ⁽²⁾	11,798	34,891	33,432	4.4%
Net Property Income ⁽²⁾	9,686	28,757	28,749	-
Total Return after income tax and before distribution	105,612	106,061	8,797	1,106%
Available for distribution to Unitholders	7,552	22,687	21,585	5.1%
Available for distribution per Unit (cents)				
For Period⁽³⁾	1.52c	4.58c	4.35c	5.3%
Annualised⁽⁴⁾	6.05c	6.04c	5.77c	4.7%

Footnotes

- (1) *The forecast is based on management's forecast for the period 1 March 2006 to 31 December 2006 shown in the Prospectus pro-rated for 30 March to 31 December 2006. As a newly listed trust, Allco REIT is required to disclose any variance between this forecast and the actual results for the period.*
- (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 period, 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. After adjusting for the benefits provided by the foreign exchange hedge, the total net property income was S\$9,918,000 for the quarter ending 31 December 2006 and S\$29,434,000 for the period 30 March 2006 to 31 December 2006.*
- (3) *The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 495.3 million units consisting of 4m units held by Allco Origination Pte. Ltd. prior to the Initial Public Offer, 490.6m units issued at the Initial Public Offering together with an additional 0.7m Units issued in payment of the Property Manager's fee per the Prospectus.*
- (4) *Forecast distribution of 4.35 cents per Unit calculated for the period represents an annualised distribution yield of 5.77% as stated on page 75 of the Prospectus.*

Refer to Section 9 for details.

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1(a)(i) Consolidated Statement of Total Return (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Actual 1/10/06 To 31/12/06 S\$'000	Proforma ⁽¹⁾ 1/10/05 To 31/12/05 S\$'000	Increase/ Decrease %	Actual 12/9/05 To 31/12/06 S\$'000	Actual ⁽²⁾ 30/3/06 To 31/12/06 S\$'000	Proforma ⁽¹⁾ 30/3/05 To 31/12/05 S\$'000	Increase/ Decrease %
Gross Revenue⁽³⁾	11,798	8,116	45.4%	34,891	34,891	24,872	40.3%
Maintenance expenses	(264)	(2,382)	(88.9%)	(721)	(721)	(7,118)	(89.9%)
Property manager's fee	(333)	(243)	37.0%	(980)	(980)	(745)	31.5%
Property tax	(123)	(238)	(48.3%)	(318)	(318)	(920)	(65.4%)
Other property operating expenses ⁽⁴⁾	(1,392)	(183)	660.7%	(4,115)	(4,115)	(607)	577.6%
Property operating expenses	(2,112)	(3,046)	(30.7)%	(6,134)	(6,134)	(9,390)	(34.7)%
Net property income	9,686	5,070	91.0%	28,757	28,757	15,482	85.7%
Interest income	80	-	NM	292	292	-	NM
Other income ⁽⁵⁾	201	-	NM	223	223	-	NM
Trust expenses	(751)	(1,158)	(35.1%)	(2,657)	(2,657)	(2,554)	4.0%
Borrowing costs	(2,655)	(2,261)	17.4%	(7,499)	(7,499)	(6,826)	9.9%
Total return before revaluation of investment properties, investments and derivatives, income tax and distribution	6,561	1,651	297.4%	19,116	19,116	6,102	213.3%
Revaluation of investment properties ⁽⁶⁾	125,399	-	NM	116,109	116,109	(9,954)	(1,267%)
Change in fair value of financial derivatives ⁽⁷⁾	323	-	NM	1,879	1,879	-	NM
Change in fair value of investments ⁽⁸⁾	3,913	-	NM	973	973	-	NM
Total return before income tax and distribution	136,196	1,651	8,149%	138,077	138,077	(3,852)	3,685%
Income tax ⁽⁹⁾	(30,584)	(410)	7,360%	(32,016)	(32,016)	(1,238)	2,486%
Total return for the period after income tax, before distribution	105,612	1,241	8,410%	106,061	106,061	(5,090)	1,984%
Distribution	-	(3,095)	NM	(7,567)	(7,567)	(9,523)	(20.5%)
Total return for the period after income tax	105,612	(1,854)	5,797%	98,494	98,494	(14,613)	774.0%

NM – not meaningful

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Reconciliation of total return available for distribution to Unitholders:

	Actual 1/10/06 To 31/12/06 S\$'000	Proforma ⁽¹⁾ 1/10/05 To 31/12/05 S\$'000	Increase/ Decrease %	Actual 12/9/05 To 31/12/06 S\$'000	Actual ⁽²⁾ 30/3/06 To 31/12/06 S\$'000	Proforma ⁽¹⁾ 30/3/05 To 31/12/05 S\$'000	Increase/ Decrease %
Total return for the period after income tax, before distribution	105,612	1,241	8,410%	106,061	106,061	(5,090)	2,184%
Adjusted for:							
Property manager's fees paid in units	333	243	37.0%	980	980	745	31.5%
Trustee's fees	103	51	102.0%	265	265	150	77.1%
Amortisation of borrowing costs	959	632	51.7%	2,580	2,580	1,908	35.2%
Revaluation of investment properties	(125,399)	-	NM	(116,109)	(116,109)	9,954	(1,267%)
Other non-deductible expenses	-	-	NM	1,137	1,137	-	NM
Deferred Tax Expense	30,556	-	NM	30,556	30,556	-	NM
Change in fair value of financial derivatives and investments	(4,236)	-	NM	(2,852)	(2,852)	-	NM
Other adjustments	(376)	-	NM	69	69	-	NM
Available for distribution to Unitholders⁽¹⁰⁾	7,552	2,167	248.5%	22,687	22,687	7,667	195.9%
Comprises:							
- from operations	7,354	2,167	239.4%	22,291	22,291	7,667	190.7%
- from Unitholder contributions	198	-	NM	396	396	-	NM

NM – not meaningful

Footnotes

- (1) The comparative prior period financial results for the period up to 31 December 2005 are based on the unaudited pro forma consolidated statements of total return for the 12 months ended 30 June 2005 (pro-rated for the period 30 March 2005 to 30 June 2005) together with the 3 months ended 30 September 2005 and the final three months to 31 December 2005 extrapolated from the period three months ended 30 September 2005.
- (2) Allco REIT was established on 12 September 2005 but the acquisition of the properties was not completed until 30 March 2006. Hence the income recorded relates only to the 277 day period from 30 March 2006 to 31 December 2006. Allco REIT had no income from 12 September 2005 to 29 March 2006. The financial information for the period incorporates the financial statements of Allco REIT and its subsidiary companies (the "Group").
- (3) Gross revenue from the properties includes base rental income, car park income, service charges (payable by the tenants towards property expenses of the properties such as air-conditioning, utility charges and cleaning charges), public car park revenue, turnover rent, income support and distributions from AWPf.
- (4) Other property operating expenses include property expenses for the operation, management and marketing of Central Park (Perth) and 55 Market Street (Singapore). In relation to the China Square Central Property, all property expenses except for the Property Manager's fee are borne by Unicorn

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under the Master Lease agreement and are therefore not recognised by Allco REIT. As AWPF is accounted for as a financial instrument, Allco REIT does not recognise any property expenses in relation to AWPF.

- (5) *This represents unrealised foreign exchange gains.*
- (6) *This represents the increase in value of the properties since acquisition. The carrying value of all properties has been remeasured to reflect the independent valuations that took place on 31 December 2006 by licensed and experienced valuers using the capitalisation approach and discounted cash flow analysis.*

The Singapore properties were valued by Savills (Singapore) Pte Ltd, Central Park (Perth) was valued by CB Richard Ellis Pty Ltd.

- (7) *This represents the change in fair value of the derivative instruments transacted for purposes of managing currency fluctuations on future foreign currency denominated income and interest rate risk. The Trust entered into separate transactions to manage foreign currency and interest rate risk comprising a foreign currency option and an interest rate swap.*
- (8) *This represents the change in fair value of the Group's investment in AWPF to 31 December 2006.*
- (9) *This includes S\$30.6 million deferred tax expense in respect to the revaluation of the Central Park (Perth) property and the associated Australian capital gains tax payable if the property is sold.*
- (10) *Allco REIT's distribution policy is to distribute 100% of its taxable income and Tax-Exempt income for the Forecast Period 2006 and the Projection Year 2007, and thereafter to distribute at least 90% of its taxable income and Tax-Exempt Income. In addition, for the period ended 31 December 2006, there is a mismatch between accounting profit and the cashflows of Allco 1 and Allco 2. The difference between the cash available to be distributed and the accounting profit available for distribution shall be paid out of Unitholders' contributions as a return of capital.*

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1(b)(i) Balance Sheets, together with a comparative statement as at the end of the immediately preceding financial year

