



We **Link** People to a Brighter Future

Interim Report 2015/2016

領展
LINK

Link Real Estate Investment Trust
Stock code: 823

We **Link** People to a Brighter Future

Link Real Estate Investment Trust is the first REIT listed on the Stock Exchange and is a constituent of the Hang Seng Index. We are Asia's largest REIT and also one of the world's largest retail focused REITs in terms of market capitalisation. With a diversified portfolio that consists of retail, fresh markets, car parks and office across Hong Kong, Beijing and Shanghai, we aim to deliver sustainable growth and create long-term value for our Unitholders.

In this report, we will discuss our gradual development along the path we outlined in previous years. We have a clear direction and guidance to drive our staff members to work together and achieve our vision of being a world class real estate investor and manager serving and improving the lives of those around us.

Vision

To be a world class real estate investor and manager serving and improving the lives of those around us

Mission

Building relationships with our stakeholders through:

- Providing value and quality service
- Partnering with local communities
- Delivering sustainable growth

Values

Managing and operating our business with:

- Respect
- Excellence
- Integrity
- Teamwork

Why Integrated Interim Report

This is Link's Integrated Interim Report for the period ended 30 September 2015 and covers our operations in Hong Kong and Mainland China. Since 2013/2014, Link has adopted the International Integrated Reporting Council's Integrated Reporting <IR> Framework as a way of communicating the total impact of our business in a more compelling manner. We take specific care to highlight the interactions between the financial, environmental, social and governance factors of our business, and to underline their influence on our long-term sustainable development. We believe this allows us to present a comprehensive, but concise overview of how we create value for different stakeholders.

Corporate sustainability is at the core of our business and drives our focus on generating returns for Unitholders and continually creating value for the wider community. Further details of how we embed corporate sustainability throughout our business can be found in "How We Create Value" on pages 10-11.

Our Approach to Reporting

In our second Integrated Interim Report, we will continue our efforts to illustrate how our strategic focus has been enhanced by expanding our growth drivers and is supported by our corporate resources and core competencies to deliver long-term sustainable growth. At the heart of this integrated approach is our endeavour to not only focus on distributions to Unitholders but also on how value is generated and distributed more widely.



Access our corporate website for further information.

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Portfolio in Brief

Our portfolio includes retail, fresh markets, car parks and office across Hong Kong, Beijing and Shanghai.

175
properties across
Hong Kong

11 million sq ft
total internal floor area

76,000
car park spaces

884,000 sq ft
maximum gross floor area
under development

98
properties

New Territories

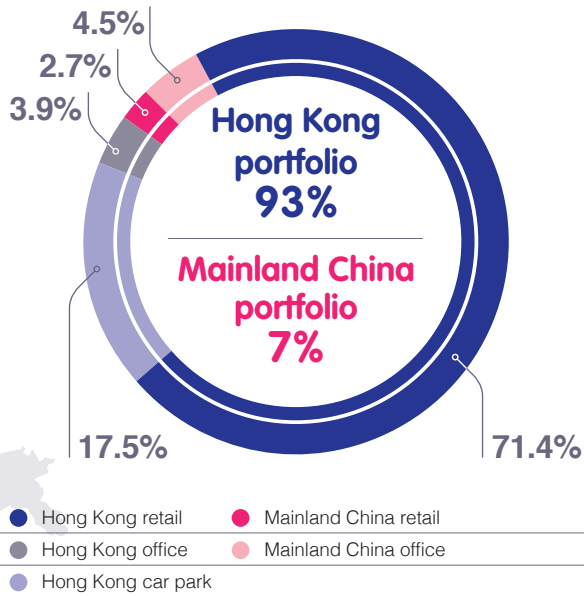
63
properties

Kowloon

Hong Kong
Island

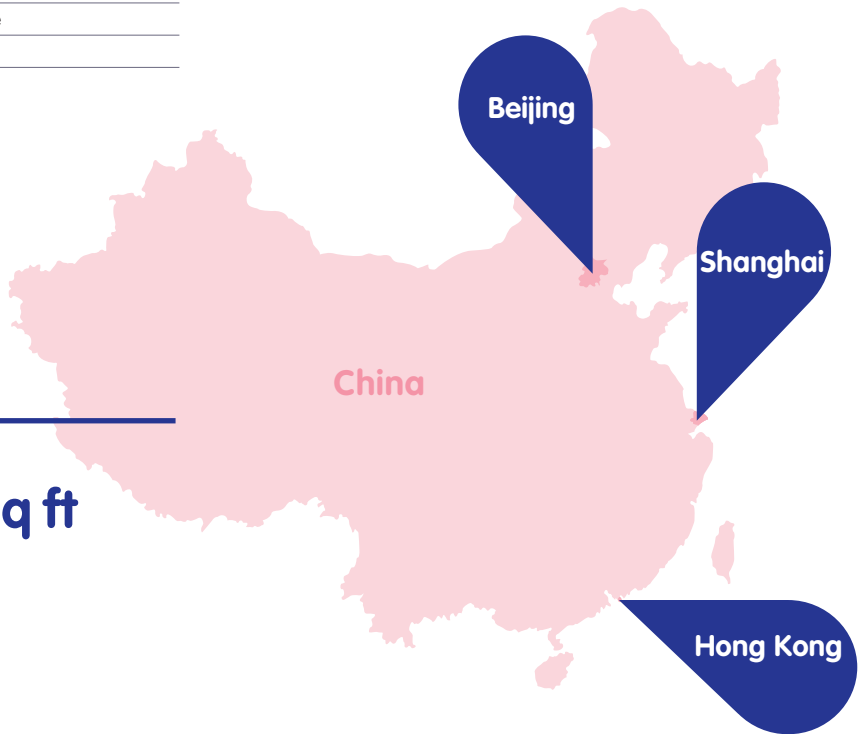
14
properties

**Portfolio mix
by value**



2
**properties in
Mainland China**

1.8 million sq ft
gross floor area

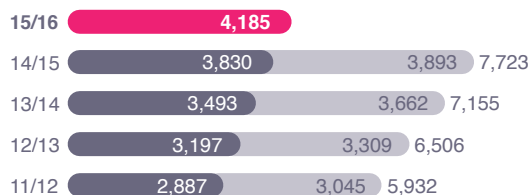


Interim Highlights

Our key financial data reflect our steady business performance despite a challenging economic environment.

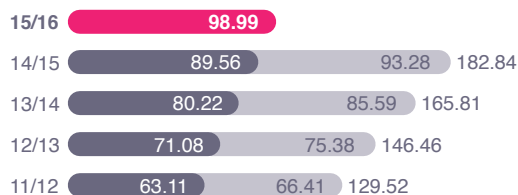
Revenue (HK\$'M)

4,185 | +9.3%



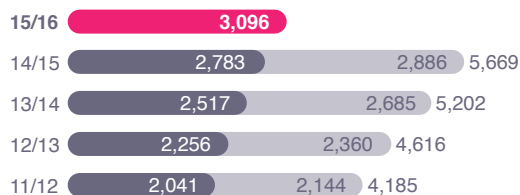
Distribution per unit (HK cents)

98.99 | +10.5%



Net property income (HK\$'M)

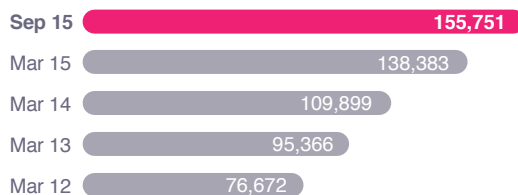
3,096 | +11.2%



■ 1st half 15/16
■ 1st half ■ 2nd half

Valuation (HK\$'M)

155,751 | +12.6%⁽¹⁾



Note:

(1) Comparison is based on 31 March 2015 figures while others are based on period ended 30 September 2014 figures.

ENHANCEMENT PROJECTS

Refurbishment and repositioning of existing assets

41

Projects completed to date



EMPLOYEE UNIT PURCHASE PLAN

Staff participation in unit ownership

371

Employees participated in the unit purchase plan



Our financial results are underpinned by our infrastructure and community investments – creating safe, efficient and attractive environments to attract more shoppers and enhance tenant sales.

7.5

INJURY RATE

For the period
Number of injuries per 1,000 employees.
Compared to overall work-related injury rate of Hong Kong of 12.8 (2014).

85/100

MYSTERY SHOPPER

Score
Independent assessment to benchmark Link's facilities, service quality and barrier free accessibility.

5,284

REDUCTION IN GREENHOUSE GAS EMISSIONS

Tonnes for the period
This includes scope 1, 2 and 3 GHG emissions.

+6.0%

TENANT GROSS SALES

Year-on-year
Sales performance of our tenants supported by Tenant Academy and marketing programmes.

COMMUNITY

We invest in community development through Link Together Initiatives

HK\$10.0 million

Pledged by the programme in 2015/2016 to support projects promoting youth development, elderly well-being and community cohesion



ENVIRONMENTAL IMPACT

Year-on-year reduction in energy consumption

5.7%

Our energy savings initiatives includes raising tenant awareness through special seminars and workshops





Our New Identity to **Link** People to a Brighter Future

Arriving at the 10th Anniversary is a Significant Milestone for Us

We are reinvigorating our corporate brand with a new logo and name which better aligns with our vision of becoming a world class real estate investor and manager. Under our new identity, we will continue with our commitment to enrich the community, serve and improve the lives of those around us, create better shopping experiences and find ways to link people to a brighter future.

The Link Logo

While the logo embodies the spirit of our organisation, our unique “Link Icon” within the name reflects our position as the hub of the community and the link among our many stakeholders. The new logo highlights the ‘V’ shape, which represents our focus on human connectivity and interaction.



The Link Colour

These vibrant colours reflect our brand attributes: forward-looking, ambitious, energetic and caring. The violet, as the colour of our new identity, echoes the wisdom and energy we have acquired over the years. It resonates with the commitment we have made to all our stakeholders. The red, highlight of the “Link Icon”, represents our role as the heart of the community where we live.

New Corporate Name

Link Real Estate Investment Trust
(formerly The Link Real Estate Investment Trust)

Link Asset Management Limited
(formerly The Link Management Limited)

New Website Addresses

Linkhk.com
(customer website)

Linkreit.com
(corporate website)

Branding Video



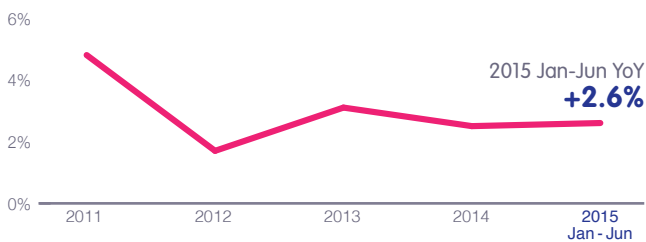
Operating Landscape

HONG KONG

Economy

The global economy was weaker than expected and the slowdown of Mainland China's economy further dampened growth of countries in the region. Hong Kong's economic growth in 2015 was moderate in the first half at 2.6%. Private domestic consumption was strong which compensated for the slowdown of external trade. The outlook remains weak and growth in the latter part of the year will need to be driven mainly by local consumption.

Gross domestic product growth (YoY)



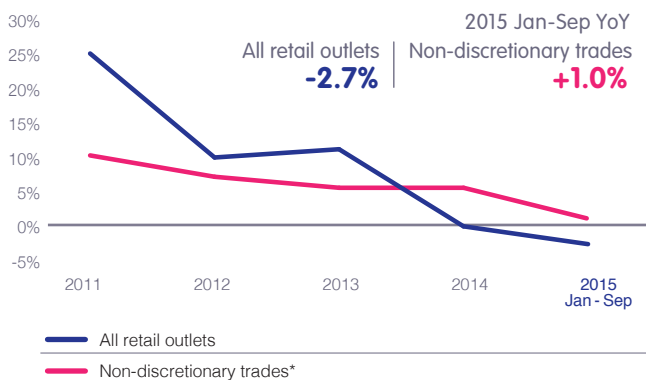
Source: Hong Kong Census and Statistics Department

Retail Sales

Retail sales continued its downward trend in 2015. The outlook for the sector is weak amid falling tourist arrival, but non-discretionary sales stayed resilient and recorded a mild increase.

Median household income growth remained strong in the first half of 2015 but may be subject to uncertainty if economic growth moderates further.

Retail sales value trend (YoY)



* Non-discretionary trades include supermarkets and foodstuff

Source: Hong Kong Census and Statistics Department

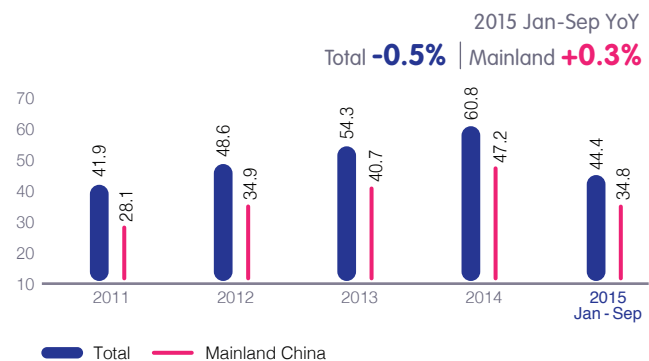
Retail Rental

Rental level of prime street shops is under pressure as high-end retail sales decline further, but mass market shopping centre rental is expected to remain resilient.

Tourist Arrival

Visitor arrivals declined further in 2015 mainly due to reduction of visitors from Mainland China. Devaluation of the RMB might further dampen the incentive for Mainland visitors to come to Hong Kong.

Tourist arrivals (Million)



Source: Hong Kong Tourism Board

Car Park

Private car registrations continued to increase. A favourable exchange rate and lower fuel prices supported private vehicle sales. A limited supply of new parking spaces is expected to continue due to tightened parking provisions in new housing developments.

Office

A stable growth in the office market is supported by increasing demand from Chinese financial institutions. Demand in Kowloon East remains stable as decentralisation by large tenants from traditional core markets continues, and tenants taking advantage of new supply to expand and upgrade through relocations.

MAINLAND CHINA

Economy

Growth in gross domestic product in both Beijing and Shanghai fell in 2015 in-line with the national level and is expected to trend further downwards for the rest of the year. Retail sales growth also fell reflecting the overall slower economy and lower product prices as inflation moderates.

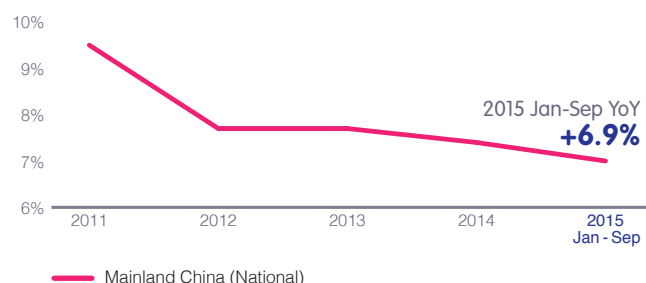
Retail

In Beijing, the rising middle-class population and the continued increase of disposable income of urban households should support further growth in consumer sales. New supply of retail properties in the short term may affect rental growth in suburban districts.

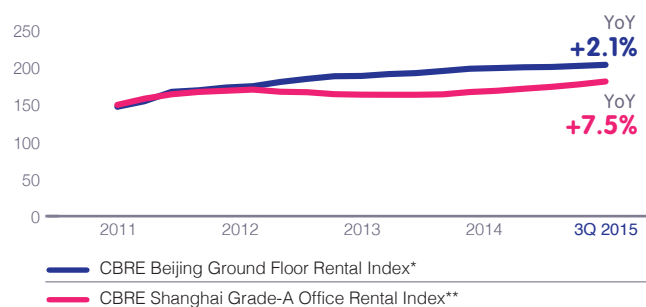
Office

Office rent in Shanghai's prime business districts is expected to be stable with low vacancy as demand from professional service firms and multinational corporations continue to grow. However, vacancy in non-core districts may be affected by increasing stock in the near term.

Gross domestic product growth (YoY)



Beijing retail rental and Shanghai office rental index



* Ground Floor Rental Index tracks the rental trend of ground floor units in shopping malls (Index base: 1Q03 = 100)
 ** Grade-A Office Rental Index (Index base: 1Q03 = 100)

Source: CBRE

How We Create Value

Business value is created through the process of allocating capital and resources to generate optimal returns coupled with building strong relationships with different stakeholders. Seven key resources and relationships form our corporate sustainability framework, which ensures we consider multiple perspectives in our business decisions.



Economy

These are the economic and financial resources we use to grow our business.



Tenant

Our tenants are central to our business. When they do well, our business does well.



Staff

The skills and competencies of our staff enable us to create value by delivering our business objectives.



Corporate Governance

Our entire business is underscored by our commitment to transparency, accountability and proactive risk management.



Community

We build strong relationships with the community including people living near our shopping centres, government, non-governmental organisations, vendors and service providers.



Asset/Brand

Efficiently managing the properties we own and building a strong and reputable brand name allow us to work closely with different stakeholders.



Environment

We are committed to conserving and protecting our natural resources while minimising our impact on the environment.

These seven areas provide the structure to deliver our strategic priorities and help guide our environmental, social and governance contributions.

Looking Beyond the Financial Statements

We firmly believe that when the community flourishes, so too does our business. We must understand and quantify our environmental and social impact on the communities we operate in.

Introduced in January 2013, Link Together Initiatives is our flagship community engagement programme aimed

at promoting youth development, elderly well-being and community cohesion. This year, we have expanded the scope of the programme to include three new categories: Neighbourhood Project Fund to support programmes that cater to local communities, and First Generation University Student Scholarship which aims to cultivate our future leaders, and Service Fund targeting community projects.

Awards and Recognition

The Asset

2015 PROPERTY INVESTOR OF THE YEAR

Institutional Investors

2015 ASIA'S BEST INVESTOR RELATIONS COMPANY (PROPERTY) – FIRST PLACE (BUY-SIDE AND SELL-SIDE)

Hang Seng Corporate Sustainability Index

**INCLUSION EFFECTIVE
14 SEPTEMBER 2015**

FTSE4Good

THREE CONSECUTIVE YEARS OF INCLUSION

Dow Jones Sustainability Asia Pacific Index

THREE CONSECUTIVE YEARS OF INCLUSION

ICSC Foundation

2015 ASIA PACIFIC COMMUNITY SUPPORT AWARD

Chairman's Statement

**Nicholas Robert
SALLNOW-SMITH**
Chairman



On behalf of our Board of Directors, I am pleased to report that it has been an exceptional half-year for Link, marked by our continued strong financial performance, with growth enhanced by our expanded business capabilities.

What We Do

Following our purchase in April this year of EC Mall in Beijing, August saw the completion of the purchase of Corporate Avenue 1 & 2 in Shanghai, marking our initial participation in that city's strong commercial office segment. Our choosing to acquire these assets reflects our strategy of seeking properties that provide the "glue" that helps bind local communities together, emphasising the role of properties as centres for, and connectors of people. Properties that succeed at this are well-positioned to remain preferred destinations whether in Hong Kong, Beijing or Shanghai.

These acquisitions complement our expanded investment and development activities in Hong Kong. We now have the capacity to take advantage of opportunities across a property's life cycle and in different industry sectors. Cumulatively, this allows us to build a strong, diversified portfolio based on our broadened investment mandate, while mitigating the risks we would have faced if we had remained in a single city with a restrictive class of legacy assets. This new profile will create future growth and enable us to deliver further value to you, our Unitholders.

How We Do It

Taking advantage of rare opportunities as they arise has driven our recent pace of growth but we remain conservative in strategy and execution. With our recently acquired ability to undertake development (and redevelopment), we have the opportunity to optimise our properties, so that they are sustainable contributors to the development of the surrounding communities. We aim to distinguish ourselves in the market, not by participating in the short-term development cycle but as an owner and manager of assets seeking long-term value creation.

As a Trust, we are committed to building a low-risk, low-volatility portfolio. We are selective in the investments we make; choosing to hold assets and optimise their value through our expertise in management services and physical structure enhancement. Our geographic scope will remain limited to Hong Kong and tier-one Mainland China cities, with Hong Kong remaining our core business focus, where our long-established capital management programme continues to optimise our asset base.

