

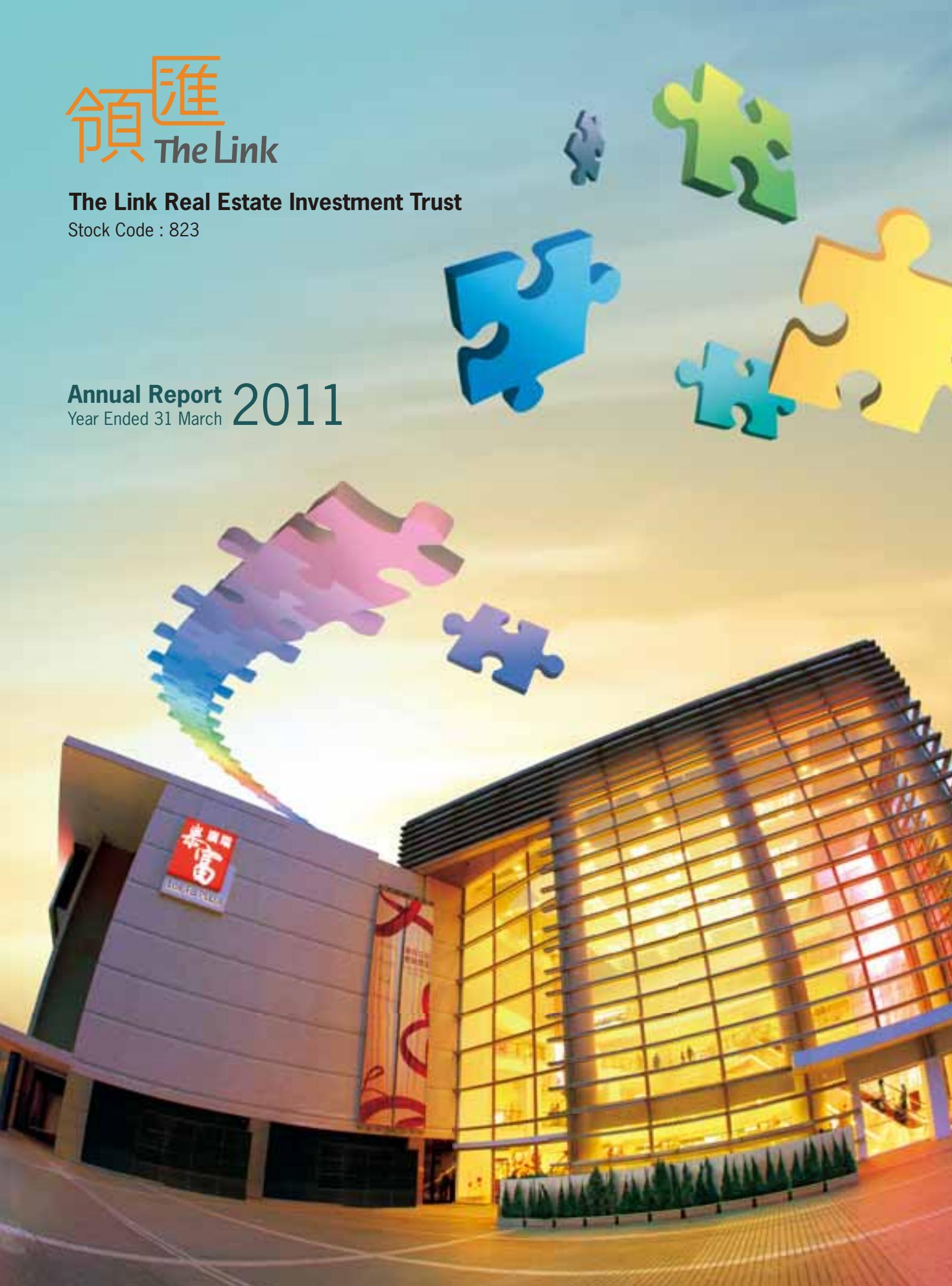


The Link Real Estate Investment Trust

Stock Code : 823

Annual Report 2011

Year Ended 31 March



VISION

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



MISSION

Building relationships with our stakeholders through

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



VALUES

Managing and operating our business with

- ✿ Respect
- ✿ Excellence
- ✿ Integrity
- ✿ Teamwork

The Link REIT

The Link Real Estate Investment Trust (“**The Link REIT**”) is Hong Kong’s first and largest REIT, and has been listed on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) since 25 November 2005.

