

領匯 The Link

The Link Real Estate Investment Trust
Stock Code : 823

Annual Report
Year Ended 31 March

2010



CORPORATE PROFILE

The Link Real Estate Investment Trust (“The Link REIT”) is Hong Kong’s first and largest REIT, with a portfolio of 180 properties comprising 149 integrated retail and car park facilities, two standalone retail facilities and 29 standalone car park facilities. As at 31 March 2010, the portfolio had internal floor area (“IFA”) of approximately 11 million square feet (“sq ft”) of retail space and approximately 80,000 car park spaces. Around 8%, 32% and 60% of the total IFA is located on Hong Kong Island, Kowloon, and the New Territories, respectively.

The portfolio’s retail facilities, located on the doorstep of approximately 40% of Hong Kong’s population, primarily serve customers’ daily needs. The car parks mainly serve tenants and customers of the retail facilities and residents of the surrounding neighbourhoods.

The current investment strategy of The Link REIT’s manager, The Link Management Limited (the “Manager”), is to invest in sustainable income producing properties in Hong Kong that are mainly for retail and car park use and to maximise their value through asset enhancement works encompassing physical structure, trade-mix, customer service and promotional activities. As these enhancement projects progress, the portfolio offer customers a better shopping experience with more choices at reasonable prices, whilst improving returns for unitholders of The Link REIT (“Unitholders”). The Manager is licensed by the Securities and Futures Commission (the “SFC”) to conduct the regulated activity of asset management and is responsible for managing The Link REIT’s portfolio of 180 properties.

From its listing on The Stock Exchange of Hong Kong Limited on 25 November 2005, The Link REIT has been paying out 100% of distributable income and demonstrated a track record of consistent growth in distribution per unit (“DPU”).

CONTENTS

1. Operating and Financial Highlights	2
2. Chairman's Statement	3
3. CEO's Report	8
4. Management Discussion and Analysis	14
5. Engagement With Stakeholders	40
6. Our Governance	
Board of Directors of the Manager	48
Management Team	51
Corporate Governance Report	55
Long Term Incentive Plan	70
Holdings of Substantial Unitholders, Connected Persons, Directors and Management Staff	76
Connected Party Transactions	78
Progress Report on the Title Transfer of the Properties	84
7. Trustee's Report	88
8. Consolidated Financial Statements	
Independent Auditor's Report	89
Consolidated Income Statement	91
Consolidated Statement of Comprehensive Income	92
Consolidated Statement of Distributions	93
Consolidated Statement of Financial Position	94
Consolidated Statement of Changes in Equity and Net Assets Attributable to Unitholders	95
Consolidated Statement of Cash Flows	96
Notes to the Consolidated Financial Statements	97
9. Valuation Report	134
10. Glossary	186
11. Five Years Performance Summary	188
12. Financial Calendar and Corporate Information	191

OPERATING AND FINANCIAL HIGHLIGHTS

HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010



EARNINGS GROWTH

- Revenue HK\$4,990 million ↑ 10.8%
- Net property income HK\$3,328 million ↑ 18.6%
- Profit before tax and valuation adjustments HK\$2,631 million ↑ 19.8%
- Distribution to Unitholders HK\$2,134 million ↑ 17.3%
- Distribution per unit HK97.37 cents ↑ 15.9%
- Distribution payout ratio 100%



PORTFOLIO PERFORMANCE

- Average monthly unit rent HK\$30.6 psf ↑ 7.7%
- Composite reversion rate 20.5%
- Occupancy rate ↑ to 90.6%
- Completed asset enhancement works on 6 additional properties
- Net property income margin ↑ to 66.7%
- Car park income per space per month HK\$1,054 ↑ 2.4%



FINANCIAL POSITION

- Net asset value per unit HK\$17.46 ↑ 29.6%
- Valuation ↑ 24.3%
- Gearing ratio ↓ to 18.4%
- Average debt duration ↑ to 3.9 years
- Credit ratings — maintained A ratings
- Financial covenants remained strong

CHAIRMAN'S STATEMENT

I am pleased that The Link REIT has achieved strong operating results for this financial year.

PERFORMANCE

The economic climate in Hong Kong during the financial year has been challenging. Nonetheless, with the responsible stewardship by the Manager of The Link REIT's assets, this has been a year of strong growth. Revenue rose by 10.8% to HK\$4,990 million and net property income grew by 18.6% to HK\$3,328 million. The Board has recommended a final distribution per unit of HK49.02 cents, which together with the interim distribution per unit of HK48.35 cents, gives a total distribution per unit for the year of HK97.37 cents, up 15.9% over last year.

The drivers of the strong performance of the business are described in the CEO's report and other sections of the annual report. In the Chairman's statement, I wish to focus on what we do to best serve the needs of all our stakeholders.

CORPORATE RESPONSIBILITY

The Link REIT's retail and car park assets are situated within public housing estates and sit at the doorstep of about 40% of Hong Kong's population. The focus of the Manager has been to improve facilities and services of The Link REIT's properties. I believe that successful pursuit of such a strategy serves the interests of the whole community; including retailers, shoppers, staff, investors and lenders. Better retail facilities leads to greater choice and convenience for shoppers, higher retail spending, and stronger performance by retailers. When retailers do well, they can afford to pay higher rent, which benefits Unitholders.

The Link REIT's business and operations draw much public scrutiny. The Board and management welcome such scrutiny and constructive feedback as we strive to run a transparent business. I

believe that The Link REIT upholds its corporate responsibility best by running a successful business which delivers sustainable income growth. Investment in our properties under our asset enhancement programme has generated good returns plus created several thousand construction related jobs to date. Going forward, The Link REIT will continue to invest substantial sums in asset enhancement initiatives, thereby creating more jobs and contributing to the well being of the communities we serve. In upgrading the properties, the Manager is cognisant of engaging with the local communities and incorporating local elements. While we upgrade our properties and improve their tenant mix, we will also strive to improve the quality of our property management. Residents living in neighbourhoods served by our properties will enjoy more choice, greater convenience, and a better shopping experience.

In striving to run a business that engages with the community, The Link REIT continues to support a range of charitable causes, cultural and artistic activities, and environmental initiatives to enhance a harmonious community relationship. We want to better leverage our properties to promote positive causes and activities at the neighbourhood level. Details of our active and comprehensive Corporate Responsibility programme can be found in the "Corporate Responsibility Report 2010" booklet.



Visit to a family in Tseung Kwan O

CHAIRMAN'S STATEMENT

DIRECTORS AND STAFF

On behalf of the Board, I would like to offer sincere thanks to our management and staff, whose professionalism and dedication are critical to our success.

On 26 August 2009, the five year Co-operation Agreement between CapitaLand Limited ("CapitaLand") and the Manager, under which CapitaLand provided consultancy and management advisory services on funds, portfolio, asset and property management to the Manager, expired. CapitaLand and the Manager amicably decided not to extend the strategic partnership, but continue to look forward to future collaboration. The Board would like to express its gratitude to CapitaLand and its supporting management team for their valuable contribution to the Manager, the Board and the relevant sub-committees.

With effect from 18 June 2009, Mr John HO Chi On resigned as a Non-Executive Director, a member of the Finance and Investment Committee and a member of the Human Resources and Compensation Committee of the Manager due to his business and other commitments. Mr KEE Teck Koon, a director nominated by CapitaLand, resigned as Non-Executive Director of the Manager, a member of the Finance and Investment Committee and a member of the Human Resources and Compensation Committee of the Manager with effect from 1 August 2009 due to his retirement from CapitaLand. Mr LIM Beng Chee, a director nominated by CapitaLand, resigned as a Non-Executive Director of the Manager with effect from 27 August 2009 due to the expiry of the Co-operation Agreement with CapitaLand. The Board would like to take this opportunity to express its deepest appreciation to Mr Ho, Mr Kee, and Mr Lim for their valuable contributions to the Manager and The Link REIT during their tenure of office.

The Board would also like to extend its warmest welcome to its new members: Mr David Charles WATT and Mr William CHAN Chak Cheung. Mr

Watt was appointed as an Independent Non-Executive Director of the Manager with effect from 14 August 2009 and a member of the Finance and Investment Committee and Remuneration Committee with effect from 5 November 2009. Mr Chan was appointed as an Independent Non-Executive Director and a member of the Audit Committee of the Manager with effect from 1 October 2009 and subsequently as Chairman of the Audit Committee with effect from 12 January 2010. Mr Chan was also appointed as a member of the Remuneration Committee with effect from 5 November 2009. The Board thanks Dr Patrick Fung who stepped down from the Audit Committee where he was Chairman and became Chairman of the Remuneration Committee.

On 11 March 2010, the Board announced the Chief Executive Officer succession arrangements. It is with disappointment that the Board bids farewell to Mr Ian David Murray ROBINS, who stepped down as CEO on 17 May 2010 and will leave the Manager on 30 June 2010. With effect from 17 May 2010, Mr Robins also ceased to be an Executive Director, a member of the Finance and Investment Committee, a member of the Nomination Committee and a member of the Human Resources and Compensation Committee of the Manager. Mr Robins indicated his intention not to seek an extension to his three year contract, which expires in November 2010. Mr Robins has



Greeting happy shoppers

CHAIRMAN'S STATEMENT

brought tremendous passion to the business and done a great job in driving change within our platform and delivering outstanding risk adjusted returns to Unitholders. The Board wishes Mr Robins well in his future endeavours and welcomes Mr George Kwok Lung HONGCHOY who became CEO on 17 May 2010. Mr Hongchoy was also appointed as a member of the Nomination Committee and the Human Resources and Compensation Committee with effect from 17 May 2010. The Board looks forward to Mr Hongchoy building on the legacy Mr Robins has developed to date.

On 7 May 2010, the Board announced the Chief Financial Officer succession arrangements. Mr Andy CHEUNG Lee Ming will be appointed as the CFO and a member of the Finance and Investment Committee of the Manager with effect from 28 June 2010. Mr Cheung will also be appointed as Executive Director upon satisfying the requirements of the Securities and Futures Commission.

OUTLOOK

Hong Kong's economy is poised to grow at between 4% to 5% in 2010 according to government estimates, reversing the contraction of 2.8% in 2009. Historically, retail spending picks up as the economy improves, thus brighter economic prospects in Hong Kong bode well for retail landlords. Still, there is much global uncertainty as governments and central banks grapple with withdrawing stimulus measures introduced in late 2008 and the developing financial crisis in Europe.

As retailers within The Link REIT's property portfolio cater largely to non-discretionary spending, the Manager is confident that business for our tenants will continue to show resilience. We are delighted by the results achieved for this financial year and will work towards continuous growth in earnings and distributable income in the upcoming financial year.

In about five months' time, The Link REIT will mark its fifth anniversary as a public listed entity. Over these years, the Manager has worked hard to strengthen the platform for the business. I am pleased with the results achieved to date in transforming our business but there remains much work to be done as we build a long term, sustainable business. We will strive to improve in areas such as retailer relations, corporate reputation, staff development and governance.

To date, The Link REIT has achieved an enviable track record of profit growth and maintained a conservative financial position. Strong systems and processes have been put in place by the Manager, and experienced people have joined us. A sound foundation has been laid for Mr Hongchoy and the management team to continue to deliver strong risk adjusted returns to Unitholders. I have every confidence that our team can continue to create value for our Unitholders, shoppers and tenants and to benefit the communities of Hong Kong.

Nicholas Robert SALLNOW-SMITH

Chairman

The Link Management Limited

as Manager of The Link Real Estate Investment Trust

2 June 2010



Official opening ceremony of UNY at Lok Fu Plaza

WHAT TO FOCUS ON WHEN INVESTING IN A REIT



A REIT Differs from a Property Company because:

- Invests predominately in stabilised income producing real estate
- Restrictions apply to property development
- Trustee to safeguard interest of Unitholders
- Minimum distribution payout of 90% (The Link REIT has been paying 100% distributions)
- Maximum debt:total assets ratio of 45% (The Link REIT's gearing at 18.4%)

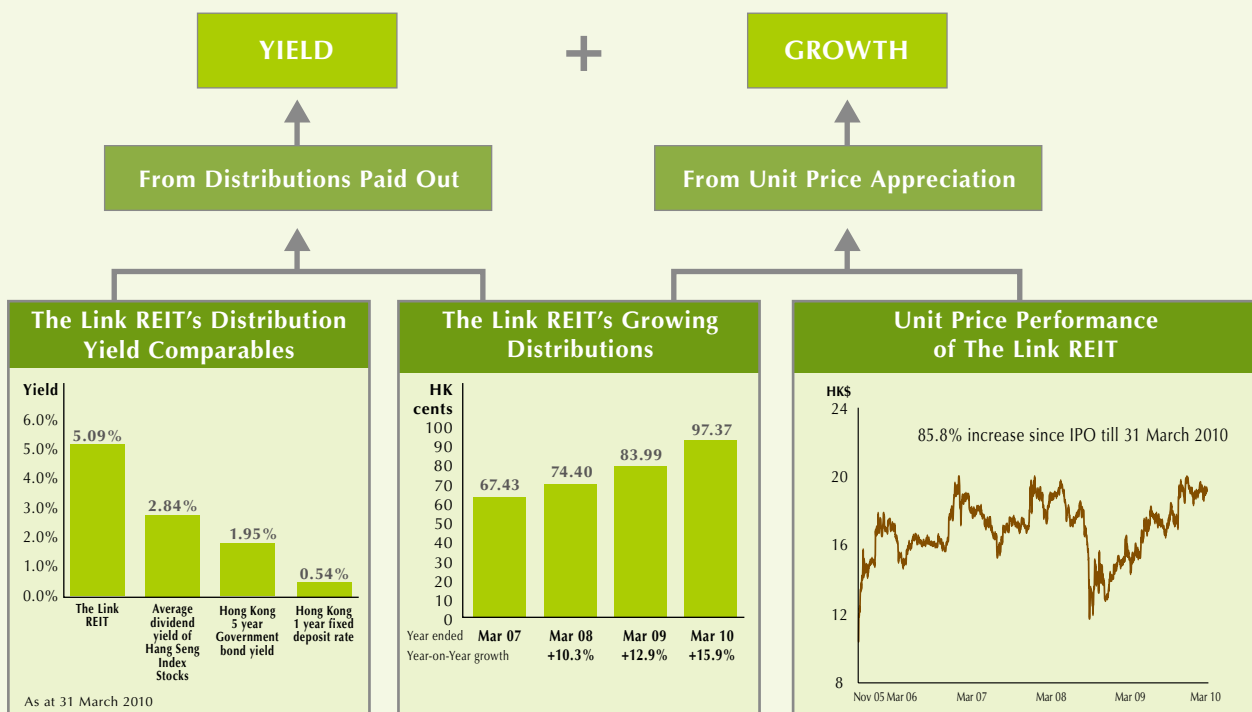
Owning a Unit in The Link REIT Means:

- Owning a share in a 11 million square feet Hong Kong retail and car park asset portfolio
- Being served by professional management
- Enjoying steady twice yearly distributions
- Sharing potential capital movement of underlying properties
- Financial liquidity through The Stock Exchange of Hong Kong Limited

The Link REIT is a Comparatively Low Risk Investment because:

- Diversified tenant base with no single tenant accounting for more than 10% of monthly rent
- Retail properties focus on serving non-discretionary daily needs
- Car park properties draw bulk of income from monthly users
- Well located retail properties serving large catchment areas
- Lease expiries are well spread out
- Relatively low debt to total assets ratio
- Actively managed financial position
- High level of transparency and disclosure with an independent trustee
- Strong management team
- Board of Directors comprises of a majority of independent non-executive directors
- Internally managed REIT, in other words, manager is owned by the Unitholders, ensuring alignment of interest

The Link REIT is focused on delivering:



Disclaimer:

The information on this section ("Section") does not constitute an offer or an invitation to invest in The Link REIT nor shall it form a basis of or be relied upon in connection with any contract, commitment or investment decision whatsoever. This Section is provided for information purposes only and is not intended to provide a complete or comprehensive analysis of The Link REIT's financial or trading position or prospects and shall not be relied upon as a promise or forecast.

CEO'S REPORT

The Link REIT has performed well in this financial year. Driven by revenue growth and a slight decline in costs, distributable income rose by 17.3%, and distribution per unit grew at its fastest pace. From its initial public offering in November 2005 to end March 2010, The Link REIT has delivered to investors a compound average annualised total return of 19.8%, being a combination of capital appreciation and distributions.

REVENUE AND COSTS

Total revenue for the year ended 31 March 2010 was HK\$4,990 million (2009: HK\$4,503 million). The largest revenue contributor is retail properties, which achieved revenue of HK\$3,699 million (2009: HK\$3,260 million) in this financial year, accounting for 74.1% of total revenue. Revenue growth for retail properties was driven by composite reversion rate of 20.5%, higher occupancy rate and contribution from newly completed asset enhancement initiatives. Within the retail properties, revenue from shops rose by 15.1% to HK\$2,911 million (2009: HK\$2,530 million) while that from fresh markets and cooked food stalls rose by 7.7% to HK\$572 million (2009: HK\$531 million). Revenue from car park assets, which accounts for 20.1% of total revenue, rose slightly by 2.3% to HK\$1,005 million (2009: HK\$982 million) in this financial year.

Total property operating expenses for the year ended 31 March 2010 fell by 2.1% to HK\$1,662 million (2009: HK\$1,698 million). I am pleased with the savings achieved in utilities expenses where, among other initiatives, we upgraded to more energy efficient air-conditioning chiller systems at various properties. These upgrade programmes will continue to generate both environmental benefits and cost efficiencies.

With the increase in revenue and decline in costs, net property income for the year was up 18.6% to HK\$3,328 million (2009: HK\$2,805 million).

FINANCIAL POSITION

Amidst higher income achieved and compression in income capitalisation and discount rates, the value of investment properties, which is the largest component of The Link REIT's assets, as determined by the independent valuer rose by 24.3% to HK\$53,781 million as at 31 March 2010 (2009: HK\$43,255 million). Largely driven by the increase in value of investment properties, net asset value per unit rose to HK\$17.46 as at 31 March 2010 (2009: HK\$13.47), a 29.6% increase.

Total borrowings as at 31 March 2010 were HK\$10.91 billion, resulting in gearing as measured by debt:total assets of 18.4% (2009: 23.7%). The Link REIT maintains a strong financial position which provides significant financial flexibility to fund upcoming capital expenditure and cope with unexpected volatility in the credit markets.



CEO George Hongchoy greets Tai Yuen Market tenants

CEO'S REPORT

BUSINESS INITIATIVES

During this financial year, the Manager has continued to upgrade resourcing, real estate IT systems, risk management and governance of the business. A major milestone was achieved in November 2009 when The Link REIT assumed responsibility for the direct management of its own retail properties. As a result of this initiative, we welcomed 232 new staff members. I am pleased with progress to date of changes to the way we manage our properties. All staff who interact with our tenants are staff of the Manager and this is expected to drive better accountability, service quality and knowledge of our retailers over time.

Elsewhere in the business, we commenced a rebranding exercise for our leading shopping centres which are now being branded and marketed under the Plaza series. We made good progress with our asset enhancement programme, where we undertook substantial refurbishment and upgrading of our retail properties. During this financial year, asset enhancement works were completed on six centres namely Kwai Fong, Wong Tai Sin, Wo Che, Cheung Fat, Butterfly and Hing Wah. In the upcoming financial year, asset enhancement works is scheduled to be completed for five properties including our largest property viz Lok Fu Plaza. We expect that the upgraded Lok Fu Plaza, with UNY, a new retailer to our portfolio, as its anchor tenant, will provide an exciting shopping experience to residents of Kowloon and beyond.

Besides investing in asset enhancement initiatives, the Manager has improved its operations and maintenance across the portfolio.

STRENGTHENING THE PLATFORM

Over the last six months, the Manager has strengthened risk management and corporate governance framework, upgraded the depth of the management team, and built a stronger corporate culture. The Manager has recently appointed a head of risk management, set up a comprehensive risk management programme and introduced both escalation and whistle blowing policies. We will continue to review and update various policies and procedures. We are now developing training programmes to ensure that staff receive the requisite training they need to follow these procedures and embrace a culture of enhanced compliance and transparency.



Visit to Senior Citizen Home Safety Association at Chuk Yuen Shopping Centre

CEO'S REPORT

Attraction, retention and development of human capital are key to the longer term success of our business. The Manager has continued to ensure that it is adequately resourced and staff are provided ample career development opportunities. Such efforts will be intensified and a new staff training academy will be launched shortly.

While we invest to build up the capabilities of existing staff, we have augmented the management team with quality external hires. Since the start of this calendar year, senior hires made by the Manager include Mr POON Kai Tik as Director of Corporate Communications and Strategy, Mr Tony LAM as Director of Human Resources and Mr Edward TSE as Director of Project and Development.

I also look forward to welcoming on board Mr Andy CHEUNG, who will join us as Chief Financial Officer, with effect from 28 June 2010. I believe that the appointment of Mr Cheung, who has over 18 years of experience in the areas of business development, finance and audit will further strengthen our management bench.

We are a young business that is in the process of dynamic and rapid growth. With the right alignment of interests and adequate training, we can build a strong culture among the talented and motivated people we have in our team.

CONTRIBUTING TO THE COMMUNITY

The Link REIT's business is unique. Our portfolio serves large segments of the Hong Kong population. Our retail properties are focal points of activities in public housing estates across Hong Kong. By providing quality shopping experience at our centres, we improve the daily lives of residents in the neighbourhood. We will step up engagement with local communities and enable The Link REIT to be a valuable partner in the various communities which our properties serve.

The Manager has dealt with a range of public interest issues including rental increases, potential job redundancies in property management, retention of quality independent retailers, leasing practices (particularly pertaining to the medical profession), lapsed waivers for monthly car park leasing, compliance with fire safety ordinance and compliance with Estate Agents Ordinance.

We recognise the need of improving leasing practices and enhancing relationships with retailers. In the last financial year, we set up a team of divisional relationship managers to improve communication at the local level with stakeholders. Strengthening the corporate reputation of The Link REIT is a priority, which is critical for us to maintain a long term, sustainable business. Efforts to do so have been intensified including retailers relations, community relations and communications.

CEO'S REPORT

GOING FORWARD

Economic uncertainties still abound but retailer sentiment is improving amidst the brightening economic outlook for Hong Kong. The Manager will continue to exercise prudence in its capital management and actively manage all aspects of risk, while being innovative and responsive in addressing the needs of retailers and shoppers. The Manager expects to achieve continued revenue growth driven by the retail properties and to improve operating margin in order to deliver continued growth in distribution in the financial year ending March 2011.

Notwithstanding a number of challenges facing The Link REIT, I remain confident where our business sits today, encompassing operations, development, capital, people, platform and real estate systems. I would like to extend my gratitude to my predecessor Mr Ian ROBINS for handing over a strong business and for enabling a professional and seamless transition. We appreciate the drive and passion Mr Robins brought to the business. We also thank Mr Ross O'TOOLE for driving substantial improvement in our asset management, systems and processes during his two years as Chief Operating Officer of the Manager until 31 March 2010.

For a business to deliver solid growth while undergoing substantial changes internally is an achievement which all our employees can be proud of. Our team's objective remains to benefit our community as we strive towards being a highly regarded REIT manager in providing quality

retail facilities and services. The Link REIT is a well positioned business platform with a strong financial and operational track record. I have every confidence that we will continue to deliver sustainable returns to The Link REIT's investors.

George HONGCHOY

Chief Executive Officer

The Link Management Limited
as Manager of The Link Real Estate Investment Trust
2 June 2010



Mr Edward Yau, Secretary for the Environment (4th from left), Mr George Hongchoy, CEO (middle) together with our green partners at the Eco Terrace, Lok Fu Plaza

WHAT OUR MOVE TO DIRECT MANAGEMENT MEANS





Service providers signed the service charters committing themselves to provide responsive and better services to meet the clients' needs

Direct Management An Emphasis on Service Enhancement and Upgrade

To enhance shopping centre management services and move all the shopping centres to higher professional service levels, The Link REIT awarded HK\$900 million worth of frontline services contracts and assumed on-site management across the portfolio on 1 November 2009. This enables The Link REIT to strengthen professional management quality, reduce outsourcing, eliminate sub-contracting and act more responsively to the needs of tenants, customers, and the community.

Direct Management Model

In implementing the direct management model, The Link REIT put in place the following arrangements:

- **On-site management**

The Link REIT directly recruited 232 additional staff during the implementation process to assume on-site management at its shopping centres. This brings us closer to our tenants, customers and the community, allowing us to be more attentive and responsive to people's needs.

- **Facilities services**

General facilities services including cleaning, security and repair works continue to be provided by external services providers.

- **Working conditions for front line staff**

- 2,900 existing serving staff with the then incumbent contractors who applied for a job with new contractors were given a job
- an 8-hour working shift for security guards
- wages for security guards and cleaning workers were in line, at contract commencement, with the corresponding average rate stipulated in the Census and Statistics Department's quarterly reports of wages and payroll statistics
- maintenance technicians continue to work in the district or on-site

In reviewing and assessing the proposals received from 300 service providers, we moved away from the practice of selecting the lowest bid to selecting the successful tenders based on:

- their ability to improve the service standards
- their commitment to undertake The Link REIT's corporate social responsibility initiatives such as not to sub-contract the service contract and to offer jobs to the 2,900 serving staff hired by previous contractors
- their service fees
- their track records
- their environmental initiatives

MANAGEMENT DISCUSSION AND ANALYSIS

MILESTONES

Completion of re-financing transaction for HK\$4 billion with The Hong Kong Mortgage Corporation Limited



International Council of Shopping Centres presented the Silver Award in the Community Relations Category of the MAXI Awards to The Link REIT for its corporate citizenship project — “The Link Fun Academy”



Kwai Fong Shopping Centre completed its asset enhancement works



APRIL 2009

AUGUST 2009

OCTOBER 2009

NOVEMBER 2009



Six of the The Link REIT's shopping centres were recognised for quality water management by Water Supplies Department



Cheung Fat Shopping Centre completed its asset enhancement works



The Link REIT hired an additional 232 staff to completely take over the on-site property management across the portfolio to enhance services quality. It also awarded HK\$900 million worth of contracts for front line cleaning, security and maintenance services

MANAGEMENT DISCUSSION AND ANALYSIS

Concluded with CLP a memorandum of understanding on a pioneer charging network to promote wider adoption of electric vehicles in Hong Kong



Wo Che Commercial Centre completed its asset enhancement works



Revealed the newly revamped Fu Tung Shopping Centre



Business Environmental Council and Prime Communications Limited presented to The Link REIT the "Prime Awards for Eco-Business" for its contribution to the environment



The Link REIT was given three awards at the Construction Innovation Award organised by Hong Kong Institute of Construction Managers for its rejuvenation project of Wong Tai Sin Cooked Food Stall



Wong Tai Sin Plaza completed its asset enhancement project



MAY 2009

JUNE 2009

JANUARY 2010

FEBRUARY 2010

MAY 2010

Hing Wah Plaza completed its asset enhancement works



Butterfly Shopping Centre completed its asset enhancement works



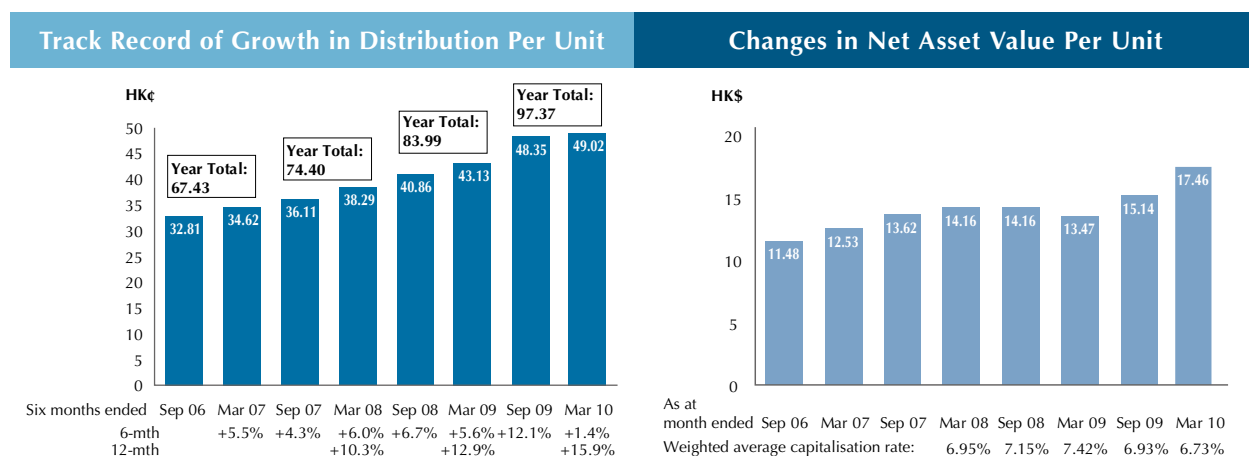
Mr George Hongchoy appointed as CEO of The Link Management Limited on 17 May 2010



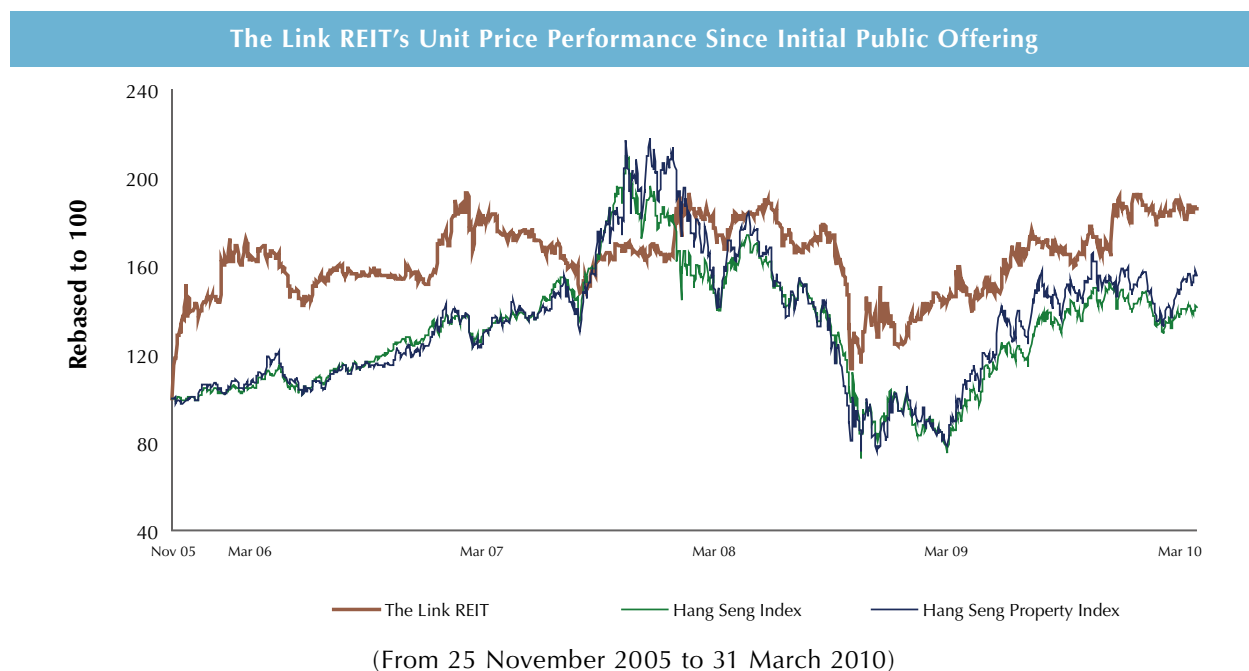
MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS

This financial year was a period of continued and strong growth for The Link REIT. The Manager entered the financial year cautiously but The Link REIT's portfolio proved resilient in challenging economic circumstances. The economic conditions in Hong Kong turned out to be better than what the Manager had expected. Distribution per unit increased by 15.9% year-on-year, extending The Link REIT's consistent track record of growing its DPU. Buoyed largely by a rise in values of investment properties, net asset value per unit increased by 29.6% to HK\$17.46 (2009: HK\$13.47).



On the back of delivering consistent growth in DPU, The Link REIT's unit price has since listing performed well compared with the broader market. From its listing in November 2005 to 31 March 2010, The Link REIT has delivered to investors compound average total returns of 19.8% per annum, which is a combination of distribution income and unit price appreciation.



MANAGEMENT DISCUSSION AND ANALYSIS

Within The Link REIT's portfolio of properties, retail properties are the main contributors to revenue. Amidst active management, average monthly unit rent for the retail properties rose by 7.7% year-on-year to HK\$30.6 per square foot as at 31 March 2010 to maintain a record of continuous growth since The Link REIT's listing in November 2005. Within retail properties, shops occupy the majority of space and performed well with average unit rent for shops at end March 2010 rising by 7.4% from a year ago. The Manager is pleased that average rent and occupancy rate in its retail properties rose in the financial year, demonstrating the strength of demand for space in the portfolio. Based on sales turnover data collected from an increasing number of our tenants, the Manager believes that rents charged by The Link REIT at its retail properties are generally at a sustainable level.



Lung Cheung Plaza

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

Net property income rose 18.6% and distributable income rose 17.3% as revenue grew by 10.8% and operating expenses declined by 2.1% in the financial year under review.

	Year ended 31 March 2010 (HK\$'M)	Year ended 31 March 2009 (HK\$'M)	YoY Growth (%)
Revenue	4,990	4,503	10.8
Property Operating Expenses	(1,662)	(1,698)	(2.1)
Net Property Income	3,328	2,805	18.6
Change in Fair Values of Investment Properties	9,809	(1,865)	N/A
Interest Income and Other Expenses	(697)	(608)	14.6
Taxation	(2,077)	290	N/A
Profit for the year	10,363	622	1,566.1
Total Distributable Income	2,134	1,819	17.3
Distribution Per Unit (HK cents)	97.37	83.99	15.9

This item impacted accounting profit but not distributable income. More details are provided on pages 117 to 118

Within this item, a drop of 10.4% in general and administrative expenses and a rise of 21.7% in net financing costs in the year under review

This comprised profit tax of HK\$283 million and deferred tax of HK\$1,794 million in the year under review

Under the terms of the Trust Deed, the Total Distributable Income is the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the year, before transactions with Unitholders) adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the consolidated income statement for the relevant year

This comprised final distribution per unit of HK49.02 cents and the interim distribution per unit of HK48.35 cents for the year under review. As at 31 Mar 2010, there were 2,202,043,479 units in issue

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue Analysis

Total revenue for the year ended 31 March 2010 was HK\$4,990 million (2009: HK\$4,503 million) comprising income from retail properties of HK\$3,699 million (2009: HK\$3,260 million), income from car park operations of HK\$1,005 million (2009: HK\$982 million) and income from other sources of HK\$286 million (2009: HK\$261 million).

	Year ended 31 March 2010 (HK\$'M)	Year ended 31 March 2009 (HK\$'M)	YoY Growth (%)	Percentage contribution for the year ended 31 March 2010 (%)
Rental income:				
Shops	2,841	2,467	15.2	57.0
Shops — Turnover rent	70	63	11.1	1.4
Markets	522	491	6.3	10.5
Cooked Food Stalls	50	40	25.0	1.0
Education/Welfare	45	46	(2.2)	0.9
HD Office	10	23	(56.5)	0.2
Ancillary	70	62	12.9	1.4
Mall Merchandising	91	68	33.8	1.8
Gross revenue from car park:				
Monthly	769	763	0.8	15.4
Hourly	236	219	7.8	4.7
Expense recovery and other miscellaneous income:				
Property related income	286	261	9.6	5.7
	4,990	4,503	10.8	100.0

Property Operating Expenses Analysis

Total property operating expenses for the year ended 31 March 2010 fell 2.1% to HK\$1,662 million (2009: HK\$1,698 million) due in part to declines in property managers' fees, security and cleaning expenses, and utilities expenses.

	Year ended 31 March 2010 (HK\$'M)	Year ended 31 March 2009 (HK\$'M)	YoY (%)
Property managers' fees, security and cleaning	474	541	(12.4)
Staff costs	176	166	6.0
Utilities	316	344	(8.1)
Repairs and maintenance	177	224	(21.0)
Government rent and rates	127	115	10.4
Promotion and marketing expenses	80	103	(22.3)
Other property operating expenses	214	109	96.3
Estate common area costs	98	96	2.1
Total property expenses	1,662	1,698	(2.1)

The 8.1% drop in utilities was driven by sustainable improvements to the air-conditioning system, new lighting system and new centralised power monitoring system

After the move to direct management in Nov 2009, we are currently reviewing the level of repairs and maintenance and refining programme maintenance in the coming year

Increase was due to more property titles having been transferred to The Link REIT

Provision for car park waiver fees is one of the contributing factors to the increase

DRIVERS OF OUR REVENUE GROWTH

1 Composite Reversion Rate

Why this matters?

- Compares newly achieved rents with rental rates from leases which expired during this financial year
- Looks at like for like space, typically excludes space at properties undergoing asset enhancement
- Indicator of growth coming from stable properties

What happened?

- Composite reversion rate for retail properties was strong at 20.5% for the year under review
- Composite reversion rate for shops, which was the largest revenue contributor, was 23.7% for the year under review
- Enjoyed a full year's impact of reversion of 25.2% and 28.5% for retail properties and shops respectively on leases which commenced in the year ended 31 March 2009

Composite Reversion Rate

	Year ended 31 March 2010 (%)	6 months ended 30 September 2009 (%)	Year ended 31 March 2009 (%)	% of total IFA (exclude Self use office) as at 31 March 2010 (%)
Shops	23.7	25.3	28.5	80.8
Markets	13.5	10.2	13.3	8.0
Cooked Food Stalls	14.8	24.6	11.6	1.3
Education/Welfare	(0.3)	1.1	10.8	8.2
HD Office	2.1	—	—	1.6
Ancillary	11.5	2.0	22.2	0.1
Overall Retail Properties	20.5	22.0	25.2	100.0
Overall excluding Education/Welfare	21.4	22.2	25.3	91.8

2 Occupancy Rate

Why this matters?

- Reflection of demand for space in the portfolio
- Team is dedicated to fill vacant space

What happened?

- Overall occupancy rate rose from 87.4% a year ago to 90.6% as at 31 March 2010
- Occupancy rate at stable centres was 90.1% as at 31 March 2010
- Focusing only on stable centres, the occupancy rate for shops, which accounts for the largest portion of leasable area, was 92.5% as at 31 March 2010
- Overall occupancy rate was adversely impacted by the Housing Department vacating office space and such space is generally difficult to fill

Portfolio Occupancy Analysis

	As at 31 March 2010			As at 31 March 2009		
	Total IFA excluding Self use office (<i>'000 sq ft</i>)	Occupancy rate (%)	Average monthly unit rent per leased IFA (<i>HK\$ psf</i>)	Total IFA excluding Self use office (<i>'000 sq ft</i>)	Occupancy rate (%)	Average monthly unit rent per leased IFA (<i>HK\$ psf</i>)
Overall	10,827	90.6	30.6	10,905	87.4	28.4
Development Centres	1,879	93.1	39.2	2,865	76.3	35.3
Stable Centres	8,948	90.1	28.7	8,040	91.4	26.4

MANAGEMENT DISCUSSION AND ANALYSIS

Analytics — Stable Centres

Category				Average monthly	Occupancy
	Total IFA 31 March 2010 (sq ft)	Leased IFA 31 March 2010 (sq ft)	Vacant IFA 31 March 2010 (sq ft)	unit rent per leased IFA 31 March 2010 (HK\$ psf)	rate 31 March 2010 (%)
Shops	7,111,400	6,575,921	535,479	28.6	92.5
Markets	699,607	564,891	134,716	61.6	80.7
Cooked Food Stalls	126,090	102,523	23,567	33.4	81.3
Education/Welfare	832,410	771,411	60,999	4.4	92.7
HD Office	172,444	38,466	133,978	13.1	22.3
Ancillary	6,529	6,509	20	127.4	99.7
Total excluding Self use office	8,948,480	8,059,721	888,759	28.7	90.1
Self use office	116,054				
Total including Self use office	9,064,534				
Total excluding Self use office, Education/Welfare, HD office and Ancillary	7,937,097	7,243,335	693,762	31.3	91.3

3 Contribution From Completed Asset Enhancement Projects

Why this matters?

- Properties that have undergone upgrading works typically see improved performance
- This metric is increasingly important as more AEIs are completed
- This metric looks at returns achieved on the capital expenditures

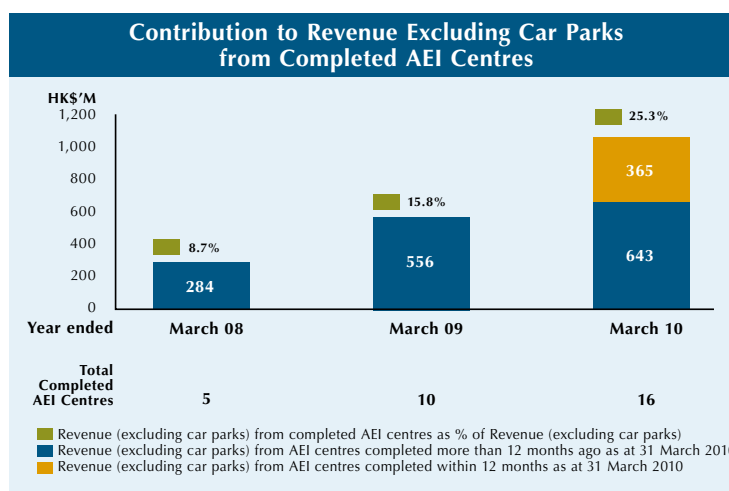
What happened?

- Cumulatively, 16 centres where asset enhancement works have been completed to date accounted for 25.3% of revenue excluding car parks
- Six centres completed in this financial year achieved returns on investment of between 15.7% to 32.8%, exceeding our 15% hurdle rate
- Also benefited from full year contribution from 5 asset enhancement properties completed in the year ended 31 March 2009

Return on Investment of AEI centres completed in the year ended 31 March 2010

	Total Capex (HK\$'M)	Return on Investment (%)
Kwai Fong	27.6	15.7*
Wong Tai Sin	130.6	23.2*
Wo Che	58.8	25.3*
Cheung Fat	136.4	23.5
Hing Wah	34.9	20.1
Butterfly	95.5	32.8

* updated figures



MANAGEMENT DISCUSSION AND ANALYSIS

OUR FINANCIAL POSITION AND VALUATION

The Link REIT's financial position remains strong with low gearing. Net asset value per unit rose from HK\$13.47 a year ago to HK\$17.46 as at 31 March 2010.

Financial Position Summary

(HK\$'M)	As at 31 March 2010	As at 30 September 2009	As at 31 March 2009
Current Assets	1,076	991	1,372
Non Current Assets	57,855	51,620	47,308
Total Assets	58,931	52,611	48,680
Current Liabilities	1,807	1,762	1,689
Non Current Liabilities	18,680	17,833	17,790
Total Liabilities	20,487	19,595	19,479
Net Assets Attributable to Unitholders	38,444	33,016	29,201
Units in Issue ('000)	2,202,043	2,180,865	2,167,040
Net Asset Value Per Unit (HK\$)	17.46	15.14	13.47

Movement of NAV

	Net Asset Value	
	Total HK\$'M	Per Unit HK\$
Net asset value as at 1 April 2009	29,201	13.47
Net increase due to issuance of units under the distribution reinvestment plan	643	0.29
Dilution of NAV per unit due to the distribution reinvestment plan	—	(0.21)
Distributable income for the year ended 31 March 2010	2,134	0.97
Other non-cash items	39	0.02
Change in fair values of investment properties	9,809	4.45
Deferred tax on change in fair values of investment properties	(1,619)	(0.73)
Movement from cash flow hedges	227	0.10
Less: Final distribution for the year ended 31 March 2009 and interim distribution for the year ended 31 March 2010	(1,990)	(0.90)
Net asset value as at 31 March 2010	38,444	17.46

Increase mainly due to rise in fair values of investment properties

Largest component here is cash and deposit holdings. See page 94 for details

See page 94 for more details

Largely comprised borrowings and deferred tax liabilities. See page 94 for details

Increase due to issue of units under the distribution reinvestment plan

MANAGEMENT DISCUSSION AND ANALYSIS

Change in Fair Values of Investment Properties

	Year ended 31 March 2010 (HK\$'M)	Year ended 31 March 2009 (HK\$'M)	Increase/(Decrease) (%)
At beginning of year	43,255	44,307	N/A
• Additions	717	813	N/A
Change in fair values of investment properties	9,809	(1,865)	N/A
At end of year	53,781	43,255	24.3

• Refers to capitalised expenditures. No property was acquired or disposed of during the year

Movements in Valuation

31 March 2009 — 31 March 2010	(HK\$'M)	
• Effect of NPI increase, changes in market growth assumptions etc (<i>approximate figure</i>)	6,352	
• Effect of lower discount and capitalisation rate etc (<i>approximate figure</i>)	4,174	
• Embedded in valuation movements – HK\$717 million of AEI and other capitalised expenditure	10,526	
• Uplift for retail properties	9,855	(27.8%)
• Uplift for car parks	671	(8.6%)

Valuation Drivers

	As at 31 March 2010	As at 30 September 2009	As at 31 March 2009
Retail (HK\$'M)	45,315	39,589	35,460
Car Park (HK\$'M)	8,466	7,982	7,795
Total (HK\$'M)	53,781	47,571	43,255
• Retail IFA (<i>sq ft</i>)	10,972,488	10,938,684	11,064,350
Per sq ft — Retail (HK\$)	4,130	3,619	3,205
No. of Parking Spaces	79,485	79,485	79,485
Per Parking Space (HK\$)	106,504	100,424	98,066

Income Capitalisation Approach — Capitalisation Rate

Retail Properties	5.50-7.56%	5.71-8.01%	6.25-8.53%
Retail Properties: Weighted Average	6.46%	6.65%	7.15%
Car Park	6.00-10.00%	5.50-10.20%	6.50-10.90%
Car Park: Weighted Average	8.47%	8.66%	8.89%
Overall Weighted Average	6.73%	6.93%	7.42%

DCF Approach

Discount Rate	8.00-11.40%	8.20-11.60%	8.50-11.70%
---------------	-------------	-------------	-------------

Valuation undertaken by Knight Frank based on discounted cash flow (DCF) and income capitalisation approaches with more weight given to discounted cash flow approach

Variations in IFA is due to a combination of space changes resulting from AEIs or other renovation works

MANAGEMENT DISCUSSION AND ANALYSIS

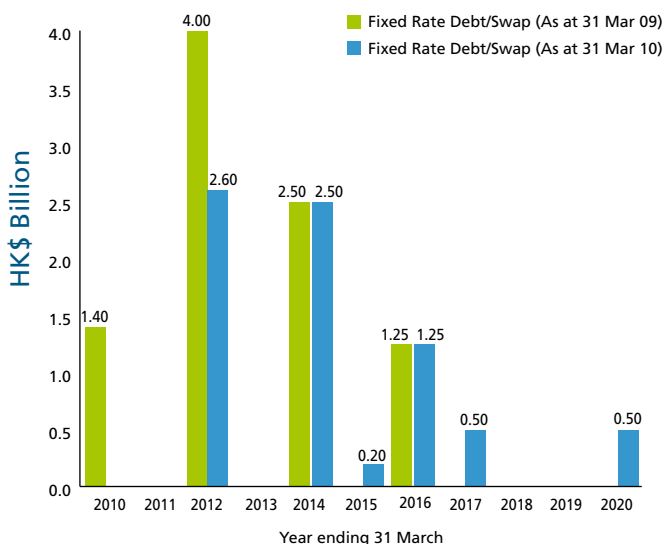
CAPITAL MANAGEMENT

Highlights

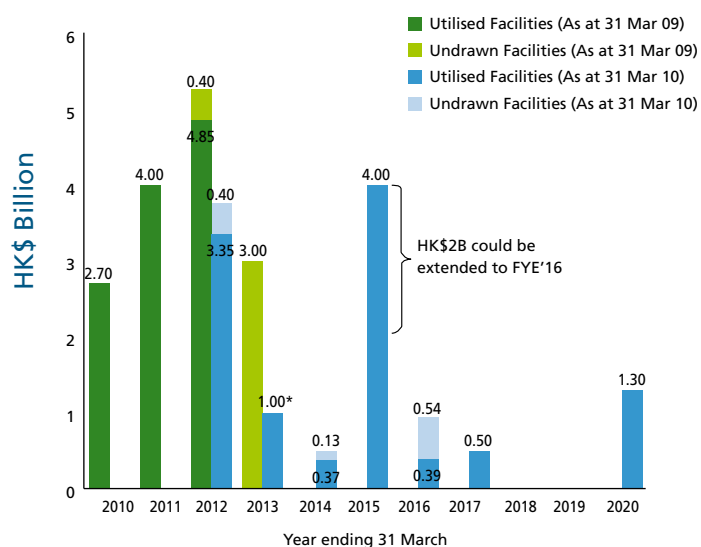
- Focused on diversifying source of financing, extending and spreading debt maturity, and managing interest rate exposure
- Debt to total assets ratio stood at 18.4% after executing the following transactions during the financial year:
 - issued a total of HK\$1.8 billion unsecured notes under Guaranteed Euro Medium Term Note programme with maturities between 7 years and 10 years
 - arranged a total of HK\$1.5 billion new bilateral loans with maturities between 4 years and 6 years
 - extended the HK\$4 billion mortgage loan to the year 2014/15
 - repaid HK\$1.4 billion guaranteed notes, HK\$1.3 billion bilateral loans and HK\$1.5 billion syndicated loan

	As at 31 March 2010	As at 31 March 2009
Borrowings (face value)	HK\$10.91B	HK\$11.55B
Gearing (debt:total assets)	18.4%	23.7%
Average outstanding life of debt facilities	3.9 years	2.4 years
Proportion of liabilities at fixed rate (after swaps)	69%	79%
Average outstanding life of fixed rate debt/swaps	3.8 years	3.3 years
Effective interest rate	4.30%	4.16%

Fixed Rate Debt/Swap Maturity Profile



Maturity Profile of Committed Facilities



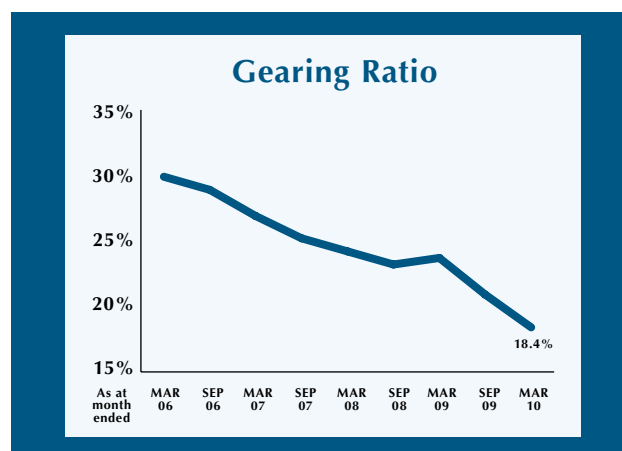
* Subsequent to 31 March 2010, HK\$0.3 billion loan was repaid from a 7-year Medium Term Note issue of the same amount.