**A more diverse
portfolio of assets
is taking shape
at Link.**

Our business strategy is anchored by a commercially prudent balance sheet that reflects a modest risk appetite. In the past six months, we have secured further low-cost borrowings, sustained a conservative gearing ratio and improved our resilience to anticipated interest rates rises. As our portfolio of assets has grown, we have maintained our robust global credit ratings through our strong operating performance.

As long as there are improvements to be made to a property portfolio, there are always opportunities to grow. With the objective of optimising value, we continually review and streamline our portfolio, taking opportunities to acquire and dispose of assets when appropriate. The asset enhancement programme remains the mainstay of our performance.

Strategy is only as good as the people who execute it. In addition to our expertise in leasing, asset management and enhancement, we have developed a strong team of professionals with experience in the Mainland China real estate market. Their expertise enables us to apply a rigorous due diligence process when making investment decisions there.

Why We Do It

As we take advantage of new investment opportunities, we do not lose sight of why we do what we do, and what differentiates us from many in our industry, our focus on the communities of which our assets form a part. Financial performance is a key indicator of whether our services and properties are adding value through serving those communities. We work to achieve a retail mix that meets evolving neighbourhood needs, while creating a shopping environment that is modern, welcoming and comfortable. This will always change with time, requiring us to reassess constantly whether we have got it right. Standing still is never good enough.

Governance

Good governance is an essential core strength of a business and gains relevance as we diversify. It ensures the expected transparency and strategic oversight needed to manage challenging operating environments. It also ensures that we have the right management capabilities and expertise for the expanded portfolio, from Board level down, with appropriate management systems in place that are properly monitored.

Finally, I extend the sincerest thanks of the Board to our staff for their professionalism, hard work and individual contributions. Without their skills and on-the-ground customer service, we would not secure the support of our tenants, and of the communities in which we operate.

After nine years of service, Mr Anthony CHOW Wing Kin retired from the Board in May 2015. I would like to express my gratitude for Anthony's significant contribution in shaping Link, and wish him well in his future endeavours.

This is my last report as Chairman of Link. It has been a personal privilege for me to serve you over the last nine years and to see Link develop into a globally competitive business in its industry. An international search for the next Chairman is underway and I am confident the Board will appoint a successor with the experience and skills to lead this young organisation into the next phase of its life.

Nicholas Robert SALLNOW-SMITH

Chairman

Link Asset Management Limited
As Manager of Link Real Estate
Investment Trust
11 November 2015



A **Link** to an Ever-Improving Portfolio of Assets

Development of Commercial Project in Hong Kong and Acquisitions in Mainland China will Diversify the Link Asset Base and Enhance the Overall Quality of the Portfolio

Best-In-Class Hardware to Ensure that Our Assets will Serve the Needs of Our Tenants in the Decades to Come

EC Mall is a modern, well-designed shopping mall with an airy atrium connecting seven floors of retail area, attractive public space, good vertical access and connectivity to the metro station. Corporate Avenue 1 & 2 are grade-A offices with top class specifications and efficient design, making it the preferred choice for prestigious companies in professional services, multimedia, banking, and industrial goods sectors. Our new commercial development in Kowloon East will be a landmark building in the new central business district offering expansive harbour views and targeting to achieve platinum certification for both LEED and HK-BEAM as evidence of our environmental friendly consciousness.

Opposite page EC Mall, Beijing

Left Corporate Avenue 1 & 2, Shanghai

Right Kowloon East commercial development, Hong Kong (artist rendering)



Chief Executive Officer's Report

George Kwok Lung
HONGCHOY
Chief Executive Officer



I am pleased to present the interim results of Link and its subsidiaries for the six months ended 30 September 2015.

As I presented in the previous year's integrated annual report, our business of owning and managing retail, fresh markets, car parks and office is established upon four strategic business priorities:

- Building a more productive and quality portfolio;
- Maintaining a prudent and flexible capital structure;
- Developing a strong management team; and
- Helping our tenants and communities grow while delighting shoppers.

Focusing and delivering on these priorities ensures the Group's long-term ability to continue creating value for our Unitholders. I am pleased to inform you that we have made good progress in each of these areas over the first six months of this financial year.

Financial Summary

During the six months under review, total revenue increased by 9.3% to HK\$4,185 million (six months ended 30 September 2014: HK\$3,830 million). Net property income increased by 11.2% to HK\$3,096 million (six months ended 30 September 2014: HK\$2,783 million). Interim DPU for the period amounted to HK98.99 cents (six months ended 30 September 2014: HK89.56 cents). The interim DPU represents a year-on-year increase of 10.5%.

Valuation of the investment properties portfolio continued to improve, reaching HK\$155,751 million (31 March 2015: HK\$138,383 million), representing an increase of 12.6% as compared to 31 March 2015. Net asset value per unit grew to HK\$54.24 (31 March 2015: HK\$51.53).

 For the full financial review, please see page 20

Building a More Productive and Quality Portfolio

We endeavour to build a quality portfolio of retail, fresh markets, car parks and office properties in Hong Kong and Mainland China that generates good return to Unitholders while contributing towards growing thriving communities.

Our ongoing strategy is to cautiously diversify our portfolio to manage and mitigate geographic and asset-class risk exposures. A core part of this strategy is to invest and manage properties in locations that have long-term demand. We achieve this through a careful blend of asset management, asset enhancement, asset acquisition, asset disposal, property development and property re-development.

Mass market retail properties are our focus. Through them, we drive the majority of our growth by refining tenant mix and improving the operating environment of our assets. Diversification into the office sector is complementary to this retail focus and



We've had a productive first half of our financial year, capitalising on several opportunities in key business areas that strengthens our business resilience.




Link focuses on suburban, mass market non-discretionary retail assets and premium grade-A offices in core CBD.

enhances overall quality of the portfolio to generate a better return for Unitholders. To ensure that retail remains Link's focus, allocation into office will not exceed 12.5% of the total portfolio value. Also, development projects will be kept below 10% of the total portfolio value and will be focused only on Hong Kong.

Hong Kong is and will remain our priority, complemented by a prudent investment scope in Mainland China that will not exceed 12.5% of our total portfolio value. our approach in Mainland China has been to acquire properties located in tier-one cities with immediate income-generation capabilities. We believe they will generate stable and consistent long-term growth and we intend to maintain this strategy.

tenants to better serve the community, and will continue to deliver high service quality and innovative marketing campaigns.


We continue to move closer towards the 30/20 energy target of reducing total electricity consumption by 30% as compared with our consumption level in 2010 by the year 2020, as we achieved a further year-on-year reduction of 8.2 million kWh of electricity since 1 April 2015.

 **Details of our portfolio leasing and operations performance can be found on pages 20-24**

Asset Enhancement

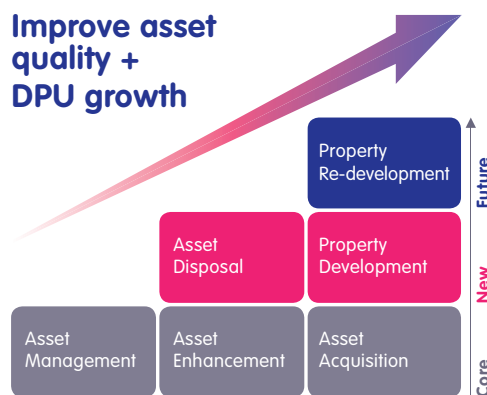
During the period, we completed asset enhancement works at Tsing Yi Commercial Complex and the repositioning of Temple Mall North, formerly named Lung Cheung Plaza. The extensive upgrade at Temple Mall North is designed to capitalise on the enhanced connectivity and synergy of our property cluster in the Wong Tai Sin district.

We also commenced asset enhancement works at Wo Che Plaza. This project, along with the works currently underway at Long Ping Commercial Centre and Tin Shing Shopping Centre, is scheduled to be completed within this financial year.

 **Details on our asset enhancement strategy and pipeline can be found on pages 23-24**

Expanded business model to secure long-term growth trajectory

Improve asset quality + DPU growth



Asset Management

Our organic growth is driven by continuous upgrade and refinement of our tenant mix. This will carry on in our core portfolio in Hong Kong. To meet the requirements of different shoppers, enhance operating efficiency and align with the brand identity, we will also re-categorise our Hong Kong portfolio into three groups, namely "Destination", "Community" and "Neighbourhood". This aims to better serve the needs of different communities.

In the past years, we have established strong asset management expertise and this has transferred well to EC Mall in Beijing. Since taking up the retail property in April 2015, we have introduced new

Asset Acquisition

Acquisition of EC Mall in Beijing was completed on 1 April 2015. In August 2015, we completed the acquisition of Corporate Avenue 1 & 2, a premium grade-A commercial property in Shanghai for RMB6,600 million. Following our Mainland China investment strategy, Corporate Avenue 1 & 2 are strategically located in Shanghai's CBD in the Taipingqiao/Xintiandi area in Huangpu District, a recognised landmark area in Shanghai. Properties of this calibre are rarely available on the market and coupled with the development restrictions in the area, we are confident that Corporate Avenue 1 & 2 will remain an in-demand location for years to come.

Asset Disposal

As a responsible manager, we continually assess the performance of the portfolio with a view to streamline and improve operational efficiency by identifying outlying assets for disposal. This exercise is part of our capital recycling strategy to create more value for our Unitholders. In October 2015, we announced the sale of five properties, fetching a total consideration of HK\$1,716.5 million. This represents a premium of approximately 30% above the aggregate appraised value of those properties as at 30 September 2015.

Property Development

The Kowloon East commercial development remains on schedule. General building plans had been approved by relevant government authority. This development will be a grade-A commercial complex comprising office towers with retail elements and car parks. We are working closely with our joint venture partner, Nan Fung Development Limited, to manage the project progress.

Maintaining a Prudent and Flexible Capital Structure

With the recent acquisitions, it is important to emphasise our commitment to maintaining a strong credit rating and a healthy financial position. As at 30 September 2015, our credit ratings were A/ Stable and A2/Stable by Standard & Poor's and Moody's Investors Service respectively. Gearing ratio as at 30 September 2015 was 16.9%. We highly treasure our current credit ratings and aim to keep our gearing ratio below 25%. These commitments allow us to continue achieving low funding costs for future business activities.

 **Details of our capital management can be found on pages 26-27**

Developing a Strong Management Team

We have developed a management team with strong expertise in each facet of the business including leasing, managing our properties and diligently exploring new investment opportunities. As at 30 September 2015, the Manager had 936 staff (31 March 2015: 930).

To attract and retain talented staff, we provide a fair, equitable and transparent work environment that values work-life balance and leadership development as well as compensation package comprising basic salary, discretionary bonus and other benefits such as annual leave, maternity/ paternity leave, birthday leave, and reimbursement of industry-specific club/ professional association membership fee. Our Employee Unit Purchase Plan offers staff a tangible correlation between their input and the success of our business.

To articulate the new corporate identity, we have launched a series of training and team building workshops for all of our staff to understand the brand attributes so they can implement in their daily activities and to reiterate the 'one team' approach. As our business expands, we will increase the intellectual exchange, enabling the Manager to further develop a team with even greater competence, experience and the passion for management of our properties.

Helping Our Tenants and Communities Grow While Delighting Shoppers

The growth of our tenants and communities has been spearheaded by ongoing enhancements to our properties, complemented by continual improvements in service standards. Our popular, ongoing marketing campaigns connect the communities around our properties to our tenants. In line with current trends, we have started to introduce digital innovations to increase community-tenant connectivity. Among the recent innovations is our Park and Dine mobile application, which provides real-time parking information for our car parks, integrated with a user-populated database of restaurant reviews. Since its initial launch, the programme has been successful in establishing a growing user base. This highlights the growing and untapped opportunities to implement digital solutions to improve and enhance shopping experience at our properties.

In August 2015, we launched the revitalised Siu Sai Wan Market on Hong Kong Island. Siu Sai Wan Market builds on

the success of our earlier fresh market enhancements that provide a modern operating environment and deliver a vibrant and unique retail experience for our shoppers. Innovations introduced at Siu Sai Wan Market include an integrated loyalty membership and electronic payment programme, a 24-hour fresh fruit vending machine and other specialty tenants. Since its opening in August, Siu Sai Wan Market has seen satisfactory increase in footfall.

We have made great strides in our flagship charity and community engagement programme, Link Together Initiatives. Three funding categories have been introduced in the current funding cycle:

- **Neighbourhood Project Fund** which supports charitable organisations to implement projects that improve and enhance the neighbourhood living environment;
- **Link First Generation University Student Scholarship** which provides funding for the first generation university students in their families; and
- **Service Projects Fund** that fills service gaps in society by sponsoring distinctive community projects with unique service concepts.

We expanded the funding categories to better identify and fund opportunities specific to improving the surrounding communities. The overall programme continues to focus on youth development, elderly well-being and community cohesion.

The total amount available for the entire Link Together Initiatives remains at a maximum of 0.25% of the net property income from the previous financial year. The current funding cycle has earmarked HK\$10.0 million to various projects.

Outlook

The Hong Kong economy is facing a number of challenges, including a weakening trend in tourism growth and retail sales growth. However, non-discretionary trades in the past have demonstrated a high degree of resilience to market fluctuations. This continues to be the case with Hong Kong non-discretionary

trades which have shown moderate growth during the period under review as they are supported by growing private domestic consumption fuelled by a strong labour market and increasing median household income. Furthermore, a large portion of our Hong Kong portfolio is situated in the New Territories which is projected to have a higher population growth over the next ten years. Similarly, tier-one cities in Mainland China are also experiencing growing median urban household income along with a rising middle class to support retail spending. We remain confident in the viability of our strategy of managing and growing a mass market-focused retail portfolio.

Our commercial property investment strategy remains focused on quality properties in prime locations. In Mainland China, the Central Government is committed to developing Shanghai as a financial centre. The supply of premium grade-A office buildings, particularly in the CBD remains low, due to the narrow pipeline of new commercial development projects in the area. With limited new office supply, we are confident that the Shanghai investment will continue to be in demand by premium corporate tenants.

Uncertainties in Mainland China and United States economies exist, and are compounded by concerns of interest rate rises. However, our capital management efforts place us in a strong position to face the impact of interest rate changes.

Looking forward, the expanded set of growth drivers and focused business strategy, coupled with strong capital management, should allow us to capitalise on multiple growth opportunities for the coming years.

George Kwok Lung HONGCHOY

Chief Executive Officer

Link Asset Management Limited
As Manager of Link Real Estate
Investment Trust
11 November 2015



As evidenced by our financial performance over the past ten years, our business strategy is sound, and financial results remain robust and sustainable.



Financial Review

With our continuous effort on managing our portfolio, we have achieved strong operating performance, delivering resilient results.

Hong Kong Portfolio

Revenue Analysis

Our focus remains on providing non-discretionary products and services. Total revenue rose to HK\$4,056 million (six months ended 30 September 2014: HK\$3,830 million), comprising rental

income from retail properties of HK\$2,961 million (six months ended 30 September 2014: HK\$2,831 million), car parks of HK\$909 million (six months ended 30 September 2014: HK\$825 million) and other property related revenue of HK\$186 million (six months ended 30 September 2014: HK\$174 million).

Revenue breakdown

	Six months ended 30 September 2015 HK\$'M	Six months ended 30 September 2014 HK\$'M	Year-on-year change %
Retail rentals:			
Shops ⁽¹⁾	2,415	2,294	5.3
Markets/Cooked Food Stalls	390	379	2.9
Education/Welfare and Ancillary	72	73	(1.4)
Mall Merchandising	84	85	(1.2)
Car parks rentals:			
Monthly	680	609	11.7
Hourly	229	216	6.0
Expenses recovery and other miscellaneous revenue:			
Property related revenue ⁽²⁾	186	174	6.9
Total	4,056	3,830	5.9

Notes:

- (1) Rental from shops includes base and turnover rents of HK\$67 million (six months ended 30 September 2014: HK\$84 million).
- (2) Property related revenue includes other revenue from retail properties of HK\$183 million (six months ended 30 September 2014: HK\$172 million) and car parks of HK\$3 million (six months ended 30 September 2014: HK\$2 million).

Expense Analysis

With our diligent cost control measures, total property operating expenses for the period under review only increased marginally by 0.8% and net property income margin further improved to 74.0% (six months ended 30 September 2014: 72.7%). Decrease in staff costs was mainly due to a lower accrual for long-term incentive plan as a result of decrease in the closing unit price as at 30 September 2015 against that as at 31 March 2015.

We continue to manage our energy consumption which was reduced by 8.2 million kWh during the period. Even with an 8.3% upward revision of statutory minimum wage from HK\$30 to HK\$32.5 per hour this May, property managers' fees, security and cleaning expenses still managed to grow only at a moderate 3.3%. Uplift in government rent and rates was generally in line with revenue growth while promotion and marketing expenses increased mainly due to the launching of our new brand identity during the period.

Property operating expenses breakdown

	Six months ended 30 September 2015 HK\$'M	Six months ended 30 September 2014 HK\$'M	Year-on-year change %
Property managers' fees, security and cleaning	285	276	3.3
Staff costs	182	196	(7.1)
Repair and maintenance	109	102	6.9
Utilities	173	181	(4.4)
Government rent and rates	129	119	8.4
Promotion and marketing expenses	48	41	17.1
Estate common area costs	62	57	8.8
Other property operating expenses	67	75	(10.7)
Total property operating expenses	1,055	1,047	0.8

Retail Portfolio

As at 30 September 2015, the overall occupancy rate of the retail portfolio remained stable at 95.1% (31 March 2015: 94.8%). Steady improvement in tenant sales performance continued and the composite reversion rate for the period

under review (on an average 3-year lease) stood at a healthy level of 23.6% (six months ended 30 September 2014: 23.6%). The average monthly unit rent improved from HK\$45.4 psf as at 31 March 2015 to HK\$47.4 psf as at 30 September 2015.

Operational statistics of the retail portfolio

Category	Occupancy rate		Composite reversion rate		% of total IFA ⁽¹⁾
	As at 30 September 2015 %	As at 31 March 2015 %	Six months ended 30 September 2015 %	Six months ended 30 September 2014 %	
Shops	96.4	96.5	29.5	24.1	82.4
Markets/Cooked Food Stalls	87.8	86.4	1.1	21.8	8.8
Education/Welfare and Ancillary	90.0	87.2	18.7	20.6	8.8
Total	95.1	94.8	23.6	23.6	100

Notes:

(1) Total excludes self use office.

“Shops” accounted for 82.4% of the total internal floor area of our retail portfolio which saw stable occupancy rate and growth in reversion during the period. For “Markets/Cooked Food Stalls”, we are partnering with experienced fresh market operators to further improve operational efficiency of our fresh markets. This has resulted in improvements in occupancy and cost savings despite a lower increase in the composite reversion rate.

We continued to achieve improvement across our retail portfolio of different sizes. The retail components of the top 10 properties and the properties ranked 11th to 50th by valuation contributed 25.0% and 46.6%, respectively, to the retail rental revenue of our Hong Kong portfolio and achieved average monthly unit rent of HK\$70.0 psf and HK\$51.3 psf, respectively, as at 30 September 2015 (31 March 2015: HK\$64.5 psf and HK\$49.8 psf).

Retail portfolio breakdown

	Retail property valuation	Retail rentals	Average monthly unit rent per leased IFA		Occupancy rate	
	As at 30 September 2015 HK\$'M	Six months ended 30 September 2015 HK\$'M	As at 30 September 2015 HK\$ psf	As at 31 March 2015 HK\$ psf	As at 30 September 2015 %	As at 31 March 2015 %
Properties ⁽¹⁾						
1-10	29,984	741	70.0	64.5	96.8	98.4
11-50	52,462	1,380	51.3	49.8	95.7	95.5
51-100	24,960	720	35.7	34.6	94.4	92.8
Remaining	3,949	120	24.4	23.3	90.9	92.1
Total	111,355	2,961	47.4	45.4	95.1	94.8

Note:

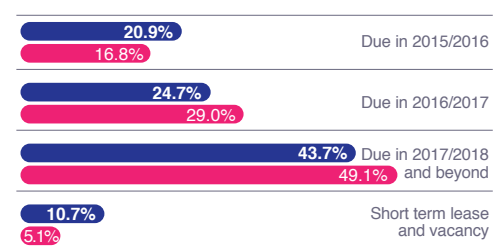
(1) Properties ranked by retail valuation as at 30 September 2015.

