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The Link

The Link Real Estate Investment Trust

Stock Code : 823

Annual Report **2009**  
Year Ended 31 March 2009

Together,  
we grow

## Corporate Profile

**The Link Real Estate Investment Trust** (“The Link REIT”) is Hong Kong’s first and largest REIT, with a portfolio of 180 properties comprising 149 integrated retail and carpark facilities, two standalone retail facilities and 29 standalone carpark facilities. As at 31 March 2009, the portfolio had internal floor area (“IFA”) of approximately 11 million square feet (“sq ft”) of retail space and approximately 80,000 carpark spaces. Around 8%, 33% and 59% of the total IFA is located on Hong Kong Island, Kowloon, and the New Territories, respectively.

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

The current investment strategy of The Link REIT’s manager, The Link Management Limited (the “Manager”), is to invest in sustainable income producing properties in Hong Kong that are mainly for retail and carpark use and to maximise their value through asset enhancement works encompassing physical structure, trade-mix, customer service and promotional activities. As these enhancement projects progress, it can offer customers a better shopping experience with more choices at reasonable prices, whilst improving returns for unitholders of The Link REIT (“Unitholders”).

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



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# Highlights of the Year Awards



**1. Construction Innovation Award —**  
 • Best Sustainable Community Award  
 • Distinguished Revitalisation Project Award  
 • Best Presentation Award  
 Hong Kong Institute of Construction Managers

**2. Hong Kong Top Service Brand Awards 2008 — Emerging Service Brand Award**  
 Hong Kong Brand Development Council

**3. Asia Shopping Centre Awards — Gold Award in Marketing**

**4. ICSC MAXI Awards — Silver Award in Community Relations**  
 International Council of Shopping Centers

**5. Hong Kong Service Awards 2009 in the Real Estate Investment Trust**  
 East Week

**6. Hong Kong Outstanding Enterprises Award**  
 Economic Digest

**7. Hong Kong Leading Enterprise Brand Election 2009 — Excellent Brand of Carpark Services Management Award**  
 Metro Finance Radio

**8. HKIM Brand-with-a-Conscience Award**  
 Hong Kong Institute of Marketing

**9. The Caring Company**  
 The Hong Kong Council of Social Service

**10. Special Merit Award**  
 Hong Kong Red Cross

**11. Prime Awards for Corporate Social Responsibility 2008**

**12. Prime Awards for Eco-Business 2009**  
 Prime Communications Ltd

**13. Hong Kong Enterprise Environmental Achievement Award**  
 Hong Kong Environmental Protection Association

**14. The Best Partner Award**  
 Hong Kong Police Force

**15. International Mercury Awards for Annual Report 2008**  
 • Gold Award in Overall Presentation  
 • Silver Award in Design of Annual Report Covers

**16. Photography Award in International Astrid Awards for Annual Report 2008**  
 MerComm, Inc.

## Highlights of the Year Performance

### Highlights For Financial Year Ended 31 March 2009

CONTINUING TO DELIVER EARNINGS GROWTH		
<b>Revenue</b> <b>\$4.503 bn</b> <b>↑ 7.2%</b>	<b>Net property income</b> <b>\$2.805 bn</b> <b>↑ 10.6%</b>	<b>Profit before tax and valuation adjustments</b> <b>\$2.197 bn</b> <b>↑ 15.1%</b>
<b>Distribution to Unitholders</b> <b>\$1.819 bn</b> <b>↑ 13.5%</b>	<b>Distribution per unit</b> <b>83.99 cents</b> <b>↑ 12.9%</b>	<b>Distribution payout ratio</b> <b>100%</b>

DRIVING GROWTH FROM STRONG PERFORMANCE OF PORTFOLIO		
<b>Average monthly base rent</b> <b>\$28.4 psf</b> <b>↑ 11.8%</b>	<b>Composite reversion rate</b> <b>↑ to 25.2%</b>	<b>Tenant retention rate</b> <b>↑ to 72.9%</b>
<b>Expense : income ratio</b> <b>↓ to 37.7%</b>	<b>Leases with turnover rents (ex ancillary)</b> <b>1,996</b> <b>↑ 120.1%</b>	<b>Monthly carpark income per bay</b> <b>\$1,029</b> <b>↑ 5.1%</b>

STRONG BALANCE SHEET UNDERPINS OUR BUSINESS		
<b>Gearing ratio</b> <b>↓ to 23.7%</b>	<b>Average debt duration (pro-forma)</b> <b>↑ to 3.5 years</b>	<b>Refinancing demands over the next two years — nil</b>
<b>Credit rating — maintained A ratings</b>	<b>Financial covenants remained strong</b>	<b>Valuation adjustments — weighted average cap rate increased to 7.42%</b>

# Chairman's Statement

The Link REIT has achieved another year of strong operating results for Unitholders.

## Performance

Total distributable income rose by 13.5% to HK\$1,819 million. The Board has recommended a final distribution per unit of HK43.13 cents which, together with the interim distribution per unit of HK40.86 cents, gives a total distribution per unit of HK83.99 cents for the year, representing an increase of 12.9% over last year.

## Operations

During the year under review, The Link REIT continued to implement business strategies designed to realise the potential of the portfolio and to rejuvenate a number of shopping centres. We recognise that our success rests with working together with both our tenants and shoppers. Accordingly, we have continued with our investment programmes across a range of asset enhancement projects. The improvements in physical structure, trade and tenant mixes, and customer service, are enhancing the shopping environment thus boosting footfall, providing a more enjoyable shopping experience to shoppers and generating strong returns to Unitholders.

Continuous sales and marketing programmes during the year have also brought about increased shoppers' patronage in our centres and increased business opportunities to tenants, through consistent retail sales.

All these efforts are reflected in this year's results which support stated business strategies and initiatives. The defensive nature of the trade mix and business has made us more resilient to the economic downturn. We continue to be committed to these strategies which we believe will not only benefit tenants and shoppers, but also the communities we serve.

## Corporate Citizenship

Apart from providing returns to Unitholders, The Link REIT continues to support a range of charitable causes, cultural and artistic activities and environmental initiatives to enhance a harmonious community relationship. Our efforts have been recognised through a number of business and charitable awards. We take our social and corporate responsibilities seriously and will continue to work with all our stakeholders for the benefit of the communities we serve.



## Chairman's Statement *(continued)*

### Appreciation

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

With effect from 12 October 2008, Mr Leslie CHAO Tse Hou resigned as an Independent Non-Executive Director and a member of the Finance and Investment Committee of the Manager due to his business and other commitments. On 1 November 2008, Mr PUA Seck Guan was replaced as a Non-Executive Director as CapitalLand Limited had nominated Mr LIM Beng Chee in his place.

With effect from 16 January 2009, Mr CHEW Fook Aun ceased to be an Executive Director, Chief Financial Officer and a Responsible Officer of the Manager. On 16 January 2009, Mr George Kwok Lung HONGCHOY was appointed as Chief Financial Officer (and correspondingly a member of the Finance and Investment Committee) of the Manager and was appointed concurrently as an Executive Director and a Responsible Officer of the Manager on 26 February 2009.

The Board would like to take this opportunity to express its deepest appreciation to Mr Chao, Mr Pua and Mr Chew for their valuable contributions to the Manager and The Link REIT during their tenure of office. The Board would also like to extend its warmest welcome to Mr Lim and Mr Hongchoy in joining the Board.

### Outlook

Despite the current economic uncertainty, we will continue to invest capital to upgrade the retail portfolio for the benefit of our retailers, customers, the communities and Unitholders. We plan to continue to enhance revenue and implement a range of targeted measures on cost containment. Acquisitions are not an immediate priority, but with our solid financial fundamentals and experienced management platform, we seek to be ready when opportunities arise.

Our task continues to be challenging in the coming year. I am confident that our strong professional team can build on its successes, and continue to create value for our Unitholders, shoppers, tenants and the communities of Hong Kong.

### Nicholas Robert SALLNOW-SMITH

*Chairman*

**The Link Management Limited  
as Manager of The Link Real Estate Investment Trust**

17 June 2009



# CEO's Report

The performance of The Link REIT continues to be very pleasing despite the increased operational and financial challenges facing the business. This report highlights a number of initiatives undertaken during the year under review. The management team is committed to realising the potential of the portfolio for the benefit of our retailers, customers, the communities we serve, as well as our 27,000 Unitholders.

## Financial Highlights

Total revenue for the year ended 31 March 2009 was HK\$4,503 million (2008: HK\$4,199 million), with income from retail facilities of HK\$3,260 million (2008: HK\$3,017 million), income from carpark operations of HK\$982 million (2008: HK\$934 million) and income from other sources of HK\$261 million (2008: HK\$248 million).

Total Distributable Income to Unitholders for the year amounted to HK\$1,819 million (2008: HK\$1,602 million). Total distribution per unit for the year amounted to HK83.99 cents, 12.9% higher than HK74.40 cents for the year ended 31 March 2008. As at 31 March 2009, the valuation of the properties in the portfolio amounted to HK\$43,255 million (2008: HK\$44,307 million) representing a decrease of approximately 2.4%.

## Retail Leasing

Revenue growth during the year was achieved with strong reversion rates despite the challenging economic environment. Overall reversion rate achieved during the year was 25.2% whilst reversion rate for retail was particularly encouraging reaching 28.5%.

In response to customer preferences and spending patterns, there has been continued focus to provide a better trade mix and a greater range of shopping choices to shoppers. We have been introducing new shops, cuisines and catering names into our centres and this is supported, for example, by signing UNY (HK) Co., Ltd, to open a 110,000-sq ft department store at Lok Fu Plaza in early 2010.

We are also making turnover rent a more important element in our business. This move will not only give us more insight into our tenants' performances but can also enable us to build a stronger partnership.



## CEO's Report *(continued)*

### Fresh Market and Cooked Food Stalls

Fresh markets and cooked food stalls are a unique feature of our centres and an important part of the local shopping culture. We are looking to build on that culture with improvements in customer experience in our markets. A pilot scheme to rejuvenate a fresh market is currently under review to assess customers' response to enhancements in layout, ambience, hygiene and quality of food produce.

During the year, we have also embarked on plans to revitalise our cooked food stalls by improving hygiene standards and assisting operators in obtaining a general restaurant licence. These moves have been well received by customers and we will strive to preserve this unique local dining experience.

### Carpark

Installation of the carpark automation system was completed in 2008. Various new initiatives, such as Day Park, Night Park and One-Link Pass, have been implemented during the year to boost carpark revenue. These new initiatives are welcomed by carpark users and have brought about increased revenue and stabilised utilisation rates across our carparks. The management is continuing to review the overall revenue and cost structure of the carparking business.

### Asset Enhancement

Asset enhancement works, encompassing improvements in trade-mix, customer service, promotional activities and the physical layout and structure, remain a key focus for the Manager. By progressively repositioning our properties, we are generating higher shopper patronage and satisfaction and strong investment returns, in addition to providing job opportunities. We are committed to this investment strategy at a time when the community needs its private sector to continue supporting the Hong Kong economy. Through these enhancement projects, we can offer customers a more relevant retail product offering, whilst enhancing returns for our Unitholders.



CEO's Report *(continued)*

### New Integrated Real Estate System

During the year, the management has completed Phase 1 of the implementation of a new real estate system Yardi Voyager™ as its preferred integrated property management and reporting system. This will enable the Manager to actively manage the business more effectively with enhanced data. While Phase 1 is dedicated to invoicing and receivables management, Phase 2, implementation of which is currently in progress, is purchase order and payables oriented, and will further enhance our expenditure control, asset management capabilities and financial management.

### Refinancing

Notwithstanding the general tightening of the credit market, The Link REIT has successfully refinanced all its debts due in the next two financial years ending 31 March 2011.

In March 2009, the management arranged a HK\$3 billion unsecured club loan facility to refinance HK\$2.7 billion of debt maturing in 2009. Support from the banks to participate in the club loan was strong with a total of 13 banks participating and the facility was upsized from an initial HK\$1.75 billion to HK\$3 billion.

Subsequent to the year end, in April 2009, the management also refinanced an existing mortgage loan of HK\$4 billion with The Hong Kong Mortgage Corporation Limited (the "HKMC") by signing a five-year agreement for the sale and purchase of a new HK\$4 billion mortgage loan with HKMC.

The support of the banks and HKMC to the refinancing of The Link REIT demonstrates the resilience of the portfolio and its ability to produce stable income flows in these challenging economic conditions.

### Awards

In recognition of our ongoing services to our community, The Link REIT has received a number of awards during the year, details of which are listed in this Annual Report.



## CEO's Report *(continued)*

### Human Resources

An important initiative has been the continued strengthening of our management platform. A number of senior and experienced appointments have been made during the year to enhance our capabilities across the leasing, marketing, development, asset management, investment management, legal, administration, finance and capital management disciplines. I am greatly appreciative of the support and commitment by the management team to meeting the challenges of our business.

### Outlook

Although management recognises the coming year remains challenging, we will continue to upgrade our retail facilities as we expect to generate strong incremental cash flows on capital employed and growth in asset values. In addition to implementing our existing strategies to generate revenues across the stabilised portfolio, we are reviewing our property management arrangements to actively manage our cost structure and enhance our service quality.

In addition, as part of our ongoing capital management program, the management will continue to review alternative debt capital market initiatives to hedge interest rate exposure, extend the duration of borrowings and diversify debt funding sources for The Link REIT. We believe that our strong balance sheet and management team will provide us with a solid foundation to meet forthcoming challenges as well as be positioned to consider both asset and corporate opportunities that may arise.

On behalf of the Board and the management team, I would also like to thank our staff for their continuing commitment to add value to our tenants, our community and our Unitholders.

#### **Ian ROBINS**

*Chief Executive Officer*

**The Link Management Limited  
as Manager of The Link Real Estate Investment Trust**  
17 June 2009



## Management Discussion and Analysis

### Milestones

#### May / 2008



- Opened “The Link Tenant Information Centre”, first of its kind in Hong Kong, to facilitate tenants’ renovation works

#### June / 2008



- Launched “The Link Fun Academy” to keep tenants abreast of latest market information and business management know-how

#### September / 2008



- Anchor tenant secured for flagship property Lok Fu Plaza with UNY opening in early 2010 a 110,000-sq ft department store, its first outlet in Kowloon



- Installed public weighing scales in all of The Link REIT’s nearly 100 fresh markets to enable customers to shop with peace of mind

#### January / 2009



- Asset enhancement project Hau Tak SC fully completed

#### February / 2009

- Asset enhancement project Tin Yiu SC fully completed
- Further expanded the scope of corporate citizenship project “The Link Fun Academy” by organising activities for the elderly on every 15<sup>th</sup> day of lunar months



### Resourcing and Systems

Committed to building strong professional teams and empowering them to advance The Link REIT’s mission, with the following key developments:

- Teams restructured to better delineate various functions and improve decision-making process, with specialised teams formed to develop market and cooked food stall properties, and enhance management of asset enhancement programme
- Management strengthened with key appointments:
  - Mr George Kwok Lung HONGCHOY as Executive Director and Chief Financial Officer
  - Mr Ross O’TOOLE as Chief Operating Officer
  - Mr Scott NUGENT as Director (Project & Development)
- Leading-edge integrated property management solution Yardi Voyager™ implemented to enhance operation efficiency and customer service

Management Discussion and Analysis *(continued)*

November / 2008



- Launched Stanley Artsmart, a monthly art fair to provide artists with a showcase platform and promote arts and culture in the community



- Rolled out "Spending Rewards Trio" shopping incentive programme to encourage spending and support People's Food Bank of St James' Settlement at the same time



- Launched the One-Link Pass, after the full implementation of automation system across The Link REIT's carparks, allowing customers to park at around 160 carparks at a fixed rate, bringing more visitors to shopping centres

December / 2008



- Installed Tin Shui Wai's first public mosaic artwork by "Link the Community Mosaic Art Programme" participants
- Asset enhancement projects Fu Tung Shopping Centre (SC) and Lek Yuen SC fully completed

March / 2009



- Asset enhancement project Tai Wo SC fully completed



- Launched a first-of-its-kind shopping bag borrowing service to help reduce plastic bag consumption

- Launched Hong Kong's first parking privilege dedicated to the relatives of the disabled
- Shopping incentive programme "Triple Win" commenced, offering customers 3,000 all-inclusive banquets and HK\$2 million worth of food coupons



- Sponsored The Link Junior Soccer League to build youngsters' physique and team spirit

**Capital Management**

Successive financing initiatives have maintained The Link REIT's strong risk and liability management position — completed the refinancing of all of its debt due in the next two financial years:

- March 2009: Arranged a HK\$3 billion unsecured club loan facility with 13 banks

- April 2009: Refinanced mortgage loan of HK\$4 billion with The Hong Kong Mortgage Corporation Limited
- May 2009: Established a US\$1 billion guaranteed euro medium term note programme, the first among REITs in Hong Kong, with HK\$300 million 10 year fixed rate notes issued

Management Discussion and Analysis *(continued)*

## Four Years Performance Summary

## FINANCIAL DATA

	Year ended 31 March 2009 HK\$'M	Year ended 31 March 2008 HK\$'M	Year ended 31 March 2007 HK\$'M	Period ended 31 March 2006 <sup>(1)</sup> HK\$'M
<b>Consolidated income statement</b>				
Revenues	4,503	4,199	3,954	1,354
Property operating expenses	(1,698)	(1,662)	(1,593)	(541)
Net property income	2,805	2,537	2,361	813
General and administrative expenses	(134)	(102)	(88)	(42)
Change in fair values of investment properties	(1,865)	4,265	3,514	1,949
Operating profit	806	6,700	5,787	2,720
Interest income	37	78	60	5
Finance costs on interest bearing liabilities	(511)	(604)	(578)	(201)
Profit before taxation and transactions with Unitholders	332	6,174	5,269	2,524
Taxation	290	(1,035)	(915)	(443)
Profit for the year/period	622	5,139	4,354	2,081
<b>Consolidated statement of distributions</b>				
Profit for the year/period	622	5,139	4,354	2,081
Adjustments:				
Change in fair values of investment properties	1,865	(4,265)	(3,514)	(1,949)
Deferred taxation on change in fair values of investment properties	(308)	747	614	341
Deferred taxation on change in tax rate	(341)	—	—	—
Other non-cash income	(19)	(19)	(13)	(6)
Total distributable income	1,819	1,602	1,441	467
<b>Distribution per unit (DPU) (HK cents)</b>				
Interim DPU	40.86	36.11	32.81	—
Final DPU	43.13	38.29	34.62	21.81
Total DPU	83.99	74.40	67.43	21.81

<sup>(1)</sup> represents period from 6 September 2005 to 31 March 2006 (operational since 25 November 2005, the listing date)

Management Discussion and Analysis *(continued)*

	<b>As at 31 March 2009 HK\$'M</b>	As at 31 March 2008 HK\$'M	As at 31 March 2007 HK\$'M	As at 31 March 2006 HK\$'M
<b>Assets and liabilities</b>				
Investment properties	43,255	44,307	39,557	35,772
Other non-current assets	4,053	4,034	4,040	4,020
Current assets	1,372	2,007	1,638	899
<b>Total assets</b>	<b>48,680</b>	<b>50,348</b>	<b>45,235</b>	<b>40,691</b>
Current liabilities	1,689	3,481	1,056	12,789
Non-current liabilities	17,790	16,309	17,390	4,187
<b>Total liabilities, excluding net assets attributable to Unitholders</b>	<b>19,479</b>	<b>19,790</b>	<b>18,446</b>	<b>16,976</b>
<b>Net assets attributable to Unitholders</b>	<b>29,201</b>	<b>30,558</b>	<b>26,789</b>	<b>23,715</b>
Interest bearing liabilities to total assets	%	23.7	24.2	26.9
Total liabilities to total assets	%	40.0	39.3	40.8
<b>Valuation</b>				
Valuation of investment properties	43,255	44,307	39,557	35,772
Valuation weighted average capitalisation rate	%	7.42	6.95	N/A
Net Asset Value (NAV) per unit	HK\$	13.47	14.16	12.53
Market price per unit	HK\$	15.32	17.26	18.80
Market capitalisation		33,199	37,259	40,184
Premium of unit price to NAV per unit	%	13.7	21.9	50.0
Units in issue	2,167,040,427	2,158,677,767	2,137,454,000	2,137,454,000

Management Discussion and Analysis *(continued)***PERFORMANCE DATA**

		<b>Year ended 31 March 2009</b>	Year ended 31 March 2008	Year ended 31 March 2007	Period ended 31 March 2006 <sup>(1)</sup>
<b>Unit price</b>					
The highest premium of the traded price to net asset value (Note (i))	HK\$	6.33	6.04	7.47	6.96
The highest discount of the traded price to net asset value (Note (i))	HK\$	(2.51)	N/A	N/A	N/A
Market price as at year/period end	HK\$	15.32	17.26	18.80	16.80
Net yield per unit (Note (ii))	%	5.48	4.31	3.59	3.73 <sup>(2)</sup>
Net yield per unit on listing price of HK\$10.30 per unit	%	8.15	7.22	6.55	6.09 <sup>(2)</sup>

Notes:

- (i) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$19.80 (2008: HK\$20.20) and HK\$10.96 (2008: HK\$14.20) respectively on The Stock Exchange of Hong Kong Limited during the year. During previous years/period, the lowest traded prices were higher than the net asset values as at respective year/period end dates. Accordingly, no discount of the traded price to net asset value was presented at previous year/period end dates.
- (ii) Net yield per unit is calculated based on distribution per unit for the year ended 31 March 2009 of HK83.99 cents (2008: HK74.40 cents) over the last traded price as at 31 March 2009 of HK\$15.32 (2008: HK\$17.26).

**PORTFOLIO DATA**

		<b>Year ended 31 March 2009</b>	Year ended 31 March 2008	Year ended 31 March 2007	Period ended 31 March 2006 <sup>(1)</sup>
<b>Average monthly base rent at year/period end</b>					
	HK\$ psf	28.4	25.4	23.6	23.0
<b>Composite Reversion Rate</b>					
Retail	%	28.5	24.8	11.1	2.6
Overall	%	25.2	22.5	9.9	3.7
Vacancy Rate at year/period end	%	12.6	10.7	9.7	8.8
Expense: Income Ratio	%	37.7	39.6	40.3	40.0

<sup>(1)</sup> represents period from 6 September 2005 to 31 March 2006 (operational since 25 November 2005, the listing date)<sup>(2)</sup> based on annualised figures

## Management Discussion and Analysis *(continued)*

### Growth Drivers

Key drivers of growth in the year under review include strong retail rental reversions and contributions from completed asset enhancement projects. Growth has been supported by active capital management and a strong balance sheet. The Manager has also strengthened the management team and implemented organisational changes to drive the business more effectively.

Going forward, the Manager remains focused on driving revenue growth and executing on current asset enhancement initiatives including embarking on additional projects such as a pilot rejuvenation of a fresh market. Moreover, while the focus to date has been on growing revenue, the Manager will be actively addressing cost issues within the shopping centre and carpark property management arrangements in the financial year ending 31 March 2010. Other key focus areas include maintaining a strong balance sheet, enhancing capital

management processes, implementing a real estate reporting system and utilising more data to actively support business decisions.

Revenue and net property income grew 7.2% and 10.6% year-on-year to HK\$4,503 million (2008: HK\$4,199 million) and HK\$2,805 million (2008: HK\$2,537 million) respectively in financial year ended 31 March 2009. Distributable income rose 13.5% from a year ago to HK\$1,819 million (2008: HK\$1,602 million), while DPU increased by 12.9% year-on-year to HK83.99 cents (2008: HK74.40 cents). Total DPU of HK83.99 cents comprises interim DPU of HK40.86 cents (2008: HK36.11 cents) and final DPU of HK43.13 cents (2008: HK38.29 cents) approved by the Board. Retail base rental income enjoyed increase of 7.5% to HK\$2,467 million (2008: HK\$2,294 million) in the year under review while property expenses increased only by 2.2% to HK\$1,698 million (2008: HK\$1,662 million).

### Key Income Numbers

HK\$'M	Year ended 31 March		
	2009	2008	YoY %
Revenue — gross	4,503	4,199	7.2
Net property income	2,805	2,537	10.6
Profit after taxation, attributable to Unitholders	622	5,139	(87.9)
Distribution to Unitholders	1,819	1,602	13.5
Distribution per unit (HK¢)	83.99	74.40	12.9

Management Discussion and Analysis *(continued)*

## Revenue Analysis

HK\$'M	Year ended 31 March		YoY %
	2009	2008	
<b>Rental income from:</b>			
Retail — Base rent	2,467	2,294	7.5
Retail — Turnover rent	63	52	21.2
Mall Merchandising	68	49	38.8
Market	491	466	5.4
Cooked Food Stalls	40	36	11.1
Education/Welfare	46	46	—
HD office and ancillary	85	74	14.9
<b>Gross rental receipts from carpark:</b>			
Monthly	763	735	3.8
Hourly	219	199	10.1
<b>Operational expense recovery and other miscellaneous income:</b>			
Property related income	261	248	5.2
	<b>4,503</b>	<b>4,199</b>	<b>7.2</b>

## Expenses Analysis

HK\$'M	Year ended 31 March		YoY %
	2009	2008	
Property managers' fees, staff costs, security and cleaning	707	685	3.2
Utilities	344	363	(5.2)
Repairs and maintenance	224	227	(1.3)
Government rent and rates	115	106	8.5
Promotion and marketing expenses	103	86	19.8
Other property operating expenses	109	91	19.8
<b>Property expenses excluding estate common area costs</b>	<b>1,602</b>	<b>1,558</b>	<b>2.8</b>
Estate common area costs	96	104	(7.7)
<b>Total property expenses</b>	<b>1,698</b>	<b>1,662</b>	<b>2.2</b>

## Management Discussion and Analysis *(continued)*

Despite a slight decrease in the value of the investment properties, gearing (debt to total assets), remained healthy at 23.7% as at 31 March 2009 (2008: 24.2%). There was little change in the overall level of receivables and the balances over 90 days as at 31 March 2009

compared with 31 March 2008. Largely due to the drop in value of investment properties, net asset value per unit fell 4.9% from HK\$14.16 as at 31 March 2008 to HK\$13.47 as at 31 March 2009.

### Balance Sheet Summary

HK\$'M	As at 31 March	
	2009	2008
Non-current assets	47,308	48,341
Current assets	1,372	2,007
<b>Total assets</b>	<b>48,680</b>	<b>50,348</b>
Current liabilities	1,689	3,481
Non-current liabilities	17,790	16,309
<b>Total liabilities</b>	<b>19,479</b>	<b>19,790</b>
<b>Net assets attributable to unitholders</b>	<b>29,201</b>	<b>30,558</b>
<b>Units in issue ('000)</b>	<b>2,167,040</b>	<b>2,158,678</b>
<b>Net asset value per unit</b>	<b>HK\$13.47</b>	<b>HK\$14.16</b>

### Balance Sheet Highlights

	As at 31 March	
	2009	2008
Valuation (HK\$'M)	43,255	44,307
Liquidity ratio (%)	81.2	57.7
Gearing ratio (%)	23.7	24.2
Average duration of debt*	2.4 years	2.5 years
Receivables 0-90 Days (HK\$'M)	58	56
Over 90 Days (HK\$'M)	4	7

\* 3.5 years after full club loan drawdown, HKMC refinancing and May 2009 MTN issue (as at 17 June 2009)

## Management Discussion and Analysis *(continued)*

### Distribution

Total distributable income is defined as the amount calculated by the Manager as representing the consolidated audited profit after tax attributable to Unitholders of The Link REIT for the financial year, as adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the consolidated income statement.

Non-cash income/gains such as “Change in fair values of investment properties” have been adjusted to eliminate the effects of such amounts as defined in the Trust Deed. Total distributable income was HK\$1,819 million for the year ended 31 March 2009 as compared to HK\$1,602 million for the year ended 31 March 2008.

It is the Manager’s current policy to distribute to Unitholders 100% of The Link REIT’s total distributable income for the year ended 31 March 2009. With an interim DPU of HK40.86 cents and a final DPU approved by the Board of HK43.13 cents, total DPU for the year amounted to HK83.99 cents (2008: HK74.40 cents). The DPU for the year of HK83.99 cents represents a distribution yield of 5.5% based on the market price on 31 March 2009 of HK\$15.32. The record date for the final distribution will be 6 July 2009 and the register of Unitholders will be closed from 2 July 2009 to 6 July 2009, both dates inclusive. The distribution to Unitholders will be effected on or about 19 August 2009.

A distribution reinvestment scheme was adopted by The Link REIT in respect of its final and interim distributions for the years ended 31 March 2008 and 31 March 2009 respectively. Unitholders can elect to receive the distribution in cash or units or a combination of both. In August 2008, approximately 5.2 million units were issued at a price of HK\$18.488 per unit in respect of the final distribution for the year ended 31 March 2008. In January 2009, approximately 3.2 million units were issued at a price of HK\$14.116 per unit in respect of the interim distribution for the year ended 31 March 2009. A total of approximately 8.4 million units were issued in the year under review resulting in a total of 2,167,040,427 units in issue as at 31 March 2009.

### Valuation

Knight Frank Petty Limited (“Knight Frank”) has valued The Link REIT’s property portfolio at HK\$43,255 million as at 31 March 2009 (2008: HK\$44,307 million), which is a decrease of 2.4% compared with the valuation as at 31 March 2008. For financial year ended 31 March 2009, a fair value decrease of HK\$1,865 million (2008: HK\$4,265 million increase) has been recorded in The Link REIT’s consolidated income statement.

Knight Frank mainly uses a blend of discounted cash flow analysis and the income capitalisation approach to derive the market value of each individual property in the portfolio, with greater weight attached to the discounted cash flow analysis. For the valuation as at 31 March 2009, Knight Frank generally adopted higher income capitalisation and discount rates, and lower rental growth rates than a year ago.

Management Discussion and Analysis *(continued)*

## Movement in Fair Values of Investment Properties

	Six months ended 31 March 2009 HK\$'M	Six months ended 30 September 2008 HK\$'M	Six months ended 31 March 2008 HK\$'M	% Increase/ (Decrease) (31 March 2009 vs 31 March 2008)
At beginning of period	44,133	44,307	42,352	N/A
Additions	523	290	345	N/A
Change in fair values of investment properties	(1,401)	(464)	1,610	N/A
At end of period	43,255	44,133	44,307	(2.4)

## Key Valuation Parameters

	As at 31 March	
	2009	2008
Retail	\$35,460M	\$36,105M
Carpark	\$7,795M	\$8,202M
Total	\$43,255M	\$44,307M
IFA (sq ft)	11,064,350	11,006,599
No. of Parking Lots	79,485	79,485
Per sq ft	\$3,205	\$3,280
Per Parking Lot	\$98,066	\$103,191
<b>Income Capitalisation Approach</b>	<b>Net Yield</b>	Net Yield
Retail	6.25–8.53%	5.78–8.25%
Carpark	6.50–10.90%	6.75–9.50%
Blended	6.26–10.90%	5.85–9.50%
Weighted Average	7.42%	6.95%
<b>Discounted Cash Flow Approach</b>	<b>Discount Rate</b>	Discount Rate
	8.50–11.70%	8.25–11.50%

Management Discussion and Analysis *(continued)*

## Portfolio Breakdown by Properties

Properties*	Year ended 31 March 2009 Total Revenue			As at 31 March 2009 Total Valuation			As at 31 March 2009 Total IFA			Monthly average base rent per leased IFA  (HK\$ psf)
	HK\$'M	Cummulative (%)	Cumulative (%)	HK\$'M	Cummulative (%)	Cumulative (%)	M sq ft	Cummulative (%)	Cumulative (%)	
1-10	1,044	23	23	11,413	26	26	1.9	17	17	41.9
11-50	1,864	41	64	18,120	42	68	4.8	43	60	29.5
51-100	1,135	25	89	9,985	23	91	3.3	30	90	23.0
101-180	460	11	100	3,737	9	100	1.1	10	100	16.4
Total	4,503	100	100	43,255	100	100	11.1	100	100	28.4

\* Properties are ranked by revenue contribution

## Capital Management

The Manager has been working actively to secure duration and diversification in the sources of The Link REIT's debt, while maintaining a conservative gearing level.

## Debt Facilities

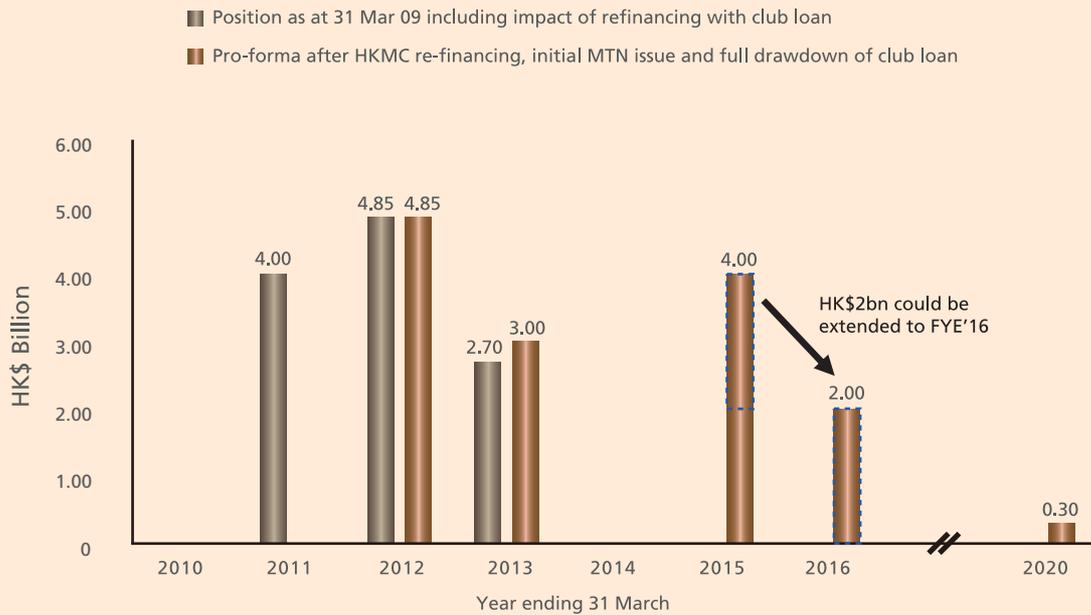
	Maturity	As at 31 March 2009 Fixed HK\$ Bn	Floating HK\$ Bn
• HKMC Loan			
— Interest Rate Swap	Nov 2010	3.75	—
— Floating	Nov 2010	—	0.25
• Syndicated Loan			
— Interest Rate Swap	Oct 2011	4.00	—
— Floating	Oct 2011	—	0.60
• Bilateral Loan	Jul 2011	—	0.25
• Club Loan (note)	Apr 2012	1.40	1.30
<b>Total</b>		<b>9.15</b>	<b>2.40</b>
<b>Percentage</b>		<b>79%</b>	<b>21%</b>

note: An unsecured three-year club loan facility of HK\$3 billion was signed to refinance the fixed rate HK\$1.4 billion guaranteed notes due in August 2009 and the floating rate HK\$1.3 billion bilateral loans due in July and September 2009. Accordingly, the amounts were reclassified as non-current liabilities as at 31 March 2009.

Management Discussion and Analysis *(continued)*

- On 19 March 2009, an unsecured three-year club loan facility of HK\$3 billion was signed with a consortium of 13 banks, to refinance all the debt due in 2009 and provide capital to fund asset enhancement initiatives. On 15 April 2009, HK\$1.3 billion was drawn from the facility to repay the bilateral loans maturing in July and September 2009.
- On 27 April 2009, the Manager announced the renewal of a HK\$4 billion five-year loan with the HKMC that includes an option to extend HK\$2 billion for one more year upon maturity. The HKMC mortgage loan renewal refinanced the entire amount of the loan maturing in November 2010.
- On 6 May 2009, the Manager announced the establishment of a US\$1 billion Medium Term Note (MTN) Programme under which unsecured notes may be issued in various currencies with fixed or floating rates and maturities between one month and 30 years. Since the establishment of the MTN Programme, The Link REIT raised HK\$300 million of 10-year unsecured notes at a fixed rate of 4.75% per annum on 20 May 2009.

Debt Maturity Profile



## Management Discussion and Analysis *(continued)*

The average outstanding life of The Link REIT's loan facilities as at 31 March 2009 (with club loan to refinance the guaranteed notes and the bilateral loans) was 2.4 years, compared with 2.5 years a year ago. The Manager actively manages The Link REIT's interest rate exposure through entering into interest rate swaps. The Link REIT had outstanding interest rate swap contracts amounting to HK\$7.75 billion as at 31 March 2009 (2008: HK\$4 billion), with effective outstanding life of 3.8 years (2008: 3.6 years). Accordingly, as at 31 March 2009, approximately 79% of The Link REIT's debt facilities are at fixed rates versus 56% a year ago. As at 17 June 2009 and prior to the repayment of the 5.12% guaranteed notes, the effective interest rate of The Link REIT's debt is 4.84%.

With the execution of a club loan facility in March 2009 and the completion of the HKMC refinancing transaction in April 2009, The Link REIT has successfully negotiated refinance facilities for all its debt due in the next two financial years ending 31 March 2011. Assuming the completion of all the refinancing transactions on 17 June 2009, namely, the refinancing of the HKMC loan, the full

drawdown of the club loan facility for the repayment of the bilateral loans due in July and September 2009 and the 5.12% guaranteed notes due in August 2009, and the issuance of HK\$300 million 10-year unsecured notes, the average remaining life of The Link REIT's debt is extended to 3.5 years. Should the option to extend HK\$2 billion mortgage loan with the HKMC be exercised, the average remaining life of the debt on the same date would be further extended to 3.7 years.

Borrowings plus recurrent cashflows from The Link REIT's investment property portfolio help finance capital expenditure that The Link REIT incurs for major renovations, improvement works and other value enhancing strategic initiatives. All of The Link REIT's borrowings are denominated in or fully hedged into Hong Kong dollars.

As at 31 March 2009, certain of The Link REIT's investment properties, amounted to approximately HK\$4.5 billion (2008: HK\$4.8 billion) in value were pledged to secure The Link REIT's loan facilities.

### The Link REIT maintains strong financial covenants:

	<b>Actual as at 31 March 2009</b>	<b>Covenant</b>
EBITDA : Interest Expense	5.7:1	> 2:1
Debt : Total Assets	23.7%	< 45%
Secured Debts	HK\$4 bn	< HK\$7 bn
Unsecured loan to value ratio	19.5%	< 45%

## Management Discussion and Analysis *(continued)*

The Link REIT has a corporate credit rating of "A grade with stable outlook", which was reaffirmed by Standard and Poor's on 6 May 2009. Moody's Investors Service affirmed its corporate credit rating of "A3 with stable outlook" on The Link REIT on 6 May 2009. Standard and Poor's has assigned an "A" long-term debt rating to the MTN programme while Moody's has assigned an A3 rating to the programme.

As at 31 March 2009, The Link REIT has cash available of HK\$1.2 billion (2008: HK\$1.9 billion) and undrawn bank facilities of HK\$3.4 billion (2008: HK\$400 million). For cash management, the Manager is focused on principal preservation to ensure flexibility to meet the operational needs of The Link REIT. Deposits are placed with maturities that have been well planned to satisfy the financial commitments and working capital needs of The Link REIT. Currently, all of the The Link REIT's cash and cash equivalents are held in Hong Kong dollars.

### Strategy

The Manager has a four pronged strategy to grow DPU, comprising driving revenue from stabilised shopping centres, driving incremental revenue from completed asset enhancement initiatives, managing costs and maintaining a strong balance sheet.

To drive revenue, the Manager's key focus is to continue to achieve positive retail rental reversion rates through actively bringing retail rents to market levels. Revenue growth will also be driven by sharing in the sales growth of retail tenants through capturing of turnover linked rent. Moreover, the Manager expects to see income uplift from completing asset enhancement initiatives and expects increasing contributions from such projects.

To generate incremental revenue from asset enhancement initiatives, the Manager's focus is to complete announced projects on time and on budget. The Manager expects that its dedicated asset enhancement leasing team will continue to negotiate leases at target rates in a timely manner. Management is continuing to master plan further asset enhancement projects with the intention of embarking on projects which meet target financial returns. The Manager targets first year return on investment of between 15% to 20% for asset enhancement initiatives. In the financial year ending 31 March 2010, the Manager is planning on additional asset enhancement initiatives, including a pilot fresh market.

Up to the year under review, the Manager's focus has been largely on growing revenue. For financial year ending 31 March 2010, the Manager is increasing its efforts to address cost issues. The Manager is currently reviewing third party property management agreements for all its shopping centre and carpark properties, and expects to realise costs savings. The Manager is also seeking to achieve costs savings in utilities while concurrently adopting more environmentally friendly practices. The Manager is of the view that The Link REIT's sizeable portfolio sitting in one geographic location offers substantial scope for synergistic savings and improved operational efficiency.

Another key thrust of the Manager is to continue to actively manage capital, with the aim of maintaining a competitive cost of capital. The Manager is keen to secure additional long term financing and lock down interest costs to mitigate potential interest rate volatility. The Manager will continue spreading out and extending debt maturities as well as diversifying sources of debt funding.

In financial year ending 31 March 2010, the Manager is reviewing portfolio strategies for its existing assets and positioned to assess potential expansion opportunities.

## Management Discussion and Analysis *(continued)*

### Strategic Partner

Pursuant to the co-operation agreement signed between the Manager and the strategic partner, CapitaLand Limited, on 27 August 2004 and supplemented by a supplemental agreement dated 26 October 2005 (the "Co-operation Agreement"), the strategic partner is entitled to a performance fee payable annually for the provision of consultancy and management advisory services in relation to the operations of The Link REIT. The performance fee to the strategic partner expensed for the financial year ended 31 March 2009 was approximately HK\$5.3 million.

According to the terms of the Co-operation Agreement, the Manager has an option to extend the Co-operation Agreement for a further period of 5 years upon its expiry on 26 August 2009. The Manager announced on 12 May 2009 that as the Manager had developed and now possesses the expertise and ability to manage and operate The Link REIT, it had decided not to exercise the option to extend the Co-operation Agreement with the strategic partner which will expire on 26 August 2009.