MANAGEMENT DISCUSSION AND ANALYSIS

Committed Debt Facilities[^]

As at 31 March 2010 (HK\$'B)	Fixed Rate Debt*	Floating Rate Debt*	Utilised Facilities	Undrawn Facilities	Total Facilities
HKMC Loan	3.75	0.25	4.00	—	4.00
2006 Syndicated Loan	3.00	0.10	3.10	0.40	3.50
2009 Club Loan	—	1.00	1.00	—	1.00
Bilateral Loans	—	1.01	1.01	0.67	1.68
Medium Term Note	0.80	1.00	1.80	—	1.80
Total	7.55	3.36	10.91	1.07	11.98
Percentage	69%	31%	91%	9%	100%

* after interest rate swaps

[^] all amounts are at face value

Liquidity, Ratings and Covenants

Liquidity Available	As at 31 March 2010	As at 31 March 2009
• Standby committed facilities (undrawn)	HK\$1.07B	HK\$0.70B
• Cash on hand	HK\$0.88B	HK\$1.23B
• Total liquidity	HK\$1.95B	HK\$1.93B

Stable Credit Ratings
• Standard and Poor's: A grade and stable outlook (25 March 2010)
• Moody's Investors Service: A3 grade with stable outlook (19 March 2010)

Financial Covenants	Actual as at 31 March 2010	Covenant
• EBITDA:interest expense	5.6:1	>2:1
• Gearing (debt:total assets)	18.4%	<45%
• Secured debt	HK\$4B	<HK\$7B
• Unsecured debt:unencumbered properties	14.2%	<45%

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW, STRATEGY AND OUTLOOK

Overall Portfolio

The Manager will continue to execute on providing quality retail facilities and services for the benefit of retailers, shoppers and the Hong Kong communities we serve. In managing The Link REIT's portfolio of properties, the Manager is striving for long term sustainable growth in income. As it drives to achieve growth in the business, the Manager will endeavour to serve the interests of all stakeholders namely retailers, shoppers, communities, staff, investors and debt holders.

The Manager has a four prong income growth strategy, comprising of driving revenue from stabilised retail properties, driving incremental revenue from completed asset enhancement initiatives, managing costs as part of improving the quality of services to The Link REIT's tenants and customers, and containing finance cost by better management of capital structure and finance risk. The Manager is focusing on driving growth from its retail properties with the thrust being to improve shopping environment and choice so as to capture spending predominantly from persons in the primary catchment areas of these properties.

While the size of The Link REIT's portfolio, which has over 11,400 leases spread out geographically across Hong Kong, makes management of the portfolio challenging, the Manager sees advantages in having size as it diversifies risks. The focus for driving growth and investing to upgrade properties in the portfolio will concentrate on the larger assets given they are the major contributors to revenue and valuation. The Manager sees good growth prospects for the retail properties and a somewhat weak outlook for car park assets.

Net property income margin has been rising, driven largely by strong income growth and supported by active management of costs. The Manager expects improvement in operating margin to continue. While focusing on managing costs, the Manager will ensure that adequate expenses are being allocated to improve maintenance, security and safety standards at its retail and car park properties, thereby raising property management standards at these properties. The Manager wants to build a business where growth can be sustained over the longer term and to support tenants trading well in quality retail facilities.

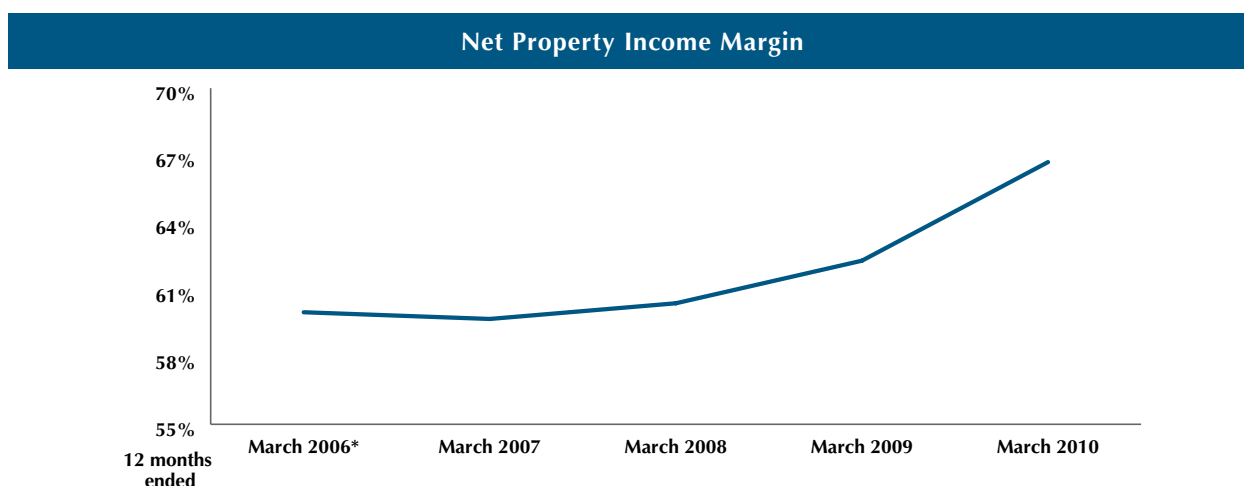
Portfolio Breakdown by Properties

Properties*	Total revenue for year ended 31 March 2010			Total valuation as at 31 March 2010			
	(HK\$'M)	(%)	Cumulative (%)	(HK\$'M)	(%)	Cumulative (%)	WACR** (%)
1 — 10	1,155	23	23	14,531	27	27	6.16
11 — 50	2,117	42	65	22,836	42	69	6.72
51 — 100	1,231	25	90	12,163	23	92	7.01
101 — 180	487	10	100	4,251	8	100	7.84
Total	4,990	100		53,781	100		6.73

* Properties are ranked by revenue contribution

** WACR = Weighted Average Capitalisation Rate

MANAGEMENT DISCUSSION AND ANALYSIS



Note:* Period from 25 November 2005 to 31 March 2006

Retail Portfolio

Within the 151 properties with a retail component, the Manager has been driving growth across all the properties, particularly the larger ones. Larger properties generally achieve higher absolute rental levels and faster growth in rental rates than the smaller ones.

Portfolio Breakdown by Retail Properties

Retail Properties*	Total IFA as at 31 March 2010			Average monthly unit rent per leased IFA as at 31 March 2010 (HK\$ psf)	Change in average monthly unit rent 31 March 2010 vs 31 March 2009 (%)
	('M sq ft)	(%)	Cumulative (%)		
1-10	1.9	17	17	44.9	7.1
11-50	4.7	43	60	32.0	8.6
51-100	3.4	31	91	23.6	2.6
101-151	1.0	9	100	18.5	12.7
Total	11.0	100		30.6	7.7

* Properties are ranked by retail revenue contribution

By IFA, space at retail properties occupied by shops is the highest. The Manager will be working towards driving further improvements in occupancy rate of shops at stable centres. While leasing out some of the vacant space may fetch relatively lower rents given their disadvantageous locations within a particular property, filling up space contributes to income as property operating costs are relatively fixed.

Average monthly unit rent for markets is high due in part to the relatively small size of each stall. Vacancy level at markets is relatively high. The Link REIT currently leases out certain markets to single operators while leasing out space at others directly to individual stall holders. The Manager will continue to adopt this mixed strategy of leasing to single operators and to individual market stall holders directly depending on the suitability of individual markets.

MANAGEMENT DISCUSSION AND ANALYSIS

The Manager sees vacancy rate for Housing Department office space continuing to increase as it expects the Housing Department to continue vacating space when its leases expire and to take up space at government properties. Filling up space vacated by Housing Department will be difficult but on a portfolio basis, amount of space occupied by Housing Department is relatively small.

Retail Portfolio Summary

Category (as at 31 March 2010)	Total IFA (sq ft)	Occupancy rate (%)	Average monthly unit rent per leased IFA (HK\$ psf)
Shops	8,749,422	92.8	30.3
Markets	866,969	81.1	63.5
Cooked Food Stalls	143,398	80.6	36.1
Education/Welfare	883,991	93.1	4.4
HD Office	176,254	21.8	13.1
Ancillary	7,143	99.4	130.5
Total excluding Self use office	10,827,177	90.6	30.6
Self use office	145,311		
Total including Self use office	10,972,488		
Total excluding Self use office and Education/Welfare only	9,943,186	90.4	33.0
Total excluding Self use office, Education/Welfare, HD Office and Ancillary	9,759,789	91.6	33.0

The Link REIT's retail properties cater mainly to the day-to-day shopping needs of housing estate residents living within the immediate proximity of its properties. Even as the Manager upgrades the retail properties, the Manager expects trade mix in the retail properties to remain relatively stable given the focus of the assets will continue to be on serving the day-to-day shopping needs of neighbourhood residents.

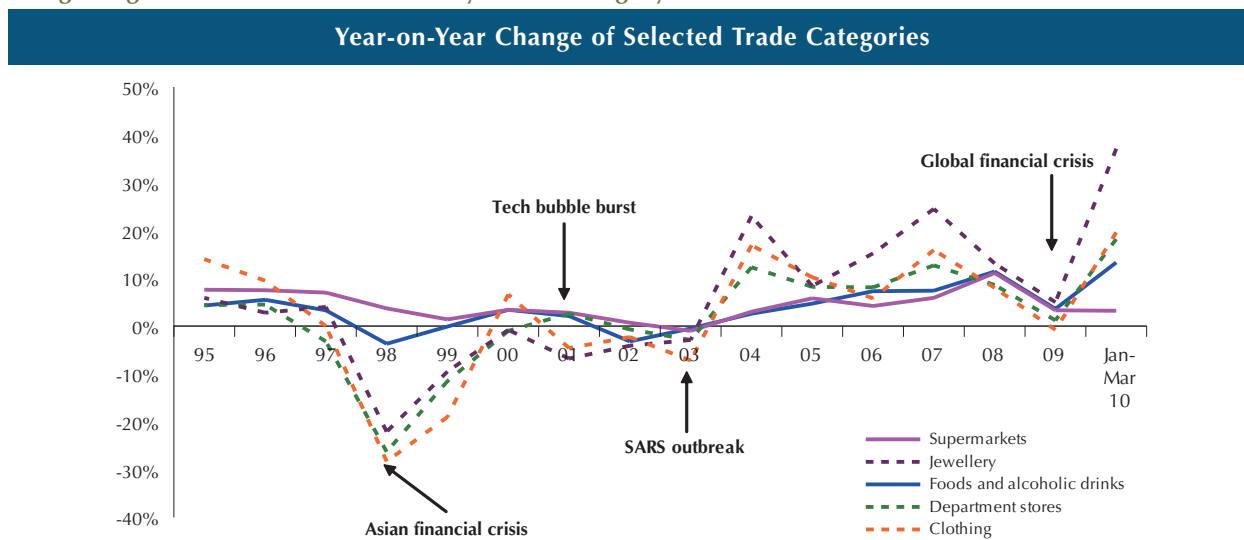
Changes in Retail Trade Mix

As at	Leased IFA (sq ft)		% of Leased IFA		% of Monthly Rent	
	31 March 2010	31 March 2006	31 March 2010	31 March 2006	31 March 2010	31 March 2006
Food and Beverage	3,085,169	3,139,107	31.5	33.2	25.4	23.6
Supermarket and Foodstuff	1,784,950	1,613,504	18.2	17.1	23.1	23.8
Services	922,045	840,498	9.4	8.9	10.5	9.9
Market Stall	373,107	433,685	3.8	4.6	8.5	10.5
Personal Care, Medicine, Valuable Goods, Optical, Books and Stationery	558,881	554,398	5.7	5.9	7.9	7.8
Single Operator Market	329,855	294,180	3.4	3.1	6.4	7.0

As The Link REIT's retail trade mix is inclined towards consumer staples, which historically demonstrate resilience throughout economic cycles, the Manager is confident that retailers within The Link REIT's retail portfolio will generally show steady performance. The Manager expects The Link REIT to benefit from improvement in domestic consumption in Hong Kong.

MANAGEMENT DISCUSSION AND ANALYSIS

Hong Kong Retail Sales Performance by Trade Category



Source: Census and Statistics Department

The defensiveness of The Link REIT's portfolio is accentuated by tenant diversification and exposure to leading retail groups. As at 31 March 2010, the top 10 tenants accounted for 23% of IFA and 32% of monthly rent while the top 50 tenants accounted for 36% of IFA and 47% of monthly rent. The Manager will continue to ensure tenant diversification across the portfolio as it believes that competition among retailers benefits shoppers. The Manager is intent on deepening relationships with its largest tenants, maintaining an ongoing presence of quality independent operators and bringing new retailers into its properties.

Top 10 Tenants

Tenant Group	Trade	Leased IFA (sq ft)
The Dairy Farm Co. Ltd.	Supermarket, health and beauty, convenience store	736,665
A.S. Watson Group (HK) Ltd.	Supermarket, personal care, wine cellar	517,921
McDonald's Restaurants (HK) Ltd.	Food and beverage operator	193,596
Café De Coral Holdings Ltd.	Food and beverage operator	192,188
Wang On Majorluck Ltd.	Single operator market/Single operator shopping centre	175,894
Maxim's Caterers Ltd.	Food and beverage operator	168,698
China Resources Retail (Group) Co. Ltd.	Supermarket, personal care	149,926
Japan Home Centre (HK) Ltd.	Electrical and household products	148,894
Fairwood Fast Food Ltd.	Food and beverage operator	101,532
Convenience Retail Asia Ltd.	Convenience store, bakery and cake shop	86,792

(as at 31 March 2010, in order of leased IFA)

MANAGEMENT DISCUSSION AND ANALYSIS

To support local communities and to incorporate local elements into each property, the Manager is focused on ensuring a strong presence of quality independent operators across The Link REIT's retail properties. Using size of space occupied as an indication of presence of quality independent operators, the Manager believes that ever since the IPO there continues to be a strong presence of quality independent operators in The Link REIT's retail properties. As at 31 March 2010, 4,582 out of a total of 5,212 leases of shops were accounted for by users occupying 2,500 sq ft or less of space.

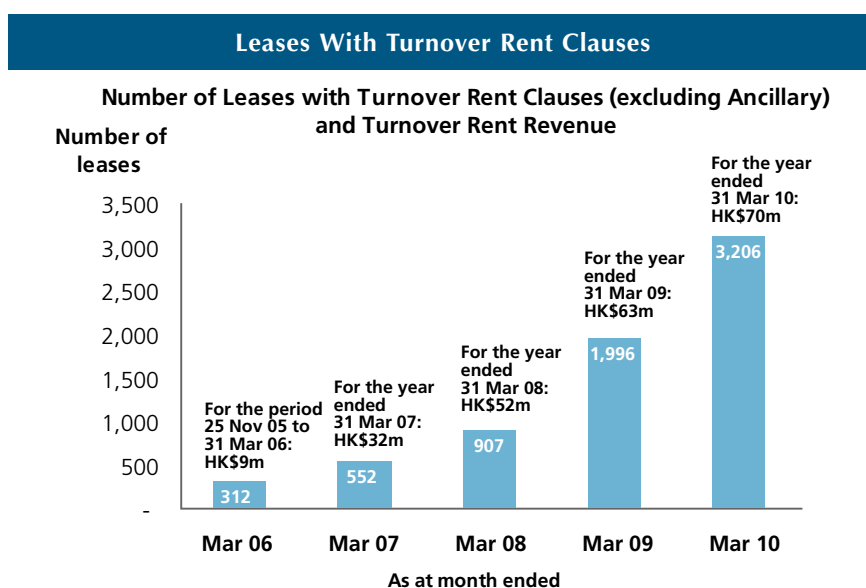
Breakdown by Size of Shops' Leases

Shops only (sq ft)	31 March 2006				31 March 2010			
	No. of leases	% of total	Leased IFA (sq ft)*	% of total	No. of leases	% of total	Leased IFA (sq ft)*	% of total
Below 1,000	3,497	71.3%	1,715,740	22.2%	3,629	69.6%	1,790,002	22.0%
1,000 - 2,500	858	17.5%	1,283,153	16.6%	953	18.3%	1,441,501	17.8%
2,501 - 5,000	269	5.5%	931,635	12.0%	325	6.2%	1,115,837	13.7%
5,001 - 10,000	130	2.7%	894,251	11.6%	159	3.1%	1,088,443	13.4%
Above 10,000	151	3.0%	2,910,383	37.6%	146	2.8%	2,686,134	33.1%
Total	4,905	100.0%	7,735,162	100.0%	5,212	100.0%	8,121,917	100.0%

Note:

* Variations in leased IFA is due to a combination of occupancy rate changes plus space changes resulting from AEs or other renovation works

The Manager has been focusing on increasing the number of tenants who have a turnover component in their leases, in particular, chain stores and restaurant groups. Tenants who have leases with turnover clauses submit audited turnover data annually. The Manager's objective in collecting turnover data is largely to drive strategies to improve sales performance of tenants in the retail properties. Turnover data collected can be used to analyse effectiveness of marketing and promotion activities, help plan trade mix and monitor sustainability of rental being charged. Moreover, the Manager creates alignment of interest between the Manager and the tenant as the Manager is incentivised to help improve turnover of tenants. The Manager does not see turnover rent becoming a major revenue contributor particularly as The Link REIT's tenants generally are in non-discretionary trades where turnover does not exhibit high degrees of volatility.



MANAGEMENT DISCUSSION AND ANALYSIS

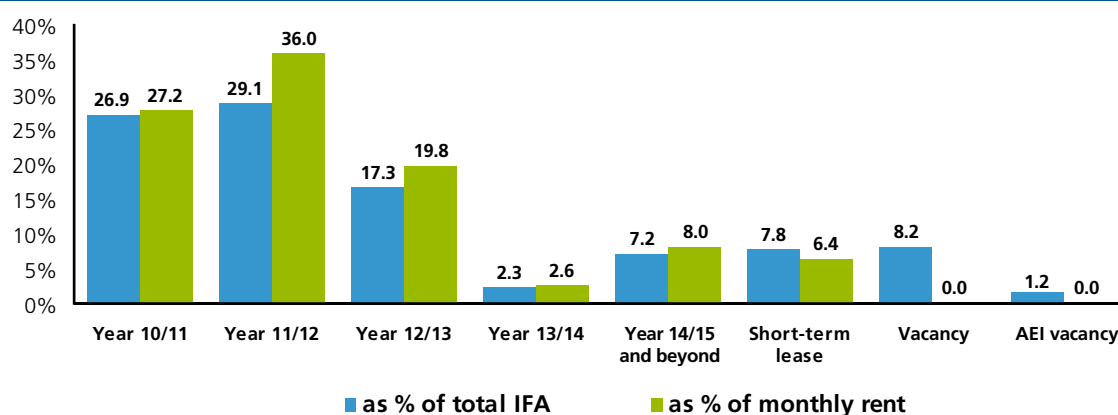
While average rents have been rising, turnover data of retailers in the portfolio suggests that the rent to sales ratio has remained relatively constant according to analysis by the Manager. The Manager believes that rental increases in its retail properties are sustainable as there has been improvement in tenant sales. Going forward, the Manager will continue to be vigilant in monitoring the rent to sales ratio of its tenants.

The typical lease in The Link REIT's retail properties is three years though some tenants may have three year leases with an option to renew for further three years typically at a rental rate that is subject to future negotiations. Given the size of the portfolio, lease expiries tend to be fairly evenly spread out. Compared with a year ago, there has been an increase in the proportion of leases with expiries beyond a three year time frame. The Manager is happy to have The Link REIT enter into longer term leases as this provides certainty on occupancy of space. From the tenants' perspective, where substantial investments are made to fit out premises, securing usage of premises for a longer period of time is preferred.

Proportion of leases expiring in the financial year ending 31 March 2011 is 26.9% by IFA and 27.2% by monthly rent. Based on the strength of demand for space in the portfolio and the resilience of sales for key trade categories, the Manager expects to fill up the space from expiring leases with either existing or new tenants.

The tenant retention rate, which captures the percentage of tenants who continue to occupy space in the same properties when their leases expire, for the financial year ended 31 March 2010 was 71.4%. The retention rate is driven by a level of churn in any actively managed retail property portfolio particularly one like that of The Link REIT, which is undergoing active tenant remixing.

Portfolio Lease Expiry Profile as at 31 March 2010



During the year ended 31 March 2010, commissions were paid to two real estate agents as follows:

Major Real Estates Agents

Real Estate Agents	Services	Value of Services (HK\$'M)	Percentage of Relevant Costs (%)
Wang On Majorluck Limited	Leasing agency services	1.0	21.7
Knight Frank Hong Kong Limited	Leasing agency services	3.6	78.3
		4.6	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

The aggregate value of service contracts of the top five contractors engaged by The Link REIT during the year ended 31 March 2010 and their respective value of services rendered were as follows:

Major Contractors

Contractor	Nature of Services	Value of Services (HK\$'M)	Percentage of Relevant Costs (%)
Synergis Management Services Limited	Property and car park management	107	6.8
Hsin Chong Construction (Asia) Limited	Projects and maintenance	89	5.6
China Overseas Property Services Limited	Property and car park management	77	4.9
Chun Wo Elegant Decoration Engineering Company Limited	Projects and maintenance	68	4.3
Union Contractors Limited	Projects and maintenance	68	4.3
		<u>409</u>	<u>25.9</u>

A key component of the Manager's efforts to offer a more relevant retail product to the mass market in Hong Kong is ongoing asset enhancement initiatives which the Manager has been actively implementing. Asset enhancement projects are led by a dedicated development team supported by a specialist project leasing team. Target initial return on investment after allowing some time for income to stabilise as measured by net income post-AEI versus net income pre-AEI over capital expenditure is 15%. Historically, completed AEI projects have generally met or exceeded these hurdle rates, including the six properties where AEIs were completed in this financial year. However, going forward, returns on investment for completed AEIs may not be as high as what has been achieved to date given that future AEIs are being carried out on properties where the Manager has already negotiated rental rate increases.

Asset enhancement initiatives are largely debt funded and the Manager is cognisant of not taking on excessive leverage at any point in time and having sufficient debt capacity to fund projects. The Manager actively manages risks associated with asset enhancement initiatives by pre-leasing a portion of the space, securing fixed price construction contracts, using research to test concepts and running rigorous financial analysis on the projects.

Looking ahead, the Manager is focused on executing ongoing projects and starting new projects that meet hurdle rate requirements. The Manager expects asset enhancements to be carried out at a pace that will not adversely impact DPU at any one point in time and to align its upgrading programme with upgrading and expansion plans of major retailers. The Manager has strengthened its project development and leasing resources dedicated to executing on asset enhancement initiatives so as to best mitigate risks from AEIs.

The Manager aims to achieve greater efficiency in roll out of AEIs as well as consistency in look and feel of completed AEIs while incorporating local characteristics of each property. Environmental considerations will also be taken into account during planning for new AEIs. When construction work is taking place at a property undergoing AEI, there is invariably disruption to business of retailers and the wider community, hence the Manager is focused on actively helping retailers through these periods of challenging trading conditions.

The Manager views AEIs as a key driver of income growth. Up to 31 March 2010, 16 asset enhancement centres have been completed and these properties together contributed 25.3% of the Group's revenue excluding car parks for the year under review. As more AEIs are completed, the Manager sees the proportion of income contribution from completed AEI properties rising. Consequently, the rental reversion rate, which largely captures stable centres, will become a less relevant performance indicator. Revenue growth for properties that have undergone asset enhancement is typically derived from better utilisation, higher rent achieved or a combination of both.

MANAGEMENT DISCUSSION AND ANALYSIS

The Manager releases details of asset enhancement projects when internal funding and government approvals have been received. A key new project which the Manager has announced is its pilot asset enhancement of a fresh market, namely that of Tai Yuen Market. The Manager is expecting to spend HK\$95 million on this fresh market asset enhancement. We will install air-conditioning to this market, change the layout, improve the design of the stalls, upgrade the drainage system and introduce a cooking demonstration area. The upgraded Tai Yuen Market is expected to retain the excitement of a market while providing a much cleaner and more dynamic shopping experience to shoppers. The Manager envisages raising the occupancy rate substantially at Tai Yuen Market after asset enhancement. Should the asset enhancement of Tai Yuen Market prove successful, we intend to rapidly roll out asset enhancements to other fresh markets in the portfolio and help rejuvenate this unique element of our portfolio for the communities of Hong Kong.

By the end of the financial year ending 31 March 2011, the Manager is planning to have completed asset enhancement works on 21 properties. Besides these 21 properties, the Manager is carrying out asset enhancement work on 2 properties and is undertaking planning work on 14 properties. For some properties that have undergone one round of asset enhancement work since initial public offering, the Manager still sees scope for further enhancement work to be carried out.

Schedule of Asset Enhancement Initiatives

HK\$'M	2007/08 Centre	Projects Completed					Projects Underway			
		2008/09		2009/10		2010/11	2011/12		Total Project Capex	
	Total Project Capex	Centre	Total Project Capex	Centre	Total Project Capex	Centre	Total Project Capex	Centre		Total Project Capex
<i>Projects Approved*</i>	Tsz Wan Shan	62.17	Hau Tak	70.41	Kwai Fong	27.64	Lok Fu	422.80	Choi Yuen Ph.2**	95.43
	Lung Cheung	22.22	Tai Wo	58.23	Wong Tai Sin	130.62	Chung Fu	74.83	Tai Yuen	95.00
	Choi Ming	11.37	Lek Yuen	30.85	Wo Che	58.76	Siu Sai Wan	101.78		
	Chung On	17.08	Fu Tung	28.94	Choi Yuen Ph.1	66.86	Tak Tin	75.93		
	Ming Tak	9.06	Tin Yiu	33.48	Cheung Fat	136.36	Chuk Yuen	96.70		
					Hing Wah	34.85				
					Butterfly	95.49				
TOTAL CAPEX		121.90		221.91		550.58		772.04		190.43
		AEI Completed (Stabilised)			AEI Completed (12 months)		AEI Underway			
		Stable Centres			Development Centres					

Notes:

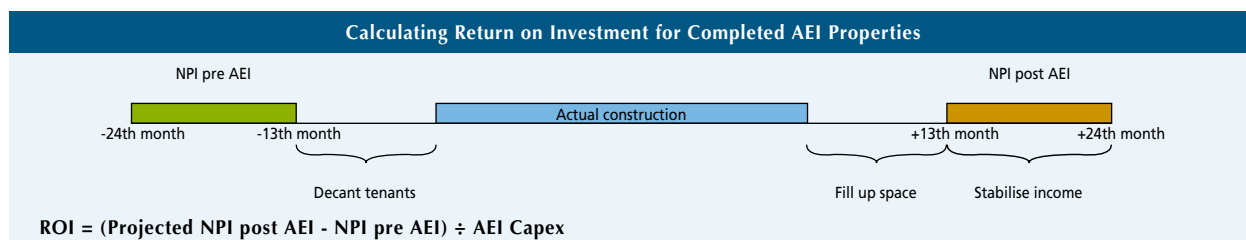
* Projects approved are those with all internal and external (government) approvals secured

** Further work on Choi Yuen is expected to commence shortly under Phase 2. All necessary approvals for these additional works are expected to be secured soon

	Number of Projects	CAPEX (HK\$'M)
Projects Completed since IPO	16*	827.53
Projects Underway	7	1,029.33
Projects Pending Government Approval	3	473.17
Other Projects Under Planning	11	1,409.30
	37	3,739.33

Note: Completed AEI centres are centres where the final phase of the entire project is completed

* Choi Yuen Phase 1 is excluded



MANAGEMENT DISCUSSION AND ANALYSIS

Cheung Fat Shopping Centre

Hing Wah Plaza

Butterfly Shopping Centre

Before Asset Enhancement Works



After Asset Enhancement Works



Besides carrying out asset enhancement works, actively improving tenant mix and raising occupancy levels at its retail properties, the Manager will continue to grow its income from mall merchandising activities which cover casual leasing and renting of kiosks and push-carts.

The Manager sees the move to direct management of all its retail properties effective 1 November 2009 as a key milestone. This seamless transition occurred with no job redundancies. Under direct management, all tenant interfacing staff are direct employees of the Manager while services such as security and cleaning continue to be outsourced. With this move, the Manager aims to improve interaction with retailers, increase accountability and responsiveness of centre management staff, and raise quality of property management.

The Manager is focused to improve cleanliness levels, maintenance standards and safety standards at its retail properties. With the move to direct management, there are immediate cost savings from efficiency gains. Over time, additional savings may be derived from more efficient operations for property management, security and cleaning plus better cost effectiveness in spending on repairs and maintenance. The Manager will continue to actively address costs at its retail properties by for example driving savings in utilities expenses from more energy efficiency initiatives. A key energy saving initiative which the Manager is continuing to roll out is the changing of air-conditioning chiller systems. Moreover, a building management system has been installed since last October which allows monitoring and control of electricity usage from one central location.

The Manager is also in the process of carrying out building inspection works on its properties and working through a programme whereby it will spend around HK\$490 million in capital expenditures over several years to ensure its properties comply with the Fire Safety (Commercial Premises) Ordinance.

MANAGEMENT DISCUSSION AND ANALYSIS

Car Park Property Portfolio

The Link REIT has the largest car park portfolio by a single owner in Hong Kong. In the financial year under review, car park revenue rose 2.3% year-on-year to HK\$1,005 million (2009: HK\$982 million), while utilisation increased from 71.3% as at 31 March 2009 to 71.8% as at 31 March 2010. However, with provision made for payment of car park waiver fees, the net property income margin for car parks fell from 57.2% in the year ended 31 March 2009 to 51.0% in the year ended 31 March 2010. Reducing costs at car parks is a longer term initiative given the Manager continues to have security staff at its car parks work on three shifts of eight hours each.

The government leases for the car parks generally have restrictions that they can only be leased to residents of specific housing estates, occupiers of our properties and their bona-fide visitors. In order to allow other customers to lease car park spaces on a monthly basis, temporary waivers to the restriction have to be granted by the Lands Department and these involve payment of a waiver fee. A number of these waivers that The Link REIT had obtained have since expired.

While the Manager expects demand for monthly parking space at its car parks from residents of housing estates to be stable, more restrictive leasing of monthly parking is likely to adversely impact monthly revenue from car parks. On the cost front, the Manager is not targeting any near term savings from job redundancies affecting security staff at its car parks. However, in the longer term, the Manager will look for ways to optimise headcount levels and improve quality of staff at its car parks. While recognising a continued need to provide convenient quality car park facilities to residents of housing estates, the Manager may explore the possibility of changing use for some under-utilised car park properties.

Key Car Park Property Performance Indicators

	Year ended 31 March 2010	Year ended 31 March 2009
Car park space allocation — monthly (%)	86.9	87.2
Car park space allocation — hourly (%)	13.1	12.8
Gross revenue by monthly users (%)	76.5	77.7
Gross revenue by hourly users (%)	23.5	22.3
Utilisation of car park space (%)	71.8	71.3
Effective income per space per month (HK\$)	1,054	1,029
Net property income margin (%)	51.0	57.2

Capital Management

During the financial year, the global banking and debt capital markets were volatile. In the first few months of 2009, the syndicated loan market in Hong Kong nearly dried up with very few transactions. Subsequent to The Link REIT's HK\$3 billion club loan signed in March 2009, the syndicated loan market in Hong Kong gradually re-opened and the credit market improved. Nevertheless, against the backdrop of the European fiscal crisis and macro-economic controls in mainland China in the past few months, the capital markets are still rife with uncertainties.

MANAGEMENT DISCUSSION AND ANALYSIS

Instead of arranging large refinancing transaction at one time in the market, the Manager has taken a gradual approach for the Group's refinancing programme. Multiple smaller size Hong Kong dollar notes along with a few smaller size bilateral loans were executed at different times in order to gradually lengthen the Group's funding maturities and lower its credit margins. Refinancing transactions for the year are summarised below:

- A total of HK\$1.3 billion 10-year unsecured notes with an average fixed rate of 4.35% per annum and HK\$0.5 billion 7-year unsecured notes with a fixed rate of 3.73% per annum were issued under the MTN Programme, of which HK\$1 billion notes were swapped into floating rates using interest rate swaps.
- A total of HK\$1.5 billion new bilateral loans with maturities between 4 years and 6 years were signed with banks at an all-in costs between HIBOR + 0.75% and HIBOR + 1.31% per annum, of which HK\$0.95 billion loans are revolving in nature.
- HK\$4 billion mortgage loan from Hong Kong Mortgage Corporation maturing in November 2010 was renewed to May 2014 with an option to extend HK\$2 billion for one more year upon maturity.
- HK\$1.4 billion guaranteed notes and HK\$1.3 billion bilateral loans maturing in the year were repaid.
- HK\$1.5 billion of the 2006 syndicated loan maturing in October 2011 was prepaid in March 2010. Along with this loan prepayment, HK\$1 billion notional amount of designated hedging interest rate swap was unwound in March 2010 and a fair value loss of HK\$68.9 million originally recognised in the cash flow hedging reserve was realised as finance costs in March 2010.

Following the above refinancing transactions, the average outstanding life of the Group's committed loan facilities was substantially extended to 3.9 years as at 31 March 2010 from 2.4 years as at 31 March 2009. Moreover, the facility maturity profile is more evenly spread. All of the Link REIT's borrowings are denominated or fully hedged into Hong Kong dollars.

Apart from refinancing, the Manager also actively manages the Group's interest rate exposure. The Group's fixed debt to total debt percentage was reduced from 79% as at 31 March 2009 to 69% as at 31 March 2010 in order to take advantage of the prolonged low market interest rate environment in the near term. In addition, the Group has entered into a total of HK\$2.5 billion 3-month HIBOR to 1-month HIBOR basis swaps which match the fixing period of the syndicated loan and existing interest rate swaps with an additional average interest cost saving of approximately 0.14% per annum. Therefore, despite the higher credit interest margin of the new financing facilities concluded after the financial turmoil of September 2008, the overall average interest rate of The Link REIT's debt, after taking into account the interest rate hedging, only increased slightly to 4.30% as at 31 March 2010 (2009: 4.16%). Nonetheless, the average remaining life of the fixed interest rate period for debt facilities was lengthened from 3.3 years as at 31 March 2009 to 3.8 years as at 31 March 2010 in order to increase the Group's interest rate protection in the medium term.

For cash management, the Manager is focused on principal preservation to ensure flexibility to meet the operational needs. Deposits are placed with maturities that have been well planned to satisfy the financial commitments and working capital needs of The Link REIT. Counterparty exposure is limited by pre-defined deposit limits for all relationship banks, which are assigned based primarily on their respective credit ratings. Currently, all of The Link REIT's cash and cash equivalents are held in Hong Kong dollars under various banks with credit rating of no less than "A-" by Standard and Poor's or the equivalent.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Strategy and Outlook

The Manager will continue to drive revenue growth, primarily from the retail properties, in the financial year ending 31 March 2011. Growth in rental income for the retail properties will be achieved through ongoing efforts to actively improve tenant mix, complete asset enhancement initiatives, drive up occupancy rate and raise rents at stable centres. Asset enhancement works at Lok Fu Plaza will be completed in phases during 2010 which will contribute to revenue and income growth albeit this will have a greater impact in the financial year ending 31 March 2012. Positive rental reversion and higher occupancy levels achieved in retail properties coupled with completion of asset enhancement projects in the financial year ended 31 March 2010 will help drive revenue and income increases in the financial year ending 31 March 2011.

With improving economic conditions in Hong Kong and the focus of our retail properties on consumer staples, the Manager is confident that through successful execution of its existing business strategies, it will deliver good revenue growth from retail properties. Revenue from car parks should be fairly stable given the high proportion that is derived from monthly users, however, there could be a slight reduction in monthly parking income resulting from the application of more stringent criteria on who can lease monthly parking space.

While driving revenue, the Manager will continue to actively address costs. Efforts to improve energy efficiency at the retail properties is ongoing and such efforts will mitigate the 2.6% electricity tariff increase for users in Kowloon and the New Territories, which took effect on 1 January 2010. The Manager is focused on improving the quality of its building management in a cost effective manner. The Manager expects to achieve savings in property management and repairs and maintenance arising from the move to direct management in November 2009 as a result of greater efficiency in carrying out such tasks. Through growing revenue and managing costs, the Manager is confident of delivering further growth in distributable income in the financial year ending 31 March 2011.

To drive better returns for Unitholders, the Manager will look more broadly than simply the short term cash flow of the business. Improving customer relationships, human resource development, corporate image, communications and community relationships are priority areas. The Manager is in the process of rolling out balanced scorecards for its staff so that the team at The Link REIT can better deliver on its mission of being a recognised leader in providing quality retail facilities and services for the benefit of our retailers, shoppers, the communities, and the investors we serve, with a spirit of transparency and integrity. Management will actively step up training efforts to upgrade quality of service provided by staff at its retail properties as well as strengthen corporate governance and risk management within the Manager. As The Link REIT is a young business, the Manager is building a strong corporate culture to entrench solid long term foundations.

The Manager continues to review and refine its strategic growth plans. The Manager is developing strategies for its entire portfolio of assets including possibilities for The Link REIT to grow beyond its portfolio. The Manager will develop asset strategies for various districts so as to optimise competitiveness of its properties. The Manager is studying how best to grow inorganically taking into consideration factors such as returns, risks, repatriation of income, pipeline of assets, capital deployed, integration with existing systems, human resources and skill sets. Acquisitions are not at the top of The Link REIT's agenda today given there are still many growth levers to drive both at the revenue and at the cost lines from the existing portfolio of assets. However, the Manager should assess the benefits of growth aspirations for The Link REIT beyond the existing assets and wants to effectively position The Link REIT for such a stage in its business growth.

HOW WE GO ABOUT ENHANCING OUR ASSETS





As Hong Kong's first and largest REIT, The Link REIT manages a portfolio of 180 properties located on the doorstep of approximately 40% of the population. Asset enhancement initiatives ("AEI") play a crucial role in our efforts to improve the business environment and shopping experience of our tenants and customers. We have been and will continue to invest significant capital and dedicate professional expertise into the AEI programme. Encouragingly, customers and residents alike appreciate the upgraded shopping experience in our shopping centres.

AEI projects are led by a dedicated development team supported by a specialist project leasing team. In the two fiscal years of 2009/10 and 2010/11, we are targeting to complete 11 AEI centres.

Opinion Surveys

To ensure that our offerings at the renovated shopping centres are meeting residents' needs, we conducted independent customer opinion surveys and the majority of respondents reacted positively to the AEI projects. Over 80% of respondents agreed that The Link REIT should introduce more new shops and food and beverage outlets while about 65% considered that the new shops can better meet consumers' needs. Also, over 70% were of the view that renovated shops had made the shopping centres more attractive. Such positive feedback supports the AEI programme.

We officially unveiled the renovated Wong Tai Sin and Lung Cheung Plazas, which are quickly becoming the focal point of East Kowloon, in December 2009. We are truly heartened to see from the recent independent customer opinion survey on Wong Tai Sin Plaza that 16% of shoppers increased their frequency of visiting the Plaza after renovation while 78% of respondents were satisfied with the project. In addition, 68% agreed that the variety of shops was better and 59% opined that the renovated Plaza had raised the quality of life in Wong Tai Sin.

Revamp of Tai Yuen Market

Understanding that visits to fresh markets are a part of residents' daily life, we strive to make our fresh markets clean, tidy and well-lit.

At present, we are implementing a pilot scheme to revamp Tai Yuen Market in Tai Po with a view to providing one-stop services to customers and tenants and improving both the hardware and software while preserving the traditional flavour of the market at the same time. We will carefully consider customers' feedback on the layout, environment, hygiene and food quality of the pilot scheme when we refurbish other fresh markets of The Link REIT. Our works on Tai Yuen Market include the following:

- Installation of an air-conditioning system
- Creation of new retail shops, a cooking studio and food and beverage outlets
- Demolition of the existing bare shell market and creation of new stalls with water, electrical and other supplies specific to the types of trade planned for the stalls
- Construction of an eye-catching entrance to the market facing Tai Po Centre Bus Terminus
- Addition of building services for retail shops, cooking studio and food and beverage outlets, such as individual mechanical exhaust system, centralised LPG and security system, etc.
- Upgrade of existing building services including water pipe works, air duct works, power supply, fire services, plumbing and drainage system, etc.



We have earmarked about HK\$95 million into this pilot project to bring about a brand-new fresh market shopping experience for our communities.

Revamp of Recreational Facilities

In the year under review, The Link REIT started a systematic and complete revamp of our recreational facilities, including tennis, badminton, basketball and volleyball courts, football facilities, children play areas and sitting out areas.

A new proactive modern maintenance strategy is being applied to all our recreational facilities while the budget for facilities upgrade has expanded from HK\$14 million to HK\$25 million.

Understanding that the recreational facilities play an important role in residents' daily life, we are keen to keep the facilities in well-maintained condition for the enjoyment of residents and other members of the community.

We have been receiving positive feedback from residents on our maintenance work and proactive modern maintenance strategy and target to complete the works within the year of 2010/11.

ENGAGEMENT WITH STAKEHOLDERS

RETAILERS AND COMMUNITY

Enhancing relationships with our stakeholders is a key to advancing the professional management of our extensive portfolio of community-oriented retail and car park facilities. We are keen to contribute to the well-being of our community through a proactive stakeholder engagement programme.

Retailers

Our retailers are our business partners. We seek to engage with retailers in discussions and respond to their feedback, with a view to offering them a business environment closely meeting the various retailers' business needs. To this end, we meet regularly with retailer groups to address issues of concern, and have appointed Divisional Relationship Managers to each of the four divisions under the portfolio since 1 November 2009. Together with frontline Asset Management staff, these Divisional Relationship Managers will strive to strengthen communication with retailers as well as with our other stakeholders.

In centres where we are starting asset enhancement works, we have prepared our retailers for, and kept them abreast of, the upcoming renovation works through various communication channels, including group briefings, newsletters, and direct one-on-one meetings.

Our Tenant Academy initiative is assisting retailers to enhance their business skills and keep them posted on latest industry trends. A total of 13 talks were organised in the financial year 2009/10, which were attended by more than 1,600 retailers. We have also tapped the potential of online marketing channels to help boost patronage at our food and beverage retailers by launching promotion coupon programmes.

A Centralised Complaints and Enquiries Register System is being developed to facilitate recording, handling and retrieval of retailers' requests and complaints. More communication platforms such as newsletters and focus groups will be developed and adopted for retailers to share and exchange ideas with The Link REIT's management team.



Newly formed Relationship Management team seeks to enhance relationship with retailers and other stakeholders



A briefing organised to inform retailers about upcoming asset enhancement project

ENGAGEMENT WITH STAKEHOLDERS

RETAILERS AND COMMUNITY *(continued)*

Legislative and District Council members

Senior Management of the Manager attended two meetings of the Legislative Council Panel on Housing in September 2009 and April 2010. The meetings enabled us to share with the Councillors our business strategies and updates, and listen to their feedback.

Regular meetings will be held with Legislative and District Council members to promote better understanding, cooperation and follow-up on issues raised.

Media and the General Public

To help the public better understand our efforts to bring them better shopping destinations, we have organised a number of media tours to newly completed asset enhancement projects. Through our corporate website, we also keep the public informed on the latest business initiatives as well as activities and events at our properties. We have enhanced our speed of response to media queries thereby improving communication between The Link REIT and the media.

The Community

Continuous Support to Community Organisations

As part of our efforts to contribute to the communities in which we operate, we have dedicated some



Mother's Day flower-making workshop – a community activity held at Kai Fong Place of Wo Che Shopping Centre

880,000 sq ft of floor area (approximately 8% of the internal lettable area) for leasing to non-governmental and charitable organisations at concessionary rates of HK\$4.4 per sq ft on average.

To support social welfare organisations in organising community or charity events, we provided them with free venues from time to time. Through charity and fund-raising activities that we organised in our portfolio, we also actively provided assistance to those in need, from Food Bank recipients to victims of the typhoon in Taiwan.

More initiatives on cooperation with government departments and community partners are being developed.



The Link REIT contributes to the community by offering floor space for leasing to non-governmental and charitable organisations at concessionary rates



Our community-building events enjoy active participation from the public

ENGAGEMENT WITH STAKEHOLDERS

RETAILERS AND COMMUNITY *(continued)*

Preserving collective memory

Recognising the role our centres play in the local culture and history in the course of renovating our centres, we seek to enrich our shoppers with an experience of the local culture and history. In our flagship centre Lok Fu Plaza, for example, our asset enhancement has promoted sustainable development and allowed shoppers to relive the community's collective memory via the reinstatement of a decorative wall featuring the traditional Chinese mythology of "Eight Fairies" which has been a memorable, long-standing element of the centre's pre-enhancement years.

In Wo Che Shopping Centre, a property located in Hong Kong's first-generation public housing estate and one of our completed asset enhancement projects, we created the "Kai Fong Place" on its third floor, giving residents an ideal place to chat and play chess with each other, and allowing the new and the traditional to co-exist under one roof.

We have brought our neighbourhoods' local heritage to people beyond nearby housing estates through a series of heritage walking tours featuring historical cultural attractions within our properties and their vicinity.



Reinstatement works completed for "Eight Fairies" decorative wall at Lok Fu Plaza

Creating jobs

Through the asset enhancement programmes, The Link REIT is investing in properties to bring a more relevant retail product offering to the Hong Kong mass market and create more jobs in construction, retail and the food and beverage industries. Our move to direct management has also created new job openings in property management.

Barrier Free Access (BFA) provisions

The Link REIT has embarked on a comprehensive review of our BFA facilities so that we can better serve our community. BFA enhancement works for Wong Tai Sin Plaza and Lung Cheung Plaza have started in early April 2010. This includes provision of tactile guide path, direction signage, ramps for the disabled and non-slip pathways. Within 2010, improvement works will also commence for six other shopping centres. We have completed the installation of an outdoor tactile guide path for the visually impaired of 11 centres. Installation works for another eight are in progress.



Our staff helps a wheelchair user use a newly built stairlift in Wong Tai Sin Plaza



The Link REIT is awarded an "Inclusive Environment Award" by Direction Association for the Handicapped and Sai Kung District Council for providing facilities to improve barrier free access for the physically handicapped

ENGAGEMENT WITH STAKEHOLDERS

STAFF

Direct Management

Starting from 1 November 2009, we have implemented the practice of direct management where we have taken over the on-site management of all shopping centres under The Link REIT. The purpose of this exercise is to further enhance the quality of property management services. In the process, we have expanded our manpower by hiring an additional 232 colleagues. All frontline services including cleaning, security and maintenance operations are undertaken by professional service companies. As at 31 March 2010, we had 729 employees.



Frontline workers welcomed the practice of direct management

KPI and Balanced Scorecard

To ensure a better alignment of staff efforts with the Company's direction and focus, we have adopted the Balanced Scorecard approach as a management tool to align corporate objectives with individual key performance indicators ("KPI") for the staff.

Considering the nature of The Link REIT's business, a scorecard containing the following aspects of individual performance measurement has been developed:

- Finance and Risk Management
- Assets and Systems
- Resourcing
- External Stakeholders and Owners

We seek to drive financial results, manage business risk, meet asset and systems development needs as well as serve the interests of our stakeholders, including staff, tenants, the community and investors. Desired staff behaviour will be reinforced through strengthening the linkage of reward and recognition with the expected strategic outcomes of staff behaviour.

Objective to Become an Employer of Choice

In addition to the adoption of the balanced scorecard as a performance management tool, there are a number of strategic and tactical initiatives concerning talent management, succession planning, training and development that have been developed in the year under review. Furthermore, a Graduate Recruitment Programme was introduced this year for students graduating from local universities. Taking into account overall business trends and market practice, we offer competitive compensation and benefits packages to our employees. The implementation of these initiatives is underway and we will review regularly with a view to improving the systems. This serves to drive the Manager towards being an employer of choice in the longer term.

ENGAGEMENT WITH STAKEHOLDERS

STAFF *(continued)*

Training and Staff Activities

Management is expanding our training and individual development programmes. Initiatives implemented during the past year have focused on key themes:

- Teambuilding – To enhance mutual understanding among colleagues, embrace shared mission, corporate values and generate best practices to cultivate a positive business culture.
- Competency development – To develop and enhance the competencies to perform our jobs effectively, support the Company’s mission and business goals, and equip managers with well balanced business principles, knowledge and skills that are necessary for team leadership and people management.



The newly launched Graduate Recruitment Programme



Colleagues attending a training class



Developing mutual trust and stimulating team spirit among colleagues through experiential learning



Team building — to enhance mutual understanding among staff



Strengthening the bonds between staff of different departments through training courses

ENGAGEMENT WITH STAKEHOLDERS

STAFF *(continued)*

Shortly before Christmas 2009, we held an outdoor gathering while the Annual Dinner took place in February 2010. Both events serve to further enhance cohesion among colleagues. These activities enable staff to interact in an informal environment.

Internal Staff Newsletter

We continue to publish our internal staff newsletter "Link Together". This platform enables staff to find out more about company updates as well as their co-workers. This publication is becoming increasingly popular as more colleagues are contributing a range of business and personal articles.



CEO cooking for staff at an outdoor gathering



Staff enjoyed a sunny afternoon at an outdoor BBQ gathering



Annual Dinner — Chairman making a toast to colleagues



Annual Dinner — The lucky winners



Casual lunch at the common room of the new office



Staff working comfortably in the new office

ENVIRONMENTAL INITIATIVES





Towards a more sustainable future

The Link REIT takes its position within the community seriously and is committed to promoting environmental issues within Hong Kong. We recognise that our portfolio of properties can be managed sustainably and working together with our key stakeholders we can make a difference to the environment of the city.

Our operational divisions are all driven by the common objective of implementing environmental policies across our portfolio. Since 2008 we have actively measured and reduced the energy consumption across our properties. This has been accomplished by a change in operational procedures and a number of capital projects. In the financial year ended 31 March 2010, we have reduced electricity consumption by close to 8%. This equates to a reduction of 10.3 million kg of carbon dioxide, thus reducing the direct carbon footprint, currently at 131 million kg of carbon dioxide. We will monitor our carbon footprint and in doing so manage our emissions level down, thus reducing our impact on climate change.

Some of our measures have proved effective:

- Company wide guideline of switching off unnecessary lighting systems
- Installing and setting Building Management System (BMS) to optimum efficient settings
- Replacing lighting systems with better energy efficient lights
- Replacing aged air cooled chiller plants with new energy efficient water cooled chiller plants
- Improving ventilations and correspondingly reducing our dependency on air-conditioning
- Better control on water usage and quality

The Link REIT actively engages with our suppliers and contractors to ensure that our continuous programme of asset enhancement projects embrace environmental initiatives. These relate to

procurement of products, suppliers and methods of construction and that these are all undertaken with a view to minimise the impact on our environment.

In addition, recognising the territory wide coverage of our car parks, we have partnered with the two power suppliers to install electric charging stations for electric vehicles within some of our properties. In addition we have launched an Electric Vehicle (EV) Pass to allow drivers to park for free. By doing this, The Link REIT intends to assist in promoting electric vehicle use in the city.

The Link REIT has also utilised its geographical reach to support territory wide campaigns initiated by different organisations within its properties, to promote environmental awareness amongst the community. These educational and promotional campaigns include:

- Plant exchange programme
- Re-use of Lai See packets
- Plastic bags recycle campaign
- Plastic bags re-use competition
- Shopping bag borrowing scheme
- Book recycle programme

These schemes have been implemented throughout our centres in partnership with our retailers and different organisations. We have successfully communicated the message that together we can reduce waste generation.

Through these projects – reduction of energy consumption, environmental procurement, promotion of electric vehicles use and re-using everyday products – The Link REIT's initiatives have been widely supported by our customers, the community at large and the government. However our environmental policies and initiatives do not stand still and we are committed to introducing more projects to further reduce our environmental impact in the coming months and years.

OUR GOVERNANCE

BOARD OF DIRECTORS OF THE MANAGER

Mr Nicholas Robert SALLNOW-SMITH

Chairman (also an Independent Non-Executive Director)

Mr Sallnow-Smith, aged 60, has been Chairman of the Board of the Manager and Independent Non-Executive Director of the Manager since April 2007. He is Chairman of the Finance and Investment Committee and the Nomination Committee of the Manager.

Mr Sallnow-Smith has over 34 years of experience in the finance and treasury field in the United Kingdom and in Hong Kong and has extensive knowledge of the property investment/management industry in Hong Kong. He was Chief Executive of Hongkong Land Limited between 2000 and 2007.

Mr Sallnow-Smith is an Independent Non-Executive Director of Dah Sing Financial Holdings Limited (a listed company in Hong Kong) and Dah Sing Bank, Limited, the Chairman of the Board of Directors of LionRock Master Fund Limited in Singapore and is also a member of the Advisory Board of Winnington Group. He is also an Independent Non-Executive Director of Wynn Macau, Limited (a listed company in Hong Kong). He has been actively involved in public service and is currently an independent member of the English School Foundation Board of Governors, a Director of the Hong Kong Philharmonic Society, Chairman of the Hong Kong Youth Arts Foundation, a member of the Council of the Treasury Markets Association (Hong Kong Association of Corporate Treasures Representative) and a member of General Committee of The British Chamber of Commerce in Hong Kong. He is also the Chairman of AFS Intercultural Exchanges Limited.