	Group Actual 31/12/06 S\$'000	Group⁽¹⁾ Proforma 30/9/05 S\$'000	Trust Actual 31/12/06 S\$'000	Trust⁽¹⁾ Pro forma 30/9/05 S\$'000
Non-current assets				
Investment properties ⁽²⁾	823,698	624,568	513,000	NA
Other receivables ⁽³⁾	10,000	10,000	10,000	NA
Other investments ⁽⁴⁾	56,427	59,399	294,404	NA
Total non-current assets	890,125	693,967	817,404	NA
Current assets				
Trade and other receivables	9,857	356	20,170	NA
Derivative assets ⁽⁵⁾	5,859	1,311	5,859	NA
Cash and cash equivalents	8,164	2,721	1,433	NA
Total current assets	23,880	4,388	27,462	NA
Total assets	914,005	698,355	844,866	NA
Current liabilities				
Trade and other payables	5,455	3,077	2,795	NA
Provision for taxation	1,460	-	891	NA
Total current liabilities	6,915	3,077	3,686	NA
Non-current liabilities				
Deferred Tax Liability ⁽⁶⁾	30,556	-	-	NA
Interest-bearing borrowings (net of transaction costs)	297,118	234,298	297,118	NA
Total non-current liabilities	327,674	234,298	297,118	NA
Total liabilities (excluding net assets attributable to Unitholders)	334,589	237,375	300,804	NA
Net assets attributable to Unitholders	579,416	460,980	544,062	NA

NA – Not applicable

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Footnotes

- (1) *There was no comparative balance sheet as at the preceding financial year end since Allco REIT was established on 12 September 2005 (date of Trust Deed). The first financial period is from 12 September 2005 to 31 December 2006. As such the pro-forma balance sheet as at 30 September 2005 which was disclosed in the Prospectus has been presented for information only. Since the comparative period for the Trust was not disclosed in the Prospectus, the balances for the prior period are not applicable.*
- (2) *Investment properties are stated at valuation as at 31 December based on independent professional valuations. Savills (Singapore) Pte Ltd was the Independent Valuer for China Square Central and 55 Market Street, and CB Richard Ellis Pty Ltd was the Independent Valuer for Central Park (Perth).*
- (3) *Other receivables relates to an amount receivable from Unicorn under the Master Lease agreement for future capital, advertising and promotion expenditure on the China Square Central property.*
- (4) *On 4 August 2006, Allco REIT effected an internal restructure relating to the financing of the Australian assets. Allco Investments (No.1) Pte. Ltd ("Allco 1") and Allco Investments (No.2) Pte. Ltd ("Allco 2") (the Singapore incorporated indirect subsidiaries of Allco REIT which hold the REIT's Australian assets) respectively refinanced the existing internal loans with the REIT as described at page 154 of the Prospectus by way of the issue of redeemable preference shares ("RPS") to British and Malayan Trustees Limited in its capacity as trustee of Allco REIT (the "Trustee").*
- Other investments of Allco REIT represent S\$58.1 million equity in Allco Sub 1 and S\$13.7 million equity in Allco Sub 2 and redeemable preference shares in the amount S\$179.9m in Allco 1 and S\$42.7m in Allco 2.*
- Other investments of the Group represent the investment in AWPf.*
- (5) *The derivative assets relate to the fair value of the interest rate swaps transacted to manage interest rate risk and the foreign currency options transacted to manage currency fluctuations on the foreign currency denominated income.*
- (6) *This is in respect to the revaluation of the Central Park (Perth) property and the associated Australian capital gains tax payable if the property is sold.*

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1(b)(ii) Aggregate amount of borrowings and debt securities

	Group Actual 31/12/06 S\$'000	Group Pro forma 30/9/05 S\$'000
Secured borrowings		
Amount repayable after one year	304,000	234,000
Unsecured borrowings		
Amount repayable in one year or less, or on demand	Nil	5,356
	304,000	239,356

Details of borrowings and collateral

A Loan Note Facility of \$304 million was arranged in two tranches of S\$234m and S\$70m by CBA Asia Limited based on a floating interest rate of the relevant Singapore three-month swap offer plus margin. As security for the secured borrowings granted by the lender, the Trustee of Allco REIT has granted in favor of the lender the following:

- (i) first registered mortgages over the China Square Central and 55 Market Street properties ;
- (ii) a security assignment over the Master Lease (including the Straits Trading Company Undertaking and the security deposit guarantee to be provided by Unicorn);
- (iii) a registered charge over a rental proceeds account into which rent in respect of the China Square Central and 55 Market Street properties will be paid; and
- (iv) a registered charge over Allco REIT's Singapore dollar and Australian dollar bank accounts into which proceeds from the Loan Note Facility will be paid.

Upon listing on 30 March 2006 the Group had in place a revolving credit facility of S\$12 million with Commonwealth Bank of Australia for general working capital and funding purposes. As at 30 September 2006, this facility had expired and there had been no amounts drawn down under the facility. The Group had assumed a draw down of S\$5.4 million as at the proforma balance sheet date under the revolving credit facility.