Average monthly retail gross sales per square foot of our tenants continued to improve and rose by 6.0% as compared to the same period last year. “Food and Beverage” achieved a year-on-year growth in gross sales per square foot of 10.8%, while “General Retail” and “Supermarkets and Foodstuff” recorded increases of 7.1% and 1.0% respectively reflecting the slower retail sales growth of the Hong Kong market overall.

As at 30 September 2015, approximately 62.2% of monthly rent of our portfolio was attributed to “Food and Beverage”, “Supermarkets and Foodstuff” and “Markets/Cooked Food Stalls” trades, catering to the daily needs of the community.

Portfolio lease expiry profile

(as at 30 September 2015)

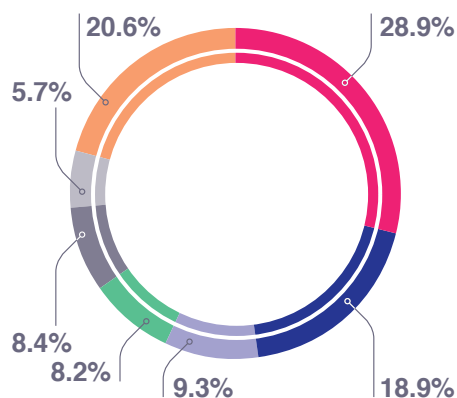


■ as % of total IFA
■ as % of monthly rent

Trade mix by leased IFA

(as at 30 September 2015)

- Food and beverage
- Supermarkets and foodstuff
- Services
- Markets/Cooked food stalls
- Education/Welfare and ancillary
- Personal care, medicine, optical, books and stationery
- Others⁽¹⁾

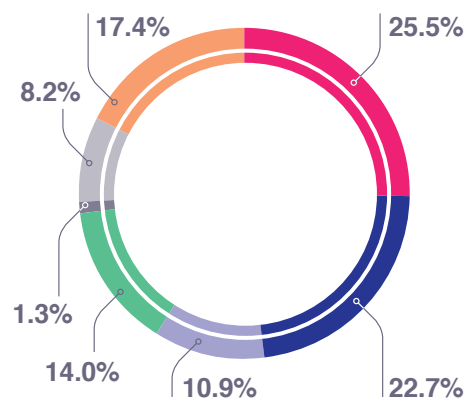


Note:

(1) Others include clothing, department stores, electrical and household products, leisure and entertainment, and valuable goods.

Trade mix by monthly rent

(as at 30 September 2015)



Car Park Portfolio

Demand for car park spaces across the portfolio continued to increase as a result of higher demand from shoppers and neighbouring residents. The increased

revenue coupled with diligent cost control measures led to net property income margin for the period improving to 71.5% (six months ended 30 September 2014: 70.7%).

Key car park property performance indicators

	Six months ended 30 September 2015	Six months ended 30 September 2014
Car park income per space per month (HK\$)	1,986	1,738
Net property income margin (%)	71.5	70.7
Average valuation per space (HK\$'000)	357	294

Asset Enhancement

Close to 60% of our Hong Kong assets are located in the New Territories where population growth is expected to be higher than the overall Hong Kong average. In particular, the northwestern area of the New Territories is projected to benefit the most due to upcoming government-planned improvements to local infrastructure. Our asset enhancement pipeline, extending to 2020, is reviewed continuously to take advantage of opportunities arising in each district. Our asset enhancement works aim to modernise an ageing portfolio through a combination of lighting upgrades, enhancing store-front designs and

ensuring compliance with applicable building codes and regulations. To-date enhanced properties have continually outperformed the remaining portfolio, demonstrating that this is a proven growth strategy.

As at 30 September 2015, the asset enhancement projects at Tsing Yi Commercial Complex and Temple Mall North (previously Lung Cheung Plaza) have been completed with satisfactory returns on investment of 15.6% and 15.5%, respectively, using capex of HK\$105 million and HK\$306 million. This brings the total number of asset enhancement projects completed to date to 41.

Status of asset enhancement projects

	Number of projects	Estimated costs HK\$'M
Completed since initial public offering	41	4,480
Underway	9	1,216
Pending statutory approval	8	1,219
Others under planning	>13	>1,200
Total	>71	>8,115

Approved asset enhancement projects underway

	Estimated costs HK\$'M	Target completion date
Long Ping Commercial Centre ⁽¹⁾	196	Late 2015
Wo Che Plaza ⁽²⁾	52	Early 2016
Tin Shing Shopping Centre ⁽²⁾⁽³⁾	212	Early 2016
Tin Chak Shopping Centre ⁽²⁾	26	Mid 2016
Butterfly Plaza ⁽²⁾⁽³⁾	329	Mid 2016
Lei Tung Commercial Centre ⁽¹⁾	82	Mid 2016
Hau Tak Shopping Centre ⁽²⁾	172	Late 2016
Tai Hing Commercial Centre ⁽¹⁾	75	Late 2016
Sau Mau Ping Shopping Centre ⁽²⁾	72	Late 2016
Total	1,216	

Notes:

(1) Properties ranked outside of top 50 by valuation.

(2) Properties ranked amongst top 50 by valuation.

(3) Projects include a fresh market upgrade.

Mainland China Portfolio

During the period under review, we completed the acquisitions of EC Mall in Beijing on 1 April 2015 and Corporate Avenue 1 & 2 in Shanghai on 31 August 2015. The newly acquired properties in Mainland China during the period contributed revenue of HK\$129 million and net property income of HK\$95 million.

As at 30 September 2015, the overall occupancy rate of the retail portfolio in Mainland China reached 100.0%, while that of the office portfolio recorded 98.5%. Retail composite reversion rate for the period under review achieved 33.7%, reflecting the strong performance of EC Mall. As for the office space in Corporate Avenue 1 & 2, we continue to see a strong demand for premium grade-A offices in the Shanghai core CBD from multinational corporations and local giants alike.

Valuation Review

Total value of our investment properties (including property under development and properties in Mainland China acquired during the period) increased 12.6% from HK\$138,383 million as at 31 March 2015 to HK\$155,751 million as at 30 September 2015. Value of the Hong Kong retail properties increased 3.8% to HK\$111,355 million (31 March 2015: HK\$107,326 million) while value of the car parks increased 8.2% to HK\$27,250 million (31 March 2015: HK\$25,177 million). The increase in value of the retail properties and car parks in Hong Kong was mainly driven by the increase in net property income and improved property conditions after asset enhancement.

Value of the Hong Kong property under development in Kowloon East also increased to HK\$6,050 million (31 March 2015: HK\$5,880 million) while newly acquired properties in Mainland China were valued at HK\$11,096 million as at 30 September 2015.

CBRE Limited, the Principal Valuer, valued our completed properties as at 30 September 2015 using a combination of income capitalisation and discounted cash flow approaches as the primary valuation methodologies. For the property under development, residual method was used. When valuing both completed and under development properties, the Principal Valuer has also made reference to market transactions and comparables.

Valuation approach

	As at 30 September 2015	As at 31 March 2015
Income Capitalisation Approach – Capitalisation Rate		
Hong Kong		
Retail properties	3.40 – 5.20%	3.40 – 5.20%
Retail properties: weighted average	4.56%	4.57%
Car parks	3.80 – 6.00%	3.80 – 6.00%
Car parks: weighted average	4.77%	4.78%
Overall weighted average	4.60%	4.61%
Mainland China⁽¹⁾		
Retail properties	4.50 – 5.00%	N/A
Office properties	4.00%	N/A
DCF Approach – Discount Rate		
Hong Kong		
	7.50%	7.50%
Mainland China⁽¹⁾		
Retail properties	8.00 – 9.00%	N/A
Office properties	7.50%	N/A

Note:

(1) Acquisitions of EC Mall in Beijing and Corporate Avenue 1 & 2 in Shanghai were completed on 1 April 2015 and 31 August 2015, respectively.

Capital Management

During the period under review, the economic slowdown in Mainland China and the decline in commodity prices raised concerns in the financial markets. The deferral of the long-awaited rate rise in the United States Federal Funds Target Rate in September 2015 imposed further uncertainty on the financial markets. On the other hand, the liquidity in the Hong Kong banking market remained ample while the decline in trade financing and loan growth in Hong Kong made the bank loan market relatively favourable.

During the period, a total of HK\$10.4 billion bank facilities were arranged with tenure ranging from three to five years at favourable all-in costs of HIBOR + 1.02% to 1.23%. To achieve higher flexibility, HK\$5.4 billion of the bank facilities were arranged in revolving nature with the remaining HK\$5.0 billion in term loan. In the bond market, we issued HK\$530 million 7-year fixed rate notes at 2.67% per annum.

After the financing programme, the Group's total debt increased to HK\$26.75 billion (31 March 2015: HK\$17.05 billion) while the gearing ratio stood at 16.9% (31 March 2015: 11.9%) and the average life of our committed debt facilities as at 30 September 2015 remained steady at 4.9 years (31 March 2015: 5.2 years).

We also repaid the final HK\$1 billion tranche of secured loan from The Hong Kong Mortgage Corporation Limited and repaid HK\$940 million unsecured bank loans. As at 30 September 2015, all the Group's borrowings were unsecured and ranked equally.

As part of our strategy to recycle capital and to add value to Unitholders, during the period, we continued to use the proceeds from property disposals in 2014/2015 to buy back 40.9 million units at an average price of HK\$43.57 per unit, which is

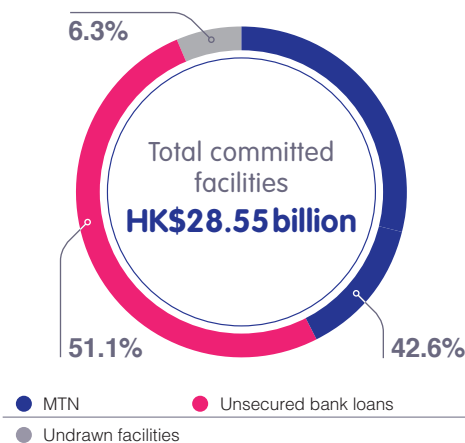
equivalent to approximately 15% and 20% discount to net asset value per unit as at 31 March 2015 and 30 September 2015 of HK\$51.53 and HK\$54.24 respectively.

As at 30 September 2015, the Group's available liquidity reduced to HK\$2.32 billion (31 March 2015: HK\$6.44 billion), comprising HK\$0.52 billion (31 March 2015: HK\$3.45 billion) in cash and deposits and HK\$1.80 billion (31 March 2015: HK\$2.99 billion) available undrawn facilities.

On interest rate risk management, taking advantage of the extended low long-term interest rate environment, we locked in additional long-dated interest rate swaps during the period under review. Despite the increase in total debt, the percentage of fixed rate debt as at 30 September 2015 increased to 62.5% (31 March 2015: 58.6%). Average life of fixed rate debt, representing the average period of interest rate protection provided by the fixed rate debt, was maintained at 6.9 years (31 March 2015: 7.2 years). At the same time, the effective interest cost of the Group's debt portfolio as at 30 September 2015 was further reduced to 2.58% (31 March 2015: 2.66%).

Funding base

(as at 30 September 2015)



Committed debt facilities⁽¹⁾

(as at 30 September 2015)

(HK\$ billion)	Fixed rate debt ⁽²⁾	Floating rate debt ⁽²⁾	Utilised facilities	Undrawn facilities	Total committed facilities
Unsecured bank loans	8.15	6.45	14.60	1.80	16.40
MTN	8.57	3.58	12.15	–	12.15
Total	16.72	10.03	26.75	1.80	28.55
Percentage	63%	37%	94%	6%	100%

Notes:

(1) All amounts are at face value.

(2) After interest rate swaps.

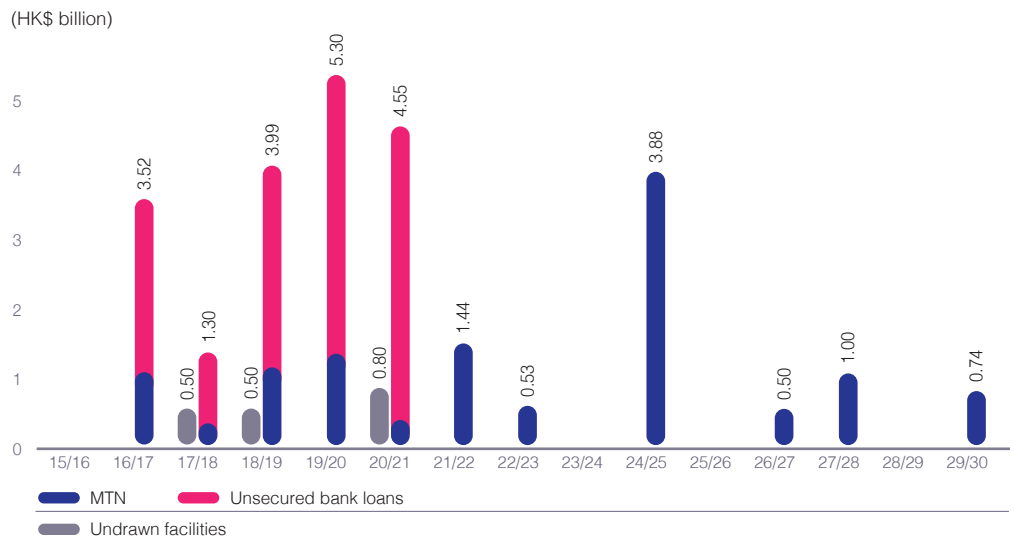
Facility maturity profile⁽¹⁾

(as at 30 September 2015)

(HK\$ billion)	Unsecured bank loans	MTN	Undrawn facilities	Total
Due in 2016/2017	2.50	1.02	–	3.52
Due in 2017/2018	1.00	0.30	0.50	1.80
Due in 2018/2019	2.90	1.09	0.50	4.49
Due in 2019/2020	4.00	1.30	–	5.30
Beyond 2020/2021	4.20	8.44	0.80	13.44
Total	14.60	12.15	1.80	28.55

Facility maturity profile⁽¹⁾

(as at 30 September 2015)



Note:

(1) All amounts are at face value.



Link to a Resilient Core Portfolio in Hong Kong

Hong Kong Remains as Link's Core Market

The Bread and Butter of Link's Business are still Asset Management and Asset Enhancement of Our Core Portfolio in Hong Kong

We continue to refine tenant mix, improve service standards, introduce innovative market campaigns, maintain disciplined cost control and implement asset enhancement strategy for both large and small assets. Our pipeline of asset enhancement projects ranges from improving fresh markets to vibrant and appealing marketplaces, to repositioning retail malls to extend catchment and create one-stop shopping destinations. The objective is to upgrade continuously our asset portfolio to provide better operating environments and shopping experiences for our tenants and shoppers respectively.

Opposite page Temple Mall North (interior)

Left Temple Mall North (exterior)

Right Siu Sai Wan Market



Corporate Governance

Authorisation Structure

Link is a collective investment scheme authorised by the SFC under section 104 of the SFO with its units listed on the Stock Exchange. Link's activities as well as that of the Manager are regulated by the SFC pursuant to the REIT Code and the SFO. Link is internally managed, aligning the interest of the Manager and our Unitholders.

The Manager and the Trustee

The Manager is licensed by the SFC under section 116 of the SFO to conduct the regulated activity of asset management (Type 9). It is wholly owned by the Trustee, and manages professionally all of the Link's assets in the sole interest of our Unitholders. As at the date of this interim report, the Manager has five responsible officers (including the two Executive Directors) for the purpose of the SFO whose names appear in the "Corporate Information" section. As mandated under the Trust Deed, the Manager is compensated by a management fee on a cost recovery basis. No acquisition / divestment fee, nor fee based on a percentage of assets under management or other performance-related indicia, is charged. This minimises conflict of interest.

During the six months ended 30 September 2015, the Manager managed Link, in all material aspects, in accordance with the provisions of the Trust Deed and the Compliance Manual (which sets out the key processes, systems and measures in respect of the operations of Link). The Compliance Manual was updated on 10 June 2015 to reflect the latest governance practices adopted by the Manager. Further information on such update was disclosed on page 29 of the "Governance, Disclosures and Financial Statements" report of Link's annual report 2014/2015.

The Trustee (currently, HSBC Institutional Trust Services (Asia) Limited) is a registered trust company for collective investment schemes under the SFO and the REIT Code. The Manager and all the Link's assets are under unitary ownership of the Trustee holding in trust for and in the sole interest of all our Unitholders. The Trustee and the Manager operate independently, and their rights and obligations are governed by the Trust Deed.

Change of Name

In line with our corporate branding strategy, the Manager (with Trustee's consent) adopted "Link Real Estate Investment Trust 領展房地產投資信託基金" as the new English and Chinese name of Link effective from 19 August 2015, and the Manager's English and Chinese name was changed to "Link Asset Management Limited 領展資產管理有限公司" effective from 17 August 2015.

Corporate Governance Report

Our Board upholds the best governance practices, recognising that good corporate governance is a key to sustainable growth and continuing success of Link. Link's corporate governance is underpinned by key elements including strong Board members' diversity and independence, high level of Directors' commitment and diligence and planned succession.

Our Board

As at the date of this report, eight out of our 11 Board members are Independent Non-Executive Directors, one is a Non-Executive Director, and two are Executive Directors (being the CEO and the CFO). Our Directors and their memberships in the existing four Board Committees are set out below:

Name of Director	Audit and Risk Management Committee	Nomination Committee	Remuneration Committee	Finance and Investment Committee
Independent Non-Executive				
Nicholas Robert SALLNOW-SMITH (<i>Chairman</i>)	–	C	–	C
William CHAN Chak Cheung	C	M	M	–
May Siew Boi TAN	M	M	–	–
Peter TSE Pak Wing	M	–	M	–
Nancy TSE Sau Ling	–	–	M	–
David Charles WATT	–	–	C	M
Richard WONG Yue Chim	M	M	–	–
Elaine Carole YOUNG	–	–	–	M
Non-Executive				
Ian Keith GRIFFITHS	–	–	–	M
Executive				
George Kwok Lung HONGCHOY (<i>CEO</i>)	–	M	–	M
Andy CHEUNG Lee Ming (<i>CFO</i>)	–	–	–	M

C: chairman / M: member

Functions and duties of each of the four Board Committees are contained in its own written terms of reference. The terms of reference can be viewed from Link's corporate website (Linkreit.com).

Updates on Directors' Information since Annual Report 2014/2015

Since the changes (including the retirement of Mr Anthony CHOW Wing Kin as an Independent Non-Executive Director on 22 May 2015) disclosed in annual report 2014/2015, there is no further change in the members of our Board or Board Committees. Below are other updates on Directors' biographical information:

- Professor Richard WONG Yue Chim ceased to be an independent non-executive director of CK Life Sciences Int'l., (Holdings) Inc., a company listed on the Stock Exchange.
- Ms Nancy TSE Sau Ling was appointed as an independent non-executive director of DBS Bank (Hong Kong) Limited.
- Ms May Siew Boi TAN ceased to be a member of the Listing Committee of the Stock Exchange.

Corporate Governance Policy and Practices

Save as disclosed in this report, the corporate governance policy and practices adopted for Link during the six months ended 30 September 2015 remained in line with those in place for the year ended 31 March 2015 as disclosed in the corporate governance report in Link's annual report 2014/2015, including the modification to the rigid application of code provision A.4.2 of the Corporate Governance Code in Appendix 14 to the Listing Rules such that the two Executive Directors are not subject to retirement by rotation at annual general meetings to preserve business continuity and longevity at the top management level.