As at 31 March 2011, the portfolio had 180 properties comprising 149 integrated retail and car park facilities, two standalone retail facilities and 29 standalone car park facilities with an internal floor area (“**IFA**”) of approximately 11 million square feet (“**sq ft**”) of retail space and approximately 80,000 car park 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 approximately 40% of Hong Kong’s population, primarily serve customers’ daily needs. The car parks mainly serve tenants and customers of the retail facilities and residents of the surrounding neighbourhoods.

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

The Manager is licensed by the Securities and Futures Commission (the “**SFC**”) to conduct the regulated activity of asset management and is responsible for managing The Link REIT’s portfolio of properties.



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Five Year Review

The Manager has continued to execute its growth strategy successfully and delivered an outstanding return to Unitholders of **The Link REIT** in the first five years since its listing in November 2005.

Our properties form part of the landscape for **better living** and **shopping environment**. The Manager has demonstrated its ability to improve the property portfolio of The Link REIT to better serve our community. We have also grown with the community we serve.

05/06 & 06/07

Nov 05

The Link Real Estate Investment Trust was listed on the Hong Kong Stock Exchange main board as Hong Kong's first REIT.

Stock code: **823**

Jun 06

Standard and Poor's ("**S&P**") assigned an "**A**" rating with stable outlook to The Link REIT while Moody's Investors Service ("**Moody's**") assigned an "**A3**" rating with stable outlook to The Link REIT.

Jul 06

The first asset enhancement project at Tsz Wan Shan Shopping Centre was well received by the public.

Mar 07

The Link REIT's full year distribution for the financial year 06/07 exceeded IPO forecast by 9.2%.

07/08

Nov 07

"The Link Fun Academy" was launched to provide multiple recreational activities and learning workshops for young people.

08/09

May 08

"The Link Tenant Information Centre", first of its kind in Hong Kong, opened in Fu Cheong Shopping Centre to facilitate tenants' renovation works.

Jun 08

"The Link Tenant Academy" was launched to keep tenants abreast of the latest market information and business management know-how.



09/10

Nov 09

The Link REIT hired an additional 232 staff to take over on-site property management across the portfolio to enhance service quality.

10/11

Jul 10

"The Link Staff Academy" was launched to provide training to staff.

Sep 10

Moody's upgraded The Link REIT's credit rating from "A3" to **"A2"** with stable outlook.

Dec 10

Completion of asset enhancement work at our flagship property, Lok Fu Plaza.

2011 → 2012

In the Future

Much has been achieved in the past five years in terms of investment return and our financial position is stronger than ever.

The Manager will continue to implement its strategy to improve its property portfolio through asset enhancement, better service quality and active tenant mix management. Successful execution of these strategies should continue to facilitate retail sales in our properties and deliver sustainable growth in the coming financial year.

With our expanded work force, management and staff alike share one common goal – to strive towards our vision of becoming a world class real estate investor and manager to serve and improve the lives of those around us.



Our Portfolio

NEW TERRITORIES

- | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|
| 1 Butterfly Plaza | 13 Ming Nga Court CP | 25 Tai Wo Plaza | 37 Tin Yuet Estate CP |
| 2 Cheung Wah SC | 14 On Ting CC | 26 Tai Yuen CC | 38 Wah Ming SC |
| 3 Choi Yuen Plaza | 15 Po Nga Court RC | 27 Tin Chak SC | 39 Wah Sum SC |
| 4 Chung Fu Plaza | 16 Po Tin SC | 28 Tin King Estate CP | 40 Wan Tau Tong SC |
| 5 Fu Heng SC | 17 Sam Shing CC | 29 Tin Ping SC | 41 Wang Fuk Court CP |
| 6 Fu Shin SC | 18 San Wai Court CP | 30 Tin Shing SC | 42 Yan Shing Court RC |
| 7 Fu Tai SC | 19 Shan King CC | 31 Tin Shui SC | 43 Yau Oi CC |
| 8 Ka Fuk SC | 20 Siu Hei CC | 32 Tin Tsz SC | 44 Yee Nga Court CP |
| 9 Kin Sang SC | 21 Siu Lun SC | 33 Tin Wah Estate RC | 45 Yung Shing SC |
| 10 Kwong Fuk CC | 22 Siu On Court RC | 34 Tin Yat Estate RC | |
| 11 Leung King SC | 23 Tai Hing CC | 35 Tin Yau Court CP | |
| 12 Long Ping CC | 24 Tai Ping Estate RC | 36 Tin Yiu Plaza | |