Allco REIT has purchased certain derivative instruments to fix the interest rate payable on the notional amount of S\$225 million of the S\$234 Loan Note Facility for a term of 2 years from 31 March 2006 until 31 March 2008. The interest rate on the balance of the Loan Note Facility is not fixed and bears interest at the three-month swap offer rate plus margin. Allco REIT has also purchased derivative instruments to fix the interest rate payable on the entire S\$70m tranche and these are for a term of 2 years from 22 November 2006 until 22 November 2008.

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1(c) Consolidated Cash Flow Statement ⁽¹⁾

	Actual 1/10/06 to 31/12/06 S\$'000	Actual 30/3/06 to 31/12/06 S\$'000
Operating activities:		
Total return for the period before income tax and distribution	136,196	138,077
Adjustments for:		
Property manager's fee paid/payable in Units	333	980
Interest income	(962)	(2,585)
Borrowing costs	3,538	9,792
Dividend income	(695)	(2,226)
Revaluation of investment properties	(125,399)	(116,109)
Change in fair value of financial derivatives	(323)	(1,879)
Change in fair value of investment	(3,913)	(973)
	8,775	25,077
Operating income before working capital changes		
Changes in working capital:		
Trade and other receivables	8,659	(13,293)
Trade and other payables	1,331	5,115
	18,765	16,899
Cash generated from operating activities		
Investing activities:		
Net cash outflow on purchase of investment properties ⁽²⁾	(83,773)	(702,054)
Capital expenditure on investment properties	(2,358)	(4,899)
Purchase of other Investments	-	(55,454)
Interest received	962	2,585
Dividend income	770	1,564
	(84,399)	(758,258)
Cash outflows from investing activities		
Financing activities:		
Proceeds from borrowings	70,000	304,000
Proceeds from issuance of new Units	-	490,605
Interest expense paid	(2,578)	(7,211)
Distribution Paid	(7,567)	(7,567)
Issue costs paid	-	(20,842)
Transaction costs on borrowings	(2,944)	(9,462)
	56,911	749,523
Cash flows from financing activities		
Net (decrease)/ increase in cash and cash equivalents	(8,723)	8,164
Cash and cash equivalents at beginning of period	16,887	-
Cash and cash equivalents at end of period	8,164	8,164

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Footnote

- (1) *There was no comparative cash flow statement as at 31 December 2005 because Allco REIT was formed on 12 September 2005 (date of Trust Deed) The first financial period is from 12 September 2005 to 31 December 2006.*
- (2) *Net Cash Outflow on Purchase of Investment Properties (including acquisition charges) is set out below:*

	Actual 1/10/06 to 31/12/06 S\$'000	Actual 30/3/06 to 31/12/06 S\$'000
Investment properties	72,500	672,007
Trade and other receivables	10,000	10,632
Cash and cash equivalent	-	516
Trade and other payables	-	(1,148)
	82,500	682,007
Cash consideration paid	82,500	682,007
Cash (acquired)	-	(516)
Acquisition costs paid	1,273	20,563
Net Cash Outflow	83,773	702,054

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1(d)(i) Statements of net assets attributable to Unitholders

	Group 1/10/06 to 31/12/06 S\$'000	Trust 1/10/06 to 31/12/06 S\$'000	Group 30/03/06 to 31/12/06 S\$'000	Trust 30/03/06 to 31/12/06 S\$'000
Balance as at beginning of period	468,423	478,619		
Operations				
Change in net assets attributable to unitholders from operations	105,612	56,507	98,494	65,040
Balance at end of period	105,612	56,507	98,494	65,040
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries	5,068	-	10,520	-
	5,068	-	10,520	-
Unitholders transactions				
Issue of units initial public offering	-	-	490,605	490,605
Management fees paid in Units ⁽¹⁾	313	313	639	639
Issue expenses	-	8,623	(20,842)	(12,222)
Net increase in assets resulting from unitholder's transactions	313	8,936	470,402	479,022
Balance as at end of period	579,416	544,062	579,416	544,062

1(d)(ii) Details of any changes in units

	Actual 1/10/06 to 31/12/06 Units	Actual 30/3/06 to 31/12/06 Units
Issued units at the beginning of the period:	494,963,405	494,605,000
Management fees paid in Units ⁽¹⁾	347,327	705,732
Balance as at end of period	495,310,732	495,310,732

Footnote

- (1) 347,327 Units were issued to the Property Manager in October 2006 as payment for property management fees for the quarter ended 30 September 2006. The price of units issued was determined based on the volume weighted average price ("VWAP") of the units for the ten business days preceding the date of issue pursuant to the property management agreement.
- (2) 300,076 units are to be issued to the property manager in the first quarter of 2007 as payment for property management fees for the quarter ended 31 December 2006.