Regulatory Compliance

Throughout the six months ended 30 September 2015:

- Link and the Manager complied with the REIT Code, the SFO, applicable provisions of the Listing Rules, the Trust Deed and the Compliance Manual;
- Link and the Manager applied the principles and complied with, to the extent appropriate, the code provisions in the Corporate Governance Code in Appendix 14 to the Listing Rules;

- all the Directors, after making specific enquiry on each of them, confirmed that they complied with the required standard set out in the Link Securities Dealing Code, which was adopted to govern dealings in securities of Link by Directors and relevant senior employees and their respective associates, and its terms are regularly reviewed and updated (when required) to ensure that they are no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules; and
- the Manager continued to adopt stringent internal procedures to preserve confidentiality of inside information, and complied with the requirements of Part XIVA of the SFO.

Pursuant to the Link Securities Dealing Code, Directors or relevant senior employees wishing to deal in the securities of Link must first have regard to the provisions of Parts XIII and XIV of the SFO with respect to insider dealing and market misconduct as if such SFO provisions were applicable to Link. They must also refrain from dealing in the securities of Link if they are aware of, or are privy to, any negotiations or agreements relating to intended acquisitions or disposals which are significant, or have been otherwise in possession of unpublished inside information, until proper disclosure of the inside information has been made. The Manager also imposes and enforces “black-out” on Directors and relevant staff members, as and when required, in the strict manner as required by the Listing Rules and the inside information provisions of the SFO.

Other Information Updates

Review by Audit and Risk Management Committee and Auditor

The condensed consolidated interim financial information of Link for the six months ended 30 September 2015 had been reviewed by the Audit and Risk Management Committee and Link’s auditor.

Employee unit purchase plan

During the period under review, 371 eligible employees of the Manager participated in the EUPP who together purchased 151,298 units on the Stock Exchange through an independent third party intermediary (currently, Bank of China (Hong Kong) Limited) at a total consideration of HK\$6,575,138.7, of which an amount of HK\$920,202.0 was subsidised by the Manager. The amount of subsidy for each eligible employee was determined in accordance with the rules of the EUPP with reference to such employee’s length of service and appraised performance.

Link Together Initiatives

During the period under review, the Board, upon the recommendation of the selection committee, approved charitable donations and sponsorships of approximately HK\$10.0 million for the financial year ending 31 March 2016 under the CCEP (now known as “Link Together Initiatives”) to sponsor 44 projects as well as the “Link Barrier Free Shopping Centre Orienteering” and the “First Generation University Student Scholarship”. The themes of all these projects and programmes are in line with the focus of the CCEP.

Issue of new units

1,596,867 new units were issued in the period under review pursuant to the LTI Plan.

Buy-back, sale or redemption of Link’s listed units

During the period under review, the Manager (on behalf of Link) bought back a total of 40,899,000 units on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$1,782 million. Further details are set out as follows:

Month	Number of units bought back	Purchase price per unit		Aggregate consideration (excluding expenses) HK\$’M
		Highest HK\$	Lowest HK\$	
July 2015	8,314,000	46.15	44.60	377
August 2015	28,271,500	45.60	41.35	1,226
September 2015	4,313,500	42.90	40.55	179

All the units bought back were cancelled prior to the period end. All the unit buy-backs by the Manager in the period were carried out pursuant to the general mandate to buy back units granted by the Unitholders that was in force in the relevant time, and were made in the interest of Link and the Unitholders as a whole. The average cost (excluding expenses) of the units bought back was approximately HK\$43.57 per unit.

Save as disclosed above, neither the Manager nor any of Link’s subsidiaries bought back, sold or redeemed any of Link’s listed units during the six months ended 30 September 2015.

Unitholders’ statistics

As at 1 April 2015, there were 2,291,770,269 units of Link in issue. During the period under review, 1,596,867 new units were issued and 40,899,000 units bought back were cancelled. As at 30 September 2015, total units of Link in issue were changed to 2,252,468,136 units, which were held by 24,406 registered Unitholders according to the register of Unitholders of Link. HKSCC Nominees Limited (through which most holders hold their units) was a single largest registered Unitholder, holding 2,160,285,998 units (approximately 95.91%) as at 30 September 2015.

Based on the closing price of HK\$42.50 per unit and the number of units then in issue as aforesaid, market capitalisation of Link as at 30 September 2015 was approximately HK\$95.7 billion. Further details are set out in Note 22 to the condensed consolidated interim financial information in this interim report.

Public float

Based on the information publicly available to the Manager, Link continues to meet the required public float of no less than 25% of its issued units in public hands.

Investor relations

The Manager has continually communicated with the investment community to ensure that analysts, retail and institutional investors are sufficiently informed, and to gauge their views on the business objectives, activities and future direction of Link. There are currently 15 equity research analysts covering Link. Since April 2015, the Manager held discussions with about 250 individual investment managers and analysts at meetings and conference calls, including attendance at seven investors' conferences/corporate days, and nine roadshows to Asia, Australia, Europe and the United States. The Manager also arranged 18 site visits for interested parties.

Event	Number
Individual Meetings and Conference Calls	250
Investors' Conferences / Corporate Days	7
Post Results / Non-deal Roadshows	9
Site Visits	18

Acquisition and disposal of real estate

As at 31 March 2015, Link's portfolio was comprised of 175 assets (including 174 properties and New Kowloon Inland Lot No. 6512 (the "**Land**")). A complete list of those 174 properties and the Land with relevant details can be found on pages 107 to 142 of the "Governance, Disclosures and Financial Statements" report of Link's annual report 2014/2015.

During the period under review, the following acquisition of properties took place:

- acquisition of EC Mall (歐美匯) in Beijing which was completed on 1 April 2015 at final adjusted consideration of US\$304,697,068; and
- acquisition of Corporate Avenue 1 & 2 in Shanghai which was completed on 31 August 2015 at consideration of RMB6,625,536,002 (approximately HK\$8,264 million) subject to final adjustment in accordance with the sale and purchase agreement.

As at 30 September 2015, Link's portfolio was comprised of 177 assets (including 176 properties and the Land). Save as disclosed above, neither Link nor any of its subsidiaries acquired or disposed of any real estate in the period under review.

Subsequent to the period end, Link accepted tenders for disposal of five properties at an aggregate consideration of HK\$1,716.5 million, which was announced on 27 October 2015. Upon completion of the disposal of the five properties on 31 December 2015, total number of assets in Link's portfolio will reduce to 172 (including 171 properties and the Land).

Property development and related activities

Link, through a joint venture with Nan Fung Development Limited ("**NFD**") in which Link has a 60% interest and NFD accounts for 40% interest, had acquired the Land in January 2015. The Land will be developed into a grade-A commercial complex comprising office towers with retail elements and car parks (the "**Commercial Development**").

Updates on the Commercial Development pursuant to 7.2A of the REIT Code since Link's annual report 2014/2015 are as follows:

- General building plans had been approved by the relevant government authority.
- Total amount of development costs of the Commercial Development is within the approved budget.
- Based on Link's 60% interest, Link's portion of the total development costs is estimated at approximately HK\$6,325 million, which (a) represents approximately 4.2% of the total gross asset value of Link as at 30 September 2015 after adjusting for the interim distribution payable for the six months ended 30 September 2015; and (b) is within the GAV Cap.

Changes after Closure of Financial Period

This interim report has taken into account changes since the end of the six-month period on 30 September 2015 up to the date of approval of this interim report by the Board on 11 November 2015.

Disclosures

Interests and Short Positions of Unitholders Required to be Disclosed under the SFO

According to the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, the following persons held an interest of 5% or more in the units of Link as at 30 September 2015:

Name	Capacity	Number of units in long position (L) / short position (S)	Approximate percentage of total units in issue ⁽²⁾ %
The Capital Group Companies, Inc.	Interests of controlled corporations	(L) 207,268,716 ⁽¹⁾	9.20 ⁽¹⁾
Capital Research and Management Company	Interests of controlled corporations	(L) 196,614,364 ⁽¹⁾	8.72 ⁽¹⁾
BlackRock, Inc.	Interests of controlled corporations	(L) 157,784,271 (S) 602,000	7.00 0.02

Notes:

(1) Based on the information provided to the Manager, The Capital Group Companies, Inc. is the parent company of Capital Research and Management Company, therefore, The Capital Group Companies, Inc. was deemed to be interested in the same batch of 196,614,364 units in which Capital Research and Management Company was interested as at 30 September 2015. Accordingly, the interests in units stated in the table above were overlapped.

(2) The approximate percentages were calculated based on 2,252,468,136 units in issue as at 30 September 2015 (rounded down to two decimal places).

Save as disclosed above, based on the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, there were no other persons having an interest of 5% or more in the units as at 30 September 2015.

Interests of Directors in Units

According to the disclosure of interests to the Stock Exchange and the Manager pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, the interests of the Directors in units and underlying units of Link as at 30 September 2015 were as follows:

Name	Number of units				Interest in underlying units ⁽²⁾	Total interest held at 30 Sep 2015	Approximate percentage of total units in issue ⁽³⁾ %	Total interest held at 31 Mar 2015
	Personal interest ⁽¹⁾	Family interest	Corporate interest	Other interest				
Current Directors								
Chairman (also an Independent Non-Executive Director)								
Nicholas Robert SALLNOW-SMITH	759,668	–	–	–	51,750	811,418	0.0360	822,938
Executive Directors								
George Kwok Lung HONGCHOY	1,656,121	–	–	–	906,500	2,562,621	0.1138	2,261,739
Andy CHEUNG Lee Ming	429,036	–	–	–	254,500	683,536	0.0303	596,881
Non-Executive Director								
Ian Keith GRIFFITHS	37,720	–	–	–	23,000	60,720	0.0027	55,456
Independent Non-Executive Directors								
William CHAN Chak Cheung	121,960	–	–	–	31,250	153,210	0.0068	145,481
May Siew Boi TAN	6,250	–	–	–	28,250	34,500	0.0015	24,000
Peter TSE Pak Wing	–	–	–	–	10,500	10,500	0.0005	–
Nancy TSE Sau Ling	–	–	–	–	8,000	8,000	0.0004	–
David Charles WATT	72,615	–	–	–	26,250	98,865	0.0044	92,360
Richard WONG Yue Chim	267,583	–	–	–	30,250	297,833	0.0132	266,346
Elaine Carole YOUNG	8,250	–	–	–	24,750	33,000	0.0015	24,500
Former Independent Non-Executive Director								
Anthony CHOW Wing Kin ⁽⁴⁾	562,867	–	–	–	6,750	569,617	0.0253	574,712

Notes:

- (1) The personal interests of the Directors in units as stated above were long position interests. There was no short position interest held by any Director.
- (2) These interests in underlying units were long position interests and represent the maximum number of units which may be issued to the Directors (and the former Independent Non-Executive Director mentioned above) on the vesting of the restricted unit awards granted to them under the LTI Plan. Please also see note (4) below.
- (3) The approximate percentages were calculated based on 2,252,468,136 units in issue as at 30 September 2015.
- (4) Mr Anthony CHOW Wing Kin retired on 22 May 2015. His interests in units and underlying units stated above only represent his interests as of 21 May 2015 (the date immediately before his retirement) after taking into account the 18,155 units issued to him on vesting of restricted unit awards and the lapse of restricted unit awards in respect of 5,095 units during the period from his retirement up to 30 September 2015. As at 30 September 2015, Mr Anthony CHOW Wing Kin still held outstanding restricted unit awards in respect of a maximum of 6,750 units which will vest on a pro rata basis on the relevant vesting date. Please see note (6) on page 40 for further details.

Save as disclosed above and so far as the Manager is aware, none of the Directors or any of their respective associates held any interests in units or underlying units or debentures of Link and/or its subsidiaries which were required to be disclosed pursuant to the provisions of Part XV of the SFO as at 30 September 2015.

Interests of Connected Persons in Units

After making reasonable enquiry and according to the information available to the Manager, as at 30 September 2015, the following persons (other than significant Unitholders and Directors and any of their respective associates⁽⁴⁾), being connected persons (as defined in Chapter 8 of the REIT Code) to Link, held the following interests in the units of Link:

Name	Number of units held at 30 Sep 2015	Approximate percentage of total units in issue ⁽³⁾ %	Number of units held at 31 Mar 2015
The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and its subsidiaries ⁽¹⁾	2,459,461	0.109	5,627,461
Aviva Life Insurance Company Limited ("Aviva") ⁽²⁾	224,500	0.010	191,000

Notes:

- (1) The Trustee is an indirect subsidiary of HSBC and hence HSBC and its subsidiaries are connected persons to Link. Save as disclosed in the table above, a fellow subsidiary of HSBC was also interested in 1,805,637 units as at 30 September 2015.
- (2) Mr Nicholas Robert SALLNOW-SMITH is a director of Aviva. Therefore, Aviva is a connected person to Link.
- (3) The approximate percentages were calculated based on 2,252,468,136 units in issue as at 30 September 2015.
- (4) As at 30 September 2015, Link did not have any significant Unitholder (within the meaning of "significant holder" under 8.1(d) of Chapter 8 of the REIT Code). The interests in units held by Directors (being connected persons to Link for the purpose of the REIT Code) as at 30 September 2015 are disclosed in the "Interests of Directors in Units" section above. In addition, as at 30 September 2015, Mr Ricky CHAN Ming Tak (the company secretary of the Manager) as well as Ms Peionie KONG Po Yan and Mr Albert YEUNG Shing Wo (both being directors of Link's certain subsidiaries), together with their respective associates (as defined in the REIT Code), were interested in, respectively, 259,190 units, 184,437 units and 1,500 units.
- (5) CBRE Limited, the Principal Valuer, is a connected person to Link for the purpose of the REIT Code. A fellow subsidiary of CBRE Limited was interested in 9,770,908 units as at 30 September 2015.

Disclosures (Continued)

Long-term Incentive Plan

The LTI Plan was adopted on 23 July 2007 pursuant to which equity incentive in the form of a restricted unit award giving a conditional right to receive units, a unit option giving an option to subscribe for units, and a cash incentive in the form of a conditional cash award may be granted to the Directors and other eligible staff of the Manager. A summary of the LTI Plan was set out on pages 42 to 44 of the “Governance, Disclosures and Financial Statements” report of annual report 2014/2015. Since the adoption of the LTI Plan, no unit option has ever been granted.

Restricted Unit Awards

The movements in restricted unit awards, which were granted in conjunction with conditional cash awards⁽⁵⁾, under the LTI Plan during the six months ended 30 September 2015 and the balances as at the beginning and end of the period were as follows:

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2015 ⁽¹⁾	Granted during the period ⁽¹⁾⁽²⁾	Vested during the period ⁽³⁾	Cancelled during the period ⁽⁴⁾	Lapsed during the period ⁽⁴⁾	Outstanding at 30 Sep 2015 ⁽¹⁾
Current Directors								
Nicholas Robert SALLNOW-SMITH (Independent Non-Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	44,500	–	(32,980)	–	(11,520)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	18,250	–	(18,250)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	18,250	–	–	–	–	18,250
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	16,750	–	–	–	–	16,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	16,750	–	–	–	–	16,750
George Kwok Lung HONGCHOY (Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	189,500	–	(140,443)	–	(49,057)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	187,500	–	(180,439)	–	(7,061)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	187,500	–	–	–	–	187,500
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	181,000	–	–	–	–	181,000
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	181,000	–	–	–	–	181,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	178,500	–	–	–	178,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	178,500	–	–	–	178,500
Andy CHEUNG Lee Ming (Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	55,500	–	(41,132)	–	(14,368)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	52,500	–	(50,523)	–	(1,977)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	52,500	–	–	–	–	52,500
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	49,500	–	–	–	–	49,500
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	49,500	–	–	–	–	49,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	51,500	–	–	–	51,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	51,500	–	–	–	51,500

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2015 ⁽¹⁾	Granted during the period ⁽¹⁾⁽²⁾	Vested during the period ⁽³⁾	Cancelled during the period ⁽⁴⁾	Lapsed during the period ⁽⁴⁾	Outstanding at 30 Sep 2015 ⁽¹⁾
Ian Keith GRIFFITHS (Non-Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	12,500	–	(9,264)	–	(3,236)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	5,000	–	(5,000)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	5,000	–	–	–	–	5,000
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	4,750	–	–	–	–	4,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	4,750	–	–	–	–	4,750
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	4,250	–	–	–	4,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	4,250	–	–	–	4,250
William CHAN Chak Cheung (Independent Non-Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	16,500	–	(12,229)	–	(4,271)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	6,750	–	(6,750)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,750	–	–	–	–	6,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	6,250	–	–	–	–	6,250
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	6,250	–	–	–	–	6,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	6,000	–	–	–	6,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	6,000	–	–	–	6,000
May Siew Boi TAN (Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	6,250	–	(6,250)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,250	–	–	–	–	6,250
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	5,750	–	–	–	–	5,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	5,750	–	–	–	–	5,750
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	5,250	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	5,250	–	–	–	5,250
Peter TSE Pak Wing (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	5,250	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	5,250	–	–	–	5,250
Nancy TSE Sau Ling (Independent Non-Executive Director)	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	4,000	–	–	–	4,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	4,000	–	–	–	4,000

Disclosures (Continued)

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2015 ⁽¹⁾	Granted during the period ⁽¹⁾⁽²⁾	Vested during the period ⁽³⁾	Cancelled during the period ⁽⁴⁾	Lapsed during the period ⁽⁴⁾	Outstanding at 30 Sep 2015 ⁽¹⁾
David Charles WATT (Independent Non-Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	13,500	–	(10,005)	–	(3,495)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	5,750	–	(5,750)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	5,750	–	–	–	–	5,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	5,250	–	–	–	–	5,250
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	5,250	–	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	5,000	–	–	–	5,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	5,000	–	–	–	5,000
Richard WONG Yue Chim (Independent Non-Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	15,500	–	(11,487)	–	(4,013)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	6,750	–	(6,750)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,750	–	–	–	–	6,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	6,500	–	–	–	–	6,500
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	6,500	–	–	–	–	6,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	5,250	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	5,250	–	–	–	5,250
Elaine Carole YOUNG (Independent Non-Executive Director)	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	5,750	–	(5,750)	–	–	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	5,750	–	–	–	–	5,750
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	5,250	–	–	–	–	5,250
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	5,250	–	–	–	–	5,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	4,250	–	–	–	4,250
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	4,250	–	–	–	4,250
Former Director								
Anthony CHOW Wing Kin (Former Independent Non-Executive Director)	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	16,500	–	(11,775)	–	(4,725)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	6,750	–	(6,380)	–	(370)	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	6,750	–	–	–	–	6,750 ⁽⁶⁾

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2015 ⁽¹⁾	Granted during the period ⁽¹⁾⁽²⁾	Vested during the period ⁽³⁾	Cancelled during the period ⁽⁴⁾	Lapsed during the period ⁽⁴⁾	Outstanding at 30 Sep 2015 ⁽¹⁾
Other participants								
In aggregate	16 Jul 2012	16 Jul 2012 to 30 Jun 2015	659,468 ⁽⁷⁾	–	(452,535) ⁽⁷⁾	(12,512)	(194,421) ⁽⁷⁾	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2015	630,836 ⁽⁷⁾	–	(583,175) ⁽⁷⁾	(6,015)	(41,646) ⁽⁷⁾	–
	20 Jan 2014	20 Jan 2014 to 30 Jun 2016	621,540 ⁽⁷⁾	–	–	–	(66,662)	554,878 ⁽⁷⁾
	17 Jul 2014	17 Jul 2014 to 30 Jun 2016	643,500	–	–	–	(61,500)	582,000
	17 Jul 2014	17 Jul 2014 to 30 Jun 2017	643,500	–	–	–	(61,500)	582,000
	24 Jul 2015	24 Jul 2015 to 30 Jun 2017	–	641,500	–	–	(39,000)	602,500
	24 Jul 2015	24 Jul 2015 to 30 Jun 2018	–	641,500	–	–	(39,000)	602,500
Total			4,727,344	1,821,500	(1,596,867)	(18,527)	(607,822)	4,325,628

Notes:

- (1) These figures represent the maximum number of units that may be issued on vesting of the restricted unit awards. The actual number of units that will finally vest and be issued to each grantee may range from zero to such maximum number depending on whether, and to what extent, the relevant vesting conditions (if applicable) are met.
- (2) The closing price of the units on the business day immediately preceding the date of grant of the restricted unit awards in the period was HK\$45.90 per unit. On the assumption that the restricted unit awards granted in the period were finally vested for the maximum number of units, the estimated fair value of such restricted unit awards would amount to approximately HK\$81.6 million as at 30 September 2015 based on the valuation of an independent valuer.
- (3) The closing price of the units on the business day immediately preceding the date on which the restricted unit awards were vested in the period was HK\$45.50 per unit.
- (4) These figures represent the maximum number of units in respect of which the restricted unit awards had lapsed or were cancelled in the period. The conditional cash awards granted in conjunction with such restricted unit awards lapsed or cancelled simultaneously.
- (5) The restricted unit awards in the above table were all granted in conjunction with conditional cash awards. An aggregate amount of approximately HK\$7 million was paid for the conditional cash awards vested along with the relevant restricted unit awards in the period.
- (6) According to the prevailing policy, outstanding restricted unit awards held by a retired Director will vest on a pro rata basis to his/her actual number of days in office before his/her retirement. The maximum number of units that may be issued on vesting of the outstanding restricted unit awards held by Mr Anthony CHOW Wing Kin (who retired on 22 May 2015) would be 4,250 units (instead of 6,750 units as stated in the above table). The remaining portion will not vest but will lapse on the relevant vesting date.
- (7) Included in these figures were outstanding restricted unit awards held by three former Independent Non-Executive Directors, including (i) restricted unit awards in respect of a maximum of 15,500 units held by Mr Michael Ian ARNOLD at the beginning of the period, of which 4,404 units were vested and issued and all the remaining had lapsed in the period; (ii) restricted unit awards in respect of a maximum of 23,500 units held by Dr Patrick FUNG Yuk Bun at the beginning of the period, of which 9,503 units were vested and issued and 8,747 units had lapsed in the period with restricted unit awards in respect of a maximum of 5,250 units remaining outstanding at the period end that will vest on a pro rata basis; and (iii) restricted unit awards in respect of a maximum of 28,000 units held by Mr Stanley KO Kam Chuen at the beginning of the period, of which 11,172 units were vested and issued and 10,578 units had lapsed in the period with restricted unit awards in respect of a maximum of 6,250 units remaining outstanding at the period end that will vest on a pro rata basis. Please refer to pages 110 to 111 of annual report 2013/2014 and pages 45 to 46 of the "Governance, Disclosures and Financial Statements" report of annual report 2014/2015 for further details.