Mr Ian David Murray ROBINS

Executive Director and Chief Executive Officer (until 16 May 2010)

Mr Robins, aged 54, joined the Manager in November 2007 and was appointed as Executive Director and Chief Executive Officer of the Manager in December 2007. He was a member of the Finance and Investment Committee, Human Resources and Compensation Committee and Nomination Committee of the Manager. He was

also a Director of The Link Holdings Limited, The Link Properties Limited and The Link Finance Limited, being the principal subsidiaries of The Link REIT. Mr Robins ceased to be in these roles from 17 May 2010.

Mr Robins is a graduate of the University of Technology, Adelaide, South Australia. He is a Chartered Accountant and is an Associate of the Institute of Chartered Accountants in Australia. Mr Robins has over 22 years experience in corporate finance, asset and fund management in Australia and Asia, of which 16 years were in real estate. Prior to joining the Manager, he was Divisional Director and Head of Asia (Hong Kong/Korea/China) for Macquarie Real Estate Asia Limited (since 2006). In Australia, Mr Robins' experience also included 7 years with Deutsche Bank AG, Sydney as Director of Deutsche Bank Investment Banking — Real Estate and Director, Capital Markets of DB RREEF Funds Management Limited.

Mr George Kwok Lung HONGCHOY

Executive Director, Chief Executive Officer and Acting Chief Financial Officer

Mr Hongchoy, aged 48, joined the Manager and was appointed as Chief Financial Officer in January 2009 and Executive Director of the Manager in February 2009. Mr Hongchoy is a member of the Finance and Investment Committee of the Manager and also a Director of The Link Holdings Limited, The Link Properties Limited and The Link Finance Limited, being the principal subsidiaries of The Link REIT. Mr. Hongchoy became Chief Executive Officer and is also a member of Human Resources and Compensation Committee and Nomination Committee from 17 May 2010.

He holds a Bachelor of Commerce degree from the University of Canterbury and a MBA degree from The Wharton School, University of Pennsylvania. He is a Chartered Accountant under the New Zealand Institute of Chartered Accountants and a Fellow of the Hong Kong Institute of Certified Public Accountants ("HKICPA") and a Fellow of The Hong Kong Institute of Directors. He has over 23 years of experience in investment banking, financial consulting and accounting in Asia and New Zealand.

OUR GOVERNANCE

BOARD OF DIRECTORS OF THE MANAGER *(continued)*

Mr Hongchoy is a Director of the Hong Kong Securities Institute and Hong Kong CyberPort Management Company Limited. He is also a member of the Advisory Committee on Human Resources Development in the Financial Sector of The Government of the HKSAR and a member of the Asia Executive Board of The Wharton School. He was a Council Member of HKICPA and Chairman of its Corporate Finance Committee in 2008.

Mr Ian Keith GRIFFITHS

Non-Executive Director

Mr Griffiths, aged 55, joined the Board of the Manager in September 2007 as a Non-Executive Director. He is a member of the Finance and Investment Committee of the Manager. Mr Griffiths has practiced architecture for 31 years, with 27 years in Hong Kong. His successful and high profile design practice has a wide range of international clients and projects. He is currently the Chairman of Aedas Limited and an Honorary Professor of Architecture at The University of Hong Kong. Aedas is one of the largest architectural practice in Hong Kong and have some 27 offices and 2,000 staff internationally.

Mr Michael Ian ARNOLD

Independent Non-Executive Director

Mr Arnold, aged 66, has been an Independent Non-Executive Director of the Manager since September 2004. Mr Arnold is the Chairman of the Human Resources and Compensation Committee and a member of the Finance and Investment Committee and the Nomination Committee of the Manager. He is a Chartered Surveyor and has some 43 years' experience in the property industry.

Mr William CHAN Chak Cheung

Independent Non-Executive Director

Mr Chan, aged 62, joined the Board of the Manager in October 2009 as an Independent Non-Executive Director. He is the Chairman

of the Audit Committee and a member of the Remuneration Committee of the Manager. He is a retired partner of PricewaterhouseCoopers ("PwC") with a career spanning 33 years in Canada, Hong Kong and mainland China. Mr Chan is an independent non-executive director of King Fook Holdings Limited and National Electronics Holdings Limited, two companies listed on the Main Board of The Stock Exchange of Hong Kong Limited, as well as a director of several non-listed companies. He was an independent non-executive director of Kingsway International Holdings Limited which is listed on the main board of the TSX in Canada. Mr Chan brings senior management skills and experience in solving complex business issues in many different industries including the real estate industry, and also brings experience in matters on corporate governance.

Mr Anthony CHOW Wing Kin, SBS, JP

Independent Non-Executive Director

Mr Chow, aged 59, joined the Board in May 2006. He is a member of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Manager. Mr Chow is a solicitor admitted to practice in Hong Kong and England and Wales. He has been a practising solicitor in Hong Kong for over 28 years and is currently a Partner of the law firm Messrs. Peter C Wong, Chow & Chow. Mr Chow is a China-Appointed Attesting Officer and member of the Guangzhou Arbitration Commission. He is also the Chairman of the Process Review Panel for the Securities and Futures Commission and a steward of the Hong Kong Jockey Club. His principal areas of practice include corporate and commercial, property law, probate and civil litigation. He is also a Non-Executive Director of Kingmaker Footwear Holdings Limited, an Independent Non-Executive Director of Fountain Set (Holdings) Limited and Ping An Insurance (Group) Company of China, Limited, which are listed in Hong Kong. He is the former President of the Law Society of Hong Kong.

OUR GOVERNANCE

BOARD OF DIRECTORS OF THE MANAGER *(continued)*

Dr Patrick FUNG Yuk Bun, JP

Independent Non-Executive Director

Dr Fung, aged 63, has been an Independent Non-Executive Director of the Manager since August 2005. He is the Chairman of the Remuneration Committee of the Manager. Dr Fung is a veteran banker with over 33 years of experience. He has been Chairman and Chief Executive of Wing Hang Bank, Limited since 1996. He is also a Non-Executive Director of Miramar Hotel and Investment Company, Limited, Chairman of Executive Committee and Vice President of the Council of the Hong Kong Institute of Bankers and a member of the Hong Kong Tourism Board.

Mr Stanley KO Kam Chuen, BBS, JP

Independent Non-Executive Director

Mr Ko, aged 64, joined the Board in September 2005. He is a member of the Audit Committee and the Human Resources and Compensation Committee of the Manager. Mr Ko has extensive experience in business development and management of business portfolios. He is Chairman of Jardine Airport Services Limited, Advisor to the board of Jardine Matheson Limited and an Independent Non-Executive Director of SW Kingsway Capital Holdings Limited (a Hong Kong-listed company). Mr Ko is Chairman of LARK International Holdings Limited.

Mr David Charles WATT

Independent Non-Executive Director

Mr Watt, aged 60, joined the Board of the Manager as an Independent Non-Executive Director in August 2009. He is a member of the Finance and Investment Committee and the Remuneration Committee of the Manager. He holds a Master of Arts in Modern History from the University of Oxford and completed the International Executive Programme at INSEAD, France in 1991. He is a Fellow of the Royal Institution of Chartered Surveyors. He is currently the Chairman of DTZ of North Asia. He has over 30 years of international experience on a wide range of commercial development projects. He is a member of the International Council of Shopping Centres ("ICSC")

and former member of ICSC's European Advisory Board. He was a Board Member of the British Council of Shopping Centres for 13 years.

Professor Richard WONG Yue Chim, SBS, JP

Independent Non-Executive Director

Professor Wong, aged 57, joined the Board of the Manager as an Independent Non-Executive Director in September 2007. He is a member of the Audit Committee and the Human Resources and Compensation Committee of the Manager. He is currently the Deputy Vice-Chancellor and Provost, and Professor of Economics at The University of Hong Kong. His main research interest is in the economic analysis of competition, regulation and economic development. Professor Wong has been actively involved in public service and has served on numerous public bodies. He is an Independent Non-Executive Director of Great Eagle Holdings Limited, Industrial and Commercial Bank of China (Asia) Limited, CK Life Sciences Int'l., (Holdings) Inc., Orient Overseas (International) Limited, Pacific Century Premium Developments Limited and Sun Hung Kai Properties Limited, which are listed in Hong Kong. He is also an Independent Non-Executive Director of Hong Kong Mercantile Exchange Limited.

Dr Allan ZEMAN, GBS, JP

Independent Non-Executive Director

Dr Zeman, aged 61, joined the Board in September 2004. He is a member of the Audit Committee of the Manager. Dr Zeman is Chairman of Lan Kwai Fong Holdings Limited and Ocean Park Hong Kong. He is a Non-Executive Director and Vice Chairman of Wynn Macau, Limited (a Hong Kong-listed company). He is also an Independent Non-Executive Director of Pacific Century Premium Developments Limited, Sino Land Company Limited and Tsim Sha Tsui Properties Limited (companies listed on The Stock Exchange of Hong Kong Limited). Dr Zeman was founder and owner of Colby International Limited until late 2000. He is a member of the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District.

OUR GOVERNANCE

MANAGEMENT TEAM

Mr George HONGCHOY

Executive Director, Chief Executive Officer and Acting Chief Financial Officer

Mr Tony LAM Kwok Tai

Director (Human Resources)

Mr Lam, aged 56, oversees the strategic human resources management, learning and development and general administration of the Manager. Mr Lam joined the Manager in May 2010 and has extensive experience in human resources and operation management across different industries. Before joining the Manager, Mr Lam has managed a number of complex organisations which required him to deal with business growth, consolidation, acquisition and cross-border human resources issues. Mr Lam holds a Bachelor of Science degree in Business Management and Master of Organisation Behaviour degree from Brigham Young University.

Mr POON Kai Tik

Director (Corporate Communications and Strategy)

Mr Poon, aged 57, oversees corporate communications, marketing and promotional functions across the portfolio, as well as advising on strategic direction for business development of The Link REIT. Mr Poon joined the Manager in January 2010 and has over 34 years of experience working in major advertising and marketing agencies, public media companies and public organizations in Hong Kong, which included an eight-year tenure as Assistant Director/Corporate and Community Relations for the Housing Authority. Before joining the Manager, Mr Poon served as Head of Corporate Communications for the Hong Kong Hospital Authority. Mr Poon holds a Master of Business Administration degree from the Chinese University of Hong Kong and a Bachelor of Arts degree from the University of Hong Kong.

Mr Edward TSE Siu Cheung

Director (Project and Development)

Mr Tse, aged 50, is responsible for formulating project development strategies, policies and overseeing the renovation projects to support the Manager in realizing the full potential of the assets. Mr Tse joined the Manager in May 2010 and has over 25 years of experience in architectural design and management, with extensive experience in project management, contract and on-site construction management, shopping mall branding and etc. Mr Tse holds a Bachelor of Arts degree in Architecture and a Bachelor of Architecture degree

from the University of Hong Kong. Mr Tse is an Authorised Person (List of Architects), a Registered Architect in Hong Kong and also a Member of Hong Kong Institute of Architects.

Mr Hubert CHAK

Associate Director (Corporate Development)

Mr Chak, aged 49, is responsible for the formulation of corporate development strategy of the Manager with a holistic view of the current property portfolio and investment opportunities beyond it. Mr Chak also oversees the investor relations function of the Manager. He joined the Manager in June 2010. Mr Chak holds a Master of Business Administration degree and a Bachelor of Science degree in Mechanical Engineering from University of Wales (now known as Cardiff University). Before joining the Manager, Mr Chak was the Group Chief Operating Officer and Executive Director of CSI Properties Limited. Mr Chak held various senior management positions at PCCW Limited between 1999 and 2007 and was an Executive Director of Pacific Century Premium Developments Limited until February 2007. Mr Chak is currently an Independent Non-Executive Director of Tradelink Electronic Commerce Limited.

Ms Vivien CHAN Pik Kwan

Head of Corporate Communications

Ms Chan, aged 48, oversees the Manager's corporate communications function to publicise the Manager's work, build relationship and enhance internal and external communications with its key stakeholders, develop its corporate citizenship programmes and is one of the spokespersons of the Manager. Ms Chan joined the Manager in November 2009 and has over 25 years of experience in public media and corporate communications. Ms Chan holds a Master of Art in Media and Communication Studies from New York University and a Bachelor of Arts degree in Political Science and Philosophy from The University of Hong Kong.

Mr Patrick CHEANG Kwok Kei

Head of Risk Management and Compliance

Mr Cheang, aged 41, oversees corporate governance, risk management, regulatory and operational compliance as well as fostering the risk and compliance awareness in the Manager. Mr Cheang joined the Manager in August 2009 and has extensive experience in internal audit, risk management and corporate governance in property development and property management industries. Mr Cheang holds a Bachelor of Finance degree from the University of Hong Kong and Diploma of China Business and Commercial Law from Shenzhen University.

OUR GOVERNANCE

MANAGEMENT TEAM *(continued)*

Ms Peionie KONG Po Yan

Head of Asset Management

Ms Kong, aged 40, is responsible for the Asset Management of the Manager's asset portfolio. Ms Kong joined the Manager in March 2005 and has 17 years of experience in the real estate industry and has held managerial positions in sizable and reputable companies. Ms Kong holds a Bachelor of Arts degree in Geography from The University of Hong Kong.

Mr Michael LO Kam Chuen

Head of Operations

Mr Lo, aged 59, oversees the operations, facility management and car park management of the Manager's asset portfolio to ensure reliable and efficient asset management. Mr Lo joined the Manager in June 2010 and has 38 years of experience in the property and facility management business. Mr Lo holds a Master of Science degree in Facility Management from The Hong Kong Polytechnic University and a Certificate in Housing Management from The University of Hong Kong. Mr Lo is Certified Facility Manager with the International Facility Management Association (IFMA). Mr Lo plays an active role in the professional community by serving as past Director and Vice President of the IFMA Hong Kong Chapter.

Mr Keith NG Man Keung

Head of Treasury

Mr Ng, aged 38, is responsible for the arrangement of borrowings, cash management, financial risk management and related treasury matters for The Link REIT. Mr Ng joined the Manager in June 2009 and has 17 years experience in corporate treasury, accounting and finance. Mr Ng holds a MBA degree and a Master of Science in Investment Management degree from The Hong Kong University of Science and Technology. Mr Ng is a CFA charterholder, a Fellow of Association of Chartered Certified Accountants and a Member of the Hong Kong Institute of Certified Public Accountants. Mr Ng obtained his first Bachelor degree in Computer Science from The University of Hong Kong.

Ms Rosa TSANG Yuen Yin

Head of Finance

Ms Tsang, aged 40, oversees the finance and accounting functions of the Manager. Ms Tsang joined the Manager in January 2007 and has 18 years of experience in auditing, accounting and finance. Ms Tsang holds a Bachelor of Arts degree in Accountancy from The Hong Kong Polytechnic University. Ms Tsang is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants.

Ms Cissy TSANG Yuk Ying

Head of Market Development

Ms Tsang, aged 63, is responsible for the repositioning and development of the wet market and cooked food stalls in the asset portfolio in order to maximise the Manager's investment return and asset value. Ms Tsang joined the Manager in May 2006 and has over 28 years of experience in the property management industry and has held managerial positions in sizable and reputable companies. Ms Tsang holds a Master of Business Administration degree from Brunel University in the United Kingdom. Ms Tsang is a Fellow of the Chartered Institute of Housing. Ms Tsang is also a Certified Property Manager, an Accredited Condominium Manager, and a Professional Administration Manager.

Mrs Maria WONG Lam Wai Ching

Head of Leasing

Mrs Wong, aged 50, is responsible for the implementation of leasing strategies for renovated shopping centres, maintaining relationships with anchor tenants and exploring new leasing business opportunities. Mrs Wong joined the Manager in January 2009 and has extensive experience in property development and leasing management. Mrs Wong holds a Master of Business Administration degree and a Diploma of Management Studies from The Hong Kong Polytechnic University.

Ms Josephine YEE Chooi Mee

Head of Legal and Company Secretary

Ms Yee, aged 45, is responsible for the Legal and Company Secretarial functions of the Manager. Ms Yee is the Authorised Representative of The Link REIT and the Company Secretary of the Manager and subsidiaries within The Link REIT. Ms Yee joined the Manager in May 2008 and has over 17 years of experience in the property and commercial law sectors. Ms Yee holds a Bachelor of Economics and a Bachelor of Laws from Monash University, Australia and is a qualified solicitor in Hong Kong.

OUR GOVERNANCE

MANAGEMENT TEAM *(continued)*

Mr Leslie YEE

Head of Research and Funds Management

Mr Yee, aged 41, leads a team that conducts economic, retail and property market research, runs the Manager's fund and asset models, evaluates financial feasibility of investments, and analyses strategic initiatives for the Group. Mr Yee also spearheads the investor relations work of the Manager and is the key contact person for investors. Mr Yee joined the Manager in January 2009 and has extensive experience in investment research, finance, and real estate, having worked for various leading financial institutions and corporates. Mr Yee is a CFA charterholder and holds a Bachelor of Arts in Economics degree from the University of Cambridge, United Kingdom.

Mr David CHAN Tsan Fai

General Manager — Facilities and Contract Management

Mr Chan, aged 44, is responsible for ensuring a quality and customer-oriented environment for the portfolio and providing reliable and efficient operations of all facilities to sustain the growth of asset value. Mr Chan joined the Manager in February 2009 and has extensive experience in design, building compliance, construction planning, contracting, project management and facilities and environmental management. Mr Chan holds a Master of Science in Construction Management and Economics and a Bachelor of Arts with honours degree in Architecture. Mr Chan is also a Registered and Chartered Architect in Hong Kong and United Kingdom, a Member of the Chartered Institute of Building and a Member of the Society of Fire Protection Engineers. Mr Chan is a familiar figure within the community having written and spoken at conferences on environmental sustainability, planning and construction matters as well as extensive engagement with Government Departments.

Ms Belinda CHOI Sau Yee

Financial Controller

Ms Choi, aged 52, is responsible for maintaining the finance and accounting function to ensure that the Manager's financial commitments to the Unitholders can be achieved. Ms Choi joined the Manager in November 2004 and has extensive experience in auditing, accounting and finance. Ms Choi holds a Master of Business Administration degree from the University of Strathclyde in United Kingdom. Ms Choi is a Fellow of the Association of Chartered Certified Accountants and a Member of the Hong Kong Institute of Certified Public Accountants.

Mr Edward CHOW Kam Luk

General Manager — Strategic Planning

Mr Chow, aged 61, is responsible for the strategic planning to identify and evaluate business opportunities as well as assist in formulating strategy for business development. Mr Chow joined the Manager in August 2004 and has extensive experience in commercial property management. Mr Chow holds a Bachelor of Laws from Sun Yat-Sen University in the People's Republic of China.

Mr James CLARK

General Manager — Operations

Mr Clark, aged 45, is responsible for coordinating relevant business units in the provision of quality asset management services so as to achieve sustainable returns to investors. Mr Clark joined the Manager in February 2010 and is one of the Responsible Officers of the Manager for the purpose of the SFO. Mr Clark has extensive experience in asset management, investment management and real estate operational management. Mr Clark holds an Associate Diploma of Business in Real Estate Valuation from the University of Queensland. He is a registered Valuer in Queensland, Australia.

Mr Emmanuel FARCIS

General Manager — Development

Mr Farcis, aged 38, oversees the delivery of asset enhancement projects on time and within budget with the aim of maximizing the Manager's investment return and asset value. Mr Farcis joined the Manager in September 2008 and has extensive experience in business development and project management. Mr Farcis holds a Bachelor of Business Administration degree from the University of Nancy and a Master of Business Administration degree from the University of Cambridge.

Ms Irene FISHER, MH

General Manager — Asset Management

Ms Fisher, aged 58, is responsible for the Asset Management of the Manager's asset portfolio in Kowloon, Ma On Shan, Tseung Kwan O and Hong Kong Island. Ms Fisher joined the Manager in September 2004. Ms Fisher has extensive experience in the development, management and leasing of commercial portfolios. Ms Fisher holds a Master of Housing Management degree from The University of Hong Kong and a Bachelor's degree

OUR GOVERNANCE

MANAGEMENT TEAM *(continued)*

in Government and Public Administration from The Chinese University of Hong Kong. Ms Fisher is a Fellow Member of the Hong Kong Institute of Housing and Institute of Shopping Centre Management. Ms Fisher is currently the Chairman of the Research, Training and Education Committee of Institute of Shopping Centre Management.

Mr Simon HO Kam Por

Compliance Manager

Mr Ho, aged 57, oversees regulatory compliance for the Manager. Mr Ho joined the Manager in July 2004 and is one of the Responsible Officers of the Manager for the purpose of the SFO. Mr Ho has more than 30 years of experience in the financial business and is well versed in the trading operations of derivatives and investment management. Mr Ho held directorships with various listed companies in Hong Kong and was the Executive Director of AIM Group of Companies from 1999 to 2004 before joining the Manager.

Mr Charles Kenneth HUI

General Manager — Car park and Management Support

Mr Hui, aged 37, is responsible for overseeing the car park revenue and operations, managing and monitoring the service quality of car park vendors. Mr Hui joined the Manager in July 2008. Mr Hui has extensive experience in the property sector in Hong Kong, China and U.S.A. including business development, leasing, property and car park management. Mr Hui holds a Bachelor of Science degree in Chemical Engineering from The University of Texas, Austin and a MBA degree from The Chinese University of Hong Kong.

Ms Elsa LEE Tsz Kwan

Senior Legal Counsel

Ms Lee, aged 43, is responsible for providing professional legal advice and support to the business and operations of the Manager. Ms Lee joined the Manager in December 2008. Ms Lee has over 18 years of legal practice/in-house experience. Ms Lee holds a Bachelor of Laws and a Postgraduate Certificate in Laws from The University of Hong Kong and is a qualified solicitor in Hong Kong, England and Wales.

Ms Germaine LUI Shuk Man

General Manager — Marketing and Promotion

Ms Lui, aged 47, is responsible for the marketing and promotion activities of the Manager to promote the image and enhance the public awareness of the asset portfolio. Ms Lui joined the Manager in January 2005. Ms Lui has 25 years of experience in brand building and marketing communications. Before joining the Manager, Ms Lui has had 8 years of experience in consumer marketing for a number of reputable shopping centres in Hong Kong and the People's Republic of China. Her other previous employers included a leading international public relations consultancy and a 4A advertising agency. As one of the founders of The Hong Kong Public Relations Professionals' Association, Ms Lui continues to serve as a member of the Association's Supervisory Committee. Ms Lui holds a Master of Business Administration degree from the University of South Australia and graduated from Hong Kong Baptist University, majoring in Communication.

Mr Fred WONG Kim Fat

General Manager — Human Resources

Mr Wong, aged 41, oversees the implementation of the human resources, learning and development and administration functions of the Manager. Mr Wong joined the Manager in November 2006 and has over 19 years of experience in human resources management. Mr Wong graduated from The Hong Kong Polytechnic University in Business Studies and holds a Master of Management degree from Macquarie University of Australia. Mr Wong is a professional member of the Hong Kong Institute of Human Resource Management.

Mr Clement WU Kim Man

General Manager — Project and Planning

Mr Wu, aged 41, oversees the planning and project implementation of asset enhancement projects. Mr Wu joined the Manager in November 2004 and has 18 years experience in project management of asset enhancement and major renovation works for major property developers and consultancy firm in Hong Kong. Mr Wu is a registered professional surveyor and an Authorized Person (List of Surveyors), and is also a member of The Hong Kong Institute of Surveyors, a professional associate of The Royal Institution of Chartered Surveyors and an associate of The Chartered Institute of Arbitrators. Mr Wu holds a Bachelor's degree in Building Technology and Management from The Hong Kong Polytechnic University.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT

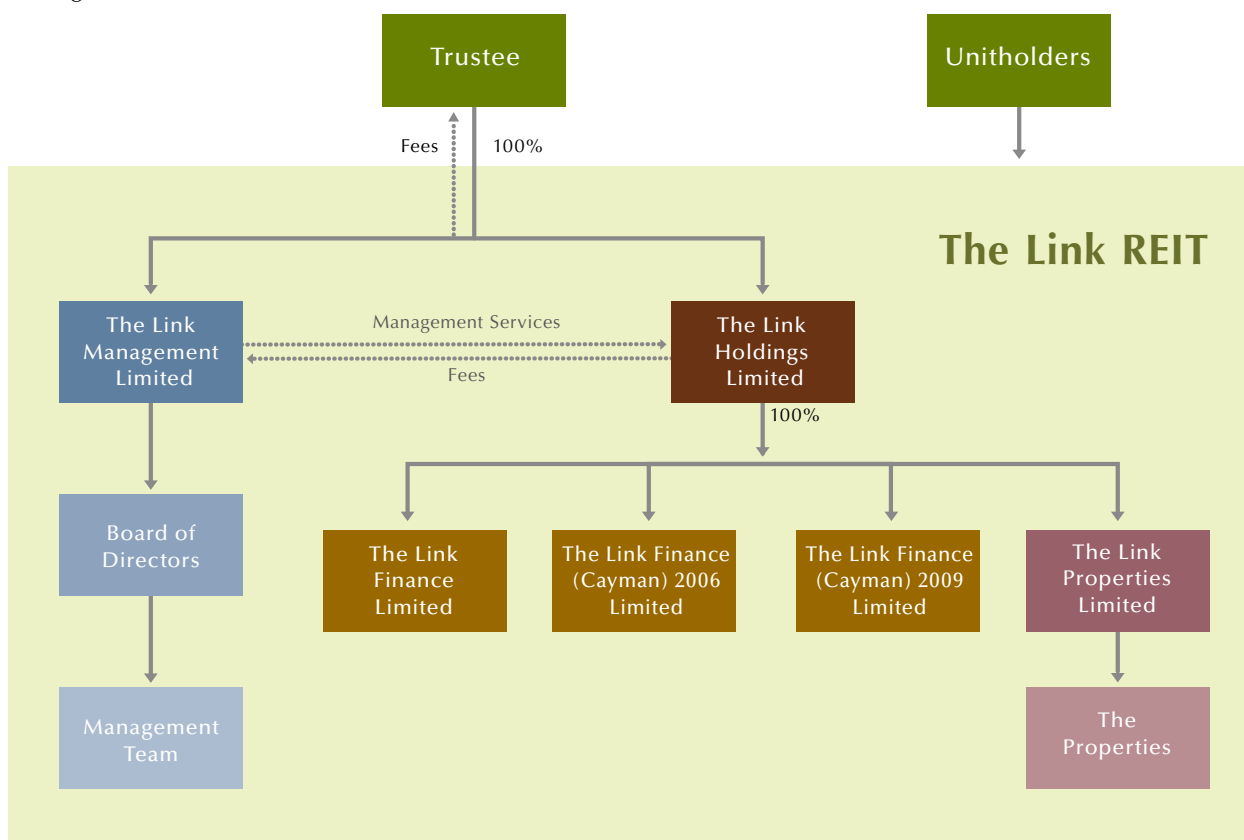
With the objectives of establishing and maintaining high standards of corporate governance, the Manager is committed to certain policies and procedures to ensure that The Link REIT is well-managed and operates in a transparent manner. Set out below is a summary of the key components of the corporate governance policies that have been adopted by the Manager and The Link REIT.

AUTHORISATION STRUCTURE

The Link REIT is a collective investment scheme in the form of a unit trust authorised by the SFC under section 104 of the Securities and Futures Ordinance (the "SFO") and regulated by the provisions of the Code on Real Estate Investment Trusts ("the REIT Code").

HSBC Institutional Trust Services (Asia) Limited, the Trustee, is a registered trust company for collective investment schemes under the SFO and the REIT Code.

The Manager is licensed by the SFC under section 116 of the SFO to conduct the regulated activity of asset management.



Notes:

1. The Link Finance Limited, The Link Finance (Cayman) 2006 Limited and The Link Finance (Cayman) 2009 Limited are companies established for arranging financing for The Link REIT.
2. The Link Properties Limited is the legal and/or beneficial owner of the properties of The Link REIT.
3. The Link Management Limited is the internal Manager of The Link REIT.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

ROLES OF THE TRUSTEE AND THE MANAGER

As The Link REIT has adopted an internalised management structure, the Trustee is the owner of all the shares of the Manager which are held in trust for the benefit of Unitholders. The Trustee and the Manager are functionally independent of each other. The Trustee is responsible under the Trust Deed for the safe custody of the assets of The Link REIT and holds the same for and on behalf of Unitholders. The Manager's role under the Trust Deed is to manage The Link REIT in accordance with the Trust Deed and in particular, to ensure that The Link REIT's assets are professionally managed in the sole interests of Unitholders.

BOARD OF DIRECTORS OF THE MANAGER

The Board

With the aim of creating a Board that is both effective and balanced in structure, the size of the Board has been set to provide for a minimum of nine (9) Directors and a maximum of fourteen (14) Directors. As at 2 June 2010, the Board comprises eleven (11) members, nine (9) of whom are Independent Non-Executive Directors, one (1) is Non-Executive Director and one (1) is Executive Director. Independent Non-Executive Directors and Non-Executive Directors are appointed for a specific term of three (3) years.

One-third of all Directors are subject to retirement at each Annual General Meeting of the Manager. Independent Non-Executive Directors are eligible for re-appointment up to a maximum term of service of nine (9) years.

Resignation of Directors

- With effect from 18 June 2009, Mr John HO Chi On resigned as a Non-Executive Director, a member of the Finance and Investment Committee ("**FIC**") and a member of the Human Resources and Compensation Committee ("**HRC**") of the Manager due to his business and other commitments.
- Mr KEE Teck Koon, a director nominated by CapitaLand Limited, resigned as a Non-Executive Director of the Manager, a member of the FIC and a member of the HRC of the Manager with effect from 1 August 2009 due to his retirement from CapitaLand Limited.
- Mr LIM Beng Chee, a director nominated by CapitaLand Limited, resigned as a Non-Executive Director of the Manager with effect from 27 August 2009 due to the expiry of the Co-operation Agreement with CapitaLand Limited.
- Mr Ian David Murray ROBINS ceased to be the Chief Executive Officer, an Executive Director and a member of the FIC, HRC and Nomination Committee ("**NC**") and a Responsible Officer of the Manager with effect from 17 May 2010 as he intended to move back to Australia with his family.

Appointment of Directors

- Mr David Charles WATT was appointed as an Independent Non-Executive Director of the Manager with effect from 14 August 2009 and a member of the FIC and the Remuneration Committee ("**RC**") of the Manager with effect from 5 November 2009.
- Mr William CHAN Chak Cheung was appointed as an Independent Non-Executive Director and a member of the Audit Committee ("**AC**") of the Manager with effect from 1 October 2009 and subsequently was appointed as the Chairman of AC with effect from 12 January 2010. He was also appointed as a member of the RC of the Manager with effect from 5 November 2009.

Appointment of Chief Executive Officer

- With effect from 17 May 2010, Mr George Kwok Lung HONGCHOY succeeded Mr Ian David Murray ROBINS as Chief Executive Officer and was also appointed as a member of the HRC and NC of the Manager.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

Succession Arrangement of Chief Financial Officer and Executive Director

- Mr Andy CHEUNG Lee Ming will be appointed as Chief Financial Officer and a member of the FIC of the Manager with effect from 28 June 2010. He will be appointed as Executive Director and a Responsible Officer of the Manager upon his satisfying the requirements of the SFC and obtaining the SFC's approval to be a Responsible Officer.
- Prior to Mr Andy CHEUNG Lee Ming's assumption of office as the Chief Financial Officer of the Manager, Mr George Kwok Lung HONGCHOY be the Acting Chief Financial Officer of the Manager with effect from 17 May 2010.

Composition of the Board

The composition of the Board is determined on the following principles:

- the Chairman of the Board will be an Independent Non-Executive Director;
- the Board should comprise Directors with a broad range of commercial experience including expertise in funds management and the property industry and will possess skills which can contribute to a more effective and efficient Board deliberation process; and
- at least one half of the Board comprise of Independent Non-Executive Directors.

The composition of the Board will be reviewed regularly to ensure that the Board has the appropriate mix of skills, expertise and experience to lead and guide the Manager.

Independence of Directors

The Manager has received annual confirmations of independence from each of the Independent Non-Executive Director during the year and has assessed their independence. The Board is of the view that all Independent Non-Executive Directors are independent and have met with the criteria set out in the corporate governance policy of the Manager.

Directors' Service Contract

There is no service contract, which is not determinable by the Manager within one (1) year without payment of compensation (other than statutory compensation), in respect of any Director proposed for re-election at the forthcoming Annual General Meeting of the Manager.

Roles and Functions of the Board

The Board principally oversees the management of the Manager's affairs and the conduct of its business and is responsible for the overall governance of the Manager. The Board's function is largely separate from, and independent of, the executive management function. The Board leads and guides the Manager's corporate strategy and direction. It exercises the general powers within the limits defined by the Articles of Association of the Manager, with a view to ensuring that management discharges its duties and is compensated appropriately, and that sound internal control policies and risk management systems are maintained. The Board also reviews major financial decisions and the performance of the Manager. The Board also acknowledges its responsibility for preparing the financial statements of The Link REIT.

The roles of the key members of the Board are as follows:

- Chairman — an Independent Non-Executive Director, responsible for the overall leadership of the Board and the Manager generally and shall not have any executive role.
- Executive Directors — responsible for the day-to-day operations of the Manager and for supervising the Manager's management team to ensure that The Link REIT operates in accordance with its stated strategies, policies and regulations.
- Independent Non-Executive Directors/Non-Executive Directors — responsible for governing the Manager through the Board.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

The positions of Chairman and Chief Executive Officer are held by two (2) separate individuals, namely, Mr Nicholas Robert SALLNOW-SMITH and Mr George Kwok Lung HONGCHOY, respectively, in order to maintain an effective segregation of duties. Prior to 17 May 2010, the position of Chief Executive Officer was held by Mr Ian David Murray ROBINS.

Matters specifically reserved to the Board

Certain matters are specifically reserved to the full Board for deliberation, including but not limited to items such as:

- (i) approval of interim and final dividends, annual/interim reports and financial statements and circulars to Unitholders;
- (ii) recommending to Unitholders any changes to the Memorandum and Articles of Association of the Manager or to the Trust Deed;
- (iii) approval of sale and/or acquisition of properties;
- (iv) approval of the appointment and removal of the Chief Executive Officer, other Executive Directors and the Company Secretary or any other directors as recommended by the Nomination Committee;
- (v) approval of any matter which would have a material effect on The Link REIT's financial position, liabilities, future strategy or reputation; and
- (vi) approval of the powers and authority delegated to the various Board Committees.

Appointment and Removal of Directors

Directors may be nominated for appointment, re-appointment and/or removal by:

- (i) the Board of Directors following a recommendation made by the Nomination Committee; or
- (ii) any Unitholder in accordance with the terms of the Trust Deed.

Pursuant to the Trust Deed, the Manager shall upon receipt of a valid request from Unitholders convene a meeting of Unitholders for the purpose of seeking the approval of Unitholders for any proposed appointment, re-appointment or removal of Directors by way of ordinary resolution. The quorum for such general meeting of Unitholders to consider the appointment, re-appointment or removal of a Director is two (2) or more Unitholders present in person or by proxy registered as holding not less than 25% of the Units for the time being issued and outstanding, while the quorum for appointment, re-appointment or removal of a Director which has been approved or recommended by the Nomination Committee is two (2) or more Unitholders present in person or by proxy registered as holding not less than 10% of the Units for the time being issued and outstanding. Subject to any legal obligation of the Manager to the contrary, Unitholders have the right to remove an incumbent Director in accordance with the terms of the Trust Deed. A Director may also be removed from office if served with a notice to that effect signed by all the other Directors. An outgoing Director shall abstain from voting in respect of a resolution proposed at a Board meeting in respect of the appointment of his successor or his re-appointment.

Information to the Board

Regular reports are presented to all Directors to ensure that they are well informed of the business developments and progress of The Link REIT. In order to ensure effective and efficient Board or Committee meetings, procedures are in place to ensure that adequate advance notices are given to all members concerned so as to allow maximum participation in the meetings. Prior to the meetings, sufficient information and materials are also provided to Board members. When considered necessary, Board members can obtain independent advice from external professional parties at the expense of The Link REIT.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

BOARD COMMITTEES

Subject to the matters specially reserved to the Board, the Board has established various Board Committees to assist it in discharging its responsibilities. During the year ended 31 March 2010, the attendance records of the annual general meeting of The Link REIT, Board meetings and various Committee meetings are set out in the following table.

Name of Directors	2009 AGM of The Link REIT	Board	Audit Committee ("AC")	Finance and Investment Committee ("FIC")	Human Resources and Compensation Committee ("HRC")	Nomination Committee ("NC")	Remuneration Committee ¹ ("RC")
Number of Meetings	1	11	6	8	5	3	1
Chairman (also an Independent Non-Executive Director)							
Nicholas Robert Sallnow-Smith	1/1	11/11		8/8		3/3	
Executive Directors ("ED")							
Ian David Murray Robins ² (Chief Executive Officer)	1/1	10/11	6/6 (in attendance)	8/8	5/5	3/3	
George Kwok Lung Hongchoy ² (Chief Financial Officer)	1/1	10/11	6/6 (in attendance)	8/8			
Non-Executive Directors ("NED")							
Ian Keith Griffiths	0/1	9/11		5/8			
John Ho Chi On ³	-/-	3/3		2/2	1/1		
Kee Teck Koon ⁴	0/1	1/4		1/3	1/2		
Lim Beng Chee ⁵	0/1	0/4					
Independent Non-Executive Directors ("INED")							
Michael Ian Arnold	0/1	9/11		7/8	5/5	3/3	
William Chan Chak Cheung ⁶	-/-	5/6	2/3				1/1
Anthony Chow Wing Kin ⁷	1/1	11/11	5/6			3/3	1/1
Patrick Fung Yuk Bun ⁸	0/1	11/11	5/5				1/1
Stanley Ko Kam Chuen	1/1	9/11	6/6		5/5		
David Charles Watt ⁹	-/-	7/7		3/3			1/1
Richard Wong Yue Chim	1/1	9/11	5/6		4/5		
Allan Zeman	1/1	8/11	4/6				
In attendance							
Internal Auditor			6/6				
External Auditor			5/6				

Notes:

- The RC was established on 5 November 2009.
- Subsequent to the year ended 31 March 2010, George Kwok Lung HONGCHOY succeeded Ian David Murray ROBINS as the CEO on 17 May 2010.
- John HO Chi On resigned as NED, member of FIC and HRC with effect from 18 June 2009.
- KEE Teck Koon resigned as NED, member of FIC and HRC with effect from 1 August 2009.
- LIM Beng Chee resigned as NED with effect from 27 August 2009.
- William CHAN Chak Cheung was appointed as INED and a member of AC with effect from 1 October 2009 and he was appointed as AC Chairman with effect from 12 January 2010. He was also appointed as a RC member with effect from 5 November 2009.
- Anthony CHOW Wing Kin was appointed as a RC member with effect from 5 November 2009.
- Patrick FUNG Yuk Bun was appointed as RC Chairman with effect from 5 November 2009 and retired as the AC Chairman and ceased to be a AC member with effect from 12 January 2010.
- David Charles WATT was appointed as INED with effect from 14 August 2009. He was also appointed as a member of FIC and RC with effect from 5 November 2009.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

Audit Committee

The Audit Committee has five (5) members who are Independent Non-Executive Directors. Under its terms of reference, the Audit Committee oversees the disclosure of information to Unitholders such as annual reports, semi-annual reports and circulars and reviews the completeness, accuracy, clarity and fairness of such information and The Link REIT's financial statements and considers the scope, approach and nature of internal and external audit reviews. It is also responsible to the Board for ensuring the quality and integrity of internal controls and the management of risk. It also recommends the appointment and/or re-appointment of the external auditor, reviews its reports and guides management to take appropriate actions to remedy faults or deficiencies identified. The Audit Committee is also responsible for reviewing and monitoring connected party transactions.

The Audit Committee is required to meet at least three (3) times a year and to report to the Board on the Committee's decisions and progress on a regular basis (as determined by the Audit Committee and approved by the Board).

For the reporting year, the Audit Committee has met six (6) times. Regular attendees at the Audit Committee meetings are the Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit and the external auditor. Other occasional attendees included the independent property valuer. The Committee also met with the external auditor without the presence of management.

During the year under review, the Audit Committee has performed the following tasks:

- (i) considered and reviewed the annual and interim financial results of The Link REIT in conjunction with the external auditor;
- (ii) reviewed the quarterly compliance reports and the risk assessment reports to consider the internal control, risk management and compliance matters relating to The Link REIT;
- (iii) reviewed connected party transactions and has confirmed that such transactions were entered into in accordance with the REIT Code;
- (iv) reviewed the internal audit reports as presented by the internal auditor and approved the internal audit plan for the coming financial year;
- (v) reviewed and assessed the independence and performance of the external auditor and its related fees;
- (vi) reviewed and considered the accuracy and completeness of the annual and interim reports of The Link REIT and reviewed the compliance with applicable legal and regulatory requirements;
- (vii) reviewed and considered the accuracy and clarity of results announcements, other public announcements and circulars to Unitholders issued by the Manager on behalf of The Link REIT; and
- (viii) reviewed the insurance coverage and corporate governance framework.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

Finance and Investment Committee

The Finance and Investment Committee comprises six (6) members with three (3) Independent Non-Executive Directors, one (1) Non-Executive Director and two (2) Executive Directors. Under its terms of reference, the Finance and Investment Committee is responsible for evaluating and making recommendations on proposed acquisitions and/or disposals of assets, reviewing budgets and making recommendations to the Board on all key items of expenditure and reviewing the quarterly financial performance, forecasts and annual financial plan of The Link REIT. It also reviews and recommends changes to financial authorities, policies or procedures in areas such as accounting, tax, treasury, dividend payout, investment appraisal, management and statutory reporting. The Finance and Investment Committee is required to meet at least four (4) times a year and to report to the Board on its decisions and progress on a regular basis (as determined by the Committee and approved by the Board).

During the year under review, the Finance and Investment Committee has performed the following tasks:

- (i) reviewed and recommended the budget for the financial year for the Board's approval;
- (ii) reviewed the financial performance of The Link REIT;
- (iii) reviewed and considered the refinancing plans and structure;
- (iv) reviewed and considered the progress of approved asset enhancement projects;
- (v) identified and considered the feasibility of potential asset enhancement projects; and
- (vi) reviewed and considered the financial governance of The Link REIT, including asset enhancement projects, financial and treasury management strategies and policies, delegated financial authority, capital management policy and head office relocation and accommodations etc.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee comprises four (4) members with three (3) Independent Non-Executive Directors and one (1) Executive Director. Under its terms of reference, the Human Resources and Compensation Committee oversees the human resources strategy and policies of The Link REIT. It sets broad remuneration principle and manpower strategy for The Link REIT other than remuneration policy for Directors of the Board, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer. It also recommends the manpower deployment plan including the pay level and manpower and succession plan.

The Human Resources and Compensation Committee is required to meet at least twice a year and to report to the Board on its decisions and progress on a regular basis (as determined by the Committee and approved by the Board).

During the year under review, the Human Resources and Compensation Committee has performed the following tasks:

- (i) reviewed the organisation structure, manpower plan, terms and conditions of employment, staff benefits, new human resources initiatives, senior management appointments and other related issues following the implementation of direct management;
- (ii) reviewed the salary increase budget and bonus payments for the employees of the Manager; and
- (iii) reviewed the long term incentive plan for the Board's endorsement and granting of restricted units awards to eligible participants.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

Nomination Committee

The Nomination Committee comprises four (4) members with three (3) Independent Non-Executive Directors and one (1) Executive Director. Under its terms of reference, the Committee is responsible for reviewing the structure, size and composition of the Board and its Committees on an ongoing basis and for nominating, and providing recommendations on the appointment, re-appointment and removal of Directors. If a member of the Nomination Committee is subject to re-appointment or removal, then such Director will abstain from participating in such discussions. The Nomination Committee is required to meet at least twice a year and to report to the Board on its decisions and progress on a regular basis (as determined by the Committee and approved by the Board).

During the year under review, the Nomination Committee has performed the following tasks:

- (i) reviewed the composition and structure of the Board and Committees;
- (ii) reviewed the attendance of Directors at the Board and Committee Meetings;
- (iii) reviewed the arrangements to evaluate the performance of the Board and its members;
- (iv) reviewed and considered the appointments of new Directors and made appropriate recommendations for approval by the Board; and
- (v) provided recommendations to the Board for re-appointment and/or re-election of Directors by Unitholders.

Remuneration Committee

The Remuneration Committee has been established by the Board to assist in matters pertaining to remuneration of Directors, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

The Remuneration Committee comprises four (4) members of all Independent Non-Executive Directors. Under its terms of reference, the Remuneration Committee is responsible for overseeing, developing and administering an accountable and fair remuneration policy and framework for Directors, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer to ensure that appropriate incentives are provided to encourage enhanced performance and contributions to the success of The Link REIT are recognised.

The Remuneration Committee is required to meet at least twice a year and to report to the Board on its decisions and progress on a regular basis (as determined by the Committee and approved by the Board).

During the financial year, the Remuneration Committee met once as the Committee was established on 5 November 2009. During that meeting, the Remuneration Committee performed the following tasks:

- (i) reviewed the terms of reference of the Committee and proposed amendments;
- (ii) reviewed the remuneration policies for Directors, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer; and
- (iii) approved the remuneration package for Directors, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

Terms of Reference of the respective Board Committees

Terms of reference of the respective Board Committees are available on The Link REIT's website.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

COMMUNICATIONS WITH STAKEHOLDERS AND UNITHOLDERS

In promoting good corporate governance and transparency, The Link REIT has continuously communicated with both the stakeholders and the Unitholders through the following channels:

- (i) press conferences and analyst meetings are held at least twice a year at the time of announcing final and interim results. Management will be present to answer questions that are raised;
- (ii) during the Annual General Meeting held every year, the Executive Directors and the senior executives will explain strategies or directions of The Link REIT and answer questions that Unitholders may have;
- (iii) its website which is constantly updated with latest developments of The Link REIT. Interested parties may also contact the Manager through email or the general investor hotline; and
- (iv) the Manager's participation in various investors' conferences or roadshows to promote The Link REIT as well as to foster relationships with potential investors.

Since 1 April 2009, the Manager has participated in the following roadshows and investors' conferences:

Month	Event	Organiser	Venue
April 2009	Hong Kong CEO REIT Forum	Macquarie	Hong Kong
April 2009	Investor Luncheon	CLSA	Hong Kong
April 2009	Property Leaders Forum 2009	Asian Public Real Estate Association	Hong Kong
June 2009	Post Final Results Teleconference/Roadshow	Macquarie	Hong Kong
June 2009	Post Final Results Teleconference/Roadshow	JP Morgan	Hong Kong/Shanghai/Beijing
June 2009	Post Final Results Roadshow	CLSA	Hong Kong
June 2009	Post Final Results Roadshow	Goldman Sachs	Singapore
June 2009	Real Estate Investment World	Terrapinn	Singapore
June 2009	Post Final Results Roadshow	UBS	Sydney
June 2009	The "Pulse of Asia" Conference	DBS Vickers	Singapore
July 2009	The 4th China Property Corporate Day	Morgan Stanley	Hong Kong
July 2009	Asia Equity Conference	Nomura	Singapore
September 2009	Hong Kong/China Property Day 2009	UBS	Hong Kong
September 2009	The 16th Investors Forum 2009	CLSA	Hong Kong
November 2009	Post Interim Results Roadshow	HSBC	Hong Kong
November 2009	Post Interim Results Roadshow	Macquarie	Hong Kong
November 2009	Post Interim Results Roadshow	DBS Vickers	Singapore
November 2009	Daiwa Investment Conference	Daiwa	Hong Kong
November 2009	Post Interim Results Roadshow	UBS	London
December 2009	2009 Global Real Estate Conference	UBS	London
December 2009	HK and China Property Access Day	CLSA	Hong Kong
December 2009	Greater China Property and Construction Summit	Bank of America Merrill Lynch	Hong Kong
December 2009	Post Interim Results Roadshow	JP Morgan	New York
January 2010	Greater China Property Day	HSBC	Hong Kong
February 2010	Asia Property Corporate Day	Goldman Sachs	Hong Kong/Singapore
February 2010	Retail Investor Seminar	Tai Fook	Hong Kong
March 2010	Asian Investment Conference 2010	Credit Suisse	Hong Kong

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

The Manager will continue to participate in roadshows and investors' conferences to enhance The Link REIT's relationship with the investor community and investors' understanding of The Link REIT's operations and developments. The important dates for Unitholders in 2010 are set out on page 191 of this Annual Report.

REPORTING AND TRANSPARENCY

The Link REIT prepares its financial statements in accordance with the Hong Kong Financial Reporting Standards for each financial year end of 31 March and each financial half-year end of 30 September. In accordance with the REIT Code, the annual report and financial statements for The Link REIT will be published and sent to Unitholders no later than four (4) months following each financial year end and the interim reports no later than two (2) months following each financial half-year end.

The Manager reviews and considers material disclosures made by The Link REIT for any misstatements or omissions. Procedures and policies are in place to ensure that price sensitive information will be disseminated to the market as a whole and will be kept confidential until it is publicly announced.

As required by the REIT Code, the Manager will ensure that public announcements of material information and developments with respect to The Link REIT will be made on a timely basis in order to keep Unitholders apprised of the position of The Link REIT.

GENERAL MEETINGS

The Link REIT will hold its Annual General Meeting in addition to other meetings in the year. The Trustee and the Manager may at any time convene a meeting of Unitholders. The Trustee or the Manager may convene a meeting if requested in writing by not less than two (2) Unitholders registered as together holding not less than 10% of the issued and outstanding Units. Notice of meeting will be given to Unitholders in compliance with notice periods for general meetings set forth in the REIT Code and the Listing Rules and the notice shall specify the place, day and hour of the meeting and the proposed resolutions for consideration at such meeting. Two (2) or more Unitholders present in person or by proxy registered as holding together not less than 10% of the Units for the time being in issue and outstanding shall form a quorum for the transaction of business, except for the purpose of passing a special resolution. The quorum for passing a special resolution shall be two (2) or more Unitholders present in person or by proxy registered as holding together not less than 25% of the Units in issue and outstanding.

Unitholders shall not vote, or be counted towards the quorum for a meeting at which they have a material interest in the business to be conducted and that interest is different from the interests of other Unitholders.

Pursuant to the Trust Deed, no less than two (2) registered Unitholders together holding not less than 10% of the Units shall have a right to call for a general meeting to be convened and propose resolutions for consideration at such meeting by serving a written request to the Manager (for the attention of the Company Secretary).

At any meeting of Unitholders, a resolution put to the meeting shall be decided by poll.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

The last Unitholders' meeting was the 2009 Annual General Meeting which was held on 29 July 2009 at Concord Room, 8th Floor, Renaissance Harbour View Hotel, Hong Kong, 1 Harbour Road, Wanchai, Hong Kong. The items discussed at the meeting and the percentage of votes cast in favour of the resolutions passed are set out below:

Resolutions	Percentage (%) of Votes Cast For
(i) noting of the audited financial statements of The Link REIT together with the auditor's report for the financial year ended 31 March 2009	no voting required
(ii) noting of the re-appointment of Messrs PricewaterhouseCoopers as auditor for The Link REIT and the fixing of its remuneration	no voting required
(iii) re-appointment of Mr George Kwok Lung HONGCHOY as Director of the Manager	99.21%
(iv) re-election of Directors of the Manager	
Mr Michael Ian ARNOLD	99.32%
Mr Anthony CHOW Wing Kin	99.22%
Dr Allan ZEMAN	89.12%
(v) granting a general mandate to the Manager to repurchase Units of The Link REIT	99.99%

All resolutions put to Unitholders at the meeting were passed. The results of the voting by poll were published on the websites of The Link REIT and The Stock Exchange of Hong Kong Limited.