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- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. The Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)**

These financial statements have not been audited but have been reviewed by our auditors, KPMG, in accordance with the Singapore Statements of Auditing Practice 11 "Review of Interim Financial Information".

- 3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).**

Please see attached review report.

- 4. Whether the same accounting principles and methods of computation as in the issuer's most recent audited financial statements have been applied**

Allco REIT has adopted the same accounting principles and methods of computation as disclosed in the Prospectus.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not Applicable.

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6. Consolidated Earnings per Unit (“EPU”) and available for distribution per Unit (“DPU”) for the financial period

	Actual 1/10/06 to 31/12/06 Units	Proforma 1/10/05 to 31/12/05 Units	Actual 30/3/06 to 31/12/06 Units	Proforma 30/3/05 to 31/12/05 Units
Weighted average number of units	495,306,959	495,605,000	494,869,196	495,605,000
Earnings per Unit – basic and diluted on the weighted average number of Units on issue				
-Basic	21.32c	0.25c	21.43c	(1.03c)
-Fully diluted	21.32c	0.25c	21.43c	(1.03c)
Available for distribution per Unit – basic and diluted based on the total number of Units on issue	1.52c	0.44c	4.58c	1.55c

7. Net asset value per Unit based on issued Units at the end of the period

	Group 31/12/06 S\$	Trust 31/12/06 S\$	Pro forma Group 30/9/05 S\$	Pro forma Trust 30/9/05 S\$
Net Asset Value per Unit	1.17	1.10	0.93	N/A

8. Review of the performance – Variance between actual and forecast results for the period from 1 October 2006 to 31 December 2006.

Please refer to section 9 on the review of actual performance against the forecast stated in the Prospectus pro-rated for the quarter ended 31 December 2006.

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9. Variance between the forecast or prospectus statement and the actual results

9 (i) Consolidated Income Statement (for the Group) Actual vs. Forecast

	Actual 1/10/06 to 31/12/06 S\$'000	Forecast ⁽¹⁾ 1/10/06 to 31/12/06 S\$'000	Increase/ Decrease %	Actual 30/3/06 to 31/12/06 S\$'000	Forecast ⁽¹⁾ 30/3/06 to 31/12/06 S\$'000	Increase/ Decrease %
Gross Revenue⁽²⁾	11,798	11,104	6.3%	34,891	33,432	4.4%
Maintenance expenses	(264)	(145)	82.1%	(721)	(435)	65.7%
Property manager's fee	(333)	(307)	8.5%	(980)	(925)	5.9%
Property tax	(123)	(102)	20.6%	(318)	(307)	3.6%
Other property operating expenses	(1,392)	(1,002)	38.9%	(4,115)	(3,016)	36.4%
Property operating expenses⁽²⁾	(2,112)	(1,556)	35.7%	(6,134)	(4,683)	31.0%
Net property income	9,686	9,548	1.4%	28,757	28,749	0.0%
Interest income	80	-	NM	292	-	NM
Other income	201	-	NM	223	-	NM
Trust expenses	(751)	(296)	153.7%	(2,657)	(890)	198.5%
Borrowing costs	(2,655)	(2,284)	16.2%	(7,499)	(6,878)	9.0%
Total return before revaluation of investment properties, income tax and distribution	6,561	6,968	(5.8%)	19,116	20,981	(8.9%)
Revaluation of investment properties	125,399	-	NM	116,109	(9,954)	(1,267%)
Change in fair value of financial derivatives	323	-	NM	1,879	-	NM
Change in fair value of investment	3,913	-	NM	973	-	NM
Total return before income tax and distribution	136,196	6,968	1,855%	138,077	11,027	1,152%
Income Tax	(30,584)	(741)	4,027%	(32,016)	(2,230)	1,336%
Total return for the period after income tax, before distribution	105,612	6,227	1,596%	106,061	8,797	1,106%
Adjusted for :						
Property manager's fees paid in units	333	307	8.4%	980	925	5.9%
Trustee's fees	103	-	NM	265	-	NM
Amortisation of borrowing costs	959	634	51.3%	2,580	1,908	35.2%
Revaluation of investment properties	(125,399)	-	NM	(116,109)	9,954	(1,267%)
Other non-deductible expenses	-	-	NM	1,137	-	NM
Deferred Tax Expense	30,556	-	NM	30,556	-	NM
Change in fair value of financial derivatives and investments	(4,236)	-	NM	(2,852)	-	NM
Other adjustments	(376)	-	NM	69	-	NM
Total available for distribution to Unitholders	7,552	7,169	5.3%	22,687	21,585	5.1%
Number of Units on Issue⁽³⁾	495,311	495,628	(0.1%)	495,311	495,628	(0.1%)
Available distribution per Unit (in cents)	1.52c	1.45c	5.3%	4.58c	4.35c	5.3%