SHATIN, TSING YI

- | | | | |
|--------------------------|-----------------------|-------------------------|----------------------|
| 46 Cheung Fat Plaza | 56 Ka Tin Court CP | 66 Ning Fung Court CP | 76 Tai Wo Hau CC |
| 47 Cheung Hang SC | 57 Kwai Fong Plaza | 67 On Yam SC | 77 Tsing Yi CC |
| 48 Cheung Hong CC | 58 Kwai Hing SC | 68 Sha Kok CC | 78 Wah Lai Estate CP |
| 49 Cheung On Estate RC | 59 Kwai Hong Court CP | 69 Shek Lei SC Phase I | 79 Wo Che Plaza |
| 50 Cheung Wang Estate RC | 60 Kwai Shing East SC | 70 Shek Lei SC Phase II | 80 Yat Tung SC |
| 51 Ching Wah Court RC | 61 Kwong Yuen SC | 71 Shek Wai Kok CC | 81 Yin Lai Court SC |
| 52 Ching Wang Court CP | 62 Lek Yuen Plaza | 72 Shek Yam SC | 82 Yu Chui SC |
| 53 Chun Shek SC | 63 Lung Hang CC | 73 Sui Wo Court CC | |
| 54 Fu Tung Plaza | 64 Mei Chung Court RC | 74 Sun Chui SC | |
| 55 Hin Keng SC | 65 Mei Lam CC | 75 Sun Tin Wai CC | |