MATTERS TO BE DECIDED BY UNITHOLDERS BY SPECIAL RESOLUTION

Pursuant to the Trust Deed, decisions with respect to certain matters require specific prior approval of Unitholders by way of special resolution. Such matters include:

- (i) disposal of any real estate properties forming part of the assets of The Link REIT within two (2) years of acquisition of such properties;
- (ii) disposal by the Trustee of all or any of the Manager's shares;
- (iii) any increase in the maximum percentage rate or change to the structure of the Trustee's fees;
- (iv) any modifications to the Trust Deed, save in certain circumstances specified in the Trust Deed; and
- (v) termination or merger of The Link REIT.

Under certain circumstances, Unitholders may by special resolution remove the Trustee and/or the Manager.

ISSUES OF FURTHER UNITS POST-LISTING

Further issues of Units in The Link REIT will need to comply with the pre-emption provisions contained in the REIT Code. Such provisions require that further issues of Units be first offered on a pro rata pre-emptive basis to existing Unitholders except that units may be issued:

- (i) free of such pre-emption rights up to an aggregate maximum of 20% of the number of Units in issue at the end of the previous financial year; or
- (ii) free of pre-emption rights in other circumstances provided that the approval of Unitholders by way of an ordinary resolution is obtained.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

The Manager and The Link REIT will also observe the restrictions in the REIT Code which prevent issues of new Units to connected persons unless specifically approved by Unitholders.

Pursuant to Unitholders' election under the Distribution Reinvestment Schemes, The Link REIT issued 13,824,946 Units at HK\$16.984 per Unit on 19 August 2009 and 21,178,106 Units at HK\$19.268 per Unit on 26 January 2010.

Subsequent to the year ended 31 March 2010, The Link REIT issued 131,478 units on 10 May 2010 on the vesting of Restricted Unit Awards pursuant to the Long Term Incentive Plan (approved by Unitholders on 23 July 2007) to the persons not being directors of the Manager or the group of companies owned and controlled by The Link REIT.

PURCHASE, SALE OR REDEMPTION OF THE LINK REIT'S LISTED UNITS

Neither the Manager nor any of The Link REIT's subsidiaries purchased, sold or redeemed any of The Link REIT's listed Units during the year other than the issue of Units as part of the Distribution Reinvestment Schemes.

DEALINGS IN SECURITIES OF THE LINK REIT BY THE DIRECTORS AND SENIOR EXECUTIVES OF THE MANAGER

To monitor and supervise any dealings in the securities of The Link REIT by the Directors and senior executives of the Manager and their respective associates, the Manager has adopted a code governing dealings in the securities of The Link REIT which contains rules on dealings, equivalent to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules. Pursuant to this code, Directors and senior executives of the Manager wishing to deal in the securities of The Link REIT must first have regard to provisions analogous to those set out in Parts XIII and XIV of the SFO with respect to insider dealing and market misconduct. In addition, there are situations where Directors and senior executives of the Manager cannot deal in the securities of The Link REIT even though the requirements of the SFO, if applied, would not be contravened.

Directors or senior executives of the Manager who are aware of or privy to:

- (i) any negotiations or agreements related to intended acquisitions or disposals which are significant transactions; or
- (ii) any price-sensitive information,

must refrain from dealing in the securities of The Link REIT unless proper disclosure of the information, in accordance with the REIT Code and any applicable Listing Rules, is made. Directors or senior executives of the Manager who are privy to relevant negotiations or agreements or any price-sensitive information should caution those Directors and senior executives of the Manager who are not so privy that there may be unpublished price-sensitive information and that they must not deal in The Link REIT's securities for a similar period.

The Manager has adopted the blackout period announced by The Stock Exchange of Hong Kong Limited, which was came into effect on 1 April 2009. As a result of the new requirements, a director must not deal in any securities of The Link REIT (a) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and (b) during the period of 30 days immediately preceding the publication

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

date of the half-year results or, if shorter the period from the end of the relevant half-year period up to the publication date of the results, unless the circumstances are exceptional and a written acknowledgement and approval has been obtained according to the procedures set out in the code.

The Directors of the Manager have confirmed that they have complied with the required standard set out in the code for dealings in the securities of The Link REIT.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed on pages 78 to 83 under "Connected Party Transactions", no contracts of significance in relation to The Link REIT's business to which the Manager was a party and in which a Director of the Manager had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONFLICT OF INTEREST

The Manager has instituted stringent internal procedures to monitor and deal with conflict of interest issues. In particular:

- (i) Directors are required to report and update changes to other directorships and positions they hold in other organisations periodically. A register of such directorships and positions is also maintained;
- (ii) Directors in general cannot vote on business in which they have an interest and cannot be counted in the quorum;
- (iii) Unitholders cannot vote on business in which they have a material interest which is different from the interests of other Unitholders and cannot be counted in the quorum;
- (iv) the Manager is a dedicated manager to The Link REIT and does not manage any other real estate investment trusts; and
- (v) all connected party transactions will be managed in accordance with the procedures set out in the REIT Code, the compliance manual, the Memorandum and Articles of Association of the Manager and other relevant policies and guidelines issued and adopted by The Link REIT.

REMUNERATION POLICY

Non-Executive Directors

The objective of remunerating Non-Executive Directors is to ensure that they are remunerated sufficiently but not excessively for their efforts and time dedicated to the Manager. Their remuneration is reviewed annually in light of market trends and practice. They receive fees comprising a director's fee and additional fees for additional responsibilities such as chairmanship or membership on Committees. They are also eligible to participate in the long term incentive plan approved by Unitholders at the 2007 Annual General Meeting.

Executive Directors and Staff in General

The Manager's remuneration policy is built upon the principles of providing an equitable, motivating and competitive remuneration package with a view to attracting, motivating and retaining high performing staff. As an on-going practice adhering to these principles, the Manager annually reviews the remuneration policies and practices in line with market trends and practices.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

All full-time and permanent staff (including Executive Directors) are eligible for a discretionary bonus, the payment of which is based on both the individual staff's performance and the performance of The Link REIT. Staff benefits, amongst others, include the Mandatory Provident Fund, annual leave, sick leave, maternity leave, medical insurance, life and personal accident insurance, employee compensation, club membership, etc. Executive Directors and management staff are eligible to participate in the long term incentive plan launched in 2007.

UNITHOLDERS STATISTICS

As at 31 March 2010, an analysis of the Unitholders according to information available from the register of The Link REIT was as follows:

Range of Units Held	Number of Holders	Number of Units	Percentage (%)
0-1,000	8,748	6,035,461	0.27
1,001-5,000	16,589	34,926,985	1.59
5,001-10,000	883	6,069,119	0.28
10,001-100,000	408	10,400,484	0.47
100,001 or over	41	2,144,611,430	97.39
Total	26,669	2,202,043,479	100.00

Note: The above table represents analysis of holdings of Units of registered holders. As at 31 March 2010, HKSCC Nominees Limited was the registered holder of 2,133,902,436 Units, representing 96.91% of the total outstanding Units of The Link REIT.

PUBLIC FLOAT

As far as the Manager is aware, more than 25% of the issued and outstanding Units of The Link REIT were held in public hands as at 31 March 2010. Details of the public float capitalisation of The Link REIT and its Unitholders profile are in Note 23 to the Consolidated Financial Statements on page 126 and "Holdings of Substantial Unitholders, Connected Persons, Directors and Management Staff" on pages 76 to 77, respectively.

REVIEW OF INTERNAL CONTROLS AND ASSESSMENT OF BUSINESS RISKS

The Board has reviewed the internal controls and assessed the business risks of The Link REIT in general with the assistance of its Board Committees. It has also reviewed and considered the adequacy of resources, qualifications and experience of staff with the assistance of the Human Resources and Compensation Committee. The Board has considered the financial performance of The Link REIT against an approved budget. It has accepted the quarterly compliance reports examined and endorsed by the Audit Committee.

The Board is committed to implementing effective risk management and internal control processes to identify and manage risks that may adversely affect the successful operations of The Link REIT. In addition, major financial, property and legal risks were reviewed by the Audit Committee periodically. An internal audit team has conducted reviews of internal controls for the property leasing and management processes and the financial systems of The Link REIT. Internal audit reports highlighting audit findings and recommendations for improvement have been reviewed by the Audit Committee.

OUR GOVERNANCE

CORPORATE GOVERNANCE REPORT *(continued)*

The Board is generally satisfied as to the effectiveness and adequacy of internal controls having reviewed the key processes of The Link REIT.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of the five (5) largest customers combined and the five (5) largest suppliers combined are less than 30% of The Link REIT's total turnover and purchases, respectively.

COMPLIANCE

During the year ended 31 March 2010, the Manager and The Link REIT have complied with the provisions of the REIT Code published by the SFC, the relevant provisions of the SFO, the relevant sections of the Listing Rules applicable to The Link REIT, the Trust Deed and the corporate governance requirements laid down in the compliance manual of the Manager adopted for use in relation to the management of The Link REIT. The Board has reviewed and accepted the quarterly compliance reports which were examined and endorsed by the Audit Committee.

The Manager and The Link REIT have also met the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules, where applicable.

REVIEW OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of The Link REIT for the year ended 31 March 2010.

The statement of the auditor regarding its reporting responsibilities on the financial statements of The Link REIT is set out in the Independent Auditor's Report.

AUDITOR'S APPOINTMENT AND REMUNERATION

It is the responsibility of the Audit Committee to appraise the quality and effectiveness of the external auditor and if considered appropriate, recommending the appointment of the external auditor and its remuneration for the Board's approval.

In deciding on whether the external auditor should provide non-audit services, the Audit Committee will assess whether or not the independence and objectivity of the external auditor would be compromised. The Committee has established approval and reporting guidelines for the engagement of the external auditor for provision of non-audit services. Fees paid to the external auditor for audit and non-audit services are disclosed in Note 9 to the Consolidated Financial Statements on page 112.

OUR GOVERNANCE

LONG TERM INCENTIVE PLAN

The LTI Plan was approved by Unitholders on 23 July 2007 pursuant to which equity incentives, in the form of Restricted Unit Awards (a conditional right to receive Units) and Unit Options (an option to subscribe for Units), and cash incentives, in the form of Conditional Cash Awards (which is granted in conjunction with the grant of Restricted Unit Awards, bestowing upon the grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions per Unit to Unitholders during the vesting period, multiplied by the number of Units that will vest) (each individually referred to as an “Award” and collectively as “Awards”), may be granted to the Directors and key employees of the Manager.

THE PRINCIPAL PURPOSES OF THE LTI PLAN

- (i) align the interests of the participants of the LTI Plan (the “Participants”) with the achievement of the strategic long term goals of the Manager and with the interests of the Unitholders as a whole;
- (ii) enhance The Link REIT’s ability to attract and retain talented management and key employees of the Manager whose contributions are essential to the long-term growth and prosperity of The Link REIT and the creation of value for Unitholders; and
- (iii) provide The Link REIT with the ability to incentivise and/or reward the management and key employees of the Manager so as to motivate them to achieve superior performance.

Directors and key employees of the Manager who, in the opinion of the Manager, have contributed or have the potential to contribute to the success of The Link REIT are eligible to participate in the LTI Plan.

The total number of new Units which may be issued pursuant to all Restricted Unit Awards and Unit Options granted under the LTI Plan shall not in aggregate exceed 10% of the number of Units in issue as at the date of the adoption of the LTI Plan which is 213,745,400 Units. As at the date of this report, the total number of Units available for issue under the LTI Plan is 199,676,138, and the number of Units available for issue under the LTI Plan is approximately 9.07% of the total Units in issue.

Unless approved by the Unitholders by way of an ordinary resolution, no Participant (other than an Independent Non-Executive Director or a significant holder of The Link REIT, or any of their respective associates) shall be granted an Award which, if accepted and vested and/or exercised (as the case may be) in full, would result in such Participant becoming entitled to receive such number of Units that, when aggregated with the total number of Units already issued or which may be issued upon the vesting of a Restricted Unit Award and/or the exercise of a Unit Option granted or to be granted (including Awards vested or exercised (as the case may be), cancelled and outstanding) to him within the 12-month period immediately preceding the proposed date of the grant of the Award, would exceed 1% of the number of Units in issue as at the proposed date of the grant of the Award.

Where any proposed grant of an Award to an Independent Non-Executive Director or a significant holder of The Link REIT or any of their respective associates would result in the Units issued and to be issued upon vesting of all Restricted Unit Awards and/or exercise of all Unit Options granted or to be granted (including Awards vested or exercised (as the case may be), cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant, (i) representing in aggregate over 0.1% of all Units in issue; and (ii) having an aggregate value, based on the closing price of the Units at the date of such grant, in excess of HK\$5 million, such further grant of Awards must be approved by Unitholders by way of an ordinary resolution.

OUR GOVERNANCE

LONG TERM INCENTIVE PLAN *(continued)*

A Unit Option may be exercised by the grantee at any time during the option period, which shall be notified by the Human Resources and Compensation Committee to a Participant at the time of the grant of the Unit Option. The option period shall be determined by the Human Resources and Compensation Committee in its absolute discretion but shall not exceed 10 years from the date of the grant of the Unit Option.

A Unit Option may, if so determined by the Human Resources and Compensation Committee in its absolute discretion, become exercisable, (a) where applicable, if the grantee ceases to be an employee of the Manager or a Director (as the case may be) by reason of his death, ill health, injury or disability; or (b) in any other event approved by the Human Resources and Compensation Committee.

The exercise price of a Unit Option shall be determined by the Human Resources and Compensation Committee in its absolute discretion and shall be notified to a Participant at the time of the grant of the Unit Option. The exercise price of the Unit Option shall not be less than the higher of: (i) the closing price of the Units as stated in The Stock Exchange of Hong Kong Limited daily quotation sheets on the date of grant (which must be a trading day); and (ii) the average of the closing prices of the Units as stated in The Stock Exchange of Hong Kong Limited daily quotation sheets for the five trading days immediately preceding the date of grant.

The vesting period of a Restricted Unit Award is from one year to three years or such other period(s) as may be determined by the Human Resources and Compensation Committee and stated in the relevant award agreement.

The Human Resources and Compensation Committee may, in its absolute discretion, impose any performance targets and/or other conditions, or vesting stages and/or the number of Units to be vested as it considers appropriate with respect to any Restricted Unit Award and such performance targets and/or conditions will have to be satisfied or waived (at the Human Resources and Compensation Committee's sole discretion) before vesting.

As a Conditional Cash Award is only granted in conjunction with the grant of a Restricted Unit Award, the Conditional Cash Award shall be subject to the same vesting conditions and the same vesting period as the Restricted Unit Award that it was granted in conjunction therewith.

A Restricted Unit Award and Conditional Cash Award may, if so determined by the Human Resources and Compensation Committee in its absolute discretion, become vested, (a) where applicable, if the grantee ceases to be an employee of the Manager or a Director (as the case may be) by reason of his death, ill health, injury or disability; or (b) in any other event approved by the Human Resources and Compensation Committee.

The form and amount of consideration payable (if any) on acceptance of an Award shall be determined by the Human Resources and Compensation Committee in its sole discretion and notified to the grantee at the time of the Award.

A grantee shall have 14 days (or such other period as the Human Resources and Compensation Committee may otherwise specify), from the date on which an Award is granted, to accept the Award. Payment of the consideration (if any) by the grantee will have to be made to the Manager before an Award will be deemed to be accepted.

OUR GOVERNANCE

LONG TERM INCENTIVE PLAN *(continued)*

Save and except in the case of early termination in the circumstances provided for under the LTI Plan, the term of the LTI Plan is 10 years commencing on the date of adoption of the LTI Plan, which was 23 July 2007.

During the year ended 31 March 2010, no Unit Options were granted. Set out below is information relating to the Restricted Unit Awards and Conditional Cash Awards which were granted and remained outstanding during the said period:

RESTRICTED UNIT AWARDS

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2009 ¹	Granted during the year ¹	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 Mar 2010 ¹	Closing price of the Units immediately before the date of grant ²
Nicholas Robert SALLNOW- SMITH <i>(Independent Non- Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	294,000	—	—	—	—	294,000	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	93,000	—	—	—	—	93,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	93,000	—	—	—	—	93,000	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	73,000	—	—	—	73,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	73,000	—	—	—	73,000	HK\$16.42
Ian David Murray ROBINS ³ <i>(Executive Director)</i>	24 Dec 2007	24 Dec 2007 to 23 Jul 2010	2,292,000	—	—	—	—	2,292,000	HK\$16.98
	24 Dec 2007	24 Dec 2007 to 23 Jul 2011	1,635,000	—	—	—	—	1,635,000	HK\$16.98
	24 Dec 2007	24 Dec 2007 to 23 Jul 2012	1,635,000	—	—	—	—	1,635,000	HK\$16.98
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	273,500	—	—	—	—	273,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	273,500	—	—	—	—	273,500	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	215,000	—	—	—	215,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	215,000	—	—	—	215,000	HK\$16.42
George Kwok Lung HONGCHOY <i>(Executive Director)</i>	16 Jan 2009	16 Jan 2009 to 15 Jan 2012	140,515	—	—	—	—	140,515	HK\$14.00
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	121,500	—	—	—	121,500	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	121,500	—	—	—	121,500	HK\$16.42

OUR GOVERNANCE

LONG TERM INCENTIVE PLAN *(continued)*

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2009 ¹	Granted during the year ¹	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 Mar 2010 ¹	Closing price of the Units immediately before the date of grant ²
Ian Keith GRIFFITHS (Non- Executive Director)	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	25,000	—	—	—	—	25,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	25,000	—	—	—	—	25,000	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	19,500	—	—	—	19,500	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	19,500	—	—	—	19,500	HK\$16.42
Michael Ian ARNOLD (Independent Non- Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	—	—	—	—	103,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	33,000	—	—	—	—	33,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	33,000	—	—	—	—	33,000	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	26,000	—	—	—	26,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	26,000	—	—	—	26,000	HK\$16.42
Anthony CHOW Wing Kin (Independent Non- Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	—	—	—	—	85,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	—	—	—	—	30,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	30,500	—	—	—	—	30,500	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	24,000	—	—	—	24,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	24,000	—	—	—	24,000	HK\$16.42
Patrick FUNG Yuk Bun (Independent Non- Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	—	—	—	—	103,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	33,000	—	—	—	—	33,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	33,000	—	—	—	—	33,000	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	26,000	—	—	—	26,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	26,000	—	—	—	26,000	HK\$16.42

OUR GOVERNANCE

LONG TERM INCENTIVE PLAN *(continued)*

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2009 ¹	Granted during the year ¹	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 Mar 2010 ¹	Closing price of the Units immediately before the date of grant ²
Stanley KO Kam Chuen <i>(Independent Non- Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	78,000	—	—	—	—	78,000	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	—	—	—	—	30,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	30,500	—	—	—	—	30,500	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	24,000	—	—	—	24,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	24,000	—	—	—	24,000	HK\$16.42
Richard WONG Yue Chim <i>(Independent Non- Executive Director)</i>	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	—	—	—	—	30,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	30,500	—	—	—	—	30,500	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	24,000	—	—	—	24,000	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	24,000	—	—	—	24,000	HK\$16.42
Allan ZEMAN <i>(Independent Non- Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	—	—	—	—	85,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	27,500	—	—	—	—	27,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	27,500	—	—	—	—	27,500	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	21,500	—	—	—	21,500	HK\$16.42
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	21,500	—	—	—	21,500	HK\$16.42

OUR GOVERNANCE

LONG TERM INCENTIVE PLAN *(continued)*

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2009 ¹	Granted during the year ¹	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 Mar 2010 ¹	Closing price of the Units immediately before the date of grant ²
Other Participants in aggregate	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	3,148,741	—	—	—	(619,500)	2,529,241	HK\$16.78
	10 Jan 2008	10 Jan 2008 to 23 Jul 2010	205,500	—	—	—	(205,500)	—	HK\$17.20
	10 Jan 2008	10 Jan 2008 to 23 Jul 2011	205,500	—	—	—	(205,500)	—	HK\$17.20
	10 Jan 2008	10 Jan 2008 to 23 Jul 2012	205,500	—	—	—	(205,500)	—	HK\$17.20
	5 May 2008	5 May 2008 to 4 May 2010	828,000	—	—	—	(275,974)	552,026	HK\$18.88
	5 May 2008	5 May 2008 to 4 May 2011	828,000	—	—	—	(554,760)	273,240	HK\$18.88
	5 May 2008	5 May 2008 to 4 May 2012	828,000	—	—	—	(554,760)	273,240	HK\$18.88
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	847,500	—	—	—	(424,000)	423,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	847,500	—	—	—	(424,000)	423,500	HK\$14.60
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	N/A	624,500	—	—	(204,500)	420,000	HK\$16.42
24 Sep 2009	24 Sep 2009 to 30 Jun 2012	N/A	624,500	—	—	(204,500)	420,000	HK\$16.42	
Total			15,549,756	2,398,000	—	—	(3,878,494)	14,069,262	

Notes:

- The figures stated are the maximum number of Units that may be vested under the respective Restricted Unit Awards. The number of Units that will be finally vested can range from zero to the maximum number as stated herein depending on whether, and the extent to which, the relevant vesting conditions are met.
- The figures stated are the closing price of the Units on the trading day immediately before the date of grant of the Restricted Unit Awards quoted on The Stock Exchange of Hong Kong Limited.
- Subsequent to the year ended 31 March 2010, Mr Ian David Murray ROBINS resigned as Executive Director with effect from 17 May 2010.
- Upon vesting of the Restricted Unit Awards, each of the Participants will be entitled to receive a Conditional Cash Award which represents a cash amount equivalent to the aggregate of the distributions per Unit to Unitholders during the vesting period, multiplied by the number of Units that will vest (assuming the vesting conditions are satisfied or waived, as the case may be). Based on the maximum number of Units to be issued, the weighted average value of Conditional Cash Awards attributable to Restricted Unit Awards granted during the year is HK48.35 cents per Unit while the aggregate weighted average value carried by each of the Conditional Cash Award at the year end is HK\$1.4972 per Unit.

Based on the maximum number of Units to be issued upon vesting of 14,069,262 Units and the last traded price of the Units on The Stock Exchange of Hong Kong Limited at the year end of HK\$19.14, the value of the Units as at 31 March 2010 would be approximately HK\$269 million.

The Restricted Unit Awards and the Conditional Cash Awards are to be expensed through The Link REIT's consolidated income statement over the vesting periods.

OUR GOVERNANCE

HOLDINGS OF SUBSTANTIAL UNITHOLDERS, CONNECTED PERSONS, DIRECTORS AND MANAGEMENT STAFF

HOLDINGS OF SUBSTANTIAL UNITHOLDERS

The Link REIT has a disclosure of interests regime whereby certain provisions of Part XV of the SFO are incorporated into The Trust Deed of The Link REIT and are applicable to The Link REIT as if The Link REIT is a company with its shares listed on The Stock Exchange of Hong Kong Limited. Pursuant to the Third Schedule to the Trust Deed, any person who is interested in 5% or more of the Units in issue will have a notifiable interest and a duty of disclosure in respect of any acquisition of, cessation of or changes in such interest.

According to the disclosure of interests to the Manager and The Stock Exchange of Hong Kong Limited made pursuant to the provisions of Part XV of the SFO, persons having 5% or more interests in the Units as at 31 March 2010 are as follows:

Persons having 5% or more interests	Capacity in which interests disclosed are held	Number of Units Long Position (L)/ Short Position (S)	Percentage ³ (%)
Franklin Mutual Advisers, LLC	Investment manager	(L) 173,702,908 ¹	8.02
The Children's Investment Fund Management (UK) LLP	Investment manager	(L) 175,717,738	7.98
The Children's Investment Master Fund	Beneficial owner	(L) 153,989,291	6.99
Commonwealth Bank of Australia	Corporation controlled by substantial unitholder	(L) 109,426,192 ²	5.02

Notes:

1. Franklin Mutual Advisers, LLC notified The Stock Exchange of Hong Kong Limited and the Manager that its interest in the Units of The Link REIT was 175,279,840 Units as at 28 May 2010, representing 7.96% of the Units in issue on that date.
2. Commonwealth Bank of Australia notified The Stock Exchange of Hong Kong Limited and the Manager that its interest in the Units of The Link REIT increased to 133,116,759 Units as at 16 April 2010 and further increased to 154,182,259 Units as at 6 May 2010, representing 6.05% and 7.00% of the Units in issue on that date, respectively. By notice to The Stock Exchange of Hong Kong Limited and the Manager dated 1 June 2010, Commonwealth Bank of Australia advised that its interest in the Units of The Link REIT was 152,675,259 Units as at 28 May 2010, representing 6.93% of the Units in issue on that date.
3. The unitholdings and percentages set out in the table refer to the unitholdings and percentages as specified in the respective disclosure of interests forms or as calculated based on the Units in issue on the date of the relevant event (as specified in the respective disclosure of interests forms).

OUR GOVERNANCE

HOLDINGS OF SUBSTANTIAL UNITHOLDERS, CONNECTED PERSONS, DIRECTORS AND MANAGEMENT STAFF *(continued)*

HOLDINGS OF CONNECTED PERSONS

Upon making reasonable enquiry and according to information available to the Manager, the following person, being a connected person (as defined under the REIT Code) to The Link REIT, held Units or has interests in Units of The Link REIT set out below as at 31 March 2010:

Name	Number of Units	Percentage (%)
HSBC Group ¹	6,415,675	0.29

Notes:

- The HSBC Group is a connected person to The Link REIT as HSBC Institutional Trust Services (Asia) Limited, the Trustee of The Link REIT, is an indirect subsidiary of The Hongkong and Shanghai Banking Corporation Limited. According to information available to the Manager, HSBC Group's unitholding as at 31 March 2010, increased by 4,543,983 Units as compared with 31 March 2009.

HOLDINGS OF DIRECTORS AND MANAGEMENT STAFF

According to the disclosure of interests to the Manager and The Stock Exchange of Hong Kong Limited made pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, directors' interests acquired pursuant to the LTI Plan are set out in Long Term Incentive Plan section on pages 70 to 75.

Save as disclosed above and so far as the Manager is aware, none of the Directors of the Manager were interested in Units or held any short position in Units of The Link REIT.

Upon making enquiry and so far as the Manager is aware, the following persons, being management staff whose biographies are disclosed in this Annual Report, held Units of The Link REIT set out below as at 31 March 2010:

Management Staff	Number of Units	Percentage (%)
Clement WU Kim Man	22,000	0
David CHAN Tsan Fai	10,728	0
Vivien CHAN Pik Kwan	5,000	0
Leslie YEE	5,000	0

Save as disclosed above and so far as the Manager is aware, no other management staff, whose biographies are disclosed in this Annual Report, held Units in The Link REIT as at 31 March 2010 except for the interests acquired pursuant to the LTI Plan.

OUR GOVERNANCE

CONNECTED PARTY TRANSACTIONS

Chapter 8 of the REIT Code governs transactions between a real estate investment trust and its connected persons and such transactions will constitute connected party transactions for the purposes of the REIT Code.

WAIVERS FROM STRICT COMPLIANCE

Waivers from strict compliance with the disclosure and Unitholders' approval requirements under Chapter 8 of the REIT Code in respect of certain connected party transactions entered into by The Link REIT with its connected persons have been granted by the SFC upon listing of The Link REIT and subsequently on 26 October 2007, 25 February 2009 and 15 March 2010 (the "Waivers"). The Waivers have been granted subject to stipulated terms and conditions including, inter alia, that the transactions should be entered into at arm's length on normal commercial terms, with specific caps on transaction amounts or fees paid, to be reviewed by the auditor or the Audit Committee and approved by the Board (the "Waiver Conditions"). During the year under review, The Link REIT has complied with the Waiver Conditions.

CONNECTED PERSONS

The following table sets out details of connected persons, as defined under Chapter 8 of the REIT Code, that transactions have been entered into with The Link REIT or its subsidiaries during the reporting year:

Connected Person	Relationship with The Link REIT
The Link Management Limited	Manager of The Link REIT
HSBC Institutional Trust Services (Asia) Limited	Trustee of The Link REIT
Knight Frank Petty Limited and its subsidiaries ("Knight Frank Group")	Principal Valuer of The Link REIT and associates of the Principal Valuer
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) ("HSBC Group")	Trustee's associate
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)")	Associate of Professor Richard WONG Yue Chim, Director of the Manager
Standard Chartered Bank (Hong Kong) Limited ("SCB (HK)") ¹	Associate of Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Manager
Wing Hang Bank, Limited ("Wing Hang Bank")	Associate of Dr Patrick FUNG Yuk Bun, Director of the Manager

OUR GOVERNANCE

CONNECTED PARTY TRANSACTIONS *(continued)*

Connected Person	Relationship with The Link REIT
Aedas Limited and its subsidiaries ("Aedas Group")	Associate of Mr Ian Keith GRIFFITHS, Director of the Manager
Dah Sing Bank, Limited ("Dah Sing Bank") ²	Associate of Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Manager
Hong Kong Youth Arts Foundation	Associate of Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Manager
Hong Kong Securities Institute	Associate of Mr George Kwok Lung HONGCHOY, Director of the Manager
Business Environment Council Limited	Associate of Mr Michael Ian ARNOLD, Director of the Manager

1. SCB (HK) ceased to be a connected person to The Link REIT since Mr Nicholas Robert SALLNOW-SMITH ceased to be a director of SCB (HK) on 1 August 2009.
2. Dah Sing Bank has become a connected person to The Link REIT since Mr Nicholas Robert SALLNOW-SMITH was appointed a director of Dah Sing Bank on 7 December 2009.

INCOME

The following table sets out the income derived from connected party transactions during the reporting year:

Name of Connected Person	Nature of the Transaction	Income Derived <i>HK\$'M</i>
HSBC Group	Tenancy/license contracts ⁽³⁾	17.9 ⁽⁴⁾
	Interest income	0.3
ICBC (Asia)	Tenancy/license contracts ⁽³⁾	4.2 ⁽⁴⁾
	Interest income	0.6
SCB (HK) ⁽¹⁾	Tenancy/license contracts ⁽³⁾	2.4 ⁽⁴⁾
	Interest income	0.5
Wing Hang Bank	Interest income	0.1
Dah Sing Bank ⁽²⁾	Tenancy/license contracts ⁽³⁾	0.7 ⁽⁴⁾

Notes:

- (1) For income derived up to 31 July 2009.
- (2) For income derived after 7 December 2009.
- (3) For shops, ATMs and showcases at various locations.
- (4) Amounts excluding deposits received.

OUR GOVERNANCE

CONNECTED PARTY TRANSACTIONS *(continued)*

EXPENSES

The following table sets out the expenses incurred on connected party transactions during the reporting year:

Name of Connected Person	Nature of the Transaction	Expenses Incurred <i>HK\$'M</i>
The Link Management Limited ⁽¹⁾	Management fee	282.0
HSBC Institutional Trust Services (Asia) Limited ⁽²⁾	Trustee's fee	3.5
Knight Frank Group	Valuation fee	4.1
	Leasing agency and other consultancy fees	6.4
HSBC Group	Interest expense and various financing charges	78.7
	Arrangement fees and bank charges	2.5
	Staff benefit and insurance consultancy fees	4.4
ICBC (Asia)	Interest expense and various financing charges	2.6
	Arrangement fees and bank charges	1.4
SCB (HK) ⁽³⁾	Interest expense and various financing charges	0.5
	Arrangement fees and bank charges	0.2
Wing Hang Bank	Interest expense and various financing charges	1.4
	Arrangement fees and bank charges	1.2
Dah Sing Bank ⁽⁴⁾	Interest expense and various financing charges	0.3
	Arrangement fees and bank charges	0.2
Aedas Group	Architectural and renovation consultancy fees	6.2
Business Environment Council Limited	Environmental consultancy fees	0.4

Notes:

- (1) The Manager, as an internalised management company of The Link REIT, recovers its expenses from The Link REIT on a cost recovery principle.
- (2) The Trustee is entitled to charge an annual fee at a rate of 0.008% per annum of the latest property value as determined in the latest annual valuation report of the independent valuer, subject to a minimum of HK\$150,000 per month.
- (3) For expenses incurred up to 31 July 2009.
- (4) For expenses incurred after 7 December 2009.

OUR GOVERNANCE

CONNECTED PARTY TRANSACTIONS (continued)

LEASE TRANSACTIONS WITH CONNECTED PERSONS

The Link REIT, through its subsidiary, has during the reporting year entered into tenancy contracts and/or licenses with the HSBC Group, ICBC (Asia), SCB (HK) and Dah Sing Bank for lease of retail shops and/or areas for the installation of ATMs and showcases at various properties of The Link REIT.

The following table sets forth information on lease transactions with connected persons with annual rent that exceeds HK\$1 million:

Name of Connected Person (Tenant)	Nature of the Transaction	Material Terms	Annual Income ⁽¹⁾ HK\$'M	Rental Deposit Received as at 31 March 2010 HK\$'M
HSBC Group	Tenancy for shops L202-L206 at Lok Fu Plaza	Term of 3 years and expires on 21/08/2011	2.1	Nil ⁽³⁾
Hang Seng Bank Limited ⁽²⁾	Tenancy for shop G202 at Lok Fu Plaza	Term of 3 years and expires on 31/10/2010	1.9	0.5
ICBC (Asia)	Tenancy for shops F18 and F19 A-C at Oi Man Shopping Centre	Term of 1 year and expires on 31/08/2010	1.0	Nil ⁽³⁾
	Tenancy for shop No. 216 at Tai Wo Shopping Centre	Term of 3 years and expires on 15/09/2012	1.4	0.1
SCB (HK)	Tenancy for shops G37-40 at Hau Tak Shopping Centre	Term of 6 years and expires on 02/07/2013	2.4	Nil ⁽³⁾
	Tenancy for shop G201 at Lok Fu Plaza	Term of 3 years and expires on 14/12/2010	1.6	Nil ⁽³⁾
	Tenancy for shop 103 at Tin Yiu Shopping Centre	Term of 3 years and expired on 31/05/2010	1.2	Nil ⁽³⁾
Dah Sing Bank	Tenancy for shops 1101-1102 at Lok Fu Plaza	Term of 3 years and expires on 28/02/2013	1.8	0.5
	Tenancy for shop 201 and Unit No. 3 on level 2 of Wah Ming Shopping Centre	Term of 3 years and expired on 30/04/2010	1.1	0.2

Notes:

- (1) The annual income stated refers to the rental income that would have been received for a 12-month period starting from the beginning of the financial year which ended on 31 March 2010.
- (2) Hang Seng Bank Limited is a subsidiary of the HSBC Group and therefore a connected person to The Link REIT.
- (3) Other form of security provided in lieu of cash deposit

OUR GOVERNANCE

CONNECTED PARTY TRANSACTIONS *(continued)*

PROVISION OF BANKING AND FINANCIAL SERVICES FROM CONNECTED PERSONS

The Link REIT and its subsidiaries have engaged HSBC Group, SCB (HK), ICBC (Asia) and Wing Hang Bank to provide ordinary course banking and financial services during the reporting year. The HSBC Group also provided services to subsidiaries of The Link REIT in relation to MPF accounts, staff medical benefits, general insurance and payment and receipt arrangements. Bank accounts were maintained with the HSBC Group, SCB (HK), ICBC (Asia) and Wing Hang Bank for deposits and rent collection purposes.

LOANS

The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Dah Sing Bank were the lenders of a syndicated loan facility made available to The Link Finance Limited, an indirect wholly owned subsidiary of The Link REIT, in August 2006. The outstanding balances due to The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Dah Sing Bank pursuant to this syndicated loan were HK\$403 million, HK\$124 million, and HK\$155 million, respectively as at 31 March 2010.

The Link Finance Limited, concluded a HK\$3 billion club loan facility in March 2009 with thirteen mandated lead arrangers which, among others, include The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Wing Hang Bank. As at 31 March 2010, the outstanding balance due to The Hongkong and Shanghai Banking Corporation Limited pursuant to this loan was HK\$40 million and the outstanding balances due to each of ICBC (Asia) and Wing Hang Bank pursuant to this loan was HK\$62 million.

DEPOSITS

As at 31 March 2010, subsidiaries of The Link REIT placed deposits with The Hongkong and Shanghai Banking Corporation Limited and ICBC (Asia) of approximately HK\$202 million and HK\$126 million respectively.

OTHER BANKING TRANSACTIONS

Pursuant to the MTN Programme, The Hongkong and Shanghai Banking Corporation Limited subscribed two tranches of unsecured fixed rate notes of HK\$300 million and HK\$500 million issued by The Link Finance (Cayman) 2009 Limited, an indirect wholly owned subsidiary of The Link REIT, in May 2009 and January 2010 respectively.

In addition, The Link Finance Limited maintained interest rate swap contracts with The Hongkong and Shanghai Banking Corporation Limited during the reporting year. The total notional principal outstanding value in respect of such swap contracts with The Hongkong and Shanghai Banking Corporation Limited was HK\$2.3 billion as at 31 March 2010.

CONFIRMATION BY THE MANAGER AND THE TRUSTEE IN RESPECT OF CORPORATE FINANCE TRANSACTIONS WITH HSBC GROUP

Save as disclosed above, each of the Trustee and the Manager confirms that there was no other corporate finance transactions entered into with the HSBC Group during the reporting year.

OUR GOVERNANCE

CONNECTED PARTY TRANSACTIONS *(continued)*

AGREED-UPON PROCEDURES PERFORMED BY THE AUDITOR IN RELATION TO CERTAIN CONNECTED PARTY TRANSACTIONS

Pursuant to the Waiver Conditions, the Manager has engaged the auditor of The Link REIT to perform certain fact finding procedures in accordance with the Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants in respect of the connected party transactions on the leasing of properties and corporate finance transactions during the year under review. The auditor has performed these procedures and reported its findings to the Audit Committee of the Manager.

CONFIRMATION BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the general nature and types of banking and financial services provided by the relevant banks and is satisfied that the general nature and types of such transactions are of the type that are contemplated in the Waivers granted by the SFC and are of the nature and a type that would be entered into in the ordinary and usual course of business at arm's length on normal commercial terms and there are no material inconsistencies with the internal procedures of the Manager that should be drawn to the attention of Unitholders.

The Audit Committee confirms that it has reviewed the terms of all relevant connected party transactions and that it is satisfied that such transactions have been entered into:

- (i) at arm's length and on normal commercial terms;
- (ii) in the ordinary and usual course of business of The Link REIT;
- (iii) are fair and reasonable; and
- (iv) in the interest of the Unitholders as a whole.

CONFIRMATION BY THE MANAGER

The Board (including Independent Non-Executive Directors) confirms that:

- (i) based on the information provided and representations made by the Trustee, it is satisfied with the internal controls and compliance procedures of the Trustee, which demonstrate that the Trustee's operations are run independently of other banking and financial functions or operations of the HSBC Group;
- (ii) the basis of the cap amount in relation to the corporate finance advisory transactions set out in the Waivers is fair and reasonable in light of The Link REIT's operations and unit holding structure, including the objectives and strategies of The Link REIT, the size, geographical and tenancy mix of its property portfolio and its management structure;
- (iii) the scope and terms of the Waivers applied for are fair and reasonable, and in the best interests of the Unitholders; and
- (iv) the Manager is not bound to enter into corporate finance transactions with the HSBC Group despite the Waivers granted.

CONTINUE WITH THE WAIVERS GRANTED WITHOUT UNITHOLDERS' APPROVAL

The Audit Committee has reviewed the terms of the Waivers. The Audit Committee and the full Board (including Independent Non-Executive Directors) are satisfied that (on the basis of the terms of the Waivers and the internal controls and procedures in place) it is fair and reasonable and in the best interests of the Unitholders that the Waivers be continued without Unitholders' approval.

OUR GOVERNANCE

PROGRESS REPORT ON THE TITLE TRANSFER OF THE PROPERTIES

Pursuant to the waiver conditions in respect of a modification of Rules 4.2(k), 5.2(c) and 7.7 of the REIT Code regarding the legal title requirements granted to The Link REIT, the progress of the conveyance of the legal and beneficial title of the 180 properties to The Link REIT shall be reported in the annual report of The Link REIT.

I. PROPERTIES WITH BOTH LEGAL AND BENEFICIAL TITLE HELD BY THE LINK REIT AS AT 2 JUNE 2010

1. Butterfly Shopping Centre	45. Lei Tung Commercial Centre
2. Cheung Fat Shopping Centre	46. Leung King Shopping Centre
3. Retail and Car Park within Cheung On Estate	47. Retail and Car Park within Lok Nga Court
4. Cheung Wah Shopping Centre	48. Long Ping Commercial Centre
5. Retail and Car Park within Ching Wah Court	49. Car Park within Lower Wong Tai Sin (I) Estate
6. Car Park within Ching Wang Court	50. Retail and Car Park within Mei Chung Court
7. Retail and Car Park within Choi Ha Estate	51. Car Park within Ming Nga Court
8. Choi Ming Shopping Centre	52. Retail and Car Park within Nam Cheong Estate
9. Choi Yuen Shopping Centre	53. Car Park within Ning Fung Court
10. Car Park within Chuk Yuen (North) Estate	54. Oi Man Shopping Centre
11. Chung Fu Shopping Centre	55. Oi Tung Shopping Centre
12. Chung On Shopping Centre	56. On Yam Shopping Centre
13. Fu Cheong Shopping Centre	57. Car Park within Pang Ching Court
14. Fu Heng Shopping Centre	58. Po Hei Court Commercial Centre
15. Fu Shin Shopping Centre	59. Po Lam Shopping Centre
16. Fu Tai Shopping Centre	60. Retail and Car Park within Po Nga Court
17. Car Park within Fung Lai Court	61. Car Park within Po Pui Court
18. Fung Tak Shopping Centre	62. Car Park within San Wai Court
19. Retail and Car Park within Fung Wah Estate	63. Sau Mau Ping Shopping Centre
20. Hau Tak (II) Shopping Centre	64. Car Park within Sau Mau Ping (I) Estate
21. Heng On Commercial Centre	65. Retail and Car Park within Sau Mau Ping (III) Estate
22. Hin Keng Shopping Centre	66. Shan King Commercial Centre
23. Hing Tin Commercial Centre	67. Sheung Tak Shopping Centre
24. Hing Wah Plaza	68. Siu Hei Commercial Centre
25. Hiu Lai Shopping Centre	69. Siu Lun Shopping Centre
26. Ho Man Tin Plaza	70. Retail and Car Park within Siu On Court
27. Hoi Fu Shopping Centre	71. Sui Wo Court Commercial Centre
28. Car Park within Hong Keung Court	72. Retail and Car Park within Tai Ping Estate
29. Retail and Car Park within Hong Pak Court	73. Tai Wo Shopping Centre
30. Retail and Car Park within Hong Shui Court	74. Tak Tin Shopping Centre
31. Retail and Car Park within Hong Yat Court	75. Car Park within Tin King Estate
32. Car Park within Ka Tin Court	76. Tin Chak Shopping Centre
33. Car Park within Kam On Court	77. Tin Ma Court Commercial Centre
34. Kam Tai Shopping Centre	78. Tin Ping Shopping Centre
35. Kam Ying Court Shopping Centre	79. Tin Shing Shopping Centre
36. Kin Sang Shopping Centre	80. Retail and Car Park within Tin Wang Court
37. Car Park within King Lai Court	81. Car Park within Tin Yau Court
38. King Lam Shopping Centre	82. Tin Yiu Shopping Centre
39. Retail and Car Park within Ko Chun Court	83. Retail and Car Park within Tong Ming Court
40. Kwai Hing Shopping Centre	84. Tsing Yi Commercial Complex
41. Car Park within Kwai Hong Court	85. Tsui Lam Shopping Centre
42. Kwong Tin Shopping Centre	86. Tsui Ping North Shopping Circuit
43. Kwong Yuen Shopping Centre	87. Retail and Car Park within Tsui Wan Estate
44. Lei Cheng Uk Shopping Centre	88. Tsz Ching Shopping Centre (I) and (II)

OUR GOVERNANCE

PROGRESS REPORT ON THE TITLE TRANSFER OF THE PROPERTIES *(continued)*

89.	Retail and Car Park within Tsz Oi Court	123.	Ka Fuk Shopping Centre
90.	Retail and Car Park within Tung Hei Court	124.	Car Park within Upper Ngau Tau Kok Estate
91.	Retail and Car Park within Tung Tau Estate	125.	Lee On Shopping Centre
92.	Lung Cheung Plaza	126.	Sha Kok Commercial Centre
93.	Wah Kwai Shopping Centre	127.	Ming Tak Shopping Centre
94.	Car Park within Wah Lai Estate	128.	Fu Tung Shopping Centre
95.	Wah Ming Shopping Centre	129.	Retail and Car Park within Hung Hom Estate
96.	Wan Tau Tong Shopping Centre	130.	Shun On Commercial Centre
97.	Car Park within Wang Fuk Court	131.	Kai Yip Commercial Centre
98.	Wo Che Commercial Centre	132.	Retail and Car Park within Tin Yat Estate
99.	Retail and Car Park within Wo Ming Court	133.	Tai Wo Hau Commercial Centre
100.	Retail and Car Park within Yan Ming Court	134.	Retail and Car Park within Shun Tin Estate
101.	Retail and Car Park within Yan Shing Court	135.	Wang Tau Hom (Wang Fai Centre)
102.	Yau Mei and Ko Cheung (Lei Yue Mun Plaza)	136.	Retail and Car Park within Choi Fai Estate
103.	Car Park within Yee Kok Court	137.	Car Park within Lai On Estate
104.	Car Park within Yee Nga Court	138.	Shek Wai Kok Commercial Centre
105.	Yin Lai Court Shopping Centre	139.	Sun Chui Shopping Centre
106.	Retail and Car Park within Ying Fuk Court	140.	Tai Hing Commercial Centre
107.	Car Park within Ying Ming Court	141.	Wah Sum Shopping Centre
108.	Yiu On Shopping Centre	142.	Choi Wan Commercial Complex
109.	Yu Chui Shopping Centre	143.	Lok Wah Commercial Centre
110.	Car Park within Yue On Court	144.	Retail and Car Park within Lok Wah (South) Estate
111.	Yung Shing Shopping Centre	145.	Po Tat Shopping Centre
112.	Siu Sai Wan Shopping Centre	146.	Yat Tung Shopping Centre
113.	Wong Tai Sin Plaza	147.	Cheung Hang Shopping Centre
114.	Chuk Yuen Shopping Centre	148.	Fortune Shopping Centre
115.	Tin Tsz Shopping Centre	149.	Kwai Fong Shopping Centre
116.	Tai Yuen Commercial Centre	150.	Retail and Car Park within Cheung Wang Estate
117.	Tin Shui Shopping Centre	151.	Kai Tin Shopping Centre
118.	Lek Yuen Commercial Complex	152.	On Ting Commercial Complex
119.	Lok Fu Plaza	153.	Retail and Car Park within Ko Yee Estate
120.	Tsz Lok (Tsz Wan Shan Shopping Centre)	154.	Tin Wan Shopping Centre
121.	Car Park within Tsz Man Estate	155.	Ping Tin Shopping Centre
122.	Sun Tin Wai Commercial Centre	156.	Car Park within Tsui Ping South Estate

II. PROPERTIES WITH BENEFICIAL TITLE HELD BY THE LINK REIT AS AT 2 JUNE 2010

157.	Retail and Car Park within Ap Lei Chau Estate	169.	Po Tin Shopping Centre
158.	Cheung Hong Commercial Centre	170.	Sam Shing Commercial Centre
159.	Chun Shek Shopping Centre	171.	Shek Lei Shopping Centre Phase I
160.	Hing Man Commercial Centre	172.	Shek Lei Shopping Centre Phase II
161.	Hing Tung Shopping Centre	173.	Shek Yam Shopping Centre
162.	Car Park within Kin Ming Estate	174.	Shun Lee Commercial Centre
163.	Kwai Shing East Shopping Centre	175.	Retail and Car Park within Tin Wah Estate
164.	Kwong Fuk Commercial Centre	176.	Car Park within Tin Yuet Estate
165.	Lai Kok Shopping Centre	177.	Un Chau Shopping Centre
166.	Lung Hang Commercial Centre	178.	Wan Tsui Commercial Complex
167.	Stanley Plaza	179.	Yau Oi Commercial Centre
168.	Mei Lam Commercial Centre	180.	Yiu Tung Shopping Centre

RELOCATION OF THE MANAGER'S HEAD OFFICE





Staff at meeting



Mr George Hongchoy, Chief Executive Officer of the Manager, leading the senior management team to officiate at the pig-cutting ceremony for the new head office



Mr Nicholas Sallnow-Smith, Chairman of the Manager, speaking to colleagues during the opening ceremony of the new head office

The Manager's head office moved to One Landmark East in Kwun Tong in March 2010. This head office relocation is one of a range of key initiatives to enhance the Manager's internal communication and operational efficiency by consolidating various centralised functions into one office. Several teams which were previously located in multiple locations, including Finance, Project and Development, IT, Risk Management and Internal Audit can operate more effectively in a single office environment.

Management has considered availability of space, convenience for staff including public transportation, safety, accessibility to cluster offices and shopping centres across the portfolio, cost efficiency, staff amenities and a thorough reflection of our corporate image in selecting the new head office.

In order to optimally utilise the office space and achieve higher productivity and efficiency gains, and best meet staff requirements, the Manager appointed Knight Frank to undertake a series of staff engagement and requirement briefings. Office layouts were designed by Aedas with the intention to provide a more professional and friendly working environment, which also meets the requirements of staff. Site tours to the new head office were arranged for staff prior to the relocation.

Speaking at the opening ceremony of the new head office on 26 March 2010, Mr Nicholas Sallnow-Smith, Chairman of the Manager, used mountain climbing as an analogy. He was appreciative of the achievement the Manager has made so far, which he compared to the building of a base camp. With base camp set up and a highly motivated team, Mr Sallnow-Smith was confident the Manager could go all the way to the summit. He encouraged staff to focus on what is good for both the Manager and the community by providing better shopping centres in the various neighbourhoods. He challenged all staff that "Given our sizeable portfolio, we can do more to transform the lives of Hong Kong people and at the same time make money for the shareholders."

The Manager values human resources as an important asset that is critical for success. The Manager believes the new head office will bring a more energetic element to the staff. The new head office is better equipped to support our staff to achieve the objectives of enhancing the values of our properties and facilitating long term development of the business. The Manager will start reviewing and improving the standards of our district and cluster offices in the coming months.

TRUSTEE'S REPORT

We hereby confirm that, in our opinion, the Manager of The Link Real Estate Investment Trust has, in all material respects, managed The Link Real Estate Investment Trust in accordance with the provisions of the Trust Deed dated 6 September 2005, as amended by the First Supplemental Deed dated 4 November 2005, the Second Supplemental Deed dated 8 November 2005, the Third Supplemental Deed dated 16 January 2006, the Fourth Supplemental Deed dated 21 November 2006, the Fifth Supplemental Deed dated 13 July 2007, the Sixth Supplemental Deed dated 23 July 2007 and the Seventh Supplemental Deed dated 5 October 2009 for the financial year ended 31 March 2010.