The restricted unit awards and conditional cash awards are to be expensed through Link's consolidated income statement over the relevant vesting period. Further details of the LTI Plan are set out in Note 18 to the condensed consolidated interim financial information in this interim report.

Connected Party Transactions

Connected Persons and Connected Party Transactions

The following table sets out the connected party transactions entered into by Link and/or its subsidiaries in the period with connected persons (as defined under Chapter 8 of the REIT Code) named below:

Name of connected person	Relationship with Link	Nature of the transactions	Income derived HK\$'M	Expenses incurred HK\$'M
Link Asset Management Limited	Manager	Management fee ⁽¹⁾	N/A	(300.5)
HSBC Institutional Trust Services (Asia) Limited	Trustee	Trustee's fee ⁽²⁾	N/A	(6.2)
CBRE Limited ⁽³⁾	Principal Valuer	Valuation fees	N/A	(1.2)
		Consultancy services	N/A	(0.3)
HSBC and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) ("HSBC Group")	Associates of Trustee	Tenancy / licence ⁽⁴⁾	15.4 ⁽⁵⁾	N/A
		Interest income	0.3	N/A
		Interest expenses and financing charges	N/A	(24.8)
		Arrangement fees and bank charges	N/A	(6.0) ⁽⁶⁾
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)")	Associate of Professor Richard WONG Yue Chim	Tenancy / licence ⁽⁴⁾	4.7 ⁽⁵⁾	N/A
		Interest income	— ⁽⁷⁾	N/A
		Interest expenses and financing charges	N/A	(0.4)
		Arrangement fees and bank charges	N/A	(0.1)
Standard Chartered Bank (Hong Kong) Limited ("SCBHK")	Associate of Ms May Siew Boi TAN	Tenancy / licence ⁽⁴⁾	7.2 ⁽⁵⁾	N/A
		Interest income	0.5	N/A
		Interest expenses and financing charges	N/A	(0.4)
		Arrangement fees and bank charges	N/A	(0.1)
Aedas Limited ("Aedas") ⁽⁸⁾	Associate of Mr Ian Keith GRIFFITHS	Architectural and renovation consultancy services	N/A	(4.4) ⁽⁹⁾
Hong Kong Youth Arts Foundation ⁽¹⁰⁾	Associate of Mr Nicholas Robert SALLNOW-SMITH and Ms May Siew Boi TAN	Sponsorship fee	N/A	(0.2)
The Chamber of Hong Kong Listed Companies	Associate of Mr Andy CHEUNG Lee Ming	Sponsorship and training fees	N/A	(0.1)
The Hong Kong Institute of Directors Limited ("HKIoD")	Associate of Mr George Kwok Lung HONGCHOY	Registration fees	N/A	— ⁽¹¹⁾

Notes:

- (1) The Manager, as the internalised management company of Link, recovers its expenses from Link on a cost recovery basis.
- (2) The Trustee's fee was calculated at the rate of, respectively, 0.008% per annum and 0.03% per annum of the property values of Link's properties in and outside Hong Kong as determined in the latest annual valuation report prepared by the Principal Valuer, subject to a minimum of HK\$150,000 per month.
- (3) A consultancy service contract for a contract sum of HK\$243,000 was entered into with CBRE Limited in the period.
- (4) For shops, ATMs and showcases at various locations.
- (5) Excluding deposits received.
- (6) Including transaction fees paid for buy-back of Link's units by the Manager in the period.
- (7) Interest income of HK\$2,000 was received from ICBC (Asia) in the period.
- (8) A design and project consultancy contract for a contract sum of HK\$10.7 million was awarded to Aedas in the period.
- (9) Including reimbursements.
- (10) A contract was entered into with Hong Kong Youth Arts Foundation for a contract sum of HK\$295,000 in the period in respect of organising cultural activities.
- (11) Registration fees of approximately HK\$1,000 was paid to HKIoD in the period.

Lease Transactions with Connected Persons

In addition to certain tenancies set out on page 96 of annual report 2012/2013⁽³⁾, page 114 of annual report 2013/2014, page 48 of the “Governance, Disclosures and Financial Statements” report of annual report 2014/2015 (of which those tenancies still subsisted as at the period end), the following tenancy was entered into by a Link’s subsidiary with the following connected person (as defined under Chapter 8 of the REIT Code) in the period with an annual rent exceeding HK\$1 million:

Name of tenant	Nature of the transaction	Lease term	Annual rent ⁽¹⁾ HK\$’M	Rental deposit received as at 30 September 2015 HK\$’M
SCBHK	Tenancy for shop no. G201 at Lok Fu Plaza	Term of 3 years expiring on 14 December 2016	3.2	0.8 ⁽²⁾

Notes:

(1) Annual rent is calculated from the monthly base rent on a 12-month basis as if such rent were received from the beginning of the financial year.

(2) In the form of bank guarantee.

(3) Annual rent of the tenancy for shop no. 121A at Wong Tai Sin Plaza (now known as Temple Mall South) with Hang Seng Bank, Limited for a term of five years expiring on 2 July 2017, as disclosed in annual report 2012/2013, had been changed to HK\$2.8 million.

Provision of Banking and Financial Services by Connected Persons

Link and/or its subsidiaries engaged the HSBC Group, ICBC (Asia) and SCBHK to provide ordinary course banking and financial services in the period. Further details are set out in Note 26 to the condensed consolidated interim financial information in this interim report. The HSBC Group also provided services to subsidiaries of Link in relation to Mandatory Provident Fund accounts and payment and receipt arrangements. Bank accounts were also maintained with the HSBC Group, ICBC (Asia) and SCBHK for deposits and/or rent collection purposes.

Other Transactions

During the period under review, pursuant to the MTN Programme:

- (i) a tranche of fixed rate private notes due 2022 for a principal amount of HK\$530 million was issued on 2 July 2015 with HSBC acting as the dealer for such issue; and
- (ii) the programme limit was increased from US\$2 billion to US\$3 billion effective from 7 September 2015.

The note issue mentioned above was within the waiver granted by the SFC in respect of connected party transactions with the HSBC Group. It was conducted at arm’s length on normal commercial terms. In order to ensure the effective interest cost of a new note issue is competitive, the Manager monitors the market interest rates and compares quotations from multiple dealers from time to time. Save as disclosed, no other note was issued pursuant to the MTN Programme with a connected person acting as dealer in the period.

The Link Finance Limited (a wholly-owned subsidiary of Link) also maintained interest rate and cross currency swap contracts with HSBC in the period. As at 30 September 2015, the total notional principal outstanding value in respect of such swap contracts with HSBC was HK\$3.85 billion.

Waivers from Strict Compliance

During the six months ended 30 September 2015, Link complied with the stipulated terms and conditions of the waivers granted by the SFC for the relevant connected party transactions including, inter alia, (i) conducting the transactions at arm’s length on normal commercial terms in the usual and ordinary course of business and in the interests of the Unitholders; (ii) wherever applicable, within specific caps on transaction amounts or fees paid; and (iii) having the relevant transactions reviewed by the auditor of Link and the Audit and Risk Management Committee and approved by the Board.

New Connected Party Transaction Waivers Granted on 5 October 2015

New waivers were granted on 5 October 2015 by the SFC to Link from strict compliance with certain provisions in the REIT Code (or referred to as the “**Code**” below) in respect of certain connected party transactions between Link, the Manager, and the other companies or entities held or controlled by Link (referred collectively in the text below as “**Link REIT’s Group**”) with DBS Bank (Hong Kong) Limited (“**DBSHK**”). No transactions were entered into by Link and/or its subsidiaries with DBSHK for the six-month period ended 30 September 2015.

Terms and conditions of such new waivers with respect to DBSHK are reproduced below:

Modifications and waivers granted in relation to certain requirements of the Code and conditions thereon

(I) Extension of Definition of “Relevant Banking Group”

The definition of “Relevant Banking Group” in paragraph 8 of Schedule VII to the Compliance Manual be extended to cover DBSHK, such that ordinary course banking services provided by DBSHK to Link REIT’s Group will be deemed not to be connected party transactions and therefore will not be subject to any requirement for announcement or unitholders’ approval, provided that in relation to the ordinary course banking services with the Relevant Banking Group, the Manager will:

- (a) disclose in its annual report a positive or negative confirmation whether any ordinary course banking services has been entered into with each member of the Relevant Banking Group in the relevant financial year and a description of the general nature or types of such transactions; and
- (b) disclose in its annual report that (i) the Audit and Risk Management Committee has reviewed the general nature and types of such transactions and reported on them and (ii) the Audit and Risk Management Committee is satisfied that the general nature and types of transactions are of the type that are contemplated in the waiver application of the Manager and are of a 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 the unitholders.

In any case where the Relevant Banking Group (excluding the Trustee) is acting in its ordinary course of its business and in the capacity of fund manager, nominee, custodian, agent or trustee or otherwise on behalf of a third party (so that the transaction is being conducted for the account or benefit of a party other than the Relevant Banking Group concerned), the transaction (including a transaction in securities of Link) will not be regarded as a connected party transaction. Such a transaction would include a transaction between Link and another collective investment scheme (including another real estate investment trust) for which a company within the Relevant Banking Group acts as the manager or trustee, provided the transaction is not a proprietary transaction of the Relevant Banking Group (excluding the Trustee).

(II) Corporate Finance Transactions with DBSHK

Waiver from strict compliance with the unitholders’ approval and disclosure requirements in Rules 8.9 and 8.11 of the Code and a modification of the announcement, disclosure and reporting requirements under Chapter 8 of the Code with respect to certain “corporate finance transactions” with DBSHK be granted.

For this purpose “corporate finance transactions” means:

- (i) underwriting, securitisation, issue of debt instruments or other securities, or other related arrangements where DBSHK is involved in an underwriting or arranging capacity or acts as listing agent and/or financial adviser and/or global co-ordinator to Link;
- (ii) lending and borrowing of funds or other related arrangements (including refinancing thereof) in connection with any facility agreement by which Link REIT’s Group will finance the acquisition of real estate (other than ordinary course banking services which relate generally to working capital financing); and
- (iii) “corporate advisory transactions”, (i.e. the provision of corporate finance advice¹ to Link and excludes (i) and (ii) above).

The announcements, disclosures and reporting requirements under Chapter 8 of the Code that would apply in respect of any “corporate finance transactions” between DBSHK and any member of Link REIT’s Group shall be modified as described in the conditions (a) to (i) below.

- (a) each transaction is carried out at arm’s length on normal commercial terms;
- (b) the offering document or any circular for Link will include clear disclosure regarding this waiver and, with respect to the transactions under (i) and (ii) of this waiver, full disclosure of the material terms of the relevant agreements;
- (c) the annual report of Link will disclose the following details:
 - (i) the aggregate fees paid to DBSHK in respect of corporate finance transactions conducted by DBSHK for Link in the relevant financial year; and
 - (ii) in respect of corporate finance transactions conducted by DBSHK for Link in the relevant financial year whose individual fees exceed HK\$1 million: (A) the nature of the transaction; (B) the parties to the transaction; and (C) the date of the transaction;
- (d) the Manager will confirm, in respect of corporate finance transactions entered into with DBSHK, in the annual report of Link that (a) above and the general conditions as set out below have been complied with;

- (e) a statement will be made by the Audit and Risk Management Committee in the annual report of Link that it has reviewed the terms of any such connected party transactions and is satisfied that these transactions have been entered into in the ordinary and usual course of business at arm's length on normal commercial terms, are fair and reasonable and are in the interests of the unitholders;
- (f) underwriting or other related agreements are to be in respect of a particular transaction carried out at arm's length on normal commercial terms, the primary objective of which is the offering or distribution of securities to parties outside of DBSHK;
- (g) aggregate fees of DBSHK generated from all "corporate advisory transactions" between DBSHK and Link conducted during the relevant financial year are to be capped at 0.5% of the net asset value of Link as disclosed in the latest published audited accounts of Link adjusted by any subsequent transactions published in an announcement and/or circular of Link, in order for the waiver to apply to corporate advisory transactions. If the aggregate fees of DBSHK generated from all corporate advisory transactions between DBSHK and Link conducted during the financial year exceed the cap above, the normal connected party transaction requirements under Chapter 8 of the Code (including obtaining unitholders' approval) will apply with respect to the relevant connected party transaction;
- (h) where a transaction involving DBSHK is required to be announced pursuant to the provisions of the Code and to which the waivers granted by the SFC in respect of connected party transactions do not apply, then disclosure of the role played by DBSHK and the relevant terms of engagement shall be made in the relevant announcement in accordance with normal market practice and the requirements of the Code; and
- (i) the auditor of Link to report to the Manager confirming that:
 - (i) the transactions were duly approved by the Board of Directors of the Manager in accordance with the internal procedures of the Manager;
 - (ii) the transactions were entered into in accordance with the terms of the agreements governing the transactions; and
 - (iii) the aggregate fees of DBSHK generated from all corporate advisory transactions between DBSHK and Link conducted during the relevant financial year do not exceed the cap as described above.

In addition to the aforesaid, the waivers set out in paragraphs I and II above shall also be subject to the following general conditions on an ongoing basis:

- (a) the Manager has implemented internal control and compliance procedures to deal with connected party transactions to ensure that connected party transactions are monitored and carried out on terms in compliance with the Code;
- (b) the connected party transaction waivers will be given on the basis that they only apply to connected party transactions which arise solely as a result of and for so long as Ms TSE Sau Ling acting as an independent non-executive director ("**INED**") of the Manager. If other connected party transactions arise as a result of other circumstances, these will be governed by Chapter 8 of the Code in the normal way;
- (c) the connected party transactions are entered into at arm's length on normal commercial terms in the usual and ordinary course of business and in the interest of unitholders; and
- (d) the waivers do not need to be renewed on a regular basis, provided that: (i) the SFC reserves its right to review or revise the terms of the waivers or impose any conditions as it deems appropriate from time to time; and (ii) the full Board (including the INEDs) considers that it is fair and reasonable and in the best interests of the unitholders to continue with the waivers granted without unitholders' approval and disclose such confirmation in the annual report of Link. In addition, the Audit and Risk Management Committee will make a statement in the annual report of Link that it has reviewed the terms of the connected party transaction waivers and is satisfied that (on the basis of the terms of the waivers and the internal controls and procedures in place) it is fair and reasonable that the waivers be continued without unitholders' approval.

The various categories of transactions which are the subject of the waivers set out in paragraphs I and II above are supplementary to any and all applicable exemptions and permissions under the Code and are independent of each other so that: (a) none is in any way limited by or by reference to any of the others; and (b) if more than one category is relevant in any particular circumstance or situation, any relevant category may apply.

Notwithstanding the foregoing, the SFC has the right to review, revise or impose any of the conditions relating to the above waivers as it deems appropriate from time to time. In the event of future amendments to the Code imposing more stringent requirements than those applicable at the date of the above waivers which may be granted by the SFC on transactions of the kind to which the transactions belong (including, but not limited to, a requirement that such transaction be made conditional on approval by the independent unitholders), the Manager will take immediate steps to ensure compliance with such requirements within a reasonable period.

¹ For the avoidance of doubt, "corporate finance advice" means advice:

1. concerning compliance with or in respect of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, The Code on Share Buy-backs or The Code on Takeovers and Mergers; or
2. concerning (i) any offer to dispose of securities to the public; (ii) any offer to acquire securities from the public; or (iii) acceptance of any offer referred in (i) and (ii), but only in so far as the advice is given generally to holders of securities or a class of securities; or
3. concerning corporate restructuring in respect of securities (including the issue, cancellation or variation of any rights attaching to any securities).

Auditor's Review Report



羅兵咸永道

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF LINK ASSET MANAGEMENT LIMITED
(as “Manager” of LINK REAL ESTATE INVESTMENT TRUST (formerly known
as “THE LINK REAL ESTATE INVESTMENT TRUST”))**

Introduction

We have reviewed the interim financial information set out on pages 46 to 72, which comprises the condensed consolidated statement of financial position of Link Real Estate Investment Trust (“**Link**”) and its subsidiaries (together, the “**Group**”) as at 30 September 2015 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, consolidated statement of distributions, condensed consolidated statement of changes in equity and net assets attributable to unitholders and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Manager are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 11 November 2015

Condensed Consolidated Income Statement

For the six months ended 30 September 2015

	Note	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Revenue	4	4,185	3,830
Property operating expenses	6	(1,089)	(1,047)
Net property income		3,096	2,783
General and administrative expenses		(163)	(286)
Change in fair values of investment properties		5,785	14,761
Operating profit	7	8,718	17,258
Interest income		4	14
Finance costs	8	(216)	(169)
Gain on disposal of investment properties		–	340
Profit before taxation and transactions with Unitholders		8,506	17,443
Taxation	10	(466)	(411)
Profit for the period, before transactions with Unitholders		8,040	17,032
Distributions paid to Unitholders (Note (ii))		(2,138)	(1,976)
		5,902	15,056
Represented by:			
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back		5,767	15,071
Amount arising from cash flow hedging reserve and exchange reserve movements	23	104	(15)
Non-controlling interest		31	–
		5,902	15,056
Profit for the period, before transactions with Unitholders attributable to			
– Unitholders (Note (i))	11	8,009	17,032
– Non-controlling interest		31	–

The notes on pages 52 to 72 are an integral part of these condensed consolidated interim financial information.