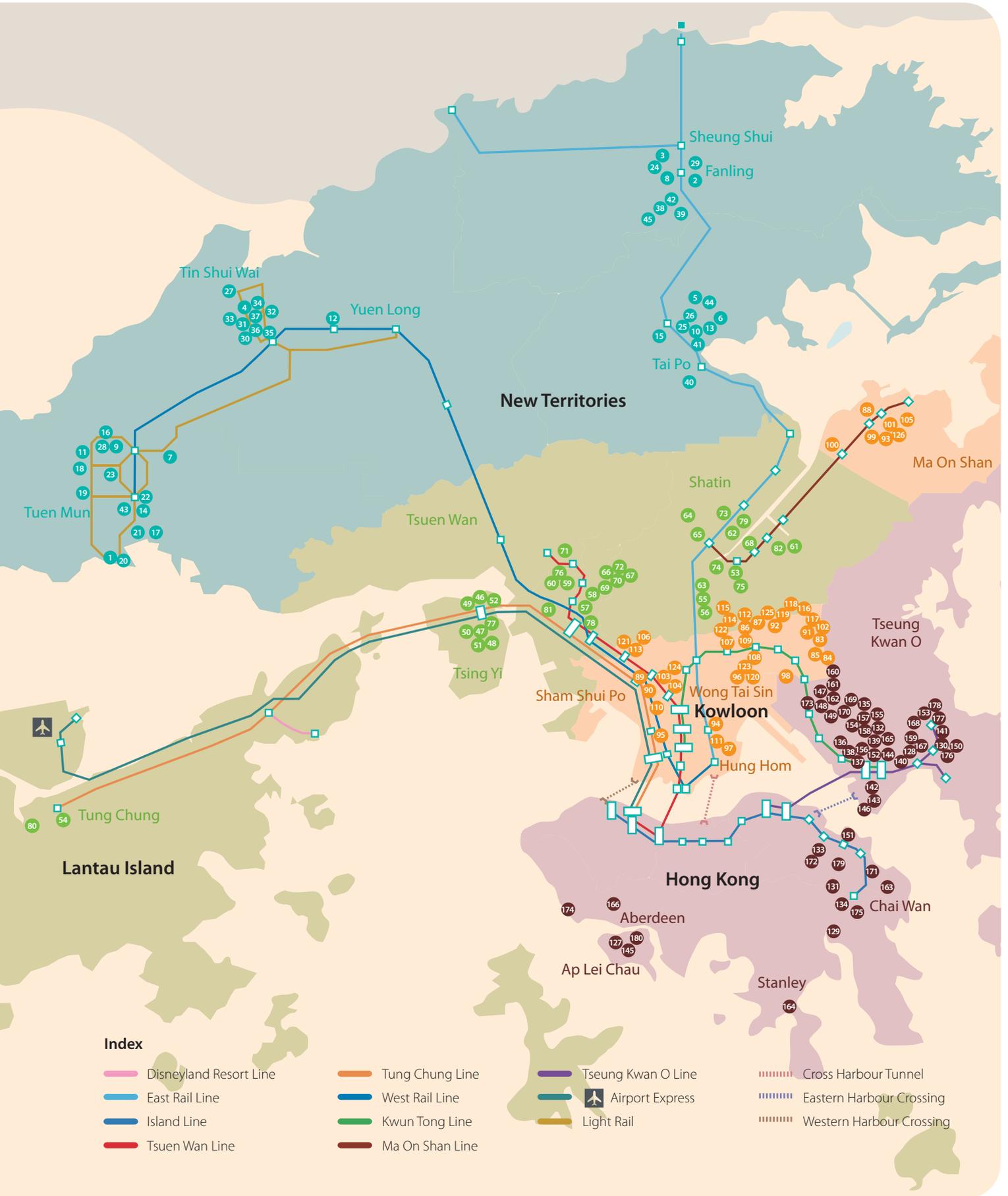
KOWLOON, MA ON SHAN

- | | | | |
|--------------------------------|------------------------|--------------------------------------|---------------------------------------|
| 83 Choi Fai Estate RC | 95 Hoi Fu SC | 107 Lok Fu Plaza | 119 Tsz Wan Shan SC |
| 84 Choi Ha Estate RC | 96 Hong Keung Court CP | 108 Lower Wong Tai Sin (I) Estate CP | 120 Tung Tau Estate RC |
| 85 Choi Wan CC | 97 Hung Hom Estate RC | 109 Lung Cheung Plaza | 121 Un Chau SC |
| 86 Chuk Yuen (North) Estate CP | 98 Kai Yip CC | 110 Nam Cheong Estate RC | 122 Wang Tau Hom
(Wang Fai Centre) |
| 87 Chuk Yuen Plaza | 99 Kam On Court CP | 111 Oi Man SC | 123 Wong Tai Sin Plaza |
| 88 Chung On SC | 100 Kam Tai SC | 112 Pang Ching Court CP | 124 Yee Kok Court CP |
| 89 Fortune SC | 101 Kam Ying Court SC | 113 Po Hei Court CC | 125 Ying Fuk Court RC |
| 90 Fu Cheong SC | 102 King Lai Court CP | 114 Tin Ma Court CC | 126 Yiu On SC |
| 91 Fung Lai Court CP | 103 Lai Kok SC | 115 Tin Wang Court RC | |
| 92 Fung Tak SC | 104 Lai On Estate CP | 116 Tsz Ching SC (I) & (II) | |
| 93 Heng On CC | 105 Lee On SC | 117 Tsz Man Estate CP | |
| 94 Ho Man Tin Plaza | 106 Lei Cheng UK SC | 118 Tsz Oi Court RC | |

TSEUNG KWAN O, HONG KONG ISLAND

- | | | | |
|---------------------------|--|----------------------------------|----------------------------------|
| 127 Ap Lei Chau Estate RC | 141 King Lam SC | 154 Po Pui Court CP | 168 Tsui Lam SC |
| 128 Choi Ming SC | 142 Ko Chun Court RC | 155 Po Tat SC | 169 Tsui Ping North SC |
| 129 Fung Wah Estate RC | 143 Ko Yee Estate RC | 156 Sau Mau Ping SC | 170 Tsui Ping South Estate CP |
| 130 Hau Tak (II) SC | 144 Kwong Tin SC | 157 Sau Mau Ping (I) Estate CP | 171 Tsui Wan Estate RC |
| 131 Hing Man CC | 145 Lei Tung CC | 158 Sau Mau Ping (III) Estate RC | 172 Tung Hei Court RC |
| 132 Hing Tin CC | 146 Yau Mei & Ko Cheung
(Lei Yue Mun Plaza) | 159 Sheung Tak SC | 173 Upper Ngau Tau Kok Estate CP |
| 133 Hing Tung SC | 147 Lok Nga Court RC | 160 Shun Lee CC | 174 Wah Kwai SC |
| 134 Hing Wah Plaza | 148 Lok Wah CC | 161 Shun On CC | 175 Wan Tsui CC |
| 135 Hiu Lai SC | 149 Lok Wah (South) Estate RC | 162 Shun Tin Estate RC | 176 Wo Ming Court RC |
| 136 Hong Pak Court RC | 150 Ming Tak SC | 163 Siu Sai Wan Plaza | 177 Yan Ming Court RC |
| 137 Hong Shui Court RC | 151 Oi Tung SC | 164 Stanley Plaza | 178 Ying Ming Court CP |
| 138 Hong Yat Court RC | 152 Ping Tin SC | 165 Tak Tin Plaza | 179 Yiu Tung SC |
| 139 Kai Tin SC | 153 Po Lam SC | 166 Tin Wan SC | 180 Yue On Court CP |
| 140 Kin Ming Estate CP | | 167 Tong Ming Court RC | |