HSBC Institutional Trust Services (Asia) Limited
in its capacity as the Trustee of The Link Real Estate Investment Trust

Hong Kong, 2 June 2010

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE LINK REAL ESTATE INVESTMENT TRUST

(a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))

We have audited the consolidated financial statements of The Link Real Estate Investment Trust ("The Link REIT") and its subsidiaries (together, the "Group") set out on pages 91 to 133, which comprise the consolidated statement of financial position as at 31 March 2010, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and net assets attributable to Unitholders, consolidated statement of cash flows and consolidated statement of distributions for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Manager of The Link REIT is responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and is responsible for ensuring that the consolidated financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed dated 6 September 2005, as amended by the seven Supplemental Deeds (the "Trust Deed"), and the relevant disclosure requirements set out in Appendix C of the Code on Real Estate Investment Trusts established by the Securities and Futures Commission of Hong Kong (the "REIT Code"). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to the Unitholders, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT *(continued)*

AUDITOR'S RESPONSIBILITY *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager of The Link REIT, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group give a true and fair view of the state of the Group's affairs as at 31 March 2010 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the relevant provisions of the Trust Deed and the relevant disclosure requirements set out in Appendix C of the REIT Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 2 June 2010

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2010

		2010	2009
	Note	HK\$'M	HK\$'M
Revenues	6	4,990	4,503
Property operating expenses	8	(1,662)	(1,698)
Net property income		3,328	2,805
General and administrative expenses		(120)	(134)
Change in fair values of investment properties		9,809	(1,865)
Operating profit	9	13,017	806
Interest income		6	37
Finance costs on interest bearing liabilities	10	(583)	(511)
Profit before taxation and transactions with Unitholders		12,440	332
Taxation	12	(2,077)	290
Profit for the year, before transactions with Unitholders	13	10,363	622
Distributions paid to Unitholders:			
2008 final distribution		—	(826)
2009 interim distribution		—	(884)
2009 final distribution		(935)	—
2010 interim distribution		(1,055)	—
		8,373	(1,088)
Represented by:			
Change in net assets attributable to Unitholders, excluding issues of new units		8,600	(1,497)
Amount arising from cash flow hedging reserve movement	24	(227)	409
		8,373	(1,088)

The notes on pages 97 to 133 are an integral part of these consolidated financial statements.

Notes:

- (i) Total Distributable Income is determined in the consolidated statement of distributions. The final distribution declared in respect of this year as set out in the consolidated statement of distributions will be paid to Unitholders on or about 4 August 2010.
- (ii) Earnings per unit, based upon profit after taxation and before transactions with Unitholders and the weighted average number of units in issue, is set out in Note 13 to the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2010

		Before transactions with Unitholders	Transactions with Unitholders (i)	After transactions with Unitholders
	Note	HK\$'M	HK\$'M	HK\$'M
For the year ended 31 March 2010				
Profit for the year		10,363	(10,590)	(227)
Other comprehensive income				
Cash flow hedging reserve		227	—	227
Total comprehensive income for the year	(ii)	10,590	(10,590)	—
For the year ended 31 March 2009				
Profit for the year		622	(213)	409
Other comprehensive loss				
Cash flow hedging reserve		(409)	—	(409)
Total comprehensive income for the year	(ii)	213	(213)	—

The notes on pages 97 to 133 are an integral part of these consolidated financial statements.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$1,990 million (2009: HK\$1,710 million) and change in net assets attributable to Unitholders, excluding issues of new units, of HK\$8,600 million increase (2009: HK\$1,497 million decrease).
- (ii) In accordance with the Trust Deed, The Link Real Estate Investment Trust is required to distribute to Unitholders not less than 90% of Total Distributable Income for each financial year. Accordingly, the units contain contractual obligations of the trust to pay cash dividends. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with Hong Kong Accounting Standard 32: Financial Instruments: Presentation. Consistent with Unitholders' funds being classified as a financial liability, the distributions to Unitholders and change in net assets attributable to Unitholders, excluding issues of new units, are finance costs. Accordingly, the total comprehensive income, after the transactions with Unitholders, is zero.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF DISTRIBUTIONS

For the year ended 31 March 2010

		2010	2009
	Note	HK\$'M	HK\$'M
Profit for the year, before transactions with Unitholders		10,363	622
Adjustments:			
Change in fair values of investment properties		(9,809)	1,865
Deferred taxation on change in fair values of investment properties	12	1,619	(308)
Deferred taxation on change in tax rate	12	—	(341)
Other non-cash income		(39)	(19)
Total Distributable Income (Note (i))		2,134	1,819
Interim distribution, paid		1,055	884
Final distribution, to be paid to the Unitholders		1,079	935
Total distributions for the year (Note (ii))		2,134	1,819
As a percentage of Total Distributable Income		100%	100%
Units in issue at 31 March	23	2,202,043,479	2,167,040,427
Distributions per unit to Unitholders:			
Interim distribution per unit, paid (Note (iii))		HK48.35 cents	HK40.86 cents
Final distribution per unit, to be paid to the Unitholders (Note (iv))		HK49.02 cents	HK43.13 cents
Distribution per unit for the year		HK97.37 cents	HK83.99 cents

The notes on pages 97 to 133 are an integral part of these consolidated financial statements.

Notes:

- (i) Under the terms of the Trust Deed, the Total Distributable Income is the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the year, before transactions with Unitholders) adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the consolidated income statement for the relevant year.
- (ii) Pursuant to the Trust Deed, The Link Real Estate Investment Trust is required to ensure that the total amount distributed to Unitholders as distributions for each financial year shall be no less than 90% of Total Distributable Income, plus at its discretion, any other additional amount that the Manager determines is distributable. The Manager intends to distribute 100% of Total Distributable Income as the distribution for the year ended 31 March 2010. The interim distribution was paid to Unitholders on 26 January 2010. The final distribution will be paid to Unitholders on or about 4 August 2010.
- (iii) The interim distribution per unit of HK48.35 cents for the six months ended 30 September 2009 was calculated based on the interim distribution of HK\$1,055 million for the period and 2,180,865,373 units in issue as at 30 September 2009. The interim distribution per unit of HK40.86 cents for the six months ended 30 September 2008 was calculated based on the interim distribution of HK\$884 million for the period and 2,163,861,896 units in issue as at 30 September 2008.
- (iv) The final distribution per unit of HK49.02 cents (2009: HK43.13 cents) is calculated based on the final distribution to be paid to the Unitholders of HK\$1,079 million for the period and 2,202,043,479 units in issue as at the year end (2009: HK\$935 million and 2,167,040,427 units).

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2010

	Note	2010 HK\$'M	2009 HK\$'M
Non-current assets			
Goodwill		3,988	3,988
Investment properties	14	53,781	43,255
Property, plant and equipment	15	86	65
		57,855	47,308
Current assets			
Trade and other receivables	16	162	121
Deposits and prepayments		38	21
Short-term bank deposits	17	243	722
Cash and cash equivalents	17	633	508
		1,076	1,372
Total assets		58,931	48,680
Current liabilities			
Trade payables, receipts in advance and accruals	18	993	1,125
Security deposits		630	493
Provision for taxation		145	71
Current portion of long-term incentive plan payable	19	39	—
		1,807	1,689
Net current liabilities		731	317
Total assets less current liabilities		57,124	46,991
Non-current liabilities, excluding net assets attributable to Unitholders			
Long-term incentive plan payable	19	26	34
Interest bearing liabilities	20	10,867	11,538
Derivative financial instruments	21	513	738
Deferred tax liabilities	22	7,274	5,480
		18,680	17,790
Total liabilities, excluding net assets attributable to Unitholders		20,487	19,479
Net assets attributable to Unitholders		38,444	29,201
Units in issue	23	2,202,043,479	2,167,040,427
Net assets per unit attributable to Unitholders		HK\$17.46	HK\$13.47

The notes on pages 97 to 133 are an integral part of these consolidated financial statements.

On behalf of the Board of Directors of
The Link Management Limited, as the Manager

Nicholas Robert SALLNOW-SMITH
Chairman
2 June 2010

George Kwok Lung HONGCHOY
Chief Executive Officer
2 June 2010

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 March 2010

	Note	Total reserves HK\$'M	Net assets attributable to Unitholders HK\$'M	Total HK\$'M
Net assets attributable to Unitholders at 1 April 2009		—	29,201	29,201
Issuance of units under distribution reinvestment scheme		—	643	643
Profit for the year ended 31 March 2010, before transactions with Unitholders		—	10,363	10,363
Distributions paid to Unitholders		—	(935)	(935)
2009 final distribution		—	(1,055)	(1,055)
2010 interim distribution		—	—	—
Change in fair values of cash flow hedges	24	(157)	—	(157)
Amount transferred to the consolidated income statement	24	384	—	384
Amount arising from cash flow hedging reserve movement	24	(227)	227	—
Change in net assets attributable to Unitholders for the year ended 31 March 2010, excluding issues of new units		—	8,600	8,600
Net assets attributable to Unitholders at 31 March 2010		—	38,444	38,444
Net assets attributable to Unitholders at 1 April 2008		—	30,558	30,558
Issuance of units under distribution reinvestment scheme		—	140	140
Profit for the year ended 31 March 2009, before transactions with Unitholders		—	622	622
Distributions paid to Unitholders		—	(826)	(826)
2008 final distribution		—	(884)	(884)
2009 interim distribution		—	—	—
Change in fair values of cash flow hedges	24	(566)	—	(566)
Amount transferred to the consolidated income statement	24	157	—	157
Amount arising from cash flow hedging reserve movement	24	409	(409)	—
Change in net assets attributable to Unitholders for the year ended 31 March 2009, excluding issues of new units		—	(1,497)	(1,497)
Net assets attributable to Unitholders at 31 March 2009		—	29,201	29,201

The notes on pages 97 to 133 are an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2010

		2010	2009
	Note	HK\$'M	HK\$'M
Operating activities			
Net cash generated from operating activities	25(a)	2,998	2,894
Investing activities			
Additions to investment properties	14	(717)	(813)
Additions to property, plant and equipment	15	(39)	(36)
Interest income received		6	49
Decrease in short-term bank deposits with original maturity of more than three months		479	1,031
Net cash (used in)/generated from investing activities		(271)	231
Financing activities			
Proceeds from issuance of interest bearing liabilities, net of transaction costs		8,407	1,946
Repayment of interest bearing liabilities		(9,100)	(2,600)
Interest expenses paid on interest bearing liabilities		(562)	(510)
Distributions paid to Unitholders		(1,347)	(1,570)
Net cash used in financing activities		(2,602)	(2,734)
Net increase in cash and cash equivalents		125	391
Cash and cash equivalents at 1 April		508	117
Cash and cash equivalents at 31 March		633	508

The notes on pages 97 to 133 are an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

The Link Real Estate Investment Trust ("The Link REIT") is a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance. The Link REIT is governed by a trust deed entered into on 6 September 2005 (as amended and supplemented by the First Supplemental Deed dated 4 November 2005, the Second Supplemental Deed dated 8 November 2005, the Third Supplemental Deed dated 16 January 2006, the Fourth Supplemental Deed dated 21 November 2006, the Fifth Supplemental Deed dated 13 July 2007, the Sixth Supplemental Deed dated 23 July 2007 and the Seventh Supplemental Deed dated 5 October 2009) (the "Trust Deed").

The principal activity of The Link REIT and its subsidiaries (the "Group") is investment in retail and car park operations in Hong Kong. The addresses of the registered offices of the Manager, The Link Management Limited, and the Trustee, HSBC Institutional Trust Services (Asia) Limited, are Room 1201-1202, 12th Floor, 9 Queen's Road Central, Hong Kong and 1 Queen's Road Central, Hong Kong, respectively.

2 BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs"), the requirements of the Trust Deed and the relevant disclosure requirements as set out in Appendix C of the Code on Real Estate Investment Trusts issued by the Securities and Futures Commission of Hong Kong (the "REIT Code"). HKFRSs is a collective term which includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

(b) Accounting convention and functional currency

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and derivative financial instruments, which are stated at fair values as explained in the significant accounting policies set out in Note 3.

The consolidated financial statements are presented in millions of Hong Kong Dollars, which is also the functional currency of The Link REIT.

(c) Application of new and revised HKFRSs

For the year ended 31 March 2010, the Group has adopted all the new standards, amendments and interpretations that are currently in issue and effective and has early adopted HKAS 24 (Revised) "Related Party Disclosures".

The HKICPA issued HKAS 24 (Revised) "Related Party Disclosures" in November 2009, effective for annual periods beginning on or after 1 January 2011. The revised standard simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. The early adoption of HKAS 24 (Revised) does not have any financial impact on the Group as it only affects the disclosure of significant related party transactions and balances.

However, the adoption of these new standards, amendments and interpretations has not had any significant effect on the accounting policies or results and financial position of the Group.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2 BASIS OF PREPARATION *(Continued)*

(c) Application of new and revised HKFRSs *(Continued)*

The following new standards, amendments and interpretations, which have been published but are not yet effective, have not been early adopted in these consolidated financial statements. These are effective for the Group's accounting periods beginning on or after 1 April 2010.

HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 32 Amendment	Classification of Rights Issues ²
HKAS 39 Amendment	Eligible Hedged Items ¹
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards ¹
HKFRS 1 Amendments	Additional Exemptions for First-time Adopters ³
HKFRS 1 Amendment	Limited Exemptions from Comparative HKFRS 7 Disclosures for First-time Adopters ⁴
HKFRS 2 Amendment	Group Cash-settled Share-based Payment Transactions ³
HKFRS 3 (Revised)	Business Combinations ¹
HKFRS 9	Financial Instruments ⁵
HK(IFRIC)-Int 14 Amendment	Prepayments of a Minimum Funding Requirement ⁶
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments ⁴
HK-Int 4 Amendment	Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases ³
Improvement to HKFRSs – HKFRS 5	Non-current Assets Held for Sale and Discontinued Operations ¹
Improvement to HKFRSs 2009 ⁷	
Improvement to HKFRSs 2010 ⁸	

¹ effective for accounting periods beginning on or after 1 July 2009

² effective for accounting periods beginning on or after 1 February 2010

³ effective for accounting periods beginning on or after 1 January 2010

⁴ effective for accounting periods beginning on or after 1 July 2010

⁵ effective for accounting periods beginning on or after 1 January 2013

⁶ effective for accounting periods beginning on or after 1 January 2011

⁷ effective for accounting periods beginning on or after 1 January 2010 except the amendments to HKFRS 2, HKAS 38, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16 which are effective for accounting periods beginning on or after 1 July 2009

⁸ effective for accounting periods beginning on or after 1 January 2011 except the amendments to HKFRS 3 and HKAS 27 which are effective for accounting periods beginning on or after 1 July 2010

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Manager has concluded that while the adoption of the new or revised HKFRSs may result in new or amended disclosures, these are unlikely to have a significant impact on the Group's results of operations and financial position.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of The Link REIT and all its subsidiaries as at 31 March 2010 and their results for the year then ended.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(a) **Basis of consolidation** *(Continued)*

Subsidiaries are all entities over which The Link REIT has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

(b) **Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing a particular type of services (operating segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Consistent with the Group's internal financial reporting to the chief operating decision maker for the purpose of making decisions about allocating resources and assessing performance, operating segment is determined with segment assets consist primarily of tangible assets and receivables and segment liabilities mainly comprise operating liabilities. No geographical segment information has been prepared as all the properties are located within Hong Kong for the years presented. The Group concluded that the operating segments determined are the same as the business segments previously identified.

(c) **Investment properties**

A property that is held for long-term rental yields or for capital appreciation or both, is classified as an investment property.

Investment property comprises land held under operating leases and buildings held under finance leases.

An investment property is measured initially at its cost, including related transaction costs.

After initial recognition, an investment property is carried at fair value, being the amount for which the asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The carrying value of the investment property is reviewed every six months and is independently valued by external valuers at least annually.

Changes in fair values of the investment properties are recognised in the consolidated income statement.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the year in which they are incurred.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(d) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the year in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost less residual value less accumulated impairment losses over the shorter of the estimated useful lives or their lease terms (if applicable), as follows:

Leasehold improvements	5 years
Equipment	3 to 5 years
Motor vehicles	5 years

An asset's residual value and useful life are reviewed and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the consolidated income statement.

(e) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the consolidated income statement.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(g) **Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill on business combinations is stated as a separate asset. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

The excess of the cost over the fair value of net assets acquired by the Group arises as a result of the recognition of deferred taxation based on the difference between the tax base and the fair value of net assets acquired.

(h) **Unitholders' funds as a financial liability**

In accordance with the Trust Deed, The Link REIT is required to distribute to Unitholders not less than 90% of the Group's Total Distributable Income for each financial year. The trust also has a limited life of 80 years from the date of establishment. Accordingly, the units contain contractual obligations of the trust to pay to its Unitholders cash dividends and also upon termination of the trust, a share of all net cash proceeds derived from the sale or realisation of the assets of the trust less any liabilities, in accordance with their proportionate interests in the trust at the date of the termination. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with HKAS 32: Financial Instruments: Presentation. This liability is shown on the consolidated statement of financial position as the net assets attributable to Unitholders. Distributions to Unitholders are recognised in the consolidated income statement.

(i) **Trade payables and provisions**

(i) **Trade payables**

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(ii) **Provisions**

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(j) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Details of the recognition of operating lease rental income are set out in Note 3(n)(i) below.

(k) Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred taxation is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

(l) Interest bearing liabilities

Interest bearing liabilities are recognised initially at fair value, net of transaction costs incurred. Interest bearing liabilities are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the instrument using the effective interest method.

(m) Impairment of assets

Assets are reviewed for impairment annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(n) Revenue recognition

(i) *Rental income from retail properties*

Operating lease rental income is recognised on a straight-line basis over the terms of lease agreements. Contingent rental income (representing income over and above base rent) such as turnover rent, is recognised according to the terms of the lease agreements when the amount can be reliably measured, in the accounting period in which it is earned. Lease incentives provided, such as rent-free periods, are amortised on a straight-line basis and are recognised as a reduction of rental income over the respective term of the lease.

(ii) *Gross receipts from car parks*

Gross receipts from car parks are recognised as revenue on an accrual basis.

(iii) *Service fees and charges*

Service fees and charges such as air-conditioning income arising from the provision of services are recognised when such services are rendered.

(iv) *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method.

(o) Expenditure

Expenditures, including property related outgoings and other expenses, are recognised on an accrual basis.

(p) Employee benefits

Employee benefits such as wages, salaries and bonuses are recognised as an expense when the employee has rendered the service.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave. The employer's contributions to the Mandatory Provident Fund for employees are expensed as incurred.

(q) Employees' long-term incentive plan

Incentives in the form of a long-term incentive plan are provided to eligible employees (including directors).

Employee services received in exchange for the grant of the long-term incentive plan awards are recognised as an expense, with a corresponding increase in the liability incurred, at fair value as the employees render services. This expense is charged to the consolidated income statement over the vesting periods. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in the consolidated income statement for the year. At each reporting date, estimates of the number of long-term incentive plan awards that are expected to vest will be revised and the impact of the revision is recognised in the consolidated income statement. The carrying value of the long-term incentive plan awards is reviewed every six months and is independently valued by external valuers at least annually. If the awards do not vest on the vesting dates, the amounts charged to the consolidated income statement will be reversed.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(r) Derivative financial instruments and hedging activities

A derivative is initially recognised at fair value on the date a derivative contract is entered into and is subsequently re-measured at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Hedging relationships are classified as cash flow hedges when such relationships are used to hedge against exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability and such variability could affect profit or loss.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The changes in the fair value of the effective portion of derivatives that are designated and qualify as cash flow hedges are deferred in a hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated income statement.

Amounts accumulated in hedging reserve are transferred to the consolidated income statement in the periods when the hedged item affects earnings. However, when the highly probable forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in hedging reserve are transferred from hedging reserve and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in hedging reserve at that time remains in hedging reserve and is recognised when the forecast transaction is ultimately recognised in the consolidated income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserve is immediately transferred to the consolidated income statement.

The Group uses interest rate swaps to hedge its exposure against changes in interest rates.

The Group uses currency swap to hedge its exposure against changes in foreign currency exchange rates. The changes in fair value of the currency swap are recognised directly in the consolidated income statement.

(s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk.

Risk management is carried out by the Manager. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments such as interest rate swaps to manage financial risk.

(i) Market risk

(A) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes in interest bearing liabilities and assets. The risks can be separated into cash flow interest rate risk and fair value interest rate risk.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Borrowings at floating rates therefore expose the Group to cash flow interest rate risk. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Fair value interest rate risk is the risk that the values of financial assets or liabilities will fluctuate because of changes in market interest rates. The Group manages its fair value interest rate risk by entering into interest rate swaps which have the economic effect of converting borrowings from fixed to floating rate.

As at 31 March 2010, if interest rates on floating rate interest bearing liabilities had been 100 basis points higher/lower with all other variables held constant, profit for the year, before transactions with Unitholders, would have been HK\$28 million (2009: HK\$25 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. As at 31 March 2010, if interest rates had been 100 basis points higher/lower, the hedging reserve would have been HK\$215/254 million (2009: HK\$278/289 million) higher/lower mainly as a result of an increase/decrease in the fair values of the cash flow hedges as described above.

(B) Currency risk

Currency risk arises on account of monetary assets and liabilities denominated in a currency that is not the functional currency. The Group has a bank loan denominated in United States Dollars. It uses currency swaps to hedge its exposure against changes in the United States Dollars exchange rates. As at 31 March 2010, the Hong Kong Dollars equivalent of the loan stands at HK\$248 million (2009: HK\$248 million).

(ii) Credit risk

Credit risk arises from the potential failure of the Group's counterparties to meet their obligations under financial contracts. The Group is exposed to credit risk on its cash and cash equivalents and deposits with banks and financial institutions, as well as trade and other receivables.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4 FINANCIAL RISK MANAGEMENT *(Continued)*

(a) **Financial risk factors** *(Continued)*

(ii) **Credit risk** *(Continued)*

Credit risk is managed on a group basis. The Group manages its deposits with banks and financial institutions by limiting the level of deposits to be placed with any counterparties of credit ratings lower than "A-". In addition, deposits placed with any individual counterparty cannot exceed a pre-defined limit to the individual counterparty. As at 31 March 2010, deposits with banks amounted to HK\$875 million (2009: HK\$1,230 million), all of which were placed with financial institutions with external credit ratings of no less than "A-".

In respect of credit exposures to tenants, credit risk exposure is minimised by undertaking transactions with a large number of counterparties and conducting credit reviews on prospective tenants. The Group also has policies in place to ensure that rental security deposits are required from tenants prior to commencement of leases. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate provision for impairment losses is made for irrecoverable amounts. The Group has no significant concentrations of credit risk.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance. The Group's exposure to credit risk arising from trade receivables amounted to HK\$63 million (2009: HK\$58 million) and is set out in Note 16. The Group's exposure to credit risk arising from bank deposits amounted to HK\$875 million (2009: HK\$1,230 million) and is set out in Note 17.

(iii) **Liquidity risk**

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from committed credit facilities and operating cashflow.

The Group has cash and cash equivalents of HK\$633 million as at 31 March 2010 (2009: HK\$508 million). In addition to the cash resources, the Group has total available borrowing facilities amounting to HK\$12.0 billion (2009: HK\$15.0 billion), of which HK\$10.9 billion (2009: HK\$11.6 billion) was drawn as at 31 March 2010. The undrawn committed facility in the form of bank loan, totalled HK\$1.1 billion as at 31 March 2010 (2009: HK\$3.4 billion).

As at 31 March 2010, the Group's current liabilities exceeded its current assets by HK\$731 million (2009: HK\$317 million). The Group will continue to monitor market conditions to assess the possibility of arranging longer term refinancing at favourable rates and extending the maturity profile of its debt.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows which comprise both interest and principal cash flows.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4 FINANCIAL RISK MANAGEMENT *(Continued)*

(a) Financial risk factors *(Continued)*

(iii) Liquidity risk *(Continued)*

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
At 31 March 2010				
Interest bearing liabilities	184	3,650	6,018	2,475
Derivative financial instruments	246	152	91	39
Trade payables and accruals	886	—	—	—
Security deposits	630	—	—	—
Unitholders' funds	—	—	—	38,444
At 31 March 2009				
Interest bearing liabilities	2,854	4,128	4,913	—
Derivative financial instruments	277	249	206	23
Trade payables and accruals	1,049	—	—	—
Security deposits	493	—	—	—
Unitholders' funds	—	—	—	29,201

(b) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern whilst seeking to maximise benefits to Unitholders.

The Group monitors capital on a regular basis and observes the REIT Code's maximum gearing ratio of 45%. This ratio is calculated as total borrowings (including current and non-current borrowings) divided by total asset value as shown in the consolidated statement of financial position.

	2010	2009
	HK\$'M	HK\$'M
Interest bearing liabilities <i>(Note 20)</i>	10,867	11,538
Total asset value	58,931	48,680
Gearing ratio	18.4%	23.7%

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4 FINANCIAL RISK MANAGEMENT *(Continued)*

(c) Fair value estimation

Effective 1 April 2009, the Group adopted the amendment to HKFRS 7 for financial instruments that are measured at fair value. This requires disclosure of fair value measurement by three levels of fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The carrying values less impairment provision of trade and other receivables and the carrying values of trade payables, accruals, bank deposits and short-term interest bearing liabilities are a reasonable approximation of their fair values due to their short-term maturities.

The fair values of long-term interest bearing liabilities are based on market prices or are estimated by using the expected future payments discounted at market interest rates.

The fair values of interest rate swaps are calculated by reference to the present value of the estimated future cash flows, taking into account current interest rates observed in the market. The Group's interest rate swaps are included in Level 2.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in the process of applying the Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below.

(a) Investment properties

The fair value of each investment property is individually determined at each reporting date by independent valuers based on a market value assessment, on an existing use basis. The valuers have relied on the discounted cash flow analysis and the capitalisation of income approach as their primary methods, supported by the direct comparison method. These methodologies are based upon estimates of future results and a set of assumptions specific to each property to reflect its tenancy and cashflow profile. The fair value of each investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(b) Financial instruments

In estimating the fair value of its financial instruments, the Group uses valuation techniques such as dealer quotes and discounted cash flows. The Group also makes assumptions that are based on market conditions existing at each reporting date.

(c) Long-term incentive plan valuation

The fair value of awards granted is estimated based on valuations techniques. The valuations are based on various assumptions on unit prices, life of awards and distribution pay-out rate, which management considers as representing the best estimate of the fair value of the liability for such awards at the reporting date. The carrying value of the long-term incentive plan awards is reviewed every six months and is independently valued by external valuers at least annually.

(d) Goodwill

Goodwill is recorded as a separate asset and it is subject to the annual impairment test. The results of the tests undertaken as at 31 March 2009 and 2010 indicated that no impairment provision was necessary.

For the purposes of impairment tests, the recoverable amount of goodwill is determined based on the cash flow projections inherent in the valuation of investment properties by the Principal Valuer. Judgement was required to determine key assumptions for adoption in the cash flow projections, such as income and expenditure growth rate, discount rate, income capitalisation rate, etc. The income and expenditure growth rates were driven by the forecast occupancy rates, reversion rate, progress on asset enhancement projects and inflation. Discount rates and income capitalisation rates in the range of 8.0% to 11.4% (2009: 8.5% to 11.7%) and 5.52% to 9.5% (2009: 6.26% to 10.9%) respectively were used in the cash flow projections. Changes to these key assumptions can significantly affect the cash flow projections and therefore the results of the impairment tests.

6 REVENUES

Revenues recognised during the year comprise:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Rental income from retail properties	3,699	3,260
Gross rental revenue from car parks	1,005	982
	4,704	4,242
Other revenues		
Air conditioning service fees	266	253
Other property related income	20	8
	286	261
Total revenues	4,990	4,503

Lease arrangements with tenants provide for base monthly rental charges and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$70 million (2009: HK\$63 million) and have been included in the rental income.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

7 SEGMENT INFORMATION

	Retail properties	Car parks	Head office	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
For the year ended 31 March 2010				
Revenues	3,983	1,007	—	4,990
Segment results	2,814	514	(120)	3,208
Change in fair values of investment properties	9,153	656	—	9,809
Interest income				6
Finance costs on interest bearing liabilities				(583)
Profit before taxation and transactions with Unitholders				12,440
Taxation				(2,077)
Profit for the year, before transactions with Unitholders				10,363
Capital expenditure	703	15	38	756
Depreciation	—	—	(17)	(17)
As at 31 March 2010				
Segment assets	45,459	8,495	113	54,067
Goodwill				3,988
Short-term bank deposits				243
Cash and cash equivalents				633
Total assets				58,931
Segment liabilities	1,176	227	220	1,623
Provision for taxation				145
Long-term incentive plan payable				65
Interest bearing liabilities				10,867
Derivative financial instruments				513
Deferred tax liabilities				7,274
Total liabilities, excluding net assets attributable to Unitholders				20,487
Net assets attributable to Unitholders				38,444

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

7 SEGMENT INFORMATION *(Continued)*

	Retail properties	Car parks	Head office	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
For the year ended 31 March 2009				
Revenues	3,521	982	—	4,503
Segment results	2,243	562	(134)	2,671
Change in fair values of investment properties	(1,402)	(463)	—	(1,865)
Interest income				37
Finance costs on interest bearing liabilities				(511)
Profit before taxation and transactions with Unitholders				332
Taxation				290
Profit for the year, before transactions with Unitholders				622
Capital expenditure	757	56	36	849
Depreciation	—	—	(16)	(16)
As at 31 March 2009				
Segment assets	35,560	7,823	79	43,462
Goodwill				3,988
Short-term bank deposits				722
Cash and cash equivalents				508
Total assets				48,680
Segment liabilities	1,241	151	226	1,618
Provision for taxation				71
Long-term incentive plan payable				34
Interest bearing liabilities				11,538
Derivative financial instruments				738
Deferred tax liabilities				5,480
Total liabilities, excluding net assets attributable to Unitholders				19,479
Net assets attributable to Unitholders				29,201

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

8 PROPERTY OPERATING EXPENSES

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Property managers' fees, security and cleaning	474	541
Staff costs <i>(Note 11)</i>	176	166
Government rent and rates	127	115
Repairs and maintenance	177	224
Utilities	316	344
Promotion and marketing expenses	80	103
Estate common area costs	98	96
Other property operating expenses	214	109
	1,662	1,698

9 OPERATING PROFIT BEFORE FINANCE COSTS, TAXATION AND TRANSACTIONS WITH UNITHOLDERS

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Operating profit before finance costs, taxation and transactions with Unitholders is stated after charging:		
Staff costs <i>(Note 11)</i>	247	236
Depreciation of property, plant and equipment	17	16
Loss on disposal of property, plant and equipment	1	1
Strategic partner fee <i>(Note)</i>	4	5
Trustee's fee	3	4
Valuation fee	4	4
Auditor's remuneration		
— audit service	4	3
— non-audit service	3	2
Bank charges	3	2
Operating lease charges	9	6
Other legal and professional fees	8	12
Commission to property agents	1	—

Note: On 26 August 2009, the five year Co-operation Agreement between Capitaland Limited ("Capitaland") and the Manager, under which Capitaland provided consultancy and management advisory services on funds, portfolio, asset and property management to the Manager in return for the strategic partner fee, expired.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

10 FINANCE COSTS ON INTEREST BEARING LIABILITIES

	2010	2009
	HK\$'M	HK\$'M
Interest expenses on interest bearing liabilities wholly repayable within five years	160	330
Interest expenses on interest bearing liabilities wholly repayable beyond five years	32	—
Other borrowing costs <i>(Note)</i>	412	184
	604	514
Less: Capitalised under investment properties	(21)	(3)
	583	511

Note: Other borrowing costs represent the amount in respect of cash flow hedges transferred to the consolidated income statement (Note 24) and amortisation of various financing charges.

11 STAFF COSTS

	2010	2009
	HK\$'M	HK\$'M
Wages and salaries	211	218
Contributions to mandatory provident fund scheme	5	4
Long-term incentive plan awards <i>(Note 19)</i>	31	14
	247	236

(a) Staff costs can be further analysed as below:

	2010	2009
	HK\$'M	HK\$'M
Included under property operating expenses <i>(Note 8)</i>	176	166
Included under general and administrative expenses	71	70
	247	236

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

11 STAFF COSTS *(Continued)*

(b) Directors' emoluments

The remunerations of directors are set out below:

Name of Director	Fees	Base pay, allowance and other benefits (i)	Contribution to pension scheme (ii)	Variable remuneration related to performance	Subtotal	Long-term incentive plan awards (iii)	Total 2010	Total 2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Mr Nicholas Robert SALLNOW-SMITH	1,700	—	—	—	1,700	1,921	3,621	2,302
Mr Ian David Murray ROBINS (iv)	—	5,065	12	3,750	8,827	16,356	25,183	12,684
Mr George Kwok Lung HONGCHOY (v)	—	3,697	12	481	4,190	1,753	5,943	1,917
Mr CHEW Fook Aun (vi)	—	—	—	—	—	—	—	5,516
Mr Ian Keith GRIFFITHS	450	—	—	—	450	561	1,011	575
Mr John HO Chi On (vii)	—	—	—	—	—	—	—	—
Mr KEE Teck Koon (viii)	—	—	—	—	—	—	—	—
Mr LIM Beng Chee (ix)	—	—	—	—	—	—	—	—
Mr Michael Ian ARNOLD	600	—	—	—	600	684	1,284	809
Mr William CHAN Chak Cheung (x)	292	—	—	—	292	—	292	—
Mr Anthony CHOW Wing Kin	571	—	—	—	571	637	1,208	735
Dr Patrick FUNG Yuk Bun	597	—	—	—	597	683	1,280	809
Mr Stanley KO Kam Chuen	550	—	—	—	550	642	1,192	736
Mr David Charles WATT (xi)	293	—	—	—	293	—	293	—
Prof Richard WONG Yue Chim	550	—	—	—	550	685	1,235	702
Dr Allan ZEMAN	500	—	—	—	500	569	1,069	674
Mr Leslie CHAO Tse Hou (xii)	—	—	—	—	—	—	—	253
	6,103	8,762	24	4,231	19,120	24,491	43,611	27,712

Notes:

- (i) Other benefits include leave pay, insurance premium and club membership fee.
- (ii) For the year ended 31 March 2009, contribution to pension scheme was HK\$25,000.
- (iii) As at 31 March 2010, no long-term incentive plan awards have vested and no units of The Link REIT have been issued under the plan. The amounts recognised as expenses represent the provision recognised as set out in the accounting policy Note 3(q). The eventual amounts to be paid depend on the scale of achievement against certain performance and service related vesting conditions. If the awards do not vest on the vesting dates, the amounts charged to the consolidated income statement will be reversed. Details on the long-term incentive plan of the Group are set out in Note 19.
- (iv) Resigned on 17 May 2010.
- (v) Appointed on 26 February 2009. Emoluments for year ended 31 March 2009 included remuneration before appointment to the Board and HK\$1 million sign-on bonus.
- (vi) Resigned on 16 January 2009.
- (vii) Resigned on 18 June 2009.
- (viii) Resigned on 1 August 2009.
- (ix) Resigned on 27 August 2009.
- (x) Appointed on 1 October 2009.
- (xi) Appointed on 14 August 2009.
- (xii) Resigned on 12 October 2008.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

11 STAFF COSTS *(Continued)*

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2009: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2009: three) individuals during the year are as follows:

	2010	2009
	HK\$'M	HK\$'M
Basic salaries, other allowances and benefits in kind	9	14
Discretionary bonus	13	—
Contractual compensation for loss of office	10	—
Long-term incentive plan awards	3	5
Total	35	19

The emoluments of the five individuals fell within the following bands:

	2010	2009
	Number of individuals	Number of individuals
Emoluments bands		
HK\$3,500,001 — HK\$4,000,000	—	1
HK\$4,500,001 — HK\$5,000,000	1	—
HK\$5,500,001 — HK\$6,000,000	1	1
HK\$6,000,001 — HK\$6,500,000	—	1
HK\$9,000,001 — HK\$9,500,000	—	1
HK\$12,500,001 — HK\$13,000,000	—	1
HK\$13,500,001 — HK\$14,000,000	1	—
HK\$17,000,001 — HK\$17,500,000	1	—
HK\$25,000,001 — HK\$25,500,000	1	—

(d) Pension – defined contribution plan

The Group operates a pension scheme – Mandatory Provident Fund. The scheme is a defined contribution plan funded through payments to trustee-administered funds. A defined contribution plan is a pension plan under which the employer pays fixed contributions into a separate entity (a fund). The Group has no further payment obligations once the contributions have been paid.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

12 TAXATION

Hong Kong profits tax has been provided for at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit for the year.

The amount of taxation charged/(credited) to the consolidated income statement represents:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Current taxation	283	206
Deferred taxation		
— Change in fair values of investment properties	1,619	(308)
— Effect of change in tax rate	—	(341)
— Other temporary differences	175	153
Taxation charge/(credit)	2,077	(290)

The differences between the Group's expected tax charge, using the Hong Kong profits tax rate, and the Group's taxation for the year were as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Profit before taxation	12,440	332
Expected tax calculated at the Hong Kong profits tax rate of 16.5% (2009: 16.5%)	2,052	55
Tax effect of non-deductible expenses	26	4
Tax effect of non-taxable income	(1)	(6)
Effect of change in tax rate	—	(341)
Adjustment in respect of prior years	—	(2)
Taxation charge/(credit)	2,077	(290)

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

13 EARNINGS PER UNIT BASED UPON PROFIT AFTER TAXATION AND BEFORE TRANSACTIONS WITH UNITHOLDERS

	2010	2009
Profit after taxation and before transactions with Unitholders	HK\$10,363 million	HK\$622 million
Weighted average number of units for the year for calculating basic earnings per unit	2,179,334,098	2,162,465,628
Adjustment for dilutive contingently issuable units under long-term incentive plan	1,819,282	437,940
Weighted average number of units for the year for calculating diluted earnings per unit	2,181,153,380	2,162,903,568
Earnings per unit based on profit after taxation and before transactions with Unitholders, basic and diluted	HK\$4.75	HK\$0.29

14 INVESTMENT PROPERTIES

(a) **Details of the movements of investment properties are as follows:**

	Retail properties	Car parks	Total
	HK\$'M	HK\$'M	HK\$'M
At 1 April 2009	35,460	7,795	43,255
Additions	702	15	717
Change in fair values	9,153	656	9,809
At 31 March 2010	45,315	8,466	53,781
At 1 April 2008	36,105	8,202	44,307
Additions	757	56	813
Change in fair values	(1,402)	(463)	(1,865)
At 31 March 2009	35,460	7,795	43,255

(b) **Government leases**

The properties included as investment properties on the consolidated statement of financial position comprise properties where the Group has legal title under government leases for a fixed number of years (with renewal rights in one case), and other properties where the granting of the government leases and legal title is in progress. As at 31 March 2010, legal title for 153 (2009: 133) properties out of 180 properties has been granted to the Group. The remaining lease periods of the government lease profile of these properties with government leases granted range from 33 to 50 years.

By virtue of the property agreement with the Hong Kong Housing Authority in respect of the acquisition of the retail and car park operations, the Group as the beneficial owner, is legally entitled to operate all these properties as if it was the legal owner.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

14 INVESTMENT PROPERTIES *(Continued)*

(c) Fair values

The investment properties were revalued on an open market value basis by Knight Frank Petty Limited, an independent firm of professional qualified valuers. In arriving at the market values, Knight Frank Petty Limited has assumed, inter alia, that legal titles to the properties are in place as of the property valuation date, notwithstanding that legal titles to certain of the properties have not been granted as of the reporting date (see Note (b) above).

(d) Security for the Group's loan facilities

As at 31 March 2010, certain of the Group's investment properties, amounting in value to approximately HK\$5.5 billion (2009: HK\$4.5 billion), were pledged to secure the loan with The Hong Kong Mortgage Corporation Limited ("HKMC"). No property was pledged to secure any bank loan or medium term note.

15 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Motor vehicles	Equipment	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
At 1 April 2009	30	3	32	65
Additions	18	—	21	39
Disposals	(1)	—	—	(1)
Depreciation charge for the year	(7)	(1)	(9)	(17)
At 31 March 2010	40	2	44	86
At 31 March 2010				
Cost	53	5	80	138
Accumulated depreciation	(13)	(3)	(36)	(52)
Net book value	40	2	44	86
At 1 April 2008	19	3	24	46
Additions	17	1	18	36
Disposals	(1)	—	—	(1)
Depreciation charge for the year	(5)	(1)	(10)	(16)
At 31 March 2009	30	3	32	65
At 31 March 2009				
Cost	38	5	59	102
Accumulated depreciation	(8)	(2)	(27)	(37)
Net book value	30	3	32	65

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

16 TRADE AND OTHER RECEIVABLES

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Trade receivables	67	62
Less: provision for impairment of trade receivables	(4)	(4)
Trade receivables — net	63	58
Other receivables	99	63
	162	121

Receivables are denominated in Hong Kong Dollars and the carrying amounts of these receivables approximate their fair values.

There are no specific credit terms given to the tenants. The trade receivables are generally fully covered by the rental deposits/bank guarantees from corresponding tenants.

The ageing analysis of trade receivables is as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
0 – 30 days	58	48
31 – 90 days	5	10
Over 90 days	4	4
	67	62

Monthly rentals in respect of retail properties are payable in advance by tenants in accordance with the leasing agreements while daily gross receipts from car parks are received from the car park operators in arrears.

Included in the net trade receivables of HK\$63 million (2009: HK\$58 million) presented above were HK\$27 million (2009: HK\$26 million) of accrued car park income and HK\$8 million (2009: HK\$4 million) of accrued turnover rent, which were not yet due as at 31 March 2010. The remaining HK\$28 million (2009: HK\$28 million) were past due but not impaired.

The ageing analysis of the past due but not impaired trade receivables is as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
0 – 30 days	23	18
31 – 90 days	5	10
	28	28

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

16 TRADE AND OTHER RECEIVABLES *(Continued)*

As at 31 March 2010, trade receivables of HK\$4 million (2009: HK\$4 million) were considered as impaired and had been provided for. The individually impaired receivables are those where collectibility is in doubt.

The ageing analysis of the impaired trade receivables is as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Over 90 days	4	4

Movements on the provision for impairment of trade receivables are as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
At 1 April	4	5
Provision for impairment of trade receivables	1	7
Receivables written off during the year as uncollectible	(1)	(8)
At 31 March	4	4

The creation and release of provision for impairment of trade receivables have been included in property operating expenses in the consolidated income statement. Amounts charged to the provision account will be written off when there is no expectation of recovering additional cash.

The other classes of receivables included in the trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the fair value of trade and other receivables.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

17 CASH AND CASH EQUIVALENTS AND SHORT-TERM BANK DEPOSITS

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Cash in hand	1	1
Cash at bank	33	19
Short-term bank deposits with original maturity of less than three months	599	488
Cash and cash equivalents	633	508
Short-term bank deposits with original maturity of more than three months	243	722
	876	1,230

Cash and cash equivalents are denominated in Hong Kong Dollars. Short-term bank deposits at the reporting date mature approximately 34 days (2009: 70 days) from the reporting date. The effective interest rate at the reporting date was 0.20% (2009: 0.81%) per annum.

18 TRADE PAYABLES, RECEIPTS IN ADVANCE AND ACCRUALS

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Trade payables	49	136
Receipts in advance	107	76
Accruals	837	913
	993	1,125

The ageing analysis of trade payables is as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
0 – 30 days	32	80
31 – 90 days	15	41
Over 90 days	2	15
	49	136

Payables are denominated in Hong Kong Dollars and the carrying amounts of these payables approximate their fair values.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

19 LONG-TERM INCENTIVE PLAN PAYABLE

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Long-term incentive plan payable	65	34
Less: Current portion of long-term incentive plan payable	(39)	—
Non-current portion of long-term incentive plan payable	26	34

The Group adopted a long-term incentive plan (the “LTI” or “Plan”), which was approved by an ordinary resolution on 23 July 2007 at the annual general meeting of the Unitholders. The Plan shall be valid and effective for 10 years commencing on the adoption date.

Under the Plan, the Manager may grant three types of awards, the Restricted Unit Awards (“RUA”), Unit Options and Conditional Cash Awards (“CCA”) (collectively the “Awards”) to eligible employees of the Group. Awards are approved by the Human Resources and Compensation Committee.

Upon the vesting of RUA, units are to be issued to the employees on a sliding scale, depending on the scale of achievement against the total Unitholders return (“TUR”) or net operating income (“NOI”), where appropriate, providing that the minimum criteria for the performance measure determined by the Human Resources and Compensation Committee has been met.

During the year, certain employees were granted the RUA and CCA at nil consideration. The RUA granted under the Plan, in general, fully vest approximately two to three years from the date of grant. No unit was vested during the year.

The eventual numbers of units to be issued under the RUA, which are linked to the performance of The Link REIT based on the TUR, NOI and/or certain vesting conditions, where appropriate, will range from 20% to 300% of the RUA granted. CCA is granted in conjunction with the grant of RUA, bestowing upon the grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions per unit to Unitholders during the vesting period, multiplied by the number of units that will eventually be vested.

During the vesting period, a liability is recognised representing the estimated fair value of the Awards granted and the portion of the vesting period expired as at the reporting date. The fair value of the Awards was estimated based on valuations techniques and assumptions on unit prices, life of awards and distribution pay-out rate by Towers Watson Hong Kong Limited, an independent external valuer, at the reporting date. As at 1 April 2009, a total of HK\$34 million LTI liability has been accrued. During the year, an additional amount of HK\$31 million (2009: HK\$14 million) was accrued and charged to the consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

Subsequent to the year end, the Group issued 131,478 units in accordance with the vesting conditions under the Plan on 10 May 2010.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

19 LONG-TERM INCENTIVE PLAN PAYABLE *(Continued)*

Movements in the number of RUA granted during the year and maximum number to be issued are as follows:

Date of grant	Vesting period	Outstanding as at 1 April 2009	Granted during the year	Lapsed during the year	Outstanding as at 31 March 2010	Maximum to be issued on vesting date*
24 July 2007	24 July 2007 to 23 July 2010	1,301,080	—	(206,500)	1,094,580	3,279,241
24 December 2007	24 December 2007 to 23 July 2010	764,000	—	—	764,000	2,292,000
	24 December 2007 to 23 July 2011	545,000	—	—	545,000	1,635,000
	24 December 2007 to 23 July 2012	545,000	—	—	545,000	1,635,000
10 January 2008	10 January 2008 to 23 July 2010	68,500	—	(68,500)	—	—
	10 January 2008 to 23 July 2011	68,500	—	(68,500)	—	—
	10 January 2008 to 23 July 2012	68,500	—	(68,500)	—	—
5 May 2008	5 May 2008 to 4 May 2010	355,000	—	(118,322)	236,678	552,026
	5 May 2008 to 4 May 2011	355,000	—	(237,850)	117,150	273,240
	5 May 2008 to 4 May 2012	355,000	—	(237,850)	117,150	273,240
16 January 2009	16 January 2009 to 15 January 2012	140,515	—	—	140,515	140,515
13 February 2009	13 February 2009 to 30 June 2010	712,000	—	(212,000)	500,000	1,000,000
	13 February 2009 to 30 June 2011	712,000	—	(212,000)	500,000	1,000,000
24 September 2009	24 September 2009 to 30 June 2011	—	599,500	(102,250)	497,250	994,500
	24 September 2009 to 30 June 2012	—	599,500	(102,250)	497,250	994,500
Total		5,990,095	1,199,000	(1,634,522)	5,554,573	14,069,262

* if certain vesting conditions are met.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

20 INTEREST BEARING LIABILITIES

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Syndicated loan <i>(Note (i))</i>	3,097	4,592
HKMC loan (secured) <i>(Note (ii))</i>	4,000	4,000
Medium term notes <i>(Note (iii))</i>	1,788	—
Other borrowings	1,982	2,946
	10,867	11,538

Interest bearing liabilities are repayable as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Due in the second year		
HKMC loan (secured)	—	4,000
Syndicated loan	3,097	—
Other borrowings	248	—
	3,345	4,000
Due in the third year		
Syndicated loan	—	4,592
Other borrowings	688	248
	688	4,840
Due in the fourth year		
Other borrowings	369	2,698
Due in the fifth year		
HKMC loan (secured)	4,000	—
Due beyond the fifth year		
Medium term notes	1,788	—
Other borrowings <i>(Note (iv))</i>	677	—
	2,465	—
	10,867	11,538

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

20 INTEREST BEARING LIABILITIES *(Continued)*

Notes:

- (i) On 4 August 2006, the Group arranged a HK\$5 billion five-year floating rate syndicated term/revolving bank loan facility, guaranteed by two subsidiaries of the Group, The Link Holdings Limited and The Link Properties Limited. The undrawn portion of the facility amounted to HK\$0.4 billion as at 31 March 2010 (2009: HK\$0.4 billion).
- (ii) On 27 April 2009, the Group refinanced a five-year floating rate HK\$4 billion loan with HKMC that included an option to extend HK\$2 billion for one more year upon maturity till May 2015.
- (iii) On 6 May 2009, the Group established a US\$1 billion Guaranteed Euro Medium Term Note programme ("MTN programme"), under which unsecured notes may be issued in various currencies with fixed or floating rates and maturities between one month and 30 years. During the year, a total of HK\$1.8 billion unsecured notes has been issued at fixed rates ranging from 3.73% to 4.75%.
- (iv) On 24 and 25 March 2010, prepayment notices were served to prepay a total of HK\$300 million bank borrowing in April 2010 using the proceeds from the new HK\$300 million 7-year unsecured notes at a fixed rate of 3.4125% per annum issued under the MTN programme on 1 April 2010. The HK\$300 million bank borrowing was shown above according to the unsecured notes' maturing year of 2017/18.
- (v) Except for a bank loan of HK\$248 million (2009: HK\$248 million) which is denominated in United States Dollars, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (vi) The effective interest rate of the interest bearing liabilities (including interest rate swap) at the reporting date was 4.30% (2009: 4.16%). The carrying amounts of the interest bearing liabilities approximate their fair values.

21 DERIVATIVE FINANCIAL INSTRUMENTS

	2010	2009
	HK\$'M	HK\$'M
Interest rate and currency swaps	513	738

Note: The Group uses interest rate swaps (swapping from floating rates to floating rates, floating rates to fixed rates and fixed rates to floating rates as appropriate) and currency swaps (swapping from United States Dollars to Hong Kong Dollars) to minimise its finance costs and exposure to movements in interest rates and foreign currency exchange rates in relation to its interest bearing liabilities. The fair value of these interest rate and currency swaps are classified as non-current items should the remaining maturities of the hedged items extend for more than 12 months. Any change in fair value of the effective portion of the cash flow hedges in relation to interest rate swaps is recognised in the hedging reserve. Any change in fair value of the fair value hedges in relation to interest rate swaps and any change in fair value of currency swaps are recognised directly in the consolidated income statement. A net amount of HK\$227 million has been credited to the hedging reserve during the year (2009: HK\$409 million debited to the hedging reserve) as further set out in Note 24.

As at 31 March 2010, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 3.3 years on HK\$6.75 billion borrowings (2009: 3.8 years on HK\$7.75 billion borrowings) from the reporting date. The notional principal amount and the weighted average fixed interest rate of the outstanding floating rates to fixed rates interest rate swap contracts as at 31 March 2010 were HK\$6.75 billion (2009: HK\$7.75 billion) and 4.54% (2009: 4.61%) respectively. The notional principal amount of the outstanding floating rates to floating rates interest rate swap contracts as at 31 March 2010 was HK\$2.50 billion (2009: Nil). The notional principal amount of the outstanding foreign currency swap contract as at 31 March 2010 was HK\$0.25 billion (2009: HK\$0.25 billion).

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 24) as at 31 March 2010 will be released to the consolidated income statement.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

22 DEFERRED TAX LIABILITIES

Deferred taxation is calculated in full on temporary differences under the liability method using a tax rate of 16.5% (2009: 16.5%).

The movements in deferred tax liabilities during the year were as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Temporary differences		
At 1 April	5,480	5,976
Recognised in the consolidated income statement:		
Increase/(decrease) in fair values of investment properties	1,619	(308)
Accelerated depreciation allowances claimed	175	153
Effect of change in tax rate	—	(341)
At 31 March	7,274	5,480

23 UNITS IN ISSUE

	2010	2009
	<i>Number of units</i>	<i>Number of units</i>
At 1 April	2,167,040,427	2,158,677,767
Units issued under distribution reinvestment scheme	35,003,052	8,362,660
At 31 March	2,202,043,479	2,167,040,427

Last traded price of the units as at 31 March 2010 was HK\$19.14 (2009: HK\$15.32) per unit. Based on 2,202,043,479 units in issue as at 31 March 2010 (2009: 2,167,040,427 units), market capitalisation was HK\$42,147 million (2009: HK\$33,199 million).