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Footnotes

NM – Not meaningful

(1) *The forecast is based on management's forecast for the period 1 March 2006 to 31 December 2006 shown in the Prospectus pro-rated for the relevant period.*

(2) *The actual gross revenue and expenses from Central Park (Perth) and AWPf has been translated at the average exchange rate for the period, 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. After adjusting for the benefits provided by the foreign exchange hedge, the total net property income was S\$9,918,000 for the quarter ending 31 December 2006 and S\$29,434,000 for the period 30 March 2006 to 31 December 2006.

(3) *The total number of Units used for the computation of DPU is 495.3 million Units and includes new Units issued to the Property Manager in payment of the property management fee.*

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9 (ii) Breakdown of total gross revenue (by property)

	Actual 1/10/06 to 31/12/06 S\$'000	Forecast ⁽¹⁾ 1/10/06 to 31/12/06 S\$'000	Increase/ Decrease %	Actual 30/3/06 to 31/12/06 S\$'000	Forecast ⁽¹⁾ 30/3/06 to 31/12/06 S\$'000	Increase/ Decrease %
China Square Central	4,388	4,398	(0.2%)	13,257	13,240	0.1%
55 Market Street ⁽²⁾	-	-	NM	-	-	NM
Central Park (Perth) ^{(3) (4)}	6,714	5,849	14.8%	19,408	17,611	10.2%
AWPF (Distribution) ^{(3) (4)}	696	857	(18.8%)	2,226	2,581	(13.8%)
Total gross revenue	11,798	11,104	6.3%	34,891	33,432	4.4%

Footnotes:

- (1) The forecast is based on management's forecast for the period 1 March 2006 to 31 December 2006 shown in the Prospectus, pro-rated for the relevant period.
- (2) 55 Market Street is vacant at balance date as the property was acquired with vacant possession on 22 November 2006. No forecast for this property was included in the Prospectus.
- (3) The actual revenue from Central Park (Perth) and AWPF has been translated at the average exchange rate for the period. The Trust has entered into an option to convert the distributable income from these assets into SGD at the rate of S\$1.00:A\$0.81.
- (4) The forecast revenue for Central Park (Perth) and AWPF is calculated at the rate of S\$1.00:A\$0.81.

9 (iii) Breakdown of net property income (by property)

	Actual 1/10/06 to 31/12/06 S\$'000	Forecast ⁽¹⁾ 1/10/06 to 31/12/06 S\$'000	Increase/ Decrease %	Actual 31/3/06 to 31/12/06 S\$'000	Forecast ⁽¹⁾ 30/3/06 to 31/12/06 S\$'000	Increase/ Decrease %
China Square Central	4,254	4,265	(0.3%)	12,858	12,842	0.1%
55 Market Street	(59)	-	NM	(59)	-	NM
Central Park (Perth) ^{(2) (3)}	4,783	4,426	8.1%	13,732	13,326	3.1%
AWPF (Distribution) ^{(2) (3)}	708	857	(17.4%)	2,226	2,581	(13.8%)
Total net property income	9,686	9,548	1.4%	28,757	28,749	0.0%

Footnotes

- (1) The forecast is based on management's forecast for the period 1 March 2006 to 31 December 2006 shown in the Prospectus, pro-rated for the relevant period.
- (2) The actual net property income from Central Park (Perth) and AWPF has been translated at the average exchange rate. The trust has entered into an option to convert the distributable income from these assets into SGD at the rate of S\$1.00:A\$0.81. After adjusting for the benefits provided by the foreign exchange hedge, the total net property income was S\$9,918,000 for the quarter ending 31 December 2006 and S\$29,434,000 for the period 30 March 2006 to 31 December 2006.

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- (3) *The forecast revenue for Central Park (Perth) and AWPF is calculated at the forecast rate of S\$1.00:A\$0.81.*

Review of the Performance – Actual vs. Forecast 1 October 2006 to 31 December 2006

Gross revenue for the period was S\$694,000 which is 6.3% above forecast. This is mainly due to higher than forecast rental increments achieved from a number of leases at Central Park (Perth) together with higher outgoings recovery income for electricity and cleaning services supplied directly to tenants. Property expenses were S\$556,000 above forecast which relates mostly to expenditure such as electricity and cleaning services supplied to tenants at Central Park (Perth). These costs are directly recoverable from the tenants.