### Portfolio Highlights

Financial year ended 31 March 2009 was a year of continued growth for The Link REIT's portfolio with average base rent rising 11.8% year-on-year to HK\$28.4 psf (2008: HK\$25.4 psf) as at 31 March 2009. Occupancy rate was 87.4% as at 31 March 2009 (2008: 89.3%). Portfolio composite reversion rate and retention rate were 25.2% (2008: 22.5%) and 72.9% (2008: 71.9%) respectively for the year under review.

During the year under review, the Manager has continued to adopt a flexible leasing strategy to attract and retain tenants. Trade mix upgrading and planning is carried out on a continual basis. In line with asset enhancement plans, tenancies are aligned for phased refurbishment/renovation works. In such instances, tenancies are renewed for less than the typical three year lease term for commercial leases in Hong Kong.



Management Discussion and Analysis *(continued)*

## Key Portfolio Indicators

	Year ended 31 March	
	2009	2008
Occupancy Rate (%) at year end	87.4	89.3
Retention Rate (%)	72.9	71.9
AEI Vacancy Rate (%) at year end	6.2	3.4
Non-AEI Vacancy Rate (%) at year end	6.4	7.3
Average Monthly Base Unit Rent (HK\$ psf) at year end		
— ex self use office	28.4	25.4
— ex self use office, education/welfare, HD office and ancillary	30.9	27.7
Composite Reversion Rate (%)	25.2	22.5
Expense/Income Ratio (%)	37.7	39.6

AEI: Asset Enhancement Initiative

## Revenue Breakdown

	Year ended 31 March 2009	
	HK\$'M	%
<b>Rental income from:</b>		
Retail — Base rent	2,467	54.8
Retail — Turnover rent	63	1.4
Mall Merchandising	68	1.5
Market	491	10.9
Cooked Food Stalls	40	0.9
Education/Welfare	46	1.0
HD office and ancillary	85	1.9
<b>Gross rental receipts from carpark:</b>		
Monthly	763	16.9
Hourly	219	4.9
<b>Operational expense recovery and other miscellaneous income:</b>		
Property related income	261	5.8
	4,503	100.0

Management Discussion and Analysis *(continued)*

## Portfolio Summary

Category	As at 31 March 2009		
	Total IFA (sq ft)	Occupancy rate (%)	Average monthly base rent per leased IFA (HK\$ psf)
Retail	8,764,940	88.7	28.2
Market	877,750	79.8	60.6
Cooked Food Stalls	148,340	70.0	34.2
Education/Welfare	888,975	94.1	4.5
HD office and ancillary	225,114	54.7	18.6
Total excluding Self use offices	10,905,119	87.4	28.4
Self use offices	159,231	N/A	N/A
Total including Self use offices	11,064,350	—	—
Ex-Self use, Education/Welfare only	10,016,144	86.9	30.7
Ex-Self use, Education/Welfare, HD office and ancillary	9,791,030	87.6	30.9

## Rental Reversion Rate

Composite Reversion Rate	Year ended 31 March		%Total IFA (ex-Self use offices)
	2009 %	2008 %	
Retail	28.5	24.8	81
Market	13.3	12.7	8
Cooked Food Stalls	11.6	8.9	1
Education/Welfare	10.8	3.0	8
HD Offices and Ancillary	22.2	38.6	2
Overall	25.2	22.5	100
Overall ex Education/Welfare	25.3	22.6	92



Management Discussion and Analysis *(continued)***Major Real Estates Agents and Contractors**

During the year ended 31 March 2009, commissions were paid to two real estate agents as follows:

Real Estate Agents	Services	Value of Services HK\$'M	Percentage of Relevant Costs %
Wang On Majorluck Limited	Leasing agency services	0.5	35.7
Knight Frank Hong Kong Limited	Leasing agency services	0.9	64.3
		1.4	100.0

The aggregate value of service contracts of the top five contractors engaged by The Link REIT during the year ended 31 March 2009 and their respective value of services rendered were as follows:

Contractors	Nature of Services	Value of Services HK\$'M	Percentage of Relevant Costs %
Union Contractors Limited	Projects and maintenance	124	6.8
Wan Chung Construction Company Limited	Projects and maintenance	121	6.7
Standard Refrigeration & Engineering Co. Limited	Projects and maintenance	110	6.1
China Overseas Property Services Limited	Property and carpark management	88	4.8
Synergis Management Services Limited	Property and carpark management	88	4.8
		531	29.2



Management Discussion and Analysis *(continued)*

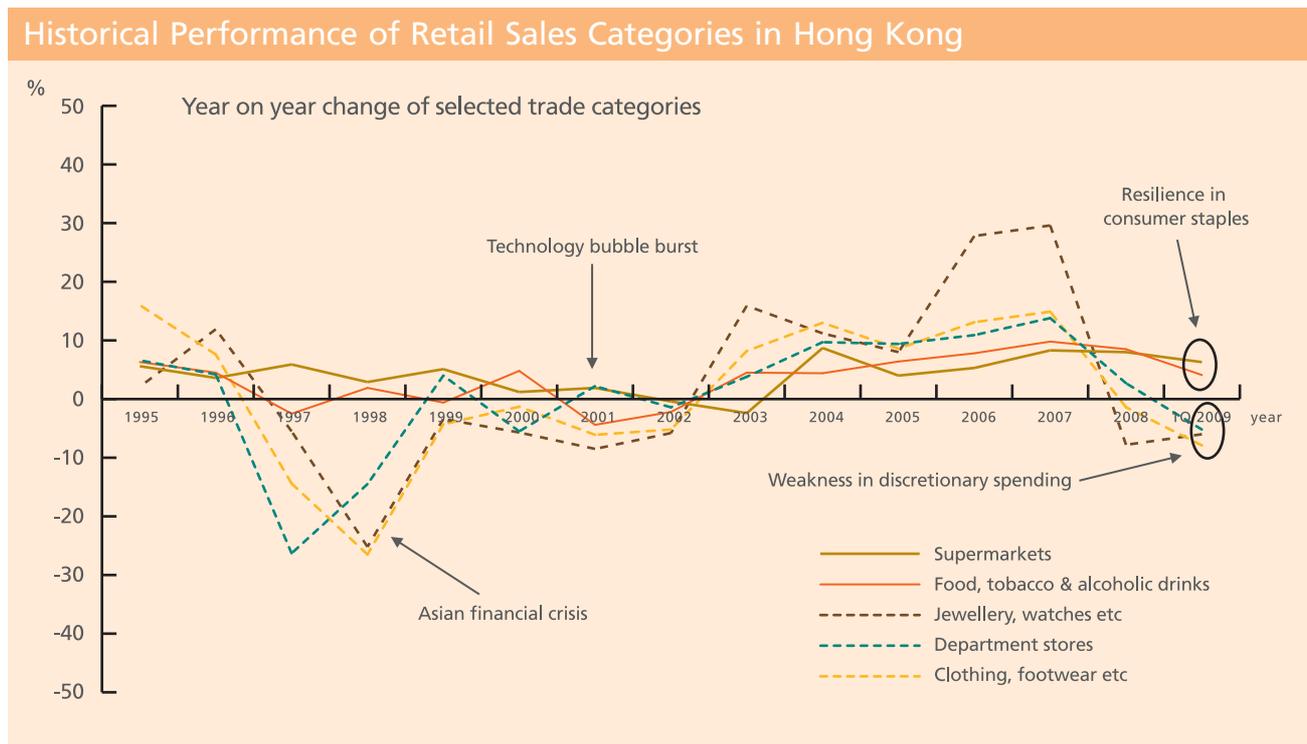
### Retail Property Portfolio Review

Retail property is the key revenue driver for The Link REIT. In financial year ended 31 March 2009, rental reversion rate for retail property was 28.5% (2008: 24.8%), with average unit base rent up 12.4% from a year ago to HK\$28.2 psf as at 31 March 2009 (2008: HK\$25.1 psf). The Link REIT's retail properties are focused on the value and volume end of non-discretionary spending, which historically has been resilient in economic downturns.

The Link REIT's largest retail tenants are involved in trades such as supermarkets, food and beverage, fresh markets and convenience stores. The top 10 tenants account for 22.4% of IFA and 32.1% of monthly base rent, while the top 50 tenants account for 34.6% of IFA and 46.9% of monthly base rent.

### Key Retail Property Portfolio Indicators

	Year ended 31 March	
	2009	2008
Occupancy Rate (%) at year end	88.7	91.2
Retention Rate (%)	73.5	70.1
Average Monthly Base Unit Rent (HK\$ psf) at year end	28.2	25.1
Reversion Rate (%)	28.5	24.8
Number of Leases with Turnover Rent at year end	1,972	903
Proportion of Retail Leases with Turnover Rent by Revenue at year end (%)	49.5	34.0



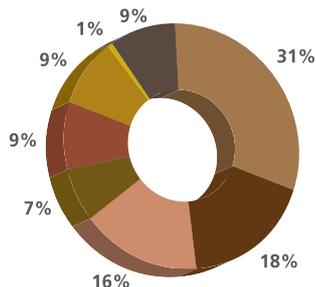
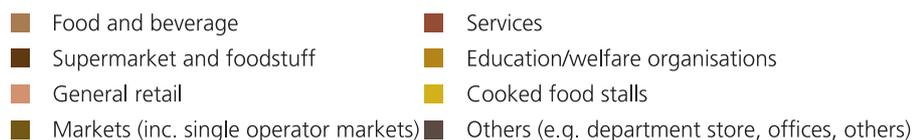
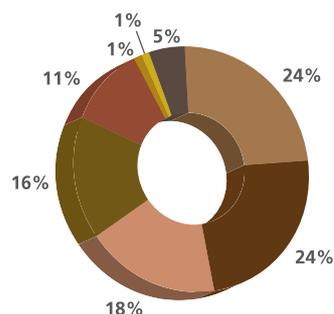
Source: Census and Statistics Department

Management Discussion and Analysis *(continued)*

## Retail Trade Mix

	As at 31 March 2009		
	Leased IFA (sq ft)	% of Leased IFA	% of Monthly Base Rent
Food and beverage	2,955,152	31.0	24.4
Supermarket and foodstuff	1,757,793	18.4	23.8
General retail	1,467,301	15.4	17.9
Markets (including single operator markets)	700,256	7.3	15.7
Services	886,078	9.3	10.4
Education/welfare organisations	836,597	8.8	1.4
Cooked food stalls	103,777	1.1	1.3
Others (e.g. department store, offices, others)	829,180	8.7	5.1
Overall	9,536,134	100.0	100.0



Management Discussion and Analysis *(continued)*Trade Mix as a % of Leased IFA  
as at 31 March 2009Trade Mix as a % of Monthly Base Rent  
as at 31 March 2009

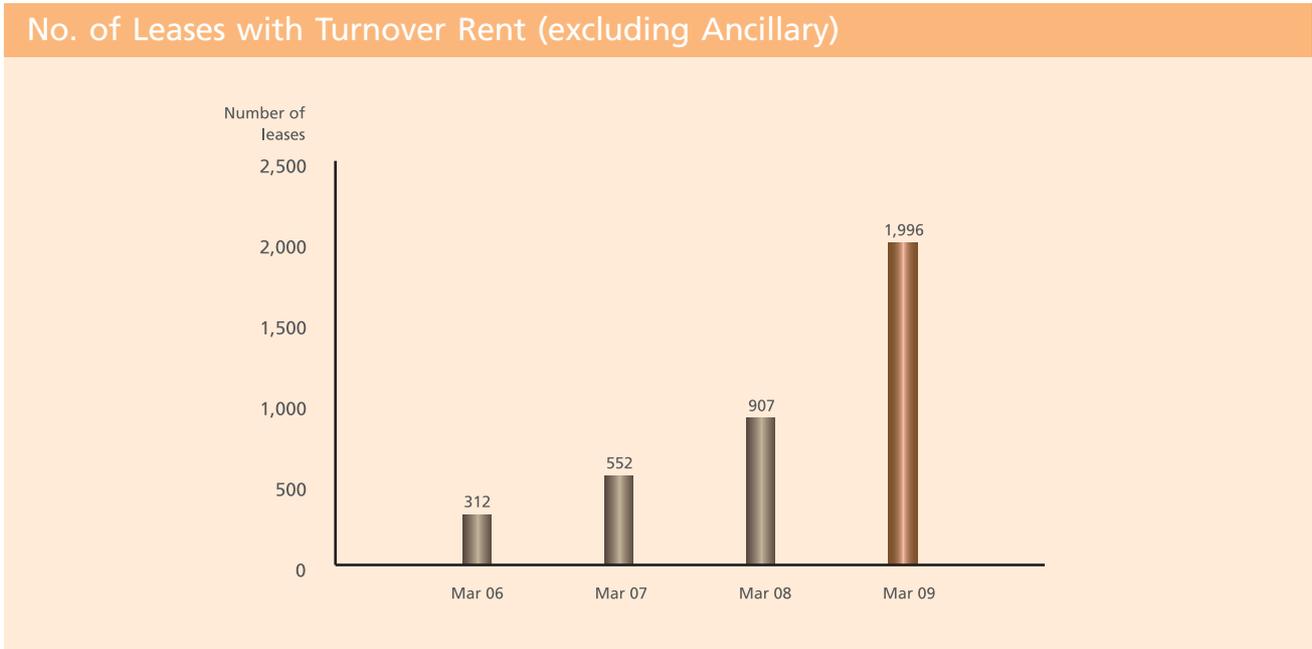
A key area of focus for the Manager has been to increase the number of retail tenants which have turnover rent clauses in their lease agreements, with particular attention paid to the large retail tenants. Good progress was made in the year under review with 1,972 retail leases having turnover rent clauses as at 31 March 2009 (2008: 903). Among the top 50 retail tenants in the portfolio, 32 of the 34 tenants who are eligible to pay turnover rent have agreed to do so.

## Leases Paying Turnover Rent (ex-Ancillary) as at 31 March 2009

	As at 31-Mar-09	As at 31-Mar-08	YoY % Change
Number of leases	1,996	907	120%
IFA (m sq ft)	4.10	2.83	45%
Monthly Base Rent (HK\$'M)	103.6	67.5	53%
Retail Segment: Proportion of Base Rent	49.5%	34.0%	15.5%

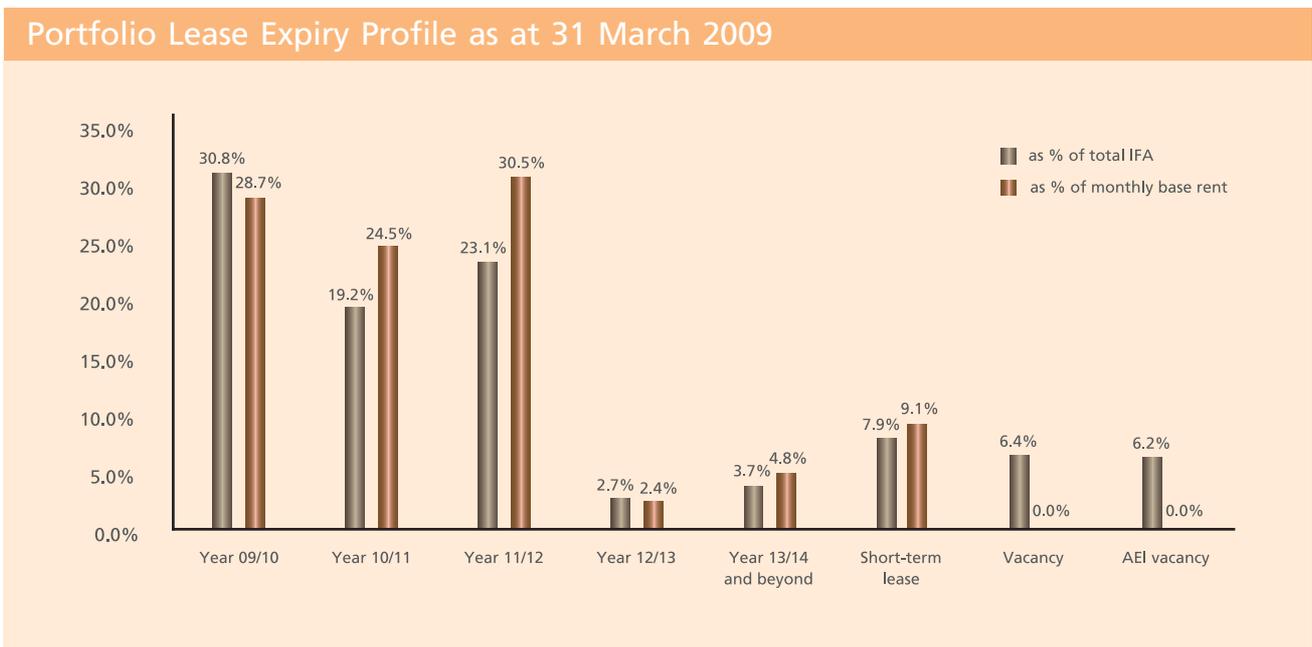
Remark: Excluding Ancillary

Management Discussion and Analysis *(continued)*



While the Manager is striving to have turnover rent clauses inserted into lease agreements of retail tenants, this is not being done at the expense of growing monthly base rent. Typically, the agreements involve the tenant paying base rent or percentage of turnover, whichever is higher.

The Manager is aware of the challenging economic environment that tenants face over financial year ending 31 March 2010 and has been actively rolling out various initiatives to drive shopper traffic. As at 31 March 2009, 30.8% of leases come up for renewal in financial year ending 31 March 2010, and the Manager is actively negotiating to lease out the space and achieve continued positive rental reversion rate.



Management Discussion and Analysis *(continued)***Carpark Property Portfolio Review**

The Link REIT has the largest carpark portfolio by a single owner in Hong Kong. In the year under review, carpark revenue rose 5.1% year-on-year to HK\$982 million (2008: HK\$934 million), with utilisation standing at 71.3% (2008: 71.2%). Coupled with keeping expenses under control, the expense to income ratio for carparks declined from 45.2% in financial year ended 31 March 2008 to 42.8% in financial year ended 31 March 2009.

In the year under review, the Manager has been evaluating new initiatives to improve the performance of the carpark property portfolio:

- Some repricing of rates

- Successful trial run of a new carpark management model
- Reviewed key revenue and cost drivers
- Extended our care to the disabled by offering half price parking and One-Link Pass scheme to all disabled drivers and drivers ferrying people with mobility disabilities in Hong Kong

For financial year ending 31 March 2010, the Manager will be implementing its new carpark management model, which involves income sharing, to cover all The Link REIT's carparks. The Manager targets transition to new carpark management arrangements in the third quarter of 2009 and expects to achieve significant operational efficiencies.

**Key Carpark Property Performance Indicators**

	Year ended 31 March	
	2009	2008
Carpark space allocation — monthly (%)	87.2	87.2
Carpark space allocation — hourly (%)	12.8	12.8
Gross receipts by monthly users (%)	77.7	78.7
Gross receipts by hourly users (%)	22.3	21.3
Utilisation of carpark space (%) at year end	71.3	71.2
Monthly income per bay (HK\$)	1,029	979
Expense/Income Ratio (%)	42.8	45.2



Management Discussion and Analysis *(continued)*

**Review of Asset Enhancement Initiatives**

Integral to the Manager’s efforts is to bring a more relevant retail product offering to the mass market in Hong Kong, and this includes ongoing asset enhancement initiatives. These projects are led by a dedicated development team supported by specialist project leasing. In the year under review, five asset enhancement projects worth HK\$221.91 million were completed while in the financial year ending 31 March 2010, the Manager expects to complete seven asset enhancement projects worth HK\$533.13 million.

The Manager’s approach to its asset enhancement programme is to roll out projects gradually so as to ensure it has sufficient execution bandwidth and minimise adverse near term impact on DPU. When carrying out asset enhancements, the Manager attempts to minimise the disruption on a tenant’s business by for example offering temporary use of alternative space. Asset enhancement initiatives are largely debt funded and the

Manager is cognisant of not taking on excessive leverage at any point in time and having sufficient debt capacity to fund projects. The Manager targets first year return on investment of 15%–20% for asset enhancement initiatives. The Manager actively manages risks associated with asset enhancement initiatives by among others pre-leasing a portion of the space, securing fixed price construction contracts, using research to determine consumer demands, and running rigorous financial analysis on the projects.

Going forward, the Manager is focused on executing ongoing projects and starting new projects that meet hurdle rate requirements. The Manager sees asset enhancement initiatives as a key driver of DPU growth. The Manager will take into account economic and business conditions in refining its asset enhancement programme by for example changing amount of capital expenditure and timing of projects where appropriate.



Management Discussion and Analysis *(continued)*

## Performance of Completed Asset Enhancement Initiatives

Year ended 31 March 2009

	Capex (HK\$'M)	Return on Investment*
Hau Tak Shopping Centre	70.41	41.4%
Tin Yiu Shopping Centre	33.48	34.7%
Fu Tung Shopping Centre	28.94	31.8%
Lek Yuen Shopping Centre	30.85	8.3%
Tai Wo Shopping Centre	58.23	30.5%

\* Net property income ("NPI") uplift is based on estimated NPI achievable 12 months after completion of AEI versus NPI achieved prior to start of AEI

## Asset Enhancement Projects to be Completed

Year ending 31 March 2010

	Capex (HK\$'M)	Completion Date
Kwai Fong Shopping Centre	27.64	April 2009
Wong Tai Sin Shopping Centre	125.27	June 2009
Wo Che Shopping Centre	52.26	June 2009
Choi Yuen Shopping Centre Phase 1	66.86	September 2009
Cheung Fat Shopping Centre	134.16	October 2009
Butterfly Shopping Centre	92.39	February 2010
Hing Wah Shopping Centre	34.55	March 2010

	Projects Completed				Projects Underway				Masterplanning
	2007/08		2008/09		2009/10		2010/11		2011+
	Centre	Total Project Capex HK\$'M	Centre	Total Project Capex HK\$'M	Centre	Total Project Capex HK\$'M	Centre	Total Project Capex HK\$'M	Capex HK\$'M
Projects Approved	Tsz Wan Shan SC	62.17	Hau Tak SC	70.41	Kwai Fong SC	27.64	Lok Fu Plaza	387.80	
	Lung Cheung Mall	22.22	Tin Yiu SC	33.48	Wong Tai Sin SC	125.27	Chung Fu SC	74.03	
	Choi Ming SC	11.37	Fu Tung SC	28.94	Wo Che SC	52.26	Siu Sai Wan SC	101.78	
	Chung On SC	17.08	Lek Yuen SC	30.85	Choi Yuen SC Ph.1	66.86	Tak Tin SC	74.93	
	Ming Tak SC	9.06	Tai Wo SC	58.23	Cheung Fat SC	134.16			
					Butterfly SC	92.39			
				Hing Wah SC	34.55				
Projects Planned									1,394.06*
TOTAL		121.90		221.91		533.13		638.54	1,394.06

\* 11 assets currently being masterplanned

Management Discussion and Analysis *(continued)*

Asset Enhancement Highlights — Fully Completed Project

**Fu Tung Shopping Centre**

Asset enhancement work helped to optimise the layout and realigned the trade mix of the centre. The income generating area and shopping variety were increased after the renovation. The centre has become a shopping destination for neighboring residents as well as customers from Tung Chung.



- 1 – New façade treatment with external promotional boards to enhance the overall image of the centre.
- 2 & 3 – New customer services counter at atrium in day time and the lighting features of the renovated atrium at night time.
- 4 – Opening up external wall with eye-catching lighting effect to the façade to improve the visibility of the newly introduced restaurant.
- 5 – More shoppers are attracted to the centre after refurbishment of the passageway and introduction of new trade mix.
- 6 – The newly introduced food and beverage shops at G/F are heavily patronised by nearby residents and students.

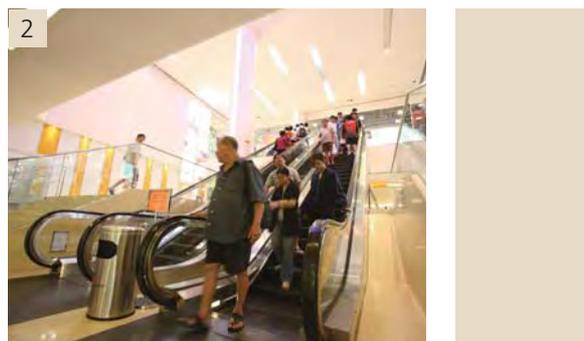
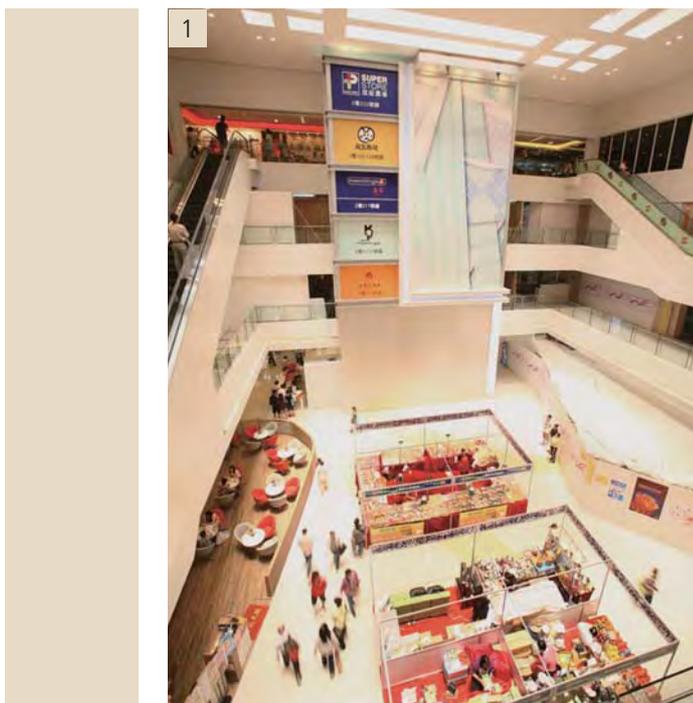
Management Discussion and Analysis *(continued)*

## Asset Enhancement Highlights — Partially Completed Project

**Cheung Fat Shopping Centre**

The retail zone on G/F, 2/F and 5/F of the centre were newly renovated. The Food City was created on G/F to provide a variety of food and beverage choices to local residents and shoppers from Tsing Yi. The new central atrium introduced a more spacious promotional venue area on 2/F rejuvenating the shopping environment.

Work will be carried out to convert an existing abandoned cinema area into new retail space and to enhance the circulation area on 2/F to 4/F. Upon completion, the renovated area will further showcase the new ambience to tenants and visitors.



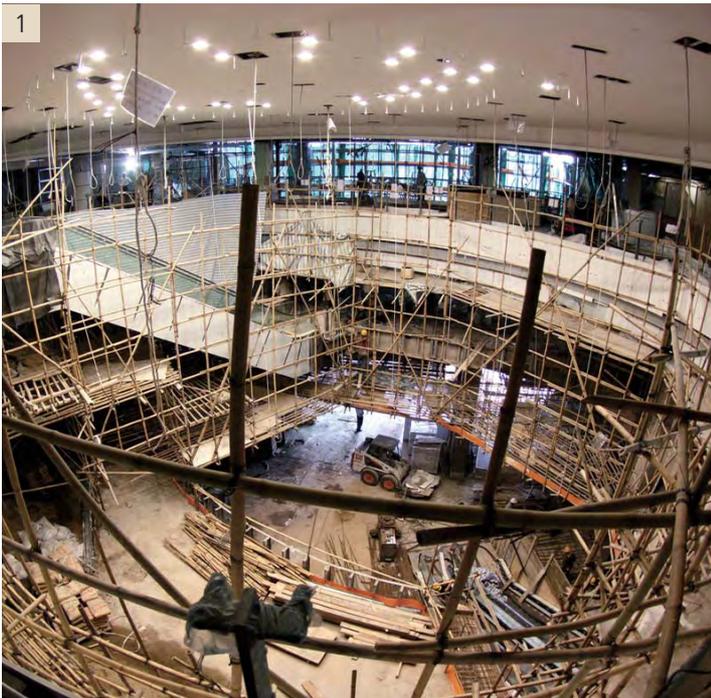
- 1 – Casual leasing activities at newly renovated atrium on 2/F, and new escalators installed to draw the footfall to retail space on upper floor levels.
- 2 – Renovation to circulation area with new escalators to enhance the shopping environment.
- 3 – Two new Chinese restaurants are introduced on 5/F to provide more quality choices for shoppers.
- 4 & 5 – Food City on G/F provides more choices for local residents and also becomes a major draw in attracting customers from Tsing Yi.

Management Discussion and Analysis *(continued)*

Asset Enhancement Highlights — Project in Progress

**Lok Fu Plaza**

This flagship retail property in The Link REIT's portfolio is located in the heart of Central Kowloon. The renovation works would be completed in phases to transform the centre into the new downtown shopping destination in Central Kowloon for shoppers of all ages and interests.



- 1 – Work site of the new oval atrium will introduce the new focal point of the centre.
- 2 – Work site of the new signature entrance will create the new identity of the centre.
- 3 – Renovation to the podium of carpark building with new drop-off point will enable customers to access the centre in a more convenient way.
- 4 & 5 – The show suite was constructed to celebrate the new birth of the Lok Fu Plaza showcasing project plans to tenants and customers.

## Review of Promotional Events



**May** The Link Indonesia Festival



**May** The Link Mum & I Eco Fashion Design Contest



**September** A Legendary Mid-Autumn at The Link

2008

| May

| June

| July

| August

| September

| October

**June** The Link Chiu Chow Festival



**June** The Link Warming Dad's Heart with Rice Dumpling

**July & August** The Link Five Million Supreme Award Games



**October** The Link Halloween Story Telling Party



**October** 2008 Hong Kong International Festival of Chinese Orchestras — A World of Chinese Music in Hong Kong

Review of Promotional Events (continued)



**November** Spending Rewards Trio Campaign



**January** The Link Quintessential Shows for the Fortune Ox



| November | December | **2009** | January | February | March |

**December** The Link Christmas Musical Theatre



**February** Romantic Lantern Party at The Link



**March** Triple Win Campaign — Everyday Food Coupon at The Link



## Our Stakeholders Community

The Link REIT's properties are neighbours to 40% of Hong Kong's population and our business is closely related to people's daily lives. Leveraging on this opportunity, we have been using our properties as a platform to serve and give back to the community and to benefit different stakeholders.

### "The Link Fun Academy"

Since established around two years ago, "The Link Fun Academy" has invited arts organisations, training institutions and celebrities to give workshops and classes in a casual and attractive way in the large shopping centre network of the Manager, providing valuable learning opportunities to the public free of charge. As of May 2009, the Academy had organised about 60 activities that were well received and around 10,000 people had joined the activities.

In the past year, the Academy expanded into areas such as language, literature, environmental protection, wealth management skills, etc. The target audience has also been widened to include the elderly. On the 15<sup>th</sup> of every

month of the lunar calendar, we partner with dozens of restaurants to offer our senior citizens free dim sum, and invite them to travel around Hong Kong to enjoy the colourful city themselves.

The Academy has won Gold Award in the marketing category of the "Asia Shopping Centre Awards" and Silver Award in Community Relations of the 38<sup>th</sup> MAXI Awards, in recognition of the Manager's contribution to the community.

### Contribution to the Community

We offer some 850,000 sq ft of floor area (approximately 8% of the internal lettable area) to over 150 non-governmental and charitable organisations at concessionary rates as low as HK\$4.5 per sq ft. This enables the organisations to better serve our communities and to bring services closer to their recipients.

## "The Link Fun Academy" won two Corporate Citizenship awards



### Photos of the Academy's Activities



Legislator Emily Lau and Chief Executive of Consumer Council Connie Lau on how to be a smart consumer



Celebrity writer Chip Tsao inspires students' creativity and independent thinking



Eunice Lam shares her writing experiences



Visit to Aviation Discovery Centre for grass-root families jointly organised with SOCO

Our Stakeholders / Community (continued)

About 8% of total area for use by welfare organisations at concessionary rates



From time to time, we assist social welfare organisations to run activities at our properties by way of provision of venues free of charge. During the year, we provided a total of about 3,400 activity days, supporting different kinds of community activities.

These efforts have brought us the awards of Caring Company by the Hong Kong Council of Social Service for the second year in a row, Brand-with-a-Conscience Award by Hong Kong Institute of Marketing and Special Merit Award by Red Cross, as recognition of our outstanding performance in corporate citizenship.



Free venue for 3,400 community events



Visit to Sunbeam Theatre by senior citizens jointly organised with Commercial Radio



Summer Aloha — Hawaiian dance workshop



Mosaic Art Programme co-organised with Hong Kong Youth Arts Foundation



Investment talk hosted by financial commentators including Francis Lun



Renowned illustrator Big Soil on drawing eco-friendly pictures



Trip to Inspiration Lake Recreation Centre

## Our Stakeholders Charity Work

### Supporting “People’s Food Bank”

The Manager has always been a keen supporter of charity work and has taken an active role in helping needy people and bringing joy and love to them. During the year, we leveraged on our extensive network of properties to launch a series of food donation programmes.

In view of society’s increasing need for food assistance, the Manager and “People’s Food Bank” of St. James’ Settlement jointly launched two spending rewards campaigns — “Spending Rewards Trio” and “Triple Win Promotion” since the end of 2008, under which the Manager donated food to “People’s Food Bank” based on customers’ spending. The more customers spent, the more food we donated in

support of the initiative to help the needy to cope with economic difficulties. The “Spending Rewards Trio” was a great success, generating a total donation of 520,000 grams of milk powder and 10 tonnes of rice, sufficient to feed 100 babies and 700 adults for six weeks. We also gave away Fresh Food Coupons to people in need, enabling them to buy fresh and nutritious food at our fresh markets.

In order to make it more convenient for the public to donate food such that supply can be secured in the long term, the Manager join hands with “People’s Food Bank” to set up “food donation boxes” in around 30 shopping centres. The campaign has received generous support from the public.



### Hong Kong’s First Parking Privilege to Help the Disabled

The Manager was the first to launch parking privilege for relatives of disabled people. Holders of “Parking Permit for Drivers Carrying People with Mobility Disabilities” enjoy a 50% discount at our car parks when they carry their disabled relatives. People with mobility disabilities and holders of the above permit are exempt from certain requirements when applying for “One-Link Pass” parking privileges.

Our Stakeholders / Charity Work *(continued)*

**Offering More Than 10,000 Food Packs**

The Manager, Oriental Daily News Charitable Fund and The Sun Charitable Fund launched a charity partnership scheme to distribute food packs to more than 10,000 needy people throughout Hong Kong in 2009, delivering to them both food and love.



**Donation and Charity Sales**

The Manager has organised a number of fund raising and charity sales events to provide support to charitable organisations. Beneficiaries include both local families and earthquake victims in Sichuan Province. During the year, we donated to The Salvation Army, Joyful (Mental Health) Foundation, St. Stephen's Society, Operation Santa Claus, etc.



Supporting Operation Santa Claus



Charity sales of limited-edition shopping bags, with all revenues going to The Salvation Army (HK & Macau)



Voluntary fund raising activity shortly before Christmas 2008 for St Stephen's Society

## Our Stakeholders

### Tenants

Tenants are our close partners in the process of enhancing customer experience. More and more tenants are benefiting from the emerging business opportunities inside The Link REIT's property portfolio. With the belief that our success lies with our tenants, we have launched various measures to assist them in improving their businesses.

#### "The Link Tenant Academy"

With a view to assisting our tenants to thrive in the ever-changing business environment, we launched "The Link Tenant Academy" in June 2008, under which seminars and workshops of a wide range of topics have been organised. The programme has been very well received by tenants. As of May 2009, over 1,100 tenants had participated in the seminars and workshops.



#### A Review of the Academy's Seminars

##### STRATEGIES TO SUCCESS SERIES

- Tea Time with Chua Lam
- Team Spirit Building by Story Telling: Alfred Cheung
- SMEs: Turn adversity into prosperity

##### QUALITY SERVICE SERIES

- Interpersonal Skills for Frontline Staff
- How to build up harmonious relationship with customers
- How to handle customer complaints
- ISO 22000 System for Local Restaurants

##### SMART FINANCIAL MANAGEMENT SERIES

- Financial Management for SMEs
- How to handle Tax issues
- Cost Reduction for Local Restaurants
- Energy Saving

#### "The Link Tenant Information Centre"

The Centre was set up in Fu Cheong Shopping Centre to assist tenants in starting their businesses, upgrading existing shops, and enhancing decoration for the

continuous improvement in their image and management. With a total floor area of 2,500 sq ft, the Centre is the first facility of its kind in Hong Kong and in the 9 months following its establishment in mid 2008, it had received more than 20,000 visitors.



## Our Stakeholders

### Employees

Human resources are crucial to our success. To achieve our market-oriented strategy, carry on the process of enhancing the value of our properties, and facilitate the long-term development of our company, we recruit talented personnel and retain those who are dedicated and competent. As at 31 March 2009, we had 473 employees.

Following overall business trends and market practice, we offer competitive compensation and benefits packages to our employees. Our remuneration policies recognise and reward employee performance and we keep on improving the performance management and reward for performance systems, with a view to enhancing productivity for the company.

We also provide a series of comprehensive training and individual development programmes to promote the professionalism and personal growth of our staff.

We have provided a wide range of training to our staff, including:

- Supervising skills
- Performance management
- Language application skills
- Computer system operation
- Industry best practice sharing
- Overseas site visits

We also hold outdoor team building workshops, with a view to promoting team cohesion and trust, so that colleagues would work as a team to achieve our vision together.



In order to promote interaction among our staff, we organise group activities from time to time, providing our staff with opportunities to get to know each other better and to strengthen our team spirit.



During the year, we published an internal staff newsletter "Link Together", through which our staff can find out more about their colleagues, company updates and training information. "Link Together" is an e-magazine, which can be circulated to our staff in a much faster way than printed version. This is in line with the trends of information digitalisation and environmental protection.



## Our Stakeholders Greener Future

The Manager is committed to promoting environmental protection and, in joint hands with the public, building a greener future for Hong Kong. During the year, we helped customers to lead a greener life by encouraging “plastic bag free” shopping, facilitating recycling, and becoming a pioneer in making electric vehicle charging services available in carparks. Our shopping centres become a platform to spread environmental protection messages in the process of building a greener city for all.

Internally, we are commencing to adopt a number of environmental policies and measures to try to produce a cleaner environment. They include the staged replacement of air-cooled chillers by water-cooled ones for the air-conditioning system of our shopping centres and the change to the more eco-friendly T5 florescent tubes for the indoor lighting system. Energy efficiency of electromechanical equipment has been enhanced to reduce energy consumption and carbon emission.

During the year, the Manager won the “Hong Kong Enterprise Environmental Achievement Award” and the “Prime Awards for Eco-Business 2009” in recognition of our contribution towards environmental protection.



### Popularising Electric Vehicles in Hong Kong

The provision of electricity chargers is crucial in popularising the use of electric vehicles in Hong Kong. The Manager has taken the lead in undertaking to provide electric vehicle charging services in designated carparks, which shows our commitment in helping to create a cleaner environment for future generations.



### Signing the First “Dim It” Charter

With an aim to provide our neighbours with a more pleasant living environment and to be a responsible corporation, the Manager has signed Hong Kong’s first “Dim It Charter”, undertaking to switch off all unnecessary outdoor decorative lightings after 11:00 pm to minimise disturbance to nearby residents and to save energy. The positive and supportive attitude of our tenants has been highly encouraging.



Our Stakeholders / Greener Future (continued)

### Building Green Awareness in the Community

With a view to creating a more environmental-friendly and pleasant community, activities have been held at shopping centres of The Link REIT all over Hong Kong to spread environmental protection messages. During the year, the events we ran included the making of environmental-friendly shopping bags, “The Link’s Mum & I Environmentally Friendly Fashion Design Competition”, “The Link ECO Illustration Design Contest”, free redemption of “The Lotus of My Heart” eco-friendly laisee packets and “The Link’s Family Environmental Protection 1.2.3”, etc.



“The Link ECO Illustration Design Contest” received nearly 400 quality entries, showing the participants’ aspiration of green living. This winning illustration by Chan Wing Lam shows the importance of environmental preservation in dining and shopping



### Advancing Green Shopping

Aiming to reduce the use of plastic bags and to nurture the habit of using shopping bags, the Manager has launched Hong Kong’s first-of-its-kind shopping bags borrowing service. Many customers have adopted the habit by keeping our shopping bags. In support of environmental protection work, the Manager has donated, without any deduction of cost, all unclaimed deposits to Greeners Action.

In 2008, the Manager partnered with Greeners Action in running the “Plastic Bag Recycling Campaign” and achieved very encouraging results of collecting more than 110,000 plastic bags in only six months. In 2009, we extended the campaign to about 50 shopping centres, so that more people can take part in saving our Earth.