SC = Shopping Centre CC = Commercial Centre / Complex RC = Retail & Car Park CP = Car Park



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- Disneyland Resort Line
- East Rail Line
- Island Line
- Tsuen Wan Line
- Tung Chung Line
- West Rail Line
- Kwun Tong Line
- Ma On Shan Line
- Tseung Kwan O Line
- Airport Express
- Light Rail
- - - - Cross Harbour Tunnel
- - - - Eastern Harbour Crossing
- - - - Western Harbour Crossing

Operating and Financial Highlights

Highlights for the financial year ended 31 March 2011

Earnings Growth

Revenue	HK\$ 5,353 million	+7.3 %
Net property income	HK\$ 3,644 million	+9.5 %
Profit before tax and valuation adjustments	HK\$ 2,971 million	+12.9 %
Distribution to Unitholders	HK\$ 2,458 million	+15.2 %
Distribution per unit	HK 110.45 cents	+13.4 %
Distribution payout ratio		100 %

Portfolio Performance

Average monthly unit rent	HK\$ 32.8 psf	+7.2 %
Composite reversion rate		21.4 %
Occupancy rate		up to 91.5 %
Completed asset enhancement works on 5 additional properties		
Net property income margin		up to 68.1 %
Car park income per space per month	HK\$ 1,095	+3.9 %

Financial Position

Net asset value per unit	HK\$ 24.63	+31.9 %
Valuation	HK\$ 67,318 million	+25.2 %
Gearing ratio		down to 15.1 %
Average outstanding life of debt facilities		up to 4.3 years ⁽¹⁾
Strong credit ratings		A (S&P) A2 (Moody's)
Available liquidity		HK\$2.41 billion
No major refinancing until 2014		

Note:

⁽¹⁾ Included a new HK\$2.5 billion 5-year club loan mandated in March 2011 and signed in April 2011 to mainly refinance the 2006 syndicated loan maturing in October 2011. Excluding the HK\$2.5 billion refinancing, average outstanding life of debt facilities as at 31 March 2011 was 3.4 years.

Financial Highlights

The Link REIT has early adopted the amendments to the Hong Kong Accounting Standard ("HKAS") 12 "Deferred Tax: Recovery of Underlying Assets" whereby no deferred tax will be provided on the change in fair values of investment properties

Taxation charge for the year ended 31 March 2010 had been restated as a result of the early adoption of the amendments to HKAS 12 resulting in a decrease in taxation charge for the year

This comprised final distribution per unit of HK\$57.59 cents and interim distribution per unit of HK\$52.86 cents for the year under review. As at 31 March 2011, there were 2,232,284,540 units in issue

Consolidated Income Statement

	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M (Restated)	YoY %
Revenue	5,353	4,990	7.3
Property operating expenses	(1,709)	(1,662)	2.8
Net property income	3,644	3,328	9.5
Change in fair values of investment properties	12,812	9,809	30.6
Interest income and other expenses	(673)	(697)	(3.4)
Profit before taxation and transactions with Unitholders	15,783	12,440	26.9
Taxation	(503)	(458)	9.8
Profit for the year, before transactions with Unitholders	15,280	11,982	27.5
Total Distributable Income	2,458	2,134	15.2
Distribution Per Unit (HK cents)	110.45	97.37	13.4

Comprising interest expenses which decreased as a result of better capital management strategy