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

24 RESERVES

	Hedging reserve	Earnings retained for cash flow hedge adjustments	Total reserves
	HK\$'M	HK\$'M	HK\$'M
At 1 April 2009	(736)	736	—
Cash flow hedges:			
— Change in fair values	(157)	—	(157)
— Amount transferred to the consolidated income statement (<i>Note</i>)	384	—	384
	227	—	227
Amount arising from cash flow hedging reserve movement	—	(227)	(227)
At 31 March 2010	(509)	509	—
At 1 April 2008	(327)	327	—
Cash flow hedges:			
— Change in fair values	(566)	—	(566)
— Amount transferred to the consolidated income statement (<i>Note</i>)	157	—	157
	(409)	—	(409)
Amount arising from cash flow hedging reserve movement	—	409	409
At 31 March 2009	(736)	736	—

Note: Amount transferred to the consolidated income statement in respect of cash flow hedges was included in "Finance costs on interest bearing liabilities" (*Note* 10).

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

25 NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Net cash generated from operating activities

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Profit before taxation and transactions with Unitholders	12,440	332
Loss on disposal of property, plant and equipment	1	1
Depreciation expenses	17	16
Interest income	(6)	(37)
Finance costs on interest bearing liabilities	583	511
Change in fair values of investment properties	(9,809)	1,865
Increase in trade and other receivables, deposits and prepayments	(58)	(17)
(Decrease)/increase in trade payables, receipts in advance and accruals	(128)	275
Increase in security deposits	136	117
Increase in long-term incentive plan payable	31	14
Hong Kong profits tax paid	(209)	(183)
Net cash generated from operating activities	2,998	2,894

(b) Major non-cash transaction

During the year, distributions amounting to HK\$643 million (2009: HK\$140 million) were paid to Unitholders in the form of additional units under the distribution reinvestment scheme.

26 COMMITMENTS

(a) Capital commitments

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Improvement projects to existing investment properties		
Authorised but not contracted for	778	535
Contracted but not provided for	476	388
	1,254	923

(b) Operating lease commitments

As at 31 March 2010, the analysis of the Group's aggregate future minimum lease rental payables under non-cancellable operating leases is as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Within one year	8	3
Between one and five years	12	2
	20	5

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

27 CONNECTED PARTY TRANSACTIONS AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Information required to be disclosed concerning related party transactions is set out in this note unless disclosed elsewhere in these consolidated financial statements.

(a) Nature of relationship with connected/related parties

The table set forth below summarises the names of the connected/related parties, as defined in the REIT Code/HKAS 24 (Revised) "Related Party Disclosures", and nature of their relationship with The Link REIT as at 31 March 2010:

Connected/related party	Relationship with the Group
HSBC Institutional Trust Services (Asia) Limited (the "Trustee")*	The Trustee of The Link REIT
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) (the "HSBC Group")*	Related parties of the Trustee
Knight Frank Petty Limited (the "Principal Valuer")	The Principal Valuer of The Link REIT
Knight Frank Hong Kong Limited	A related party of the Principal Valuer
Hong Kong Youth Arts Foundation*	Director in common
Standard Chartered Bank (Hong Kong) Limited ("SCB (HK)") (Note)	Director in common
Wing Hang Bank, Limited ("Wing Hang Bank")*	Director in common
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)")	Director in common
Aedas Limited and its subsidiaries (the "Aedas Group") *	Director in common
Hong Kong Securities Institute*	Director in common
Dah Sing Bank, Limited ("Dah Sing Bank")	Director in common
Business Environment Council Limited	Director in common

* These connected parties are also considered as related parties of the Group.

Note: SCB (HK) ceased to be a connected/related party with effect from 1 August 2009.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

27 CONNECTED PARTY TRANSACTIONS AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(b) Transactions with connected/related parties

The following transactions were carried out with connected/related parties:

	2010 HK\$'M	2009 HK\$'M
Trustee fee paid and payable to the Trustee <i>(Note (ii))</i>	(3)	(4)
Transactions with the Principal Valuer <i>(Note (iii))</i>		
Valuation fee	(4)	(4)
Leasing and other consultancy fees	(3)	(2)
Leasing agency fee paid and payable to Knight Frank Hong Kong Limited <i>(Note (iii))</i>	(4)	(1)
Transactions with the HSBC Group <i>(Note (iv))</i>		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities and interest rate swaps	(81)	(55)
Staff expense to the HSBC Group on medical/group life insurance and insurance brokerage fee	(4)	(3)
Rental income from the HSBC Group on leasing of retail units	18	16
Interest income from the HSBC Group on short-term bank deposits	—	3
Transactions with ICBC (Asia) <i>(Note (iv))</i>		
Interest expense and various financing charges to ICBC (Asia) on interest bearing liabilities	(4)	(5)
Rental income from ICBC (Asia) on leasing of retail units	4	3
Interest income from ICBC (Asia) on short-term bank deposits	1	—
Transactions with SCB (HK) <i>(Note (iv))</i>		
Interest expense and various financing charges to SCB (HK) on interest bearing liabilities	(1)	(3)
Rental income from SCB (HK) on leasing of retail units	2	7
Interest income from SCB (HK) on short-term bank deposits	—	1
Transactions with Wing Hang Bank <i>(Note (iv))</i>		
Interest expense and various financing charges to Wing Hang Bank on interest bearing liabilities	(3)	—
Architectural/renovation consultancy services fees paid and payable to the Aedas Group <i>(Note (iii))</i>	(6)	(5)
Project fee paid and payable to Hong Kong Youth Arts Foundation <i>(Note (iii))</i>	—	(1)
Transactions with Dah Sing Bank <i>(Note (iv))</i>		
Interest expense and various financing charges to Dah Sing Bank on interest bearing liabilities	(1)	—
Rental income from Dah Sing Bank on leasing of retail units	1	—

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

27 CONNECTED PARTY TRANSACTIONS AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

(b) Transactions with connected/related parties *(Continued)*

Notes:

- (i) All connected party transactions were carried out in accordance with the terms of the relevant agreements governing the transactions and in the ordinary course of business.
- (ii) The Trustee is entitled to receive an annual trustee's fee (calculated and paid monthly) at a rate of 0.008% per annum of the latest property value as determined in the latest annual valuation report of an independent property valuer recommended by the Manager and appointed by the Trustee for and on behalf of The Link REIT from time to time, subject to a minimum of HK\$150,000 per month.
- (iii) The transactions with the Principal Valuer, Knight Frank Hong Kong Limited, the Aedas Group and Hong Kong Youth Arts Foundation were entered into at mutually agreed rates.
- (iv) The transactions with the HSBC Group, ICBC (Asia), SCB (HK), Wing Hang Bank and Dah Sing Bank were in accordance with market rates. SCB (HK) ceased to be a connected/related party with effect from 1 August 2009.

(c) Balances with related parties

Balances with related parties are set out below:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Interest bearing liabilities with the HSBC Group	(443)	(798)
Interest rate swaps with the HSBC Group	(171)	(209)
Security deposits from the HSBC Group	(1)	(1)
Short-term bank deposits and savings placed with the HSBC Group	202	81
Net interest payable to the HSBC Group	(7)	(7)
Short-term bank deposits and savings placed with SCB (HK) <i>(Note)</i>	—	170
Interest bearing liabilities with Wing Hang Bank	(62)	—

Note: SCB (HK) ceased to be a connected/related party with effect from 1 August 2009.

(d) Key management compensation

The aggregate amounts of emoluments of the key management staff of the Group, before capitalisation under investment properties, are as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Fees	6	6
Basic salaries, allowances and other benefits	47	38
Long-term incentive plan awards	24	11
	77	55

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

28 FUTURE MINIMUM RENTAL RECEIVABLES

As at 31 March 2010, the analysis of the Group's aggregate future minimum rental income receivables under non-cancellable operating leases is as follows:

	2010	2009
	<i>HK\$'M</i>	<i>HK\$'M</i>
Within one year	2,532	2,263
Between one and five years	2,730	2,365
Beyond five years	100	65
	5,362	4,693

Most of the operating leases are on fixed terms and for terms of 3 years (2009: 3 years).

29 SUBSIDIARIES

The Link REIT held the following wholly owned subsidiaries as at 31 March 2010:

Name	Place of establishment and kind of legal entity/place of operations	Principal activities	Particulars of issued share capital	Interest held
<i>Directly held:</i>				
The Link Holdings Limited	Cayman Islands, limited liability company/ Hong Kong	Investment holding	US\$1	100%
The Link Management Limited	Hong Kong, limited liability company/ Hong Kong	Asset management	HK\$5,000,001	100%
<i>Indirectly held:</i>				
The Link Properties Limited	Cayman Islands, limited liability company/ Hong Kong	Property holding and leasing	US\$1	100%
The Link Finance Limited	Hong Kong, limited liability company/ Hong Kong	Financing	HK\$1	100%
The Link Finance (Cayman) 2006 Limited	Cayman Islands, limited liability company/ Hong Kong	Financing	US\$1	100%
The Link Finance (Cayman) 2009 Limited	Cayman Islands, limited liability company/ Hong Kong	Financing	US\$1	100%

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

30 APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements were authorised for issue by the Manager and the Trustee on 2 June 2010.

VALUATION REPORT

Knight Frank 萊坊



18 May 2010

The Board of Directors
The Link Management Limited
(for itself as manager of The Link Real Estate
Investment Trust (“The Link REIT”) and
for and on behalf of The Link REIT)
Rooms 1201-02 12/F
No 9 Queen’s Road Central
Hong Kong

Trustee
HSBC Institutional Trust Services (Asia) Limited
1 Queen’s Road Central
Hong Kong

Dear Sirs

THE LINK REIT — ANNUAL VALUATION AS AT 31 MARCH 2010

Instructions

In accordance with the instructions from The Link Management Limited (for itself as the manager of The Link REIT and for and on behalf of The Link REIT; “LML”) for us to value The Link REIT portfolio (i.e. a total of 180 retail and/or car parking properties; “Properties”) owned by The Link REIT, we confirm that we have carried out inspections, made relevant searches and enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Properties as at 31 March 2010 (the “Valuation Date”) for corporate reporting purposes.

Basis of Valuation

Our valuation is our opinion of the market value of the Properties which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

4/F Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong 香港灣仔港灣道6-8號瑞安中心4字樓
T 電話 +852 2840 1177 F 傳真 +852 2840 0600 KnightFrank.com.hk

Knight Frank Petty Limited EAA (Co) Lic No C-010431
Knight Frank Hong Kong Limited EAA (Co) Lic No C-013197
Knight Frank (Services) Limited EAA (Co) Lic No C-012848

VALUATION REPORT

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale or purchase, and without offset for any associated taxes.

We have conducted the valuation of the Properties pursuant to Chapter 6.8 of the Code on Real Estate Investment Trusts (the "REIT Code") issued by the Securities and Futures Commission of Hong Kong and The HKIS Valuation Standards on Properties (1st edition) published by the Hong Kong Institute of Surveyors and have on that basis prepared this summary report and the comprehensive valuation report for the Properties.

Valuation Methodologies

In undertaking our valuation of the Properties, we have had regard to income capitalisation, discounted cash flow and direct comparison approaches. However, having regard to the nature of the Properties and the existing tenancy profiles, we have adopted, as our primary valuation methods, the discounted cash flow and income capitalisation approaches.

Income Capitalisation Approach

The existing rental income from all lettable retail space, car parking space and miscellaneous uses is capitalised in respect of the unexpired term of each contractual tenancy. Upon reversion, i.e. the expiry of an existing tenancy, each of the leased areas is assumed to be let at the market rent as at the Valuation Date; this in turn is capitalised at the market yield as expected by investors for each type of property. Due consideration has been given to expectations of the renewal of Government leases upon their expiry. Any vacant units are assumed to be let at their respective market rents at the Valuation Date, and, where appropriate a vacancy factor has been allowed for in the assessment. The market value of the Properties is the total of the capitalised value of the term income and the capitalised value of the reversion income, as appropriately deferred.

The market rentals are assessed by reference to the rentals achieved by the Properties and other retail lettings in the locality. The Capitalisation Rate adopted is determined by reference to the yields achieved in analyzed market sales of retail space/car parking spaces and our knowledge of the market. This expected rate of return reflects implicitly the quality of the investment, the expectation of the potential future rental growth, capital appreciation and risk factors.

The range of Capitalisation Rates adopted in our valuation is as follows:

Retail	: 5.50% to 7.56%
Car Park	: 6.00% to 10.00%
Blended	: 5.52% to 9.50%

VALUATION REPORT

Discounted Cash Flow (“DCF”) Approach

In preparing the DCF Analysis, the income and expenses over the period of ten years from the Valuation Date are itemized and projected annually taking into account the existing contractual tenancies and the expected growth (or decline) of income and expenses. The net cash flow over the ten-year period is discounted at a Discount Rate.

The net cash flow of the 11th year is capitalised at a yield for a period from the 11th year onward and due consideration has been given to the market expectations on the renewal of Government leases upon expiry. This capitalised future value is discounted to present value as at the Valuation Date at a Discount Rate.

The Discount Rates adopted in our valuation range from 8.00% to 11.40%.

Our 10-year cash flow analysis contains a number of assumptions which, inter alia, include the following:

- Growth and or inflation rates for retail rents, car park rents, other income, management fees and air-conditioning charges, where applicable, for each of the Properties;
- Outgoings such as operating expenses, government rates and rent, legal and professional fees, stamp duty, agency fees;
- Bad debt allowances;
- Capital expenditure as forecast by LML or where appropriate, according to our projections;
- Marketing periods, rent-free periods, tenancy retention rates and vacancy allowances.

Direct Comparison Approach

As a cross-reference, sales evidence of bulk retail and car parking space transaction records have been collected and analyzed in terms of unit price per square foot and unit rate per space respectively.

Acknowledgement of Information

In conducting the valuation of the Properties, a significant volume of information is directly derived from other sources without verification by us including, but not limited to:

- A tenancy schedule as at 31 March 2010 and other ancillary schedules provided by LML or their duly authorized representatives;
- Car park and other income, management and air-conditioning charges, Government rates, Government rents, operating costs and capital expenditure for some of the Properties, as provided by LML;
- Searches of title and tenure have been obtained from the Land Registry of the HKSAR Government;
- Licence information, waiver information, land titles and information on the progress of the assignment of the legal titles for List 2 Properties as at the Valuation Date as provided by LML;
- Assignment plans, divestment plans, layout plans and asset enhancement plans as provided by LML.

VALUATION REPORT

We have relied to a very considerable extent on information given by LML and have accepted advice given to us on such matters as planning approvals, waivers or statutory notices, easements, tenure, occupancies, lettings, incomes, actual expenditures, site and floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation reports are based on information contained in the documents and leases provided to us and are therefore only approximations.

We confirm that we have not been instructed to verify the information provided to us and we have assumed that this information is true and correct. We do not undertake to certify the authenticity of the information provided to us and we have no reason to doubt the truth and accuracy of this information which is material to the valuation. We were also advised by LML that no material facts have been omitted from the information provided.

Valuation Assumptions

Our valuation is subject to the following assumptions and principles.

Inspection and Measurement

We have inspected the exterior and where possible, the interior of the Properties. However, we have not carried out on-site measurement to verify the correctness of the site areas and/or floor areas of the Properties valued and have assumed that the site areas and floor areas shown on the documents handed to us are correct.

Title Documents and Encumbrances

We have not been provided with extracts from title documents to the Properties but we have caused searches to be made at the Land Registry. We have not, however, searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us.

As per the information provided by LML, as at the Valuation Date, 153 of the Properties have both legal and beneficial titles whilst the remaining 27 of the Properties, which fall within List 2 Properties classification, are held by Vesting Orders granted by the Hong Kong Special Administration Region (HKSAR) to the Hong Kong Housing Authority (HKHA). We are advised that the assignment of their legal titles is in progress at the Valuation Date.

In the course of our valuation, we have assumed that the List 2 Properties have good and proper legal title that is freely transferable at the Valuation Date. In addition, we have assumed that each of the List 2 Properties has a lease term of 50 years from the Valuation Date and are subject to a Government rent at 3% of the Rateable Value for the time being of the respective Properties.

No allowance has been made in our valuation for any charge, mortgage or amount owing on the Properties. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, premiums, restrictions, title defects and outgoing of an onerous nature which could affect their values.

Whilst we have taken every care to investigate the titles of the Properties valued, we do not accept liability for any interpretation which we have placed on such information, which is more properly within the sphere of your legal advisers.

VALUATION REPORT

Lease Documents as at 31 March 2010

Our valuation is carried out subject to the existing tenancy arrangements and tenancy renewal agreements. In accordance with the tenancy schedule provided by LML, all tenancies are exclusive of air-conditioning charges, if any, whilst the majority of the tenancies are inclusive of Government rent but exclusive of rates and management fees.

In accordance with the standard tenancy agreement, the landlord is responsible for structural repairs and the landlord's fixtures and fittings and to keep the conduits in tenable repair whilst the tenants are responsible for internal repairs to the Properties.

We have not examined the lease documentation for each specific tenancy and our assessment is based on the assumption that all leases are executed and are in accordance with the provisions stated in the tenancy schedule provided to us.

Floor Areas

The Retail Internal Floor Areas (Retail IFA) stated in the attached Schedule of Values are based on the rent roll information as at 31 March 2010 provided by LML and are shown for reporting purposes only. In valuing the properties subject to asset enhancement, we have, where appropriate, adopted the Retail IFAs as per the proposed area schedule after asset enhancement.

DCF Calculations

Our DCF calculations comprise assumptions such as rental growth rate, inflation, vacancy allowance, retention rate, expenditure, etc. throughout a defined cash flow period. These assumptions are based on our understanding of the prevailing economic and market conditions as at the Valuation Date, but are not a guarantee of future performance.

Structural Condition

We have not undertaken any structural survey or tested the services of the Properties. Our valuation has therefore been undertaken on the basis that the Properties were all in satisfactory repair and condition with services functioning satisfactorily and are free from rot, infestation or any other structural defect.

Contamination

We have not arranged for any investigation to be carried out to determine whether any deleterious or hazardous material has been used in the construction of the Properties and have therefore assumed in our valuation that none of the said material was contained in the Properties.

Valuer's Interest

We hereby certify that each of the valuers taking part in the valuation is authorised under law to practice as a valuer, has at least 5 years continuous experience in valuation, is independent as per the REIT Code and does not have a pecuniary interest that could conflict with the proper valuation of the Properties.

VALUATION REPORT

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the REIT Manager, the Trustee or any other party or parties who The Link REIT is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the case of its vendor, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Summary of Values

A summary of Internal Floor Area ("IFA"), number of car parking spaces, assessed market values, initial yield and indicated IRR of the Properties is shown in the attached Schedule of Values.

Valuation

We are of the opinion that the aggregate market value of the unencumbered leasehold interest in the Properties as at the Valuation Date, subject to all existing and proposed lease agreements and occupancy arrangements, was

HK\$53,780,800,000 (HONG KONG DOLLARS FIFTY THREE BILLION SEVEN HUNDRED AND EIGHTY MILLION EIGHT HUNDRED THOUSAND).

Refer to the attached Schedule of Values for individual property values.

The notional apportionment of the Retail Facilities and Car Parking Facilities of the Properties was as follows:

Retail Facilities

- Retail value was HK\$45,315,300,000 (Hong Kong Dollars Forty Five Billion Three Hundred and Fifteen Million Three Hundred Thousand)
- Initial yield of 6.54%

Car Parking Facilities

- Car park value was HK\$8,465,500,000 (Hong Kong Dollars Eight Billion Four Hundred and Sixty Five Million Five Hundred Thousand)
- Initial yield of 8.08%

Total Portfolio

- Total portfolio value was HK\$53,780,800,000 (Hong Kong Dollars Fifty Three Billion Seven Hundred and Eighty Million Eight Hundred Thousand)
- Initial yield of 6.78%

VALUATION REPORT

Limiting Conditions

We have prepared this summary report for inclusion in the Annual Report of The Link REIT and we specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Annual Report, other than that in respect of the information provided within this valuation report. We do not make any warranty or representation as to the accuracy of the information in any part of the Annual Report other than that as expressly made or given in this valuation report.

The valuation is for the use of LML and the Trustee in connection with corporate reporting purposes of the Properties as required under the REIT Code. No responsibility is accepted to any other party for the whole or any part of its contents.

This summary report alone does not contain the comprehensive data and support information included in our comprehensive valuation report. For further information to that contained therein, reference should be made to the comprehensive valuation report, a copy of which is held by LML for inspection at Rooms 1201-02 12/F No 9 Queen's Road Central Hong Kong.

The reports and valuation have been prepared on the basis of information available as at 31 March 2010. Knight Frank Petty Limited accepts no responsibility for subsequent changes in information as to income, expenses or market conditions.

Conversion Factors

Conversion factors used in this report are
1 square metre = 10.764 square feet
1 metre = 3.2808 feet

Yours faithfully
For and on behalf of
Knight Frank Petty Limited

Alan Child
FRICS FHKIS RPS (GP)
Executive Chairman

Enc

Notes:

Alan Child, FRICS, FHKIS, RPS(GP), has been a qualified valuer with Knight Frank Petty Limited since 1990 and has 42 years' experience in the valuation of properties of which 30 years have been in Hong Kong.

Alex S L Ng, MRICS, MHKIS, RPS(GP), has been a qualified valuer with Knight Frank Petty Limited since 1995 and has 24 years' experience in the valuation of properties in Hong Kong.