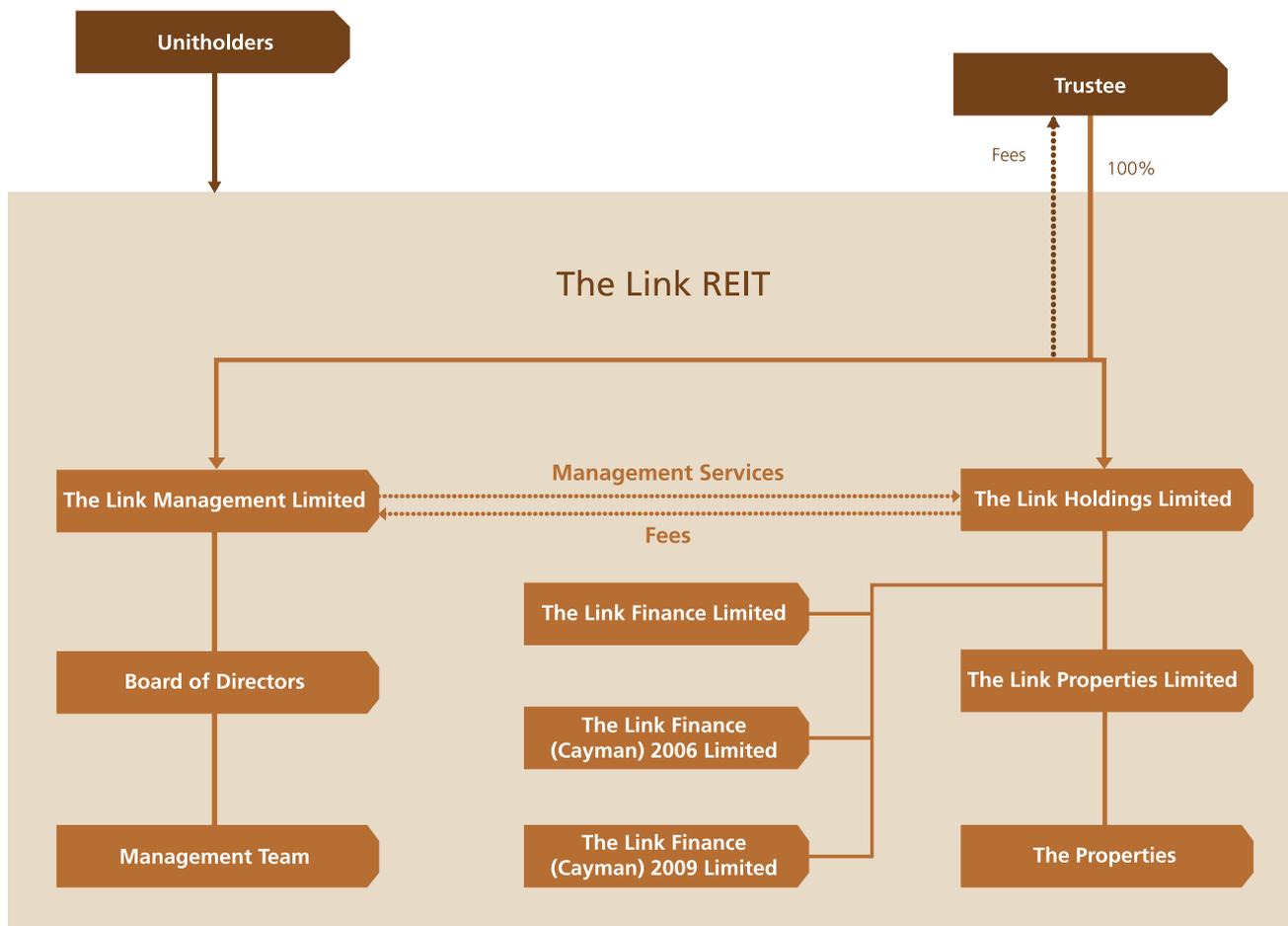
**Recycle and reduce the use of plastic bags — save the Earth**



# Our Governance

## The Link REIT

The Link REIT is an internally managed REIT where the Manager is wholly owned by The Link REIT. Such a management structure best aligns the interest of management with that of Unitholders. The Manager is licensed by the Securities and Futures Commission (the "SFC") to conduct the regulated activity of asset management. Key activities of the Manager include leasing, property management, enhancement and maintenance works, investment, fund management and associated corporate services. The Manager is governed by the Board of Directors and accountable to Unitholders.



## Our Governance

### Board of Directors of the Manager

#### **Mr Nicholas Robert SALLNOW-SMITH**

*Chairman (also an Independent Non-Executive Director)*

Mr Sallnow-Smith, aged 59, has been Chairman of the Board of the Manager and Independent Non-Executive Director of the Manager since April 2007. He is Chairman of the Finance & Investment Committee and the Nomination Committee of the Manager.

Mr Sallnow-Smith has over 32 years of experience in the finance and treasury field in the United Kingdom and in Hong Kong and has extensive knowledge of the property investment/management industry in Hong Kong. He was Chief Executive of Hongkong Land Limited between 2000 and 2007. Mr Sallnow-Smith is currently Non-Executive Director of Standard Chartered Bank (Hong Kong) Limited.

Mr Sallnow-Smith has been actively involved in public services and is currently a director of The Hong Kong Philharmonic Society Limited, a member of the Board of the Asian Youth Orchestra, Chairman of the Executive Committee of Hong Kong Youth Arts Foundation Limited, a member of the Manpower Committee of Hong Kong General Chamber of Commerce, a member of the English Schools Foundation (Hong Kong General Chamber of Commerce Representative) and a Council member of the Treasury Markets Association.

#### **Mr Ian David Murray ROBINS**

*Executive Director and Chief Executive Officer*

Mr Robins, aged 53, joined the Manager in November 2007 and was appointed as Executive Director and Chief Executive Officer of the Manager in December 2007. He is a member of the Finance & Investment Committee, Human Resources & Compensation Committee and Nomination Committee of the Manager. He is also a Director of The Link Holdings Limited, The Link Properties Limited and The Link Finance Limited, being the principal subsidiaries of The Link REIT.

Mr Robins is a graduate of the University of Technology, Adelaide, South Australia. He is a Chartered Accountant and is an Associate of the Institute of Chartered Accountants in Australia. Mr Robins has over 21 years experience in corporate finance, asset and fund management in Australia and Asia, of which 15 years were in real estate. Prior to joining the Manager, he was Divisional Director and Head of Asia (Hong Kong/Korea/China) for Macquarie Real Estate Asia Limited (since 2006). In Australia, Mr Robins' experience also included 7 years with Deutsche Bank AG, Sydney as Director of Deutsche Bank Investment Banking — Real Estate and Director, Capital Markets of DB RREEF Funds Management Limited.

Our Governance / Board of Directors of the Manager *(continued)***Mr George Kwok Lung HONGCHOY***Executive Director and Chief Financial Officer*

Mr Hongchoy, aged 47, joined the Manager and was appointed as Chief Financial Officer in January 2009 and Executive Director of the Manager in February 2009. Mr Hongchoy is a member of the Finance & Investment Committee of the Manager and also a Director of The Link Holdings Limited, The Link Properties Limited and The Link Finance Limited, being the principal subsidiaries of The Link REIT. He holds a Bachelor of Commerce degree from the University of Canterbury and a MBA degree from The Wharton School, University of Pennsylvania. He is a Chartered Accountant under the New Zealand Institute of Chartered Accountants and a Fellow of the Hong Kong Institute of Certified Public Accountants (“HKICPA”). He has over 22 years of experience in investment banking, financial consulting and accounting in Asia and New Zealand.

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

**Mr Ian Keith GRIFFITHS***Non-Executive Director*

Mr Griffiths, aged 54, joined the Board of the Manager in September 2007 as a Non-Executive Director. He is a member of the Finance & Investment Committee of the Manager. Mr Griffiths has practiced architecture for 30 years, with 26 years in Hong Kong. His successful and high profile design practice has a wide range of international clients and projects. He is currently the Chairman of Aedas Limited and an Honorary Professor of Architecture at The University of Hong Kong. Aedas is one of the largest architectural practice in Hong Kong and globally, having some 27 offices and 2,000 staff internationally.

**Mr John HO Chi On***Non-Executive Director*

Mr Ho, aged 32, has been a Non-Executive Director of the Manager since July 2006. He is a member of the Finance & Investment Committee and the Human Resources & Compensation Committee of the Manager. Mr Ho has broad investment and business management experience in real estate and property industries globally. He is currently an employee of The Children’s Investment Fund Management (Asia) Limited. He heads up The Children’s Investment Fund Management (UK) LLP’s (“TCI”) office in Hong Kong and is responsible for TCI’s Asia-Pacific investment activities. TCI is a substantial Unitholder of The Link REIT within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

## Our Governance / Board of Directors of the Manager *(continued)*

### **Mr KEE Teck Koon**

*Non-Executive Director*

Mr Kee, aged 52, joined the Board of the Manager as a Non-Executive Director in September 2007. He is a member of the Finance & Investment Committee and the Human Resources & Compensation Committee of the Manager. Mr Kee has over 15 years of international experience in the real estate industry in Singapore and other countries. He is currently the Chief Investment Officer of CapitaLand Limited. He is also a Director of CapitaMall Trust Management Limited (manager of CapitaMall Trust, the first listed REIT in Singapore), CapitaCommercial Trust Management Limited (manager of CapitaCommercial Trust, a listed REIT in Singapore) and CapitaRetail China Trust Management Limited (manager of CapitaRetail China Trust, a listed REIT in Singapore).

### **Mr LIM Beng Chee**

*Non-Executive Director*

Mr Lim, aged 41, joined the Board of the Manager as a Non-Executive Director in November 2008. He holds a Master of Business Administration (Accountancy) from the Nanyang Technological University, Singapore and a Bachelor of Arts in Physics (Honours) from Oxford University, United Kingdom.

Mr Lim has more than 9 years of real estate investment and asset management experience. He was formerly the Chief Executive Officer of CapitaRetail China Trust Management Limited, the Manager of CapitaRetail China Trust, and is presently the Chief Executive Officer of CapitaLand Retail Limited which runs the CapitaLand Group's retail business. He is also the Chief Executive Officer of CapitaMall Trust Management Limited.

### **Mr Michael Ian ARNOLD**

*Independent Non-Executive Director*

Mr Arnold, aged 65, has been an Independent Non-Executive Director of the Manager since September 2004. Mr Arnold is the Chairman of the Human Resources & Compensation Committee and a member of the Finance & Investment Committee and the Nomination Committee of the Manager. He is a Chartered Surveyor and has some 42 years' experience in the property industry.

### **Mr Anthony CHOW Wing Kin, SBS, JP**

*Independent Non-Executive Director*

Mr Chow, aged 58, joined the Board in May 2006. He is a member of the Audit Committee and the Nomination Committee of the Manager. Mr Chow is a solicitor admitted to practice in Hong Kong and England and Wales. He has been a practicing solicitor in Hong Kong for over 27 years and is currently a Partner of the law firm Messrs. Peter C Wong, Chow & Chow. Mr Chow is a China-Appointed Attesting Officer and member of the Guangzhou Arbitration Commission. He is also the Chairman of the Process Review Panel for the Securities and Futures Commission. His principal areas of practice include corporate and commercial, property law, probate and civil litigation. He is also a Non-Executive Director of Kingmaker Footwear Holdings Limited, an Independent Non-Executive Director of Fountain Set (Holdings) Limited and Ping An Insurance (Group) Company of China, Limited, which are listed in Hong Kong and an Independent Non-Executive Director of Evergro Properties Limited, which is listed in Singapore. He is the former President of the Law Society of Hong Kong.

Our Governance / Board of Directors of the Manager *(continued)***Dr Patrick FUNG Yuk Bun, JP***Independent Non-Executive Director*

Dr Fung, aged 62, has been an Independent Non-Executive Director of the Manager since August 2005. He is the Chairman of the Audit Committee of the Manager. Dr Fung is a veteran banker with over 32 years of experience. He has been Chairman and Chief Executive of Wing Hang Bank, Limited since 1996. He is also a Non-Executive Director of Miramar Hotel and Investment Company, Limited, Chairman of Executive Committee and Vice President of the Council of the Hong Kong Institute of Bankers and a member of the Hong Kong Tourism Board.

**Mr Stanley KO Kam Chuen, BBS, JP***Independent Non-Executive Director*

Mr Ko, aged 63, joined the Board in September 2005. He is a member of the Audit Committee and the Human Resources & Compensation Committee of the Manager. Mr Ko has extensive experience in business development and management of business portfolios. He is Chairman of Jardine Airport Services Limited, Advisor to the board of Jardine Matheson Limited and an Independent Non-Executive Director of SW Kingsway Capital Holdings Limited (a Hong Kong-listed company). Mr Ko is Chairman of LARK International Holdings Limited.

**Professor Richard WONG Yue Chim, SBS, JP***Independent Non-Executive Director*

Professor Wong, aged 56, joined the Board of the Manager as an Independent Non-Executive Director in September 2007. He is a member of the Audit Committee and the Human Resources & Compensation Committee of the Manager. He is currently the Deputy Vice-Chancellor and Provost, and Professor of Economics at The University of Hong Kong. His main research interest is in the economic analysis of competition, regulation and economic development. Professor Wong has been actively involved in public services and has served on numerous public bodies. He is an Independent Non-Executive Director of Great Eagle Holdings Limited, Industrial and Commercial Bank of China (Asia) Limited, CK Life Sciences Int'l., (Holdings) Inc., Orient Overseas (International) Limited, Pacific Century Premium Developments Limited and Sun Hung Kai Properties Limited, which are listed in Hong Kong.

**Dr Allan ZEMAN, GBS, JP***Independent Non-Executive Director*

Dr Zeman, aged 60, joined the Board in September 2004. He is a member of the Audit Committee of the Manager. Dr Zeman is Chairman of Lan Kwai Fong Holdings Limited and Ocean Park Hong Kong. He is also an Independent Non-Executive Director of Pacific Century Premium Developments Limited, Sino Land Company Limited and Tsim Sha Tsui Properties Limited (companies listed on the Hong Kong Stock Exchange). Dr Zeman was founder and owner of Colby International Limited until late 2000. He is a member of the Consultative Committee on the Core Arts & Cultural Facilities of the West Kowloon Cultural District.

## Our Governance Management Team

### Mr Ian ROBINS

*Executive Director and Chief Executive Officer*

### Mr George HONGCHOY

*Executive Director and Chief Financial Officer*

### Mr Ross O'TOOLE

*Chief Operating Officer*

Mr O'Toole, aged 41, has the overall responsibility for the operations of the Manager across its key functions of Asset Management, Leasing, Project & Development, Research & Funds Management and Business & IT Solutions. He joined the Manager in May 2008. Mr O'Toole has over 20 years of experience in retail and commercial asset management in a number of countries and diverse regions. He holds a Bachelor of Applied Science degree in Land Economics from University of Technology, Sydney, Australia. He is one of the Responsible Officers of the Manager for the purpose of the SFO.

### Ms LAM Lit Kwan

*Director (Corporate Communications and Strategy)*

Ms Lam, aged 51, is responsible for overseeing corporate communications, marketing and promotion functions across the portfolio, as well as advising on strategic direction for business development of The Link REIT. Ms Lam joined the Manager in December 2006, she is also a Director of The Link Holdings Limited and The Link Properties Limited, being the principal subsidiaries of The Link REIT. Ms Lam holds a Master of Philosophy degree in Urban Design and Regional Planning from The University of Edinburgh, Scotland in the United Kingdom. She is a professional member of the Royal Town Planning Institute and Royal Institution of Chartered Surveyors. Ms Lam also holds an Estate Agents License (Individual) and is a registered professional planner.

### Mr Scott NUGENT

*Director (Project & Development)*

Mr Nugent, aged 36, is responsible for formulating renovation and project development strategies and policies to support the Manager in realizing the full potential of the assets. He joined the Manager in May 2008 and has 16 years of experience with vast exposure in both retail development and asset management. Before joining the Manager, Mr Nugent held senior positions within the Macquarie Group and Land Lease Corporation. Mr Nugent holds an Associate Diploma in Business (Asia/Pacific) from Northern Sydney Institute Technical and Further Education College, Sydney, Australia and a Diploma of Property (Real Estate) from The Real Estate Institute of Perth, Western Australia.

Our Governance / Management Team *(continued)***Ms Rachel MIU Mei Sze***Head of Corporate Communications*

Ms Miu, aged 34, oversees the Manager's corporate communications function to publicise the Manager's work, build relationship and enhance communications with its key stakeholders, and develop its corporate citizenship programmes. She joined the Manager in January 2005. Ms Miu served in Asia Television Limited as prime time news anchor before joining the Manager. She holds a Master of Business Administration degree from The Chinese University of Hong Kong and a Bachelor of Applied Arts (Journalism) from Ryerson University in Canada.

**Mr Keith NG Man Keung***Treasurer*

Mr Ng, aged 37, is responsible for the arrangement of borrowings, cash management, financial risk management and related treasury matters for The Link REIT. He joined the Manager as Treasurer in June 2009 and has more than 16 years experience in corporate treasury, accounting, finance and information technology. Mr Ng holds a Master of Business Administration degree and a Master of Science in Investment Management degree from The Hong Kong University of Science and Technology. He obtained his first Bachelor degree in Computer Science from The University of Hong Kong. Mr Ng is a CFA charterholder, a Fellow of Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.

**Ms Rosa TSANG Yuen Yin***Head of Finance*

Ms Tsang, aged 39, is overseeing the finance and accounting functions of the Manager. She joined the Manager in January 2007 and has 17 years of experience in auditing, accounting and finance. Ms Tsang holds a Bachelor of Arts degree in Accountancy from The Hong Kong Polytechnic University. She is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants.

**Ms Cissy TSANG Yuk Ying***Head of Market Development*

Ms Tsang, aged 62, is responsible for the repositioning and development of the wet market and cooked food stalls in order to maximise the Manager's investment return and asset value. She joined the Manager in May 2006 and has over 27 years of experience in the property management industry and has held managerial positions in sizable and reputable companies. She holds a Master of Business Administration degree from Brunel University in the United Kingdom. Ms Tsang is a Fellow of the Chartered Institute of Housing. She is also a Certified Property Manager, an Accredited Condominium Manager, and a Professional Administration Manager.

**Mrs Maria WONG Lam Wai Ching***Head of Leasing*

Mrs Wong, aged 49, is responsible for the implementation of leasing strategies for renovated shopping centres, maintaining relationships with anchor tenants and exploring new leasing business opportunities. She joined the Manager in January 2009 and has extensive experience in property development and leasing management. Mrs Wong holds a Master of Business Administration degree and a Diploma of Management Studies from The Hong Kong Polytechnic University.

Our Governance / Management Team *(continued)***Ms Josephine YEE Chooi Mee***Head of Legal and Company Secretary*

Ms Yee, aged 44, is responsible for the Legal, Procurement and Company Secretarial functions of the Manager. She is the Authorised Representative of The Link REIT and the Company Secretary of the Manager and subsidiaries within The Link REIT. Ms Yee joined the Manager in May 2008 and has over 16 years of experience in the property and commercial sectors. She holds a Bachelor of Economics and a Bachelor of Laws from Monash University, Australia and is a qualified solicitor in Hong Kong.

**Mr Leslie YEE***Head of Research & Funds Management*

Mr Yee, aged 40, leads a team that conducts economic, retail and property market research, runs the Manager's fund and asset models, evaluates financial feasibility of projects and investments, and analyses operational performance of the portfolio. The work of Mr Yee and his team supports management in strategic decision making. Mr Yee also spearheads the investor relations work of the Manager. He joined the Manager in January 2009 and has extensive experience in investment research, finance, and real estate, having worked for various leading financial institutions and corporates. Mr Yee is a CFA charterholder and holds a Bachelor of Arts in Economics degree from the University of Cambridge, United Kingdom.

**Ms Belinda CHOI Sau Yee***Financial Controller*

Ms Choi, aged 51, is responsible for maintaining the finance and accounting function to ensure that the Manager's financial commitments to the Unitholders can be achieved. She joined the Manager in November 2004 and has extensive experience in auditing, accounting and finance. Ms Choi holds a Master of Business Administration degree from the University of Strathclyde in United Kingdom. She is a Fellow of the Association of Chartered Certified Accountants and a Member of the Hong Kong Institute of Certified Public Accountants.

**Mr Edward CHOW Kam Luk***General Manager — Strategic Planning*

Mr Chow, aged 60, is responsible for the strategic planning to identify and evaluate business opportunities as well as assist in formulating strategy for business development. He joined the Manager in August 2004 and has extensive experience in commercial property management. He holds a Bachelor of Laws from Sun Yat-Sen University in the People's Republic of China.

**Ms Irene FISHER***General Manager — Asset Management*

Ms Fisher, aged 57, is responsible for the Asset Management of the Manager's asset portfolio in Kwai Tsing, Tsuen Wan, Kowloon Central, Kowloon East, and Hong Kong Island. She joined the Manager in September 2004. Ms Fisher has extensive experience in the development, management and leasing of commercial portfolios. She holds a Master of Housing Management degree from The University of Hong Kong and a Bachelor's degree in Government and Public Administration from The Chinese University of Hong Kong. She is a Fellow Member of the Hong Kong Institute of Housing.

Our Governance / Management Team *(continued)***Mr Simon HO Kam Por***Compliance Manager*

Mr Ho, aged 56, oversees regulatory compliance for the Manager. He joined the Manager in July 2004 and is one of the Responsible Officers of the Manager for the purpose of the SFO. He has more than 30 years of experience in the financial business and is well versed in the trading operations of derivatives and investment management. Mr Ho held directorships with various listed companies in Hong Kong and was the Executive Director of AIM Group of Companies from 1999 to 2004 before joining the Manager.

**Ms Peonie KONG Po Yan***General Manager — Asset Management*

Ms Kong, aged 39, is responsible for the Asset Management of the Manager's asset portfolio in Tseung Kwan O, New Territories East, Yuen Long, Tuen Mun and Tin Shui Wai. She joined the Manager in March 2005 and has over 15 years of experience in real estate industry and has held managerial positions in sizable and reputable companies. Ms Kong holds a Bachelor of Arts degree in Geography from The University of Hong Kong.

**Ms Elsa LEE Tsz Kwan***Senior Legal Counsel*

Ms Lee, aged 42, is responsible for providing professional legal advice and support to the business and operations of the Manager. She joined the Manager in December 2008. Ms Lee has over 17 years of legal practice/in-house experience. She holds a Bachelor of Laws and a Postgraduate Certificate in Laws from The University of Hong Kong and is a qualified solicitor in Hong Kong, England and Wales.

**Ms Germaine LUI Shuk Man***General Manager — Marketing & Promotion*

Ms Lui, aged 46, is responsible for the marketing and promotion activities of the Manager to promote the image and enhance the public awareness of the asset portfolio. She joined the Manager in January 2005. Ms Lui has more than 20 years of experience in the private sector, specialized in brand building and marketing communications. Before joining the Manager, she has had 8 years of experience in consumer marketing for a number of reputable shopping centres in Hong Kong and the People's Republic of China. Her other previous employers included a leading international public relations consultancy and a 4A advertising agency. As one of the founders of The Hong Kong Public Relations Professionals' Association, she continues to serve as a member of the Association's Supervisory Committee. She holds a Master of Business Administration degree from the University of South Australia and an Honors Diploma in Communication from Hong Kong Baptist University.

**Mr Fred WONG Kim Fat***General Manager — Human Resources*

Mr Wong, aged 40, oversees human resources management and the learning and development functions of the Manager. He joined the Manager in November 2006 and has over 18 years of experience in human resources management. Mr Wong graduated from The Hong Kong Polytechnic University in Business Studies and holds a Master of Management degree from Macquarie University of Australia. He is an ordinary member of the Hong Kong Institute of Human Resource Management.

## Our Governance

### Corporate Governance Report

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

#### Authorisation Structure

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

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

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

#### Roles of the Trustee and the Manager

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

#### Board of Directors of the Manager and its Roles

##### The Board

With the aim of creating a Board that is both effective and balanced in structure, the size of the Board has been set to provide for a minimum of nine (9) Directors and a maximum of fourteen (14) Directors. As at 17 June 2009, the Board comprises thirteen (13) members, seven (7) of whom are Independent Non-Executive Directors, four (4) are Non-Executive Directors and two (2) are Executive Directors.

Independent Non-Executive Directors and Non-Executive Directors are appointed for a specific term of three (3) years\*. Save disclosed below, one-third ( $\frac{1}{3}$ ) of all Directors are subject to retirement at each Annual General Meeting of the Manager. Independent Non-Executive Directors are eligible for re-appointment up to a maximum term of service of nine (9) years. Two (2) of the Non-Executive Directors, Mr KEE Teck Koon and Mr LIM Beng Chee, appointed pursuant to the Co-operation Agreement between the Manager and CapitaLand Limited on 27 August 2004 and as supplemented on 26 October 2005 are not subject to retirement by rotation.

\* This is with the exception of Mr John HO Chi On who has submitted his resignation to take effect on 18 June 2009

## Our Governance / Corporate Governance Report *(continued)*

With effect from 12 October 2008, Mr Leslie CHAO Tse Hou resigned as an Independent Non-Executive Director and a member of the Finance and Investment Committee of the Manager.

On 1 November 2008, Mr LIM Beng Chee was nominated as a Non-Executive Director by CapitalLand Limited to replace Mr PUA Seck Guan.

With effect from 16 January 2009, Mr CHEW Fook Aun resigned as an Executive Director and Chief Financial Officer (and correspondingly a member of the Finance and Investment Committee) of the Manager and Mr George Kwok Lung HONGCHOY succeeded Mr CHEW Fook Aun as Chief Financial Officer (and correspondingly a member of the Finance and Investment Committee) of the Manager and was appointed as an Executive Director upon satisfying the requirements and obtaining approval from the SFC on 26 February 2009.

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

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

- the Chairman of the Board will be an Independent Non-Executive Director;
- the Board should comprise Directors with a broad range of commercial experience including expertise in funds management and the property industry and will possess skills which can contribute to a more effective and efficient Board deliberation process; and
- at least one half ( $\frac{1}{2}$ ) of the Board comprise of Independent Non-Executive Directors.

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

### Roles and functions of the Board

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

## Our Governance / Corporate Governance Report *(continued)*

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

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

The positions of Chairman and Chief Executive Officer are held by two (2) separate individuals, namely, Mr Nicholas Robert SALLNOW-SMITH and Mr Ian David Murray ROBINS, respectively, in order to maintain an effective segregation of duties.

### Matters specifically reserved to the Board

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

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

Our Governance / Corporate Governance Report *(continued)*

## Appointment and Removal of Directors

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

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

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

## Independence of Directors

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

## Information to the Board

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

## Our Governance / Corporate Governance Report (continued)

A total of five (5) full Board meetings were held during the year ended 31 March 2009 and the attendance record of the individual directors are as follows:

BOARD	2008 AGM of The Link REIT	Year ended 31 March 2009	Year ending 31 March 2010 <sup>#</sup>
<b>Number of meetings held</b>		5	3
<b>Chairman (Independent Non-Executive Director)</b>			
Nicholas Robert SALLNOW-SMITH	1/1	5/5	3/3
<b>Executive Directors</b>			
Ian David Murray ROBINS	1/1	5/5	3/3
George Kwok Lung HONGCHOY <sup>(1)</sup>	N/A	1/1	3/3
CHEW Fook Aun <sup>(2)</sup>	1/1	3/3	N/A
<b>Non-Executive Directors</b>			
Ian Keith GRIFFITHS	0/1	2/5	3/3
John HO Chi On	1/1	3/5	3/3
KEE Teck Koon	1/1	4/5	1/3
LIM Beng Chee <sup>(3)</sup>	N/A	1/3	0/3
PUA Seck Guan <sup>(4)</sup>	0/1	0/2	N/A
<b>Independent Non-Executive Directors</b>			
Michael Ian ARNOLD	1/1	4/5	2/3
Anthony CHOW Wing Kin	1/1	5/5	3/3
Patrick FUNG Yuk Bun	0/1	5/5	3/3
Stanley KO Kam Chuen	1/1	5/5	3/3
Richard WONG Yue Chim	1/1	5/5	2/3
Allan ZEMAN	0/1	3/5	2/3
Leslie CHAO Tse Hou <sup>(5)</sup>	0/1	1/2	N/A

<sup>#</sup> Meetings held in the financial year to 17 June 2009

- (1) Mr George Kwok Lung HONGCHOY joined the Board on 26 February 2009  
 (2) Mr CHEW Fook Aun resigned as Chief Financial Officer and Executive Director with effect from 16 January 2009  
 (3) Mr LIM Beng Chee joined the Board on 1 November 2008  
 (4) Mr PUA Seck Guan resigned as Non-Executive Director with effect from 1 November 2008  
 (5) Mr Leslie CHAO Tse Hou resigned as Independent Non-Executive Director with effect from 12 October 2008

## Our Governance / Corporate Governance Report *(continued)*

### Board Committees

Subject to the matters specially reserved to the Board, the Board has established various Board Committees to assist it in discharging its responsibilities. Details of these Committees and their respective terms of reference are set out below:

#### Audit Committee

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

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

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

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

Our Governance / Corporate Governance Report *(continued)*

The attendance record of the Audit Committee is set out below:

AUDIT COMMITTEE	Year ended 31 March 2009	Year ending 31 March 2010 <sup>#</sup>
<b>Number of meetings held</b>	4	2
<b>Members</b>		
Patrick FUNG Yuk Bun ( <i>Chairman</i> )	4/4	2/2
Anthony CHOW Wing Kin <sup>(1)</sup>	4/4	2/2
Stanley KO Kam Chuen	3/4	2/2
Richard WONG Yue Chim	2/4	2/2
Allan ZEMAN	2/4	1/2
<b>In attendance</b>		
Chief Executive Officer (Ian David Murray ROBINS)	4/4	2/2
Chief Financial Officer (George Kwok Lung HONGCHOY) <sup>(2)</sup>	1/1	2/2
Chief Financial Officer (CHEW Fook Aun) <sup>(3)</sup>	3/3	N/A
Internal Auditor	4/4	2/2
External Auditor	4/4	2/2

<sup>#</sup> Meetings held in the financial year to 17 June 2009

- (1) Mr Anthony CHOW Wing Kin was appointed as a member of the Audit Committee with effect from 1 May 2008  
 (2) Mr George Kwok Lung HONGCHOY was appointed as Chief Financial Officer with effect from 16 January 2009  
 (3) Mr CHEW Fook Aun resigned as Chief Financial Officer and Executive Director with effect from 16 January 2009

## Finance and Investment Committee

The Finance and Investment Committee comprises seven (7) members with two (2) Independent Non-Executive Directors, three (3) Non-Executive Directors and two (2) Executive Directors. Under its terms of reference, the Finance and Investment Committee is responsible for evaluating and making recommendations on proposed acquisitions and/or disposals of assets, reviewing budgets and making recommendations to the Board on all key items of expenditure and reviewing the quarterly financial performance, forecasts and annual financial plan of The Link REIT. It also reviews and recommends changes to financial authorities, policies or procedures in areas such as accounting, tax, treasury, dividend payout, investment appraisal, management and statutory reporting.

The Finance and Investment Committee is required to meet at least four (4) times a year and to report to the Board on its decisions and progress on a regular basis (as determined by the Committee and approved by the Board).

Our Governance / Corporate Governance Report *(continued)*

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

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

The attendance record of the Finance and Investment Committee is set out below:

FINANCE AND INVESTMENT COMMITTEE	Year ended 31 March 2009	Year ending 31 March 2010 <sup>#</sup>
<b>Number of meetings held</b>	4	2
<b>Members</b>		
Nicholas Robert SALLNOW-SMITH ( <i>Chairman</i> )	4/4	2/2
Ian David Murray ROBINS	4/4	2/2
George Kwok Lung HONGCHOY <sup>(1)</sup>	2/2	2/2
Michael Ian ARNOLD	3/4	2/2
Ian Keith GRIFFITHS	1/4	1/2
John HO Chi On	4/4	2/2
KEE Teck Koon	3/4	1/2
Leslie CHAO Tse Hou <sup>(2)</sup>	0/1	N/A
CHEW Fook Aun <sup>(3)</sup>	1/2	N/A

<sup>#</sup> Meetings held in the financial year to 17 June 2009

(1) Mr George Kwok Lung HONGCHOY was appointed as a member of the Finance and Investment Committee with effect from 16 January 2009

(2) Mr Leslie CHAO Tse Hou ceased to be a member of the Finance and Investment Committee with effect from 12 October 2008

(3) Mr CHEW Fook Aun ceased to be a member of the Finance and Investment Committee with effect from 16 January 2009

Our Governance / Corporate Governance Report *(continued)*

## Human Resources and Compensation Committee

The Human Resources and Compensation Committee comprises six (6) members with three (3) Independent Non-Executive Directors, two (2) Non-Executive Directors and one (1) Executive Director. Under its terms of reference, the Human Resources and Compensation Committee reviews and recommends the policies on remuneration, terms and conditions of employment of all staff and Directors other than the members of the Committee, whose terms and conditions of employment and remuneration are considered by the Board. It also recommends the manpower deployment plan including the succession plan for management and the Board.

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

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

- i) reviewed the organisation structure, manpower plan, terms and conditions of employment and other related issues, including staff benefits;
- ii) reviewed bonus payment for the employees of the Manager;
- iii) reviewed the long term incentive plan for the Board's endorsement and granting restricted units awards to eligible participants; and
- iv) reviewed the selection and recruitment process for the succession of the Chief Financial Officer.

The attendance record of the Human Resources and Compensation Committee is set out below:

HUMAN RESOURCES AND COMPENSATION COMMITTEE	Year ended 31 March 2009	Year ending 31 March 2010 <sup>#</sup>
<b>Number of meetings held</b>	6	1
<b>Members</b>		
Michael Ian ARNOLD ( <i>Chairman</i> )	6/6	1/1
Ian David Murray ROBINS	6/6	1/1
John HO Chi On	5/6	1/1
KEE Teck Koon	4/6	1/1
Stanley KO Kam Chuen	6/6	1/1
Richard WONG Yue Chim	5/6	1/1

<sup>#</sup> Meetings held in the financial year to 17 June 2009

Our Governance / Corporate Governance Report *(continued)*

## Nomination Committee

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

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

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

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

The attendance record of the Nomination Committee is set out below:

NOMINATION COMMITTEE	Year ended 31 March 2009	Year ending 31 March 2010 <sup>#</sup>
<b>Number of meetings held</b>	2	1
<b>Members</b>		
Nicholas Robert SALLNOW-SMITH ( <i>Chairman</i> )	2/2	1/1
Ian David Murray ROBINS	2/2	1/1
Michael Ian ARNOLD	1/2	1/1
Anthony CHOW Wing Kin	2/2	1/1

<sup>#</sup> Meetings held in the financial year to 17 June 2009

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

## Our Governance / Corporate Governance Report *(continued)*

### Review of Internal Controls and Assessment of Business Risks

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

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

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

### Reporting and Transparency

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

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

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

Our Governance / Corporate Governance Report *(continued)*

## Communications with Stakeholders and Unitholders

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

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

Since 1 April 2008, the Manager has participated in the following roadshows and investors' conferences:

Month	Event	Organiser	Venue
March–April 2008	Asian Investment Conference 2008	Credit Suisse	Hong Kong
June 2008	Post Final Results Roadshow	JP Morgan	Hong Kong, Singapore, London
July 2008	Hong Kong Property Access Day	CLSA	Hong Kong
July 2008	The "Pulse of Asia" Conference	DBS Vickers	Singapore
July 2008	Defensive/High Yield Plays Corporate Day	BNP Paribas Securities	Hong Kong
July–August 2008	Post Final Results Roadshow	Macquarie	Sydney
August 2008	Post Final Results Roadshow	Daiwa	Tokyo
September 2008	Hong Kong/China Property Day 2008	UBS	Hong Kong
September 2008	15 <sup>th</sup> Annual Investors' Forum	CLSA	Hong Kong
November 2008	Post Interim Results Roadshow	HSBC	Hong Kong
November 2008	Emerging Leaders Conference 2008	Macquarie	London, New York
November 2008	Post Interim Results Roadshow	Goldman Sachs	Singapore
November 2008	Post Interim Results Roadshow	UBS	Sydney
December 2008	China Access Day	CLSA	Hong Kong
December 2008	Post Interim Results Roadshow	Nomura	Tokyo
March 2009	Asian Investment Conference 2009	Credit Suisse	Hong Kong

The Manager will continue to participate in roadshows and investors' conferences to enhance The Link REIT's relationship with the investor community and investors' understanding of The Link REIT's operations and developments. The important dates for Unitholders in 2009 are set out on page 196 of this Annual Report.

## Our Governance / Corporate Governance Report *(continued)*

### General Meetings

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

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

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

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

The last Unitholders' meeting was the 2008 Annual General Meeting which was held on 29 July 2008 at Concord Room, 8th Floor, Renaissance Harbour View Hotel, Hong Kong, 1 Harbour Road, Wanchai, Hong Kong. The items discussed at the meeting and the percentage of votes cast in favour of the resolutions passed are set out below:

- i) noting of the audited financial statements of The Link REIT together with the auditor's report for the financial year ended 31 March 2008 (no voting required);
- ii) noting of the re-appointment of Messrs PricewaterhouseCoopers as auditor for The Link REIT and the fixing of its remuneration (no voting required);

## Our Governance / Corporate Governance Report *(continued)*

- iii) re-appointment of Mr Ian David Murray ROBINS (99.35%), Mr Ian Keith GRIFFITHS (99.56%) and Professor Richard WONG Yue Chim (99.42%) as Directors of the Manager;
- iv) re-election of Dr Patrick FUNG Yuk Bun (99.56%) and Mr Stanley KO Kam Chuen (99.56%) as Directors of the Manager; and
- v) granting a general mandate to repurchase units of The Link REIT (99.87%).

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

### Matters to be Decided by Unitholders by Special Resolution

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

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

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

## Our Governance / Corporate Governance Report *(continued)*

### Issues of Further Units Post-listing

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

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

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

Pursuant to Unitholders' election under the distribution reinvestment schemes, The Link REIT issued 5,184,129 units at HK\$18.488 per unit on 19 August 2008 and 3,178,531 units at HK\$14.116 per unit on 23 January 2009.

### Purchase, Sale or Redemption of The Link REIT's Listed Units

Neither the Manager nor any of The Link REIT's subsidiaries purchased, sold or redeemed any of The Link REIT's listed units during the year.

### Dealings in Securities of The Link REIT by the Directors and Senior Executives of the Manager

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

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

- i) any negotiations or agreements related to intended acquisitions or disposals which are significant transactions; or

## Our Governance / Corporate Governance Report *(continued)*

- ii) any price-sensitive information,

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

The Manager has adopted the blackout period announced by the Hong Kong Stock Exchange, which came into effect on 1 April 2009. As a result of the new requirements, a director must not deal in any securities of The Link REIT (a) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and (b) during the period of 30 days immediately preceding the publication date of the half-year results or, if shorter the period from the end of the relevant half-year period up to the publication date of the results, unless the circumstances are exceptional and a written acknowledgement and approval has been obtained according to the procedures set out in the code.

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

### Directors' Interests in Contracts

Save as disclosed on pages 83 to 86 under "Connected Party Transactions", no contracts of significance in relation to The Link REIT's business to which the Manager was a party and in which a Director of the Manager had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### Conflict of Interest

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

- i) Directors are required to report and update changes to other directorships and positions they hold in other organisations periodically. A register of such directorships and positions is also maintained;
- ii) Directors in general cannot vote on business in which they have an interest and cannot be counted in the quorum;
- iii) Unitholders cannot vote on business in which they have a material interest which is different from the interests of other Unitholders and cannot be counted in the quorum;

## Our Governance / Corporate Governance Report *(continued)*

- iv) the Manager is a dedicated manager to The Link REIT and does not manage any other real estate investment trusts; and
- v) all connected party transactions will be managed in accordance with the procedures set out in the REIT Code, the compliance manual, the Memorandum and Articles of Association of the Manager and other relevant policies and guidelines issued and adopted by The Link REIT.

## Remuneration Policy

### Independent Non-Executive and Non-Executive Directors

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

Directors appointed pursuant to the Co-operation Agreement and its supplemental agreement signed between the Manager and CapitalLand Limited do not receive any remuneration. Mr John HO Chi On has elected not to receive any remuneration in relation to his appointment as a Non-Executive Director.

### Executive Directors and Staff in General

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

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

## Auditor's Appointment and Remuneration

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

In deciding on whether the external auditor should provide non-audit services, the Audit Committee will assess whether or not the independence and objectivity of the external auditor would be compromised.

Fees paid to the external auditor for audit and non-audit services are disclosed in Note 9 to the Consolidated Financial Statements on page 115.

Our Governance / Corporate Governance Report *(continued)*

## Major Customers and Suppliers

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

## Review of Financial Statements

The Directors acknowledge their responsibilities for the preparation of the financial statements of The Link REIT for the year ended 31 March 2009.

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

## Compliance

During the year ended 31 March 2009, the Manager and The Link REIT have complied with the provisions of the REIT Code published by the SFC, the relevant provisions of the SFO, the relevant sections of the Listing Rules applicable to The Link REIT, the Trust Deed and the requirements and procedures laid down in the compliance manual of the Manager adopted for use in relation to the management of The Link REIT. The Board has reviewed and accepted the quarterly compliance reports which were examined and endorsed by the Audit Committee.

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

## Public Float

As far as the Manager is aware, more than 25% of the issued and outstanding units of The Link REIT were held in public hands as at 31 March 2009. Details of the public float capitalisation of The Link REIT and its Unitholders profile are in Note 23 to the Consolidated Financial Statements on page 130 and "Disclosure of Interests and Holdings of Connected Persons" on pages 81 to 82, respectively.

## Our Governance

### Long Term Incentive Plan

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

The principal purposes of the LTI Plan are to:

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

Directors and key employees of the Manager who, in the sole opinion of the Human Resources and Compensation Committee ("HRC"), have contributed or have the potential to contribute to the success of The Link REIT are eligible to participate in the LTI Plan.

The total number of new units which may be issued pursuant to all Restricted Unit Awards and Unit Options granted under the LTI Plan shall not in aggregate exceed 10% of the number of units in issue as at the date of the adoption of the LTI Plan which is 213,745,400 Units. As at the date of this report, the total number of units available for issue under the LTI Plan is 198,195,644, and the number of units available for issue under the LTI Plan is approximately 9.15% of the total units in issue.