Notes:

- (i) Earnings per unit, based upon profit after taxation and before transactions with Unitholders attributable to Unitholders and the weighted average number of units in issue, is set out in Note 11 to the condensed consolidated interim financial information.
- (ii) This represents the final distribution of HK\$2,138 million for the year ended 31 March 2015 (2014: HK\$1,976 million) paid during the period.
- (iii) Total Distributable Income (as defined in the Trust Deed constituting Link Real Estate Investment Trust) for the six months ended 30 September 2015 is determined in the consolidated statement of distributions. The interim distribution declared in respect of this financial period as set out in the consolidated statement of distributions will be paid to Unitholders on 4 December 2015.

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2015

Note	Before transactions with Unitholders (Unaudited) HK\$'M	Transactions with Unitholders (Note (i)) (Unaudited) HK\$'M	After transactions with Unitholders (Note (ii)) (Unaudited) HK\$'M	Non-controlling interest (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
Six months ended 30 September 2015					
Profit for the period	8,009	(7,905)	104	31	135
Other comprehensive income					
Item that may be reclassified subsequently to the condensed consolidated income statement					
– Cash flow hedging reserve	(58)	–	(58)	–	(58)
– Exchange reserve	(46)	–	(46)	–	(46)
Total comprehensive income for the period	7,905	(7,905)	–	31	31
Six months ended 30 September 2014					
Profit for the period	17,032	(17,047)	(15)	–	(15)
Other comprehensive income					
Item that may be reclassified subsequently to the condensed consolidated income statement					
– Cash flow hedging reserve	15	–	15	–	15
Total comprehensive income for the period	(ii) 17,047	(17,047)	–	–	–

The notes on pages 52 to 72 are an integral part of these condensed consolidated interim financial information.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$2,138 million (2014: HK\$1,976 million) and change in net assets attributable to Unitholders, excluding issues of new units and units bought back, of HK\$5,767 million (2014: HK\$15,071 million).
- (ii) In accordance with the Trust Deed, Link Real Estate Investment Trust is required to distribute to Unitholders not less than 90% of Total Distributable Income for each financial period. 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 distributions 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 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 and units bought back, are finance costs. Accordingly, the total comprehensive income, after the transactions with Unitholders, is zero.

Consolidated Statement of Distributions

For the six months ended 30 September 2015

Note	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Profit for the period, before transactions with Unitholders attributable to Unitholders	8,009	17,032
Adjustments:		
– Change in fair values of investment properties attributable to Unitholders	(5,754)	(14,761)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders	17	–
– Other non-cash income	(42)	(18)
– Depreciation charge on investment properties under China Accounting Standards	(24)	–
– Gain on disposal of investment properties, net of transaction costs	–	(327)
Total Distributable Income (Note (i))	2,206	1,926
Discretionary distribution (Note (ii))	24	128
Total Distributable Amount	2,230	2,054
Interim distribution for the period, to be paid to the Unitholders (Note (iii))	2,230	2,054
Total Distributable Amount as a percentage of Total Distributable Income	101%	107%
Units in issue at 30 September	22	2,293,242,269
Distribution per unit to Unitholders for the period (Note (iv))	HK98.99 cents	HK89.56 cents

The notes on pages 52 to 72 are an integral part of these condensed consolidated interim financial information.

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 period, before transactions with Unitholders attributable to Unitholders) adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the condensed consolidated income statement for the relevant period. Link Real Estate Investment Trust is required to ensure that the total amount distributed to Unitholders as distributions for each financial period shall be no less than 90% of Total Distributable Income, plus at its discretion, any other additional amount that the Manager determines is distributable (i.e. Total Distributable Amount). The Manager has decided to distribute 100% (2014: 100%) of Total Distributable Income as the distribution for the six months ended 30 September 2015.
- (ii) Discretionary distribution refers to any additional amount to be distributed as determined by the Manager pursuant to clause 13.4 of the Trust Deed. The Manager recommended a discretionary distribution relating to the adjustment for depreciation charge on investment properties under China Accounting Standards during the period as part of interim distribution. For the six months ended 30 September 2014, the discretionary distribution was related to the transaction costs incurred for the acquisition of an investment property during the period.
- (iii) The interim distribution will be paid to Unitholders on 4 December 2015.
- (iv) The interim distribution per unit of HK98.99 cents for the six months ended 30 September 2015 is calculated based on the interim distribution of HK\$2,230 million for the period and 2,252,468,136 units in issue as at 30 September 2015, without taking into account any change in the number of units in issue subsequent to the approval of the condensed consolidated interim financial information. The interim distribution per unit of HK89.56 cents for the six months ended 30 September 2014 was calculated based on the interim distribution of HK\$2,054 million for the period and 2,293,242,269 units in issue as at 30 September 2014.

Condensed Consolidated Statement of Financial Position

As at 30 September 2015

	Note	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Non-current assets			
Goodwill	12	482	384
Investment properties	13	154,434	138,383
Property, plant and equipment	14	65	72
Derivative financial instruments	20	145	162
Other non-current asset		–	316
		155,126	139,317
Current assets			
Investment properties held for sale	13	1,317	–
Trade and other receivables	15	369	312
Deposits and prepayments		74	67
Short-term bank deposits	16	25	1,215
Cash and cash equivalents	16	494	2,233
		2,279	3,827
Total assets		157,405	143,144
Current liabilities			
Trade payables, receipts in advance and accruals	17	1,406	1,433
Security deposits		1,381	1,173
Provision for taxation		470	240
Current portion of long-term incentive plan provision	18	44	77
Interest bearing liabilities	19	2,633	1,940
Derivative financial instruments	20	77	17
		6,011	4,880
Net current liabilities		3,732	1,053
Total assets less current liabilities		151,394	138,264
Non-current liabilities, excluding net assets attributable to Unitholders			
Long-term incentive plan provision	18	18	43
Interest bearing liabilities	19	24,020	15,130
Derivative financial instruments	20	118	96
Deferred tax liabilities		2,078	1,957
Other non-current liabilities	21	2,964	2,932
		29,198	20,158
Total liabilities, excluding net assets attributable to Unitholders		35,209	25,038
Non-controlling interest		31	–
Net assets attributable to Unitholders		122,165	118,106
Units in issue	22	2,252,468,136	2,291,770,269
Net assets per unit attributable to Unitholders		HK\$54.24	HK\$51.53

The notes on pages 52 to 72 are an integral part of these condensed consolidated interim financial information.

On behalf of the Board of Directors of
Link Asset Management Limited, as manager of Link Real Estate Investment Trust

Nicholas Robert SALLNOW-SMITH
Chairman
11 November 2015

George Kwok Lung HONGCHOY
Chief Executive Officer
11 November 2015

Condensed Consolidated Statement of Changes in Equity and Net Assets Attributable to Unitholders

For the six months ended 30 September 2015

	Note	Net assets attributable to Unitholders (Unaudited) HK\$'M	Total reserves (Unaudited) HK\$'M	Non-controlling interest (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
Net assets attributable to Unitholders at 1 April 2015		118,106	580	–	118,686
Issuance of units under long-term incentive plan		74	–	–	74
Units bought back for cancellation	22	(1,782)	–	–	(1,782)
Profit for the period ended 30 September 2015, before transactions with Unitholders		8,009	–	31	8,040
Distributions paid to Unitholders – 2015 final distribution		(2,138)	–	–	(2,138)
Change in fair values of cash flow hedges	23	–	(87)	–	(87)
Amount transferred to the condensed consolidated income statement	23	–	29	–	29
Exchange loss on translation of financial statements	23	–	(46)	–	(46)
Amount arising from cash flow hedging reserve and exchange reserve movements	23	(104)	104	–	–
Change in net assets attributable to Unitholders and non-controlling interest for the period ended 30 September 2015, excluding issues of new units and units bought back		5,767	–	31	5,798
Net assets attributable to Unitholders at 30 September 2015		122,165	580	31	122,776
Net assets attributable to Unitholders at 1 April 2014		96,351	–	–	96,351
Issuance of units under long-term incentive plan		74	–	–	74
Units bought back for cancellation		(886)	–	–	(886)
Profit for the period ended 30 September 2014, before transactions with Unitholders		17,032	–	–	17,032
Distributions paid to Unitholders – 2014 final distribution		(1,976)	–	–	(1,976)
Change in fair values of cash flow hedges		–	(13)	–	(13)
Amount transferred to the condensed consolidated income statement		–	28	–	28
Amount arising from cash flow hedging reserve movement		15	(15)	–	–
Change in net assets attributable to Unitholders for the period ended 30 September 2014, excluding issues of new units and units bought back		15,071	–	–	15,071
Net assets attributable to Unitholders at 30 September 2014		110,610	–	–	110,610

The notes on pages 52 to 72 are an integral part of these condensed consolidated interim financial information.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2015

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Operating activities		
Net cash generated from operating activities	2,839	2,542
Investing activities		
Acquisition of businesses	(9,806)	(1,380)
Proceeds from disposal of investment properties	–	1,240
Deposits from disposal of investment properties	–	83
Additions to investment properties	(670)	(464)
Additions to property, plant and equipment	(5)	(15)
Interest income received	12	23
Decrease in short-term bank deposits with original maturity of more than three months	1,190	620
Net cash (used in)/generated from investing activities	(9,279)	107
Financing activities		
Proceeds from interest bearing liabilities, net of transaction costs	29,264	4,585
Repayment of interest bearing liabilities	(20,408)	(2,800)
Interest expenses paid on interest bearing liabilities	(234)	(165)
Distributions paid to Unitholders	(2,138)	(1,976)
Units bought back for cancellation	(1,782)	(886)
Net cash generated from/(used in) financing activities	4,702	(1,242)
Net (decrease)/increase in cash and cash equivalents	(1,738)	1,407
Cash and cash equivalents at 1 April	2,233	560
Effect on exchange rate changes on cash and cash equivalents	(1)	–
Cash and cash equivalents at 30 September	494	1,967

The notes on pages 52 to 72 are an integral part of these condensed consolidated interim financial information.

Notes to the Condensed Consolidated Interim Financial Information

1 Corporate Information

Link Real Estate Investment Trust (formerly known as “The Link Real Estate Investment Trust”) (“**Link**”) is a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Link is governed by a trust deed entered into on 6 September 2005 (as amended and supplemented by 11 Supplemental Deeds dated 4 November 2005, 8 November 2005, 16 January 2006, 21 November 2006, 13 July 2007, 23 July 2007, 5 October 2009, 23 July 2010, 25 July 2012, 18 February 2014 and 15 January 2015) (together the “**Trust Deed**”).

The principal activity of Link and its subsidiaries (the “**Group**”) is investing in real estate (other than real estate of a residential, hotel or serviced apartment nature) and undertaking property development and related activities in respect of all types of developments that contain retail and/or commercial portions. The addresses of the registered offices of the Manager, Link Asset Management Limited, and the Trustee, HSBC Institutional Trust Services (Asia) Limited, are 33/F., AXA Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong and 1 Queen’s Road Central, Hong Kong, respectively.

2 Basis of Preparation

The condensed consolidated interim financial information for the six months ended 30 September 2015 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The condensed consolidated interim financial information should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2015.

As at 30 September 2015, the Group’s current liabilities exceeded its current assets. The Group considers that its liquidity and financial position as a whole is healthy and it has a reasonable expectation that the Group has adequate resources to meet its liabilities and commitments as and when they fall due and to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the interim financial information.

3 Accounting Policies

The accounting policies adopted are consistent with those set out in the audited consolidated financial statements for the year ended 31 March 2015, except for the adoption of the following new standards, amendments and interpretations issued by the HKICPA which became effective for the six months ended 30 September 2015.

HKAS 19 (2011) Amendments Annual Improvements to HKFRSs 2010 – 2012 Cycle	Defined Benefit Plans: Employee Contributions
Annual Improvements to HKFRSs 2011 – 2013 Cycle	

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

The following new standards, amendments and interpretations, which have been published but are not yet effective, have not been early adopted in the condensed consolidated interim financial information. These are effective for the Group’s accounting periods beginning on or after 1 April 2016.

3 Accounting Policies (Continued)

HKAS 1 Amendments	Disclosure Initiative ⁽¹⁾
HKAS 16 and HKAS 38 Amendments	Clarification of Acceptable Methods of Depreciation and Amortisation ⁽¹⁾
HKAS 16 and HKAS 41 Amendments	Agriculture: Bearer Plants ⁽¹⁾
HKAS 27 Amendments	Equity Method in Separate Financial Statements ⁽¹⁾
HKAS 28 (2011) and HKFRS 10 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽¹⁾
HKAS 28 (2011), HKFRS 10 and HKFRS 12 Amendments	Investment Entities: Applying the Consolidation Exception ⁽¹⁾
HKFRS 9 (2014)	Financial Instruments ⁽²⁾
HKFRS 11 Amendments	Accounting for Acquisitions of Interests in Joint Operations ⁽¹⁾
HKFRS 14	Regulatory Deferral Accounts ⁽¹⁾
HKFRS 15	Revenue from Contracts with Customers ⁽²⁾
Annual Improvements to HKFRSs 2012 – 2014 Cycle ⁽¹⁾	

⁽¹⁾ effective for accounting periods beginning on or after 1 January 2016

⁽²⁾ effective for accounting periods beginning on or after 1 January 2018

The Group is in the process of making an assessment of the impact of these new and revised Hong Kong Financial Reporting Standards (“**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 reported results of operations and financial position.

4 Revenue

Revenue recognised during the period comprise:

	Six months ended 30 September 2015 (Unaudited) HK\$’M	Six months ended 30 September 2014 (Unaudited) HK\$’M
Rentals		
– Retail and commercial properties	3,086	2,831
– Car parks	911	825
	3,997	3,656
Other revenue		
– Air conditioning service fees	173	164
– Other property related revenue	15	10
	188	174
Total revenue	4,185	3,830

Leases with tenants provide for monthly base rent and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$75 million (2014: HK\$84 million) and have been included in the rental income.

5 Segment Information

	Retail properties HK\$'M	Car parks HK\$'M	Others HK\$'M	Total HK\$'M
For the six months ended 30 September 2015 (Unaudited)				
Revenue (Note (i))	3,246	912	27	4,185
Segment results	2,421	652	(140)	2,933
Change in fair values of investment properties	3,569	2,039	177	5,785
Interest income				4
Finance costs				(216)
Profit before taxation and transactions with Unitholders				8,506
Taxation				(466)
Profit for the period, before transactions with Unitholders				8,040
Capital expenditure	4,668	34	6,935	11,637
Depreciation	–	–	(12)	(12)
As at 30 September 2015 (Unaudited)				
Segment assets (Note (ii))	115,807	27,319	13,133	156,259
Goodwill				482
Derivative financial instruments				145
Short-term bank deposits				25
Cash and cash equivalents				494
Total assets				157,405
Segment liabilities	2,175	157	455	2,787
Provision for taxation				470
Long-term incentive plan provision				62
Interest bearing liabilities				26,653
Derivative financial instruments				195
Deferred tax liabilities				2,078
Other non-current liabilities				2,964
Total liabilities, excluding net assets attributable to Unitholders				35,209
Non-controlling interest				31
Net assets attributable to Unitholders				122,165

Notes:

- (i) For the period ended 30 September 2015, revenue of HK\$129 million (2014: Nil) is attributable to external customers from Mainland China and HK\$4,056 million (2014: HK\$3,830 million) is attributable to external customers from Hong Kong.
- (ii) As at 30 September 2015, non-current assets of HK\$11,195 million (31 March 2015: Nil) is located in Mainland China and HK\$143,786 million (31 March 2015: HK\$139,155 million) is located in Hong Kong.

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**5 Segment Information (Continued)**

	Retail properties HK\$'M	Car parks HK\$'M	Others HK\$'M	Total HK\$'M
For the six months ended 30 September 2014 (Unaudited)				
Revenue	3,003	827	–	3,830
Segment results	2,198	585	(286)	2,497
Change in fair values of investment properties	10,207	4,554	–	14,761
Interest income				14
Finance costs on interest bearing liabilities				(169)
Gain on disposal of investment properties				340
Profit before taxation and transactions with Unitholders				17,443
Taxation				(411)
Profit for the period, before transactions with Unitholders				17,032
Capital expenditure	1,603	120	15	1,738
Depreciation	–	–	(10)	(10)
As at 31 March 2015 (Audited)				
Segment assets	107,584	25,237	6,329	139,150
Goodwill				384
Derivative financial instruments				162
Short-term bank deposits				1,215
Cash and cash equivalents				2,233
Total assets				143,144
Segment liabilities	2,070	183	353	2,606
Provision for taxation				240
Long-term incentive plan provision				120
Interest bearing liabilities				17,070
Derivative financial instruments				113
Deferred tax liabilities				1,957
Other non-current liabilities				2,932
Total liabilities, excluding net assets attributable to Unitholders				25,038
Net assets attributable to Unitholders				118,106

6 Property Operating Expenses

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Property managers' fees, security and cleaning	288	276
Staff costs (Note 9)	189	196
Repair and maintenance	111	102
Utilities	177	181
Government rent and rates	129	119
Promotion and marketing expenses	49	41
Estate common area costs	62	57
Business and real estate tax in Mainland China	15	–
Other property operating expenses	69	75
	1,089	1,047

7 Operating Profit

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Operating profit for the period is stated after charging:		
Staff costs (Note 9)	262	278
Depreciation of property, plant and equipment	12	10
Loss on disposal of property, plant and equipment	–	2
Trustee's fee	6	4
Valuation fee	1	1
Auditor's remuneration		
– Audit-related assurance services	1	1
– Acquisition related professional fee	1	–
Bank charges	2	2
Operating lease charges	14	13
Other legal and professional fees	16	5
Donations	10	7

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**8 Finance Costs**

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Interest expenses on interest bearing liabilities wholly repayable within five years	133	99
Interest expenses on interest bearing liabilities wholly repayable beyond five years	132	68
Other borrowing costs (Note (i))	39	10
	304	177
Less: capitalised under investment properties (Note (ii))	(88)	(8)
	216	169

Notes:

- (i) Other borrowing costs include HK\$32 million (2014: Nil) interest expenses to non-controlling interest, HK\$29 million (2014: HK\$28 million) net losses on interest rate swap contracts designated as cash flow hedges, HK\$38 million (2014: HK\$29 million) net gains on cross currency swap contracts and interest rate swap contracts designated as fair value hedges and various banking and financing charges.
- (ii) Interest expenses have been capitalised under investment properties at an average interest rate of 2.7% (2014: 2.9%) per annum.

9 Staff Costs

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Wages and salaries	268	243
Contributions to mandatory provident fund scheme	7	6
Long-term incentive plan awards (Note 18)	23	57
	298	306
Less: capitalised under investment properties	(36)	(28)
Staff costs (Note 7)	262	278

Staff costs can be further analysed as below:

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Included under property operating expenses (Note 6)	189	196
Included under general and administrative expenses	73	82
	262	278

10 Taxation

Hong Kong profits tax has been provided for at the rate of 16.5% (2014: 16.5%) on the estimated assessable profit for the period. Corporate income tax in Mainland China has been provided for at the rate of 25% on the estimated assessable profit for the period.