Yours faithfully
For and on behalf of
Knight Frank Petty Limited

Alex S L Ng
MRICS MHKIS RPS (GP)
Executive Director

VALUATION REPORT

Schedule of Values

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
1.	Lok Fu Plaza	274,919.66	793	98.64	5.52%	2,734.00	8.00%	2,726.00	2,728.7	3.61%	7.97%
	Brief Description:	Lok Fu Plaza, completed between 1983 and 1991, comprises a 6-storey (including basement) commercial building ("Commercial Centre I"), a 7-storey (including basement) commercial building ("Commercial Centre II"), a 4-storey car park building ("Car Park I"), a 2-storey car park building ("Car Park II"), some Integrated Commercial/Car Park Accommodation in Wang Shun House, Wang Tat House and Wang Yat House as well as Associated Areas in Lok Fu Estate. There are a total of 793 car parking spaces in Lok Fu Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 107,428/335,530th equal and undivided shares of and in New Kowloon Inland Lot No 6451 and is held under a Government Lease for a term of 50 years from 31 December 2007.									
2.	Chung Fu Shopping Centre (Chung Fu SC)	218,465.58	1,177	110.21	6.44%	1,567.00	8.90%	1,579.00	1,575.0	7.00%	8.59%
	Brief Description:	Chung Fu SC comprises a 9-storey commercial/car park building (Chung Fu SC Phase 1) and a 3-storey commercial building (Chung Fu SC Phase 2) connected by a footbridge on the 1st floor, a kindergarten and day nursery respectively on the ground and 1st floors of the Ancillary Facilities Block and open car park spaces in Tin Chung Court. There are a total of 1,177 parking spaces in Chung Fu SC. Phases 1 of Chung Fu SC was completed in 1999 and Phase 2 in 2000.									
	Title Details:	The property is held by The Link Properties Limited. Part of the property is classified as a List 1 property and part of the property is classified as a List 2 property. Chung Fu SC Phase 1 is classified as a List 1 property that is held by The Link Properties Limited. It comprises the entire Section A and 2,021/363,535th equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No 18 that is held under a Government Lease for a term of 50 years from 8 January 1999. Chung Fu SC Phase 2 is classified as a List 2 property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
3.	Tsz Lok (Tsz Wan Shan Shopping Centre) (Tsz Wan Shan SC)	204,314.09	940	101.58	6.35%	1,488.00	8.50%	1,510.00	1,503.0	6.76%	8.23%
	Brief Description:	Tsz Wan Shan SC, completed in 1997, comprises an 8-storey commercial block with car parking facility (Commercial/Car Park Block), a 3-storey car park (Multi-storey car park), a 3-storey car park building (Car Park Block A), another split-level 4-storey car park building (Car Park Block B), a lift tower, some facilities in Integrated Commercial/Car Park Accommodation in Ancillary Facilities Block, various open car parks and associated areas in Tsz Lok Estate (Open Car Parks). There are a total of 940 car parking spaces in Tsz Wan Shan SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 81,055/481,546th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6442 and is held under a Government Lease for a term of 50 years from 8 October 2007.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
4.	Wong Tai Sin Plaza	161,030.56	688	87.62	6.00%	1,325.00	8.40%	1,317.00	1,320.0	6.64%	8.03%
	Brief Description:	Wong Tai Sin Plaza, completed in phases between 1982 and 1983, comprises Commercial Blocks, a 4-storey Multi-storey Commercial/Car Park Accommodation, a 5-storey Commercial/Car Park Block, a single storey Car Park Block, some Integrated Commercial/Car Park Accommodations in Lung Kwong House, Lung Fai House, Lung Lok House and Lung On House, open car parks and associated areas in Lower Wong Tai Sin (II) Estate. There are a total of 688 car parking spaces in Wong Tai Sin Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 51,200/323,235th equal and undivided shares of and in New Kowloon Inland Lot No 6438 and is held under a Government Lease for a term of 50 years commencing from 17 May 2007.									
5.	Kai Tin Shopping Centre (Kai Tin SC)	186,621.43	461	90.73	6.32%	1,259.10	8.30%	1,340.90	1,314.0	6.90%	8.25%
	Brief Description:	Kai Tin SC, completed by phases in 1999 & 2003, comprises a 7-storey Commercial/Car Park Block, a 5-storey Kai Tin Shopping Centre and various associated areas and car parks in Kai Tin Estate. There are a total of 461 car parking spaces in Kai Tin SC.									
	Title Details:	The property is held by The Link Properties Limited, and the Assignment Deed is pending registration in the Land Registry. It comprises 65,207/256,946th equal and undivided shares of and in New Kowloon Inland Lot No 6481 and is held under a Government Lease for a term of 50 years commencing from 29 September 2009.									
6.	Lung Cheung Plaza	155,667.75	473	79.11	5.91%	1,249.80	8.20%	1,267.30	1,261.0	6.27%	7.94%
	Brief Description:	Lung Cheung Plaza, completed in 2001, comprises a 5-storey (including a basement level) Commercial/Car Park Accommodation and some associated areas in Upper Wong Tai Sin Estate. There are a total of 473 car parking spaces in Lung Cheung Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 53,974/311,854th equal and undivided shares of and in New Kowloon Inland Lot No 6439 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
7.	Sheung Tak Shopping Centre (Sheung Tak SC)	131,812.23	1,280	81.69	6.34%	1,214.00	8.30%	1,273.00	1,253.0	6.52%	8.08%
	Brief Description:	Sheung Tak SC, completed in 1998, comprises a 4-storey commercial/car park block (Commercial/Car Park Block), three 5-storey car park buildings (Car Parks A, B and C), Integrated Commercial/Car Park Accommodation on the ground floor of Sheung Mei House, various open car parks and associated areas in Sheung Tak Estate. There are a total of 1,280 car parking spaces in Sheung Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 95,092/467,545th equal and undivided shares of and in Tseung Kwan O Town Lot No 98 and is held under a Government Lease for a term of 50 years from 26 March 2007.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
8.	Hau Tak (II) Shopping Centre (Hau Tak SC)	183,946.04	623	80.88	6.39%	1,204.00	8.40%	1,244.00	1,231.0	6.57%	8.21%
	Brief Description:	Hau Tak SC, completed in 1993, comprises two 5-storey Commercial/Car Park Blocks (East Wing & West Wing), various open car parks and associated areas in Hau Tak Estate. There are a total of 623 car parking spaces in Hau Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 49,962/324,918th equal and undivided shares of and in Tseung Kwan O Town Lot No 99 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
9.	Sau Mau Ping Shopping Centre (Sau Mau Ping SC)	161,040.73	611	88.44	6.47%	1,198.30	8.90%	1,234.10	1,222.0	7.24%	8.70%
	Brief Description:	Sau Mau Ping SC, completed in 2002, comprises a 4-storey Commercial/Car Park Block, a 5-storey car park podium of the Ancillary Facilities Building (Multi-storey Car Park A) and some associated areas in Sau Mau Ping Estate. There are a total of 611 car parking spaces in Sau Mau Ping SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 57,670/833,450th equal and undivided shares of and portion of 10/833,450th equal and undivided shares of and in New Kowloon Inland Lot No. 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
10.	Cheung Fat Shopping Centre (Cheung Fat SC)	167,092.18	590	78.62	6.59%	1,166.00	9.10%	1,101.00	1,123.0	7.00%	8.45%
	Brief Description:	Cheung Fat SC, completed in 1987, comprises a 7-storey (including basement) shopping centre and an Electricity Substation in Cheung Fat Estate. There are a total of 590 car parking spaces in Cheung Fat SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 49,331/171,904th equal and undivided shares of and in Tsing Yi Town Lot No. 172 and is held under a Government Lease for a term of 50 years from 22 December 2005.									
11.	Tai Wo Shopping Centre (Tai Wo SC)	145,945.47	454	67.87	6.34%	968.70	8.50%	1,002.60	991.3	6.85%	8.32%
	Brief Description:	Tai Wo SC, completed in 1989, comprises two Commercial/Car Park Blocks (Phase 1: 3-storey plus a Basement level and Phase 2: 2-storey plus a Basement level), a single storey Cooked Food Centre and Portions of the Integrated HA Accommodation comprising shops, stores, offices and clinics on the ground, second and third floors of Oi Wo House and shops, offices and clinics on the ground, second and third floors of On Wo House and the entrance access on the ground floor of Hei Wo House that leads to the ground floor of Phase 1 Commercial Block in Tai Wo Estate. There are a total of 454 car parking spaces in Tai Wo SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 40,117/414,930th equal and undivided shares of and in Tai Po Town Lot No 176 and is held under a Government Lease for a term of 50 years from 10 February 2000.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
12.	Butterfly Shopping Centre (Butterfly SC)	164,141.24	313	72.85	6.59%	997.20	8.90%	970.40	979.3	7.44%	8.43%
	Brief Description:	Butterfly SC, completed in 1983, comprises a 3-storey commercial building with market (Commercial Complex), various shop units on the ground and first floors of Tip Sum House (Integrated Commercial/Car Park Accommodation) and Tip Ling House (Integrated Commercial/Car Park Accommodation), a 4-storey car park building (Multi-storey Car Park), cooked food stalls at the Commercial Area near Block 6, various open car parks, open loading and unloading spaces and associate area in Butterfly Estate. There are a total of 313 parking spaces in Butterfly SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,316/248,783rd equal and undivided shares of and in Tuen Mun Town Lot No 473 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
13.	Leung King Shopping Centre (Leung King SC)	204,725.56	616	50.64	6.58%	928.00	8.70%	920.90	923.3	5.48%	8.32%
	Brief Description:	Leung King SC, completed in 1988, comprises a 4-storey commercial/car park building (Commercial/Car Park Block), HA Open Car Parks and HA Road in Leung King Estate. There are a total of 616 parking spaces in Leung King SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 54,922/426,295th equal and undivided shares of and in Tuen Mun Town Lot No 458 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
14.	Choi Ming Shopping Centre (Choi Ming SC)	99,292.75	765	64.57	6.38%	895.00	8.60%	900.30	898.5	7.19%	8.29%
	Brief Description:	Choi Ming SC comprises a 5-storey (including basement) Commercial/Car Park Block, an 8-storey Carport Building, all those covered parking spaces on the ground floor of Choi Ming Court and the ground floor of a 6-storey retail/car park building in Kin Ming Estate (Extension Block). There are a total of 765 car parking spaces in Choi Ming SC. Choi Ming Court was completed in 2001 and the Extension Block in 2003.									
	Title Details:	Carport Building, Commercial/Car Park Block and Covered Parking Spaces of the property are held by The Link Properties Limited. It comprises 44,614/346,996th equal and undivided shares of and in Tseung Kwan O Town Lot No 82 and is held under a Government Lease for a term of 50 years from 4 May 2001. Ground Floor of Choi Ming Shopping Centre Extension of the Property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
15.	Tin Chak Shopping Centre (Tin Chak SC)	143,514.52	302	57.81	6.52%	882.70	8.80%	870.60	874.6	6.61%	8.39%
	Brief Description:	Tin Chak SC, completed in 2001, comprises a 4-storey commercial block, a 4-storey car park building, kiosk at the entrance of the commercial block and associate areas in Tin Chak Estate. There are a total of 302 car parking spaces in Tin Chak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,810/272,897th equal and undivided shares of and in Tin Shui Wai Town Lot No 37 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
16.	Wo Che Commercial Centre (Wo Che CC)	191,055.23	828	60.12	6.82%	837.00	8.70%	890.00	872.0	6.89%	8.65%
	Brief Description:	Wo Che CC, completed in 1977, comprises a 4-storey retail/car park building (Commercial/Car Park Block), various retail units on the ground floors of Tai Wo House, Foo Wo House, King Wo House, Hau Wo House and Chi Wo House (Integrated Commercial/Car Park Accommodation), associated areas and open car parks in Wo Che Estate. There are a total of 828 car parking spaces in Wo Che CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 55,437/474,742nd equal and undivided shares of and in Sha Tin Town Lot No 549 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
17.	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)	101,105.44	0	64.69	6.57%	868.20	9.10%	835.00	846.1	7.65%	8.56%
	Brief Description:	Lei Yue Mun Plaza, completed in 2001, comprises a 4-storey retail podium underneath Blocks J, K and L of Yau Mei Court (Commercial Accommodation).									
	Title Details:	The property is held by The Link Properties Limited. It comprises 19,357/392,161st equal and undivided shares of and in New Kowloon Inland Lot No 6459 and is held under a Government Lease for a term of 50 years from 3 June 2005.									
18.	Choi Yuen Shopping Centre (Choi Yuen SC)	120,740.00	536	67.53	6.34%	823.30	8.70%	842.00	835.8	8.08%	8.45%
	Brief Description:	Choi Yuen SC, completed in 1982, comprises a 6-storey (include a basement level) retail/car park building (Commercial/Car Park Block), open car parks, associated areas and various shop units in Choi Chu House, Choi Yuk House, Choi Ping House and Choi Wah House (Integrated Commercial/Car Park Accommodation) in Choi Yuen Estate. There are a total of 536 car parking spaces in Choi Yuen SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,746/286,392nd equal and undivided shares of and in Fanling Sheung Shui Town Lot No 230 and is held under a Government Lease for a term of 50 years from 17 September 2005.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
19.	Chuk Yuen Shopping Centre (Chuk Yuen SC)	141,873.31	1,103	43.35	6.58%	731.60	8.50%	725.00	727.2	5.96%	8.44%
	Brief Description:	Chuk Yuen SC, completed in 1984, comprises a 5-storey commercial block with basement car park (Commercial/Car Park Block), a 4-storey car park podium of Chui Yuen House (Multi-storey Car Park Accommodation), various shop units on the ground and second floors of Sau Yuen House, various free standing cooked food stalls (Cooked Food Stalls), various open car parking spaces (Open Car Parks) and associated areas in Chuk Yuen South Estate. There are a total of 1,103 car parking spaces in Chuk Yuen SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 62,198/354,665th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6452 and is held under a Government Lease for a term of 50 years from 16 August 2007.									
20.	Tin Yiu Shopping Centre (Tin Yiu SC)	96,691.54	480	51.72	6.85%	719.00	9.10%	696.20	703.8	7.35%	8.59%
	Brief Description:	Tin Yiu SC, completed in 1992, comprises a 4-storey commercial/car park building (Commercial/Car Park Block), open car parks and associated areas in Tin Yiu Estate. There are a total of 480 car parking spaces in Tin Yiu SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,581/574,611th equal and undivided shares of and in Tin Shui Wai Town Lot No 38 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
21.	Yat Tung Shopping Centre (Yat Tung SC)	193,502.31	1,900	47.01	6.72%	691.00	9.00%	695.20	693.8	6.78%	8.68%
	Brief Description:	Yat Tung SC, completed in phases between 2001 and 2003, comprises a 3-storey Commercial Centre 1 (Commercial Blocks), a 4-storey Commercial Centre 2 (Commercial Blocks), a 6-storey Car Park Block (Multi-Storey Car Park 1), a second 6-storey Car Park Block (Commercial/Car Park Block), a third 6-storey Car Park Block (Multi-Storey Car Park 3), various open car parks and associated areas in Yat Tung Estate. At the time of our inspection, Multi-Storey Car Park 3 is not in use. There are a total of 1,900 car parking spaces in Yat Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 107,811/930,819 equal and undivided shares of and in Tung Chung Town Lot No 30 and is held under a Government Lease for a term of 50 years from 5 February 2009.									
22.	Siu Sai Wan Shopping Centre (Siu Sai Wan SC)	100,034.29	558	52.92	6.78%	672.70	9.00%	694.30	687.1	7.70%	8.79%
	Brief Description:	Siu Sai Wan SC, completed in 1989, comprises a 5-storey Shopping Centre interconnected with a 12-level Car Park Block, a 2-storey Car Park Block (i.e. Siu Sai Wan Estate Phase 3 Car Park), a post office (i.e. the Integrated Commercial Accommodation) on the ground floor of Sui Yick House and various car parking spaces in Siu Sai Wan Estate. There are a total of 558 car parking spaces in Siu Sai Wan SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,606/418,894th equal and undivided shares of and in Chai Wan Inland Lot No 176 and is held under a Government Lease for a term of 50 years from 26 March 2007.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
23.	Stanley Plaza	94,643.14	426	36.86	6.68%	657.00	8.90%	648.50	651.3	5.66%	8.49%
	Brief Description:	Stanley Plaza, completed in phases between 1999 and 2000, consists of three portions. Portion 1, Stanley Plaza, comprises a 6-storey retail/car park building (Commercial/Car Park Block), a 3-storey retail building (Murray House) and three single-storey shop stalls/kiosks at the Village Square together with the open venue thereof. Portion 2 comprises various open car parking spaces near Lung Tak Court within Ma Hang Estate. Portion 3 comprises two shop units on the ground floor of Leung Ma House and the 2-storey basement car park building (Basement Car Park Block) situated adjacent to Leung Ma House of Ma Hang Estate. There are a total of 426 car parking spaces in Stanley Plaza.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
24.	Tak Tin Shopping Centre (Tak Tin SC)	91,389.44	754	43.88	6.91%	622.00	9.10%	624.00	623.00	7.04%	8.76%
	Brief Description:	Tak Tin SC, completed in 1991, comprises a 4-storey commercial building ("Commercial Block"), a 7-storey (14 split-levels) car park building ("Car Park Block A"), a 6-storey (10 split-levels) car park building ("Car Park Block B"), a single-storey car park podium ("Car Park Block C") located underneath the residential block of Tak Hong House, open car parking spaces near to Tak Shing House, and portions of the Integrated HA Accommodation on the 2nd Floor of Tak King House in Tak Tin Estate. There are a total of 754 car parking spaces in Tak Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 25,782/308,756th equal and undivided shares of and in New Kowloon Inland Lot No 6326 and is held under a Government Lease for a term of 50 years commencing from 18 March 1999.									
25.	Choi Wan Commercial Complex (Choi Wan CC)	171,410.61	859	35.70	6.74%	563.10	9.00%	556.20	558.5	6.39%	8.59%
	Brief Description:	Choi Wan CC, completed in 1980, comprises a 5-storey (with split-levels on lower ground, ground and first floors) retail/car park building standing beside Block 6 (Commercial/Car Park Block 1), a 7-storey retail/car park building beside Block 15 (Commercial/Car Park Block 2), a 2-storey building (Commercial Block 1), various shop units on the ground and first floors of Fei Fung House, various free standing cooked food stalls (Commercial Block 2) and various open car parks, associated areas and integrated accommodations in Choi Wan Estate (Open Car Parks). There are a total of 859 car parking spaces in Choi Wan CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 61,003/394,552th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6461 and is held under a Government Lease for a term of 50 years from 29 December 2008.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
26.	Tin Shing Shopping Centre (Tin Shing SC)	80,877.36	1,458	41.07	6.89%	550.80	9.10%	554.20	553.1	7.43%	8.78%
	Brief Description:	Tin Shing SC, completed in 2000, comprises an 8-storey commercial/car park building (Ting Shing Commercial Centre), a 3-storey kindergarten and day nursery (Ancillary Facilities Block) in Tin Shing Estate. There are a total of 1,458 car parking spaces in Tin Shing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,480/357,800th equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No 17 that is held under a Government Lease for a term of 50 years from 28 November 1997.									
27.	Oi Man Shopping Centre (Oi Man SC)	205,608.94	808	30.72	6.59%	541.30	8.90%	548.70	546.2	5.62%	8.61%
	Brief Description:	Oi Man SC, completed in 1975, comprises a 3-storey retail building linked with four 3-storey garage buildings namely Garages A to D (Multi-storey Commercial/Car Park Accommodation), various cooked food stalls (Commercial Block 1), a single storey wet market (Commercial Block 2), various open car parking areas, various shop units on ground floors of Chiu Man House, Hong Man House and Chung Man House and the associated areas within Oi Man Estate. There are a total of 808 car parking spaces within Oi Man SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 54,395/204,983rd equal and undivided shares of and in the Remaining Portion of Kowloon Inland Lot No 9826 and is held under Conditions of Grant No.UB10562 for a term of 75 years commencing from 1 April 1968.									
28.	Fu Tung Shopping Centre (Fu Tung SC)	104,854.47	537	40.13	6.84%	535.30	9.20%	544.50	541.4	7.41%	8.93%
	Brief Description:	Fu Tung SC, completed in 1997, comprises a 4-storey retail/car park building (Commercial/Car Park Block), a 3-storey car park building (Car Park Block) and various open car parks (Open Car Parks) and associated areas in Fu Tung Estate. There are a total of 537 car parking spaces in Fu Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 44,218/209,377th equal and undivided shares of and in Tung Chung Town Lot No 40 and is held under a Government Lease for a term of 50 years from 30 April 2008.									
29.	Chung On Shopping Centre (Chung On SC)	85,460.51	995	40.89	7.18%	530.50	9.30%	539.30	536.4	7.62%	9.03%
	Brief Description:	Chung On SC, completed in 1996, comprises a 6-storey (including roof) Commercial/Car Park Block with associated areas, covered parking spaces on the ground floor of Chung Ping House (namely the Integrated Commercial/Car Park Accommodation) and all the open car parks in Chung On Estate. There are a total of 995 car parking spaces in Chung On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,385/223,886th equal and undivided shares of and in Sha Tin Town Lot No 544 and is held under a Government Lease for a term of 50 years from 14 October 2005.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
30.	Ho Man Tin Plaza	104,706.94	299	31.39	6.68%	510.70	9.10%	499.00	502.9	6.24%	8.64%
	Brief Description:	Ho Man Tin Plaza, completed in 2001, comprises a 4-storey commercial/car park building and a 3-storey car park block in Homantin Estate. There are a total of 299 car parking spaces in Ho Man Tin Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,411/57,202nd equal and undivided shares of and in Section A and 20,327/214,270th equal and undivided shares of and in the Remaining Portion of Kowloon Inland Lot No 11119 that is held under a Government Lease for a term of 50 years from 20 November 1998.									
31.	Heng On Commercial Centre (Heng On CC)	115,086.06	585	34.26	6.83%	501.00	9.10%	493.40	495.9	6.91%	8.67%
	Brief Description:	Heng On CC, completed in 1987, comprises a 5-storey commercial/car park building (Commercial/Car Park Block), all those associated areas and lorry parking spaces along the Estate Roads in Heng On Estate. There are a total of 585 car parking spaces in Heng On CC.									
	Title Details:	The property is held by The Link Properties Limited. The Commercial/Car Park Block and Associated Areas comprise 39,206/40,831st equal and undivided shares of and in Section C of Sha Tin Town Lot No. 500. The Lorry Parking Spaces along Estate Roads comprise 812/247,314th equal and undivided shares of and in the Remaining Portion of Sha Tin Town Lot No. 500. They are held under a Government Lease for a term of 50 years from 8 April 1998.									
32.	Tin Shui Shopping Centre (Tin Shui SC)	74,976.29	577	37.04	6.82%	454.00	9.10%	467.60	463.1	8.00%	8.89%
	Brief Description:	Tin Shui SC, completed in 1992, comprises a 2-storey commercial block, a 4-storey commercial/car park block (connected internally and together known as Commercial/Car Park Block), various open car parks and associated areas in Tin Shui Estate. There are a total of 577 car parking spaces in Tin Shui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,646/599,404th equal and undivided shares of and in Tin Shui Wai Town Lot No 39 and is held under a Government Lease for a term of 50 years from 5 September 2007.									
33.	Shun Lee Commercial Centre (Shun Lee CC)	215,389.73	731	32.31	6.80%	475.80	9.30%	454.80	461.8	7.00%	8.73%
	Brief Description:	Shun Lee CC, completed in 1978, comprises a 4-storey Commercial Complex I, a 3-storey Commercial Complex II, a 3-storey Car Park Block A, a 3-storey Car Park Block C and retail units at Lee Foo House, Lee Hong House, Lee Yat House and Lee Yip House as well as open car parks in Shun Lee Estate. There are a total of 731 car parking spaces in Shun Lee CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
34.	Sha Kok Commercial Centre (Sha Kok CC)	113,360.48	662	33.59	6.86%	447.50	9.10%	450.00	449.2	7.48%	8.78%
	Brief Description:	Sha Kok CC, completed in 1980, comprises a 4-storey retail/car park building (Commercial Block), various shop units on the ground floors of Sand Martin House and Osprey House (Integrated Commercial/Car Park Accommodation), several cooked food stalls and open car parks in Sha Kok Estate. There are a total of 662 car parking spaces in Sha Kok CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,438/340,309th equal and undivided shares of and in Sha Tin Town Lot No 552 and is held under a Government Lease for a term of 50 years from 3 July 2008.									
35.	Lek Yuen Commercial Complex (Lek Yuen CC)	106,386.65	438	29.66	6.79%	451.60	8.90%	444.00	446.5	6.64%	8.47%
	Brief Description:	Lek Yuen CC, completed in 1976, comprises a 3-storey retail/car park block (Commercial/Car Park Block), various retail units and premises on the ground to second floors of Wing Shui House, Wah Fung House, Fu Yu House, Fook Hoi House and Kwai Wo House (Integrated Commercial/Car Park Accommodation) as well as open car parks in Lek Yuen Estate. There are a total of 438 car parking spaces in Lek Yuen CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 28,600/199,774th equal and undivided shares of and in Sha Tin Town Lot No 550 and is held under a Government Lease for a term of 50 years from 7 May 2007.									
36.	Yu Chui Shopping Centre (Yu Chui SC)	112,946.06	1,175	29.64	6.84%	440.50	9.10%	442.70	442.0	6.71%	8.77%
	Brief Description:	Yu Chui SC, completed in 2001, comprises a 7-storey including mezzanine floor shopping centre (Commercial Complex), a 4-storey stand-alone ancillary facilities building (Car Park and Ancillary Facilities Block) and various open loading and unloading spaces in Yu Chui Court. There are a total of 1,175 car parking spaces provided in Yu Chui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 48,967/361,200th equal and undivided shares of and in Sha Tin Town Lot No 462 and is held under a Government Lease for a term of 50 years from 18 May 2001.									
37.	Kwong Yuen Shopping Centre (Kwong Yuen SC)	80,987.00	736	36.39	7.12%	446.80	9.50%	433.30	437.8	8.31%	8.99%
	Brief Description:	Kwong Yuen SC, completed in 1991, comprises five 2-storey to 3-storey retail buildings (Commercial Complex-Commercial Block Nos 1-5) with associated area, two separate 5-storey and 6-storey car park buildings (Car Park Block Nos 1 & 2) with associated area and open car parks in Kwong Yuen Estate. There are a total of 736 car parking spaces in Kwong Yuen SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 29,929/279,026th equal and undivided shares of and in Sha Tin Town Lot No 506 and is held under a Government Lease for a term of 50 years from 8 February 2001.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
38.	Po Tat Shopping Centre (Po Tat SC)	84,441.12	1,083	33.79	6.89%	444.70	9.30%	427.90	433.5	7.79%	8.76%
	Brief Description:	Po Tat SC, completed in 2002, comprises a 7-storey retail/car park building (Commercial Centre), two 3-storey car park podiums underneath Blocks A to C (Car Park Podium I) and Blocks D to F (Car Park Podium II), Integrated Commercial/Car Park Accommodation in Tat Cheung House and various associated areas in Po Tat Estate. There are a total of 1,083 car parking spaces in Po Tat SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 75,195/546,029th equal and undivided shares of and in New Kowloon Inland Lot No 6470 and is held under a Government Lease for a term of 50 years from 9 April 2009.									
39.	Fu Shin Shopping Centre (Fu Shin SC)	98,732.05	525	30.50	6.97%	417.90	9.00%	421.20	420.1	7.26%	8.69%
	Brief Description:	Fu Shin SC, completed in 1986, comprises an 8-storey Commercial/Car Park Building, a single-storey Cooked Food Stalls, various associated areas and open car parking spaces in Fu Shin Estate. There are a total of 525 car parking spaces in Fu Shin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 33,761/330,620th equal and undivided shares of and in Tai Po Town Lot No 189 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
40.	Oi Tung Shopping Centre (Oi Tung SC)	81,936.66	634	29.20	6.67%	415.00	8.80%	421.50	419.3	6.96%	8.53%
	Brief Description:	Oi Tung SC, completed in 2000, comprises a 3-storey retail building (Commercial Centre), a 6-storey car-parking podium accommodating various welfare units and car parking spaces within Oi Sin House (Multi-storey Commercial/Car Park Accommodation and the Integrated Commercial/Car Park Accommodation) and various associated areas in Oi Tung Estate. There are a total of 634 car parking spaces in Oi Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,910/194,191st equal and undivided shares of and in Shau Kei Wan Inland Lot No 849 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
41.	Hin Keng Shopping Centre (Hin Keng SC)	95,758.59	636	30.10	6.90%	423.40	9.10%	413.20	416.6	7.23%	8.63%
	Brief Description:	Hin Keng SC, completed in 1987, comprises a 6-storey retail/car park building with basement floor (Commercial/Car Park Complex), open car parks, several cooked food stalls and HA Roads in Hin Keng Estate. There are a total of 636 car parking spaces in Hin Keng SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 37,320/396,392nd equal and undivided shares of and in Sha Tin Town Lot No 503 and is held under a Government Lease for a term of 50 years from 10 February 2000.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
42.	Po Lam Shopping Centre (Po Lam SC)	102,043.97	398	28.15	6.69%	425.20	9.10%	408.10	413.8	6.80%	8.55%
	Brief Description:	Po Lam SC, completed in 1989, comprises a 4-storey Commercial Complex I, a 3-storey Commercial Complex II, a 3-storey Car Park Block, the Integrated HA Accommodation in Po Ning House and Po Kan House, various open car parks as well as the electricity sub-station in Po Lam Estate. There are a total of 398 car parking spaces in Po Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 25,495/341,494th equal and undivided shares of and in Tseung Kwan O Town Lot No 88 and is held under a Government Lease for a term of 50 years from 19 October 2004.									
43.	Tai Yuen Commercial Centre (Tai Yuen CC)	131,211.64	594	23.90	6.80%	416.00	9.00%	396.20	402.8	5.93%	8.76%
	Brief Description:	Tai Yuen CC, completed in 1980, comprises a 3-storey (including basement) commercial building (Commercial Block A), a 4-storey commercial building (Commercial Block B), a 4-storey Car Park Block, various commercial accommodations in Tai Wing House, Tai Man House and Tai Tak House, various associated areas, a pump room and various open car parks in Tai Yuen Estate. There are a total of 594 car parking spaces in Tai Yuen CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,718/353,530th equal and undivided shares of and in Tai Po Town Lot No 192 and is held under a Government Lease for a term of 50 years from 29 June 2007.									
44.	Yau Oi Commercial Centre (Yau Oi CC)	101,803.05	780	27.65	6.78%	406.60	9.10%	400.60	402.6	6.87%	9.29%
	Brief Description:	Yau Oi CC, completed in 1980, comprises a 3-storey commercial complex composing the Restaurant Block and portions of Oi Yung House, an annexed single storey commercial podium, a 6-storey (including Mezzanine Floor) car park and market building, a 4-storey split-level car park building, various cooked food stalls and open car parks in Yau Oi Estate. There are a total of 780 parking spaces in Yau Oi CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
45.	On Ting Commercial Complex (On Ting CC)	108,317.08	546	26.23	6.88%	393.80	9.10%	392.50	392.9	6.68%	8.74%
	Brief Description:	On Ting CC, completed in 1980, comprises a 5-storey (including a Mezzanine Floor) Car Park and Market Building, a 6-storey Commercial Accommodation that occupies portion of Ting Cheung House, an adjacent 3-storey new Annex Block, a Restaurant Block and various open car parks and associated areas in On Ting Estate. There are a total of 546 car parking spaces in On Ting CC.									
	Title Details:	The property is held by The Link Properties Limited, and the Assignment Deed is pending registration in the Land Registry. It comprises 41,242/323,574th equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No 476 and is held under a Government Lease for a term of 50 years from 29 September 2009.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
46.	Tsui Ping North Shopping Centre (Tsui Ping North SC)	110,606.49	421	27.76	6.74%	396.40	9.10%	387.00	390.1	7.12%	8.64%
	Brief Description:	Tsui Ping North SC, completed in 1990, comprises a 2-storey retail podium with associated areas (Commercial Complex), a 4-storey car park building with associated area and external walls (Car Park Block), portions of the Integrated HA Accommodation in Tsui Tsz House, Tsui Lau House, Tsui Pak House, Tsui On House, Tsui Yue House and Tsui To House as well as various open car parks in Tsui Ping (North) Estate. There are a total of 421 car parking spaces in Tsui Ping North SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,542/345,220th equal and undivided shares of and in Kwun Tong Inland Lot No 754 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
47.	Fung Tak Shopping Centre (Fung Tak SC)	80,128.40	487	28.68	6.90%	392.50	9.10%	383.80	386.7	7.42%	8.65%
	Brief Description:	Fung Tak SC, completed in 1991, comprises a 4-storey commercial building (Commercial Centre), various shop units at Ban Fung House and Ngan Fung House and a 6-storey car park building in Fung Tak Estate. There are a total of 487 car parking spaces in Fung Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A and C and 1,070/202,138th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6318 that is held under a Government Lease for a term of 50 years from 8 April 1998.									
48.	Cheung Hong Commercial Centre (Cheung Hong CC)	135,973.41	709	25.18	7.16%	367.40	9.40%	374.50	372.1	6.77%	9.14%
	Brief Description:	Cheung Hong CC, completed in 1980, comprises a 5-storey (including Lower Ground Floor) commercial/car park building known as Commercial Centre No 1, a 4-storey commercial building known as Commercial Centre No 2, a 3-storey car park building known as Car Park Block No 1, a 3-storey car park/market/games area complex known as Car Park Block No 2, various shop stalls and welfare units on the ground and 1st floors of Hong Wo House, various shop units at Hong Fu House, Hong Tai House and Hong Kwai House, a 2-storey restaurant block, various cook food stalls and open car parks within Cheung Hong Estate. There are a total of 709 car parking spaces in Cheung Hong CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
49.	Fu Heng Shopping Centre (Fu Heng SC)	56,683.21	517	26.50	6.95%	359.00	9.10%	360.00	359.7	7.37%	8.74%
	Brief Description:	Fu Heng SC, completed in 1990, comprises a 3-storey (including a Semi-Basement) Commercial/Car Park Building with a 2-storey Car Park/Indoor Recreational Centre annexed thereto (i.e. Multi-purpose Complex), a 3-storey Car Park Block and various open car parking spaces on the estate road of Fu Heng Estate. The Indoor Recreational Centre does not form part of Fu Heng SC. There are a total of 517 car parking spaces in Fu Heng SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,900/358,013th equal and undivided shares of and in Tai Po Town Lot No 178 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
50.	Shan King Commercial Centre (Shan King CC)	128,350.62	638	24.88	6.80%	375.50	9.30%	351.00	359.2	6.93%	8.63%
	Brief Description:	Shan King CC, completed in 1983, comprises a 5-storey Car Park/Commercial Complex, a 4-storey Car Park/Community Block, portions of the Integrated HA Accommodation on the ground and second floors of King Wah House, the ground floor cooked food stalls and open car parks in Shan King Estate. There are a total of 638 car parking spaces in Shan King CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,369/477,867th equal and undivided shares of and in Tuen Mun Town Lot No 469 and is held under a Government Lease for a term of 50 years from 20 August 2004.									
51.	Kwai Shing East Shopping Centre (Kwai Shing East SC)	112,050.03	583	20.15	6.71%	338.80	9.10%	331.90	334.2	6.03%	8.65%
	Brief Description:	Kwai Shing East SC, completed in 1999, comprises a 5-storey commercial block (Shopping Centre), another 5-storey commercial block, a stand-alone single-storey retail block and a single-storey carport underneath Shing Ka House in Kwai Shing East Estate. There are a total of 583 car parking spaces in Kwai Shing East SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
52.	Lung Hang Commercial Centre (Lung Hang CC)	69,716.85	440	23.69	6.84%	342.80	9.10%	329.90	334.2	7.09%	8.57%
	Brief Description:	Lung Hang CC, completed in 1983, comprises a 3-storey retail/car park building (Commercial Complex), a single storey market building (Market), a single storey car park building (Car Park Block), cooked food stalls and open car parks in Lung Hang Estate. There are a total of 440 car parking spaces in Lung Hang CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
53.	Hing Wah Plaza	81,982.86	268	24.48	6.62%	347.80	9.00%	325.40	332.9	7.35%	8.33%
	Brief Description:	Hing Wah Plaza, completed in 2000, comprises a 2-storey Commercial Centre, a 9-storey Car Park Block, the Integrated Commercial/Car Park Accommodation on the ground floor (Podium Level) of May Wah House and associated areas in Hing Wah Estate. There are a total of 268 car parking spaces in Hing Wah Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,675/160,197th equal and undivided shares of and in Chai Wan Inland Lot No 177 and is held under a Government Lease for a term of 50 years from 28 February 2007.									
54.	Lei Tung Commercial Centre (Lei Tung CC)	95,060.90	687	19.48	6.92%	329.00	9.00%	333.20	331.8	5.87%	8.71%
	Brief Description:	Lei Tung CC, completed in 1988, comprises a 4-storey retail building (Commercial Complex 1) and a 7-storey (including 3 split-level basement car parks) retail/car park building (Commercial Complex 2) interlinked by 2 footbridges across Lei Tung Estate Bus Terminus, a 4-level car park/market building (Car Park/Market Block), a 3-level car park/community hall building (Car Park/Community Hall Block), various ancillary units and car parking spaces on ground, second & third floors of Tung Hing House, ground floor of Tung Mau House, basement, ground & second floors of Tung Sing House, second to fourth floors of Tung On House (Portions of the Integrated HA Accommodation) and various associated areas within Commercial Complex 1, Car Park/Market Block and Car Park/Community Hall (Associated Areas to the Detached HA Accommodation) within Lei Tung Estate. There are a total of 687 car parking spaces in Lei Tung CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 45,424/451,716th equal and undivided shares of and in Ap Lei Chau Inland Lot No 133 and is held under a Government Lease for a term of 50 years from 20 December 2004.									
55.	Fu Tai Shopping Centre (Fu Tai SC)	64,903.81	635	21.63	6.69%	339.90	9.10%	322.30	328.2	6.59%	8.49%
	Brief Description:	Fu Tai SC, completed in 2000, comprises a 6-storey Commercial/Car Park Accommodation, various open car parks and associated areas in Fu Tai Estate. There are a total of 635 car parking spaces in Fu Tai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,769/382,833rd equal and undivided shares of and in Tuen Mun Town Lot No 418 and is held under a Government Lease for a term of 50 years from 12 March 2001.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
56.	Kwai Fong Shopping Centre (Kwai Fong SC)	64,018.36	483	23.61	6.93%	328.20	9.20%	322.70	324.5	7.28%	8.77%
	Brief Description:	Kwai Fong SC, completed by phases in 1995 and 2000, comprises a 6-storey Car Park Block 1, the roof and upper roof of Car Park Block 2, a 2-storey Commercial/Car Park Block, the Integrated Commercial/Car Park Accommodations in Kwai Oi House and Kwai Kin House, the Multi-storey Commercial/Car Park Accommodation, open car parks and associated areas in Kwai Fong Estate. There are a total of 483 car parking spaces in Kwai Fong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 24,107/408,730th equal and undivided shares of and in Kwai Chung Town Lot No 500 and is held under a Government Lease for a term of 50 years from 27 March 2009.									
57.	Sun Chui Shopping Centre (Sun Chui SC)	68,518.24	620	23.78	6.82%	332.20	9.10%	316.60	321.8	7.39%	8.51%
	Brief Description:	Sun Chui SC, completed in 1983, comprises a 2-storey retail building (Commercial Centre), a single storey market building (Market), a separate 3-storey car park building (Car Park 1), two separate single storey car park buildings (Car Parks 2 & 3), premises on the ground and second floors of Sun Yee House (Portions of the Integrated HA Accommodation), several cooked food stalls and open car parks in Sun Chui Estate. There are a total of 620 car parking spaces in Sun Chui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,934/395,903rd equal and undivided shares of and in Sha Tin Town Lot No 554 and is held under a Government Lease for a term of 50 years from 25 May 2009.									
58.	Kwong Fuk Commercial Centre (Kwong Fuk CC)	69,906.79	461	22.67	7.00%	325.70	9.20%	315.10	318.6	7.12%	8.69%
	Brief Description:	Kwong Fuk CC, completed in 1983, comprises a 3-storey Commercial Complex erected over a 2-storey Car Park and Market Complex, various ground floor shops at Kwong Yan House, all the cooked food stalls and open car parks within Kwong Fuk Estate. There are a total of 461 parking spaces in Kwong Fuk CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
59.	Shek Lei Shopping Centre Phase II (Shek Lei SC Phase II)	84,402.74	179	23.07	6.79%	316.80	9.30%	306.30	309.8	7.45%	8.78%
	Brief Description:	Shek Lei SC Phase II, completed in 1999, comprises a 6-storey commercial/car park building (Commercial/Car Park Block) in Shek Lei Estate. There are a total of 179 car parking spaces in Shek Lei SC Phase II.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
60.	Wah Ming Shopping Centre (Wah Ming SC)	67,042.47	295	21.85	7.17%	308.10	9.30%	307.40	307.6	7.10%	8.93%
	Brief Description:	Wah Ming SC, completed in 1990, comprises two 3-storey retail/car park blocks (Commercial/Car Park Blocks) interlinked by a footbridge on the second floor, and portions of the parking areas within Wah Ming Estate. There are a total of 295 car parking spaces in Wah Ming SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,726/324,858th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 204 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
61.	Tai Hing Commercial Centre (Tai Hing CC)	113,654.51	672	20.52	6.84%	297.70	9.10%	295.90	296.5	6.92%	8.72%
	Brief Description:	Tai Hing CC, completed in 1977, comprises two 2-storey commercial blocks (Blocks 1 & 2), various open car parks and associated areas in Tai Hing Estate. Commercial Block 1 is intersected by Tai Fong Street into two parts and connected via a footbridge on the 1st floors. There are a total of 672 car parking spaces in Tai Hing CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,288/474,882nd equal and undivided shares of and in Remaining Portion of Tuen Mun Town Lot No 484 and is held under a Government Lease for a term of 50 years from 18 March 2009.									
62.	Mei Lam Commercial Centre (Mei Lam CC)	86,842.49	375	20.42	6.84%	291.00	9.10%	287.40	288.6	7.08%	8.69%
	Brief Description:	Mei Lam CC, completed in 1981, comprises a 3-storey retail building (Commercial Complex), an adjoining 4-storey car park building (Multi-Storey Car Park), various retail units on the ground floor of Mei Fung House (Portions of the Integrated HA Accommodation), cooked food stalls and open car parks in Mei Lam Estate. There are a total of 375 car parking spaces in Mei Lam CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
63.	Shek Yam Shopping Centre (Shek Yam SC)	75,782.81	424	17.14	6.77%	285.70	9.10%	276.60	279.6	6.13%	8.60%
	Brief Description:	Shek Yam SC, completed in 2000, comprises a 7-storey commercial building in Shek Yam Estate. There are a total of 424 car parking spaces therein.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
64.	Un Chau Shopping Centre (Un Chau SC)	50,570.19	213	20.05	6.44%	277.50	9.10%	262.30	267.4	7.50%	8.47%
	Brief Description:	Un Chau SC, completed in 1999, comprises a 2-storey retail building (Commercial Podium), a single-storey car park podium under Un Hong House (Car Park Podium) and a 2-storey car park building (Car Park Block) in Un Chau Estate. There are a total of 213 car parking spaces in Un Chau SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
65.	Tsui Lam Shopping Centre (Tsui Lam SC)	89,203.52	711	20.61	7.42%	269.00	9.50%	265.90	266.9	7.72%	9.08%
	Brief Description:	Tsui Lam SC, completed in 1989, comprises portions of the Detached HA Accommodation, which includes a 6-storey commercial/car park block (excluding the canteen and bus regulator on the ground floor), two cooked food stalls, a 2-storey car park block and an oil tank as well as all those portions of the Integrated HA Accommodation on the ground floor, 2nd floor and 3rd floor of Pik Lam House and Sau Lam House in Tsui Lam Estate. There are a total of 711 car parking spaces in Tsui Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 35,166/319,299th equal and undivided shares of and in Tseung Kwan O Town Lot No 96 and is held under a Government Lease for a term of 50 years from 15 February 2006.									
66.	Lee On Shopping Centre (Lee On SC)	49,808.53	390	19.81	7.10%	267.50	9.30%	260.50	262.8	7.54%	8.82%
	Brief Description:	Lee On SC, completed in 1993, comprises a 4-storey commercial centre with retail, market and car parking spaces therein, associated areas under estate road and various open car parking spaces scattered over Lee On Estate. There are a total of 390 car parking spaces in Lee On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,025/258,612th equal and undivided shares of and in Sha Tin Lot No 553 and is held under a Government Lease for a term of 50 years from 26 February 2008.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
67.	Tai Wo Hau Commercial Centre (Tai Wo Hau CC)										
		79,170.46	609	18.13	7.35%	269.90	9.50%	258.90	262.6	6.90%	8.93%
	Brief Description:	Tai Wo Hau CC, completed in two phases in 1984 and 1993, comprises a 4-storey commercial block/car park block (Commercial/Car Park Block), a single-storey commercial block (Commercial Block), a 4-storey car park (Car Park Block), car parks on Levels 1 and 2 of the Multi-storey Car Park (Multi-storey Car Park Accommodation), units on various floors of Fu On House, Fu Man House, Fu Pong House, Fu Pik House, Fu Tak House and the Indoor Recreation Centre (Integrated Commercial/Car Park Accommodation), various open car parks and associated areas in Tai Wo Hau Estate. There are a total of 609 car parking spaces in Tai Wo Hau CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,793/475,099th equal undivided shares of and in The Remaining Portion of Kwai Chung Town Lot No 503 and is held under a Government Lease for a term of 50 years from 29 December 2008.									
68.	Yiu On Shopping Centre (Yiu On SC)										
		52,558.57	547	19.90	7.25%	265.30	9.50%	260.30	262.0	7.60%	9.05%
	Brief Description:	Yiu On SC, completed in 1989, comprises a 7-storey multi-purpose complex with retail shops, market and parking spaces therein and various open car parking spaces adjacent to the complex in Yiu On Estate. There are a total of 547 parking spaces in Yiu On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,616/306,501st equal and undivided shares of and in Sha Tin Town Lot No 505 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
69.	Lok Wah Commercial Centre (Lok Wah CC)										
		108,454.40	650	17.70	6.61%	264.00	9.00%	255.40	258.3	6.85%	8.50%
	Brief Description:	Lok Wah CC, completed in 1985, comprises a 4-storey Commercial/Car Park Complex, various Integrated Commercial/Car Park Accommodations, associated areas and open car parks in Lok Wah (North) Estate. There are a total of 650 car parking spaces in Lok Wah CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,134/513,788th and portion of 667/513,788th equal and undivided shares of and in New Kowloon Inland Lot No 6460 and is held under a Government Lease for a term of 50 years commencing from 9 September 2008.									
70.	Kam Tai Shopping Centre (Kam Tai SC)										
		46,223.00	758	18.98	7.15%	250.30	9.10%	258.50	255.8	7.42%	8.90%
	Brief Description:	Kam Tai SC, completed in 2001, comprises a 7-storey commercial/car park block in Kam Tai Court. There are a total of 758 car parking spaces therein.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,347/32,708th equal and undivided shares of and in Section A of Sha Tin Town Lot No 447 and is held under a Government Lease for a term of 50 years from 29 June 1998.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
71.	Long Ping Commercial Centre (Long Ping CC)	94,281.98	564	15.19	6.99%	263.00	9.10%	249.50	254.0	5.98%	8.50%
	Brief Description:	Long Ping CC, completed in 1987, comprises a 6-storey (including a Mezzanine Floor) Commercial/Car Park Block, a 2-storey Car Park/Community Centre Block, open car parks and several retail units at Yuk Ping House, Shek Ping House and Kang Ping House as well as some areas in Blocks 4, 5 & 6 in Long Ping estate. There are a total of 564 car parking spaces in Long Ping CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,958/498,969th equal and undivided shares of and in Yuen Long Town Lot No 521 and is held under a Government Lease for a term of 50 years from 15 March 2006.									
72.	Yung Shing Shopping Centre (Yung Shing SC)	58,725.73	283	17.85	7.04%	247.00	9.10%	256.30	253.2	7.05%	8.92%
	Brief Description:	Yung Shing SC, completed in 1999, comprises a 3-storey retail building and the car park podium of the adjoining 7-storey ancillary facilities block (together known as Portions of the Composite Block) in Yung Shing Estate. There are a total of 283 car parking spaces in Yung Shing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,641/161,475th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 207 and is held under a Government Lease for a term of 50 years from 16 July 1999.									
73.	Hoi Fu Shopping Centre (Hoi Fu SC)	34,968.77	225	19.58	6.95%	249.10	9.20%	251.60	250.8	7.81%	8.89%
	Brief Description:	Hoi Fu SC, completed in 1999, comprises portions of a 2-storey commercial building ("Block E") and portions of a 6-storey car parking/elderly housing/care attention home building ("Block D") in Hoi Fu Court. There are a total of 225 car parking spaces in Hoi Fu SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,413/204,120th equal and undivided shares of and in Kowloon Inland Lot No 11141 and is held under a Government Lease for a term of 50 years from 16 July 1999.									
74.	Wan Tsui Commercial Complex (Wan Tsui CC)	87,045.29	359	15.44	6.59%	254.80	9.00%	244.10	247.7	6.23%	8.45%
	Brief Description:	Wan Tsui CC, completed in 1979, comprises a 5-storey retail building (Commercial Block), a single-storey car park building adjacent to Hei Tsui House (Car Park Block), a 2-storey (including a basement) market/car park building (Market/Car Park Block), a 2-storey car park podium beneath Chak Tsui House (Car Park Podium), various shop units on the ground floor of Yee Tsui House and Shing Tsui House, a Government clinic on the ground floor of Lee Tsui House and various open car parking spaces along the estate roads (Open Car Parks) within Wan Tsui Estate. There are a total of 359 car parking spaces within Wan Tsui CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2010	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
75.	Hiu Lai Shopping Centre (Hiu Lai SC)	35,377.18	637	16.07	7.50%	245.40	9.50%	246.00	245.8	6.54%	9.14%
	Brief Description:	Hiu Lai SC, completed in 1996, comprises a 9-storey (split-level from Levels 2 to 8) Commercial/Car Park Block and two kindergartens on the ground floors of Hiu Tin House and Hiu On House in Hiu Lai Court. There are a total of 637 car parking spaces in Hiu Lai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,000/249,375th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6205 that is held under a Government Lease for a term from 11 November 1994 to 30 June 2047.									
76.	Shek Wai Kok Commercial Centre (Shek Wai Kok CC)	130,431.49	578	15.96	7.26%	237.70	9.20%	243.20	241.4	6.61%	8.95%
	Brief Description:	Shek Wai Kok CC, completed in 1980, comprises a 4-storey commercial block (Shopping Centre 1), a 3-storey (including podium) car park block (Car Park Building A), a 5-storey car park block (Car Park Building B), various shop units on the ground, 1st and 2nd floors of Shek Fong House, 1st and 2nd floors of Shek Ho House as well as various open car parks and associated areas in Shek Wai Kok Estate. There are a total of 578 car parking spaces in Shek Wai Kok CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 33,098/393,762nd equal and undivided shares of and in Tsuen Wan Town Lot No 411 and is held under a Government Lease for a term of 50 years from 29 April 2009.									
77.	King Lam Shopping Centre (King Lam SC)	58,791.62	418	17.27	7.04%	245.90	9.30%	239.00	241.3	7.16%	8.77%
	Brief Description:	King Lam SC, completed in 1990, comprises a 4-storey commercial/car park building, various shop units on the ground floors of King Chung House and King Lui House and various open car parks in King Lam Estate. There are a total of 418 car parking spaces in King Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 18,412/278,433rd equal and undivided shares of and in Tseung Kwan O Town Lot No 83 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
78.	Kai Yip Commercial Centre (Kai Yip CC)	76,536.74	383	13.57	6.70%	247.40	9.10%	232.70	237.6	5.71%	8.46%
	Brief Description:	Kai Yip CC, completed in 1981, comprises a 4-storey retail/car park building (Commercial Centre), open car parking areas, various cooked food stalls and various shop units in Kai Yip Community Hall as well as the ground floor of Kai Yin House and Kai Lok House in Kai Yip Estate. There are a total of 383 car parking spaces in Kai Yip CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,955/211,867th equal and undivided shares of and in New Kowloon Inland Lot No 6466 and is held under a Government Lease for a term of 50 years from 3 July 2008.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
79.	Wan Tau Tong Shopping Centre (Wan Tau Tong SC)	48,109.56	438	17.23	7.13%	242.70	9.50%	231.10	235.0	7.33%	8.90%
	Brief Description:	Wan Tau Tong SC, completed in 1991, comprises a 2-storey Commercial Centre, a 4-storey Car Park Building, a shop unit on the ground floor of Wan Loi House and various open car parks in Wan Tau Tong Estate. There are a total of 438 car parking spaces in Wan Tau Tong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A, E, F and 135/104,741st equal and undivided shares of and in the Remaining Portion of Tai Po Town Lot No 172 that is held under a Government Lease for a term of 50 years from 8 April 1998.									
80.	Retail and Car Park within Ap Lei Chau Estate (Ap Lei Chau RC)	48,335.98	325	19.42	7.13%	231.60	9.30%	229.50	230.2	8.44%	8.90%
	Brief Description:	Ap Lei Chau RC, completed in 1980, comprises a 6-storey retail/car park building (Commercial/Car Park Block), a 2-storey market/office building (Market/Office Block), various shop units located on the ground floors of Lei Chak House, Lei Fook House, Lei Moon House, Lei Ning House, Lee Tim House and Lei Yee House and various open car parking spaces scattered within Ap Lei Chau Estate. There are a total of 325 car parking spaces in Ap Lei Chau RC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
81.	Cheung Wah Shopping Centre (Cheung Wah SC)	67,201.78	353	15.31	7.05%	219.50	9.20%	216.00	217.2	7.05%	8.77%
	Brief Description:	Cheung Wah SC, completed in 1984, comprises a 4-storey retail building (Commercial Centre), an adjoining 3-storey market building (Market) and a 2-storey car park building (Car Park 2) with cooked food stalls on the roof. The property also includes a 4-storey car park building (Car Park 1), open car parking spaces and various shop units located on the ground floors of Cheung Chung House and Cheung Lai House in Cheung Wah Estate. There are a total of 353 car parking spaces in Cheung Wah SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,310/299,811th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 226 and is held under a Government Lease for a term of 50 years from 16 June 2004.									
82.	Retail and Car Park within Shun Tin Estate (Shun Tin RC)	69,342.93	581	16.60	7.24%	218.50	9.50%	214.40	215.8	7.69%	9.04%
	Brief Description:	Shun Tin RC, completed in 1981, comprises Commercial Blocks A, B & C, a 4-storey Car Park A, a 3-storey Car Park B, the Integrated Commercial/Car Park Accommodations in Tin Kam House, Tin Wing House, Tin Kuen House, Tin Kei House, Tin Yiu House and various open car parks in Shun Tin Estate. There are a total of 581 car parking spaces in Shun Tin RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 24,566/378,187th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6474 and is held under a Government Lease for a term of 50 years from 9 February 2009.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at		Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)			
83.	Tin Ping Shopping Centre (Tin Ping SC)	62,222.30	471	13.31	7.38%	209.90	9.50%	215.90	213.9		6.22%	9.28%
	Brief Description:	Tin Ping SC, completed in 1989, comprises a 6-storey (including lower ground floor) retail/car park building (Commercial/Car Park Block), a single-storey Cooked Food Centre (currently occupied as a fast food restaurant), various open car parking spaces (Open Car Parks) and various shop units/storerooms on the ground floors of Tin Hor House, Tin Ming House and Tin Mei House (Portions of the Integrated HA Accommodation) in Tin Ping Estate. There are a total of 471 car parking spaces in Tin Ping SC.										
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,852/353,579th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 208 and is held under a Government Lease for a term of 50 years from 10 February 2000.										
84.	Wah Kwai Shopping Centre (Wah Kwai SC)	43,085.66	413	15.92	7.26%	211.60	9.30%	212.30	212.1		7.51%	8.96%
	Brief Description:	Wah Kwai SC, completed in 1991, comprises a 4-storey (including 2 basement levels) commercial/car park building (Commercial/Car Park Block with Associated Areas therein) and Integrated Commercial/Car Park Accommodation, Clinics 1 and 2 on the ground floor of Wah Oi House (Block 6), portion of Store Room (For Commercial Use) on the ground floor of Wah Lim House (Block 3) and some open car parks in Wah Kwai Estate. There are a total of 413 car parking spaces in Wah Kwai SC.										
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,518/23,148th equal and undivided shares of and in Section A of Aberdeen Inland Lot No 443 and the Extension thereto and is held under a Government Lease for a term of 50 years from 8 April 1998. It also comprises 681/144,409th equal and undivided shares of and in the Remaining Portion of Aberdeen Inland Lot No 443 and is held under a Government Lease for a term of 50 years from 8 April 1998.										
85.	Ka Fuk Shopping Centre (Ka Fuk SC)	61,957.28	312	14.56	7.05%	207.70	9.30%	206.80	207.1		7.03%	8.93%
	Brief Description:	Ka Fuk SC, completed in 1995, comprises a 5-storey retail/car park building and an adjoining 2-storey retail building interlinked on the first floor via a footbridge (Commercial Centre) and various open car parks in Ka Fuk Estate. There are a total of 312 car parking spaces in Ka Fuk SC.										
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,652/153,283rd equal and undivided shares of and in Fanling Sheung Shui Town Lot No 234 and is held under a Government Lease for a term of 50 years from 30 April 2008.										
86.	Sui Wo Court Commercial Centre (Sui Wo Court CC)	64,053.21	980	15.11	7.29%	216.20	9.80%	202.30	206.9		7.30%	9.10%
	Brief Description:	Sui Wo Court CC, completed in 1980, comprises a 2-storey retail/car park building with basement floor (Commercial/Car Park Block), two separate 3-storey car park buildings (Multi-Storey Car Parks A and C), a freestanding 6-storey car park building (Multi-Storey Car Park B), open car parks and associated areas in Sui Wo Court. There are total of 980 car parking spaces in Sui Wo Court CC.										
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,994/32,808th equal and undivided shares of and in Section A of Sha Tin Town Lot No 43 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)		
87.	Cheung Hang Shopping Centre (Cheung Hang SC)	61,412.08	327	12.25	7.27%	193.10	9.50%	195.30	194.6	6.29%	9.19%
	Brief Description:	Cheung Hang SC, completed in 1990, comprises a 5-storey commercial centre and a 5-storey car park building in Cheung Hang Estate. There are a total of 327 car parking spaces in Cheung Hang SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,593/289,056th equal and undivided shares of and in Tsing Yi Town Lot No 177 and is held under a Government Lease for a term of 50 years from 29 December 2008.									
88.	Shek Lei Shopping Centre Phase I (Shek Lei SC Phase I)	39,457.85	459	14.31	7.19%	192.00	9.30%	185.30	187.5	7.63%	8.77%
	Brief Description:	Shek Lei SC Phase I, completed in 1993, comprises a 4-storey commercial/car park building (Commercial/Car Park Block), a 2-storey car park building, various shop units on the ground floors of Shek Ning House and Shek Sau House, as well as various open parking spaces in Shek Lei Estate. There are a total of 459 car parking spaces in Shek Lei SC Phase 1.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
89.	Kwong Tin Shopping Centre (Kwong Tin SC)	58,271.04	53	13.01	6.91%	195.20	9.50%	182.40	186.7	6.97%	8.80%
	Brief Description:	Kwong Tin SC, completed in 1993, comprises a 3-storey commercial/car park block and associated areas in Kwong Tin Estate. There are a total of 53 car parking spaces in Kwong Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,957/162,870th equal and undivided shares of and in New Kowloon Inland Lot No 6445 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
90.	Fu Cheong Shopping Centre (Fu Cheong SC)	66,263.45	547	9.24	6.82%	184.70	9.10%	185.60	185.3	4.99%	8.77%
	Brief Description:	Fu Cheong SC, completed in 2002, comprises a 3-storey commercial podium (Multi-storey Commercial Accommodation and Integrated Commercial/Car Park Accommodation, Fu Yun House (Ancillary Facilities Block)) beneath Fu Yun House and a 4-storey car park podium (Multi-storey Car Park Accommodation) beneath Fu Hoi House and Fu Yee House of Fu Cheong Estate. There are a total of 547 car parking spaces in Fu Cheong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,469/355,647th equal and undivided shares of and in New Kowloon Inland Lot No 6437 and is held under a Government Lease for a term of 50 years from 17 September 2005.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)		
91.	Lei Cheng Uk Shopping Centre (Lei Cheng Uk SC)	78,535.71	461	12.07	7.21%	183.00	9.20%	180.30	181.2	6.66%	9.13%
	Brief Description:	Lei Cheng Uk SC, completed in 1984, comprises a 4-storey commercial/car park podium (Commercial/Car Park Areas), a single-storey car park building near Lai Yeung House (Car Park Block), various open car parking spaces (Open Car Parks) and various shop units and portions in Yan Oi House, Chung Hou House, Wo Ping House and Shun Yee House (Portions of the Integrated HA Accommodation) within Lei Cheng Uk Estate. There are a total of 461 car parking spaces in Lei Cheng Uk SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,862/264,258th equal and undivided shares of and in New Kowloon Inland Lot No 6416 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
92.	Tsz Ching Shopping Centre (I) & (II) (Tsz Ching SC)	18,116.29	882	14.58	7.28%	182.00	9.60%	176.70	178.5	8.17%	9.09%
	Brief Description:	Tsz Ching SC, completed in phases between 1996 and 2001, comprises a 3-storey commercial/car park building (Commercial/Car Park I Block), a 4-storey including basement commercial/car park building (Multi-storey Commercial/Car Park II Accommodation), a 5-storey plus a mezzanine floor car park building (Car Park III Block), various shop units on the ground floor of Ching Wo House (Integrated Commercial/Car Park Accommodation of Ching Wo House), various open commercial loading/unloading space and associated areas in Tsz Ching Estate. There are a total of 882 car parking spaces in Tsz Ching SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,549/507,335th equal and undivided shares of and in New Kowloon Inland Lot No 6444 and is held under a Government Lease for a term of 50 years from 28 February 2007.									
93.	Po Tin Shopping Centre (Po Tin SC)	64,391.12	62	10.89	6.91%	177.70	9.50%	171.10	173.3	6.28%	8.95%
	Brief Description:	Po Tin SC, completed in 2000, comprises a 4-storey commercial building and various open parking spaces in Po Tin Estate. There are a total of 62 parking spaces within Po Tin SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
94.	Wang Tau Hom (Wang Fai Centre)	26,348.58	290	11.95	6.98%	167.10	8.90%	173.80	171.6	6.96%	8.73%
	Brief Description:	Wang Tau Hom (Wang Fai Centre), completed in 1982, comprises a 3-storey retail building (Wang Fai Centre), a single-storey market (Fou Mou Street Market), a 5-storey split-level car park building (Car Park Block), various open car parking spaces and associated areas in Wang Tau Hom Estate. There are a total of 290 car parking spaces in Wang Tau Hom (Wang Fai Centre).									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,507/373,309th equal and undivided shares of and in New Kowloon Inland Lot No 6462 and is held under a Government Lease for a term of 50 years from 16 July 2008.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Analysis Initial Yield	Indicated IRR
95.	Chun Shek Shopping Centre (Chun Shek SC)	61,799.42	583	12.17	6.95%	179.10	9.30%	166.40	170.6	7.13%	8.58%
	Brief Description:	Chun Shek SC, completed in 1984, comprises a 4-storey retail building (Commercial Complex), an adjoining 4-storey car park building (Car Park Block 1), a free-standing 2-storey car park building (Car Park Block 2), open car parks and various shop units on the ground floor of Shek Jing House (Portions of the Integrated HA Accommodation) in Chun Shek Estate. There are a total of 583 car parking spaces in Chun Shek SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
96.	Tin Tsz Shopping Centre (Tin Tsz SC)	38,858.58	289	8.26	7.00%	175.90	9.30%	166.10	169.4	4.88%	8.66%
	Brief Description:	Tin Tsz SC, completed in 1997, comprises a 2-storey commercial centre, several ground floor shops at Tsz Ping House, a 4-storey car park building and various open car parks and associated areas in Tin Tsz Estate. There are a total of 289 car parking spaces in Tin Tsz SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,511/202,482nd equal and undivided shares of and in Tin Shui Wai Town Lot No 40 and is held under a Government Lease for a term of 50 years from 29 June 2007.									
97.	Hing Tung Shopping Centre (Hing Tung SC)	56,555.11	420	12.34	7.39%	167.60	9.50%	169.40	168.8	7.31%	9.20%
	Brief Description:	Hing Tung SC, completed in 1995, comprises a 7-storey commercial/car park building (Commercial/Car Park Block) and a shop unit at the 2-storey stand-alone lift tower (i.e. Lift Tower No 1 that is linked to the Commercial/Car Park Block by a footbridge across Yiu Hing Road) in Hing Tung Estate. There are a total of 420 car parking spaces in Hing Tung SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
98.	On Yam Shopping Centre (On Yam SC)	40,587.31	347	13.21	7.63%	166.60	9.50%	169.60	168.6	7.84%	9.23%
	Brief Description:	On Yam SC, completed in 1994, comprises a 7-storey (excluding cockloft) commercial/car park block, various open car parks and associated areas in On Yam Estate. There are a total of 347 car parking spaces in On Yam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,323/369,270th equal and undivided shares of and in Kwai Chung Town Lot No 497 and is held under a Government Lease for a term of 50 years from 14 October 2005.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Initial Yield	Analysis Indicated IRR
99.	Wah Sum Shopping Centre (Wah Sum SC)	26,447.13	356	12.11	7.35%	170.80	9.50%	164.20	166.4	7.28%	8.95%
	Brief Description:	Wah Sum SC, completed in 1995, comprises a 2-storey retail building (Commercial Centre), an adjoining 4-storey car park building (Car Park Block) interconnected with the Commercial Centre on the first floor and various open car parking spaces in Wah Sum Estate. There are a total of 356 car parking spaces in Wah Sum SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 16,753/109,515th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 236 and is held under a Government Lease for a term of 50 years commencing from 16 January 2009.									
100.	Ming Tak Shopping Centre (Ming Tak SC)	38,938.87	383	10.75	7.08%	159.20	9.10%	162.60	161.5	6.66%	8.84%
	Brief Description:	Ming Tak SC, completed in 1999, comprises a 4-storey commercial/car park block, various open car parks, associated areas and guard kiosks in Ming Tak Estate. There are a total of 383 car parking spaces in Ming Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,354/108,489th equal and undivided shares of and in Tseung Kwan O Town Lot No 108 and is held under a Government Lease for a term of 50 years from 28 July 2008.									
101.	Kwai Hing Shopping Centre (Kwai Hing SC)	25,244.12	277	12.46	7.44%	155.40	9.20%	160.90	159.1	7.83%	9.01%
	Brief Description:	Kwai Hing SC, completed in 1991, comprises portions of the ground and 2nd floors of Hing Kok House (i.e. Integrated HA Accommodation), a 2-storey commercial block, a 3-storey car park block and various open car parks in Kwai Hing Estate. There are a total of 277 car parking spaces in Kwai Hing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,824/102,732nd equal and undivided shares of and in Kwai Chung Town Lot No 489 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
102.	Kam Ying Court Shopping Centre (Kam Ying SC)	37,423.25	492	11.48	7.49%	155.20	9.50%	159.00	157.7	7.28%	9.25%
	Brief Description:	Kam Ying SC, completed in 1991, comprises a 3-storey commercial/car park building (Commercial/Car Park Block) and associated areas in Kam Ying Court. There are a total of 492 car parking spaces in Kam Ying SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,433/22,627th equal and undivided shares of and in the Remaining Portion of Sha Tin Town Lot No. 305 and is held under a Government Lease for a term from 16 May 1990 to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)		
103.	Lai Kok Shopping Centre (Lai Kok SC)	81,280.02	140	8.74	6.80%	159.30	9.20%	155.70	156.9	5.57%	8.75%
	Brief Description:	Lai Kok SC, completed in 1981, comprises a 3-storey commercial building, a single storey wet market, a 3-storey car park building, various ground level shop units opposite to Lai Ho House, and various shop units on the ground floors of Lai Huen House, Lai Lan House and Lai Mei House in Lai Kok Estate. There are a total of 140 car parking spaces in Lai Kok SC.									
	78. Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
104.	Yiu Tung Shopping Centre (Yiu Tung SC)	66,758.78	685	9.27	7.45%	147.60	9.50%	149.30	148.7	6.23%	9.20%
	Brief Description:	Yiu Tung SC, completed in 1994, comprises a 3-storey retail building (Commercial Centre), a 2-storey car park building (Car Park No 1), an 8-storey car park building (Car Park No 2) and a ground floor unit in Yiu Tung Estate. Escalators and footbridges in Yiu Tung Estate provide direct access to the bottom of Yiu Hing Road and Nam Hong Street. There are a total of 685 car parking spaces in Yiu Tung SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
105.	Siu Lun Shopping Centre (Siu Lun SC)	32,130.75	463	11.53	7.24%	146.60	9.50%	145.70	146.0	7.90%	9.10%
	Brief Description:	Siu Lun SC, completed in 1993, comprises a single storey kindergarten, a 2-storey commercial centre and two 4-storey car park blocks (Phases 1 and 2 Carports) in Siu Lun Court. There are a total of 463 car parking spaces in Siu Lun SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A, B and C of Tuen Mun Town Lot No 357 and is held under a Government Lease for a term from 6 September 1991 to 30 June 2047.									
106.	Retail and Car Park within Cheung Wang Estate (Cheung Wang RC)	11,529.19	333	10.61	7.21%	133.30	9.70%	126.90	129.0	8.22%	9.08%
	Brief Description:	Cheung Wang RC, completed in 2001, comprises a single storey Commercial/Car Park Block, a 2-storey multi-storey Car Park Accommodation, the associated areas and various open car parks within Cheung Wang Estate. There are a total of 333 car parking spaces in Cheung Wang RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 13,010/259,640th shares of and in Tsing Yi Town Lot No 178 and is held under a Government Lease for a term of 50 years from 25 March 2009.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)		
107.	Tsing Yi Commercial Complex (Tsing Yi CC)	45,639.09	344	8.01	7.80%	118.40	9.40%	125.10	122.9	6.52%	9.29%
	Brief Description:	Tsing Yi CC, completed in 1986, comprises a 4-storey Commercial Complex, a 4-storey car park building (Car Park Block 1), a 3-storey car park building (Car Park Block 2), HA parking area, open car parks and associated areas in Tsing Yi Estate. There are a total of 344 car parking spaces in Tsing Yi CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,014/222,251st equal and undivided shares of and in Tsing Yi Town Lot No 167 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
108.	Sam Shing Commercial Centre (Sam Shing CC)	76,257.30	176	8.86	7.28%	124.50	9.50%	121.20	122.3	7.24%	9.01%
	Brief Description:	Sam Shing CC, completed in 1980, comprises a 3-storey commercial/car park building (Commercial Complex), an annexed single storey market building (Market), cooked food stalls, shop stalls, open parking spaces, portions of ground floors of Block 1 (Chun Yu House), Block 2 (Moon Yu House) and portions of the ground and first floors of Block 3 (Fung Yu House) of Sam Shing Estate. There are a total of 176 parking spaces in Sam Shing CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
109.	Yin Lai Court Shopping Centre (Yin Lai SC)	16,297.68	150	8.67	6.91%	121.30	9.10%	122.80	122.3	7.09%	8.81%
	Brief Description:	Yin Lai SC, completed in 1991, comprises a 4-storey retail/car park building in Yin Lai Court. There is direct access to Lai King station at floor LG2. There are a total of 150 car parking spaces in Yin Lai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Kwai Chung Town Lot No 389 and is held under a Government Lease for a term from 21 September 1990 to 30 June 2047.									
110.	Ping Tin Shopping Centre (Ping Tin SC)	22,438.11	406	9.15	7.19%	124.00	9.30%	119.90	121.3	7.54%	8.78%
	Brief Description:	Ping Tin SC, completed in 1997, comprises a 3-storey retail building (Commercial Centre), a split-level 4-storey annexed car park building (Car Park Block), the ground and first floors car park of a 4-storey ancillary facilities building (Ancillary Facilities Block) and various open car parking spaces near to the ingress of the car park building in Ping Tin Estate. There are a total of 406 car parking spaces in Ping Tin SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
111.	Sun Tin Wai Commercial Centre (Sun Tin Wai CC)	55,333.41	320	7.03	7.25%	115.10	9.20%	106.10	109.1	6.44%	8.47%
	Brief Description:	Sun Tin Wai CC, completed in 1981, comprises a 6-storey retail/car park building (Sun Tin Wai Commercial Centre), open car parks and various isolated cooked food stalls in Sun Tin Wai Estate. There are a total of 320 car parking spaces in Sun Tin Wai CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,891/213,346th equal and undivided shares of and in Sha Tin Town Lot No 551 and is held under a Government Lease for a term of 50 years from 26 February 2008.									
112.	Kin Sang Shopping Centre (Kin Sang SC)	38,840.80	273	5.52	7.07%	112.70	9.20%	105.90	108.2	5.10%	8.54%
	Brief Description:	Kin Sang SC, completed in 1990, comprises a 3-storey commercial building (Commercial Block), a 4-storey car park building (Car Park Block) and associate areas in Kin Sang Estate. There are a total of 273 car parking spaces in Kin Sang SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 14,100/28,621st equal and undivided shares of and in Section A of Tuen Mun Town Lot No 441 and is held under a Government Lease for a term of 50 years from 8 April 1998.									
113.	Retail and Car Park within Cheung On Estate (Cheung On RC)	3,907.32	484	9.35	8.42%	104.80	10.30%	104.40	104.5	8.95%	9.93%
	Brief Description:	Cheung On RC, completed in 1988, comprises a 4-storey car park building, known as Car Park 1, a 2-storey split-level car park building known as Car Park 2, and various shops and medical centre on the ground floor of On Tao House in Cheung on Estate. There are a total of 484 car parking spaces in Cheung On RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section D, Section F and 403/293,522nd equal and undivided shares of and in the Remaining Portion of Tsing Yi Town Lot No 160 that is held under a Government Lease for a term of 50 years from 8 April 1998.									
114.	Retail and Car Park within Tung Tau Estate (Tung Tau RC)	38,611.88	493	6.72	7.28%	103.10	8.90%	105.00	104.4	6.44%	8.64%
	Brief Description:	Tung Tau RC, completed in 1982, comprises a split-level single-storey retail building with basement car park (Commercial Complex), a 3-storey car park block (Car Park Block) and various open car parking spaces (Open Car Parks), shop units on the ground floor in front of the Commercial Complex, shops on the ground floors of Cheung Tung House, Hong Tung House, On Tung House, Wong Tung House and Yue Tung House in Tung Tau (II) Estate. There are a total of 493 car parking spaces in Tung Tau RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 16,942/349,186th equal and undivided shares of and in New Kowloon Inland Lot No 6413 and is held under a Government Lease for a term of 50 years from 24 January 2002.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Analysis Initial Yield	Indicated IRR
115.	Tin Ma Court Commercial Centre (Tin Ma Court CC)										
		39,346.64	585	5.48	7.31%	100.70	9.20%	102.90	102.2	5.36%	8.93%
	Brief Description:	Tin Ma Court CC, completed in 1986, comprises a 3-storey commercial centre (Commercial Centre) and an adjoining 5-storey car park building (Car Park Block) in Tin Ma Court. There are a total of 585 car parking spaces in Tin Ma Court CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5994 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
116.	Hing Tin Commercial Centre (Hing Tin CC)										
		29,438.61	387	7.13	7.29%	99.30	9.20%	98.30	98.6	7.23%	8.80%
	Brief Description:	Hing Tin CC, completed in 1988, comprises a 2-storey commercial block (including a market) (Commercial Complex), several shop units on the ground floors of Mei Tin House and Yan Tin House, a 2-storey car park building (Car Park B), a 4-storey car park building (Car Park C), and various cooked food stalls near to Mei Tin House and Choi Tin House in Hing Tin Estates. There are a total of 387 car parking spaces in Hing Tin CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,570/149,828th equal and undivided shares of and in New Kowloon Inland Lot No 6377 and is held under a Government Lease for a term of 50 years commencing from 8 February 2001.									
117.	Tin Wan Shopping Centre (Tin Wan SC)										
		35,854.89	417	5.77	7.55%	99.60	9.60%	98.00	98.5	5.86%	9.02%
	Brief Description:	Tin Wan SC, completed in 1997, comprises a 6-storey retail building (Commercial Block), the LG/F and four levels of car parks in the adjoining 6-storey car park building (Car Park Block) and the ground floor of Tin Wan Estate Housing for Senior Citizens in Tin Wan Estate. There are a total of 417 car parking spaces in Tin Wan SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
118.	Fortune Shopping Centre (Fortune SC)										
		24,800.79	153	5.94	7.05%	98.20	9.70%	94.30	95.6	6.21%	9.14%
	Brief Description:	Fortune SC, completed in 2000, comprises a 5-storey Car Park Block, a 2-storey multi-storey Commercial/Car Park Accommodation, the associated areas, covered areas, guard kiosk and portion of Multi-purpose HA Accommodation (the Integrated Commercial/Car Park Accommodation on the second floor of Fook Ming House). There are a total of 153 car parking spaces in Fortune SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 11,807/115,133rd equal and undivided shares of and in New Kowloon Inland Lot No 6484 and is held under a Government Lease for a term of 50 years from 27 April 2009.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)		
119.	Shun On Commercial Centre (Shun On CC)	87,212.26	459	5.77	7.34%	92.50	9.50%	93.20	93.0	6.20%	9.15%
	Brief Description:	Shun On CC, completed in 1978, comprises portions of the two Commercial Blocks 1& 2, a 2-storey retail/4-storey car park building (Commercial/Car Park Block), the Integrated Commercial/Car Park Accommodations in On Kwan House, On Chung House and On Yat House, various Commercial Facilities, associated areas and open car parks in Shun On Estate. There are a total of 459 car parking spaces in Shun On CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,130/179,429th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6472 and is held under a Government Lease for a term of 50 years from 28 July 2008.									
120.	Retail and Car Park within Lok Wah (South) Estate (Lok Wah (South) RC)	16,774.91	226	5.48	7.32%	92.20	9.50%	84.80	87.3	6.28%	8.73%
	Brief Description:	Lok Wah (South) RC, completed in 1982, comprises a 4-storey Car Park Block, three free standing cooked food stalls near On Wah House, market stalls at Chin Wah House, portion of the ground floor of On Wah House, associated areas and open car parks in Lok Wah (South) Estate. There are a total of 226 car parking spaces in Lok Wah (South) RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 13,231/513,788th and portion of 667/513,788th equal and undivided shares of and in New Kowloon Inland Lot No 6460 and is held under a Government Lease for a term of 50 years commencing from 9 September 2008.									
121.	Car Park within Kin Ming Estate (Kin Ming CP)	0.00	763	8.92	9.30%	74.40	10.30%	81.20	78.9	11.31%	10.36%
	Brief Description:	Kin Ming CP, completed in 2003, comprises car parking spaces in the 6-storey commercial/car park block and various open car parking spaces in Kin Ming Estate. There are a total of 763 car parking spaces in Kin Ming CP.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
122.	Retail & Car Park within Hong Pak Court (Hong Pak RC)	17,954.35	549	6.24	8.61%	71.40	10.30%	72.00	71.8	8.69%	9.97%
	Brief Description:	Hong Pak RC, completed in 1993, comprises a 7-storey car park block with two kindergartens located on Level 7 in Hong Pak Court. There are a total of 549 car parking spaces in Hong Pak RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6095 and is held under a Government Lease for a term from 25 September 1991 to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Analysis Initial Yield	Indicated IRR
123.	Po Hei Court Commercial Centre (Po Hei Court CC)										
		13,681.53	0	4.69	6.21%	64.00	8.70%	61.90	62.6	7.49%	8.54%
	Brief Description:	Po Hei Court CC, completed in 1993, comprises shops on the ground floor of Blocks A & B of Po Hei Court.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,354/20,256th equal and undivided shares of and in New Kowloon Inland Lot No 6117 and is held under a Government Lease for a term from 17 July 1992 to 30 June 2047.									
124.	Siu Hei Commercial Centre (Siu Hei CC)										
		25,005.24	560	3.45	7.81%	60.90	9.90%	58.50	59.3	5.82%	9.32%
	Brief Description:	Siu Hei CC, completed in 1986, comprises a 3-storey (including mezzanine floor) commercial centre with retail, market and welfare facilities therein and a 4-storey split-level car park block in Siu Hei Court. There are a total of 560 parking spaces in Siu Hei CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tuen Mun Town Lot No 255 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
125.	Retail & Car Park within Ko Chun Court (Ko Chun RC)										
		7,330.29	323	4.86	8.52%	56.40	10.30%	56.00	56.1	8.66%	9.91%
	Brief Description:	Ko Chun RC, completed in 1993, comprises a 6-storey (12 split-levels) commercial/car park block and a kindergarten on the ground floor of Chun Moon House of Ko Chun Court. There are a total of 323 car parking spaces in Ko Chun RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 530/81,791st equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6189 that is held under a Government Lease for a term from 3 June 1993 to 30 June 2047.									
126.	Retail and Car Park within Mei Chung Court (Mei Chung RC)										
		1,076.40	385	5.00	8.60%	54.70	10.40%	53.70	54.0	9.26%	9.95%
	Brief Description:	Mei Chung RC, completed in 1996, comprises a 5-storey car park building with a retail shop located on Level 2 in Mei Chung Court. There are a total of 385 car parking spaces in Mei Chung RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No 396 and is held under a Government Lease for a term from 11 November 1994 to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
127.	Car Park within Wah Lai Estate (Wah Lai CP)	0.00	411	4.62	8.60%	52.30	9.90%	54.30	53.6	8.62%	9.75%
	Brief Description:	Wah Lai CP, completed in 2001, comprises a 5-storey carport building in Wah Lai Estate. There are a total of 411 car parking spaces in Wah Lai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,700/102,614th equal and undivided shares of and in the Remaining Portion of Section A of Kwai Chung Town Lot No 445 and is held under a Government Lease for a term of 50 years from 25 May 2001.									
128.	Retail & Car Park within Tsui Wan Estate (Tsui Wan RC)	13,606.62	182	2.85	7.51%	49.20	9.10%	52.20	51.2	5.57%	9.00%
	Brief Description:	Tsui Wan RC, completed in 1993, comprises various self-standing single storey retail units, a 3-storey retail/office building (Commercial Accommodation), a single-storey car park building (Car Park Block) and various open car parking spaces (Open Car Park) in Tsui Wan Estate. There are a total of 182 car parking spaces in Tsui Wan RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,254/123,068th equal and undivided shares of and in Chai Wan Inland Lot No 166 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
129.	Retail and Car Park within Wo Ming Court (Wo Ming RC)	7,341.05	379	4.89	8.38%	53.50	10.70%	49.30	50.7	9.64%	9.86%
	Brief Description:	Wo Ming RC, completed in 1999, comprises a 6-storey car park building and a kindergarten on the ground floor of Block A in Wo Ming Court. There are a total of 379 car parking spaces in Wo Ming RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 728/82,796th equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No 52 that is held under a Government Lease for a term of 50 years from 28 November 1997.									
130.	Retail and Car Park within Ching Wah Court (Ching Wah RC)	11,861.93	348	3.86	8.54%	50.30	10.60%	48.00	48.8	7.91%	9.94%
	Brief Description:	Ching Wah RC, completed in 1984, comprises a 3-storey commercial/car park building in Ching Wah Court. There are a total of 348 car parking spaces in Ching Wah RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tsing Yi Town Lot No 100 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Initial Yield	Analysis Indicated IRR
131.	Retail and Car Park within Tsz Oi Court (Tsz Oi RC)										
		13,304.31	199	2.57	8.31%	44.50	10.40%	41.00	42.2	6.09%	9.58%
	Brief Description:	Tsz Oi RC, completed in phases between 1997 and 2000, comprises a 6-storey car park building with a kindergarten on 6/F (Car Park Block) of Tsz Oi Court and a single-storey kindergarten building in Tsz Oi Court Stage III. There are a total of 199 car parking spaces in Tsz Oi RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 699/113,761st equal and undivided shares of and in New Kowloon Inland Lot No 6265 and is held under a Government Lease for a term of 50 years from 7 May 1999. It also comprises the entire Section A of New Kowloon Inland Lot No 6211 that is held under a Government Lease for a term from 9 June 1995 to 30 June 2047.									
132.	Hing Man Commercial Centre (Hing Man CC)										
		32,927.45	226	0.49	7.68%	42.90	9.50%	41.20	41.8	1.17%	8.93%
	Brief Description:	Hing Man CC, completed in 1982, comprises a 6-storey (including roof but excluding the access lift tower at Chai Wan Road) commercial/car park building (Commercial/Car Park Block) in Hing Man Estate. There are a total of 226 car parking spaces in Hing Man CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
133.	Retail and Car Park within Tong Ming Court (Tong Ming RC)										
		21,280.42	291	3.02	8.09%	43.40	10.30%	40.50	41.5	7.28%	9.56%
	Brief Description:	Tong Ming RC, completed in 1999, comprises a 5-storey car park building with various shop units and a children & youth centre on the ground floor; and a day nursery and a kindergarten respectively on the ground floors of Tong Wong House and Tong Fu House in Tong Ming Court. There are a total of 291 car parking spaces in Tong Ming RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,153/98,512th equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No 54 and is held under a Government Lease for a term commencing from 26 June 1997 and expiring on 30 June 2047.									
134.	Retail & Car Park within Choi Ha Estate (Choi Ha RC)										
		21,431.57	205	3.32	8.21%	40.80	10.50%	38.70	39.4	8.43%	9.87%
	Brief Description:	Choi Ha RC, completed in 1989, comprises a 5-storey Car Park Block, various shops on the ground floors of Choi Yuet House and Choi Sing House as well as various open car parks in Choi Ha Estate. There are a total of 205 car parking spaces in Choi Ha RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,255/129,695th equal and undivided shares of and in New Kowloon Inland Lot No 6348 and is held under a Government Lease for a term of 50 years from 10 February 2000.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Analysis Initial Yield	Indicated IRR
135.	Retail and Car Park within Yan Shing Court (Yan Shing RC)	11,700.47	252	3.02	8.52%	36.80	10.40%	36.50	36.6	8.25%	10.02%
	Brief Description:	Yan Shing RC, completed in 1993, comprises a 6-storey car park block (Car Park Block) with a retail shop, estate office and kindergarten on the ground floor in Yan Shing Court. There are a total of 252 car parking spaces in Yan Shing RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Fanling Sheung Shui Town Lot No 39 and is held under a Government Lease for a term from 10 September 1992 to 30 June 2047.									
136.	Car Park within Tin Yuet Estate (Tin Yuet CP)	0.00	560	3.40	9.20%	34.50	9.90%	37.60	36.6	9.29%	9.95%
	Brief Description:	Tin Yuet CP, completed in 2000, comprises a 4-storey (including a Mezzanine Floor) Carport Block in Tin Yuet Estate. There are a total of 560 car parking spaces in Tin Yuet CP.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
137.	Car Park within Lai On Estate (Lai On CP)	0.00	181	3.63	8.50%	37.00	10.40%	36.30	36.5	9.95%	9.90%
	Brief Description:	Lai On CP, completed in 1993, comprises a 3-storey car park building and various open car parks in Lai On Estate. There are a total of 181 car parking spaces in Lai On CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 5,099/9,011th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6482 that is held under a Government Lease for a term of 50 years from 6 March 2009.									
138.	Car Park within Tsz Man Estate (Tsz Man CP)	0.00	364	3.44	9.10%	37.00	10.70%	36.00	36.0	9.56%	10.61%
	Brief Description:	Tsz Man CP, completed in 1994, comprises a 4-storey car park building with associated area in Tsz Man Estate. There are a total of 364 car parking spaces in Tsz Man CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,121/139,291st equal and undivided shares of and in New Kowloon Inland Lot No 6441 and is held under a government Lease for a term of 50 years from 28 February 2008.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis Initial Yield	Indicated IRR
									31 March 2010 Value (HK\$M)		
139.	Car Park within Tin King Estate (Tin King CP)	0.00	380	3.74	9.10%	36.10	10.90%	34.60	35.1	10.66%	10.30%
	Brief Description:	Tin King CP, completed in 1989, comprises the ground, second and third, portions of 4th and 5th floors, roof and upper roof of a 5-storey Car Park Block as well as various open car parks in Tin King Estate. There are a total of 380 car parking spaces in Tin King CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 4,036/197,161st equal and undivided shares of and in Tuen Mun Town Lot No 444 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
140.	Retail & Car Park within Hong Yat Court (Hong Yat RC)	7,039.66	355	3.37	8.61%	35.50	10.30%	34.80	35.0	9.63%	9.83%
	Brief Description:	Hong Yat RC, completed in 1993, comprises a 7-storey car park block with a kindergarten on Level 13 (6th Floor) in Hong Yat Court. There are a total of 355 car parking spaces in Hong Yat RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 4,582/99,200th equal and undivided shares of and in New Kowloon Inland Lot No 6329 and is held under a Government Lease for a term of 50 years from 5 February 2001.									
141.	Retail and Car Park within Tin Yat Estate (Tin Yat RC)	8,783.42	446	1.79	8.62%	31.70	9.70%	34.20	33.4	5.36%	9.68%
	Brief Description:	Tin Yat RC, completed in 2001, comprises a 7-storey car park building with a kindergarten on the ground floor and various open car parks in Tin Yat Estate. There are a total of 446 parking spaces in Tin Yat RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,485/226,221st equal and undivided shares of and in Tin Shui Wai Town Lot No 42 and is held under a Government Lease for a term of 50 years from 28 October 2008.									
142.	Retail and Car Park within Ying Fuk Court (Ying Fuk RC)	785.77	163	3.39	8.76%	33.70	10.90%	32.10	32.6	10.40%	10.26%
	Brief Description:	Ying Fuk RC, completed in 2001, comprises a 4-storey split-level car park building with a shop unit on the ground floor (Car Park Block) in Ying Fuk Court. There are a total of 163 car parking spaces in Ying Fuk RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the Remaining Portion of New Kowloon Inland Lot No 6266 and is held under a Government Lease for a term of 50 years from 7 May 1999.									
143.	Car Park within Tsui Ping South Estate (Tsui Ping South CP)	5,909.44	229	2.96	8.44%	33.70	9.90%	31.80	32.4	9.14%	9.21%
	Brief Description:	Tsui Ping South CP, completed in 1990, comprises a 3-storey Car Park Block with a management office on the second floor and various open car parks in Tsui Ping South Estate. There are a total of 229 car parking spaces in Tsui Ping South CP.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Analysis Initial Yield	Indicated IRR
144.	Car Park within Ning Fung Court (Ning Fung CP)	0.00	299	3.07	9.00%	31.90	10.60%	31.40	31.6	9.72%	10.13%
	Brief Description:	Ning Fung CP, completed in 2001, comprises a 3-storey carport building in Ning Fung Court. There are a total of 299 car parking spaces in Ning Fung CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,072/78,707th equal and undivided shares of and in Kwai Chung Town Lot No. 477 and is held under a Government Lease for a term of 50 years from 15 October 1999.									
145.	Retail and Car Park within Nam Cheong Estate (Nam Cheong RC)	8,106.10	156	2.55	7.88%	32.10	10.30%	30.40	31.0	8.23%	9.62%
	Brief Description:	Nam Cheong RC, completed in 1989, comprises a single-storey car park block (Car Park Block), various open car parking spaces and various shop units on the ground floor of Cheong Shun House, Cheong Yat House, Cheong On House and Cheong Yin House in Nam Cheong Estate. There are a total of 156 car parking spaces in Nam Cheong RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,670/109,764th equal and undivided shares of and in New Kowloon Inland Lot No 6427 and is held under a Government Lease for a term of 50 years from 17 August 2005.									
146.	Retail and Car Park within Yan Ming Court (Yan Ming RC)	7,018.13	262	2.25	8.93%	31.60	10.70%	30.00	30.5	7.38%	10.05%
	Brief Description:	Yan Ming RC, completed in 1990, comprises a 3-storey commercial/car park centre in Yan Ming Court. There are a total of 262 car parking spaces in Yan Ming RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Junk Bay Town Lot No 9 and is held under a Government Lease for a term from 22 January 1987 to 30 June 2047.									
147.	Retail and Car Park within Siu On Court (Siu On RC)	17,082.47	273	2.20	8.45%	30.00	10.30%	29.10	29.4	7.48%	9.78%
	Brief Description:	Siu On RC, completed in 1981, comprises a 4-storey split-level car park building, a kindergarten spreads across the ground floors of Ting Chi House and Ting Yin House as well as a Youth & Children Centre across the ground floors of Ting Kay House, Ting On House and Ting Hoi House in Siu On Court. There are a total of 273 parking spaces in Siu On RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 2/26,863rd equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No 216 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010 Value (HK\$M)	Analysis Initial Yield	Indicated IRR
148.	Retail & Car Park within Fung Wah Estate (Fung Wah RC)	9,816.76	161	1.49	7.89%	29.30	9.60%	29.40	29.4	5.07%	9.23%
	Brief Description:	Fung Wah RC, completed in 1993, comprises portions of the Integrated HA Accommodation on LG/F and UG/F of Block 2 Hiu Fung House, the Grd and LG/F of Block 3 Sau Fung House, a 2-storey Car Park Block as well as open car parks in Fung Wah Estate. There are a total of 161 car parking spaces in Fung Wah RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 5,638/76,232nd equal and undivided shares of and in Chai Wan Inland Lot No 169 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
149.	Car Park within Po Pui Court (Po Pui CP)	0.00	277	2.71	9.10%	29.40	10.60%	29.40	29.4	9.22%	10.26%
	Brief Description:	Po Pui CP, completed in 1995, comprises a 3-storey Car Park Block in Po Pui Court. There are a total of 277 car parking spaces in Po Pui CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Kwun Tong Inland Lot No 728 and is held under a Government Lease for a term from 8 February 1994 to 30 June 2047.									
150.	Car Park within Ka Tin Court (Ka Tin Court CP)	0.00	348	2.91	9.10%	29.10	10.70%	28.90	29.0	10.03%	10.29%
	Brief Description:	Ka Tin Court CP, completed in 1988, comprises a 3-storey car park building in Ka Tin Court. There are a total of 348 car parking spaces in Ka Tin Court CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No 290 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 that has been statutorily extended to 30 June 2047.									
151.	Car Park within Ching Wang Court (Ching Wang CP)	0.00	179	2.78	9.30%	28.70	10.90%	28.60	28.6	9.72%	10.54%
	Brief Description:	Ching Wang CP, completed in 2001, comprises a 2-storey car park building in Ching Wang Court. There are a total of 179 car parking spaces in Ching Wang CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 2,516/36,665th equal and undivided shares of and in Tsing Yi Town Lot No 137 and is held under a Government Lease for a term of 50 years from 20 April 1999.									
152.	Car Park within Wang Fuk Court (Wang Fuk CP)	0.00	408	2.32	8.80%	28.60	10.40%	28.60	28.6	8.11%	10.02%
	Brief Description:	Wang Fuk CP, completed in 1983, comprises a 5-storey car park building (including a basement) in Wang Fuk Court. There are a total of 408 car parking spaces in Wang Fuk CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 27 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
153.	Car Park within Yue On Court (Yue On CP)	1,322.90	296	2.10	8.79%	26.90	9.70%	29.20	28.4	7.39%	9.76%
	Brief Description:	Yue On CP, completed in 1988, comprises a 5-storey car park block (Car Park Block) with an office on the ground floor. There are a total of 296 car parking spaces in Yue On CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Ap Lei Chau Inland Lot No 117 and is held under a Government Lease for a term of 75 years from 1 February 1982 renewable for another 75 years.									
154.	Retail and Car Park within Po Nga Court (Po Nga RC)	13,950.11	246	1.94	9.03%	28.50	10.70%	27.60	27.9	6.95%	10.17%
	Brief Description:	Po Nga RC, completed in 1989, comprises a 3-storey car park building, a kindergarten on the ground floor of Ka Wo House and a nursery on the ground floor of Hing Wo House in Po Nga Court. There are a total of 246 car parking spaces in Po Nga RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 2/59,187th equal and undivided shares of and in the Remaining Portion of Tai Po Town Lot No 73 that is held under a Government Lease for a term from 29 March 1988 to 30 June 2047.									
155.	Retail and Car Park within Tin Wah Estate (Tin Wah RC)	1,474.67	287	2.07	7.54%	28.80	9.90%	26.80	27.5	7.53%	9.17%
	Brief Description:	Tin Wah RC, completed in 1999, comprises two ground floor shop units and car parking spaces on the ground to second floors of the 7-storey Ancillary Facilities Block in Tin Wah Estate. There are a total of 287 car parking spaces in Tin Wah RC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
156.	Car Park within Ying Ming Court (Ying Ming CP)	0.00	274	2.39	9.20%	26.50	10.50%	27.60	27.2	8.79%	10.35%
	Brief Description:	Ying Ming CP, completed in 1989, comprises a 2-storey carport building in Ying Ming Court. There are a total of 274 car parking spaces in Ying Ming CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Junk Bay Town Lot No 4 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2010		
									Value (HK\$M)	Initial Yield	Analysis Indicated IRR
157.	Retail & Car Park within Lok Nga Court (Lok Nga RC)	12,615.41	265	1.89	8.18%	26.90	10.20%	26.10	26.4	7.16%	9.67%
	Brief Description:	Lok Nga RC, completed in 1984, comprises a 5-storey Car Park Block with an indoor sports hall on Level 6 and various open car parks located at the centre of Lok Nga Court. There are a total of 265 car parking spaces in Lok Nga RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1/28,952nd equal and undivided share of and in the Remaining Portion of New Kowloon Inland Lot No 5969 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
158.	Retail and Car Park within Tung Hei Court (Tung Hei Court RC)	6,340.00	146	2.46	8.70%	26.70	10.70%	25.70	26.0	9.46%	10.09%
	Brief Description:	Tung Hei RC, completed in 1995, comprises a kindergarten on the ground floors of Blocks A and B (King Hei House & Yat Hei House) and a 2-storey car park building (Car Park Block) in Tung Hei Court. There are a total of 146 car parking spaces in Tung Hei RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 690/122,407th equal and undivided shares of and in the Remaining Portion of Shau Kei Wan Inland Lot No 834 that is held under a Government Lease for a term from 20 June 1989 to 30 June 2047.									
159.	Car Park within San Wai Court (San Wai CP)	0.00	185	2.17	8.90%	24.60	10.70%	24.00	24.2	8.97%	10.19%
	Brief Description:	San Wai CP, completed in 1990, comprises a 3-storey car park building (Multi-Storey Car Park) in San Wai Court. There are a total of 185 car parking spaces in San Wai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tuen Mun Town Lot No 326 and is held under a Government Lease for a term from 3 January 1989 to 30 June 2047.									
160.	Car Park within Yee Kok Court (Yee Kok CP)	0.00	240	0.26	9.10%	22.20	10.50%	22.80	22.6	1.15%	10.29%
	Brief Description:	Yee Kok CP, completed in 1981, comprises a 5-storey (including a basement) car park building in Yee Kok Court. There are a total of 240 car parking spaces in Yee Kok CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5911 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
161.	Retail & Car Park within Sau Mau Ping (III) Estate (Sau Mau Ping (III) RC)	1,506.96	205	1.66	8.02%	22.60	10.10%	21.90	22.1	7.51%	9.57%
	Brief Description:	Sau Mau Ping (III) RC, completed in 1996, comprises a 4-storey Car Park Block with a retail unit located on the ground floor of Sau Mau Ping (III) Estate. There are a total of 205 car parking spaces in Sau Mau Ping (III) RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 7,222/833,450th equal and undivided shares of and in New Kowloon Inland Lot No 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
162.	Retail and Car Park within Tai Ping Estate (Tai Ping RC)	3,336.84	101	1.33	7.60%	22.50	10.00%	21.20	21.6	6.16%	9.35%
	Brief Description:	Tai Ping RC, completed in 1989, comprises various retail shops on the ground floor of Ping Hay House (Portions of the Integrated HA Accommodation), a 2-storey car park block (Car Park Block) and various open car parking space (Open Car Parks) in Tai Ping Estate. There are a total of 101 car parking spaces in Tai Ping RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 2,787/86,121st equal and undivided shares of and in Fanling Sheung Shui Town Lot No 223 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
163.	Car Park within Tin Yau Court (Tin Yau CP)	0.00	192	1.87	9.30%	20.70	10.90%	20.70	20.7	9.03%	10.51%
	Brief Description:	Tin Yau CP, completed in 1992, comprises a 3-storey car park building (Carport) in Tin Yau Court. There are a total of 192 car parking spaces in Tin Yau CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tin Shui Wai Town Lot No 10 and is held under a Government Lease for a term from 23 January 1992 to 30 June 2047.									
164.	Car Park within Upper Ngau Tau Kok Estate (Upper Ngau Tau Kok CP)	0.00	228	1.33	8.90%	17.40	10.40%	17.10	17.2	7.73%	9.99%
	Brief Description:	Upper Ngau Tau Kok CP, completed in 2002, comprises a 3-storey Car Park Block and associated areas in Upper Ngau Tau Kok Estate. There are a total of 228 car parking spaces in Upper Ngau Tau Kok CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,334/126,664th equal and undivided shares of and in New Kowloon Inland Lot No 6471 and is held under a Government Lease for a term of 50 years from 6 May 2008.									
165.	Retail and Car Park within Hung Hom Estate (Hung Hom RC)	3,993.45	45	1.35	8.12%	17.00	10.50%	16.20	16.5	8.18%	9.89%
	Brief Description:	Hung Hom RC, completed in 1999, comprises a single-storey car park building (Car Park Block), various shop units on the lower ground floor of Hung Fai House and various open car parking spaces scattered within Hung Hom Estate (Open Car Parks). There are a total of 45 car parking spaces in Hung Hom RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,573/51,548th equal undivided shares of and in Hung Hom Inland Lot No 554 and is held under a Government Lease for a term of 50 years from 29 August 2008.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
166.	Retail & Car Park within Hong Shui Court (Hong Shui RC)										
		344.45	102	1.47	8.80%	15.90	9.90%	16.80	16.5	8.91%	9.84%
	Brief Description:	Hong Shui RC, completed in 1999, comprises a 2-storey split-level car park block (Car Park Block) with a retail unit on Level 2 in Hong Shui Court. There are a total of 102 car parking spaces in Hong Shui RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6227 and is held under a Government Lease for a term of 50 years from 14 May 1998.									
167.	Retail and Car Park within Tin Wang Court (Tin Wang RC)										
		9,945.18	79	0.92	8.10%	16.90	10.20%	16.00	16.3	5.64%	9.58%
	Brief Description:	Tin Wang RC, completed in 1992, comprises a 3-storey car park building (Car Park Block) with a kindergarten located on the second floor in Tin Wang Court. There are a total of 79 car parking spaces in Tin Wang RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Remaining Portion of New Kowloon Inland Lot No 6131 and is held under a Government Lease for a term from 21 May 1991 to 30 June 2047.									
168.	Car Park within Ming Nga Court (Ming Nga CP)										
		0.00	345	1.32	9.00%	16.10	10.20%	16.30	16.2	8.15%	9.84%
	Brief Description:	Ming Nga CP, completed in 1985, comprises a 3-storey (including basement) car park building in Ming Nga Court. There are a total of 345 car parking spaces in Ming Nga CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 36 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
169.	Car Park within Hong Keung Court (Hong Keung CP)										
		43.06	93	1.44	9.07%	15.50	10.30%	16.26	16.0	9.00%	10.17%
	Brief Description:	Hong Keung CP, completed in 1999, comprises a 2-storey Car Park Block and a self-use office in Hong Keung Court. There are a total of 93 car parking spaces in Hong Keung CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the Remaining Portion of New Kowloon Inland Lot No 6239 and is held under a Government Lease for a term of 50 years from 8 January 1999.									
170.	Car Park within King Lai Court (King Lai CP)										
		0.00	158	1.24	9.30%	16.00	10.90%	16.20	16.0	7.75%	10.69%
	Brief Description:	King Lai CP, completed in 1989, comprises a 3-storey car park block and various open car parks. There are a total of 158 car parking spaces in King Lai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5943 and is held under a Government Lease for a term of from 4 March 1985 to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2010 Value (HK\$M)	Initial Yield	Indicated IRR
171.	Car Park within Yee Nga Court (Yee Nga CP)	0.00	159	1.29	9.30%	16.10	11.40%	15.50	15.7	8.22%	10.81%
	Brief Description:	Yee Nga CP, completed in 1993, comprises a total of 159 car parking spaces located on the ground floor of Yee Nga Court.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 120 and is held under a Government Lease for a term of 22 May 1991 to 30 June 2047.									
172.	Retail and Car Park within Choi Fai Estate (Choi Fai RC)	1,044.11	93	1.42	8.95%	15.10	10.20%	15.90	15.6	9.10%	10.15%
	Brief Description:	Choi Fai RC, completed in 1995, comprises a 3-storey car park building (Car Park Block), some open car parks and a shop unit on the ground floor of Choi Ip House (Integrated Commercial/Car Park Accommodation) in Choi Fai Estate. There are a total of 93 car parking spaces in Choi Fai RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,391/89,760th equal and undivided shares of and in the New Kowloon Inland Lot No 6483 and is held under a Government Lease for a term of 50 years from 15 June 2009.									
173.	Car Park within Kwai Hong Court (Kwai Hong CP)	0.00	88	1.05	9.10%	14.30	10.70%	14.10	14.2	7.39%	10.28%
	Brief Description:	Kwai Hong CP, completed in 1993, comprises a 3-storey car park building in Kwai Hong Court. There are a total of 88 car parking spaces in Kwai Hong CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,100/35,351st equal and undivided shares of and in Kwai Chung Town Lot No 420 and is held under a Government Lease for a term from 1 March 1990 to 30 June 2047.									
174.	Car Park within Fung Lai Court (Fung Lai CP)	0.00	134	1.13	9.20%	13.30	10.70%	13.10	13.2	8.56%	10.15%
	Brief Description:	Fung Lai CP, completed in 1997, comprises a 3-storey car park building and various open car parks in Fung Lai Court. There are a total of 134 car parking spaces in Fung Lai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,512/33,911th equal and undivided shares of and in New Kowloon Inland Lot No. 6240 and is held under a Government Lease for a term from 7 June 1996 to 30 June 2047.									
175.	Car Park within Kam On Court (Kam On CP)	0.00	238	1.15	9.10%	13.10	10.70%	13.00	13.0	8.85%	10.25%
	Brief Description:	Kam On CP, completed in 1987, comprises a 3-storey car park building in Kam On Court. There are a total of 238 car parking spaces in Kam On CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No. 283 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