Trust expenses were higher than forecast mainly due to S\$431,000 of non recoverable GST costs being incurred by Allco Investments No. 1 Pte. Ltd and Allco Investments No. 2 Pte. Ltd as a result of the allocation of a portion of IPO issue costs to the Trust's subsidiaries. This additional expense, which was not included in the forecast has been substantially offset by a reduction in the amount of Australian income tax payable for the quarter.

Income tax expense is S\$29.8m above forecast due to a S\$30.6m deferred tax expense being recognised for the estimated future Australian capital gains tax payable as a result of the revaluation of the Central Park (Perth) property at 31 December 2006. Upon a future sale of this property, Australian capital gains tax of 30% of the taxable capital gain is payable. The forecast included no revaluation increases for the Trust's property portfolio and no associated deferred tax expense. After adjusting for the impact of deferred tax, the income tax expense for the quarter is S\$713,000 below forecast, due to higher than forecast deductions to taxable income.

The total amount available for distribution to Unitholders for the quarter ended 31 December 2006 is S\$7,552,000 which is up by 5.3% compared to the pro-rated forecast of S\$7,169,000.

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10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the Group in the next 12 months.

Singapore

Advance estimates from the Singapore Ministry of Trade and Industry ("MTI") show "that Singapore's real gross domestic product ("GDP") rose by 5.9 per cent in the fourth quarter compared to the same period in 2005. On a quarter-on-quarter seasonally adjusted annualised basis, real GDP grew by 7.6 per cent, compared with a 5.6 per cent expansion in the preceding quarter."

The Urban Redevelopment Authority of Singapore ("URA") notes that prices of office space rose 7.7% in the 4th quarter of 2006, more than double the 3.5% rise of the previous quarter. The URA also noted that across Singapore, office rentals rose 11.6% in the 4th quarter compared with a rise of 2.3%, 6.6% and 7.0% respectively for quarters 1, 2 and 3 of 2006. For the year 2006 as a whole, prices of office space increased by 17.0% and rentals rose 30.3% according to URA figures.

Preliminary figures from Jones Lang La Salle ("JLL") highlight that Raffles Place office rentals have had eleven consecutive quarters of uplift. JLL notes that in the second quarter of 2006 ("2Q 2006"), average monthly gross rents for Raffles Place increased to S\$7.05 psf and in the third quarter of 2006 ("3Q 2006") further increased to S\$7.80 psf whilst the fourth quarter of 2006 ("4Q2006") saw an average monthly gross rental of \$9.60. This represents a quarter on quarter increase of 23.1% for 4Q2006. These figures represent a 56.1% increase since the fourth quarter of 2005 for Raffles Place office rentals according to JLL figures.

Both the China Square Central Property and 55 Market Street are located in or close to the popular Raffles Place precinct ("Raffles Place"). The ongoing tightening of supply of office space and strong demand has placed landlords in a better negotiating position to maximise average rental rates of their properties.

Australia

According to the Australian Bureau of Statistics, following the fall in Gross Domestic Product (in seasonally adjusted volume terms) in the December quarter 2000, there have been 23 consecutive quarters of growth, averaging around 0.8% per quarter in Australia. The Australian Bureau of Statistics confirms that 4Q 2006 Gross Domestic Product figures for Australia will be released on 7th March 2007 and these are expected to show a similar trend.

Preliminary JLL reports show that tenant demand remains healthy and net office absorption remains positive in nearly all office markets nationally in 4Q 2006. Upward pressure on office rents continues in nearly all markets with particularly rapid growth in Perth where space pressure is most significant.

Both the Sydney and Melbourne markets have seen office vacancy rates continue to drop and average prime gross effective rents rise during 4Q 2006. The Perth CBD office market vacancy continues to drop with an all time low of less than 1.0% in 4Q 2006 compared to the vacancy level of 6.1% in the corresponding quarter of 2005 according to JLL research. The sharp drop in vacancy levels in Perth over the past year has led to a combination of a lowering of incentives for tenants and continued rental growth. In 4Q 2006 the Perth CBD office market had a 5.5% increase in average prime gross effective rents which has resulted in an annual growth rate of 35.7%.

The pressure of ongoing strong tenant demand and a lack of suitable space to meet these needs, translate into ongoing improved rental and property value growth for landlords in the Perth market and underpin the investment fundamentals of Central Park (Perth).

Outlook for the financial year ending 31 December 2007

Barring any unforeseen circumstances, the Manager is confident that Allco REIT will deliver the forecast distribution of 5.90 cents as stated in the Prospectus for the year ending 31 December 2007.