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

## Our Governance / Long Term Incentive Plan *(continued)*

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

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

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

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

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

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

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

## Our Governance / Long Term Incentive Plan *(continued)*

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

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

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

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

During the year ended 31 March 2009, no Unit Options were granted. Set out below is information relating to the Restricted Unit Awards and Conditional Cash Awards which were granted and remained outstanding during the said period:

## Our Governance / Long Term Incentive Plan (continued)

## Restricted Unit Awards

Name (Position)	Date of Grant	Vesting Period	Outstanding at 1 April 2008	Granted during the year <sup>1</sup>	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 March 2009 <sup>1</sup>	Closing price of the units immediately before the date of grant <sup>2</sup>
Nicholas Robert SALLNOW-SMITH (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	294,000	—	—	—	—	294,000	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	93,000	—	—	—	93,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	93,000	—	—	—	93,000	HK\$14.60
Ian David Murray ROBINS (Executive Director)	24 Dec 2007	24 Dec 2007 to 23 Jul 2010	2,292,000	—	—	—	—	2,292,000	HK\$16.98
	24 Dec 2007	24 Dec 2007 to 23 Jul 2011	1,635,000	—	—	—	—	1,635,000	HK\$16.98
	24 Dec 2007	24 Dec 2007 to 23 Jul 2012	1,635,000	—	—	—	—	1,635,000	HK\$16.98
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	273,500	—	—	—	273,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	273,500	—	—	—	273,500	HK\$14.60
George Kwok Lung HONGCHOY <sup>3</sup> (Executive Director)	16 Jan 2009	16 Jan 2009 to 15 Jan 2012	N/A	140,515	—	—	—	140,515	HK\$14.00
Ian Keith GRIFFITHS (Non-Executive Director)	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	25,000	—	—	—	25,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	25,000	—	—	—	25,000	HK\$14.60
Michael Ian ARNOLD (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	—	—	—	—	103,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	33,000	—	—	—	33,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	33,000	—	—	—	33,000	HK\$14.60
Anthony CHOW Wing Kin (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	—	—	—	—	85,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	30,500	—	—	—	30,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	30,500	—	—	—	30,500	HK\$14.60

## Our Governance / Long Term Incentive Plan (continued)

Name (Position)	Date of Grant	Vesting Period	Outstanding at 1 April 2008	Granted during the year <sup>1</sup>	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 March 2009 <sup>1</sup>	Closing price of the units immediately before the date of grant <sup>2</sup>
Patrick FUNG Yuk Bun (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	—	—	—	—	103,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	33,000	—	—	—	33,000	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	33,000	—	—	—	33,000	HK\$14.60
Stanley KO Kam Chuen (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	78,000	—	—	—	—	78,000	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	30,500	—	—	—	30,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	30,500	—	—	—	30,500	HK\$14.60
Richard WONG Yue Chim (Independent Non-Executive Director)	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	30,500	—	—	—	30,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	30,500	—	—	—	30,500	HK\$14.60
Allan ZEMAN (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	—	—	—	—	85,500	HK\$16.78
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	N/A	27,500	—	—	—	27,500	HK\$14.60
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	N/A	27,500	—	—	—	27,500	HK\$14.60
CHEW Fook Aun <sup>4</sup> (Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	573,000	—	—	—	(573,000)	—	HK\$16.78
Leslie CHAO Tse Hou <sup>5</sup> (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	78,000	—	—	—	(46,259)	31,741	HK\$16.78

## Our Governance / Long Term Incentive Plan (continued)

Name (Position)	Date of Grant	Vesting Period	Outstanding at 1 April 2008	Granted during the year <sup>1</sup>	Vested during the year	Cancelled during the year	Lapsed during the year	Outstanding at 31 March 2009 <sup>1</sup>	Closing price of the units immediately before the date of grant <sup>2</sup>
Other Participants in aggregate	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	4,183,500	—	—	—	(1,066,500)	3,117,000	HK\$16.78
	10 Jan 2008	10 Jan 2008 to 23 Jul 2010	205,500	—	—	—	—	205,500	HK\$17.20
	10 Jan 2008	10 Jan 2008 to 23 Jul 2011	205,500	—	—	—	—	205,500	HK\$17.20
	10 Jan 2008	10 Jan 2008 to 23 Jul 2012	205,500	—	—	—	—	205,500	HK\$17.20
	5 May 2008	5 May 2008 to 4 May 2010	N/A	828,000	—	—	—	828,000	HK\$18.88
	5 May 2008	5 May 2008 to 4 May 2011	N/A	828,000	—	—	—	828,000	HK\$18.88
	5 May 2008	5 May 2008 to 4 May 2012	N/A	828,000	—	—	—	828,000	HK\$18.88
	13 Feb 2009	13 Feb 2008 to 30 Jun 2010	N/A	847,500	—	—	—	847,500	HK\$14.60
	13 Feb 2009	13 Feb 2008 to 30 Jun 2011	N/A	847,500	—	—	—	847,500	HK\$14.60
<b>Total</b>			<b>11,763,000</b>	<b>5,472,515</b>	<b>—</b>	<b>—</b>	<b>(1,685,759)</b>	<b>15,549,756</b>	

## Notes:

- The figures stated are the maximum number of units that may be vested under the respective Restricted Unit Awards. The number of units that will be finally vested can range from zero to the maximum number as stated herein depending on whether, and the extent to which, the relevant vesting conditions are met.
- The figures stated are the closing price of the units on the Hong Kong Stock Exchange trading day immediately before the date of grant of the Restricted Unit Awards.
- Mr George Kwok Lung HONGCHOY was appointed as Executive Director on 26 February 2009
- Mr CHEW Fook Aun resigned as Executive Director with effect from 16 January 2009
- Mr Leslie CHAO Tse Hou resigned as Independent Non-Executive Director with effect from 12 October 2008
- Upon vesting of the Restricted Unit Awards, each of the Participants will be entitled to receive a Conditional Cash Award which represents a cash amount equivalent to the aggregate of the distributions per unit to Unitholders during the vesting period, multiplied by the number of units that will vest (assuming the vesting conditions are satisfied or waived, as the case may be). Based on the maximum number of units to be issued, the weighted average value of Conditional Cash Award attributable to Restricted Unit Awards granted during the year is HK\$35.93 cents per unit while the aggregate weighted average value carried by each of the Conditional Cash Award at the year end is HK\$72.99 cents per unit.

Based on the maximum number of units to be issued upon vesting of 15,549,756 units and the last traded price of The Link REIT's units on the Hong Kong Stock Exchange at the year end of HK\$15.32, the value of the units as at 31 March 2009 would be approximately HK\$238 million.

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

## Our Governance

### Disclosure of Interests and Holdings of Connected Persons

#### Holdings of Substantial Unitholders and Directors

The Link REIT adopts a disclosure of interests regime which complies with the relevant provisions of Part XV of the SFO. Accordingly, the Trust Deed of The Link REIT was amended to the effect that the relevant provisions of Part XV of the SFO shall be deemed to apply to The Link REIT as if The Link REIT is a company with its shares listed on the Hong Kong Stock Exchange. Pursuant to the Third Schedule to the Trust Deed, any person who is interested in 5% or more of the units of The Link REIT in issue and Director who is interested in the units will have a notifiable interest and a duty of disclosure in respect of any acquisition of, cessation of or changes in such interest. The Manager maintains a register for this purpose and the register is available for inspection by Unitholders during business hours upon reasonable notice to the Manager.

According to the disclosure of interests to the Manager and the Hong Kong Stock Exchange made pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, persons having 5% or more interests in the units of The Link REIT as at 31 March 2009 are as follows:

Persons having 5% or more interests	Capacity in which interests disclosed are held	Number of Units Long Position (L)/ Short Position (S)	Percentage <sup>2</sup> (%)
The Children's Investment Fund Management (UK) LLP	Investment manager	(L)392,279,500 <sup>1</sup>	18.35
The Children's Investment Master Fund	Beneficial owner	(L)392,279,500 <sup>1</sup>	18.35
Franklin Mutual Advisers, LLC	Investment manager	(L)152,090,463	7.03

#### Notes:

1. According to the register maintained by the Manager pursuant to the Third Schedule to the Trust Deed, The Children's Investment Fund Management (UK) LLP ("TCI LLP") is the controlling shareholder of The Children's Investment Master Fund ("TCI Master Fund") and is accordingly deemed to be interested in the units of The Link REIT held by TCI Master Fund. For the purpose of disclosure of interests as a connected person to The Link REIT, TCI Master Fund has separately advised the Manager that its interest in The Link REIT has increased to 400,226,085 units as at 31 March 2009, representing 18.47% of the units in issue on that date.

TCI Master Fund notified the Stock Exchange of Hong Kong and the Manager on 3 April 2009 that its beneficial interest in The Link REIT reduced to 362,298,260 units as at 1 April 2009. On the same date TCI LLP gave notice that its deemed interest in 400,226,085 units of The Link REIT in the capacity of investment manager comprised 362,298,260 units held by TCI Master Fund and 37,927,825 units held by Talos Capital Limited ("Talos Capital"), a company of which TCI LLP is a controlling shareholder.

On 22 May 2009, TCI LLP gave notice that its deemed interest in The Link REIT in the capacity of investment manager reduced to 389,007,585 units as at 20 May 2009, representing 17.95% of the units in issue on that date. These 389,007,585 units comprised 352,143,160 units held by TCI Master Fund and 36,864,425 units held by Talos Capital. TCI Master Fund also gave notice on the same date that its beneficial interest in The Link REIT reduced to 345,957,660 units as at 22 May 2009, representing 15.96% of the units in issue on that date.

On 29 May 2009, TCI LLP gave notice that its deemed interest in The Link REIT in the capacity of investment manager reduced to 365,488,085 units as at 27 May 2009, representing 16.87% of the units in issue on that date. These 365,488,085 units comprised 330,852,160 units held by TCI Master Fund and 34,635,925 units held by Talos Capital. TCI Master Fund also gave notice on the same date that its beneficial interest in The Link REIT reduced to 322,814,160 units as at 29 May 2009, representing 14.90% of the units in issue on that date.

On 5 June 2009, TCI LLP gave notice that its deemed interest in The Link REIT in the capacity of investment manager reduced to 344,820,585 units as at 3 June 2009, representing 15.91% of the units in issue on that date. These 344,820,585 units comprised 312,143,160 units held by TCI Master Fund and 32,677,425 units held by Talos Capital.

On 12 June 2009, TCI Master Fund gave notice that its beneficial interest in The Link REIT reduced to 302,995,160 units as at 11 June 2009, representing 13.98% of the units in issue on that date.

## Our Governance / Disclosure of Interests and Holdings of Connected Persons *(continued)*

2. The percentage set out in the table refers to the percentage as specified in the respective disclosure of interests forms or as calculated based on the units in issue on the date of relevant event (as specified in the respective disclosure of interests forms).

According to the disclosure of interests to the Manager and the Hong Kong Stock Exchange made pursuant to the provisions of Part XV of the SFO and the register kept by the Manager, directors' interests acquired pursuant to the LTI Plan are set out in "Long Term Incentive Plan" section on pages 78 to 80.

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

### Holdings of Connected Persons

Upon making reasonable enquiry and according to information available to the Manager, the following persons, being connected persons (as defined under the REIT Code) of The Link REIT, held units of The Link REIT set out below as at 31 March 2009:

Name	Number of Units	Percentage (%)
The Children's Investment Master Fund <sup>1</sup>	400,226,085	18.47
HSBC Group <sup>2</sup>	1,871,692	0.09
CapitaLand Retail Hong Kong Investments Pte Limited <sup>3</sup>	45,437,000	2.10

Notes:

1. The Children's Investment Master Fund is a connected person as it is a significant holder (as defined under the REIT Code). Mr John HO Chi On, a Non-Executive Director of the Manager, is also an employee of The Children's Investment Fund Management (Asia) Limited. He heads up TCI's office in Hong Kong and is responsible for TCI's Asia-Pacific investment activities. According to information available to the Manager, its unitholding as at 31 March 2009 remains unchanged as compared with the position as at 31 March 2008.
2. The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries ("HSBC Group") are connected persons to The Link REIT as HSBC Institutional Trust Services (Asia) Limited, the Trustee of The Link REIT, is an indirect subsidiary of The Hongkong and Shanghai Banking Corporation Limited. According to information available to the Manager, HSBC Group's unitholding as at 31 March 2009, increased by 1,088,329 units as compared with the position as at 31 March 2008.
3. CapitaLand Retail Hong Kong Investments Pte Limited is a connected person to The Link REIT as Mr PUA Seck Guan (resigned on 1 November 2008) and Mr LIM Beng Chee (appointed on 1 November 2008) are common directors of CapitaLand Retail Hong Kong Investments Pte Limited and the Manager. According to information available to the Manager, CapitaLand Retail Hong Kong Investments Pte Limited's unitholding as at 31 March 2009, decreased by 22,718,500 units as compared with the position as at 31 March 2008.

### Holdings of Management Staff

So far as the Manager is aware, none of the management staff, whose biographies are disclosed in this Annual Report, held any units in The Link REIT as at 31 March 2009 except for the interest in the units of the LTI Plan.

## Our Governance

### Connected Party Transactions

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

#### Waivers from Strict Compliance

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

#### Connected Persons

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

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

Our Governance / Connected Party Transactions *(continued)*

## Income

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

Name of Connected Person	Nature of the Transaction	Income Derived HK\$'M
HSBC Group	Tenancy/license contracts <sup>(1)</sup>	16.1 <sup>(2)</sup>
	Interest income	3.2
ICBC (Asia)	Tenancy/license contracts <sup>(1)</sup>	3.4 <sup>(2)</sup>
SCB (HK)	Tenancy/license contracts <sup>(1)</sup>	7.1 <sup>(2)</sup>
	Interest income	1.1

(1) For shops and ATM installation at various locations.

(2) Amount excluding deposit received.

## Expenses

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

Name of Connected Person	Nature of the Transaction	Expenses Incurred HK\$'M
The Link Management Limited <sup>(1)</sup>	Management fee	269.4
HSBC Institutional Trust Services (Asia) Limited <sup>(2)</sup>	Trustee's fee	3.5
Knight Frank Group	Valuation fee	4.2
	Leasing and other consultancy fees	2.0
	Leasing agency fee	0.9
HSBC Group	Loan interest	53.6
	Arrangement fee and bank charges	1.9
	Staff benefit and insurance consultancy fees	3.5
ICBC (Asia)	Loan interest	4.6
	Arrangement fee and bank charges	0.1
SCB (HK)	Loan interest	3.2
	Arrangement fee and bank charges	0.1
Aedas Limited	Architectural and renovation consultancy service fees	5.4
Hong Kong Youth Arts Foundation	Project fee for Mosaic Art Pieces decoration	0.6

(1) The Manager, as an internalised management company of The Link REIT, recovers its expenses from The Link REIT on a cost recovery principle.

(2) The Trustee is entitled to charge an annual fee at a rate of 0.008% per annum of the latest property value as determined in the latest annual valuation report of the independent valuer, subject to a minimum of HK\$150,000 per month.

## Our Governance / Connected Party Transactions (continued)

## Lease Transactions with Connected Persons

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

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

Name of Connected Person (Tenant)	Nature of the Transaction	Material Terms	Annual Income <sup>(1)</sup> HK\$'M	Rental Deposit Received as at 31 March 2009 HK\$'M
The Hongkong and Shanghai Banking Corporation Limited	Tenancy for shops L202–L206 at Lok Fu Plaza	Term of 3 years and expires on 21/08/2011	2.13	Nil <sup>(3)</sup>
Hang Seng Bank Limited <sup>(2)</sup>	Tenancy for shop G202 at Lok Fu Plaza	Term of 3 years and expires on 31/10/2010	1.92	0.5
ICBC (Asia)	Tenancy for shops F18 & F19 A–C at Oi Man Shopping Centre	Term of 3 years and expires on 31/08/2009	1.04	Nil <sup>(3)</sup>
	Tenancy for shop 216 at Tai Wo Shopping Centre	Term of 3 year and expires on 15/09/2009	1.18	Nil <sup>(3)</sup>
SCB (HK)	Tenancy for shops G37–40 at Hau Tak Shopping Centre	Term of 6 years and expires on 02/07/2013	2.4	Nil <sup>(3)</sup>
	Tenancy for shop G201 at Lok Fu Plaza	Term of 3 years and expires on 14/12/2010	1.56	Nil <sup>(3)</sup>
	Tenancy for shop 103 at Tin Yiu Shopping Centre	Term of 3 years and expires on 31/05/2010	1.18	Nil <sup>(3)</sup>

(1) The annual income stated refers to the base rent income that would have been received for a twelve-month period starting from the beginning of the financial year which ended on 31 March 2009.

(2) Hang Seng Bank Limited is a subsidiary of The Hongkong and Shanghai Banking Corporation Limited and therefore a connected person to The Link REIT.

(3) Other form of security provided in lieu of cash deposit.

## Our Governance / Connected Party Transactions *(continued)*

### Provision of Banking and Financial Services from Connected Persons

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

### Loans

The Hongkong and Shanghai Banking Corporation Limited, SCB (HK) and ICBC (Asia) were the lenders of a syndicated loan facility made available to The Link Finance Limited, an indirect wholly owned subsidiary of The Link REIT, in August 2006. The outstanding balances due to The Hongkong and Shanghai Banking Corporation Limited and ICBC (Asia) pursuant to this syndicated loan were HK\$598 million and HK\$184 million, respectively as at 31 March 2009. SCB (HK) has assigned its portion of the syndicated loan (HK\$138 million as at 31 March 2008) to other banks during the year and therefore maintained a zero balance with The Link Finance Limited as at 31 March 2009. The Hongkong and Shanghai Banking Corporation Limited has also provided a 1-year term loan to The Link Finance Limited on 1 August 2008 and the outstanding balance due pursuant to this loan was HK\$200 million as at 31 March 2009.

On 19 March 2009, The Link Finance Limited, concluded a HK\$3 billion club loan facility with thirteen mandated lead arrangers, which, among others, include The Hongkong and Shanghai Banking Corporation Limited, SCB (HK), ICBC (Asia) and Wing Hang Bank, Limited. The Hongkong and Shanghai Banking Corporation Limited is also one of the coordinators and the agent of the finance banks for this loan facility.

### Deposits

As at 31 March 2009, subsidiaries of The Link REIT placed deposits with The Hongkong and Shanghai Banking Corporation Limited, SCB (HK) and ICBC (Asia) of approximately HK\$81 million, HK\$170 million and HK\$0.3 million, respectively.

### Other Banking Transactions

In addition, The Link Finance Limited maintained interest rate swap contracts with The Hongkong and Shanghai Banking Corporation Limited during the reporting year. The total notional principal outstanding positions in respect of such swap contracts with The Hongkong and Shanghai Banking Corporation Limited was HK\$2 billion as at 31 March 2009.

## Our Governance / Connected Party Transactions *(continued)*

### Confirmation by the Manager and the Trustee in respect of Corporate Finance Transactions with HSBC Group

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

### Agreed-upon Procedures Performed by the Auditor in relation to Certain Connected Party Transactions

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

### Confirmation by the Audit Committee

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

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

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

Our Governance / Connected Party Transactions *(continued)*

### Confirmation by the Manager

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

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

### Continue with the Waivers Granted without Unitholders' Approval

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

## Our Governance

### Progress Report on the Title Transfer of the Properties

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

#### I. Properties with Legal and Beneficial Title held by The Link REIT as at 17 June 2009

- |   |   |
|---|---|
| 1. Butterfly Shopping Centre                  | 35. Kam Ying Court Shopping Centre                      |
| 2. Cheung Fat Shopping Centre                 | 36. Kin Sang Shopping Centre                            |
| 3. Retail and Carpark within Cheung On Estate | 37. Carpark within King Lai Court                       |
| 4. Cheung Wah Shopping Centre                 | 38. King Lam Shopping Centre                            |
| 5. Retail and Carpark within Ching Wah Court  | 39. Retail and Carpark within Ko Chun Court             |
| 6. Carpark within Ching Wang Court            | 40. Kwai Hing Shopping Centre                           |
| 7. Retail and Carpark within Choi Ha Estate   | 41. Carpark within Kwai Hong Court                      |
| 8. Choi Ming Shopping Centre                  | 42. Kwong Tin Shopping Centre                           |
| 9. Choi Yuen Shopping Centre                  | 43. Kwong Yuen Shopping Centre                          |
| 10. Carpark within Chuk Yuen (North) Estate   | 44. Lei Cheng Uk Shopping Centre                        |
| 11. Chung Fu Shopping Centre                  | 45. Lei Tung Commercial Centre                          |
| 12. Chung On Shopping Centre                  | 46. Leung King Shopping Centre                          |
| 13. Fu Cheong Shopping Centre                 | 47. Retail and Carpark within Lok Nga Court             |
| 14. Fu Heng Shopping Centre                   | 48. Long Ping Commercial Centre                         |
| 15. Fu Shin Shopping Centre                   | 49. Carpark within Lower Wong Tai Sin (I) Estate        |
| 16. Fu Tai Shopping Centre                    | 50. Retail and Carpark within Mei Chung Court           |
| 17. Carpark within Fung Lai Court             | 51. Carpark within Ming Nga Court                       |
| 18. Fung Tak Shopping Centre                  | 52. Retail and Carpark within Nam Cheong Estate         |
| 19. Retail and Carpark within Fung Wah Estate | 53. Carpark within Ning Fung Court                      |
| 20. Hau Tak (II) Shopping Centre              | 54. Oi Man Shopping Centre                              |
| 21. Heng On Commercial Centre                 | 55. Oi Tung Shopping Centre                             |
| 22. Hin Keng Shopping Centre                  | 56. On Yam Shopping Centre                              |
| 23. Hing Tin Commercial Centre                | 57. Carpark within Pang Ching Court                     |
| 24. Hing Wah Shopping Centre                  | 58. Po Hei Court Commercial Centre                      |
| 25. Hiu Lai Shopping Centre                   | 59. Po Lam Shopping Centre                              |
| 26. Ho Man Tin Plaza                          | 60. Retail and Carpark within Po Nga Court              |
| 27. Hoi Fu Shopping Centre                    | 61. Carpark within Po Pui Court                         |
| 28. Carpark within Hong Keung Court           | 62. Carpark within San Wai Court                        |
| 29. Retail and Carpark within Hong Pak Court  | 63. Sau Mau Ping Shopping Centre                        |
| 30. Retail and Carpark within Hong Shui Court | 64. Carpark within Sau Mau Ping (I) Estate              |
| 31. Retail and Carpark within Hong Yat Court  | 65. Retail and Carpark within Sau Mau Ping (III) Estate |
| 32. Carpark within Ka Tin Court               | 66. Shan King Commercial Centre                         |
| 33. Carpark within Kam On Court               | 67. Sheung Tak Shopping Centre                          |
| 34. Kam Tai Shopping Centre                   | 68. Siu Hei Commercial Centre                           |

Our Governance / Progress Report on the Title Transfer of the Properties *(continued)*

- |  |  |
|--|--|
| 69. Siu Lun Shopping Centre                    | 103. Carpark within Yee Kok Court              |
| 70. Retail and Carpark within Siu On Court     | 104. Carpark within Yee Nga Court              |
| 71. Sui Wo Court Commercial Centre             | 105. Yin Lai Court Shopping Centre             |
| 72. Retail and Carpark within Tai Ping Estate  | 106. Retail and Carpark within Ying Fuk Court  |
| 73. Tai Wo Shopping Centre                     | 107. Carpark within Ying Ming Court            |
| 74. Tak Tin Shopping Centre                    | 108. Yiu On Shopping Centre                    |
| 75. Carpark within Tin King Estate             | 109. Yu Chui Shopping Centre                   |
| 76. Tin Chak Shopping Centre                   | 110. Carpark within Yue On Court               |
| 77. Tin Ma Court Commercial Centre             | 111. Yung Shing Shopping Centre                |
| 78. Tin Ping Shopping Centre                   | 112. Siu Sai Wan Shopping Centre               |
| 79. Tin Shing Shopping Centre                  | 113. Wong Tai Sin Shopping Centre              |
| 80. Retail and Carpark within Tin Wang Court   | 114. Chuk Yuen Shopping Centre                 |
| 81. Carpark within Tin Yau Court               | 115. Tin Tsz Shopping Centre                   |
| 82. Tin Yiu Shopping Centre                    | 116. Tai Yuen Commercial Centre                |
| 83. Retail and Carpark within Tong Ming Court  | 117. Tin Shui Shopping Centre                  |
| 84. Tsing Yi Commercial Complex                | 118. Lek Yuen Commercial Complex               |
| 85. Tsui Lam Shopping Centre                   | 119. Lok Fu Plaza                              |
| 86. Tsui Ping North Shopping Circuit           | 120. Tsz Lok (Tsz Wan Shan Shopping Centre)    |
| 87. Retail and Carpark within Tsui Wan Estate  | 121. Carpark within Tsz Man Estate             |
| 88. Tsz Ching Shopping Centre (I) & (II)       | 122. Sun Tin Wai Commercial Centre             |
| 89. Retail and Carpark within Tsz Oi Court     | 123. Ka Fuk Shopping Centre                    |
| 90. Retail and Carpark within Tung Hei Court   | 124. Carpark within Upper Ngau Tau Kok Estate  |
| 91. Retail and Carpark within Tung Tau Estate  | 125. Lee On Shopping Centre                    |
| 92. Lung Cheung Mall                           | 126. Sha Kok Commercial Centre                 |
| 93. Wah Kwai Shopping Centre                   | 127. Ming Tak Shopping Centre                  |
| 94. Carpark within Wah Lai Estate              | 128. Fu Tung Shopping Centre                   |
| 95. Wah Ming Shopping Centre                   | 129. Retail and Carpark within Hung Hom Estate |
| 96. Wan Tau Tong Shopping Centre               | 130. Shun On Commercial Centre                 |
| 97. Carpark within Wang Fuk Court              | 131. Kai Yip Commercial Centre                 |
| 98. Wo Che Commercial Centre                   | 132. Retail and Carpark within Tin Yat Estate  |
| 99. Retail and Carpark within Wo Ming Court    | 133. Tai Wo Hau Shopping Centre                |
| 100. Retail and Carpark within Yan Ming Court  | 134. Retail and Carpark within Shun Tin Estate |
| 101. Retail and Carpark within Yan Shing Court | 135. Wang Tau Hom (Wang Fai Centre)            |
| 102. Yau Mei & Ko Cheung (Lei Yue Mun Plaza)   |  |

Our Governance / Progress Report on the Title Transfer of the Properties *(continued)***II. Properties with Beneficial Title held by The Link REIT as at 17 June 2009**

- |   |   |
|---|---|
| 136. Retail and Carpark within Ap Lei Chau Estate     | 159. On Ting Commercial Complex               |
| 137. Cheung Hang Shopping Centre                      | 160. Ping Tin Shopping Centre                 |
| 138. Cheung Hong Commercial Centre                    | 161. Po Tat Shopping Centre                   |
| 139. Retail and Carpark within Cheung Wang Estate     | 162. Po Tin Shopping Centre                   |
| 140. Retail and Carpark within Choi Fai Estate        | 163. Sam Shing Commercial Centre              |
| 141. Choi Wan Commercial Complex                      | 164. Shek Lei Shopping Centre Phase I         |
| 142. Chun Shek Shopping Centre                        | 165. Shek Lei Shopping Centre Phase II        |
| 143. Fortune Shopping Centre                          | 166. Shek Wai Kok Commercial Centre           |
| 144. Hing Man Commercial Centre                       | 167. Shek Yam Shopping Centre                 |
| 145. Hing Tung Shopping Centre                        | 168. Shun Lee Commercial Centre               |
| 146. Kai Tin Shopping Centre                          | 169. Sun Chui Shopping Centre                 |
| 147. Carpark within Kin Ming Estate                   | 170. Tai Hing Commercial Centre               |
| 148. Retail and Carpark within Ko Yee Estate          | 171. Retail and Carpark within Tin Wah Estate |
| 149. Kwai Fong Shopping Centre                        | 172. Tin Wan Shopping Centre                  |
| 150. Kwai Shing East Shopping Centre                  | 173. Carpark within Tin Yuet Estate           |
| 151. Kwong Fuk Commercial Centre                      | 174. Carpark within Tsui Ping South Estate    |
| 152. Lai Kok Shopping Centre                          | 175. Un Chau Shopping Centre                  |
| 153. Carpark within Lai On Estate                     | 176. Wah Sum Shopping Centre                  |
| 154. Lok Wah Commercial Centre                        | 177. Wan Tsui Commercial Complex              |
| 155. Retail and Carpark within Lok Wah (South) Estate | 178. Yat Tung Shopping Centre                 |
| 156. Lung Hang Commercial Centre                      | 179. Yau Oi Commercial Centre                 |
| 157. Stanley Plaza                                    | 180. Yiu Tung Shopping Centre                 |
| 158. Mei Lam Commercial Centre                        |   |

## Trustee's Report

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

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

Hong Kong, 17 June 2009

# Consolidated Financial Statements

## Independent Auditor's Report



羅兵咸永道會計師事務所

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

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

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

We have audited the consolidated financial statements of The Link Real Estate Investment Trust ("The Link REIT") and its subsidiaries (together, the "Group") set out on pages 95 to 137, which comprise the consolidated balance sheet as at 31 March 2009, the consolidated income statement, the consolidated statement of changes in equity and net assets attributable to unitholders, the consolidated statement of cash flows and the consolidated statement of distributions for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Manager's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

Consolidated Financial Statements / Independent Auditor's Report *(continued)*

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

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

### Opinion

In our opinion, the consolidated financial statements of the Group give a true and fair view of the state of affairs of the Group as at 31 March 2009 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the relevant provisions of the Trust Deed and the relevant disclosure requirements set out in Appendix C of the REIT Code.

**PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 17 June 2009

# Consolidated Financial Statements

## Consolidated Income Statement

For the year ended 31 March 2009

	Note	2009 HK\$'M	2008 HK\$'M
<b>Revenues</b>	6	4,503	4,199
Property operating expenses	8	(1,698)	(1,662)
Net property income		2,805	2,537
General and administrative expenses		(134)	(102)
Change in fair values of investment properties		(1,865)	4,265
<b>Operating profit</b>	9	806	6,700
Interest income		37	78
Finance costs on interest bearing liabilities	10	(511)	(604)
Profit before taxation and transactions with unitholders		332	6,174
Taxation	12	290	(1,035)
<b>Profit for the year, before transactions with unitholders</b>	13	622	5,139
Distributions paid to unitholders			
2007 final distribution		—	(739)
2008 interim distribution		—	(776)
2008 final distribution		(826)	—
2009 interim distribution		(884)	—
		(1,088)	3,624
Represented by:			
Change in net assets attributable to unitholders, excluding issues of new units		(1,497)	3,408
Amount arising from cash flow hedging reserve movement	24	409	216
		(1,088)	3,624

The notes on pages 100 to 137 are an integral part of these consolidated financial statements.

Notes:

- (i) Total Distributable Income is determined in the Consolidated Statement of Distributions. The final distribution declared in respect of this year as set out in the Consolidated Statement of Distributions will be paid to unitholders on or about 19 August 2009.
- (ii) Earnings per unit, based upon profit after taxation and before transactions with unitholders and the weighted average number of units in issue, is set out in Note 13 to the consolidated financial statements.

## Consolidated Financial Statements

### Consolidated Statement of Distributions

For the year ended 31 March 2009

	Note	2009 HK\$'M	2008 HK\$'M
<b>Profit for the year, before transactions with unitholders</b>		622	5,139
Adjustments:			
Change in fair values of investment properties		1,865	(4,265)
Deferred taxation on change in fair values of investment properties	12	(308)	747
Deferred taxation on change in tax rate	12	(341)	—
Other non-cash income		(19)	(19)
<b>Total Distributable Income</b> (Note (i))		1,819	1,602
Interim distribution, paid		884	776
Final distribution, to be paid to the unitholders		935	826
<b>Total distributions for the year</b> (Note (ii))		1,819	1,602
As a percentage of Total Distributable Income		100%	100%
Units in issue as at 31 March	23	2,167,040,427	2,158,677,767
Distributions per unit to unitholders:			
Interim distribution per unit, paid (Note (iii))		HK40.86 cents	HK36.11 cents
Final distribution per unit, to be paid to the unitholders (Note (iv))		HK43.13 cents	HK38.29 cents
<b>Distribution per unit for the year</b>		HK83.99 cents	HK74.40 cents

The notes on pages 100 to 137 are an integral part of these consolidated financial statements.

Notes:

- (i) Under the terms of the Trust Deed, the Total Distributable Income is the consolidated profit after taxation attributable to unitholders (equivalent to profit for the year, before transactions with unitholders) adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the consolidated income statement for the relevant year.
- (ii) Pursuant to the Trust Deed, The Link Real Estate Investment Trust is required to ensure that the total amount distributed to unitholders as distributions for each financial year shall be no less than 90% of Total Distributable Income, plus at its discretion, any other additional amount that the Manager determines is distributable. The Manager intends to distribute 100% of Total Distributable Income as the distributions for the year ended 31 March 2009. The interim distribution was paid to unitholders on 23 January 2009. The final distribution will be paid to unitholders on or about 19 August 2009.
- (iii) The interim distribution per unit of HK40.86 cents for the six months ended 30 September 2008 is calculated based on the interim distribution paid of HK\$884 million for the period and 2,163,861,896 units in issue as at 30 September 2008. The interim distribution per unit of HK36.11 cents for the six months ended 30 September 2007 is calculated based on the interim distribution paid of HK\$776 million for the period and 2,148,434,317 units in issue as at 30 September 2007.
- (iv) The final distribution per unit of HK43.13 cents (2008: HK38.29 cents) is calculated based on the final distribution to be paid to the unitholders of HK\$935 million for the period and 2,167,040,427 units in issue as at the year end (2008: HK\$826 million and 2,158,677,767 units).

# Consolidated Financial Statements

## Consolidated Balance Sheet

As at 31 March 2009

	Note	2009 HK\$'M	2008 HK\$'M
<b>Non-current assets</b>			
Goodwill		3,988	3,988
Investment properties	14	43,255	44,307
Property, plant and equipment	15	65	46
		47,308	48,341
<b>Current assets</b>			
Trade and other receivables	16	121	112
Deposits and prepayments		21	25
Short-term bank deposits	17	722	1,753
Cash and cash equivalents	17	508	117
		1,372	2,007
<b>Total assets</b>			
		48,680	50,348
<b>Current liabilities</b>			
Trade payables, receipts in advance and accruals	18	1,125	858
Security deposits		493	376
Provision for taxation		71	48
Interest bearing liabilities	19	—	2,199
		1,689	3,481
<b>Net current liabilities</b>			
		317	1,474
<b>Total assets less current liabilities</b>			
		46,991	46,867
<b>Non-current liabilities, excluding net assets attributable to unitholders</b>			
Interest bearing liabilities	19	11,538	9,986
Deferred tax liabilities	20	5,480	5,976
Long-term incentive plan payable	21	34	20
Other non-current liabilities	22	738	327
		17,790	16,309
<b>Total liabilities, excluding net assets attributable to unitholders</b>			
		19,479	19,790
<b>Net assets attributable to unitholders</b>			
		29,201	30,558
Units in issue	23	2,167,040,427	2,158,677,767
Net assets per unit attributable to unitholders		HK\$13.47	HK\$14.16

The notes on pages 100 to 137 are an integral part of these consolidated financial statements.

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

**Nicholas Robert SALLNOW-SMITH**  
Chairman  
17 June 2009

**Ian David Murray ROBINS**  
Chief Executive Officer  
17 June 2009

## Consolidated Financial Statements

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

For the year ended 31 March 2009

	Note	Total reserves HK\$'M	Net assets attributable to unitholders HK\$'M	Total HK\$'M
Net assets attributable to unitholders at 1 April 2007		—	26,789	26,789
Issuance of units under distribution reinvestment scheme		—	361	361
Profit for the year ended 31 March 2008, before transactions with unitholders		—	5,139	5,139
Distributions paid to unitholders				
2007 final distribution		—	(739)	(739)
2008 interim distribution		—	(776)	(776)
Change in fair values of cash flow hedges	24	(247)	—	(247)
Amount transferred to the consolidated income statement	24	31	—	31
Amount arising from cash flow hedging reserve movement	24	216	(216)	—
Change in net assets attributable to unitholders for the year ended 31 March 2008, excluding issues of new units		—	3,408	3,408
Net assets attributable to unitholders at 31 March 2008		—	30,558	30,558
Net assets attributable to unitholders at 1 April 2008		—	30,558	30,558
Issuance of units under distribution reinvestment scheme		—	140	140
Profit for the year ended 31 March 2009, before transactions with unitholders		—	622	622
Distributions paid to unitholders				
2008 final distribution		—	(826)	(826)
2009 interim distribution		—	(884)	(884)
Change in fair values of cash flow hedges	24	(566)	—	(566)
Amount transferred to the consolidated income statement	24	157	—	157
Amount arising from cash flow hedging reserve movement	24	409	(409)	—
Change in net assets attributable to unitholders for the year ended 31 March 2009, excluding issues of new units		—	(1,497)	(1,497)
Net assets attributable to unitholders at 31 March 2009		—	29,201	29,201

The notes on pages 100 to 137 are an integral part of these consolidated financial statements.

# Consolidated Financial Statements

## Consolidated Statement of Cash Flows

For the year ended 31 March 2009

	Note	2009 HK\$'M	2008 HK\$'M
<b>Operating activities</b>			
<b>Net cash generated from operating activities</b>	25(a)	2,894	2,517
<b>Investing activities</b>			
Additions to investment properties	14	(813)	(485)
Additions to property, plant and equipment	15	(36)	(10)
Interest income received		49	78
Decrease/(increase) in short-term bank deposits with original maturity of more than three months		1,031	(278)
<b>Net cash generated from/(used in) investing activities</b>		231	(695)
<b>Financing activities</b>			
Proceeds from issuance of interest bearing liabilities, net of transaction costs		1,946	—
Repayment of interest bearing liabilities		(2,600)	—
Interest expenses paid on interest bearing liabilities		(510)	(604)
Distributions paid to unitholders		(1,570)	(1,154)
<b>Net cash used in financing activities</b>		(2,734)	(1,758)
<b>Net increase in cash and cash equivalents</b>		391	64
Cash and cash equivalents at the beginning of the year		117	53
<b>Cash and cash equivalents at the end of the year</b>		508	117

The notes on pages 100 to 137 are an integral part of these consolidated financial statements.

# Consolidated Financial Statements

## Notes to the Consolidated Financial Statements

### 1 Corporate Information

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

The principal activity of The Link REIT and its subsidiaries (the “Group”) is investment in retail and carpark operations (“RC Operations”) in Hong Kong. The addresses of the registered offices of the Manager and the Trustee, HSBC Institutional Trust Services (Asia) Limited, are Room 1201–1202, 12th Floor, 9 Queen’s Road Central, Hong Kong and 1 Queen’s Road Central, Hong Kong, respectively.

### 2 Basis of Preparation

#### (a) STATEMENT OF COMPLIANCE

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

#### (b) ACCOUNTING CONVENTION AND FUNCTIONAL CURRENCY

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

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

#### (c) APPLICATION OF NEW AND REVISED HKFRS

For the year ended 31 March 2009, the Group has adopted all the new standards, amendments and interpretations that are currently in issue and effective for the Group’s accounting period beginning on 1 April 2008. However, the adoption of these new standards has not had any significant effect on the accounting policies or results and financial position of the Group.

## 2 Basis of Preparation (continued)

### (c) APPLICATION OF NEW AND REVISED HKFRS (continued)

In addition, the following new standards, amendments and interpretations which have been published but are not yet effective, have not been early adopted in these consolidated financial statements. These are effective for the Group's accounting periods beginning on or after 1 April 2009.

HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>2</sup>
HKAS 32 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKAS 39 Amendment Improvement to HKFRSs <sup>3</sup>	Eligible Hedged Items <sup>2</sup>
HKFRS 1 and HKAS 27 Amendments	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate <sup>1</sup>
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards <sup>2</sup>
HKFRS 2 Amendment	Share-based Payment — Vesting Conditions and Cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business Combinations <sup>2</sup>
HKFRS 7 Amendment	Improving Disclosures about Financial Instruments <sup>1</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Embedded Derivatives <sup>4</sup>
HK(IFRIC)-Int 13	Customer Loyalty Programmes <sup>5</sup>
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate <sup>1</sup>
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation <sup>6</sup>
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners <sup>2</sup>
HK(IFRIC)-Int 18	Transfers of Assets from Customers <sup>7</sup>
Improvement to HKFRSs 2009 <sup>8</sup>	

<sup>1</sup> effective for accounting periods beginning on or after 1 January 2009

<sup>2</sup> effective for accounting periods beginning on or after 1 July 2009

<sup>3</sup> effective for accounting periods beginning on or after 1 January 2009 except the amendments to HKFRS 5 which is effective for accounting periods beginning on or after 1 July 2009

<sup>4</sup> effective for accounting periods ending on or after 30 June 2009

<sup>5</sup> effective for accounting periods beginning on or after 1 July 2008

<sup>6</sup> effective for accounting periods beginning on or after 1 October 2008

<sup>7</sup> effective for transfers of assets from customers received on or after 1 July 2009

<sup>8</sup> effective for accounting periods beginning on or after 1 January 2010 except the amendments to HKFRS 2, HKAS 38, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16 which are effective for accounting periods beginning on or after 1 July 2009

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

### 3 Summary of Significant Accounting Policies

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

#### (a) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of The Link REIT and all its subsidiaries as at 31 March 2009 and the results for the year then ended.

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

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

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

#### (b) SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing a particular type of services (business segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Consistent with the Group's internal financial reporting, business segment is determined as the primary segmental reporting format. Segment assets consist primarily of tangible assets and receivables and segment liabilities mainly comprise operating liabilities. No geographical segment information has been prepared as all the properties are located within Hong Kong for the years presented.

#### (c) INVESTMENT PROPERTIES

A property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as an investment property.

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

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

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

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

### 3 Summary of Significant Accounting Policies (continued)

#### (c) INVESTMENT PROPERTIES (continued)

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

#### (d) PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

The asset's residual value and useful life are reviewed and adjusted if appropriate, at each balance sheet date.

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

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

#### (e) TRADE AND OTHER RECEIVABLES

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

### 3 Summary of Significant Accounting Policies (continued)

#### (f) CASH AND CASH EQUIVALENTS

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

#### (g) GOODWILL

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

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

#### (h) UNITHOLDERS' FUNDS AS A FINANCIAL LIABILITY

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

#### (i) TRADE PAYABLES AND PROVISIONS

##### (i) Trade payables

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

##### (ii) Provisions

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

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

### 3 Summary of Significant Accounting Policies (continued)

#### (j) OPERATING LEASES

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

#### (k) DEFERRED TAXATION

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

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

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

#### (l) INTEREST BEARING LIABILITIES

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

#### (m) IMPAIRMENT OF ASSETS

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

#### (n) REVENUE RECOGNITION

##### (i) Rental income from retail properties

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

### 3 Summary of Significant Accounting Policies (continued)

#### (n) REVENUE RECOGNITION (continued)

##### (ii) Gross receipts from carparks

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

##### (iii) Service fees and charges

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

##### (iv) Interest income

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

#### (o) EXPENDITURE

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

#### (p) EMPLOYEE BENEFITS

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

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

#### (q) EMPLOYEES' LONG-TERM INCENTIVE PLAN

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

Employee services received in exchange for the grant of the long-term incentive plan awards are recognised as an expense, with a corresponding increase in the liability incurred, at fair value as the employees render services. This expense is charged to the consolidated income statement over the vesting periods. Until the liability is settled, the fair value of the liability is re-measured at each balance sheet date and at the date of settlement, with any changes in fair value recognised in the consolidated income statement for the year. At each balance sheet date, estimates of the number of long-term incentive plan awards that are expected to become vested will be revised and the impact of the revision is recognised in the consolidated income statement.

### 3 Summary of Significant Accounting Policies (continued)

#### (r) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

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

The Group uses interest rate swaps to hedge its exposure against changes in interest rates. Hedging relationships are classified as cash flow hedges when such relationships are used to hedge against exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability and such variability could affect profit or loss.