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 items which have been recorded in the consolidated income statement for the relevant year

Revenue Analysis

	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	YoY %	Percentage contribution for the year ended 31 March 2011 %
Rental income:				
Shops – Base rent	3,095	2,841	8.9	57.8
Shops – Turnover rent	84	70	20.0	1.6
Markets	546	522	4.6	10.2
Cooked Food Stalls	54	50	8.0	1.0
Education / Welfare	45	45	0.0	0.8
Housing Department ("HD") Office	5	10	(50.0)	0.1
Ancillary	71	70	1.4	1.3
Mall Merchandising	115	91	26.4	2.2
Gross revenue from car parks:				
Monthly	778	769	1.2	14.5
Hourly	266	236	12.7	5.0
Expenses recovery and other miscellaneous income:				
Property related income	294	286	2.8	5.5
	5,353	4,990	7.3	100.0

Property Operating Expenses Analysis

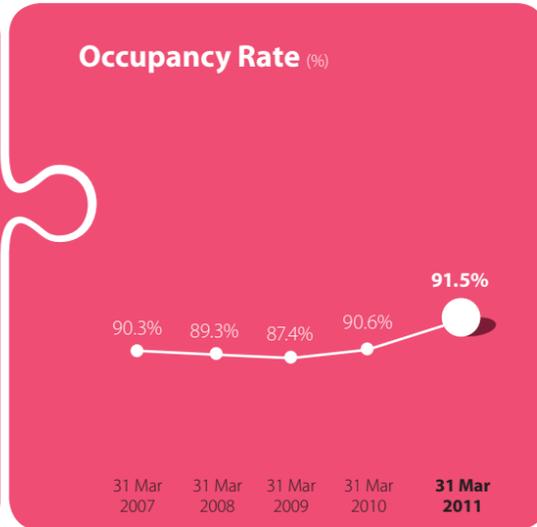
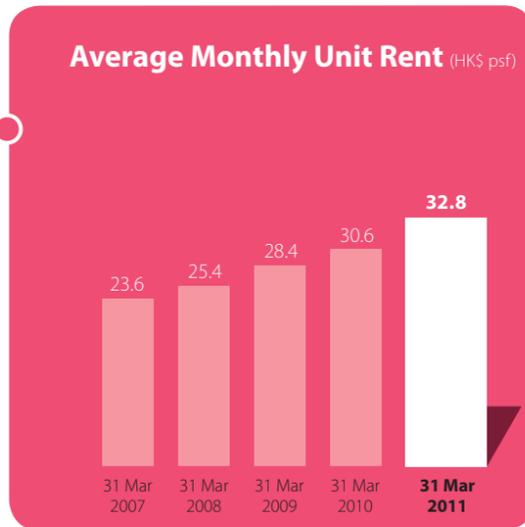
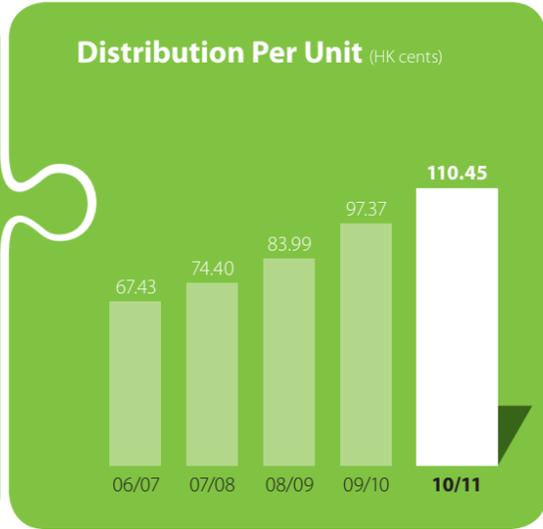
	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	YoY %
Property managers' fees, security and cleaning	428	474	(9.7)
Staff costs	251	176	42.6
Utilities	310	316	(1.9)
Repair and maintenance	222	177	25.4
Government rent and rates	166	127	30.7
Promotion and marketing expenses	94	80	17.5
Estate common area costs	101	98	3.1
Other property operating expenses	137	214	(36.0)
Total property expenses	1,709	1,662	2.8

Additional resources were deployed in the front line as part of our strategy to improve service quality

More property titles have been transferred to The Link REIT during the year under review. The title transfer exercise was fully completed in August 2010