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11. Distributions

11(a) Current financial period

Name of distribution Final distribution in respect of the period from 30 March 2006 to 31 December 2006

11(b)(i) Distribution rate 3.05 cents per unit.

Distribution type (cents)	Distribution from 30/03/06 to 31/12/06 (cents)	Interim distribution paid (cents)	Final distribution (cents)
Taxable income component	2.59	1.08	1.51
Tax exempt income component	1.91	0.45	1.46
Capital	0.08	-	0.08
Total	4.58	1.53	3.05

11(b)(ii) Corresponding period of the preceding financial period

No distributions were declared for the corresponding period of the immediately preceding financial period.

11(c) Tax Rate

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

Other investors will receive their distributions after deduction of tax at the rate of 20%.

Taxable Income Distribution

Tax-exempt income distribution is exempt from tax in the hands of all unit holders.

Capital Distribution

Capital distribution represents a return of capital to unitholders for tax purposes and is therefore not subject to income tax. For unitholders who are liable to pay tax on profits from the sale of Allco REIT units, the amount of capital distribution will be applied to reduce the cost base of their Allco REIT units for tax purposes.

11(d) Date payable: 28 February 2007.

11(e) Books closure date: 16 February 2007

12. If no distribution has been declared/recommended, a statement to that effect
Not Applicable.

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13. Segmented revenue and results.

	Singapore		Australia		TOTAL
	China Square Central	55 Market Street	AWPF	Central Park	
	Actual period from 30/3/06 to 31/12/06 S\$'000	Actual period from 30/3/06 to 31/12/06 S\$'000	Actual period from 30/3/06 to 31/12/06 S\$'000	Actual period from 30/3/06 to 31/12/06 S\$'000	Actual period from 30/3/06 to 31/12/06 S\$'000
Property income and expenses					
Gross Revenue	13,257	-	2,226	19,408	34,891
Property operating expenses	(399)	(59)	-	(5,676)	(6,134)
Segment net property income	12,858	(59)	2,226	13,732	28,757
Interest income					292
Other income					223
Non property expenses					(2,657)
Borrowing costs					(7,499)
Net appreciation of investment properties	37,017	17,162		61,930	116,109
Fair value adjustments on derivatives					1,879
Change in fair value of financial instruments	-	-	973	-	973
Income tax					(32,016)
Total return for the period					106,061
Assets and liabilities					
Segment assets	432,000	91,000	56,427	310,698	890,125
Unallocated assets					23,880
Total assets	432,000	91,000	56,427	310,698	914,005
Segment liabilities	-	(618)	-	(1,385)	(2,003)
Unallocated liabilities					(332,586)
Total liabilities (excluding net assets attributable to unitholders)					(334,589)
Other segmental information					
Capital expenditure	-	53	-	4,499	4,552

Allco REIT was established on 12 September 2005 but the acquisition of the properties was not completed until 30 March 2006 hence there are no prior period figures for comparison split by segments.

Segment information in respect of the Group's business segments is not presented as the Group's activities for the period ended 31 December 2006 wholly relate to investing in real estate and real estate related assets in the office and retail sectors in Singapore and Australia.

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14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to section 9.

15. **Breakdown of Sales**

	Actual 30/3/06 to 31/12/06 S\$'000	Proforma⁽¹⁾ 30/3/05 to 31/12/05 S\$'000	Increase / Decrease %
Gross revenue (first half)	11,743	8,640	35.9%
Gross revenue (second half)	23,148	16,232	42.6%
Total Gross Revenue	34,891	24,872	40.3%
Net income after tax (first half)	(82)	(7,572)	98.9%
Net income after tax (second half)	106,143	2,482	4,176%
Total Net Income After Tax	106,061	(5,090)	2,184%

- (1) The comparative prior period financial results for the period up to 31 December 2005 are based on the unaudited pro forma consolidated statements of total return for the 12 months ended 30 June 2005 (pro-rated for the period 30 March 2005 to 30 June 2005) together with the 3 months ended 30 September 2005 and the final three months to 31 December 2005 extrapolated from the period three months ended 30 September 2005.

16. **Breakdown of Total Distributions**

	Actual 30/3/06 to 31/12/06
Interim full year distribution	7,567
Full year distribution	15,120
Total distribution	22,687

Allco REIT was established on 12 September 2005 but the acquisition of the properties and the SGX listing were not completed until 30 March 2006. No actual prior year distributions exist.

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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 other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on the current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By Order of the Board
Allco (Singapore) Limited
(Company registration no. 200503404G)
As Manager of Allco Commercial Real Estate Investment Trust

Lee Seow Ling
Company Secretary
9 February 2007