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

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

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

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

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

## 4 Financial Risk Management

### (a) FINANCIAL RISK FACTORS

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

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

#### (i) Market risk

##### (A) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will impact the earnings of the Group. The Group is exposed to interest rate risk through the impact of rate changes in interest bearing liabilities and assets.

The Group's cash flow interest rate risk arises predominantly from its long-term floating rate borrowings whilst the borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Under the interest rate swaps, the Group agrees with counterparties to exchange, at specified intervals (primarily quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional amounts.

As at 31 March 2009, if interest rates on floating rate interest bearing liabilities had been 100 basis points higher/lower with all other variables held constant, profit for the year, before transactions with unitholders would have been HK\$25 million (2008: HK\$45 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. As at 31 March 2009, if interest rates had been 100 basis points higher/lower, the hedging reserve would have been HK\$278/289 million (2008: HK\$132/135 million) higher/lower mainly as a result of an increase/decrease in the fair values of the cash flow hedges as described above.

##### (B) Currency risk

Currency risk arises on account of monetary assets and liabilities denominated in a currency that is not the functional currency. The Group has a bank loan denominated in United States Dollars. It uses currency swap to hedge its exposure against changes in the United States Dollars exchange rates. As at 31 March 2009, the Hong Kong Dollars equivalent of the loan stands at HK\$248 million (2008: Nil).

## 4 Financial Risk Management (continued)

### (a) FINANCIAL RISK FACTORS (continued)

#### (ii) Credit risk

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

Credit risk is managed on a group basis. The Group manages its deposits with banks and financial institutions by limiting the level of deposits to be placed with any counterparties of credit ratings lower than "A". In addition, deposits placed with any individual counterparty cannot exceed a pre-defined percentage to limit the aggregate risk to any individual counterparty. As at 31 March 2009, deposits with banks amounted to HK\$1,230 million (2008: HK\$1,870 million), of which 100% (2008: 82.2%) were placed with financial institutions with external credit ratings of no less than "A".

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

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance. The Group's exposure to credit risk arising from trade receivables amounted to HK\$58 million (2008: HK\$58 million) and is set out in Note 16. The Group's exposure to credit risk arising from bank deposits amounted to HK\$1,230 million (2008: HK\$1,870 million) and is set out in Note 17.

#### (iii) Liquidity risk

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

The Group has cash and cash equivalents of HK\$508 million as at 31 March 2009 (2008: HK\$117 million). In addition to the cash resources, the Group has total available borrowing facilities amounted to HK\$15.0 billion (2008: HK\$12.6 billion), of which HK\$11.6 billion (2008: HK\$12.2 billion) was drawn as at 31 March 2009. The undrawn committed facility in the form of bank loan, totalled HK\$3.4 billion as at 31 March 2009 (2008: HK\$0.4 billion).

As at 31 March 2009, the Group's current liabilities exceed its current assets by HK\$317 million (2008: HK\$1,474 million). The Group will keep watching market conditions to assess the possibility of arranging longer term refinancing at favourable rates and extending the maturity profile of its debt.

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 4 Financial Risk Management (continued)

## (a) FINANCIAL RISK FACTORS (continued)

## (iii) Liquidity risk (continued)

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

	Less than 1 year HK\$'M	Between 1 and 2 years HK\$'M	Between 2 and 5 years HK\$'M	Over 5 years HK\$'M
<b>At 31 March 2009</b>				
Interest bearing liabilities	2,854	4,128	4,913	—
Derivative financial instruments	277	249	206	23
Trade payables and accruals	1,049	—	—	—
Security deposits	493	—	—	—
Unitholders' funds	—	—	—	29,201
<b>At 31 March 2008</b>				
Interest bearing liabilities	2,522	1,641	8,839	—
Derivative financial instruments	126	126	198	—
Trade payables and accruals	797	—	—	—
Security deposits	376	—	—	—
Unitholders' funds	—	—	—	30,558

## (b) CAPITAL MANAGEMENT

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

The Group monitors capital on a regular basis and observes the REIT Code's limit on the gearing ratio of not exceeding 45%. This ratio is calculated as total borrowings (including current and non-current borrowings) divided by total asset value as shown in the consolidated balance sheet.

	2009 HK\$'M	2008 HK\$'M
Interest bearing liabilities (Note 19)	11,538	12,185
Total asset value	48,680	50,348
Gearing ratio	23.7%	24.2%

## 4 Financial Risk Management (continued)

### (c) FAIR VALUE ESTIMATION

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

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

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

## 5 Critical Accounting Estimates and Judgements

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

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

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

### (a) INVESTMENT PROPERTIES

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

### (b) FINANCIAL INSTRUMENTS

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

## 5 Critical Accounting Estimates and Judgements (continued)

### (c) LONG-TERM INCENTIVE PLAN VALUATION

The fair value of awards granted is estimated based on valuations techniques. The valuations are based on various assumptions on unit prices, life of awards and distribution pay-out rate, which management consider as representing the best estimate of the fair value of the liability for such awards at the balance sheet date.

### (d) GOODWILL

Goodwill is recorded as a separate asset and it is subject to the annual impairment test. The results of the tests undertaken as at 31 March 2008 and 2009 indicated that no impairment provision was necessary.

For the purposes of impairment tests, the recoverable amount of goodwill is determined based on the cash flow projections inherent in the valuation of investment properties by the Principal Valuer. Judgement was required to determine key assumptions for adoption in the cash flow projections, such as income and expenditure growth rate, discount rate, income capitalisation rate, etc. The income and expenditure growth rates were driven by the forecast occupancy rates, reversion rate, progress on asset enhancement projects and inflation. Discount rates and income capitalisation rates in the range of 8.5% to 11.7% (2008: 8.25% to 11.5%) and 6.26% to 10.9% (2008: 5.85% to 9.5%) respectively were used in the cash flow projections. Changes to these key assumptions can significantly affect the cash flow projections and therefore the results of the impairment tests.

## 6 Revenues

Revenues recognised during the year comprise:

	2009 HK\$'M	2008 HK\$'M
Rental income from retail properties	3,260	3,017
Gross rental receipts from carparks	982	934
	4,242	3,951
Other revenues		
Air conditioning service fees	253	243
Other property related income	8	5
	261	248
Total revenues	4,503	4,199

Lease arrangements with tenants provide for base monthly rental charges and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$63 million (2008: HK\$52 million) have been included in the rental income.

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 7 Segment Information

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

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 7 Segment Information (continued)

	Retail properties HK\$'M	Carparks HK\$'M	Head office HK\$'M	Total HK\$'M
<b>For the year ended 31 March 2008</b>				
Revenues	3,265	934	—	4,199
Segment results	2,025	512	(102)	2,435
Change in fair values of investment properties	3,415	850	—	4,265
Interest income				78
Finance costs on interest bearing liabilities				(604)
Profit before taxation and transactions with unitholders				6,174
Taxation				(1,035)
Profit for the year, before transactions with unitholders				5,139
Capital expenditure	439	46	10	495
Depreciation	—	—	(14)	(14)
<b>As at 31 March 2008</b>				
Segment assets	36,180	8,234	76	44,490
Goodwill				3,988
Short-term bank deposits				1,753
Cash and cash equivalents				117
Total assets				50,348
Segment liabilities	975	137	122	1,234
Interest bearing liabilities				12,185
Provision for taxation				48
Deferred tax liabilities				5,976
Long-term incentive plan payable				20
Other non-current liabilities				327
Total liabilities, excluding net assets attributable to unitholders				19,790
Net assets attributable to unitholders				30,558

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 8 Property Operating Expenses

	2009 HK\$'M	2008 HK\$'M
Property managers' fees, security and cleaning	541	563
Staff costs (Note 11)	166	122
Government rent and rates	115	106
Repairs and maintenance	224	227
Utilities	344	363
Promotion and marketing expenses	103	86
Estate common area costs	96	104
Other property operating expenses	109	91
	1,698	1,662

## 9 Operating Profit before Finance Costs, Taxation and Transactions with Unitholders

	2009 HK\$'M	2008 HK\$'M
Operating profit before finance costs, taxation and transactions with unitholders is stated after charging:		
Staff costs (Note 11)	236	176
Depreciation of property, plant and equipment	16	14
Loss on disposal of property, plant and equipment	1	2
Strategic partner fee	5	3
Trustee's fee	4	3
Valuation fee	4	4
Auditor's remuneration		
— audit service	3	3
— non-audit service	2	1
Bank charges	2	1
Operating lease charges	6	5
Other legal and professional fees	12	3

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 10 Finance Costs on Interest Bearing Liabilities

	2009 HK\$'M	2008 HK\$'M
Interest expenses on interest bearing liabilities wholly repayable within five years (Note 19)	330	564
Other borrowing costs (Note)	184	40
	514	604
Less: Capitalised under investment properties	(3)	—
	511	604

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

## 11 Staff Costs

	2009 HK\$'M	2008 HK\$'M
Wages and salaries	218	152
Contributions to mandatory provident fund scheme	4	4
Long-term incentive plan awards (Note 21)	14	20
	236	176

## (a) STAFF COSTS CAN BE FURTHER ANALYSED AS BELOW:

	2009 HK\$'M	2008 HK\$'M
Included under property operating expenses (Note 8)	166	122
Included under general and administrative expenses	70	54
	236	176

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 11 Staff Costs (continued)

## (b) DIRECTORS' EMOLUMENTS

The remunerations of directors are set out below:

Name of Director	Fees HK\$'000	Base pay, allowance and other benefits (i) HK\$'000	Contribution to pension scheme (ix) HK\$'000	Variable remuneration related to performance HK\$'000	Subtotal HK\$'000	Long-term incentive plan awards (x) HK\$'000	Total 2009 HK\$'000	Total 2008 HK\$'000
Mr Nicholas Robert SALLNOW-SMITH	1,708	—	—	—	1,708	594	2,302	2,390
Mr Ian David Murray ROBINS	—	5,150	12	3,750	8,912	3,772	12,684	6,741
Mr Victor SO Hing Woh (ii)	—	—	—	—	—	—	—	5,504
Mr George Kwok Lung HONGCHOY (iii)	—	1,763	3	—	1,766	151	1,917	—
Mr CHEW Fook Aun (iv)	—	3,826	10	1,680	5,516	—	5,516	5,601
Mr Ian Keith GRIFFITHS	450	—	—	—	450	125	575	260
Mr John HO Chi On	—	—	—	—	—	—	—	—
Mr KEE Teck Koon	—	—	—	—	—	—	—	—
Mr LIM Beng Chee (v)	—	—	—	—	—	—	—	—
Mr PUJ Seck Guan (vi)	—	—	—	—	—	—	—	—
Mr Michael Ian ARNOLD	600	—	—	—	600	209	809	810
Mr Leslie CHAO Tse Hou (vii)	239	—	—	—	239	14	253	608
Mr Anthony CHOW Wing Kin	546	—	—	—	546	189	735	674
Dr Patrick FUNG Yuk Bun	600	—	—	—	600	209	809	810
Mr Stanley KO Kam Chuen	550	—	—	—	550	186	736	683
Prof Richard WONG Yue Chim	550	—	—	—	550	152	702	317
Dr Allan ZEMAN	500	—	—	—	500	174	674	674
Dr Harry LEE Nai Shee (viii)	—	—	—	—	—	—	—	172
Mr Patrick SUN (viii)	—	—	—	—	—	—	—	172
	5,743	10,739	25	5,430	21,937	5,775	27,712	25,416

Notes:

- (i) Other benefits include leave pay, insurance premium and club membership fee.
- (ii) Resigned on 30 November 2007.
- (iii) Appointed on 26 February 2009. Emoluments included remuneration before appointment to the Board and HK\$1 million sign-on bonus.
- (iv) Resigned on 16 January 2009.
- (v) Appointed on 1 November 2008.
- (vi) Resigned on 1 November 2008.
- (vii) Resigned on 12 October 2008.
- (viii) Resigned on 23 July 2007.
- (ix) For the year ended 31 March 2008, contribution to pension scheme was HK\$25,000.
- (x) As at 31 March 2009, no long-term incentive plan awards have vested and no units of The Link REIT have been issued under the plan. The amounts recognised as expenses represent the provision recognised as set out in the accounting policy Note 3 (q). The eventual amounts to be paid depend on the scale of achievement against certain performance and service related vesting conditions. If the awards do not vest on the vesting dates, the amounts charged to the consolidated income statement will be reversed. Details on the long-term incentive plan of the Group are set out in Note 21.

## 11 Staff Costs (continued)

### (c) FIVE HIGHEST PAID INDIVIDUALS

The five individuals whose emoluments were the highest in the Group for the year include two (2008: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2008: two) individuals during the year are as follows:

	2009 HK\$'M	2008 HK\$'M
Basic salaries, other allowances and benefits in kind	14	5
Long-term incentive plan awards	5	1
Total	19	6

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

	2009 Number of individuals	2008 Number of individuals
Emoluments bands		
HK\$2,500,001–HK\$3,000,000	—	2
HK\$3,500,001–HK\$4,000,000	1	—
HK\$5,500,001–HK\$6,000,000	1	2
HK\$6,000,001–HK\$6,500,000	1	—
HK\$6,500,001–HK\$7,000,000	—	1
HK\$9,000,001–HK\$9,500,000	1	—
HK\$12,500,001–HK\$13,000,000	1	—

### (d) PENSION — DEFINED CONTRIBUTION PLAN

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

## 12 Taxation

In 2008, the Government of the Hong Kong Special Administrative Region enacted a change in the profits tax rate from 17.5% to 16.5% for the fiscal year 2008/09. Accordingly, Hong Kong profits tax has been provided for at the rate of 16.5% (2008: 17.5%) on the estimated assessable profit for the year. The change in the profits tax rate also has an impact on the Group's deferred taxation and an amount of HK\$341 million in respect of previously provided deferred taxation has been written back as a credit to the consolidated income statement.

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

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
Current taxation	206	161
Deferred taxation		
— Change in fair values of investment properties	(308)	747
— Effect of change in tax rate	(341)	—
— Other temporary differences	153	127
Taxation (credit)/charge	<b>(290)</b>	<b>1,035</b>

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

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
Profit before taxation	332	6,174
Expected tax calculated at the Hong Kong profits tax rate of 16.5% (2008: 17.5%)	55	1,081
Tax effect of non-deductible expenses	4	6
Tax effect of non-taxable income	(6)	(14)
Effect of change in tax rate	(341)	—
Adjustment in respect of prior years	(2)	(38)
Taxation (credit)/charge	<b>(290)</b>	<b>1,035</b>

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

**13 Earnings per Unit Based Upon Profit after Taxation and before Transactions with Unitholders**

	2009	2008
Profit for the year, before transactions with unitholders	HK\$622 million	HK\$5,139 million
Weighted average number of units for the year for calculating basic earnings per unit	2,162,465,628	2,146,299,236
Adjustment for dilutive contingently issuable units under long-term incentive plan	437,940	—
Weighted average number of units for the year for calculating diluted earnings per unit	2,162,903,568	2,146,299,236
Earnings per unit based on profit for the year, before transactions with unitholders, basic and diluted	HK\$0.29	HK\$2.39

**14 Investment Properties****(a) DETAILS OF THE MOVEMENTS OF INVESTMENT PROPERTIES ARE AS FOLLOWS:**

	Retail properties HK\$'M	Carparks HK\$'M	Total HK\$'M
At 1 April 2007	32,251	7,306	39,557
Additions	439	46	485
Change in fair values	3,415	850	4,265
At 31 March 2008	36,105	8,202	44,307
At 1 April 2008	36,105	8,202	44,307
Additions	757	56	813
Change in fair values	(1,402)	(463)	(1,865)
At 31 March 2009	35,460	7,795	43,255

**(b) GOVERNMENT LEASES**

The properties included as investment properties on the balance sheet comprise properties where the Group has legal title under government leases for a fixed number of years (with renewal rights in one case), and other properties where the granting of the government leases and legal title is in progress. As at 31 March 2009, legal title for 133 (2008: 120) properties out of 180 properties has been granted to the Group. The remaining lease periods of the government lease profile of these properties with government leases granted range from 34 to 50 years.

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

## 14 Investment Properties (continued)

### (c) FAIR VALUES

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

### (d) SECURITY FOR THE GROUP'S LOAN FACILITIES

As at 31 March 2009, certain of the Group's investment properties, amounted in value to approximately HK\$4.5 billion (2008: HK\$4.8 billion), were pledged to secure the Group's loan facilities.

## 15 Property, Plant and Equipment

	Leasehold improvements HK\$'M	Motor vehicles HK\$'M	Equipment HK\$'M	Total HK\$'M
At 1 April 2007	19	3	30	52
Additions	3	1	6	10
Disposals	—	—	(2)	(2)
Depreciation charge for the year	(3)	(1)	(10)	(14)
At 31 March 2008	19	3	24	46
At 31 March 2008				
Cost	24	4	42	70
Accumulated depreciation	(5)	(1)	(18)	(24)
Net book value	19	3	24	46
At 1 April 2008	19	3	24	46
Additions	17	1	18	36
Disposals	(1)	—	—	(1)
Depreciation charge for the year	(5)	(1)	(10)	(16)
At 31 March 2009	30	3	32	65
At 31 March 2009				
Cost	38	5	59	102
Accumulated depreciation	(8)	(2)	(27)	(37)
Net book value	30	3	32	65

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 16 Trade and Other Receivables

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
Trade receivables	62	63
Less: provision for impairment of trade receivables	(4)	(5)
Trade receivables — net	58	58
Other receivables	63	54
	<b>121</b>	<b>112</b>

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

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

The ageing analysis of trade receivables is as follows:

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
0–30 days	48	53
31–90 days	10	3
Over 90 days	4	7
	<b>62</b>	<b>63</b>

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

Included in the net trade receivables of HK\$58 million (2008: HK\$58 million) presented above were HK\$26 million (2008: HK\$30 million) of accrued carpark income and HK\$4 million (2008: HK\$13 million) of accrued turnover rent, which were not yet due as at 31 March 2009. The remaining HK\$28 million (2008: HK\$15 million) were past due but not impaired.

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

**16 Trade and Other Receivables (continued)**

The ageing analysis of the past due trade receivables is as follows:

	<b>2009 HK\$'M</b>	2008 HK\$'M
0–30 days	18	10
31–90 days	10	3
Over 90 days	—	2
	<b>28</b>	<b>15</b>

As at 31 March 2009, trade receivables of HK\$4 million (2008: HK\$5 million) were considered as impaired and had been provided for. The individually impaired receivables are those where collectibility is in doubt.

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

	<b>2009 HK\$'M</b>	2008 HK\$'M
Over 90 days	4	5

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

	<b>2009 HK\$'M</b>	2008 HK\$'M
At 1 April	5	2
Provision for impairment of trade receivables	7	5
Receivables written off during the year as uncollectible	(8)	(2)
At 31 March	<b>4</b>	<b>5</b>

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

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

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

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 17 Cash and Cash Equivalents and Short-term Bank Deposits

	2009 HK\$'M	2008 HK\$'M
Cash in hand	1	—
Cash at bank	19	10
Short-term bank deposits with original maturity of less than three months	488	107
Cash and cash equivalents	508	117
Short-term bank deposits with original maturity of more than three months	722	1,753
	1,230	1,870

Cash and cash equivalents are denominated in Hong Kong Dollars. Short-term bank deposits at the balance sheet date mature approximately 70 days (2008: 94 days) from the balance sheet date. The effective interest rate at the balance sheet date was 0.81% (2008: 2.92%) per annum.

## 18 Trade Payables, Receipts in Advance and Accruals

	2009 HK\$'M	2008 HK\$'M
Trade payables	136	62
Receipts in advance	76	61
Accruals	913	735
	1,125	858

The ageing analysis of trade payables is as follows:

	2009 HK\$'M	2008 HK\$'M
0–30 days	80	53
31–90 days	41	8
Over 90 days	15	1
	136	62

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

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 19 Interest Bearing Liabilities

	2009 HK\$'M	2008 HK\$'M
Guaranteed notes (Notes (i) and (iv))	1,399	3,596
Syndicated loan (Note (ii))	4,592	4,589
HKMC loan (secured) (Note (iii))	4,000	4,000
Bilateral loans (Notes (i) and (iv))	1,547	—
	11,538	12,185
Less : Current portion of interest bearing liabilities (Note (iv))	—	(2,199)
Non-current portion of interest bearing liabilities	11,538	9,986

## Notes:

- (i) On 4 August 2006, a subsidiary of the Group, The Link Finance (Cayman) 2006 Limited, issued three guaranteed notes (the "Notes") in the aggregate amount of HK\$3.6 billion. The Notes, listed on The Stock Exchange of Hong Kong Limited and guaranteed by two subsidiaries of the Group, The Link Holdings Limited and The Link Properties Limited, are divided into three tranches, HK\$1.4 billion 5.12% guaranteed notes due in 2009, HK\$1.4 billion 5.00% guaranteed notes due in 2008 and HK\$0.8 billion floating rate guaranteed notes due in 2008. The Group repaid HK\$2.2 billion Notes due in 2008 by raising various bilateral loan facilities and utilising internal resources and existing undrawn loan facilities. The remaining balance of HK\$1.4 billion is refinanced through the Club Loan Facility (Note (iv)).
- (ii) On 4 August 2006, the Group arranged a HK\$5 billion five-year floating rate syndicated term/revolving bank loan facility, guaranteed by two subsidiaries of the Group, The Link Holdings Limited and The Link Properties Limited. The undrawn portion of the facility amounted to HK\$0.4 billion as at 31 March 2009 (2008: HK\$0.4 billion).
- (iii) HKMC loan represents a Mortgage Loan Facility granted by The Hong Kong Mortgage Corporation Limited ("HKMC"). The Mortgage Loan Facility is guaranteed by The Link Holdings Limited and HSBC Institutional Trust Services (Asia) Limited, the trustee of The Link REIT. Certain of the investment properties were pledged for this purpose, the carrying value of such properties as at 31 March 2009 amounted to approximately HK\$4.5 billion (2008: HK\$4.8 billion).
- (iv) On 19 March 2009, the Group arranged a HK\$3 billion three-year floating rate term loan facility ("Club Loan Facility"), guaranteed by two subsidiaries of the Group, The Link Holdings Limited, The Link Properties Limited and HSBC Institutional Trust Services (Asia) Limited, the trustee of The Link REIT, which is to refinance HK\$2.7 billion of debt maturing in 2009, comprising HK\$1.4 billion of Notes maturing in August 2009 and HK\$1.3 billion of bilateral loans maturing in July and September 2009. Accordingly these interest bearing liabilities, which were originally due in 2009, were re-classified as non-current portion.
- (v) The effective interest rate of the interest bearing liabilities (including interest rate swap) at the balance sheet date was 4.16% (2008: 4.10%). The carrying amounts of the interest bearing liabilities approximate their fair values.

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

**19 Interest Bearing Liabilities (continued)**

Interest bearing liabilities are repayable as follows:

	<b>2009 HK\$'M</b>	2008 HK\$'M
<b>Due in the first year</b>		
Guaranteed notes	—	2,199
<b>Due in the second year</b>		
Guaranteed notes	—	1,397
HKMC loan (secured)	4,000	—
	4,000	1,397
<b>Due in the third year</b>		
HKMC loan (secured)	—	4,000
Bilateral loan	248	—
Syndicated loan	4,592	—
	4,840	4,000
<b>Due in the fourth year</b>		
Syndicated loan	—	4,589
Club loan (Note)	2,698	—
	2,698	4,589
	<b>11,538</b>	<b>12,185</b>

Except for bank loan of HK\$248 million (2008: Nil) which is denominated in United State Dollars, all the interest bearing liabilities are dominated in Hong Kong Dollars.

Note: An unsecured three-year Club Loan Facility of HK\$3 billion was signed to refinance HK\$1.4 billion of Notes due in August 2009 and HK\$1.3 billion of bilateral loans due in July and September 2009. Accordingly, the amounts were reclassified as non-current liabilities as at 31 March 2009 under HKAS 1 "Presentation of Financial Statements".

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 20 Deferred Tax Liabilities

Deferred taxation is calculated in full on temporary differences under the liability method using a tax rate of 16.5% (2008: 17.5%).

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

	<b>Temporary differences</b> HK\$'M	<b>Tax losses</b> HK\$'M	<b>Total</b> HK\$'M
At 1 April 2007	5,123	(21)	5,102
Recognised in the consolidated income statement:			
Increase in fair values of investment properties	747	—	747
Accelerated depreciation allowances claimed	106	—	106
Tax losses utilised	—	21	21
			874
At 31 March 2008	5,976	—	5,976
At 1 April 2008	5,976	—	5,976
Recognised in the consolidated income statement:			
Decrease in fair values of investment properties	(308)	—	(308)
Accelerated depreciation allowances claimed	153	—	153
Effect of change in tax rate	(341)	—	(341)
			(496)
At 31 March 2009	5,480	—	5,480

## 21 Long-term Incentive Plan Payable

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

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

## 21 Long-term Incentive Plan Payable (continued)

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

During the year, certain employees were granted the RUA and CCA at nil consideration. The RUA granted under the Plan, in general, fully vest in approximately two to four years from the date of grant. The eventual numbers of units to be issued under the RUA, which are linked to the performance of The Link REIT based on the TUR, NOI and/or certain vesting conditions, where appropriate, will range from 20% to 300% of the RUA granted. CCA is granted in conjunction with the grant of RUA, bestowing upon the grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions per unit to unitholders during the vesting period, multiplied by the number of units that will eventually be vested.

During the vesting period, a liability is recognised representing the estimated fair value of the Awards granted and the portion of the vesting period expired as at the balance sheet date. As at 1 April 2008, a total of HK\$20 million LTI liability has been accrued. During the year, an additional amount of HK\$14 million (2008: HK\$20 million) was charged to the consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

## 21 Long-term Incentive Plan Payable (continued)

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

Date of Grant	Vesting Period	Outstanding as at 1 April 2008	Granted during the year	Lapsed during the year	Outstanding as at 31 March 2009	Maximum to be issued on vesting date*
24 July 2007	24 July 2007 to 23 July 2010	1,863,000	—	(561,920)	1,301,080	3,898,741
24 December 2007	24 December 2007 to 23 July 2010	764,000	—	—	764,000	2,292,000
	24 December 2007 to 23 July 2011	545,000	—	—	545,000	1,635,000
	24 December 2007 to 23 July 2012	545,000	—	—	545,000	1,635,000
10 January 2008	10 January 2008 to 23 July 2010	68,500	—	—	68,500	205,500
	10 January 2008 to 23 July 2011	68,500	—	—	68,500	205,500
	10 January 2008 to 23 July 2012	68,500	—	—	68,500	205,500
5 May 2008	5 May 2008 to 4 May 2010	—	355,000	—	355,000	828,000
	5 May 2008 to 4 May 2011	—	355,000	—	355,000	828,000
	5 May 2008 to 4 May 2012	—	355,000	—	355,000	828,000
16 January 2009	16 January 2009 to 15 January 2012	—	140,515	—	140,515	140,515
13 February 2009	13 February 2009 to 30 June 2010	—	712,000	—	712,000	1,424,000
	13 February 2009 to 30 June 2011	—	712,000	—	712,000	1,424,000
<b>Total</b>		<b>3,922,500</b>	<b>2,629,515</b>	<b>(561,920)</b>	<b>5,990,095</b>	<b>15,549,756</b>

\* if certain vesting conditions are met

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

## 22 Other Non-current Liabilities

	2009 HK\$'M	2008 HK\$'M
Interest rate and currency swaps — cash flow hedges (Note)	738	327

Note: The Group uses interest rate swaps (swapping from floating rates to fixed rates) and currency swaps (swapping from United States Dollars to Hong Kong Dollars) to minimise its exposure to movements in interest rates and foreign currency exchange rates in relation to its floating rates interest bearing liabilities. The full fair value of these cash flow hedges are classified as non-current items as the remaining maturities of the hedged items extend for more than 12 months. Any change in fair value of the effective portion of the cash flow hedges in relation to the interest rate swaps is recognised in the hedging reserve, whereas any change in fair value of the currency swaps is recognised directly in the consolidated income statement. Net amount of HK\$409 million has been debited to the hedging reserve during the year (2008: HK\$216 million) as further set out in Note 24.

Derivative financial instruments qualifying as cash flow hedges as at 31 March 2009 have a weighted average maturity of 3.8 years (2008: 3.6 years) from the balance sheet date. The notional principal amount and the weighted average fixed interest rate of the outstanding interest rate swap contracts as at 31 March 2009 were HK\$7.75 billion (2008: HK\$4 billion) and 4.61% (2008: 5.05%) respectively. The notional principal amount of the outstanding foreign currency swap contract as at 31 March 2009 was HK\$0.25 billion (2008: Nil).

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 24) as at 31 March 2009 will be released to the consolidated income statement.

## 23 Units in Issue

	2009 Number of Units	2008 Number of Units
At 1 April	2,158,677,767	2,137,454,000
Units issued under distribution reinvestment scheme	8,362,660	21,223,767
At 31 March	2,167,040,427	2,158,677,767

Traded market value of the units as at 31 March 2009 was HK\$15.32 (2008: HK\$17.26) per unit. Based on 2,167,040,427 units in issue as at 31 March 2009 (2008: 2,158,677,767 units), market capitalisation was HK\$33,199 million (2008: HK\$37,259 million).

## 24 Reserves

	Hedging reserve HK\$'M	Earnings retained for cash flow hedge adjustments HK\$'M	Total reserves HK\$'M
At 1 April 2007	(111)	111	—
Cash flow hedges:			
— Change in fair values	(247)	—	(247)
— Amount transferred to the consolidated income statement (Note)	31	—	31
	(216)	—	(216)
Amount arising from cash flow hedging reserve movement	—	216	216
At 31 March 2008	(327)	327	—
At 1 April 2008	(327)	327	—
Cash flow hedges:			
— Change in fair values	(566)	—	(566)
— Amount transferred to the consolidated income statement (Note)	157	—	157
	(409)	—	(409)
Amount arising from cash flow hedging reserve movement	—	409	409
At 31 March 2009	(736)	736	—

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

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

**25 Note to the Consolidated Statement of Cash Flows****(a) NET CASH GENERATED FROM OPERATING ACTIVITIES**

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
Profit before taxation and transactions with unitholders	332	6,174
Loss on disposal of property, plant and equipment	1	2
Depreciation expenses	16	14
Interest income	(37)	(78)
Finance costs on interest bearing liabilities	511	604
Change in fair values of investment properties	1,865	(4,265)
Increase in trade and other receivables, deposits and prepayments	(17)	(27)
Increase in trade payables, receipts in advance and accruals	275	128
Increase in security deposits	117	58
Increase in long-term incentive plan payable	14	20
Hong Kong profits tax paid	(183)	(113)
Net cash generated from operating activities	<b>2,894</b>	<b>2,517</b>

**(b) MAJOR NON-CASH TRANSACTION**

During the year, distributions amounted to HK\$140 million (2008: HK\$361 million) were paid to unitholders in the form of additional units under the distribution reinvestment scheme.

**26 Commitments****(a) CAPITAL COMMITMENTS**

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
Improvement projects to existing investment properties		
Authorised but not contracted for	535	695
Contracted but not provided for	388	302
	<b>923</b>	<b>997</b>

## 26 Commitments (continued)

### (b) OPERATING LEASE COMMITMENTS

As at 31 March 2009, the analysis of the Group's aggregate future minimum lease rental payables under non-cancellable operating leases is as follows:

	2009 HK\$'M	2008 HK\$'M
Within one year	3	3
Between one and five years	2	4
	5	7

## 27 Connected Party Transactions and Significant Related Party Transactions and Balances

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

### (a) NATURE OF RELATIONSHIP WITH CONNECTED/RELATED PARTIES

The table set forth below summarises the names of the connected/related parties, as defined in the REIT Code/HKAS 24 "Related Party Disclosures", and nature of their relationship with The Link REIT as at 31 March 2009:

Connected/related party	Relationship with the Group
HSBC Institutional Trust Services (Asia) Limited (the "Trustee")*	The Trustee of The Link REIT
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) (the "HSBC Group")*	Related parties of the Trustee
Knight Frank Petty Limited (the "Principal Valuer")	The Principal Valuer of The Link REIT
Knight Frank Hong Kong Limited	A related party of the Principal Valuer
The Children's Investment Master Fund	A significant unitholder of The Link REIT
Hong Kong Youth Arts Foundation*	Common director
Standard Chartered Bank Hong Kong Limited ("SCB (HK)")*	Common director
Wing Hang Bank, Limited*	Common director
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)")*	Common director
Aedas Limited*	Common director

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

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

**27 Connected Party Transactions and Significant Related Party Transactions and Balances (continued)****(b) TRANSACTIONS WITH CONNECTED/RELATED PARTIES**

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

	<b>2009</b> <b>HK\$'M</b>	2008 HK\$'M
Trustee fee paid and payable to the Trustee (Note (ii))	(4)	(3)
Transactions with the Principal Valuer (Note (iii))		
Valuation fee	(4)	(4)
Leasing consultancy fee	(2)	—
Leasing agency fee paid and payable to Knight Frank Hong Kong Limited	(1)	—
Transactions with the HSBC Group (Note (iv))		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities and interest rate swaps	(55)	(29)
Staff expense to the HSBC Group on medical/group life insurance and insurance brokerage fee	(3)	(3)
Rental income from the HSBC Group on leasing of retail units	16	13
Interest income from the HSBC Group on short-term bank deposits	3	7
Transactions with ICBC (Asia) (Note (iv))		
Interest expense and various financing charges to ICBC (Asia) on interest bearing liabilities	(5)	(8)
Rental income from ICBC (Asia) on leasing of retail units	3	3
Transactions with SCB (HK) (Note (iv))		
Interest expense and various financing charges to SCB (HK) on interest bearing liabilities	(3)	—
Rental income from SCB (HK) on leasing of retail units	7	—
Interest income from SCB (HK) on short-term bank deposits	1	—
Architectural/renovation consultancy services fees paid and payable to Aedas Limited (Note (v))	(5)	(4)
Project fee paid and payable to Hong Kong Youth Arts Foundation (Note (v))	(1)	—

## 27 Connected Party Transactions and Significant Related Party Transactions and Balances (continued)

### (b) TRANSACTIONS WITH CONNECTED/RELATED PARTIES (continued)

Notes:

- (i) All connected party transactions were carried out in accordance with the terms of the relevant agreements governing the transactions and in the ordinary course of business.
- (ii) The Trustee is entitled to receive an annual trustee's fee (calculated and paid monthly) at a rate of 0.008% per annum of the latest property value as determined in the latest annual valuation report of an independent property valuer recommended by the Manager and appointed by the Trustee for and on behalf of The Link REIT from time to time, subject to a minimum of HK\$150,000 per month.
- (iii) Knight Frank Petty Limited replaced CB Richard Ellis Limited as the Principal Valuer with effect from 21 January 2008. (2008: valuation fee of HK\$0.6 million was paid to CB Richard Ellis Limited). The transactions were entered into at mutually agreed rates.
- (iv) The transactions with the HSBC Group, ICBC (Asia) and SCB (HK) were in accordance with market rates.
- (v) The transactions with Aedas Limited and Hong Kong Youth Arts Foundation were entered into at mutually agreed rates.

### (c) BALANCES WITH RELATED PARTIES

Balances with related parties are set out below:

	2009 HK\$'M	2008 HK\$'M
Interest bearing liabilities with the HSBC Group	(798)	(598)
Interest rate swaps with the HSBC Group	(209)	—
Security deposits from the HSBC Group	(1)	(1)
Short-term bank deposits and savings placed with the HSBC Group	81	34
Net interest payable to the HSBC Group	(7)	—
Interest bearing liabilities with ICBC (Asia)	(184)	(184)
Short-term bank deposits and savings placed with SCB (HK)	170	—

## Consolidated Financial Statements / Notes to the Consolidated Financial Statements (continued)

**27 Connected Party Transactions and Significant Related Party Transactions and Balances (continued)****(d) KEY MANAGEMENT COMPENSATION**

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

	2009 HK\$'M	2008 HK\$'M
Fees	6	6
Basic salaries, allowances and other benefits	38	22
Long-term incentive plan awards	11	10
	55	38

**28 Future Minimum Rental Receivables**

As at 31 March 2009, the analysis of the Group's aggregate future minimum rental income receivables under non-cancellable operating leases is as follows:

	2009 HK\$'M	2008 HK\$'M
Within one year	2,263	1,884
Between one and five years	2,365	1,476
Beyond five years	65	11
	4,693	3,371

Most of the operating leases are on fixed terms and for terms of 3 years (2008: 3 years).

**29 Events Subsequent to The Balance Sheet Date**

On 19 March 2009, an unsecured three-year Club Loan Facility of HK\$3 billion was signed with a consortium of 13 banks to refinance all the debt due in 2009 and provide capital to fund asset enhancement initiatives. On 15 April 2009, HK\$1.3 billion was drawn from the Club Loan Facility to repay the bilateral loans maturing in July and September 2009.

On 27 April 2009, the Group announced the renewal of a five-year HK\$4 billion loan with the HKMC that includes an option to extend HK\$2 billion for one more year upon maturity till May 2015. The HKMC mortgage loan renewal refinanced the entire amount of the loan maturing in November 2010.

On 6 May 2009, the Group announced the establishment of a US\$1 billion guaranteed Euro Medium Term Note Programme ("MTN Programme") under which unsecured notes may be issued in various currencies with fixed or floating rates and maturities between one month and 30 years. Since the establishment of the MTN Programme, the Group raised HK\$300 million of 10-year unsecured notes at a fixed rate of 4.75% per annum on 20 May 2009.

### 30 Subsidiaries

The Link REIT held the following wholly owned subsidiaries as at 31 March 2009:

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

### 31 Approval of the Financial Statements

The consolidated financial statements were authorised for issue by the Manager and the Trustee on 17 June 2009.

## Valuation Report



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1 June 2009

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

Trustee  
HSBC Institutional Trust Services (Asia) Limited  
39/F Dorset House  
Taikoo Place  
979 King’s Road  
Hong Kong

Dear Sirs

### THE LINK REIT — ANNUAL VALUATION AS AT 31 MARCH 2009

#### INSTRUCTIONS

In accordance with the instructions from The Link Management Limited (for itself as the manager of The Link REIT and for and on behalf of The Link REIT; “LML”) for us to value The Link REIT portfolio (i.e. a total of 180 retail and/or carparking properties; “Properties”) owned by The Link REIT, we confirm that we have carried out inspections, made relevant searches and enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Properties as at 31 March 2009 (the “Valuation Date”) for corporate reporting purposes.

## BASIS OF VALUATION

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

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

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

## VALUATION METHODOLOGIES

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

### Income Capitalisation Approach

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

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

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

Retail	: 6.25% to 8.53%
Carpark	: 6.50% to 10.90%
Blended	: 6.26% to 10.90%

## Valuation Report *(continued)*

### Discounted Cash Flow (“DCF”) Approach

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

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

The Discount Rates adopted in our valuation range from 8.50% to 11.70%.

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

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

### Direct Comparison Approach

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

### ACKNOWLEDGEMENT OF INFORMATION

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

- A tenancy schedule as at 31 March 2009 and other ancillary schedules provided by LML or their duly authorised representatives;
- Car park and other income, management and air-conditioning charges, Government rates, Government rents, operating costs and capital expenditure for some of the Properties, as provided by LML;
- Searches of title and tenure have been obtained from the Land Registry of the HKSAR Government;
- Licence information, waiver information, land titles and information on the progress of the assignment of the legal titles for List 2 Properties as at the Valuation Date as provided by LML;
- Assignment plans, divestment plans, layout plans and asset enhancement plans as provided by LML.

Valuation Report *(continued)*

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

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

**VALUATION ASSUMPTIONS**

Our valuation is subject to the following assumptions and principles.

**Inspection and Measurement**

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

**Title Documents and Encumbrances**

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

As per the information provided by LML, as at the Valuation Date, 133 of the Properties have both legal and beneficial titles whilst the remaining 47 of the Properties, which fall within List 2 Properties classification, are held by Vesting Orders granted by the Hong Kong Special Administration Region (HKSAR) to the Hong Kong Housing Authority (HKHA). We are advised that the assignment of their legal titles is in progress at the Valuation Date.

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

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

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

## Valuation Report *(continued)*

### Lease Documents as at 31 March 2009

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

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

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

### Floor Areas

The Retail Internal Floor Areas (Retail IFA) stated in the attached Schedule of Values are based on the rent roll information as at 31 March 2009 provided by LML and are shown for reporting purposes only. In valuing the properties subject to asset enhancement, we have, where appropriate, adopted the Retail IFAs as per the proposed area schedule after asset enhancement.

### DCF Calculations

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

### Structural Condition

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

### Contamination

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

### VALUER'S INTEREST

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

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

## SUMMARY OF VALUES

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

## VALUATION

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

### **HK\$43,254,800,000 (HONG KONG DOLLARS FORTY THREE BILLION TWO HUNDRED AND FIFTY FOUR MILLION EIGHT HUNDRED THOUSAND)**

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

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

#### Retail Facilities

- Retail value was HK\$35,460,000,000 (Hong Kong Dollars Thirty Five Billion and Four Hundred and Sixty Million)
- Initial yield of 6.96%

#### Carparking Facilities

- Carpark value was HK\$7,794,800,000 (Hong Kong Dollars Seven Billion Seven Hundred and Ninety Four Million Eight Hundred Thousand)
- Initial yield of 8.41%

#### Total Portfolio

- Total portfolio value was HK\$43,254,800,000 (Hong Kong Dollars Forty Three Billion Two Hundred and Fifty Four Million Eight Hundred Thousand)
- Initial yield of 7.22%

## LIMITING CONDITIONS

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

Valuation Report *(continued)*

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

This summary report alone does not contain the comprehensive data and support information included in our comprehensive valuation report. For further information to that contained therein, reference should be made to the comprehensive valuation report, a copy of which is held by LML for inspection at Room 1201-1202 on 12th Floor, 9 Queen's Road Central, Hong Kong.

The reports and valuation have been prepared on the basis of information available as at 31 March 2009. Knight Frank Petty Limited accepts no responsibility for subsequent changes in information as to income, expenses or market conditions.