The amount of taxation charged to the condensed consolidated income statement represents:

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Current taxation		
– Hong Kong	337	318
– Mainland China	6	–
Deferred taxation	123	93
Taxation	466	411

11 Earnings per Unit Based upon Profit after Taxation and before Transactions with Unitholders Attributable to Unitholders

	Six months ended 30 September 2015 (Unaudited)	Six months ended 30 September 2014 (Unaudited)
Profit after taxation and before transactions with Unitholders attributable to Unitholders	HK\$8,009 million	HK\$17,032 million
Weighted average number of units for the period for calculating basic earnings per unit	2,284,355,750	2,309,562,285
Adjustment for dilutive contingently issuable units under long-term incentive plan	1,423,576	1,937,476
Weighted average number of units for the period for calculating diluted earnings per unit	2,285,779,326	2,311,499,761
Basic earnings per unit based upon profit after taxation and before transactions with Unitholders attributable to Unitholders	HK\$3.51	HK\$7.37
Diluted earnings per unit based upon profit after taxation and before transactions with Unitholders attributable to Unitholders	HK\$3.50	HK\$7.37

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**12 Goodwill**

	Carrying value (Unaudited) HK\$'M
At 1 April 2015	384
Acquisition of businesses (Note 24)	99
Exchange adjustments	(1)
At 30 September 2015	482

13 Investment Properties**(a) Details of the Movements of Investment Properties are as follows:**

	Completed properties (Unaudited) HK\$'M	Properties under development (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
At 1 April 2015	132,503	5,880	138,383
Acquisition of businesses (Note 24)	10,974	–	10,974
Exchange adjustments	(49)	–	(49)
Additions	567	91	658
Change in fair values	5,706	79	5,785
	149,701	6,050	155,751
Reclassify to "Investment property held for sale" (see Note 13(g) below)	(1,317)	–	(1,317)
At 30 September 2015	148,384	6,050	154,434

(b) Government Leases/Land Grant/Land Use Rights

The properties included as investment properties on the condensed consolidated statement of financial position comprise the following:

- (i) properties located in Hong Kong where the Group has legal title under government leases/conditions of sale for a fixed number of years (with renewal rights in one case). As at 30 September 2015, the remaining term of lease/land grant periods range from approximately 27 to 49 years (31 March 2015: 28 to 49 years); and
- (ii) properties located in Mainland China where the Group legally holds the land use rights and building ownership rights. As at 30 September 2015, the remaining term of the land use rights period is approximately 36 years.

(c) Valuation Process

The investment properties were revalued on an open market value basis as at 31 March and 30 September 2015 by CBRE Limited, an independent firm of professional qualified valuers and the principal valuer of Link.

The Manager held discussions with the principal valuer and reviewed all significant inputs used by the principal valuer. Discussions of the valuation processes and results at each reporting date are held between the Manager and the principal valuer.

13 Investment Properties (Continued)

(d) Valuation Techniques

The principal valuer has relied on the income capitalisation approach, discounted cash flow analysis and residual approach as its primary approaches, cross-referenced to the direct comparison method.

The income capitalisation approach involves the capitalisation of the current passing income and potential reversionary income to arrive at the capital value at an appropriate capitalisation rate. The adopted capitalisation rate reflects the nature, location and tenancy profile of the properties together with the current market investment criteria, as supported by the market evidence. The prevailing market rentals have been obtained through analysis of recent lettings and achievable rentals of the properties and other similar developments in the locality. Adjustments are made accordingly to reflect factors specific to the lease and property.

Discounted cash flow analysis allows an investor or owner to make an assessment of the longer term return that is likely to be derived from a property with a combination of both income and capital growth over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including a target or pre-selected internal rate of return, net property income, income growth, potential capital expenditure, costs associated with the initial purchase of the property and also its disposal at the end of the investment period.

Residual approach involves the assessment of a property's fair value by assuming its completion at the date of valuation and deducts the estimated development costs to derive at the residual value of the property under development. A property's fair value adopts a direct comparison approach, making reference to the latest market transaction records of relevant properties in the vicinity. Estimated future development costs include estimated construction costs, professional fee, finance costs, other required costs and an allowance for developer's profit.

The investment properties are included in Level 3 (31 March 2015: Level 3) of the fair value hierarchy.

(e) Restriction of the Code on Real Estate Investment Trusts (the "REIT Code")

Link acquired Lions Rise Mall, a piece of land for commercial property development in Kowloon East, EC Mall and Corporate Avenue 1 & 2 on 18 September 2014, 23 February 2015, 1 April 2015 and 31 August 2015, respectively. In accordance with the REIT Code, Link is prohibited from disposing of its properties for at least two years from either the time such properties are acquired or the completion of the development of the properties, unless the Unitholders have passed a special resolution consenting to the proposed disposal.

(f) Security for the Group's Loan Facilities

As at 30 September 2015, certain of the Group's investment properties, amounting to approximately HK\$3,048 million (31 March 2015: HK\$12,986 million), were pledged to secure the Group's loan facilities. As at 30 September 2015, all the secured loan facilities were repaid, and the pledge was subsequently released in October 2015.

(g) Investment Properties Held for Sale

During the period, the Manager has put up certain properties of Link for private tender. On 27 October 2015, Link Properties Limited, a wholly-owned subsidiary of Link, has accepted the tender documents submitted by certain independent third parties, which constitute binding agreements in respect of the sale and purchase of five properties for a cash consideration of HK\$1,716 million.

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**14 Property, Plant and Equipment**

	Leasehold improvements (Unaudited) HK\$'M	Motor vehicles (Unaudited) HK\$'M	Equipment (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
At 1 April 2015	15	2	55	72
Acquisition of businesses (Note 24)	–	–	1	1
Additions	1	1	2	4
Depreciation charge for the period	(5)	(1)	(6)	(12)
At 30 September 2015	11	2	52	65
At 30 September 2015				
Cost	77	6	152	235
Accumulated depreciation	(66)	(4)	(100)	(170)
Net book value	11	2	52	65

15 Trade and Other Receivables

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Trade receivables	109	98
Less: provision for impairment of trade receivables	(6)	(3)
Trade receivables – net	103	95
Other receivables	266	217
	369	312

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 of trade receivables, presented based on the due date, is as follows:

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
0 – 30 days	99	90
31 – 90 days	4	5
Over 90 days	6	3
	109	98

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

16 Cash and Cash Equivalents and Short-term Bank Deposits

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Cash on hand	1	1
Cash at bank	284	2,060
Short-term bank deposits with original maturity of less than three months	209	172
Cash and cash equivalents	494	2,233
Short-term bank deposits with original maturity of more than three months	25	1,215
	519	3,448

17 Trade Payables, Receipts in Advance and Accruals

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Trade payables	52	28
Receipts in advance	214	183
Accruals	1,140	1,222
	1,406	1,433

The carrying amounts of these payables approximate their fair values.

The ageing of trade payables, presented based on the due date, is as follows:

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
0 – 30 days	51	27
31 – 90 days	1	1
	52	28

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**18 Long-term Incentive Plan Provision**

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Long-term incentive plan provision	62	120
Less: current portion of long-term incentive plan provision	(44)	(77)
Non-current portion of long-term incentive plan provision	18	43

A long-term incentive plan (the "**LTI Plan**") was approved and adopted by ordinary resolution on 23 July 2007 at the annual general meeting of the Unitholders. The LTI Plan shall be valid and effective for 10 years commencing on the adoption date.

Under the LTI Plan, the Manager may grant three types of awards, the Restricted Unit Award ("**RUA**"), Unit Option and Conditional Cash Award ("**CCA**") (collectively the "**Awards**") to directors and key employees of the Manager. Awards are approved by the Remuneration Committee and, in the case of directors of the Manager, by the Board on recommendation of the Remuneration Committee. No Unit Option has been granted since the adoption date.

Upon the vesting of RUA, units are to be issued to the grantees on a sliding scale, depending on the scale of achievement against the total Unitholders return ("**TUR**") or net property income ("**NPI**"), where appropriate, providing that the minimum criteria for the performance measure determined by the Remuneration Committee has been met.

During the period, certain directors and employees of the Manager were granted RUA and CCA at nil monetary consideration. The RUA granted under the LTI Plan, in general, will vest approximately two to three years from the date of grant.

The eventual numbers of units to be issued under RUA on vesting, which are linked to the performance of Link based on the TUR, NPI or certain vesting conditions, where appropriate, will range from 0% to 200% of 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 issued to such grantee pursuant to RUA vested.

During the vesting period, a liability is recognised representing the estimated value of the Awards granted and the portion of the vesting period expired as at the reporting date. The value of the Awards was estimated at the reporting date by Towers Watson Hong Kong Limited, an independent external valuer based on valuation techniques and assumptions on unit prices, outstanding length of the Awards and distribution pay-out rates. The change in value of the outstanding Awards was charged to the condensed consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

During the period, the Group issued 1,596,867 units (2014: 1,764,208 units) for RUA vested in accordance with the vesting conditions under the LTI Plan.

18 Long-term Incentive Plan Provision (Continued)

Movements in the number of RUA during the period and the maximum number of units to be issued upon vesting of RUA are as follows:

Date of grant	Vesting period	Outstanding as at 1 April 2015	Granted during the period	Vested during the period ⁽ⁱ⁾	Cancelled during the period	Lapsed during the period	Outstanding as at 30 September 2015	Maximum to be issued on vesting date ⁽ⁱⁱ⁾
16 July 2012	16 July 2012 to 30 June 2015	511,734	–	(486,994) ⁽ⁱⁱⁱ⁾	(8,441)	(16,299)	–	–
20 January 2014	20 January 2014 to 30 June 2015	502,418	–	(486,843) ⁽ⁱⁱⁱ⁾	(3,125)	(12,450)	–	–
	20 January 2014 to 30 June 2016	497,770	–	–	–	(33,331)	464,439	856,128
17 July 2014	17 July 2014 to 30 June 2016	487,500	–	–	–	(30,750)	456,750	863,000
	17 July 2014 to 30 June 2017	487,500	–	–	–	(30,750)	456,750	863,000
24 July 2015	24 July 2015 to 30 June 2017	–	475,000	–	–	(19,500)	455,500	871,750
	24 July 2015 to 30 June 2018	–	475,000	–	–	(19,500)	455,500	871,750
Subtotal		2,486,922	950,000	(973,837)	(11,566)	(162,580)	2,288,939	4,325,628
Additional units vested over 100% of RUA granted		–	–	(623,030) ⁽ⁱⁱⁱ⁾	–	–	–	–
Total		2,486,922	950,000	(1,596,867)	(11,566)	(162,580)	2,288,939	4,325,628

Notes:

- (i) RUA vesting percentages during the period ranged from 130% to 200%.
- (ii) If certain vesting conditions are met.
- (iii) Additional units over 100% of RUA granted were vested pursuant to the relevant vesting conditions.

19 Interest Bearing Liabilities

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Bank borrowings	14,520	4,425
Medium term notes	12,133	11,645
Secured loan	–	1,000
	26,653	17,070
Less: current portion of interest bearing liabilities	(2,633)	(1,940)
Non-current portion of interest bearing liabilities	24,020	15,130

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**19 Interest Bearing Liabilities (Continued)**

Interest bearing liabilities are repayable as follows:

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Due in the first year		
Bank borrowings	2,498	940
Medium term notes	135	–
Secured loan	–	1,000
	2,633	1,940
Due in the second year		
Bank borrowings	–	2,496
Medium term notes	1,112	958
	1,112	3,454
Due in the third year		
Bank borrowings	2,885	–
Medium term notes	1,103	300
	3,988	300
Due in the fourth year		
Bank borrowings	4,972	989
Medium term notes	748	1,103
	5,720	2,092
Due in the fifth year		
Bank borrowings	4,165	–
Medium term notes	972	1,375
	5,137	1,375
Due beyond the fifth year		
Medium term notes	8,063	7,909
	26,653	17,070

Notes:

- (i) Except for medium term notes of HK\$135 million (31 March 2015: HK\$146 million) which are denominated in Australian Dollars and HK\$3,880 million (31 March 2015: HK\$3,905 million) which are denominated in United States Dollars, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (ii) All of Link's foreign currencies borrowings are fully hedged into Hong Kong Dollars.
- (iii) The effective interest rate of the interest bearing liabilities (taking into account cross currency swap contracts and interest rate swap contracts) at the reporting date was 2.58% (31 March 2015: 2.66%). The carrying amounts of the interest bearing liabilities approximate their fair values.

20 Derivative Financial Instruments

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Derivative assets		
Non-current item		
Designated as fair value hedge		
– cross currency swap contract	55	69
– interest rate swap contracts	90	93
	145	162
Derivative liabilities		
Current item		
Designated as cash flow hedge		
– interest rate swap contracts	(5)	(17)
Designated as fair value hedge		
– cross currency swap contract	(72)	–
	(77)	(17)
Non-current item		
Designated as cash flow hedge		
– interest rate swap contracts	(104)	(34)
Designated as fair value hedge		
– cross currency swap contracts	(14)	(62)
	(118)	(96)
	(195)	(113)
	(50)	49

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2 of the fair value hierarchy.

The fair values of cross currency swap contracts and interest rate swap contracts are calculated by reference to the present values of the estimated future cash flows, taking into account market observable yield curves and forward exchange rates at each reporting date. Cross currency swap contracts and interest rate swap contracts are included in Level 2 (31 March 2015: Level 2) of the fair value hierarchy. During the period ended 30 September 2014 and 2015, there were no transfers between the three levels of the fair value hierarchy.

Notes:

- (i) The Group uses cross currency swap contracts and interest rate swap contracts (swapping from foreign currencies to Hong Kong Dollars) to minimise its exposure to movements in foreign currency exchange rates and interest rates in relation to its interest bearing liabilities. The fair values of these cross currency swap contracts and interest rate swap contracts are classified as non-current items should the remaining maturities of the hedged items extend for more than 12 months. Any change in fair values of the effective portion of the cash flow hedges in relation to interest rate swap contracts is recognised in the hedging reserve. Any change in fair values of the fair value hedges in relation to interest rate swap contracts and any change in fair value of cross currency swap contracts are recognised directly in the condensed consolidated income statement. A net amount of HK\$58 million has been debited (2014: HK\$15 million had been credited) to the hedging reserve during the period as further set out in Note 23.
- (ii) As at 30 September 2015, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 6.0 years on HK\$8,150 million borrowings (31 March 2015: 1.9 years on HK\$1,950 million 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 30 September 2015 were HK\$8,150 million (31 March 2015: HK\$1,950 million) and 2.03% (31 March 2015: 2.84%) respectively.
- (iii) As at 30 September 2015, the derivative financial instruments qualifying as fair value hedges have, in effect, converted part of the Group borrowings into Hong Kong Dollars fixed rate and floating rates interest bearing liabilities. The notional principal amounts of the outstanding cross currency swap contracts and interest rate swap contracts qualifying as fair value hedges as at 30 September 2015 were HK\$4,083 million (31 March 2015: HK\$4,083 million) and HK\$1,820 million (31 March 2015: HK\$1,820 million) respectively.
- (iv) Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 23) as at 30 September 2015 will be released to the condensed consolidated income statement.

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**21 Other Non-current Liabilities**

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Amount due to non-controlling interest	2,384	2,352
Non-controlling interest put option obligation	580	580
	2,964	2,932

Note:

The amount due to non-controlling interest is unsecured, interest bearing at an effective interest rate of 2.7% (31 March 2015: 2.9%), has no fixed repayment term and not repayable within one year.

The non-controlling interest put option obligation was recognised as a financial liability based on valuation performed by Crowe Horwath (HK) Consulting & Valuation Limited, an independent firm of professional qualified valuers.

The valuer has used discounted cash flow as the valuation technique. The valuation is based on various assumptions and calculated by reference to a number of unobservable inputs, including the estimated fair value of the equity interests of the project company at the expected time of exercise of the put option, the expected time of exercise itself, the cash flow and the discount rate used.

The Manager held discussions with the valuer and reviewed all significant inputs used. Discussions of the valuation processes and results at each reporting date are held between the Manager and the valuer.

Fair value of the put option obligation is included in Level 3 (31 March 2015: Level 3) of the fair value hierarchy.

22 Units in Issue

	Number of units (Unaudited)
At 1 April 2015	2,291,770,269
Units bought back for cancellation	(40,899,000)
Units issued under long-term incentive plan	1,596,867
At 30 September 2015	2,252,468,136

22 Units in Issue (Continued)

Pursuant to the general mandate granted to the Manager by the Unitholders, the Manager (on behalf of Link) bought back a total of 40,899,000 units (2014: 19,411,500 units) at an aggregate price of HK\$1,782 million (2014: HK\$886 million). Details of the units bought back during the period were as follows:

Month	Units bought back	Purchased price per unit		Aggregate consideration HK\$'M
		Highest HK\$	Lowest HK\$	
July 2015	8,314,000	46.15	44.60	377
August 2015	28,271,500	45.60	41.35	1,226
September 2015	4,313,500	42.90	40.55	179
Total	40,899,000			1,782
Expenses on units bought back				4
				1,786

All units bought back were cancelled during the period.

Closing price of the units as at 30 September 2015 was HK\$42.50 (31 March 2015: HK\$47.80) per unit. Based on 2,252,468,136 units in issue as at 30 September 2015 (31 March 2015: 2,291,770,269 units), market capitalisation was HK\$95,730 million (31 March 2015: HK\$109,547 million).

23 Reserves

	Other reserve (Unaudited) HK\$'M	Hedging reserve (Unaudited) HK\$'M	Exchange reserve (Unaudited) HK\$'M	Earnings retained for cash flow hedge and foreign exchange translation adjustments (Unaudited) HK\$'M	Total reserves (Unaudited) HK\$'M
At 1 April 2015	(580)	(51)	–	51	(580)
Cash flow hedges:					
– Change in fair values	–	(87)	–	–	(87)
– Amount transferred to the condensed consolidated income statement (Note)	–	29	–	–	29
	–	(58)	–	–	(58)
Exchange loss on translation of financial statements	–	–	(46)	–	(46)
Net assets attributable to Unitholders:					
– Amount arising from cash flow hedging reserve and exchange reserve movements	–	–	–	104	104
At 30 September 2015	(580)	(109)	(46)	155	(580)

Note: Amount transferred to the condensed consolidated income statement in respect of cash flow hedges was included in "Finance costs" (Note 8).

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**24 Acquisition of Businesses**

On 24 March 2015, Link, through a wholly-owned subsidiary, entered into a sale and purchase agreement to acquire the entire issued share capital of China East Investment Limited and the shareholder loan at a cash consideration (after final adjustment) of US\$305 million (equivalent to HK\$2,362 million). The transaction was completed on 1 April 2015. China East Investment Limited owns the entire registered capital of ECM Property Holding (Tianjin) Co., Ltd., which is the sole owner of the EC Mall located at Jia No. 1, Danling Street, Haidian District of Beijing, Mainland China.

On 23 July 2015, Link, through a wholly-owned subsidiary, entered into a sale and purchase agreement to acquire the entire issued share capital of Brixworth International Limited from Interchina International Limited, which is an indirectly wholly-owned subsidiary of Shui On Land Limited at an initial consideration of RMB 6,626 million (equivalent to HK\$7,977 million). The transaction was completed on 31 August 2015. Brixworth International Limited indirectly owns the entire registered capital of Shanghai Xing Bang Properties Co., Ltd., which is the sole registered owner of Corporate Avenue 1 & 2 located at 202 and 222 Hu Bin Road and 333 Huang Pi Nan Road, Huangpu District, Shanghai, Mainland China.

The acquisitions will benefit Link through adding quality income-producing properties with capital appreciation potential.

The fair values of the assets and liabilities and goodwill arising from the acquisitions are as follows:

	EC Mall (Unaudited) HK\$'M	Corporate Avenue 1 & 2 (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
Investment properties (Note 13) (Note)	3,077	7,897	10,974
Property, plant and equipment (Note 14)	1	–	1
Cash and cash equivalents	48	169	217
Other net current liabilities	(56)	(117)	(173)
Bank borrowings	(779)	–	(779)
Net assets acquired	2,291	7,949	10,240
Goodwill (Note 12)	71	28	99
	2,362	7,977	10,339
Purchase consideration settled in cash	2,362	7,977	10,339
Cash and cash equivalents in subsidiaries acquired	(48)	(169)	(217)
Cash outflow on acquisitions	2,314	7,808	10,122

Note: EC Mall and Corporate Avenue 1 & 2 were revalued at 20 March 2015 and 22 July 2015 respectively by CBRE Limited, the principal valuer of Link. These approximate the fair values of the investment properties at their acquisition dates.

25 Capital Commitments

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Improvement projects to existing investment properties		
– Authorised but not contracted for	5,233	5,190
– Contracted but not provided for	1,068	860
	6,301	6,050

26 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 condensed consolidated interim financial information.