VALUATION REPORT

No.	Property Name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalization Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at		
									31 March 2010 Value (HK\$M)	Initial Yield	Analysis Indicated IRR
176.	Car Park within Lower Wong Tai Sin (I) Estate (Lower Wong Tai Sin CP)	0.00	70	0.38	8.00%	10.30	10.10%	10.20	10.2	3.73%	9.71%
	Brief Description:	Lower Wong Tai Sin CP, completed in 1982, comprises two open car parking areas (Open Car Parks) in Lower Wong Tai Sin (I) Estate. There are a total of 70 car parking spaces in Lower Wong Tai Sin CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 674/240,107th equal and undivided shares of and in New Kowloon Inland Lot No 6373 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
177.	Car Park within Sau Mau Ping (I) Estate (Sau Mau Ping (I) CP)	0.00	395	0.42	9.50%	8.30	9.70%	8.70	8.6	4.88%	9.41%
	Brief Description:	Sau Mau Ping (I) CP, completed in 2002, comprises a 3-storey Car Park B beneath the residential block of Sau Ming House, the Integrated Commercial/Car Park Accommodation on the ground floor and roof of Sau Ming House as well as associated areas in Sau Mau Ping (I) Estate. There are a total of 395 car parking spaces in Sau Mau Ping (I) CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 14,364/833,450th and portion of 10/ 833,450th equal and undivided shares of and in New Kowloon Inland Lot No. 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
178.	Car Park within Pang Ching Court (Pang Ching CP)	0.00	67	0.49	9.30%	7.80	10.90%	8.10	8.0	6.13%	10.64%
	Brief Description:	Pang Ching CP, completed in 1991, comprises various open car parking areas in Pang Ching Court. There are a total of 67 car parking spaces in Pang Ching CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6121 and is held under a Government Lease for a term from 21 September 1990 to 30 June 2047.									
179.	Car Park within Chuk Yuen (North) Estate (Chuk Yuen (North) CP)	0.00	61	0.59	9.30%	7.60	10.90%	7.80	7.7	7.66%	10.73%
	Brief Description:	Chuk Yuen (North) CP, completed in 1987, comprises two open car parking areas in Chuk Yuen (North) Estate. There are a total of 61 car parking spaces in Chuk Yuen (North) CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 687/364,071st equal and undivided shares of and in New Kowloon Inland Lot No 6327 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
180.	Retail & Car Park within Ko Yee Estate (Ko Yee RC)	484.38	38	0.30	8.14%	4.10	10.00%	3.90	4.0	7.50%	9.20%
	Brief Description:	Ko Yee RC, completed in 1994, comprises a single storey Commercial Block, a single storey Car Park Block and open car parks in Ko Yee Estate. There are a total of 38 car parking spaces within Ko Yee RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,518/80,343rd equal and undivided shares of and in New Kowloon Inland Lot No 6480 and is held under a Government Lease for a term of 50 years commencing from 8 January 2010.									

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the office of the Manager.

GLOSSARY

AEI	Asset Enhancement Initiative – Asset enhancement works, encompassing improvements in trade-mix, customer service, promotional activities and the physical layout and structure
average monthly unit rent	the average base rent plus management fee
base rent	in respect of a lease, the standard rent payable under the lease, exclusive of any additional turnover rent (if applicable) and other charges and reimbursements
car park utilisation rate	the number of tickets sold to monthly users as a percentage of the number of monthly parking spaces available
completed AEI centres	properties with asset enhancement works completed
composite reversion rate	the percentage change in per square foot average unit rent between old and new leases on the same store
development centres	properties with AEI works in progress, including those completed in the last 12 months
DPU	distribution per unit, calculated based on total distributable income for the financial year/period as divided by the number of units in issue as at the financial year/period end
HD Office	office space leased to the Housing Department, the executive arm of Hong Kong Housing Authority
IFA	the internal area within the enclosure and available for the exclusive use of the occupier(s) of a building excluding common area and the thickness of all enclosing walls
internally managed REIT	the manager of the REIT is beneficially owned by the REIT that it manages rather than being owned by an external party
lease	a lease or a tenancy agreement (both of which grant a possessory interest) or a license (which merely constitutes an authority to do something) in respect of premises at the retail properties granted to a tenant
leased IFA	the IFA being let out under a Lease
List 1 Properties	the 100 properties with both beneficial interest and legal title held by The Link REIT at the time of the global offering in November 2005
List 2 Properties	the 80 properties with beneficial interest held by The Link REIT at the time of the global offering in November 2005

GLOSSARY

market capitalisation	the market value of the REIT as calculated by multiplying the number of units in issue by the prevailing unit price
NPI	net property income, being total revenue less direct property related expenses
occupancy rate	the aggregated leased IFA as a percentage of total leaseable IFA
retail operations	the operations within the shopping centres, including shop units, market stalls, cooked food stalls, education and welfare, HD office, ancillary and mall merchandising
retention rate	the percentage of tenants being retained in the same shopping centre upon the expiry of leases
return on investment	Projected NPI post AEI minus NPI pre AEI divided by the amount of capital expenditures
stable centres	properties that are not classified as development centres
tenant	a lessee, tenant or licensee (as the case may be) under a Lease
total distributable income	the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the financial year/period, before transactions with Unitholders) adjusted to eliminate the effects of certain non-cash adjustments
Trust Deed	the trust deed between the Trustee and the Manager constituting The Link REIT dated 6 September 2005 as supplemented by the Supplemental Deeds from time to time
Trustee	HSBC Institutional Trust Services (Asia) Limited, the trustee of The Link REIT
turnover rent	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
vacancy rate	the aggregated vacant IFA as a percentage of total leaseable IFA available

FIVE YEARS PERFORMANCE SUMMARY

FINANCIAL DATA

	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008	Year ended 31 March 2007	Period ended 31 March 2006 ⁽ⁱ⁾
	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
Consolidated income statement					
Revenues	4,990	4,503	4,199	3,954	1,354
Property operating expenses	(1,662)	(1,698)	(1,662)	(1,593)	(541)
Net property income	3,328	2,805	2,537	2,361	813
General and administrative expenses	(120)	(134)	(102)	(88)	(42)
Change in fair values of investment properties	9,809	(1,865)	4,265	3,514	1,949
Operating profit	13,017	806	6,700	5,787	2,720
Interest income	6	37	78	60	5
Finance costs on interest bearing liabilities	(583)	(511)	(604)	(578)	(201)
Profit before taxation and transactions with Unitholders	12,440	332	6,174	5,269	2,524
Taxation	(2,077)	290	(1,035)	(915)	(443)
Profit for the year/period, before transactions with Unitholders	10,363	622	5,139	4,354	2,081
Consolidated statement of distributions					
Profit for the year/period, before transactions with Unitholders	10,363	622	5,139	4,354	2,081
Adjustments:					
Change in fair values of investment properties	(9,809)	1,865	(4,265)	(3,514)	(1,949)
Deferred taxation on change in fair values of investment properties	1,619	(308)	747	614	341
Deferred taxation on change in tax rate	—	(341)	—	—	—
Other non-cash income	(39)	(19)	(19)	(13)	(6)
Total distributable income	2,134	1,819	1,602	1,441	467
DPU (HK cents)					
Interim DPU	48.35	40.86	36.11	32.81	—
Final DPU	49.02	43.13	38.29	34.62	21.81
Total DPU	97.37	83.99	74.40	67.43	21.81

Note:

(i) represents period from 6 September 2005 to 31 March 2006 (operational since 25 November 2005, the listing date)

FIVE YEARS PERFORMANCE SUMMARY

FINANCIAL DATA (Continued)

	As at 31 March 2010	As at 31 March 2009	As at 31 March 2008	As at 31 March 2007	As at 31 March 2006
	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
Assets and liabilities					
Investment properties	53,781	43,255	44,307	39,557	35,772
Other non-current assets	4,074	4,053	4,034	4,040	4,020
Current assets	1,076	1,372	2,007	1,638	899
Total assets	58,931	48,680	50,348	45,235	40,691
Current liabilities	1,807	1,689	3,481	1,056	12,789
Non-current liabilities	18,680	17,790	16,309	17,390	4,187
Total liabilities, excluding net assets attributable to Unitholders	20,487	19,479	19,790	18,446	16,976
Net assets attributable to Unitholders	38,444	29,201	30,558	26,789	23,715
Interest bearing liabilities to total assets	% 18.4	23.7	24.2	26.9	29.9
Total liabilities to total assets	% 34.8	40.0	39.3	40.8	41.7
Valuation					
Valuation of investment properties	53,781	43,255	44,307	39,557	35,772
Valuation weighted average capitalisation rate	% 6.73	7.42	6.95	N/A	N/A
Net assets per unit attributable to Unitholders	HK\$ 17.46	13.47	14.16	12.53	11.09
Market price per unit	HK\$ 19.14	15.32	17.26	18.80	16.80
Market capitalisation	42,147	33,199	37,259	40,184	35,909
Premium of unit price to net assets per unit attributable to Unitholders	% 9.6	13.7	21.9	50.0	51.5
Units in issue	2,202,043,479	2,167,040,427	2,158,677,767	2,137,454,000	2,137,454,000

FIVE YEARS PERFORMANCE SUMMARY

PORTFOLIO DATA

		Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008	Year ended 31 March 2007	Period ended 31 March 2006 ^(iv)
Average monthly unit rent at year/period end	HK\$ psf	30.6	28.4	25.4	23.6	23.0
Average monthly unit rent excluding Self use office, Education/Welfare, HD Office and Ancillary at year/period end	HK\$ psf	33.0	30.9	27.7	25.9	25.4
Composite reversion rate						
Shops	%	23.7	28.5	24.8	11.1	2.6
Overall	%	20.5	25.2	22.5	9.9	3.7
Occupancy rate at year/period end	%	90.6	87.4	89.3	90.3	91.2
NPI Margin	%	66.7	62.3	60.4	59.7	60.0
Retention rate	%	71.4⁽ⁱⁱⁱ⁾	72.9	71.9	78.7	93.4
Number of turnover rent leases (excluding ancillary) at year/period end		3,206	1,996	907	552	312
Car park income per space per month	HK\$	1,054	1,029	979	923	913
Car park utilisation rate at year/period end	%	71.8	71.3	71.2	71.6	72.0

PERFORMANCE DATA

The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	2.89	6.33	6.04	7.47	6.96
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	(3.38)	(2.51)	N/A	N/A	N/A
Net yield per unit (Note (ii))	%	5.09	5.48	4.31	3.59	3.73 ^(v)
Net yield per unit on listing price of HK\$10.30 per unit	%	9.45	8.15	7.22	6.55	6.09 ^(v)

Notes:

- (i) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$20.35 (2009: HK\$19.80) and HK\$14.08 (2009: HK\$10.96) respectively on The Stock Exchange of Hong Kong Limited during the year. During previous years/period, the lowest traded prices were higher than the net assets per unit attributable to Unitholders as at respective year/period end dates. Accordingly, no discount of the traded price to net assets per unit attributable to Unitholders was presented at previous year/period end dates.
- (ii) Net yield per unit is calculated based on distribution per unit for the year ended 31 March 2010 of HK97.37 cents (2009: HK83.99 cents) over the last traded price as at 31 March 2010 of HK\$19.14 (2009: HK\$15.32).
- (iii) includes tenants who relocated within the same property.
- (iv) represents period from 6 September 2005 to 31 March 2006 (operational since 25 November 2005, the listing date).
- (v) based on annualised figures.

FINANCIAL CALENDAR AND CORPORATE INFORMATION

UNIT LISTING

The Link REIT's Units are listed on The Stock Exchange of Hong Kong Limited. Details of Units in issue are set out in Note 23 to the Consolidated Financial Statements. The stock code is 823.

INVESTOR CALENDAR

Final results announcement for the year ended 31 March 2010	2 June 2010
Ex-dividend date	15 June 2010
Five trading days to determine scrip price	15 June to 22 June 2010 (both dates inclusive)
Closure of register of Unitholders (for distribution)*	18 June to 22 June 2010 (both dates inclusive)
Record date for the final distribution	22 June 2010
Despatch of Distribution Reinvestment Scheme Documents	On or about 29 June 2010
Scrip distribution election period closes [^]	16 July 2010
Closure of register of Unitholders (for annual general meeting)**	23 July to 28 July 2010 (both dates inclusive)
2010 Annual General Meeting	28 July 2010
Distribution payment date	On or about 4 August 2010
Interim results announcement for the six months ending 30 September 2010	November 2010 [#]

* For the purpose of the distribution, the register of Unitholders of The Link REIT will be closed from 18 June to 22 June 2010 (both dates inclusive), during which no transfer of Units can be registered. To qualify for the distribution, all transfers, accompanied by the relevant unit certificates, must be lodged with The Link REIT's unit registrar, Computershare Hong Kong Investor Services Limited (the "Unit Registrar") at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on 17 June 2010.

** For the purpose of the annual general meeting, the register of Unitholders of The Link REIT will be closed from 23 July to 28 July 2010 (both dates inclusive), during which no transfer of Units can be registered. To be eligible to attend and vote at the annual general meeting, all transfers, accompanied by the relevant unit certificates, must be lodged with the Unit Registrar at its address mentioned above for registration not later than 4:30 pm on 22 July 2010.

[^] A distribution reinvestment scheme will be available to the Unitholders and the Unitholders can elect to receive the distribution in respect of the year ended 31 March 2010 in the form of cash, or in the form of new units of The Link REIT, or a combination of both. An announcement explaining further information of the distribution reinvestment scheme will be released on or about 22 June 2010 and a circular containing the details together with the relevant election form or entitlement advice will be sent to Unitholders on or about 29 June 2010.

[#] tentative date

FINANCIAL CALENDAR AND CORPORATE INFORMATION

INVESTOR INFORMATION

Corporate press releases, financial reports and other investor information on The Link REIT are available online at its website www.thelinkreit.com.

INVESTOR RELATIONS CONTACT

Investor Relations Department

Address: 33/F, One Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong

Telephone: (852) 2175 1800

Facsimile: (852) 2175 1900

Email: ir@thelinkreit.com

CORPORATE COMMUNICATIONS DEPARTMENT CONTACT

Corporate Communications Department

Address: 33/F, One Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong

Telephone: (852) 2175 1800

Facsimile: (852) 2175 1938

Email: mediaenquiries@thelinkreit.com

Customer Service Hotline: (852) 3168 0080

WEBSITE ADDRESSES

www.thelinkreit.com

(Corporate and Customer website)

www.thelinkfunacademy.com

(The Link Fun Academy website)

www.lokfuplaza.com

(Lok Fu Plaza website)

FINANCIAL CALENDAR AND CORPORATE INFORMATION

BOARD OF DIRECTORS OF THE MANAGER

Chairman

(also an Independent Non-Executive Director)
Nicholas Robert SALLNOW-SMITH

Executive Director

George Kwok Lung HONGCHOY
*(Chief Executive Officer and Acting Chief
Financial Officer)*

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

Michael Ian ARNOLD
William CHAN Chak Cheung
Anthony CHOW Wing Kin
Patrick FUNG Yuk Bun
Stanley KO Kam Chuen
David Charles WATT
Richard WONG Yue Chim
Allan ZEMAN

RESPONSIBLE OFFICERS OF THE MANAGER

George Kwok Lung HONGCHOY
Simon HO Kam Por
James Andrew CLARK

AUTHORISED REPRESENTATIVES OF THE LINK REIT

George Kwok Lung HONGCHOY
Josephine YEE Chooi Mee

COMPANY SECRETARY OF THE MANAGER

Josephine YEE Chooi Mee

(Information as of 2 June 2010)

TRUSTEE

HSBC Institutional Trust Services (Asia) Limited

AUDITOR OF THE LINK REIT

PricewaterhouseCoopers

PRINCIPAL VALUER

Knight Frank Petty Limited

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Bank of Tokyo-Mitsubishi UFJ, Ltd,
Hong Kong Branch
BNP Paribas Hong Kong Branch
DBS Bank Ltd, Hong Kong Branch
The Hongkong and Shanghai Banking
Corporation Limited
Standard Chartered Bank (Hong Kong) Limited

REGISTERED OFFICE OF THE MANAGER

Room 1201-1202, 12th Floor,
9 Queen's Road Central, Hong Kong

HEAD OFFICE OF THE MANAGER

33/F, One Landmark East, 100 How Ming Street,
Kwun Tong, Kowloon, Hong Kong

UNIT REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor
Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Wanchai, Hong Kong
Telephone: (852) 2862 8555

OUR PORTFOLIO

NEW TERRITORIES

- | | | | |
|------------------|----------------------|-----------------|-----------------------|
| 1 Butterfly SC | 13 Ming Nga Court CP | 25 Tai Wo SC | 37 Tin Yuet CP |
| 2 Cheung Wah SC | 14 On Ting CC | 26 Tai Yuen CC | 38 Wah Ming SC |
| 3 Choi Yuen SC | 15 Po Nga RC | 27 Tin Chak SC | 39 Wah Sum SC |
| 4 Chung Fu SC | 16 Po Tin SC | 28 Tin King CP | 40 Wan Tau Tong SC |
| 5 Fu Heng SC | 17 Sam Shing CC | 29 Tin Ping SC | 41 Wang Fuk Court CP |
| 6 Fu Shin SC | 18 San Wai Court CP | 30 Tin Shing SC | 42 Yan Shing Court RC |
| 7 Fu Tai SC | 19 Shan King CC | 31 Tin Shui SC | 43 Yau Oi CC |
| 8 Ka Fuk SC | 20 Siu Hei CC | 32 Tin Tsz SC | 44 Yee Nga Court CP |
| 9 Kin Sang SC | 21 Siu Lun SC | 33 Tin Wah RC | 45 Yung Shing SC |
| 10 Kwong Fuk CC | 22 Siu On RC | 34 Tin Yat RC | |
| 11 Leung King SC | 23 Tai Hing CC | 35 Tin Yau CP | |
| 12 Long Ping CC | 24 Tai Ping RC | 36 Tin Yiu SC | |

Division 1

SHATIN, TSING YI

- | | | | |
|-------------------|-----------------------|---------------------------|---------------------|
| 46 Cheung Fat SC | 56 Ka Tin Court CP | 66 Ning Fung Court CP | 76 Tai Wo Hau CC |
| 47 Cheung Hang SC | 57 Kwai Fong SC | 67 On Yam SC | 77 Tsing Yi CC |
| 48 Cheung Hong CC | 58 Kwai Hing SC | 68 Sha Kok CC | 78 Wah Lai CP |
| 49 Cheung On RC | 59 Kwai Hong Court CP | 69 Shek Lei SC Phase (I) | 79 Wo Che CC |
| 50 Cheung Wang RC | 60 Kwai Shing East SC | 70 Shek Lei SC Phase (II) | 80 Yat Tung SC |
| 51 Ching Wah RC | 61 Kwong Yuen SC | 71 Shek Wai Kok CC | 81 Yin Lai Court SC |
| 52 Ching Wang CP | 62 Lek Yuen CC | 72 Shek Yam SC | 82 Yu Chui SC |
| 53 Chun Shek SC | 63 Lung Hang CC | 73 Sui Wo Court CC | |
| 54 Fu Tung SC | 64 Mei Chung RC | 74 Sun Chui SC | |
| 55 Hin Keng SC | 65 Mei Lam CC | 75 Sun Tin Wai CC | |

Division 2

KOWLOON, MA ON SHAN

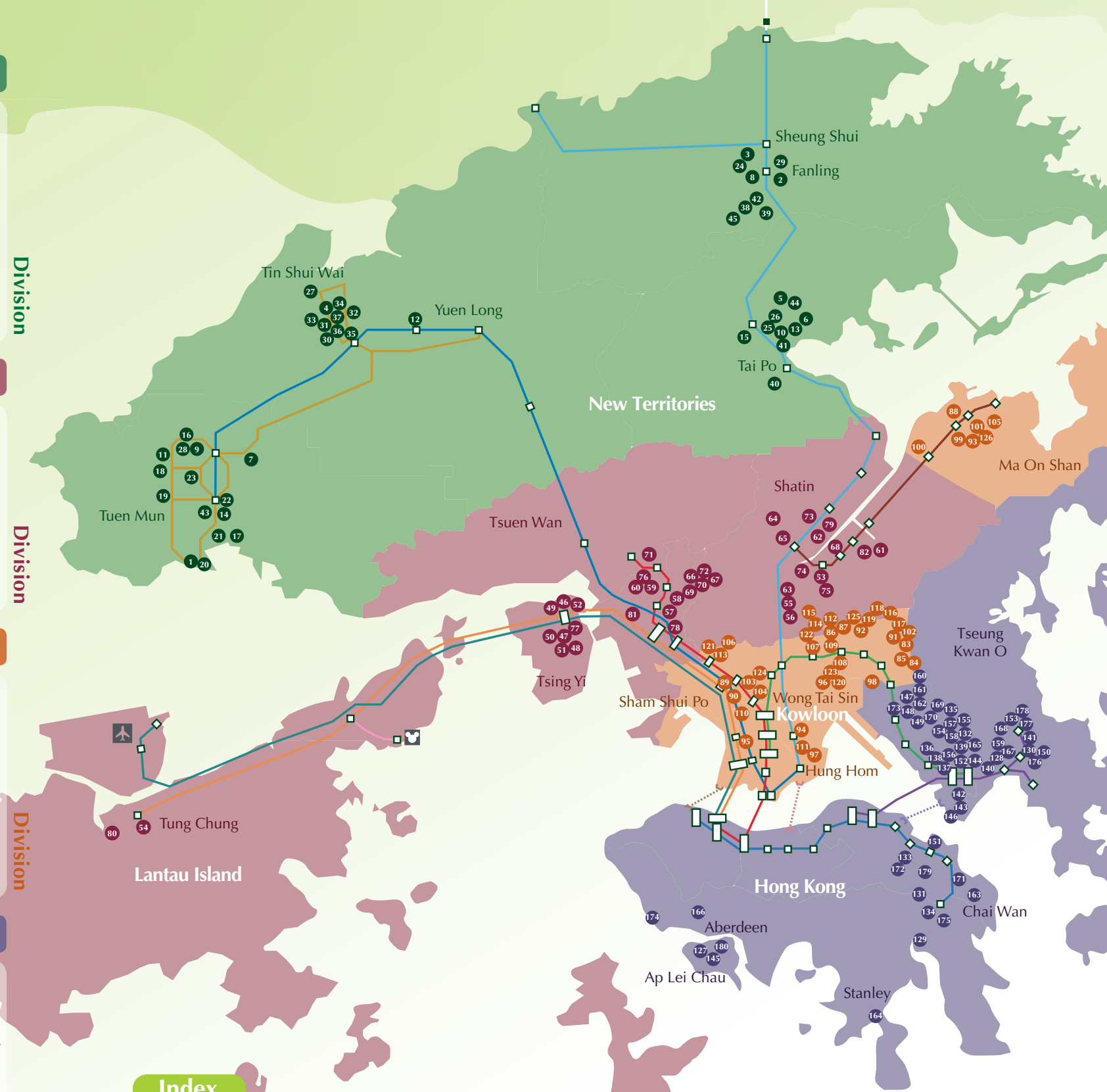
- | | | | |
|-------------------------|-----------------------|-------------------------------|------------------------------------|
| 83 Choi Fai RC | 95 Hoi Fu SC | 107 Lok Fu Plaza | 119 Tsz Wan Shan SC |
| 84 Choi Ha RC | 96 Hong Keung CP | 108 Lower Wong Tai Sin (I) CP | 120 Tung Tau RC |
| 85 Choi Wan CC | 97 Hung Hom RC | 109 Lung Cheung Plaza | 121 Un Chau SC |
| 86 Chuk Yuen (North) CP | 98 Kai Yip CC | 110 Nam Cheong RC | 122 Wang Tau Hom (Wang Fai Centre) |
| 87 Chuk Yuen SC | 99 Kam On Court CP | 111 Oi Man SC | 123 Wong Tai Sin Plaza |
| 88 Chung On SC | 100 Kam Tai SC | 112 Pang Ching Court CP | 124 Yee Kok Court CP |
| 89 Fortune SC | 101 Kam Ying Court SC | 113 Po Hei Court CC | 125 Ying Fuk Court RC |
| 90 Fu Cheong SC | 102 King Lai Court CP | 114 Tin Ma Court CC | 126 Yiu On SC |
| 91 Fung Lai CP | 103 Lai Kok SC | 115 Tin Wang Court RC | |
| 92 Fung Tak SC | 104 Lai On CP | 116 Tsz Ching SC | |
| 93 Heng On CC | 105 Lee On SC | 117 Tsz Man CP | |
| 94 Ho Man Tin Plaza | 106 Lei Cheng UK SC | 118 Tsz Oi Court RC | |

Division 3

TSEUNG KWAN O, HONG KONG ISLAND

- | | | | |
|---------------------|------------------------|---------------------------|---------------------------|
| 127 Ap Lei Chau RC | 141 King Lam SC | 155 Po Tat SC | 169 Tsui Ping North SC |
| 128 Choi Ming SC | 142 Ko Chun RC | 156 Sau Mau Ping SC | 170 Tsui Ping South SP |
| 129 Fung Wah RC | 143 Ko Yee RC | 157 Sau Mau Ping (I) CP | 171 Tsui Wan RC |
| 130 Hau Tak (II) SC | 144 Kwong Tin SC | 158 Sau Mau Ping (III) CP | 172 Tung Hei Court RC |
| 131 Hing Man CC | 145 Lei Tung CC | 159 Sheung Tak SC | 173 Upper Ngau Tau Kok CP |
| 132 Hing Tin CC | 146 Lei Yue Mun Plaza | 160 Shun Lee CC | 174 Wah Kwai SC |
| 133 Hing Tung SC | 147 Lok Nga RC | 161 Shun On CC | 175 Wan Tsui CC |
| 134 Hing Wah Plaza | 148 Lok Wah CC | 162 Shun Tin RC | 176 Wo Ming Court RC |
| 135 Hiu Lai SC | 149 Lok Wah (South) RC | 163 Siu Sai Wan SC | 177 Yan Ming Court RC |
| 136 Hong Pak RC | 150 Ming Tak SC | 164 Stanley Plaza | 178 Ying Ming Court CP |
| 137 Hong Shui RC | 151 Oi Tung SC | 165 Tak Tin SC | 179 Yiu Tung SC |
| 138 Hong Yat RC | 152 Ping Tin SC | 166 Tin Wan SC | 180 Yue On Court CP |
| 139 Kai Tin SC | 153 Po Lam SC | 167 Tong Ming Court RC | |
| 140 Kin Ming CP | 154 Po Pui Court CP | 168 Tsui Lam SC | |

Division 4



Index

- | | | | |
|------------------------|-----------------|--------------------|--------------------------|
| Disneyland Resort Line | Tung Chung Line | Tseung Kwan O Line | Cross Harbour Tunnel |
| East Rail Line | West Rail Line | Airport Express | Eastern Harbour Crossing |
| Island Line | Kwun Tong Line | Light Rail | Western Harbour Crossing |
| Tsuen Wan Line | Ma On Shan Line | | |

The Link Real Estate Investment Trust

www.thelinkreit.com



The FSC logo identifies products which contain wood and virgin fibre from well-managed forests certified in accordance with the rules of the Forest Stewardship Council.