**CONVERSION FACTORS**

Conversion factors used in this report are

1 square metre = 10.764 square feet

1 metre = 3.2808 feet

Yours faithfully  
For and on behalf of  
**Knight Frank Petty Limited**

**Alan Child**  
FRICS FHKIS RPS (GP)  
*Executive Chairman*

Yours faithfully  
For and on behalf of  
**Knight Frank Petty Limited**

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

Enc

Notes:

Alan Child, FRICS, FHKIS, RPS(GP), has been a qualified valuer with Knight Frank Petty Limited since 1990 and has 41 years' experience in the valuation of properties of which 29 years have been in Hong Kong.

Alex S L Ng, MRICS, MHKIS, RPS(GP), has been a qualified valuer with Knight Frank Petty Limited since 1995 and has 23 years' experience in the valuation of properties in Hong Kong.

Valuation Report *(continued)*

## Schedule of Values

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
1.	Lok Fu Plaza	428,578.42	793	66.70	6.26%	2,214.00	8.50%	2,130.00	2,158.0	3.09%	8.32%
	Brief Description:	Lok Fu Plaza, completed between 1983 and 1991, comprises a 6-storey (including basement) commercial building ("Commercial Centre I"), a 7-storey (including basement) commercial building ("Commercial Centre II"), a 4-storey carpark building ("Carpark I") and a 2-storey carpark building ("Carpark II") in Lok Fu Estate. There are a total of 793 car parking spaces in Lok Fu Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 107,428/335,530th equal and undivided shares of and in New Kowloon Inland Lot No 6451 and is held under a Government Lease for a term of 50 years from 31 December 2007.									
2.	Chung Fu Shopping Centre (Chung Fu SC)	231,514.86	1,177	88.19	7.09%	1,312.00	9.40%	1,262.10	1,279.0	6.90%	8.86%
	Brief Description:	Chung Fu SC comprises a 9-storey commercial/carpark building (Chung Fu SC Phase 1) and a 3-storey commercial building (Chung Fu SC Phase 2) connected by a footbridge on 1st floor, a kindergarten and day nursery respectively on ground floor and 1st floor of the Ancillary Facilities Block and open car park spaces in Tin Chung Court. There are a total of 1,177 parking spaces in Chung Fu SC. Phases 1 of Chung Fu SC was completed in 1999 and Phase 2 in 2000.									
	Title Details:	The property is held by The Link Properties Limited. Part of the property is classified as a List 1 property and part of the property is classified as a List 2 property. Chung Fu SC Phase 1 is classified as a List 1 property that is held by The Link Properties Limited. It comprises the entire Section A and 2,021/363,535th equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No 18 that is held under a Government Lease for a term of 50 years from 8 January 1999. Chung Fu SC Phase 2 is classified as a List 2 property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
3.	Oi Man Shopping Centre (Oi Man SC)	207,140.06	808	27.34	7.25%	496.00	9.40%	481.60	486.4	5.62%	8.90%
	Brief Description:	Oi Man SC, completed in 1975, comprises a 3-storey retail building linked with four 3-storey garage buildings namely Garages A to D (Multi-storey Commercial/Car Park Accommodation), various cooked food stalls (Commercial Block 1), a single storey wet market (Commercial Block 2), various open car parking areas, various shop units on ground floors of Chiu Man House, Hong Man House and Chung Man House and the associated areas within Oi Man Estate. There are a total of 808 car parking spaces within Oi Man SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 54,395/204,983rd equal and undivided shares of and in the Remaining Portion of Kowloon Inland Lot No 9826 and is held under Conditions of Grant No.UB10562 for a term of 75 years commencing from 1 April 1968.									
4.	Shun Lee Commercial Centre (Shun Lee CC)	215,387.53	731	29.94	7.49%	393.00	9.80%	369.60	377.4	7.93%	9.13%
	Brief Description:	Shun Lee CC, completed in 1978, comprises a 4-storey retail building (Commercial Complex I), a 3-storey retail building (Commercial Complex II), a 3-storey carpark building (Carpark Block A), another 3-storey carpark building (Carpark Block C) and retail units at Lee Foo House, Lee Hong House, Lee Yat House and Lee Yip House as well as open car parking area within Shun Lee Estate. There are a total of 731 car parking spaces in Shun Lee CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
5.	Tsz Lok (Tsz Wan Shan Shopping Centre) (Tsz Wan Shan SC)	203,891.81	940	82.02	7.00%	1,232.00	9.00%	1,227.00	1,229.0	6.67%	8.63%
	Brief Description:	Tsz Wan Shan SC, completed in 1997, comprises an 8-storey commercial block with carparking facility (Commercial/Car Park Block), a 3-storey carpark podium of a 7-storey ancillary facilities block (Phase 3), a 3-storey carpark building (Phase 2), another split-level 4-storey carpark building (Phase 1) and various open private car or lorry parking spaces next to Phase 2 or scattered within Tsz Lok Estate (Open Car Parks). There are a total of 940 car parking spaces in Tsz Wan Shan SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 81,055/481,546th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6442 and is held under a Government Lease for a term of 50 years from 8 October 2007.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
6.	Leung King Shopping Centre (Leung King SC)	204,820.66	616	48.05	7.20%	873.60	9.20%	806.50	828.9	5.80%	8.46%
	Brief Description:	Leung King SC, completed in 1988, comprises a 4-storey commercial/carpark building (Commercial/Car Park Block), H.A. Open Car Parks and H.A. Road in Leung King Estate. There are a total of 616 parking spaces in Leung King SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 54,922/426,295th equal and undivided shares of and in Tuen Mun Town Lot No 458 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
7.	Yat Tung Shopping Centre (Yat Tung SC)	193,364.49	1,900	41.95	7.38%	505.20	9.50%	490.60	495.5	8.47%	9.00%
	Brief Description:	Yat Tung SC, completed in phases between 2001 and 2003, comprises a 3-storey Retail Building (Shopping Complex I), a 4-storey Retail Building (Shopping Complex II), a 6-storey Carport Building (CP 1), a second 6-storey Carport Building (CP 2), a third 6-storey Carport Building (CP 3) and Open Car Parking Areas in Yat Tung Estate. At the time of our inspection, CP 3 is not in use. There are a total of 1,900 car parking spaces in Yat Tung SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
8.	Wo Che Commercial Centre (Wo Che CC)	187,412.26	828	38.93	7.49%	584.00	9.20%	548.00	560.0	6.95%	8.53%
	Brief Description:	Wo Che CC, completed in 1977, comprises a 4-storey retail/carpark building (Commercial/Car Park Block), various retail units on ground floors of Tai Wo House, Foo Wo House, King Wo House, Hau Wo House and Chi Wo House (Integrated Commercial/Car Park Accommodation), associated areas and open car parks in Wo Che Estate. There are a total of 828 car parking spaces in Wo Che CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 55,437/474,742nd equal and undivided shares of and in Sha Tin Town Lot No 549 and is held under a Government Lease for a term of 50 years from 23 February 2007.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
9.	Kai Tin Shopping Centre (Kai Tin SC)	186,620.19	461	79.28	7.00%	1,027.30	8.80%	1,021.40	1,023.0	7.75%	8.43%
	Brief Description:	Kai Tin SC, completed by phases in 1999 & 2003, comprises a 5-storey shopping centre (Commercial Block), a 6-storey including roof annexed car park building (Carpark Block) and a 4-storey retail/carpark building (Extension Block) in Kai Tin Estate. There are a total of 461 car parking spaces in Kai Tin SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
10.	Hau Tak (II) Shopping Centre (Hau Tak SC)	177,819.14	623	62.25	7.01%	1,043.00	8.90%	1,045.00	1,044.0	5.96%	8.56%
	Brief Description:	Hau Tak SC, completed in 1993, comprises a 5-storey commercial/carpark block (East Wing) and a 5-storey commercial/car park block (West Wing) (collectively known as Commercial/Car Park Blocks), Associated Areas and Open Car Parks in Hau Tak Estate. There are a total of 623 car parking spaces in Hau Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 49,962/324,918th equal and undivided shares of and in Tseung Kwan O Town Lot No 99 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
11.	Choi Wan Commercial Complex (Choi Wan CC)	171,386.18	859	31.55	7.41%	429.40	9.50%	429.10	429.2	7.35%	9.14%
	Brief Description:	Choi Wan CC, completed in 1980, comprises a 5-storey (with split levels on lower ground, ground and first floors) retail/carpark building standing beside Block 6 (Commercial Centre 1), a 7-storey retail/carpark building beside Block 15 (Commercial Centre 2), a 5-storey (with split-levels on ground floor) carpark building beside Block 16 (Carpark Block) that is interlinked with Commercial Centre 2 on second and third floors, a 2-storey market building (Market), various shop units on ground and first floors of Fei Fung House, various free standing cooked food stalls (Cooked Food Stalls) and various open car parking spaces within Choi Wan Estate (Open Car Parks). There are a total of 859 car parking spaces in Choi Wan CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
12.	Butterfly Shopping Centre (Butterfly SC)	174,890.40	313	42.39	7.33%	667.40	9.40%	637.90	647.7	6.54%	8.84%
	Brief Description:	Butterfly SC, completed in 1983, comprises a 3-storey commercial building with market (Commercial Complex), various shop units on ground and first floors of Tip Sum House (Integrated Commercial/Car Park Accommodation of Tip Sum House (Block 4)) and Tip Ling House (Integrated Commercial/Car Park Accommodation of Tip Ling House (Block 5)), a 4-storey carpark building (Multi-storey Car Park), cooked food stalls at the Commercial Area near Block 6, various open parking spaces, open loading and unloading spaces and associate area within Butterfly Estate. There are a total of 313 parking spaces in Butterfly SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,316/248,783rd equal and undivided shares of and in Tuen Mun Town Lot No 473 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
13.	Sau Mau Ping Shopping Centre (Sau Mau Ping SC)	160,737.90	611	87.44	7.12%	1,080.30	9.40%	1,068.90	1,073.0	8.15%	8.98%
	Brief Description:	Sau Mau Ping SC, completed in 2002, comprises a 4-storey retail/car parking building (Commercial/Car Park Block), a 5-storey carpark podium of the Ancillary Facilities Building (Multi-storey Car Park A) and some associated areas on ground floor of Multi-storey Carpark A in Sau Mau Ping Estate. There are a total of 611 car parking spaces in Sau Mau Ping SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 57,670/833,450th equal and undivided shares of and portion of 10/833,450th equal and undivided shares of and in New Kowloon Inland Lot No. 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
14.	Lung Cheung Mall (Lung Cheung M)	159,281.94	473	67.38	6.59%	1,040.20	8.70%	1,004.60	1,016.0	6.63%	8.19%
	Brief Description:	Lung Cheung M, completed in 2001, comprises a 5-storey (including a basement level) commercial podium, the adjacent 4-storey carpark podium (together known as Multi-storey Commercial/Carpark Accommodation) and some ancillary areas within Upper Wong Tai Sin Estate. There are a total of 473 car parking spaces in Lung Cheung M.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 53,974/311,854th equal and undivided shares of and in New Kowloon Inland Lot No 6439 and is held under a Government Lease for a term of 50 years from 23 February 2007.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
15.	Wong Tai Sin Shopping Centre (Wong Tai Sin SC)	161,638.89	688	67.46	6.69%	1,083.00	8.90%	1,041.00	1,055.0	6.39%	8.37%
Brief Description:	Wong Tai Sin SC, completed in phases between 1982 and 1983, comprises a 3-storey (plus a basement) commercial/carpark podium within Lung Kwong House, Lung Fai House and Non-domestic Block between Lung Fai House and Lung Kwong House and various cooked food stalls next to Lung Kwong House (Commercial Complex), various shop units on ground floor of Lung Lok House and Lung On House (Integrated Commercial/Car Park Accommodation within Lung Lok House and Lung On House), an adjoining 5-storey carpark building with office on 4th Floor (Multi-storey Commercial/Car Park Accommodation), a single-storey carpark building sandwiched between Lung Tai House and Lung Hei House (Commercial/Car Park Block), various open car parking spaces at the side of Lung Tai House (Open Car Parks) and various free standing cooked food stalls within Lower Wong Tai Sin (II) Estate. There are a total of 688 car parking spaces in Wong Tai Sin SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 51,200/323,235th equal and undivided shares of and in New Kowloon Inland Lot No 6438 and is held under a Government Lease for a term of 50 years commencing from 17 May 2007.										
16.	Cheung Fat Shopping Centre (Cheung Fat SC)	160,227.83	590	65.39	7.38%	843.00	9.80%	775.00	798.0	8.19%	9.03%
Brief Description:	Cheung Fat SC, completed in 1987, comprises a 7-storey (including basement) shopping centre and an Electricity Substation in Cheung Fat Estate. There are a total of 590 car parking spaces in Cheung Fat SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 49,331/171,904th equal and undivided shares of and in Tsing Yi Town Lot No. 172 and is held under a Government Lease for a term of 50 years from 22 December 2005.										
17.	Tai Wo Shopping Centre (Tai Wo SC)	139,364.18	454	39.76	7.01%	824.40	9.00%	795.60	805.2	4.94%	8.48%
Brief Description:	Tai Wo SC, completed in 1989, comprises two Commercial/Car Park Blocks (Phase 1: 3-storey plus a Basement level and Phase 2: 2-storey plus a Basement level), a single storey Cooked Food Centre and Portions of the Integrated HA Accommodation comprising shops, stores, offices and clinics on ground, second and third floors of Oi Wo House and shops, offices and clinics on ground, second and third floors of On Wo House and the entrance access on ground floor of Hei Wo House that leads to ground floor of Phase 1 Commercial Block in Tai Wo Estate. There are a total of 454 car parking spaces in Tai Wo SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 40,117/414,930th equal and undivided shares of and in Tai Po Town Lot No 176 and is held under a Government Lease for a term of 50 years from 10 February 2000.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
18.	Tin Chak Shopping Centre (Tin Chak SC)	143,521.38	302	52.93	7.13%	731.30	9.30%	704.90	713.7	7.42%	8.77%
	Brief Description:	Tin Chak SC, completed in 2001, comprises a 4-storey commercial building, a 4-storey carpark building, kiosk at the entrance of the commercial block and associate areas within Tin Chak Estate. There are a total of 302 car parking spaces in Tin Chak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,810/272,897th equal and undivided shares of and in Tin Shui Wai Town Lot No 37 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
19.	Chuk Yuen Shopping Centre (Chuk Yuen SC)	138,659.69	1,103	39.36	7.32%	572.10	9.00%	569.50	570.4	6.90%	8.63%
	Brief Description:	Chuk Yuen SC, completed in 1984, comprises a 5-storey commercial block with basement carpark (Commercial/Car Park Block), a 4-storey carpark podium of Chui Yuen House (Multi-storey Car Park Accommodation), various shop units on ground and second floors of Sau Yuen House, various free standing cooked food stalls (Cooked Food Stalls) and various open car parking spaces (Open Car Parks) in Chuk Yuen South Estate. There are a total of 1,103 car parking spaces in Chuk Yuen SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 62,198/354,665th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6452 and is held under a Government Lease for a term of 50 years from 16 August 2007.									
20.	Cheung Hong Commercial Centre (Cheung Hong CC)	136,041.95	709	24.87	7.84%	323.60	9.90%	311.40	315.5	7.88%	9.33%
	Brief Description:	Cheung Hong CC, completed in 1980, comprises a 5-storey (including Lower Ground Floor) commercial/carpark building known as Commercial Centre No 1, a 4-storey commercial building known as Commercial Centre No 2, a 3-storey carpark building known as Carpark Block No 1, a 3-storey carpark/market/games area complex known as Carpark Block No 2, various shopstalls and welfare units on ground and 1st floors of Hong Wo House, various shop units at Hong Fu House, Hong Tai House and Hong Kwai House, a 2-storey restaurant block, various cook food stalls and open car parks within Cheng Hong Estate. There are a total of 709 car parking spaces in Cheung Hong CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Initial Yield	Analysis Indicated IRR
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)		
21.	<b>Sheung Tak Shopping Centre (Sheung Tak SC)</b>										
		133,156.02	1,280	73.37	7.03%	1,009.00	8.80%	1,028.00	1,022.0	7.18%	8.54%
	<b>Brief Description:</b>	Sheung Tak SC, completed in 1998, comprises a 4-storey commercial/carpark block (Commercial/Carpark Block), three 5-storey carpark buildings (Car Parks A, B and C), Associated Areas on ground floor, Integrated Commercial/Car Park Accommodation on ground floor of Sheung Mei House, various open carparks, and such signs, traffic signs, road markings, shroff/kiosk, guard kiosks, control barriers and related electronic and mechanical devices serving exclusively the parking spaces in Sheung Tak Estate. There are a total of 1,280 car parking spaces in Sheung Tak SC.									
	<b>Title Details:</b>	The property is held by The Link Properties Limited. It comprises 95,092/467,545th equal and undivided shares of and in Tseung Kwan O Town Lot No 98 and is held under a Government Lease for a term of 50 years from 26 March 2007.									
22.	<b>Shek Wai Kok Commercial Centre (Shek Wai Kok CC)</b>										
		130,255.21	578	13.39	8.01%	193.90	9.70%	193.60	193.7	6.91%	9.33%
	<b>Brief Description:</b>	Shek Wai Kok CC, completed in 1980, comprises a 4-storey commercial block (Shopping Centre 1), a 3-storey (including podium) car park block (Carpark Building A), a 5-storey car park block (Carpark Building B), various shop units on ground, 1st and 2nd floors of Shek Fong House, 1st and 2nd floors of Shek Ho House as well as various open car parks in Shek Wai Kok Estate. There are a total of 578 car parking spaces in Shek Wai Kok CC.									
	<b>Title Details:</b>	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
23.	<b>Choi Yuen Shopping Centre (Choi Yuen SC)</b>										
		120,392.04	536	38.73	7.16%	487.10	9.20%	503.10	497.8	7.78%	9.00%
	<b>Brief Description:</b>	Choi Yuen SC, completed in 1982, comprises a 6-storey (include a basement level) retail/carpark building (Commercial/Car Park Block), open car parks, associated areas and various shop units in Choi Chu House, Choi Yuk House, Choi Ping House and Choi Wah House (Integrated Commercial/Car Park Accommodation) in Choi Yuen Estate. There are a total of 536 car parking spaces in Choi Yuen SC.									
	<b>Title Details:</b>	The property is held by The Link Properties Limited. It comprises 34,746/286,392nd equal and undivided shares of and in Fanling Sheung Shui Town Lot No 230 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
24.	<b>Shan King Commercial Centre (Shan King CC)</b>										
		128,388.92	638	21.12	7.48%	286.30	9.80%	283.00	284.1	7.43%	9.36%
	<b>Brief Description:</b>	Shan King CC, completed in 1983, comprises a 5-storey Carpark/Commercial Block, a 4-storey Carpark/Community Complex, portions of the Integrated HA Accommodation on ground and second floors of King Wah House, ground floor cooked food stalls and open carparks within Shan King Estate. There are a total of 638 car parking spaces in Shan King CC.									
	<b>Title Details:</b>	The property is held by The Link Properties Limited. It comprises 41,369/477,867th equal and undivided shares of and in Tuen Mun Town Lot No 469 and is held under a Government Lease for a term of 50 years from 20 August 2004.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
25.	Tai Yuen Commercial Centre (Tai Yuen CC)	125,422.78	594	20.24	7.41%	327.40	9.50%	300.70	309.6	6.54%	8.72%
	Brief Description:	Tai Yuen CC, completed in 1980, comprises a 4-storey commercial building (Commercial Block A), a 3-storey (including basement) commercial building (Commercial Block B), a 4-storey Car Park Block, various commercial accommodations in Tai Wing House, Tai Man House and Tai Tak House, various associated areas, a pump room and various open car parks in Tai Yuen Estate. There are a total of 594 car parking spaces in Tai Yuen CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,718/353,530th equal and undivided shares of and in Tai Po Town Lot No 192 and is held under a Government Lease for a term of 50 years from 29 June 2007.									
26.	Tai Hing Commercial Centre (Tai Hing CC)	113,646.87	672	15.31	7.58%	251.30	9.60%	239.00	243.1	6.30%	8.99%
	Brief Description:	Tai Hing CC, completed in 1977, comprises a 2-storey commercial centre, a 2-storey restaurant building and various car parking spaces in Tai Hing Estate. The 2-storey commercial centre is intersected by Tai Fong Street and connected via a footbridge on 1st floor. There are a total of 672 car parking spaces in Tai Hing CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
27.	Lek Yuen Commercial Complex (Lek Yuen CC)	106,300.36	438	22.45	7.41%	369.90	9.40%	355.00	360.0	6.24%	8.84%
	Brief Description:	Lek Yuen CC, completed in 1976, comprises a 3-storey retail/carpark block (Commercial/Car Park Block), various retail units and premises on ground to second floors of Wing Shui House, Wah Fung House, Fu Yu House, Fook Hoi House and Kwai Wo House (Integrated Commercial/Car Park Accommodation) as well as open carparks in Lek Yuen Estate. There are a total of 438 car parking spaces in Lek Yuen CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 28,600/199,774th equal and undivided shares of and in Sha Tin Town Lot No 550 and is held under a Government Lease for a term of 50 years from 7 May 2007.									
28.	Sha Kok Commercial Centre (Sha Kok CC)	113,356.51	662	29.23	7.53%	356.70	9.60%	346.50	349.9	8.35%	9.10%
	Brief Description:	Sha Kok CC, completed in 1980, comprises a 4-storey retail/carpark building (Commercial Block), various shop units on ground floors of Sand Martin House and Osprey House (Integrated Commercial/Carpark Accommodation), several cooked food stalls and open car parks in Sha Kok Estate. There are a total of 662 car parking spaces in Sha Kok CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,438/340,309th equal and undivided shares of and in Sha Tin Town Lot No 552 and is held under a Government Lease for a term of 50 years from 3 July 2008.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
29.	Heng On Commercial Centre (Heng On CC)	112,528.02	585	33.28	7.60%	401.50	9.60%	396.40	398.1	8.36%	9.18%
	Brief Description:	Heng On CC, completed in 1987, comprises a 5-storey commercial/carpark building (Commercial/Car Park Block), all those Associated Areas and Lorry Parking Spaces along the Estate Roads in Heng On Estate. There are a total of 585 car parking spaces in Heng On CC.									
	Title Details:	The property is held by The Link Properties Limited. The Commercial/Carpark Block and Associated Areas comprise 39,206/40,831st equal and undivided shares of and in Section C of Sha Tin Town Lot No. 500. The Lorry Parking Spaces along Estate Roads comprise 812/247,314th equal and undivided shares of and in the Remaining Portion of Sha Tin Town Lot No. 500. They are held under a Government Lease for a term of 50 years from 8 April 1998.									
30.	Yu Chui Shopping Centre (Yu Chui SC)	112,945.59	1,175	28.75	7.49%	323.40	9.60%	315.90	318.4	9.03%	9.12%
	Brief Description:	Yu Chui SC, completed in 2001, comprises a 7-storey including mezzanine floor shopping centre (Commercial Complex), a 4-storey stand-alone ancillary facilities building (Carpark and Ancillary Facilities Block) and various open loading and unloading spaces in Yu Chui Court. There are a total of 1,175 car parking spaces provided in Yu Chui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 48,967/361,200th equal and undivided shares of and in Sha Tin Town Lot No 462 and is held under a Government Lease for a term of 50 years from 18 May 2001.									
31.	Kwai Shing East Shopping Centre (Kwai Shing East SC)	112,370.02	583	16.54	7.42%	270.70	9.60%	266.80	268.1	6.17%	9.17%
	Brief Description:	Kwai Shing East SC, completed in 1999, comprises a 5-storey commercial block (Shopping Centre), another 5-storey commercial block, a stand-alone single-storey retail block and a single-storey Carport underneath Shing Ka House in Kwai Shing East Estate. There are a total of 583 car parking spaces in Kwai Shing East SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
32.	Tsui Ping North Shopping Centre (Tsui Ping North SC)	109,759.49	421	21.29	7.45%	318.20	9.60%	298.10	304.8	6.98%	8.92%
	Brief Description:	Tsui Ping North SC, completed in 1990, comprises a 2-storey retail podium with extension and associated areas that is situated within various interlinked residential blocks (Commercial Complex), a 4-storey carpark building with associated areas and external walls (Car Park Block), various open car parking areas and portions of the Integrated HA Accommodation situated within M1 & M2 floors of Tsui Tsz House, Tsui Lau House, Tsui Pak House and Tsui Yue House, M1, M2 floors, roof & upper roof of Tsui On House and M1, M2 floors, podium, roof and upper roof of Tsui To House in Tsui Ping (North) Estate. There are a total of 421 car parking spaces in Tsui Ping North SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,542/345,220th equal and undivided shares of and in Kwun Tong Inland Lot No 754 and is held under a Government Lease for a term of 50 years from 24 January 2002.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
33.	Lok Wah Commercial Centre (Lok Wah CC)	108,840.17	650	15.28	7.29%	236.50	9.50%	218.90	224.8	6.80%	8.76%
	Brief Description:	Lok Wah CC, completed in 1985, comprises a 3-storey retail/carpark building (Commercial Complex), a 4-storey carpark building (Carpark Block), various open car parking spaces (Open Car Park) and various shop units on ground floors of Shun Wah House and Ning Wah House in Lok Wah (North) Estate. There are a total of 650 car parking spaces in Lok Wah CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
34.	Ho Man Tin Plaza (Ho Man Tin Plaza)	99,330.18	299	30.03	7.37%	455.00	9.60%	425.20	435.1	6.90%	8.91%
	Brief Description:	Ho Man Tin Plaza, completed in 2001, comprises a 4-storey commercial/carpark building and a 3-storey carpark block in Homantin Estate. There are a total of 299 car parking spaces in Ho Man Tin Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,411/57,202nd equal and undivided shares of and in Section A and 20,327/214,270th equal and undivided shares of and in the Remaining Portion of Kowloon Inland Lot No 11119 that is held under a Government Lease for a term of 50 years from 20 November 1998.									
35.	Yau Oi Commercial Centre (Yau Oi CC)	101,790.88	780	27.36	7.46%	337.50	9.60%	329.00	331.8	8.25%	9.76%
	Brief Description:	Yau Oi CC, completed in 1980, comprises a 3-storey commercial complex composing the Restaurant Block and portion of Oi Yung House, an annexed single storey commercial podium, a 6-storey (including Mezzanine Floor) carpark and market building, a 4-storey split-level carpark building, various cooked food stalls and open carparks within Yau Oi Estate. There are a total of 780 parking spaces in Yau Oi CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
36.	On Ting Commercial Complex (On Ting CC)	101,941.55	546	22.68	7.55%	301.10	9.60%	289.70	293.5	7.73%	9.05%
	Brief Description:	On Ting CC, completed in 1980, comprises a 3-storey commercial complex composing the Restaurant Block and portion of Ting Cheung House, an adjacent 3-storey new annex building, a 5-storey (including a Mezzanine Floor) carpark and market building including a Food Court and various open car parking spaces within On Ting Estate. There are a total of 546 car parking spaces in On Ting CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
37.	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)	99,910.27	—	58.39	7.25%	699.10	9.60%	658.00	671.7	8.69%	8.93%
	Brief Description:	Lei Yue Mun Plaza, completed in 2001, comprises a 4-storey retail podium underneath Blocks J, K and L of Yau Mei Court (Commercial Accommodation).									
	Title Details:	The property is held by The Link Properties Limited. It comprises 19,357/392,161st equal and undivided shares of and in New Kowloon Inland Lot No 6459 and is held under a Government Lease for a term of 50 years from 3 June 2005.									
38.	Po Lam Shopping Centre (Po Lam SC)	100,219.23	398	28.63	7.52%	337.00	9.60%	325.90	329.6	8.69%	9.08%
	Brief Description:	Po Lam SC, completed in 1989, comprises a 4-storey commercial building (Commercial Complex I), a 2-storey commercial building (Commercial Complex II), a 3-storey carpark building (Carpark Block), various open carparks, Integrated HA Accommodation in Po Ning House and Po Kan House as well as the electricity sub-station in Po Lam Estate. There are a total of 398 car parking spaces in Po Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 25,495/341,494th equal and undivided shares of and in Tseung Kwan O Town Lot No 88 and is held under a Government Lease for a term of 50 years from 19 October 2004.									
39.	Choi Ming Shopping Centre (Choi Ming SC)	100,137.53	765	60.79	7.07%	769.80	9.10%	770.70	770.4	7.89%	8.75%
	Brief Description:	Choi Ming SC comprises a 5-storey (including basement) commercial/carpark building (Commercial/Car Park Block), the ground floor of a 6-storey retail/car park building in Kin Ming Estate (Extension Block), an 8-storey carpark building and all those covered parking spaces on ground floor of Choi Ming Court. There are a total of 765 car parking spaces in Choi Ming SC. Choi Ming Court was completed in 2001 and the Extension Block in 2003.									
	Title Details:	Carport Building, Commercial/Carpark Block and Covered Parking Spaces of the property are held by The Link Properties Limited. It comprises 44,614/346,996th equal and undivided shares of and in Tseung Kwan O Town Lot No 82 and is held under a Government Lease for a term of 50 years from 4 May 2001.									