(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 Group as at 30 September 2015:

Connected/related party	Relationship with the Group
HSBC Institutional Trust Services (Asia) Limited (the "Trustee")*	The Trustee of Link
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) (the "HSBC Group")*	Associates# of the Trustee
CBRE Limited (the "Principal Valuer")	The Principal Valuer of Link
Aedas Limited*	Associate# of director
Hong Kong Youth Arts Foundation	Associate# of directors
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)")	Associate# of director
Standard Chartered Bank (Hong Kong) Limited ("SCBHK")	Associate# of director
The Chamber of Hong Kong Listed Companies	Associate# of director
The Hong Kong Institute of Directors Limited	Associate# of director

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

"Associate" has the meaning ascribed to it under the REIT Code.

Notes to the Condensed Consolidated Interim
Financial Information (Continued)**26 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:

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Trustee's fee paid and payable to the Trustee (Note (ii))	(6)	(4)
Transactions with the HSBC Group (Note (iii))		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities, cross currency swap contracts and interest rate swap contracts	(31)	(5)
Rental income from the HSBC Group on leasing of retail units	15	14
Interest income from the HSBC Group on short-term bank deposits	–	1
Valuation fee paid and payable to the Principal Valuer (Note (iii))	(1)	(1)
Architectural/renovation consultancy services fees paid and payable to the Aedas Limited (Note (iii))	(4)	(6)
Project fee paid and payable to Hong Kong Youth Arts Foundation (Note (iii))	–	(1)
Transactions with ICBC (Asia) (Note (iii))		
Interest expense and various financing charges to ICBC (Asia) on interest bearing liabilities	(1)	–
Rental income from ICBC (Asia) on leasing of retail units	5	4
Interest income from ICBC (Asia) on short-term bank deposits	–	1
Transactions with SCBHK (Note (iii))		
Interest expense and various financing charges to SCBHK on interest bearing liabilities	–	(1)
Rental income from SCBHK on leasing of retail units	7	5
Interest income from SCBHK on short-term bank deposits	1	1

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 rates ranging from 0.008% per annum to 0.03% 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 Link from time to time, subject to a minimum of HK\$150,000 per month.
- (iii) The transactions were entered into at arm's length on normal commercial terms.

26 Connected Party Transactions and Significant Related Party Transactions and Balances (Continued)

(c) Balances with Related Parties

Balances with related parties are set out below:

	30 September 2015 (Unaudited) HK\$'M	31 March 2015 (Audited) HK\$'M
Trustee's fee payable to the Trustee	(1)	(1)
Interest bearing liabilities with the HSBC Group	(3,679)	(1,650)
Net interest payable to the HSBC Group	(3)	–
Security deposits from the HSBC Group	(2)	(2)
Cross currency swap contract and interest rate swap contract with the HSBC Group	(8)	22
Deposits placed with the HSBC Group	69	2,112

(d) Key Management Compensation

The aggregate amounts of emoluments of the key management staff of the Group are as follows:

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M
Fees	4	4
Basic salaries, allowances and other benefits	51	45
Long-term incentive plan awards	13	34
	68	83

27 Approval of the Condensed Consolidated Interim Financial Information

The condensed consolidated interim financial information was authorised for issue by the Board on 11 November 2015.

Five Year Performance Summary

Financial Data

	Six months ended 30 September 2015 (Unaudited) HK\$'M	Six months ended 30 September 2014 (Unaudited) HK\$'M	Six months ended 30 September 2013 (Unaudited) HK\$'M	Six months ended 30 September 2012 (Unaudited) HK\$'M	Six months ended 30 September 2011 (Unaudited) HK\$'M
Condensed consolidated income statement					
Revenue	4,185	3,830	3,493	3,197	2,887
Property operating expenses	(1,089)	(1,047)	(976)	(941)	(846)
Net property income	3,096	2,783	2,517	2,256	2,041
General and administrative expenses	(163)	(286)	(106)	(104)	(147)
Change in fair values of investment properties	5,785	14,761	5,211	6,787	3,272
Operating profit	8,718	17,258	7,622	8,939	5,166
Interest income	4	14	14	22	11
Finance costs	(216)	(169)	(193)	(228)	(197)
Gain on disposal of investment properties	–	340	–	–	–
Profit before taxation and transactions with Unitholders	8,506	17,443	7,443	8,733	4,980
Taxation	(466)	(411)	(368)	(317)	(288)
Profit for the period, before transactions with Unitholders	8,040	17,032	7,075	8,416	4,692
Distributions paid to Unitholders	(2,138)	(1,976)	(1,725)	(1,502)	(1,286)
	5,902	15,056	5,350	6,914	3,406
Represented by:					
Change in net assets attributable to Unitholders, excluding issues of new units and units bought back	5,767	15,071	5,412	6,970	3,373
Amount arising from cash flow hedging reserve and exchange reserve movements	104	(15)	(62)	(56)	33
Non-controlling interest	31	–	–	–	–
	5,902	15,056	5,350	6,914	3,406
Consolidated statement of distributions					
Profit for the period, before transactions with Unitholders attributable to Unitholders	8,009	17,032	7,075	8,416	4,692
Adjustments:					
– Change in fair values of investment properties attributable to Unitholders	(5,754)	(14,761)	(5,211)	(6,787)	(3,272)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders	17	–	–	–	–
– Other non-cash income	(42)	(18)	(10)	(5)	–
– Depreciation charge on investment properties under China Accounting Standards	(24)	–	–	–	–
– Gain on disposal of investment properties, net of transaction costs	–	(327)	–	–	–
Total distributable income	2,206	1,926	1,854	1,624	1,420
Discretionary distribution	24	128	–	–	–
Total distributable amount	2,230	2,054	1,854	1,624	1,420
Distribution per unit (HK cents)					
Interim DPU	98.99	89.56	80.22	71.08	63.11

Financial Data (Continued)

		As at 30 September 2015 (Unaudited)	As at 31 March 2015 (Audited)	As at 31 March 2014 (Audited)	As at 31 March 2013 (Audited)	As at 31 March 2012 (Audited)
Assets and liabilities						
Investment properties	HK\$'M	155,751	138,383	109,899	95,366	76,672
Other non-current assets	HK\$'M	692	934	470	572	598
Current assets, excluding investment properties held for sale	HK\$'M	962	3,827	3,097	3,485	1,955
Total assets	HK\$'M	157,405	143,144	113,466	99,423	79,225
Current liabilities	HK\$'M	6,011	4,880	5,532	4,198	2,245
Non-current liabilities	HK\$'M	29,198	20,158	11,583	13,583	14,245
Total liabilities, excluding net assets attributable to Unitholders	HK\$'M	35,209	25,038	17,115	17,781	16,490
Non-controlling interest	HK\$'M	31	–	–	–	–
Net assets attributable to Unitholders	HK\$'M	122,165	118,106	96,351	81,642	62,735
Interest bearing liabilities to total assets	%	16.9	11.9	11.0	13.6	15.9
Total liabilities to total assets	%	22.4	17.5	15.1	17.9	20.8
Valuation of investment properties	HK\$'M	155,751	138,383	109,899	95,366	76,672
Valuation weighted average capitalisation rate	%	4.60	4.61	5.27	5.39	6.11
Net assets per unit attributable to Unitholders	HK\$	54.24	51.53	41.69	35.68	27.73
Closing price per unit	HK\$	42.50	47.80	38.15	42.30	28.90
Market capitalisation	HK\$'M	95,730	109,547	88,160	96,785	65,383
(Discount)/premium of unit price to net assets per unit attributable to Unitholders	%	(21.6)	(7.2)	(8.5)	18.6	4.2
Units in issue		2,252,468,136	2,291,770,269	2,310,889,561	2,288,061,440	2,262,372,930

Five Year Performance Summary (Continued)

Portfolio Data

		Six months ended 30 September 2015 (Unaudited)	Six months ended 30 September 2014 (Unaudited)	Six months ended 30 September 2013 (Unaudited)	Six months ended 30 September 2012 (Unaudited)	Six months ended 30 September 2011 (Unaudited)
Hong Kong Portfolio						
Average monthly unit rent at period end	HK\$ psf	47.4	43.6	40.2	37.2	34.2
Average monthly unit rent excluding self use office, Education/Welfare, and Ancillary at period end	HK\$ psf	51.1	46.9	43.2	40.0	36.9
Composite reversion rate						
– Shops	%	29.5	24.1	22.6	27.9	22.7
– Overall	%	23.6	23.6	23.6	25.9	21.5
Occupancy rate at period end	%	95.1	94.4	94.1	93.2	92.1
Net property income margin	%	74.0	72.7	72.1	70.6	70.7
Retention rate	%	74.0	71.2	76.2	80.3	79.3
Number of turnover rent leases (excluding ancillary) at period end		5,199	5,187	5,082	4,896	4,590
Car park income per space per month	HK\$	1,986	1,738	1,529	1,338	1,193
Mainland China Portfolio						
Composite reversion rate						
– Retail	%	33.7	N/A	N/A	N/A	N/A
Occupancy rate at period end						
– Retail	%	100.0	N/A	N/A	N/A	N/A
– Office	%	98.5	N/A	N/A	N/A	N/A
Performance Data						
Net assets attributable to Unitholders at period end	HK\$'M	122,165	110,610	87,912	70,394	58,807
Net assets per unit attributable to Unitholders at period end	HK\$	54.24	48.23	38.04	30.82	26.14
The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	N/A	N/A	8.36	6.13	2.06
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	(13.74)	(10.83)	(4.74)	(2.27)	(2.34)
Closing price per unit at period end	HK\$	42.50	44.75	38.05	36.75	24.70
Net yield per unit (Note (ii))	%	2.3	2.0	2.1	1.9	2.6
Net yield (annualised) per unit (Note (ii))	%	4.7	4.0	4.2	3.9	5.1
Net yield (annualised) per unit on listing price of HK\$10.30 per unit	%	19.2	17.4	15.6	13.8	12.3

Notes:

- (i) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$49.75 (2014: HK\$47.30) and HK\$40.50 (2014: HK\$37.40) respectively on The Stock Exchange of Hong Kong Limited during the period. During the period, the highest traded price was lower than the net assets per unit attributable to Unitholders as at period end date. Accordingly, no premium of the traded price to net assets per unit attributable to Unitholders was presented at 30 September 2015.
- (ii) Net yield per unit is calculated based on distribution per unit for the period ended 30 September 2015 of HK98.99 cents (2014: HK89.56 cents) over the closing price as at 30 September 2015 of HK\$42.50 (2014: HK\$44.75).

Investor Information

Listing of the Units

Link's units are listed on the Main Board of the Stock Exchange (stock code: 823) in board lot size of 500 units.

There were 2,252,468,136 units in issue as at 30 September 2015. Further details of units in issue are set out in Note 22 to the condensed consolidated interim financial information in this interim report.

Financial Calendar

Interim results announcement for the six months ended 30 September 2015	11 November 2015
Ex-interim distribution date	24 November 2015
Closure of register of Unitholders	26 November to 30 November 2015 (both days inclusive)
Record date for interim cash distribution	30 November 2015
Interim cash distribution payment date	4 December 2015
Final results announcement for the financial year ending 31 March 2016	June 2016

In order to qualify for the interim cash distribution of HK98.99 cents per unit for the six months ended 30 September 2015, Unitholders should ensure that all transfer documents accompanied by the relevant unit certificates must be lodged with Link's unit registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 25 November 2015.

Financial reports, announcements, circulars, notices, other corporate communications, press releases and other investor information of Link are available online at Link's corporate website at Linkreit.com. To promote environmental protection, we recommend you to view our publications online at our corporate website instead of using printed copies.

Investor Relations Contact

Investor Relations Department
 Address: 33/F., AXA Tower, Landmark East,
 100 How Ming Street, Kwun Tong,
 Kowloon, Hong Kong
 Telephone: (852) 2175 1800
 Facsimile: (852) 2175 1900
 Email: ir@linkreit.com

Corporate Communications Contact

Corporate Communications Department
 Address: 33/F., AXA Tower, Landmark East,
 100 How Ming Street, Kwun Tong,
 Kowloon, Hong Kong
 Telephone: (852) 2175 1800
 Facsimile: (852) 2175 1938
 Email: mediaenquiries@linkreit.com

Customer Service Contact

Hotline: (852) 3168 0080

Websites

Linkreit.com (corporate website)
Linkhk.com (customer website)

Index Inclusion

Link is a component of the following selected indices:

Dow Jones Global Index
 Dow Jones Asia Pacific Index
 Dow Jones Sustainability Asia Pacific Index
 FTSE4Good Index
 FTSE Asian Property Index
 FTSE All World Index
 FTSE EPRA⁽¹⁾/NAREIT⁽²⁾ Global Index
 FTSE EPRA⁽¹⁾/NAREIT⁽²⁾ Asia Pacific Index
 FTSE EPRA⁽¹⁾/NAREIT⁽²⁾ Developed Index
 FTSE EPRA⁽¹⁾/NAREIT⁽²⁾ Developed Asia Index
 FTSE Hong Kong Index
 GPR⁽³⁾ 250 (World) Index
 GPR⁽³⁾ 250 Asia Pacific Index
 GPR⁽³⁾ 250 Hong Kong Index
 GPR⁽³⁾ 250 REIT (World) Index
 GPR⁽³⁾ 250 REIT Asia Pacific Index
 GPR⁽³⁾ 250 REIT Hong Kong Index
 Hang Seng Index
 Hang Seng REIT Index
 Hang Seng Corporate Sustainability Index⁽⁴⁾
 MSCI⁽⁵⁾ All Country World Index
 MSCI⁽⁵⁾ All Country Asia Pacific ex-Japan Index
 MSCI⁽⁵⁾ World REIT Index
 MSCI⁽⁵⁾ Hong Kong Index
 S&P⁽⁶⁾ Global REIT Index
 S&P⁽⁶⁾ Global Intrinsic Value Index
 S&P⁽⁶⁾ Asia Property 40 Index
 TR⁽⁷⁾/GPR⁽³⁾/APREA⁽⁸⁾ Composite Index
 TR⁽⁷⁾/GPR⁽³⁾/APREA⁽⁸⁾ Composite Hong Kong Index
 TR⁽⁷⁾/GPR⁽³⁾/APREA⁽⁸⁾ Composite REIT Index
 TR⁽⁷⁾/GPR⁽³⁾/APREA⁽⁸⁾ Composite REIT Hong Kong Index
 TR⁽⁷⁾/GPR⁽³⁾/APREA⁽⁸⁾ Investable 100 Index
 TR⁽⁷⁾/GPR⁽³⁾/APREA⁽⁸⁾ Investable REIT 100 Index

Notes:

- (1) European Public Real Estate Association
- (2) National Association of Real Estate Investment Trust
- (3) Global Property Research
- (4) Effective from 14 September 2015
- (5) Morgan Stanley Capital International
- (6) Standard and Poor's
- (7) Thomson Reuters
- (8) Asia Pacific Real Estate Association

Definitions and Glossary Terms

average monthly unit rent	the average base rent plus management fee per month per square foot of leased IFA
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
Board or Board of Directors	board of directors of the Manager
Board Committees	committees of the Board to discharge the duties set out in their respective written terms of reference as approved by the Board, which currently include the Audit and Risk Management Committee, the Nomination Committee, the Remuneration Committee, and the Finance and Investment Committee, and " Board Committee " refers to any one of them
CBD	central business district
CCEP	the charity and community engagement programme of Link now known as "Link Together Initiatives" which was established to support eligible charitable organisations in launching relevant service projects that benefit the communities around Link's properties
CEO	Chief Executive Officer of the Manager
CFO	Chief Financial Officer of the Manager
Chairman	Chairman of the Board (unless the context requires otherwise)
Compliance Manual	the compliance manual of the Manager which sets out the key processes, systems and measures in respect of Link's operations
composite reversion rate	the percentage change in per square foot average unit rent between old and new leases on the same unit
DCF	discounted cash flow
Director(s)	director(s) of the Manager
DPU	distribution per unit in respect of the total distributable amount of Link for a financial year / period
EUPP	employee unit purchase plan, pursuant to which an eligible employee who meets the prescribed criteria is entitled to subsidy from the Manager for purchasing through an independent third party intermediary the units of Link in the open market in accordance with the rules of the plan
GAV Cap	10% of Link's gross asset value (and as calculated in the manner set out in the Trust Deed)
Group	Link and its subsidiaries (unless the context requires otherwise)
Hong Kong	Hong Kong Special Administrative Region of The People's Republic of China

IFA	internal floor area, 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, and “ leased IFA ” refers to the IFA being let out under a lease
lease	a lease or a tenancy agreement (both of which grant a possessory interest) or a licence (which merely constitutes an authority to do something) in respect of premises at the retail properties granted to a tenant
Link or Link REIT	Link Real Estate Investment Trust (formerly known as The Link Real Estate Investment Trust)
Link Securities Dealing Code	the code adopted for governing the dealings in the securities of Link by Directors and senior employees of the Manager and their respective associates
Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
LTI Plan	the long-term incentive plan of Link adopted by Unitholders on 23 July 2007
Manager	Link Asset Management Limited (formerly known as The Link Management Limited), which is the manager of Link
MTN Programme	Guaranteed Euro Medium Term Note Programme established by The Link Finance (Cayman) 2009 Limited (a wholly-owned subsidiary of Link) in May 2009; and “ MTN ” refers to note(s) issued or to be issued from time to time pursuant to the MTN Programme
NPI	net property income, being total revenue less direct property related expenses
occupancy rate	the aggregated leased IFA as a percentage of total leasable IFA
Principal Valuer	the Principal Valuer (as defined in the REIT Code) of Link, which is currently CBRE Limited
psf or sq ft	per square foot or square feet
REIT(s)	real estate investment trust(s)
REIT Code	Code on Real Estate Investment Trusts issued by the SFC
return on investment	projected NPI post asset enhancement minus NPI pre asset enhancement divided by the estimated amount of project capital expenditure and loss of rental
SFC	Securities and Futures Commission of Hong Kong
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Stock Exchange	The Stock Exchange of Hong Kong Limited
tenant	a lessee, a tenant or a licensee (as the case may be) under a lease

total distributable amount	total distributable amount for a financial year/period is the total distributable income and any additional amount (including capital) that the Manager has determined to be distributable
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 effect of certain non-cash adjustments
Trust Deed	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting Link as amended and supplemented by 11 supplemental deeds
Trustee	trustee of Link, which is currently HSBC Institutional Trust Services (Asia) Limited
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
unit(s)	unit(s) of Link (unless the context requires otherwise)
Unitholder(s)	holder(s) of unit(s) of Link

Corporate Information

Board of Directors of the Manager

Chairman

(also an Independent Non-Executive Director)
Nicholas Robert SALLNOW-SMITH

Executive Directors

George Kwok Lung HONGCHOY
(Chief Executive Officer)
Andy CHEUNG Lee Ming
(Chief Financial Officer)

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

William CHAN Chak Cheung
May Siew Boi TAN
Peter TSE Pak Wing
Nancy TSE Sau Ling
David Charles WATT
Richard WONG Yue Chim
Elaine Carole YOUNG

Company Secretary of the Manager

Ricky CHAN Ming Tak

Responsible Officers of the Manager⁽¹⁾

George Kwok Lung HONGCHOY
Andy CHEUNG Lee Ming
Hubert CHAK
Christine CHAN Suk Han
Eric YAU Siu Kei

Authorised Representatives⁽²⁾

Andy CHEUNG Lee Ming
Ricky CHAN Ming Tak

Trustee

HSBC Institutional Trust Services (Asia) Limited

Auditor

PricewaterhouseCoopers

Principal Valuer

CBRE Limited

Registered Office of the Manager

33/F., AXA Tower, Landmark East,
100 How Ming Street,
Kwun Tong, Kowloon,
Hong Kong

Town Office of the Manager

Suite 3004, 30/F.,
9 Queen's Road Central,
Hong Kong

Unit Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F.,
Hopewell Centre,
183 Queen's Road East, Wanchai, Hong Kong
Telephone: (852) 2862 8555

(1) Required by the SFO

(2) Required by the Listing Rules

Link Real Estate Investment Trust
Linkreit.com