Ground Floor of Choi Ming Shopping Centre Extension of the Property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
40.	Siu Sai Wan Shopping Centre (Siu Sai Wan SC)	99,304.86	558	40.27	7.49%	513.20	9.50%	486.70	495.5	8.13%	8.92%
	Brief Description:	Siu Sai Wan SC, completed in 1989, comprises a 5-storey Shopping Centre interconnected with a 12-level Car Park Block, a 2-storey Car Park Block (i.e. Siu Sai Wan Estate Phase 3 Car Park), a post office (i.e. the Integrated Commercial Accommodation) on ground floor of Sui Yick House and various car parking spaces in Siu Sai Wan Estate. There are a total of 558 car parking spaces in Siu Sai Wan SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,606/418,894th equal and undivided shares of and in Chai Wan Inland Lot No 176 and is held under a Government Lease for a term of 50 years from 26 March 2007.									
41.	Lei Tung Commercial Centre (Lei Tung CC)	95,659.79	687	21.38	7.57%	284.40	9.50%	282.60	283.2	7.55%	9.11%
	Brief Description:	Lei Tung CC, completed in 1988, comprises a 4-storey retail building (Commercial Complex 1) and a 7-storey (including 3 split level basement carparks) retail/carpark building (Commercial Complex 2) interlinked by 2 footbridges across Lei Tung Estate Bus Terminus, a 4-level carpark/market building (Car Park/Market Block), a 3-level carpark/community hall building (Car Park/Community Hall Block), various ancillary units and car parking spaces on ground, second & third floors of Tung Hing House, ground floor of Tung Mau House, basement, ground & second floors of Tung Sing House, second to fourth floors of Tung On House (Portions of the Integrated HA Accommodation) and various associated areas within Commercial Complex 1, Car Park/Market Block and Car Park/Community Hall (Associated Areas to the Detached HA Accommodation) within Lei Tung Estate. There are a total of 687 car parking spaces in Lei Tung CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 45,424/451,716th equal and undivided shares of and in Ap Lei Chau Inland Lot No 133 and is held under a Government Lease for a term of 50 years from 20 December 2004.									
42.	Fu Shin Shopping Centre (Fu Shin SC)	98,468.84	525	25.18	7.65%	331.70	9.50%	317.60	322.3	7.81%	8.93%
	Brief Description:	Fu Shin SC, completed in 1986, comprises an 8-storey Commercial/Car Park Building, a single-storey Cooked Food Stalls, various associated areas and open car parking spaces in Fu Shin Estate. There are a total of 525 car parking spaces in Fu Shin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 33,761/330,620th equal and undivided shares of and in Tai Po Town Lot No 189 and is held under a Government Lease for a term of 50 years from 14 October 2005.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
43.	Fu Tung Shopping Centre (Fu Tung SC)	101,429.13	537	34.83	7.46%	443.10	9.70%	429.80	434.2	8.02%	9.19%
	Brief Description:	Fu Tung SC, completed in 1997, comprises a 4-storey retail/car park building (Commercial/Car Park Block), a 3-storey carpark building (Carpark Block) and various open car parking spaces (Open Car Parks) and associated areas in Fu Tung Estate. There are a total of 537 car parking spaces in Fu Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 44,218/209,377th equal and undivided shares of and in Tung Chung Town Lot No 40 and is held under a Government Lease for a term of 50 years from 30 April 2008.									
44.	Hin Keng Shopping Centre (Hin Keng SC)	95,751.46	636	28.65	7.58%	350.20	9.60%	344.90	346.7	8.26%	9.16%
	Brief Description:	Hin Keng SC, completed in 1987, comprises a 6-storey retail/carpark building with basement floor (Commercial/Car Park Complex), open car parks, several cooked food stalls and HA Roads in Hin Keng Estate. There are a total of 636 car parking spaces in Hin Keng SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 37,320/396,392nd equal and undivided shares of and in Sha Tin Town Lot No 503 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
45.	Stanley Plaza (Stanley Plaza)	94,600.51	426	35.34	7.31%	641.00	9.40%	599.00	613.0	5.77%	8.74%
	Brief Description:	Stanley Plaza, completed in phases between 1999 and 2000, consist of three portions. Portion 1, Stanley Plaza, comprises a 6-storey retail/carpark building (Commercial/Car Park Block), a 3-storey retail building (Murray House) and three single-storey shop stalls/kiosks erected at the Village Square together with the open venue thereof. Portion 2 comprises various open car parking spaces near Lung Tak Court within Ma Hang Estate. Portion 3 comprises two shop units on ground floor of Leung Ma House and the 2-storey basement carpark building (Basement Carpark Block) situated adjacent to Leung Ma House of Ma Hang Estate. There are a total of 426 car parking spaces in Stanley Plaza.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
46.	Long Ping Commercial Centre (Long Ping CC)	94,408.97	564	15.70	7.70%	220.10	9.60%	217.10	218.1	7.20%	9.17%
	Brief Description:	Long Ping CC, completed in 1987, comprises a 6-storey (including a Mezzanine Floor) commercial/car park block, a 2-storey carpark/community centre block and several retail units at Yuk Ping House, Shek Ping House and Kang Ping House in Long Ping estate. There are a total of 564 car parking spaces in Long Ping CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,958/498,969th equal and undivided shares of and in Yuen Long Town Lot No 521 and is held under a Government Lease for a term of 50 years from 15 March 2006.									
47.	Tak Tin Shopping Centre (Tak Tin SC)	80,246.73	754	31.96	7.63%	428.00	9.60%	427.00	427.0	7.48%	9.21%
	Brief Description:	Tak Tin SC, completed in 1991, comprises a 4-storey commercial building ("Commercial Block"), a 7-storey (14 split-level) carpark building ("Car Park Block A"), a 6-storey including roof carpark building ("Car Park Block B"), open car parking spaces near Tak Lok House ("Car Park C") and next to Commercial Block ("Car Park D") and a single-storey car park podium ("Car Park Block E") located underneath the residential block of Tak Hong House and various shop units on 2nd Floor of Tak King House in Tak Tin Estate. There are a total of 754 car parking spaces in Tak Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 25,782/308,756th equal and undivided shares of and in New Kowloon Inland Lot No 6326 and is held under a Government Lease for a term of 50 years commencing from 18 March 1999.									
48.	Tsui Lam Shopping Centre (Tsui Lam SC)	89,335.42	711	15.28	8.03%	229.80	10.00%	214.40	219.5	6.96%	9.28%
	Brief Description:	Tsui Lam SC, completed in 1989, comprises portions of the Detached HA Accommodation, which includes a 6-storey commercial/car park block (excluding the canteen and bus regulator on ground floor), two cooked food stalls, a 2-storey car park block, oil tank and all those portions of the Integrated HA Accommodation on ground floor, 2nd floor and 3rd floor of Pik Lam House and Sau Lam House in Tsui Lam Estate. There are a total of 711 car parking spaces in Tsui Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 35,166/319,299th equal and undivided shares of and in Tseung Kwan O Town Lot No 96 and is held under a Government Lease for a term of 50 years from 15 February 2006.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
49.	Mei Lam Commercial Centre (Mei Lam CC)	86,834.28	375	16.42	7.53%	222.50	9.60%	209.80	214.0	7.67%	8.95%
	Brief Description:	Mei Lam CC, completed in 1981, comprises a 3-storey retail building (Commercial Complex), an adjoining 4-storey carpark building (Multi-Storey Car Park), various retail units on ground floor of Mei Fung House (Portions of the Integrated HA Accommodation), cooked food stalls and open carparks in Mei Lam Estate. There are a total of 375 car parking spaces in Mei Lam CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
50.	Tin Yiu Shopping Centre (Tin Yiu SC)	99,371.75	480	45.32	7.50%	599.30	9.60%	591.90	594.4	7.62%	9.17%
	Brief Description:	Tin Yiu SC, completed in 1992, comprises a 4-storey commercial/carpark building (Commercial/Car Park Block), open parking spaces and associates areas in Tin Yiu Estate. There are a total of 480 car parking spaces in Tin Yiu SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,581/574,611th equal and undivided shares of and in Tin Shui Wai Town Lot No 38 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
51.	Shun On Commercial Centre (Shun On CC)	87,211.02	459	4.75	8.14%	76.90	10.00%	75.40	75.9	6.26%	9.53%
	Brief Description:	Shun On CC, completed in 1978, comprises a 2-storey retail/4-storey carpark building (Commercial/Car Park Block), various open car parking areas (Open Car Parking Areas) and various shop units on ground and first floors of On Chak House and On Kwan House in Shun On Estate. There are a total of 459 car parking spaces in Shun On CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,130/179,429th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6472 and is held under a Government Lease for a term of 50 years from 28 July 2008.									
52.	Shek Lei Shopping Centre Phase II (Shek Lei SC Phase II)	84,380.83	179	20.68	7.48%	258.50	9.80%	243.30	248.4	8.33%	9.13%
	Brief Description:	Shek Lei SC Phase II, completed in 1999, comprises a 6-storey commercial/carpark building (Commercial/Car Park Block) in Shek Lei Estate. There are a total of 179 car parking spaces in Shek Lei SC Phase II.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
53.	Po Tat Shopping Centre (Po Tat SC)	84,440.58	1,083	31.42	7.56%	366.40	9.80%	348.40	354.4	8.87%	9.18%
	Brief Description:	Po Tat SC, completed in 2002, comprises a 6-storey retail/carpark building (Commercial Centre), a 3-storey carpark podium underneath Blocks A to C (Carpark Podium I) and a 3-storey carpark podium underneath Blocks D to F (Carpark Podium II) in Po Tat Estate. There are a total of 1,083 car parking spaces in Po Tat SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
54.	Chung On Shopping Centre (Chung On SC)	85,460.33	995	35.86	7.79%	409.40	9.80%	394.80	399.7	8.97%	9.25%
	Brief Description:	Chung On SC, completed in 1996, comprises a 6-storey (including roof) Commercial/Car Park Block with associated areas, covered parking spaces on ground floor of Chung Ping House (namely the Integrated Commercial/Carpark Accommodation) and all the open car parks in Chung On Estate. There are a total of 995 car parking spaces in Chung On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,385/223,886th equal and undivided shares of and in Sha Tin Town Lot No 544 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
55.	Oi Tung Shopping Centre (Oi Tung SC)	81,936.28	634	28.56	7.37%	372.90	9.30%	359.70	364.1	7.84%	8.77%
	Brief Description:	Oi Tung SC, completed in 2000, comprises a 3-storey retail building (Commercial Centre), a 6-storey car parking podium accommodating various welfare units and carparking spaces within Oi Sin House (Multi-storey Commercial/Car Park Accommodation and the Integrated Commercial/Car Park Accommodation) and various associated areas (Associated Areas) in Oi Tung Estate. There are a total of 634 car parking spaces in Oi Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,910/194,191st equal and undivided shares of and in Shau Kei Wan Inland Lot No 849 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
56.	Kwong Yuen Shopping Centre (Kwong Yuen SC)	81,386.42	736	29.39	7.77%	344.40	10.00%	322.50	329.8	8.91%	9.30%
	Brief Description:	Kwong Yuen SC, completed in 1991, comprises five 2-storey to 3-storey retail buildings (Commercial Complex — Commercial Block Nos 1-5) with Associated Area, two separate 5-storey and 6-storey carpark buildings (Car Park Block Nos 1 & 2) with Associated Area and open car parks in Kwong Yuen Estate. There are a total of 736 car parking spaces in Kwong Yuen SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 29,929/279,026th equal and undivided shares of and in Sha Tin Town Lot No 506 and is held under a Government Lease for a term of 50 years from 8 February 2001.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
57.	Wan Tsui Commercial Complex (Wan Tsui CC)	80,736.33	359	10.59	7.35%	193.40	9.50%	185.90	188.4	5.62%	8.95%
Brief Description:	Wan Tsui CC, completed in 1979, comprises a 5-storey retail building (Commercial Block), a single-storey carpark building adjacent to Hei Tsui House (Car Park Block), a 2-storey (including a basement) market/carpark building (Market/Carpark Block), a 2-storey carpark podium beneath Chak Tsui House (Carpark Podium), various shop units on ground floor of Yee Tsui House and Shing Tsui House, a Government clinic on ground floor of Lee Tsui House and various open car parking spaces along the estate roads (Open Car Parks) within Wan Tsui Estate. There are a total of 359 car parking spaces within Wan Tsui CC.										
Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.										
58.	Tin Shing Shopping Centre (Tin Shing SC)	80,871.83	1,458	35.78	7.54%	453.80	9.60%	437.20	442.7	8.08%	9.06%
Brief Description:	Tin Shing SC, completed in 2000, comprises an 8-storey commercial/carpark building (Ting Shing Commercial Centre), a 2-storey kindergarten and day nursery (Ancillary Facilities Block) in Tin Shing Estate. There are a total of 1,458 car parking spaces in Tin Shing SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,480/357,800th equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No 17 that is held under a Government Lease for a term of 50 years from 28 November 1997.										
59.	Fung Tak Shopping Centre (Fung Tak SC)	80,927.17	487	24.06	7.62%	319.10	9.60%	311.50	314.0	7.66%	9.12%
Brief Description:	Fung Tak SC, completed in 1991, comprises a 4-storey commercial building (Commercial Centre), various shop units at Ban Fung House and Ngan Fung House and a 6-storey car park building in Fung Tak Estate. There are a total of 487 car parking spaces in Fung Tak SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A and C and 1,070/202,138th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6318 that is held under a Government Lease for a term of 50 years from 8 April 1998.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
60.	Tai Wo Hau Commercial Centre (Tai Wo Hau CC)	79,143.92	609	17.02	8.10%	232.30	10.00%	216.40	221.7	7.68%	9.28%
	Brief Description:	Tai Wo Hau CC, completed in two phases in 1984 and 1993, comprises a 4-storey commercial block/carpark block (Commercial/Car Park Block), a single-storey commercial block (Commercial Block), a 4-storey carpark (Car park Block), carparks on Levels 1 and 2 of the Multi-storey Car Park (Multi-storey Car Park Accommodation), units on various floors of Fu On House, Fu Man House, Fu Pong House, Fu Pik House, Fu Tak House and the Indoor Recreation Centre (Integrated Commercial/Car Park Accommodation), various open carparks and associated areas in Tai Wo Hau Estate. There are a total of 609 car parking spaces in Tai Wo Hau CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,793/475,099th equal undivided shares of and in The Remaining Portion of Kwai Chung Town Lot No 503 and is held under a Government Lease for a term of 50 years from 29 December 2008.									
61.	Lei Cheng Uk Shopping Centre (Lei Cheng Uk SC)	78,534.75	461	10.59	7.94%	157.40	9.70%	150.20	152.6	6.94%	9.46%
	Brief Description:	Lei Cheng Uk SC, completed in 1984, comprises a 4-storey commercial/carpark podium (Commercial/Car Park Areas), a single-storey carpark building near Lai Yeung House (Car Park Block), various open car parking spaces (Open Car Parks) and various shop units at Yan Oi House and Chung Hou House within Lei Cheng Uk Estate. There are a total of 461 car parking spaces in Lei Cheng Uk SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,862/264,258th equal and undivided shares of and in New Kowloon Inland Lot No 6416 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
62.	Hing Wah Shopping Centre (Hing Wah SC)	77,568.66	268	19.05	7.49%	234.90	9.70%	225.50	228.6	8.33%	9.16%
	Brief Description:	Hing Wah SC, completed in 2000, comprises a 2-storey Commercial Centre, a 9-storey Car Park Block, the Integrated Commercial/Car Park Accommodation on ground floor (Podium Level) of May Wah House and Associated Areas in Hing Wah Estate. There are a total of 268 car parking spaces in Hing Wah SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,675/160,197th equal and undivided shares of and in Chai Wan Inland Lot No 177 and is held under a Government Lease for a term of 50 years from 28 February 2007.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Initial Yield	Analysis Indicated IRR
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)		
63.	Lai Kok Shopping Centre (Lai Kok SC)	81,139.09	140	6.58	7.52%	122.60	9.70%	116.80	118.7	5.54%	9.11%
	Brief Description:	Lai Kok SC, completed in 1981, comprises a 3-storey commercial building, a single storey wet market, a 3-storey carpark building, various ground level shop units opposite to Lai Ho House, and various shop units on ground floor of Lai Huen House, Lai Lan House and Lai Mei House in Lai Kok Estate. There are a total of 140 car parking spaces in Lai Kok SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
64.	Kai Yip Commercial Centre (Kai Yip CC)	76,536.36	383	14.62	7.43%	199.70	9.60%	190.50	193.6	7.55%	9.00%
	Brief Description:	Kai Yip CC, completed in 1981, comprises a 4-storey retail/carpark building (Commercial Centre), open car parking areas, various cooked food stalls and various shop units in Kai Yip Community Hall as well as ground floor of Kai Yin House and Kai Lok House in Kai Yip Estate. There are a total of 383 car parking spaces in Kai Yip CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,955/211,867th equal and undivided shares of and in New Kowloon Inland Lot No 6466 and is held under a Government Lease for a term of 50 years from 3 July 2008.									
65.	Shek Yam Shopping Centre (Shek Yam SC)	75,683.40	424	13.76	7.37%	243.60	9.60%	241.70	242.3	5.68%	9.20%
	Brief Description:	Shek Yam SC, completed in 2000, comprises a 7-storey commercial building in Shek Yam Estate. There are a total of 424 car parking spaces therein.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
66.	Sam Shing Commercial Centre (Sam Shing CC)	75,743.63	176	5.74	7.93%	86.10	10.00%	80.50	82.4	6.97%	9.29%
	Brief Description:	Sam Shing CC, completed in 1980, comprises a 3-storey commercial/carpark building (Commercial Complex), an annexed single storey market building (Market), cooked food stalls, shop stalls, open parking spaces, portions of ground floor of Block 1 (Chun Yu House), Block 2 (Moon Yu House) and portions of ground and first floors of Block 3 (Fung Yu House) of Sam Shing Estate. There are a total of 176 parking spaces in Sam Shing CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
67.	Tin Shui Shopping Centre (Tin Shui SC)	74,975.02	577	32.73	7.45%	383.30	9.60%	374.00	377.1	8.68%	9.12%
	Brief Description:	Tin Shui SC, completed in 1992, comprises a 2-storey commercial block, a 4-storey commercial/car park block (connected internally and together known as Commercial/Car Park Block), various open parking spaces and associated areas in Tin Shui Estate. There are a total of 577 car parking spaces in Tin Shui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,646/599,404th equal and undivided shares of and in Tin Shui Wai Town Lot No 39 and is held under a Government Lease for a term of 50 years from 5 September 2007.									
68.	Kwong Fuk Commercial Centre (Kwong Fuk CC)	69,770.81	461	21.08	7.72%	263.50	9.70%	255.20	258.0	8.17%	9.17%
	Brief Description:	Kwong Fuk CC, completed in 1983, comprises a 3-storey Commercial Complex erected over a 2-storey Carpark and Market Complex, various ground floor shops at Kwong Yan House, all the cooked food stalls and open carparks within Kwong Fuk Estate. There are a total of 461 parking spaces in Kwong Fuk CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
69.	Lung Hang Commercial Centre (Lung Hang CC)	69,715.59	440	23.52	7.54%	293.10	9.60%	278.50	283.4	8.30%	8.99%
	Brief Description:	Lung Hang CC, completed in 1983, comprises a 3-storey retail/carpark building (Commercial Complex), a single storey market building (Market), a single storey carpark building (Car Park Block), various retail units on ground floor of Wing Sam House (Portions of the Integrated HA Accommodation), cooked food stalls and open carparks in Lung Hang Estate. There are a total of 440 car parking spaces in Lung Hang CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
70.	Sun Chui Shopping Centre (Sun Chui SC)	68,696.89	620	21.88	7.48%	271.30	9.60%	257.70	262.2	8.34%	8.98%
	Brief Description:	Sun Chui SC, completed in 1983, comprises a 3-storey retail building (Commercial Centre), a single storey market building (Market), a separate 3-storey carpark building (Car Park 1), two separate single storey carpark buildings (Car Park 2 & 3), an office premises on ground floor of Sun Yee House (Portions of the Integrated HA Accommodation), several cooked food stalls and open carparks in Sun Chui Estate. There are a total of 620 car parking spaces in Sun Chui SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
71.	Wah Ming Shopping Centre (Wah Ming SC)	67,038.16	295	20.62	7.83%	245.50	9.80%	241.80	243.0	8.49%	9.36%
	Brief Description:	Wah Ming SC, completed in 1990, comprises two 3-storey retail/carpark blocks (Commercial/Car Park Blocks) that are interlinked by a footbridge on second floor, and portions of the parking areas within Wah Ming Estate. There are a total of 295 car parking spaces in Wah Ming SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,726/324,858th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 204 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
72.	Cheung Wah Shopping Centre (Cheung Wah SC)	67,180.04	353	12.60	7.64%	180.00	9.70%	172.20	174.8	7.21%	9.11%
	Brief Description:	Cheung Wah SC, completed in 1984, comprises a 4-storey retail building (Commercial Centre), an adjoining 3-storey market building (Market) and a 2-storey carpark building (Car Park 2) with cooked food stalls on the roof. The property also includes a 4-storey carpark building (Car Park 1), open car parking spaces and various shop units located on ground floors of Cheung Chung House and Cheung Lai House in Cheung Wah Estate. There are a total of 353 car parking spaces in Cheung Wah SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,310/299,811th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 226 and is held under a Government Lease for a term of 50 years from 16 June 2004.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
73.	Fu Cheong Shopping Centre (Fu Cheong SC)	66,263.25	547	7.79	7.48%	171.00	9.60%	169.80	170.2	4.58%	9.19%
	Brief Description:	Fu Cheong SC, completed in 2002, comprises a 3-storey commercial podium (Multi-storey Commercial Accommodation and Integrated Commercial/Carpark Accommodation, Fu Yun House (Ancillary Facilities Block)) beneath Fu Yun House and a 4-storey carpark podium (Multi-storey Carpark Accommodation) beneath Fu Hoi House and Fu Yee House of Fu Cheong Estate. There are a total of 547 car parking spaces in Fu Cheong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,469/355,647th equal and undivided shares of and in New Kowloon Inland Lot No 6437 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
74.	Yiu Tung Shopping Centre (Yiu Tung SC)	66,736.78	685	9.14	8.17%	131.80	10.00%	127.50	128.9	7.09%	9.47%
	Brief Description:	Yiu Tung SC, completed in 1994, comprises a 3-storey retail building (Commercial Centre), a 2-storey carpark building (Car Park No 1) and an 8-storey carpark building (Car Park No 2) in Yiu Tung Estate. Escalators and footbridges in Yiu Tung Estate provide direct access to the bottom of Yiu Hing Road and Nam Hong Street. There are a total of 685 car parking spaces in Yiu Tung SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
75.	Po Tin Shopping Centre (Po Tin SC)	64,390.40	62	10.73	7.59%	142.50	10.00%	138.10	139.6	7.69%	9.47%
	Brief Description:	Po Tin SC, completed in 2000, comprises a 4-storey commercial building and various open parking spaces in Po Tin Estate. There are a total of 62 parking spaces within Po Tin SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
76.	Sui Wo Court Commercial Centre (Sui Wo Court CC)	63,180.42	980	12.83	7.95%	162.90	10.30%	157.20	159.1	8.06%	9.74%
Brief Description:	Sui Wo Court CC, completed in 1980, comprises a 2-storey retail/carpark building with basement floor (Commercial/Car Park Block), two separate 3-storey carpark buildings (Multi-Storey Car Parks A and C), a freestanding 6-storey carpark building (Multi-Storey Car Park B), open car parks and associated areas in Sui Wo Court. There are total of 980 car parking spaces in Sui Wo Court CC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 26,994/32,808th equal and undivided shares of and in Section A of Sha Tin Town Lot No 43 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										
77.	Fu Tai Shopping Centre (Fu Tai SC)	64,416.29	635	22.48	7.37%	293.80	9.60%	281.00	285.3	7.88%	9.02%
Brief Description:	Fu Tai SC, completed in 2000, comprises a 3-storey commercial building, a 6-storey annexed car park building, various open car parking spaces and associated areas in Fu Tai Estate. There are a total of 635 car parking spaces in Fu Tai SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 38,769/382,833rd equal and undivided shares of and in Tuen Mun Town Lot No 418 and is held under a Government Lease for a term of 50 years from 12 March 2001.										
78.	Retail and Carpark within Shun Tin Estate (Shun Tin Retail & Carpark)	63,449.54	581	12.91	7.94%	166.80	10.00%	155.00	158.9	8.12%	9.26%
Brief Description:	Shun Tin Retail & Carpark, completed in 1981, comprises a 4-storey carpark building (Garage A), a 3-storey carpark building (Garage B), a single storey market building (Market), various open car parking spaces within Shun Tin Estate, various cooked food stalls and shop units located at Tin Wing House, Tin Yiu House, Tin Kei House and Tin Kuen House in Shun Tin Estate. There are a total of 581 car parking spaces in Shun Tin Retail & Carpark.										
Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
79.	Chun Shek Shopping Centre (Chun Shek SC)	61,796.34	583	8.71	7.84%	117.50	9.80%	117.60	117.6	7.41%	9.43%
	Brief Description:	Chun Shek SC, completed in 1984, comprises a 4-storey retail building (Commercial Complex), an adjoining 4-storey carpark building (Carpark Block 1), a free-standing 2-storey carpark building (Carpark Block 2), open car parks and various shop units on ground floor of Shek Jing House (Portions of the Integrated HA Accommodation) in Chun Shek Estate. There are a total of 583 car parking spaces in Chun Shek SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
80.	Cheung Hang Shopping Centre (Cheung Hang SC)	61,408.92	327	10.94	7.91%	157.60	10.00%	153.60	154.9	7.06%	9.51%
	Brief Description:	Cheung Hang SC, completed in 1990, comprises a 5-storey commercial centre and a 5-storey carpark building in Cheung Hang Estate. There are a total of 327 car parking spaces in Cheung Hang SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
81.	Kwong Tin Shopping Centre (Kwong Tin SC)	58,269.46	53	10.23	7.61%	154.20	10.00%	142.50	146.4	6.99%	9.22%
	Brief Description:	Kwong Tin SC, completed in 1993, comprises a 3-storey commercial/carpark block and associated areas in Kwong Tin Estate. There are a total of 53 car parking spaces in Kwong Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,957/162,870th equal and undivided shares of and in New Kowloon Inland Lot No 6445 and is held under a Government Lease for a term of 50 years commencing from 14 October 2005.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
82.	Tin Ping Shopping Centre (Tin Ping SC)	59,014.66	471	14.34	8.01%	193.00	10.00%	184.20	187.1	7.66%	9.39%
	Brief Description:	Tin Ping SC, completed in 1989, comprises a 6-storey (including lower ground floor) retail/carpark building (Commercial/Car Park Block), a single-storey Cooked Food Centre (currently occupied as a fast food restaurant), various open car parking spaces (Open Car Parks) and various shop units/storerooms on ground floors of Tin Hor House, Tin Ming House and Tin Mei House (Portions of the Integrated HA Accommodation) in Tin Ping Estate. There are a total of 471 car parking spaces in Tin Ping SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,852/353,579th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 208 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
83.	Yung Shing Shopping Centre (Yung Shing SC)	58,594.88	283	17.19	7.71%	208.50	9.60%	211.30	210.4	8.17%	9.31%
	Brief Description:	Yung Shing SC, completed in 1999, comprises a 3-storey retail building and the carpark podium of the adjoining 7-storey ancillary facilities block (Portions of the Composite Block) in Yung Shing Estate. There are a total of 283 car parking spaces in Yung Shing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,641/161,475th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 207 and is held under a Government Lease for a term of 50 years from 16 July 1999.									
84.	Kwai Fong Shopping Centre (Kwai Fong SC)	63,679.52	483	16.95	7.80%	262.70	9.90%	252.70	256.0	6.62%	9.34%
	Brief Description:	Kwai Fong SC, completed by phases in 1995 and 2000, comprises a 2-storey commercial block (Shopping Centre), a 2-storey commercial podium underneath Kwai Oi House (Kwai Oi House Shopping Centre), various shop units on ground floor of Kwai Kin House, a 6-level car park block (Multi-storey Carport), an 8-Level car park block (Carport Building) and various open car parks in Kwai Fong Estate. There are a total of 483 car parking spaces in Kwai Fong SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
85.	King Lam Shopping Centre (King Lam SC)	57,609.77	418	16.64	7.84%	209.10	9.80%	207.00	207.7	8.01%	9.42%
	Brief Description:	King Lam SC, completed in 1990, comprises a 4-storey commercial/car park building, various shop units on ground floor of King Chung House and King Lui House and various open car parks in King Lam Estate. There are a total of 418 car parking spaces in King Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 18,412/278,433rd equal and undivided shares of and in Tseung Kwan O Town Lot No 83 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
86.	Ka Fuk Shopping Centre (Ka Fuk SC)	57,061.82	312	14.63	7.78%	157.60	10.00%	163.40	161.5	9.06%	9.81%
	Brief Description:	Ka Fuk SC, completed in 1995, comprises a 5-storey retail/carpark building and an adjoining 2-storey retail building that are interlinked on first floor via a footbridge (Commercial Centre) and various open car parks in Ka Fuk Estate. There are a total of 312 car parking spaces in Ka Fuk SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,652/153,283rd equal and undivided shares of and in Fanling Sheung Shui Town Lot No 234 and is held under a Government Lease for a term of 50 years from 30 April 2008.									
87.	Hing Tung Shopping Centre (Hing Tung SC)	56,554.10	420	11.59	8.06%	158.10	10.00%	154.50	155.7	7.44%	9.53%
	Brief Description:	Hing Tung SC, completed in 1995, comprises a 7-storey commercial/carpark building (Commercial/Carpark Block) and a shop unit at the 2-storey stand-alone lift tower (i.e. Lift Tower No 1 that is linked to the Commercial/Carpark Block by a footbridge across Yiu Hing Road) in Hing Tung Estate. There are a total of 420 car parking spaces in Hing Tung SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
88.	Fu Heng Shopping Centre (Fu Heng SC)	56,602.93	517	23.63	7.62%	292.00	9.60%	285.00	287.3	8.22%	9.14%
	Brief Description:	Fu Heng SC, completed in 1990, comprises a 3-storey (including a Semi-Basement) Commercial/Car Park Building with a 2-storey Carpark/Indoor Recreational Centre annexed thereto (i.e. Multi-purpose Complex), a 3-storey Car Park Block and various open car parking spaces along the estate road of Fu Heng Estate. The Indoor Recreational Centre does not form part of the Fu Heng SC. There are a total of 517 car parking spaces in Fu Heng SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,900/358,013th equal and undivided shares of and in Tai Po Town Lot No 178 and is held under a Government Lease for a term of 50 years from 10 February 2000.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
89.	Sun Tin Wai Commercial Centre (Sun Tin Wai CC)	55,333.41	320	5.14	7.93%	96.90	9.70%	89.00	91.6	5.61%	8.93%
	Brief Description:	Sun Tin Wai CC, completed in 1981, comprises a 6-storey retail/carpark building (Sun Tin Wai Commercial Centre), open car parks and various isolated cooked food stalls in Sun Tai Wai Estate. There are a total of 320 car parking spaces in Sun Tin Wai CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,891/213,346th equal and undivided shares of and in Sha Tin Town Lot No 551 and is held under a Government Lease for a term of 50 years from 26 February 2008.									
90.	Yiu On Shopping Centre (Yiu On SC)	52,989.13	547	20.21	7.89%	229.20	10.00%	221.40	224.0	9.02%	9.46%
	Brief Description:	Yiu On SC, completed in 1989, comprises a 7-storey multi-purpose complex with retail shops, market and parking spaces therein and various open car parking spaces adjacent to the complex in Yiu On Estate. There are a total of 547 parking spaces in Yiu On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,616/306,501st equal and undivided shares of and in Sha Tin Town Lot No 505 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
91.	Lee On Shopping Centre (Lee On SC)	49,808.53	390	17.77	7.74%	215.30	9.80%	203.90	207.7	8.56%	9.16%
	Brief Description:	Lee On SC, completed in 1993, comprises a 4-storey commercial centre with retail, market and car parking spaces therein, associated areas under estate road and various open car parking spaces scattered over Lee On Estate. There are a total of 390 car parking spaces in Lee On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,025/258,612th equal and undivided shares of and in Sha Tin Lot No 553 and is held under a Government Lease for a term of 50 years from 26 February 2008.									
92.	Retail and Carpark within Ap Lei Chau Estate (Ap Lei Chau Retail & Carpark)	48,324.48	325	18.14	7.83%	210.50	9.80%	205.80	207.4	8.75%	9.31%
	Brief Description:	Ap Lei Chau Retail & Carpark, completed in 1980, comprises a 6-storey retail/carpark building (Commercial/Carpark Block), a 2-storey market/office building (Market/Office Block), various shop units located on ground floor of Lei Chak House, Lei Fook House, Lei Moon House, Lei Ning House, Lee Tim House and Lei Yee House and various open car parking spaces scattered within Ap Lei Chau Estate. There are a total of 325 car parking spaces in Ap Lei Chau Retail & Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
93.	Wan Tau Tong Shopping Centre (Wan Tau Tong SC)	48,106.97	438	15.90	7.77%	196.40	10.00%	182.10	186.9	8.51%	9.25%
	Brief Description:	Wan Tau Tong SC, completed in 1991, comprises a 2-storey Commercial Centre, a 4-storey Carpark Building, a shop unit on ground floor of Wan Loi House and various open carparks in Wan Tau Tong Estate. There are a total of 438 car parking spaces in Wan Tau Tong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A, E, F and 135/104,741st equal and undivided shares of and in the Remaining Portion of Tai Po Town Lot No 172 that is held under a Government Lease for a term of 50 years from 8 April 1998.									
94.	Un Chau Shopping Centre (Un Chau SC)	50,569.23	213	18.07	7.21%	198.50	9.60%	196.20	197.0	9.17%	9.18%
	Brief Description:	Un Chau SC, completed in 1999, comprises a 2-storey retail building (Commercial Podium), a single-storey carpark podium under Un Hong House (Carpark Podium) and a 2-storey carpark building (Carpark Block) in Un Chau Estate. There are a total of 213 car parking spaces in Un Chau SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
95.	Kam Tai Shopping Centre (Kam Tai SC)	46,220.65	758	16.76	7.73%	194.20	9.60%	189.60	191.1	8.77%	9.12%
	Brief Description:	Kam Tai SC, completed in 2001, comprises a 7-storey commercial/carpark block in Kam Tai Court. There are a total of 758 car parking spaces therein.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,347/32,708th equal and undivided shares of and in Section A of Sha Tin Town Lot No 447 and is held under a Government Lease for a term of 50 years from 29 June 1998.									
96.	Tsing Yi Commercial Complex (Tsing Yi CC)	45,509.80	344	7.38	8.39%	105.60	9.80%	108.00	107.2	6.88%	9.55%
	Brief Description:	Tsing Yi CC, completed in 1986, comprises a 4-storey Commercial Complex, a 4-storey carpark building (Car Park Block 1), a 3-storey carpark building (Car Park Block 2), HA parking area, open car parks and associated areas in Tsing Yi Estate. There are a total of 344 car parking spaces in Tsing Yi CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,014/222,251st equal and undivided shares of and in Tsing Yi Town Lot No 167 and is held under a Government Lease for a term of 50 years from 8 February 2001.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
97.	Wah Kwai Shopping Centre (Wah Kwai SC)	43,084.00	413	15.25	7.94%	175.30	9.80%	168.50	170.8	8.93%	9.24%
	Brief Description:	Wah Kwai SC, completed in 1991, comprises a 4-storey (including 2 basement levels) commercial/carpark building (Commercial/Car Park Block with Associated Areas therein) and Integrated Commercial/Car Park Accommodation, Clinics 1 and 2 on ground floor of Wah Oi House (Block 6) and portion of Store Room (For Commercial Use) on ground floor of Wah Lim House (Block 3) in Wah Kwai Estate. There are a total of 413 car parking spaces in Wah Kwai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,518/23,148th equal and undivided shares of and in Section A of Aberdeen Inland Lot No 443 and the Extension thereto and is held under a Government Lease for a term of 50 years from 8 April 1998. It also comprises 681/144,409th equal and undivided shares of and in the Remaining Portion of Aberdeen Inland Lot No 443 and is held under a Government Lease for a term of 50 years from 8 April 1998.									
98.	On Yam Shopping Centre (On Yam SC)	40,694.05	347	11.68	8.30%	144.70	10.00%	141.40	142.5	8.20%	9.52%
	Brief Description:	On Yam SC, completed in 1994, comprises a 7-storey (excluding cockloft) commercial/carpark block, various open car parks and Associated Areas in On Yam Estate. There are a total of 347 car parking spaces in On Yam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,323/369,270th equal and undivided shares of and in Kwai Chung Town Lot No 497 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
99.	Tin Ma Court Commercial Centre (Tin Ma Court CC)	39,324.64	585	5.26	8.01%	93.90	9.70%	93.30	93.5	5.63%	9.30%
	Brief Description:	Tin Ma Court CC, completed in 1986, comprises a 3-storey commercial centre (Commercial Centre) and an adjoining 5-storey carpark building (Carpark Block) in Tin Ma Court. There are a total of 585 car parking spaces in Tin Ma Court CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5994 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
100.	Shek Lei Shopping Centre Phase I (Shek Lei SC Phase I)	39,450.04	459	12.38	7.90%	156.40	9.80%	153.00	154.1	8.03%	9.34%
	Brief Description:	Shek Lei SC Phase I, completed in 1993, comprises a 4-storey commercial/carpark building (Commercial/Car Park Block), a 2-storey carpark building, various shop units on ground floors of Shek Ning House and Shek Sau House, as well as various open parking spaces in Shek Lei Estate. There are a total of 459 car parking spaces in Shek Lei SC Phase 1.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
101.	Ming Tak Shopping Centre (Ming Tak SC)	38,937.97	383	10.77	7.85%	139.80	9.60%	142.90	141.9	7.59%	9.34%
	Brief Description:	Ming Tak SC, completed in 1999, comprises a 4-storey commercial/carpark block in Ming Tak Estate. There are a total of 383 car parking spaces in Ming Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,354/108,489th equal and undivided shares of and in Tseung Kwan O Town Lot No 108 and is held under a Government Lease for a term of 50 years from 28 July 2008.									
102.	Kin Sang Shopping Centre (Kin Sang SC)	39,040.97	273	4.97	7.76%	99.50	9.70%	93.20	95.3	5.22%	9.03%
	Brief Description:	Kin Sang SC, completed in 1990, comprises a 3-storey commercial building (Commercial Block), a 4-storey carpark building (Car Park Block) and associate areas in Kin Sang Estate. There are a total of 273 car parking spaces in Kin Sang SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 14,100/28,621st equal and undivided shares of and in Section A of Tuen Mun Town Lot No 441 and is held under a Government Lease for a term of 50 years from 8 April 1998.									
103.	Retail and Carpark within Tung Tau Estate (Tung Tau Retail & Carpark)	38,869.92	493	5.66	7.98%	91.10	9.40%	88.20	89.2	6.35%	8.89%
	Brief Description:	Tung Tau Retail & Carpark, completed in 1982, comprises a split level single-storey retail building with basement carpark (Commercial Complex), a 3-storey carpark block (Carpark Block) and various open car parking spaces (Open Car Parks), shop units on ground floor in front of the Commercial Complex, shops on ground floor of Cheung Tung House, Hong Tung House, On Tung House, Wong Tung House and Yue Tung House in Tung Tau (II) Estate. There are a total of 493 car parking spaces in Tung Tau Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 16,942/349,186th equal and undivided shares of and in New Kowloon Inland Lot No 6413 and is held under a Government Lease for a term of 50 years from 24 January 2002.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
104.	Tin Tsz Shopping Centre (Tin Tsz SC)	38,836.52	289	12.31	7.68%	143.30	10.00%	139.00	140.4	8.77%	9.49%
	Brief Description:	Tin Tsz SC, completed in 1997, comprises a 2-storey commercial centre, several ground floor shops at Tsz Ping House, a 4-storey carpark building and various open parking spaces and associated areas within Tin Tsz Estate. There are a total of 289 car parking spaces in Tin Tsz SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,511/202,482nd equal and undivided shares of and in Tin Shui Wai Town Lot No 40 and is held under a Government Lease for a term of 50 years from 29 June 2007.									
105.	Kam Ying Court Shopping Centre (Kam Ying SC)	37,421.67	492	10.66	8.12%	132.20	10.00%	130.10	130.8	8.15%	9.53%
	Brief Description:	Kam Ying SC, completed in 1991, comprises a 3-storey commercial/carpark building (Commercial/Car Park Block) and associated areas in Kam Ying Court. There are a total of 492 car parking spaces in Kam Ying SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,433/22,627th equal and undivided shares of and in the Remaining Portion of Sha Tin Town Lot No. 305 and is held under a Government Lease for a term from 16 May 1990 to 30 June 2047.									
106.	Tin Wan Shopping Centre (Tin Wan SC)	35,854.89	417	6.81	8.28%	99.70	10.50%	98.00	98.6	6.91%	9.90%
	Brief Description:	Tin Wan SC, completed in 1997, comprises a 6-storey retail building (Commercial Block), the LG/F and four levels of car parks in the adjoining 7-storey carpark building (Car Park Block) and the ground floor of Tin Wan Estate Housing for Senior Citizens in Tin Wan Estate. There are a total of 417 car parking spaces in Tin Wan SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
107.	Hoi Fu Shopping Centre (Hoi Fu SC)	34,968.62	225	15.32	7.64%	198.00	9.70%	195.60	196.4	7.80%	9.28%
	Brief Description:	Hoi Fu SC, completed in 1999, comprises portions of a 2-storey commercial building ("Block E") and the carpark on ground and first floors of a 6-storey car parking/elderly housing/care attention home building in Hoi Fu Court. There are a total of 225 car parking spaces in Hoi Fu SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,413/204,120th equal and undivided shares of and in Kowloon Inland Lot No 11141 and is held under a Government Lease for a term of 50 years from 16 July 1999.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
108.	Hiu Lai Shopping Centre (Hiu Lai SC)	35,256.23	637	16.23	8.18%	192.80	10.00%	188.00	189.6	8.56%	9.44%
	Brief Description:	Hiu Lai SC, completed in 1996, comprises a 9-storey retail/carpark building (split levels from Levels 2 to 8) (Commercial/Car Park Block) and two kindergartens on ground floors of Hiu Tin House and Hiu On House in Hiu Lai Court. There are a total of 637 car parking spaces in Hiu Lai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,000/249,375th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6205 that is held under a Government Lease for a term from 11 November 1994 to 30 June 2047.									
109.	Hing Man Commercial Centre (Hing Man CC)	32,905.41	226	1.60	8.32%	38.90	10.00%	35.70	36.8	4.35%	9.18%
	Brief Description:	Hing Man CC, completed in 1982, comprises a 6-storey (including roof but excluding the access lift tower at Chai Wan Road) commercial/carpark building (Commercial/Car Park Block) in Hing Man Estate. There are a total of 226 car parking spaces in Hing Man CC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
110.	Siu Lun Shopping Centre (Siu Lun SC)	32,130.75	463	10.93	7.94%	119.90	10.00%	119.00	119.3	9.16%	9.60%
	Brief Description:	Siu Lun SC, completed in 1993, comprises a single storey kindergarten, a 2-storey commercial centre and two 4-storey carpark blocks (Phase 1 and 2 Carports) in Siu Lun Court. There are a total of 463 car parking spaces in Siu Lun SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A, B and C of Tuen Mun Town Lot No 357 and is held under a Government Lease for a term from 6 September 1991 to 30 June 2047.									
111.	Hing Tin Commercial Centre (Hing Tin CC)	28,905.41	387	4.58	8.02%	74.20	9.70%	74.90	74.7	6.13%	9.38%
	Brief Description:	Hing Tin CC, completed in 1988, comprises a 2-storey commercial block (including a market ("Commercial Complex")), several shop units on ground floors of Mei Tin House and Yan Tin House, a 2-storey carpark building ("Carpark B"), a 4-storey carpark building ("Carpark C"), and various cooked food stalls near to Mei Tin House and Choi Tin House in Hing Tin Estates. There are a total of 387 car parking spaces in Hing Tin CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,570/149,828th equal and undivided shares of and in New Kowloon Inland Lot No 6377 and is held under a Government Lease for a term of 50 years commencing from 8 February 2001.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Initial Yield	Analysis Indicated IRR
									31 March 2009 Value (HK\$M)		
112.	Wah Sum Shopping Centre (Wah Sum SC)	26,447.13	356	12.03	8.01%	142.00	10.00%	138.50	139.7	8.61%	9.50%
Brief Description:	Wah Sum SC, completed in 1995, comprises a 2-storey retail building (Commercial Centre), an adjoining 4-storey carpark building (Carpark Block) that is interconnected with the Commercial Centre on first floor and various open car parking spaces in Wah Sum Estate. There are a total of 356 car parking spaces in Wah Sum SC.										
Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.										
113.	Kwai Hing Shopping Centre (Kwai Hing SC)	25,790.50	277	11.60	8.17%	141.80	9.70%	146.80	145.1	7.99%	9.51%
Brief Description:	Kwai Hing SC, completed in 1991, comprises portions of ground and 2nd floors of Hing Kok House (i.e. Integrated HA Accommodation), a 2-storey commercial block, a 3-storey carpark block and various open carparks in Kwai Hing Estate. There are a total of 277 car parking spaces in Kwai Hing SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 9,824/102,732nd equal and undivided shares of and in Kwai Chung Town Lot No 489 and is held under a Government Lease for a term of 50 years from 24 January 2002.										
114.	Siu Hei Commercial Centre (Siu Hei CC)	25,002.54	560	3.29	8.55%	57.90	10.20%	56.90	57.2	5.75%	9.76%
Brief Description:	Siu Hei CC, completed in 1986, comprises a 3-storey (including mezzanine floor) commercial centre with retail, market and welfare facilities therein and a 4-storey split-level carpark block in Siu Hei Court. There are a total of 560 parking spaces in Siu Hei CC.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tuen Mun Town Lot No 255 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										
115.	Fortune Shopping Centre (Fortune SC)	24,800.28	153	4.07	7.82%	74.60	10.20%	69.90	71.5	5.69%	9.49%
Brief Description:	Fortune SC, completed in 2000, comprises a 2-storey commercial building (Commercial Centre) and a 4-storey carpark block (Carpark Block) in Fortune Estate. There are a total of 153 car parking spaces in Fortune SC.										
Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
116.	Wang Tau Hom (Wang Fai Centre)	22,266.22	290	4.89	7.64%	125.10	9.40%	117.80	120.2	4.07%	8.75%
	Brief Description:	Wang Tau Hom (Wang Fai Centre), completed in 1982, comprises a 3-storey retail building (Commercial Centre), a single-storey market (Market)/Cooked Food Stalls, a 5-storey split level carpark building (Carpark Block) and various open car parking spaces scattered within Wang Tau Hom Estate. There are a total of 290 car parking spaces in Wang Tau Hom (Wang Fai Centre).									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
117.	Ping Tin Shopping Centre (Ping Tin SC)	22,437.56	406	7.90	7.85%	118.00	9.80%	109.80	112.5	7.02%	9.07%
	Brief Description:	Ping Tin SC, completed in 1997, comprises a 3-storey retail building (Commercial Centre), a split level 4-storey annexed carpark building (Carpark Block), the ground and first floors carpark of a 4-storey ancillary facilities building (Ancillary Facilities Block) and various open car parking spaces near the ingress of the carpark building in Ping Tin Estate. There are a total of 406 car parking spaces in Ping Tin SC.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
118.	Retail & Carpark within Choi Ha Estate (Choi Ha Retail & Carpark)	21,431.57	205	2.72	8.78%	36.60	10.80%	35.00	35.5	7.66%	10.22%
	Brief Description:	Choi Ha Retail & Carpark, completed in 1989, comprises a 5-storey carpark building (Car Park Block), various retail shops on ground floor of Choi Yuet House and Choi Sing House and various open car parking spaces in Choi Ha Estate. There are a total of 205 car parking spaces in Choi Ha Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,255/129,695th equal and undivided shares of and in New Kowloon Inland Lot No 6348 and is held under a Government Lease for a term of 50 years from 10 February 2000.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
<b>119. Retail and Carpark within Tong Ming Court (Tong Ming Retail &amp; Carpark)</b>											
		21,280.42	291	3.17	8.68%	41.30	10.60%	38.00	39.1	8.11%	9.80%
Brief Description:	Tong Ming Retail & Carpark, completed in 1999, comprises a 5-storey carpark building with various shop units and a children & youth centre on ground floor; and a day nursery and a kindergarten on ground floor of Tong Wong House and Tong Fu House respectively in Tong Ming Court. There are a total of 291 car parking spaces in Tong Ming Retail & Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,153/98,512th equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No 54 and is held under a Government Lease for a term commencing from 26 June 1997 and expiring on 30 June 2047.										
<b>120. Tsz Ching Shopping Centre (I) &amp; (II) (Tsz Ching SC)</b>											
		18,072.76	882	13.95	7.90%	164.90	10.10%	152.80	156.8	8.90%	9.36%
Brief Description:	Tsz Ching SC, completed in phases between 1996 and 2001, comprises a 3-storey commercial/carpark building (Commercial/Car Park I Block), a 3-storey plus basement level commercial/carpark building (Multi-storey Commercial/Car Park II Accommodation), a 5-storey plus a mezzanine floor carpark building (Car Park III Block) and various shop units on ground floor of Ching Wo House (Integrated Commercial/Carpark Accommodation of Ching Wo House) in Tsz Ching Estate. There are a total of 882 car parking spaces in Tsz Ching SC.										
Title Details:	The property is held by The Link Properties Limited. It comprises 32,549/507,335th equal and undivided shares of and in New Kowloon Inland Lot No 6444 and is held under a Government Lease for a term of 50 years from 28 February 2007.										
<b>121. Retail &amp; Carpark within Hong Pak Court (Hong Pak Retail &amp; Carpark)</b>											
		17,954.35	549	6.08	9.04%	65.50	10.60%	63.10	63.9	9.51%	10.03%
Brief Description:	Hong Pak Retail & Carpark, completed in 1993, comprises a 7-storey carpark block with two kindergartens located on Level 7 in Hong Pak Court. There are a total of 549 car parking spaces in Hong Pak Retail & Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6095 and is held under a Government Lease for a term from 25 September 1991 to 30 June 2047.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
122.	Retail and Carpark within Siu On Court (Siu On Retail & Carpark)	17,082.47	273	2.15	8.97%	29.20	10.60%	27.80	28.3	7.60%	9.94%
	Brief Description:	Siu On Retail & Carpark, completed in 1981, comprises a 4-storey split-level carpark building, a kindergarten spreads across the ground floors of Ting Chi House and Ting Yin House as well as a Youth & Children Centre spread across the ground floors of Ting Kay House, Ting On House and Ting Hoi House in Siu On Court. There are a total of 273 parking spaces in Siu On Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 2/26,863rd equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No 216 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
123.	Retail and Carpark within Lok Wah (South) Estate (Lok Wah (South) Retail & Carpark)	16,773.58	226	5.55	8.62%	87.00	10.00%	83.40	84.6	6.56%	9.43%
	Brief Description:	Lok Wah (South) Retail & Carpark, completed in 1982, comprises a 4-storey carpark building (Carpark Block), open car parking areas, a single storey market building (Market), various free standing cooked food stalls (Cooked Food Stalls) and various shop units located on ground floor of Chin Wah House in Lok Wah (South) Estate. There are a total of 226 car parking spaces in Lok Wah (South) Retail & Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
124.	Yin Lai Court Shopping Centre (Yin Lai SC)	16,296.69	150	7.67	7.48%	102.10	9.60%	99.50	100.4	7.64%	9.09%
	Brief Description:	Yin Lai SC, completed in 1991, comprises a 4-storey retail/carpark building in Yin Lai Court. There is direct access to Lai King station at floor LG2. There are a total of 150 car parking spaces in Yin Lai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Kwai Chung Town Lot No 389 and is held under a Government Lease for a term from 21 September 1990 to 30 June 2047.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
125.	Retail and Carpark within Po Nga Court (Po Nga Retail and Carpark)	13,950.11	246	2.79	9.48%	32.70	11.00%	31.00	31.6	8.83%	10.31%
Brief Description:	Po Nga Retail and Carpark, completed in 1989, comprises a 3-storey carpark building, a kindergarten on ground floor of Ka Wo House and a nursery on ground floor of Hing Wo House in Po Nga Court. There are a total of 246 car parking spaces in Po Nga Retail and Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 2/59,187th equal and undivided shares of and in the Remaining Portion of Tai Po Town Lot No 73 that is held under a Government Lease for a term from 29 March 1988 to 30 June 2047										
126.	Po Hei Court Commercial Centre (Po Hei Court CC)	13,681.53	—	4.38	6.90%	56.50	9.20%	52.40	53.8	8.14%	8.84%
Brief Description:	Po Hei Court CC, completed in 1993, comprises shops on ground floor of Blocks A & B of Po Hei Court.										
Title Details:	The property is held by The Link Properties Limited. It comprises 1,354/20,256th equal and undivided shares of and in New Kowloon Inland Lot No 6117 and is held under a Government Lease for a term from 17 July 1992 to 30 June 2047.										
127.	Retail & Carpark within Tsui Wan Estate (Tsui Wan Retail & Carpark)	13,606.62	182	2.46	8.10%	42.40	9.60%	43.70	43.3	5.68%	9.37%
Brief Description:	Tsui Wan Retail & Carpark, completed in 1993, comprises various self-standing single storey retail units, a 3-storey retail/office building (Commercial Accommodation), a single-storey carpark building (Car Park Block) and various open car parking spaces (Open Car Park) in Tsui Wan Estate. There are a total of 182 car parking spaces in Tsui Wan Retail & Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 3,254/123,068th equal and undivided shares of and in Chai Wan Inland Lot No 166 and is held under a Government Lease for a term of 50 years from 18 March 1999.										
128.	Retail and Carpark within Tsz Oi Court (Tsz Oi Retail & Carpark)	13,304.31	199	2.54	8.75%	40.10	10.80%	37.80	38.6	6.58%	10.11%
Brief Description:	Tsz Oi Retail & Carpark, completed in phases between 1997 and 2000, comprises a 6-storey carpark building with a kindergarten on 6/F (Carpark Block) of Tsz Oi Court and a single-storey kindergarten building in Tsz Oi Court Stage III. There are a total of 199 car parking spaces in Tsz Oi Retail & Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 699/113,761st equal and undivided shares of and in New Kowloon Inland Lot No 6265 and is held under a Government Lease for a term of 50 years from 7 May 1999. It also comprises the entire Section A of New Kowloon Inland Lot No 6211 that is held under a Government Lease for a term from 9 June 1995 to 30 June 2047.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
129.	Retail & Carpark within Lok Nga Court (Lok Nga Retail & Carpark)	12,615.41	265	1.62	8.71%	22.70	10.50%	21.30	21.8	7.43%	9.74%
	Brief Description:	Lok Nga Retail & Carpark, completed in 1984, comprises a 5-storey carpark building with an indoor sports hall on Level 6 (Car Park Block) and various open car parking spaces located at the centre of Lok Nga Court. There are a total of 265 car parking spaces in Lok Nga Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1/28,952nd equal and undivided share of and in the Remaining Portion of New Kowloon Inland Lot No 5969 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
130.	Retail and Carpark within Ching Wah Court (Ching Wah Retail and Carpark)	11,861.93	348	4.13	9.01%	48.90	11.00%	45.30	46.5	8.88%	10.19%
	Brief Description:	Ching Wah Retail and Carpark, completed in 1984, comprises a 3-storey commercial/carpark building in Ching Wah Court. There are a total of 348 car parking spaces in Ching Wah Retail and Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tsing Yi Town Lot No 100 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
131.	Retail and Carpark within Yan Shing Court (Yan Shing Retail & Carpark)	11,700.47	252	3.11	9.09%	34.10	10.70%	33.30	33.6	9.26%	10.21%
	Brief Description:	Yan Shing Retail & Carpark, completed in 1993, comprises a 6-storey carpark block (Carpark Block) with a retail shop, estate office and kindergarten on ground floor in Yan Shing Court. There are a total of 252 car parking spaces in Yan Shing Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Fanling Sheung Shui Town Lot No 39 and is held under a Government Lease for a term from 10 September 1992 to 30 June 2047.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Initial Yield	Analysis Indicated IRR
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)		
132.	Retail and Carpark within Cheung Wang Estate (Cheung Wang Retail and Carpark)	11,507.19	333	10.54	7.90%	117.40	10.20%	110.20	112.6	9.36%	9.51%
	Brief Description:	Cheung Wang Retail and Carpark, completed in 2001, comprises a single storey commercial block, a 2-storey carpark building and various open car parks within Cheung Wang Estate. There are a total of 333 car parking spaces in Cheung Wang Retail and Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
133.	Retail and Carpark within Tin Wang Court (Tin Wang Retail & Carpark)	9,945.18	79	0.97	8.72%	16.80	10.50%	15.60	16.0	6.06%	9.80%
	Brief Description:	Tin Wang Retail & Carpark, completed in 1992, comprises a 3-storey carpark building (Carpark Block) with a kindergarten located on second floor in Tin Wang Court. There are a total of 79 car parking spaces in Tin Wang Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Remaining Portion of New Kowloon Inland Lot No 6131 and is held under a Government Lease for a term from 21 May 1991 to 30 June 2047.									
134.	Retail & Carpark within Fung Wah Estate (Fung Wah Retail & Carpark)	9,816.76	161	1.90	8.49%	29.20	10.00%	29.30	29.3	6.48%	9.59%
	Brief Description:	Fung Wah Retail & Carpark, completed in 1993, comprises portions of the Integrated HA Accommodation on Lower ground floor and Upper ground floor of Block 2 Hiu Fung House, the ground and Lower ground floors of Block 3 Sau Fung House, a 2-storey Car Park Block as well as open car parks in Fung Wah Estate. There are a total of 161 car parking spaces in Fung Wah Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 5,638/76,232nd equal and undivided shares of and in Chai Wan Inland Lot No 169 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
135.	Retail and Carpark within Tin Yat Estate (Tin Yat Retail and Carpark)	8,783.42	446	2.32	9.09%	30.00	10.00%	29.90	29.9	7.76%	9.66%
	Brief Description:	Tin Yat Retail and Carpark, completed in 2001, comprises a 7-storey carpark building with a kindergarten on ground floor in Tin Yat Estate. There are a total of 446 parking spaces in Tin Yat Retail and Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,485/226,221st equal and undivided shares of and in Tin Shui Wai Town Lot No 42 and is held under a Government Lease for a term of 50 years from 28 October 2008.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at	Analysis	
									31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
136.	Retail and Carpark within Nam Cheong Estate (Nam Cheong Retail & Carpark)	8,105.30	156	2.12	8.68%	27.60	10.60%	25.70	26.3	8.06%	9.93%
	Brief Description:	Nam Cheong Retail & Carpark, completed in 1989, comprises a single-storey carpark block (Carpark Block), various open car parking spaces and various shop units on ground floor of Cheong Shun House, Cheong Yat House, Cheong On House and Cheong Yin House in Nam Cheong Estate. There are a total of 156 car parking spaces in Nam Cheong Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,670/109,764th equal and undivided shares of and in New Kowloon Inland Lot No 6427 and is held under a Government Lease for a term of 50 years from 17 August 2005.									
137.	Retail and Carpark within Wo Ming Court (Wo Ming Retail & Carpark)	7,341.05	379	4.27	8.87%	47.30	11.00%	44.10	45.2	9.45%	10.19%
	Brief Description:	Wo Ming Retail & Carpark, completed in 1999, comprises a 6-storey car park building and a kindergarten on ground floor of Block A in Wo Ming Court. There are a total of 379 car parking spaces in Wo Ming Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 728/82,796th equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No 52 that is held under a Government Lease for a term of 50 years from 28 November 1997.									
138.	Retail & Carpark within Ko Chun Court (Ko Chun Retail & Carpark)	7,330.29	323	4.96	8.99%	51.70	10.60%	49.60	50.3	9.86%	10.01%
	Brief Description:	Ko Chun Retail & Carpark, completed in 1993, comprises a 6-storey commercial/carpark block and a kindergarten on ground floor of Chun Moon House of Ko Chun Court. There are a total of 323 car parking spaces in Ko Chun Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 530/81,791st equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6189 that is held under a Government Lease for a term from 3 June 1993 to 30 June 2047.									
139.	Retail & Carpark within Hong Yat Court (Hong Yat Retail & Carpark)	7,039.66	355	3.57	9.07%	35.50	10.60%	33.20	34.0	10.50%	9.85%
	Brief Description:	Hong Yat Retail & Carpark, completed in 1993, comprises a 7-storey carpark block with a kindergarten on Level 13 (6th Floor) in Hong Yat Court. There are a total of 355 car parking spaces in Hong Yat Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 4,582/99,200th equal and undivided shares of and in New Kowloon Inland Lot No 6329 and is held under a Government Lease for a term of 50 years from 5 February 2001.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
140.	Retail and Carpark within Yan Ming Court (Yan Ming Retail & Carpark)	7,018.13	262	2.32	9.44%	30.10	11.00%	27.90	28.6	8.11%	10.22%
	Brief Description:	Yan Ming Retail & Carpark, completed in 1990, comprises a 3-storey commercial/car park centre with a retail shop and a kindergarten situated on ground floor in Yan Ming Court. There are a total of 262 car parking spaces in Yan Ming Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Junk Bay Town Lot No 9 and is held under a Government Lease for a term from 22 January 1987 to 30 June 2047.									
141.	Retail and Carpark within Tung Hei Court (Tung Hei Court Retail & Carpark)	6,340.00	146	1.99	9.21%	24.70	11.00%	24.20	24.4	8.16%	10.40%
	Brief Description:	Tung Hei Retail & Carpark, completed in 1995, comprises a kindergarten on ground floors of Blocks A and B (King Hei House & Yat Hei House) (Kindergarten) and a 2-storey carpark building (Carpark Block) in Tung Hei Court. There are a total of 146 car parking spaces in Tung Hei Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 690/122,407th equal and undivided shares of and in the Remaining Portion of Shau Kei Wan Inland Lot No 834 that is held under a Government Lease for a term from 20 June 1989 to 30 June 2047.									
142.	Carpark within Tsui Ping South Estate (Tsui Ping South Carpark)	5,909.44	229	2.82	8.92%	31.80	10.20%	29.20	30.1	9.37%	9.34%
	Brief Description:	Tsui Ping South Carpark, completed in 1990, comprises a 3-storey carpark building with a management office on second floor (Carpark Block) and various open car parking spaces in Tsui Ping South Estate (Open Car Parks). There are a total of 229 car parking spaces in Tsui Ping South Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
143.	Retail and Carpark within Hung Hom Estate (Hung Hom Retail & Carpark)	3,993.45	45	1.27	8.92%	16.50	10.80%	16.70	16.6	7.65%	10.45%
	Brief Description:	Hung Hom Retail & Carpark, completed in 1999, comprises a single-storey carpark building (Carpark Block), various shop units on lower ground floor of Hung Fai House and various open car parking spaces scattered within Hung Hom Estate (Open Car Parks). There are a total of 45 car parking spaces in Hung Hom Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,573/51,548th equal undivided shares of and in Hung Hom Inland Lot No 554 and is held under a Government Lease for a term of 50 years from 29 August 2008.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2009		Analysis	
									Value (HK\$M)	Yield	Initial Yield	Indicated IRR
144.	Retail and Carpark within Cheung On Estate (Cheung On Retail and Carpark)	3,907.32	484	8.38	8.90%	92.20	10.60%	92.60	92.5	9.06%	10.22%	
	Brief Description:	Cheung On Retail and Carpark, completed in 1988, comprises a 4-storey carpark building, known as Carpark 1, a 2-storey split-level carpark building known as Carpark 2, and various shops and medical centre on ground floor of On Tao House in Cheung on Estate. There are a total of 484 car parking spaces in Cheung On Retail and Carpark.										
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section D, Section F and 403/293,522nd equal and undivided shares of and in the Remaining Portion of Tsing Yi Town Lot No 160 that is held under a Government Lease for a term of 50 years from 8 April 1998.										
145.	Retail and Carpark within Tai Ping Estate (Tai Ping Retail & Carpark)	3,336.83	101	1.12	8.20%	21.40	10.70%	19.80	20.3	5.52%	9.93%	
	Brief Description:	Tai Ping Retail & Carpark, completed in 1989, comprises various retail shops on ground floor of Ping Hay House (Portions of the Integrated HA Accommodation), a 2-storey carpark block (Carpark Block) and various open car parking space (Open Carparks) in Tai Ping Estate. There are a total of 101 car parking spaces in Tai Ping Retail & Carpark.										
	Title Details:	The property is held by The Link Properties Limited. It comprises 2,787/86,121st equal and undivided shares of and in Fanling Sheung Shui Town Lot No 223 and is held under a Government Lease for a term of 50 years from 24 January 2002.										
146.	Retail & Carpark within Sau Mau Ping (III) Estate (Sau Mau Ping (III) Retail & Carpark)	1,506.96	205	1.31	8.59%	19.70	10.40%	19.20	19.4	6.75%	9.83%	
	Brief Description:	Sau Mau Ping (III) Retail & Carpark, completed in 1996, comprises a 4-storey carpark building with a retail unit located on ground floor of Sau Mau Ping (III) Estate. There are a total of 205 car parking spaces in Sau Mau Ping (III) Retail & Carpark.										
	Title Details:	The property is held by The Link Properties Limited. It comprises 7,222/833,450th equal and undivided shares of and in New Kowloon Inland Lot No 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.										
147.	Retail and Carpark within Tin Wah Estate (Tin Wah Retail and Carpark)	1,474.67	287	1.88	8.30%	27.40	10.90%	25.10	25.9	7.26%	10.04%	
	Brief Description:	Tin Wah Retail and Carpark, completed in 1999, comprises two ground floor shop units and car parking spaces on ground to second floors of the 7-storey Ancillary Facilities Block in Tin Wah Estate. There are a total of 287 car parking spaces in Tin Wah Retail and Carpark.										
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
148.	Carpark within Yue On Court (Yue On Carpark)	1,322.90	296	2.75	9.22%	30.60	10.00%	31.70	31.3	8.79%	9.82%
	Brief Description:	Yue On Carpark, completed in 1988, comprises a 5-storey carpark block (Carpark Block) with an office on ground floor within Yue On Carpark. There are a total of 296 car parking spaces in Yue On Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Ap Lei Chau Inland Lot No 117 and is held under a Government Lease for a term of 75 years from 1 February 1982 renewable for another 75 years.									
149.	Retail and Carpark within Mei Chung Court (Mei Chung Retail & Carpark)	1,076.40	385	4.87	9.04%	47.30	10.70%	46.40	46.7	10.43%	10.21%
	Brief Description:	Mei Chung Retail & Carpark, completed in 1996, comprises a 5-storey carpark building with a retail shop located on Level 2 in Mei Chung Court. There are a total of 385 car parking spaces in Mei Chung Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No 396 and is held under a Government Lease for a term from 11 November 1994 to 30 June 2047.									
150.	Retail and Carpark within Choi Fai Estate (Choi Fai Retail & Carpark)	1,044.11	93	0.94	9.82%	13.40	10.50%	14.30	14.0	6.71%	10.41%
	Brief Description:	Choi Fai Retail & Carpark, completed in 1995, comprises a 3-storey carpark building, open carpark areas and a shop unit on ground floor of Choi Ip House in Choi Fai Estate. There are a total of 93 car parking spaces in Choi Fai Retail & Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									
151.	Retail & Carpark within Ko Yee Estate (Ko Yee Retail & Carpark)	968.76	38	0.21	8.90%	5.50	10.30%	5.10	5.2	4.04%	9.75%
	Brief Description:	Ko Yee Retail & Carpark, completed in 1994, comprises a single storey carpark building (Carpark Block), various open car parking spaces located near to the entrance of the Carpark Block and two retail units in a single storey building in Ko Yee Estate. There are a total of 38 car parking spaces within Ko Yee Retail & Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
152.	Retail and Carpark within Ying Fuk Court (Ying Fuk Retail & Carpark)	785.77	163	3.14	9.24%	32.40	11.20%	31.70	31.9	9.84%	10.72%
	Brief Description:	Ying Fuk Retail & Carpark, completed in 2001, comprises a 4-storey split-level carpark building with a shop unit on ground floor (Carpark Block) in Ying Fuk Court. There are a total of 163 car parking spaces in Ying Fuk Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Remaining Portion of New Kowloon Inland Lot No 6266 and is held under a Government Lease for a term of 50 years from 7 May 1999.									
153.	Retail & Carpark within Hong Shui Court (Hong Shui Retail & Carpark)	344.45	102	1.33	9.24%	15.30	10.20%	14.80	15.0	8.87%	9.55%
	Brief Description:	Hong Shui Retail & Carpark, completed in 1999, comprises a 2-storey split-level carpark block (Carpark Block) with a retail unit on Level 2 in Hong Shui Court. There are a total of 102 car parking spaces in Hong Shui Retail & Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6227 and is held under a Government Lease for a term of 50 years from 14 May 1998.									
154.	Carpark within Hong Keung Court (Hong Keung Carpark)	43.06	93	1.33	9.47%	16.10	10.60%	15.98	16.0	8.31%	10.27%
	Brief Description:	Hong Keung Carpark, completed in 1999, comprises a 2-storey Carpark Block in Hong Keung Court. There are a total of 93 car parking spaces in Hong Keung Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Remaining Portion of New Kowloon Inland Lot No 6239 and is held under a Government Lease for a term of 50 years from 8 January 1999.									
155.	Carpark within Kin Ming Estate (Kin Ming Carpark)	—	763	8.10	10.90%	74.10	10.60%	73.00	73.4	11.04%	10.14%
	Brief Description:	Kin Ming Carpark, completed in 2003, comprises car parking spaces of the 6-storey commercial/carpark block and various open car parking spaces in Kin Ming Estate. There are a total of 763 car parking spaces in Kin Ming Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach Discount Rate	Value (HK\$M)	Assessment as at 31 March 2009 Value (HK\$M)	Initial Yield	Analysis Indicated IRR
156.	Carpark within Tin Yuet Estate (Tin Yuet Carpark)	—	560	1.67	10.60%	22.70	10.20%	22.80	22.8	7.32%	9.80%
Brief Description:	Tin Yuet Carpark, completed in 2000, comprises a 4-storey (including a Mezzanine Floor) Carport Block in Tin Yuet Estate. There are a total of 560 car parking spaces in Tin Yuet Carpark.										
Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.										
157.	Carpark within Wah Lai Estate (Wah Lai Carpark)	—	411	4.70	9.00%	49.80	10.20%	52.90	51.9	9.06%	10.11%
Brief Description:	Wah Lai Carpark, completed in 2001, comprises a 5-storey carport building in Wah Lai Estate. There are a total of 411 car parking spaces in Wah Lai Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 21,700/102,614th equal and undivided shares of and in the Remaining Portion of Section A of Kwai Chung Town Lot No 445 and is held under a Government Lease for a term of 50 years from 25 May 2001.										
158.	Carpark within Wang Fuk Court (Wang Fuk Carpark)	—	408	2.40	9.20%	26.10	10.70%	25.00	25.4	9.45%	10.07%
Brief Description:	Wang Fuk Carpark, completed in 1983, comprises a 5-storey carpark building (including a basement) in Wang Fuk Court. There are a total of 408 car parking spaces in Wang Fuk Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 27 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										
159.	Carpark within Sau Mau Ping (I) Estate (Sau Mau Ping (I) Carpark)	—	395	0.25	9.90%	7.30	10.00%	7.20	7.2	3.47%	9.63%
Brief Description:	Sau Mau Ping (I) Carpark, completed in 2002, comprises a 3-storey carpark podium beneath the residential block of Sau Ming House in Sau Mau Ping (I) Estate. There are a total of 395 car parking spaces in Sau Mau Ping (I) Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 14,364/833,450th and portion of 10/833,450th equal and undivided shares of and in New Kowloon Inland Lot No. 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Cap. Rate	Capitalisation Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
160.	Carpark within Tin King Estate (Tin King Carpark)	—	380	3.36	9.50%	37.10	11.20%	34.60	35.4	9.49%	10.46%
	Brief Description:	Tin King Carpark, completed in 1989, comprises ground, second and third, portions of 4th and 5th floors, roof and upper roof of a 5-storey Car Park Block as well as various open car parks in Tin King Estate. There are a total of 380 car parking spaces in Tin King Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 4,036/197,161st equal and undivided shares of and in Tuen Mun Town Lot No 444 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
161.	Carpark within Tsz Man Estate (Tsz Man Carpark)	—	364	3.73	9.50%	38.00	11.00%	36.00	37.0	10.08%	10.42%
	Brief Description:	Tsz Man Carpark, completed in 1994, comprises a 4-storey carpark building in Tsz Man Estate. There are a total of 364 car parking spaces in Tsz Man Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,121/139,291st equal and undivided shares of and in New Kowloon Inland Lot No 6441 and is held under a government Lease for a term of 50 years from 28 February 2008.									
162.	Carpark within Ka Tin Court (Ka Tin Court Carpark)	—	348	3.11	9.50%	30.10	11.00%	28.50	29.0	10.72%	10.34%
	Brief Description:	Ka Tin Court Carpark, completed in 1988, comprises a 3-storey carpark building in Ka Tin Court. There are a total of 348 car parking spaces in Ka Tin Court Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No 290 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 that has been statutorily extended to 30 June 2047.									
163.	Carpark within Ming Nga Court (Ming Nga Carpark)	—	345	1.16	9.40%	13.10	10.50%	12.20	12.5	9.28%	9.75%
	Brief Description:	Ming Nga Carpark, completed in 1985, comprises a 3-storey (including basement) carpark building in Ming Nga Court. There are a total of 345 car parking spaces in Ming Nga Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 36 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
164. Carpark within Ning Fung Court (Ning Fung Carpark)											
		—	299	2.34	9.40%	26.30	10.90%	24.60	25.2	9.29%	10.16%
Brief	Ning Fung Carpark, completed in 2001, comprises a 3-storey carport building in Ning Fung Court.										
Description:	There are a total of 299 car parking spaces in Ning Fung Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 3,072/78,707th equal and undivided shares of and in Kwai Chung Town Lot No. 477 and is held under a Government Lease for a term of 50 years from 15 October 1999.										
165. Carpark within Po Pui Court (Po Pui Carpark)											
		—	277	3.22	9.50%	30.70	10.90%	29.50	29.9	10.77%	10.29%
Brief	Po Pui Carpark, completed in 1995, comprises a 3-storey carpark building (Carpark Block) in Po Pui Court. There are a total of 277 car parking spaces in Po Pui Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Kwun Tong Inland Lot No 728 and is held under a Government Lease for a term from 8 February 1994 to 30 June 2047.										
166. Carpark within Ying Ming Court (Ying Ming Carpark)											
		—	274	2.49	9.60%	26.70	10.80%	26.40	26.5	9.40%	10.36%
Brief	Ying Ming Carpark, completed in 1989, comprises a 2-storey carport building in Ying Ming Court. There are a total of 274 car parking spaces in Ying Ming Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Junk Bay Town Lot No 4 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										
167. Carpark within Yee Kok Court (Yee Kok Carpark)											
		—	240	2.38	9.50%	25.40	10.80%	24.90	25.1	9.48%	10.27%
Brief	Yee Kok Carpark, completed in 1981, comprises a 5-storey (including a basement) carpark building in Yee Kok Court. There are a total of 240 car parking spaces in Yee Kok Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5911 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										
168. Carpark within Kam On Court (Kam On Carpark)											
		—	238	1.30	9.50%	15.00	11.00%	14.20	14.5	8.97%	10.38%
Brief	Kam On Carpark, completed in 1987, comprises a 3-storey carpark building in Kam On Court. There are a total of 238 car parking spaces in Kam On Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No. 283 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at 31 March 2009	Analysis	
							Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
169.	Carpark within Upper Ngau Tau Kok Estate (Upper Ngau Tau Kok Carpark)	—	228	0.69	9.30%	14.40	10.70%	13.50	13.8	5.00%	9.99%
	Brief Description:	Upper Ngau Tau Kok Carpark, completed in 2002, comprises a 3-storey carpark building (Carpark Block) excluding Level 3 playground in Upper Ngau Tau Kok Estate. There are a total of 228 car parking spaces in Upper Ngau Tau Kok Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,334/126,664th equal and undivided shares of and in New Kowloon Inland Lot No 6471 and is held under a Government Lease for a term of 50 years from 6 May 2008.									
170.	Carpark within Tin Yau Court (Tin Yau Carpark)	—	192	1.77	9.70%	19.90	11.20%	19.00	19.3	9.17%	10.59%
	Brief Description:	Tin Yau Carpark, completed in 1992, comprises a 3-storey car park building (Carport) in Tin Yau Court. There are a total of 192 car parking spaces in Tin Yau Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tin Shui Wai Town Lot No 10 and is held under a Government Lease for a term from 23 January 1992 to 30 June 2047.									
171.	Carpark within San Wai Court (San Wai Carpark)	—	185	1.90	9.30%	20.60	11.00%	20.10	20.3	9.36%	10.44%
	Brief Description:	San Wai Carpark, completed in 1990, comprises a 3-storey carpark building (Multi-Storey Car Park) in San Wai Court. There are a total of 185 car parking spaces in San Wai Carpark.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tuen Mun Town Lot No 326 and is held under a Government Lease for a term from 3 January 1989 to 30 June 2047.									
172.	Carpark within Lai On Estate (Lai On Carpark)	—	181	4.28	8.90%	44.90	10.70%	43.20	43.8	9.77%	10.12%
	Brief Description:	Lai On Carpark, completed in 1993, comprises a 3-storey carpark building and various open carparks in Lai On Estate. There are a total of 181 car parking spaces in Lai On Carpark.									
	Title Details:	The property is classified as a List 2 Property to which The Link REIT has a beneficial title. Assignment of legal title, Government Lease and Deed of Mutual Covenant are in progress at the Valuation Date. We have assumed a lease term of 50 years from the Valuation Date.									

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
<b>173. Carpark within Ching Wang Court (Ching Wang Carpark)</b>											
		—	179	2.48	9.70%	26.60	11.20%	26.60	26.6	9.32%	10.78%
Brief Description:	Ching Wang Carpark, completed in 2001, comprises a 2-storey carpark building in Ching Wang Court. There are a total of 179 car parking spaces in Ching Wang Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 2,516/36,665th equal and undivided shares of and in Tsing Yi Town Lot No 137 and is held under a Government Lease for a term of 50 years from 20 April 1999.										
<b>174. Carpark within Yee Nga Court (Yee Nga Carpark)</b>											
		—	159	1.49	9.70%	16.80	11.70%	15.60	16.0	9.31%	10.92%
Brief Description:	Yee Nga Carpark, completed in 1993, comprises a total of 159 car parking spaces located on ground floor of Yee Nga Court.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 120 and is held under a Government Lease for a term of 22 May 1991 to 30 June 2047.										
<b>175. Carpark within King Lai Court (King Lai Carpark)</b>											
		—	158	1.47	9.70%	17.30	11.20%	16.80	17.0	8.65%	10.58%
Brief Description:	King Lai Carpark, completed in 1989, comprises a 3-storey carpark block and various open carparks. There are a total of 158 car parking spaces in King Lai Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5943 and is held under a Government Lease for a term of from 4 March 1985 to 30 June 2047.										
<b>176. Carpark within Fung Lai Court (Fung Lai Carpark)</b>											
		—	134	1.10	9.60%	14.00	11.00%	13.50	13.7	8.03%	10.29%
Brief Description:	Fung Lai Carpark, completed in 1997, comprises a 3-storey carpark building and various open carparks in Fung Lai Court. There are a total of 134 car parking spaces in Fung Lai Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 1,512/33,911th equal and undivided shares of and in New Kowloon Inland Lot No. 6240 and is held under a Government Lease for a term from 7 June 1996 to 30 June 2047.										

Valuation Report *(continued)*

No.	Property Name	IFA (sq ft)	Car Park No.	Net Passing Income HK\$pa (M)	Income Capitalisation Cap. Rate	Value (HK\$M)	DCF Approach		Assessment as at	Analysis	
							Discount Rate	Value (HK\$M)	31 March 2009 Value (HK\$M)	Initial Yield	Indicated IRR
<b>177. Carpark within Kwai Hong Court (Kwai Hong Carpark)</b>											
		—	88	0.76	9.50%	12.90	11.00%	12.70	12.8	5.94%	10.52%
Brief Description:	Kwai Hong Carpark, completed in 1993, comprises a 3-storey carpark building in Kwai Hong Court. There are a total of 88 car parking spaces in Kwai Hong Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 1,100/35,351st equal and undivided shares of and in Kwai Chung Town Lot No 420 and is held under a Government Lease for a term from 1 March 1990 to on 30 June 2047.										
<b>178. Carpark within Lower Wong Tai Sin (I) Estate ("Lower Wong Tai Sin Carpark")</b>											
		—	70	0.13	8.40%	8.10	10.40%	7.70	7.8	1.67%	9.87%
Brief Description:	Lower Wong Tai Sin Carpark, completed in 1982, comprises two open car parking areas (Open Car Parks) in Lower Wong Tai Sin (I) Estate. There are a total of 70 car parking spaces in Lower Wong Tai Sin Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 674/240,107th equal and undivided shares of and in New Kowloon Inland Lot No 6373 and is held under a Government Lease for a term of 50 years from 8 February 2001.										
<b>179. Carpark within Pang Ching Court (Pang Ching Carpark)</b>											
		—	67	0.29	9.70%	6.60	11.20%	6.50	6.5	4.46%	10.89%
Brief Description:	Pang Ching Carpark, completed in 1991, comprises various open car parking areas in Pang Ching Court. There are a total of 67 car parking spaces in Pang Ching Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6121 and is held under a Government Lease for a term from 21 September 1990 to 30 June 2047.										
<b>180. Carpark within Chuk Yuen (North) Estate (Chuk Yuen (North) Carpark)</b>											
		—	61	0.38	9.70%	7.50	11.20%	7.40	7.4	5.14%	10.89%
Brief Description:	Chuk Yuen (North) Carpark, completed in 1987, comprises two open car parking areas in Chuk Yuen (North) Estate. There are a total of 61 car parking spaces in Chuk Yuen (North) Carpark.										
Title Details:	The property is held by The Link Properties Limited. It comprises 687/364,071st equal and undivided shares of and in New Kowloon Inland Lot No 6327 and is held under a Government Lease for a term of 50 years from 18 March 1999.										

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the registered office of the Manager.

## Financial Calendar and Corporate Information

### Unit Listing

The Link REIT units are listed on The Stock Exchange of Hong Kong Limited. Details of units in issue are set out in Note 23 to the Consolidated Financial Statements.

The stock code is 823.

### Investor Calendar

Final results announcement for the year ended 31 March 2009	17 June 2009
Ex-dividend date	29 June 2009
Five trading days to determine scrip price	29 June to 6 July 2009 (both dates inclusive)
Closure of register of Unitholders (for distribution)*	2 July to 6 July 2009 (both dates inclusive)
Record date for the final distribution	6 July 2009
Despatch of Distribution Reinvestment Scheme Documents	On or about 13 July 2009
Closure of register of Unitholders (for annual general meeting)**	24 July to 29 July 2009 (both dates inclusive)
2009 Annual General Meeting	29 July 2009
Scrip distribution election period closes^	29 July 2009
Distribution payment date	On or about 19 August 2009
Interim results announcement for the six months ending 30 September 2009	November 2009 <sup>#</sup>

\* For the purpose of the distribution, the register of Unitholders of The Link REIT will be closed from 2 July to 6 July 2009 (both dates inclusive), during which no transfer of units can be registered. To qualify for the distribution, all transfers, accompanied by the relevant unit certificates, must be lodged with The Link REIT's unit registrar, Computershare Hong Kong Investor Services Limited (the "Unit Registrar"), Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on 30 June 2009.

\*\* For the purpose of the annual general meeting, the register of Unitholders of The Link REIT will be closed from 24 July to 29 July 2009 (both dates inclusive), during which no transfer of units can be registered. To be eligible to attend and vote at the annual general meeting, all transfers, accompanied by the relevant unit certificates, must be lodged with the Unit Registrar at its address mentioned above for registration not later than 4:30 pm on 23 July 2009.

^ A distribution reinvestment scheme is available to the Unitholders and the Unitholders can elect to receive the distribution in respect of the year ended 31 March 2009 in the form of cash, or in the form of new units of The Link REIT, or a combination of both. An announcement explaining further information of the distribution reinvestment scheme will be released on or about 6 July 2009 and a circular containing the details together with the relevant election form or entitlement advice will be sent to Unitholders on or about 13 July 2009.

# tentative date

### Investor Information

Corporate press releases, financial reports and other investor information on The Link REIT are available online at its website [www.thelinkreit.com](http://www.thelinkreit.com).

### Investor Relations Contact

Please direct enquiries to:

Investor Relations

Address: 4/F, Multi-Storey Carpark Building, 108 Ching Tak Street,  
Wong Tai Sin, Kowloon, Hong Kong

Telephone: (852) 2175 1800

Facsimile: (852) 2175 1900

Email: [ir@thelinkreit.com](mailto:ir@thelinkreit.com)

### Website Address

[www.thelinkreit.com](http://www.thelinkreit.com)

# Financial Calendar and Corporate Information

## Board of Directors of the Manager

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

### Executive Directors

Ian David Murray ROBINS (Chief Executive Officer)  
George Kwok Lung HONGCHOY (Chief Financial Officer)

### Non-Executive Directors

Ian Keith GRIFFITHS  
John HO Chi On <sup>(Note)</sup>  
KEE Teck Koon  
LIM Beng Chee

### Independent Non-Executive Directors

Michael Ian ARNOLD  
Anthony CHOW Wing Kin  
Patrick FUNG Yuk Bun  
Stanley KO Kam Chuen  
Richard WONG Yue Chim  
Allan ZEMAN

## Responsible Officers of the Manager

Ian David Murray ROBINS  
George Kwok Lung HONGCHOY  
Ross James O'TOOLE  
Simon HO Kam Por

## Authorised Representatives of The Link REIT

Ian David Murray ROBINS  
Josephine YEE Chooi Mee

## Company Secretary of the Manager

Josephine YEE Chooi Mee

## Trustee

HSBC Institutional Trust Services (Asia) Limited

## Auditor of The Link REIT

PricewaterhouseCoopers

## Principal Valuer

Knight Frank Petty Limited

## Principal Bankers

Bank of China (Hong Kong) Limited  
The Bank of Tokyo-Mitsubishi UFJ, Ltd, Hong Kong Branch  
BNP Paribas Hong Kong Branch  
DBS Bank Ltd, Hong Kong Branch  
The Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank (Hong Kong) Limited

## Registered Office of the Manager

Room 1201–1202, 12th Floor, 9 Queen's Road Central,  
Hong Kong

## Head Office of the Manager

4/F, Multi-Storey Carpark Building,  
108 Ching Tak Street, Wong Tai Sin,  
Kowloon, Hong Kong

## Unit Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor, Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong

# Our Portfolio

## Hong Kong Island

- |                  |                  |                      |                |
|------------------|------------------|----------------------|----------------|
| 1 Ap Lei Chau RC | 5 Hing Wah SC    | 9 Stanley Plaza      | 13 Wah Kwai SC |
| 2 Fung Wah RC    | 6 Lei Tung CC    | 10 Tin Wan SC        | 14 Wan Tsui CC |
| 3 Hing Man CC    | 7 Oi Tung SC     | 11 Tsui Wan RC       | 15 Yiu Tung SC |
| 4 Hing Tung SC   | 8 Siu Sai Wan SC | 12 Tung Hei Court RC | 16 Yue On CP   |

## Kowloon East

- |                         |                          |                          |                          |
|-------------------------|--------------------------|--------------------------|--------------------------|
| 17 Choi Fai RC          | 30 Kai Tin SC            | 43 Pang Ching CP         | 56 Tsui Ping North SC    |
| 18 Choi Ha RC           | 31 Kai Yip CC            | 44 Ping Tin SC           | 57 Tsui Ping South CP    |
| 19 Choi Wan CC          | 32 King Lai CP           | 45 Po Pui CP             | 58 Tsz Ching SC          |
| 20 Chuk Yuen (North) CP | 33 Ko Chun RC            | 46 Po Tat SC             | 59 Tsz Man CP            |
| 21 Chuk Yuen SC         | 34 Ko Yee RC             | 47 Sau Mau Ping SC       | 60 Tsz Oi RC             |
| 22 Fung Lai CP          | 35 Kwong Tin SC          | 48 Sau Mau Ping (I) CP   | 61 Tsz Wan Shan SC       |
| 23 Fung Tak SC          | 36 Lei Yue Mun Plaza     | 49 Sau Mau Ping (III) RC | 62 Tung Tau RC           |
| 24 Hing Tin CC          | 37 Lok Fu Plaza          | 50 Shun Lee CC           | 63 Upper Ngau Tau Kok CP |
| 25 Hiu Lai SC           | 38 Lok Nga RC            | 51 Shun On CC            | 64 Wang Fai Centre       |
| 26 Hong Keung CP        | 39 Lok Wah CC            | 52 Shun Tin RC           | 65 Wong Tai Sin SC       |
| 27 Hong Pak RC          | 40 Lok Wah (South) RC    | 53 Tak Tin SC            | 66 Ying Fuk RC           |
| 28 Hong Shui RC         | 41 Lower Wong Tai Sin CP | 54 Tin Ma Court CC       |                          |
| 29 Hong Yat RC          | 42 Lung Cheung Mall      | 55 Tin Wang RC           |                          |

## Kowloon West

- |                     |                    |                    |               |
|---------------------|--------------------|--------------------|---------------|
| 67 Fortune SC       | 71 Hung Hom RC     | 75 Nam Cheong RC   | 79 Yee Kok CP |
| 68 Fu Cheong SC     | 72 Lai Kok SC      | 76 Oi Man SC       |               |
| 69 Ho Man Tin Plaza | 73 Lai On CP       | 77 Po Hei Court CC |               |
| 70 Hoi Fu SC        | 74 Lei Cheng Uk SC | 78 Un Chau SC      |               |

## New Territories East

- |                    |                  |                     |                     |
|--------------------|------------------|---------------------|---------------------|
| 80 Cheung Wah SC   | 93 Kam Tai SC    | 106 Po Lam SC       | 119 Wah Ming SC     |
| 81 Choi Ming SC    | 94 Kam Ying SC   | 107 Po Nga RC       | 120 Wah Sum SC      |
| 82 Choi Yuen SC    | 95 Kin Ming CP   | 108 Sha Kok CC      | 121 Wan Tau Tong SC |
| 83 Chun Shek SC    | 96 King Lam SC   | 109 Sheung Tak SC   | 122 Wang Fuk CP     |
| 84 Chung On SC     | 97 Kwong Fuk CC  | 110 Sui Wo Court CC | 123 Wo Che CC       |
| 85 Fu Heng SC      | 98 Kwong Yuen SC | 111 Sun Chui SC     | 124 Wo Ming RC      |
| 86 Fu Shin SC      | 99 Lee On SC     | 112 Sun Tin Wai CC  | 125 Yan Ming RC     |
| 87 Hau Tak SC      | 100 Lek Yuen CC  | 113 Tai Ping RC     | 126 Yan Shing RC    |
| 88 Heng On CC      | 101 Lung Hang CC | 114 Tai Wo SC       | 127 Yee Nga CP      |
| 89 Hin Keng SC     | 102 Mei Chung RC | 115 Tai Yuen CC     | 128 Ying Ming CP    |
| 90 Ka Fuk SC       | 103 Mei Lam CC   | 116 Tin Ping SC     | 129 Yiu On SC       |
| 91 Ka Tin Court CP | 104 Ming Nga CP  | 117 Tong Ming RC    | 130 Yu Chui SC      |
| 92 Kam On CP       | 105 Ming Tak SC  | 118 Tsui Lam SC     | 131 Yung Shing SC   |

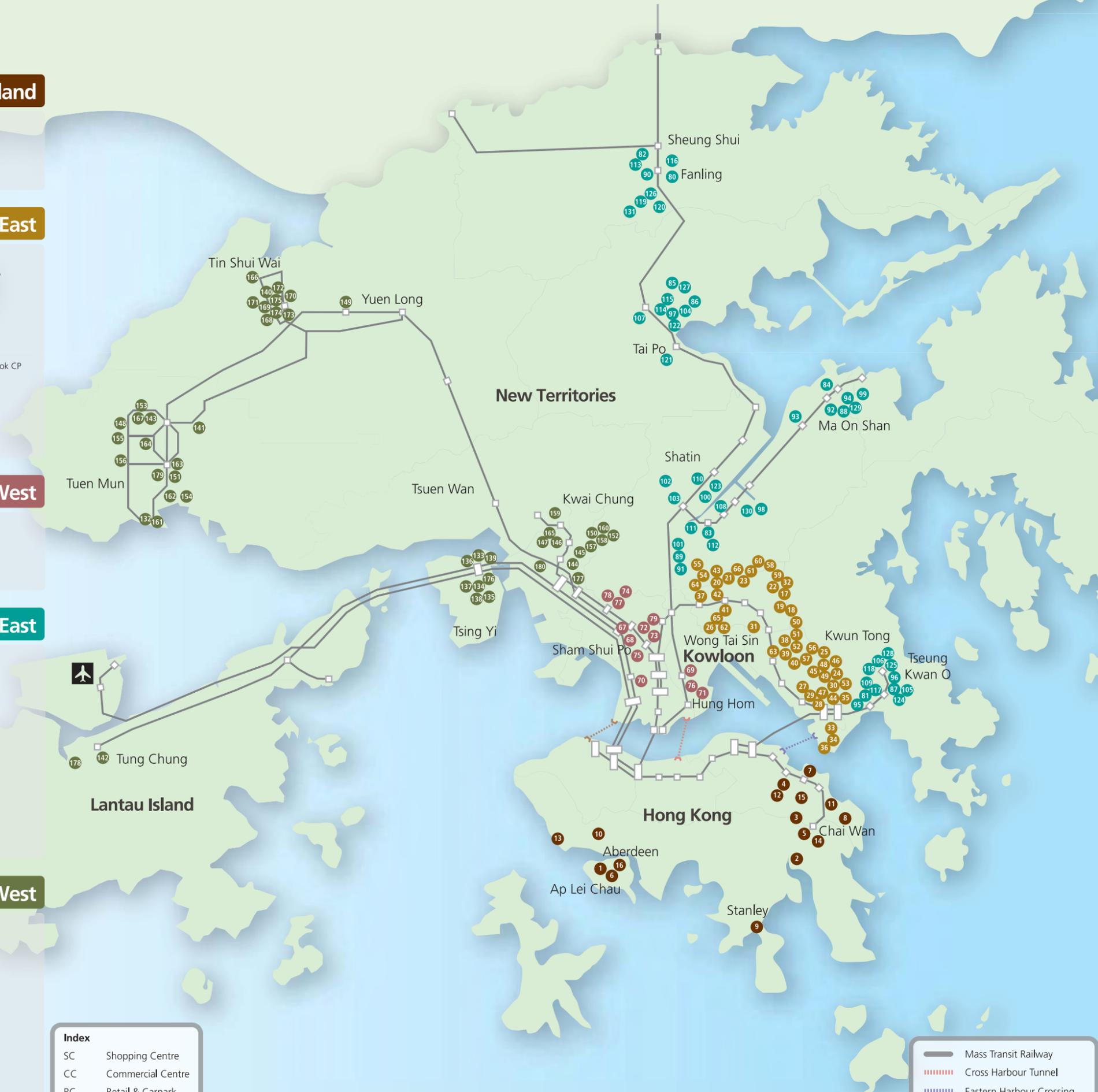
## New Territories West

- |                    |                         |                          |                 |
|--------------------|-------------------------|--------------------------|-----------------|
| 132 Butterfly SC   | 145 Kwai Hing SC        | 158 Shek Lei SC Phase II | 171 Tin Wah RC  |
| 133 Cheung Fat SC  | 146 Kwai Hong CP        | 159 Shek Wai Kok CC      | 172 Tin Yat RC  |
| 134 Cheung Hang SC | 147 Kwai Shing East SC  | 160 Shek Yam SC          | 173 Tin Yau CP  |
| 135 Cheung Hong CC | 148 Leung King SC       | 161 Siu Hei CC           | 174 Tin Yiu SC  |
| 136 Cheung On RC   | 149 Long Ping CC        | 162 Siu Lun SC           | 175 Tin Yuet CP |
| 137 Cheung Wang RC | 150 Ning Fung CP        | 163 Siu On RC            | 176 Tsing Yi CC |
| 138 Ching Wah RC   | 151 On Ting CC          | 164 Tai Hing CC          | 177 Wah Lai CP  |
| 139 Ching Wang CP  | 152 On Yam SC           | 165 Tai Wo Hau CC        | 178 Yat Tung SC |
| 140 Chung Fu SC    | 153 Po Tin SC           | 166 Tin Chak SC          | 179 Yau Oi CC   |
| 141 Fu Tai SC      | 154 Sam Shing CC        | 167 Tin King CP          | 180 Yin Lai SC  |
| 142 Fu Tung SC     | 155 San Wai CP          | 168 Tin Shing SC         |                 |
| 143 Kin Sang SC    | 156 Shan King CC        | 169 Tin Shui SC          |                 |
| 144 Kwai Fong SC   | 157 Shek Lei SC Phase I | 170 Tin Tsz SC           |                 |

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- SC Shopping Centre
- CC Commercial Centre
- RC Retail & Carpark
- CP Carpark

- Mass Transit Railway
- Cross Harbour Tunnel
- Eastern Harbour Crossing
- Western Harbour Crossing



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The FSC logo identifies products which contain wood and virgin fibre from well-managed forests certified in accordance with the rules of the Forest Stewardship Council.