Efforts were made to improve the general property conditions across the portfolio

Energy saving programmes will continue to generate both environmental benefits and cost savings



*Brightening
people's lives*



Lok Fu Plaza – an asset enhancement project with capital expenditures of

HK\$426M



“ After the mall’s renovation, the shopping environment is more comfortable. We appreciate the quick response of the property’s management team and their ability to help retailers solve problems. We are satisfied with the service standard. ”

~ Bik Lai (right) of footwear retailer at Lok Fu Plaza

◀ Entrance to Lok Fu Plaza at night

Chairman's Statement

I am delighted to report that The Link REIT has achieved another year of strong operating results for our Unitholders.



Chairman addressing staff at a gathering on the 5th Anniversary of The Link REIT's IPO

FINANCIAL PERFORMANCE AND DISTRIBUTION

The solid performance of our business was supported by the strong local economy, better consumer sentiment and continuing growth in retail sales. Revenue grew by 7.3% to HK\$5,353 million and net property income rose 9.5% to HK\$3,644 million. The board of directors ("**Board**") of the Manager has approved a final distribution per unit ("**DPU**") of HK57.59 cents which, together with the interim distribution per unit of HK52.86 cents, gives a total distribution per unit for the full year of HK110.45 cents, an increase of 13.4% over last year.

The Report of the Chief Executive Officer ("**CEO**") and other sections of this Annual Report will provide further detail on our business operations, financial performance, strategy and outlook. In the Chairman's statement, I wish to focus on the **V**ision, **M**ission and **V**alues for The Link REIT which form the base on which we can build a sustainable business.

VISION, MISSION AND VALUES

As part of our effort to develop the corporate culture of this relatively young organisation and to move towards building a business with long term sustainable growth, we unveiled our **V**ision, **M**ission and **V**alues as the Manager of The Link REIT in November 2010. To achieve our vision of becoming a world class real estate investor and manager serving and improving the lives of those around us, we would need to operate our business in ways that best serve the needs of our tenants, shoppers, employees, investors and the community as a whole. Our mission is to build relationships with all our business partners by providing them value and quality service, partnering with local communities and delivering sustainable growth which will help us achieve our vision in time. The values which our staff are expected to deliver are **R**espect, **E**xcellence, **I**ntegrity and **T**eamwork. We believe these **V**ision, **M**ission and **V**alues should be embedded in every aspect of the way we execute our business and support us in building a long term sustainable business.

In line with our vision of becoming a world class real estate investor and manager, this year marks our first report on sustainability performance, based on internationally-accepted Global Reporting Initiative guidelines and standards. Our Sustainability Report, which is issued at the same time as this Annual Report, explains in greater detail the strong influence which sustainability considerations are having over the forward direction of The Link REIT.

DIRECTORS AND STAFF

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

The Board would also like to take this opportunity to express its appreciation to Mr Ian David Murray ROBINS for his invaluable contribution to The Link REIT during his tenure as CEO. The Board is very

Chairman's Statement

pleased with the seamless transition of senior leadership to Mr George Kwok Lung HONGCHOY who became CEO on 17 May 2010 and Mr Andy CHEUNG Lee Ming, who was appointed as Chief Financial Officer and an Executive Director of the Manager on 28 June 2010.

It is encouraging that the Manager has continued to execute its growth strategy and has delivered an outstanding return to Unitholders of The Link REIT in the first five years since its listing in November 2005. I am confident that under the leadership of the management and with the dedication of our staff, the Manager will continue to create value for our Unitholders.

With our mission clearly defined, our management and staff are committed to the values of **R**espect, **E**xcellence, **I**ntegrity and **T**eamwork as they meet future challenges and continue to grow our business in order to deliver satisfactory results to all stakeholders, and to benefit the community our business serves.

OUTLOOK

The economic outlook for Hong Kong in 2011 remains positive and the local retail market is expected to continue to prosper, supported by robust growth in mainland China. Against this backdrop, we remain cautious on possible inflationary pressure caused by the prolonged excess liquidity in the financial markets and the changes to the labour market brought on by the introduction of minimum wage legislation in Hong Kong. The recovery of western economies remains uncertain, while the recent disasters in Japan have introduced additional uncertainties in Asia.

In the past five years, the Manager has demonstrated its ability to improve the property portfolio of The Link REIT to better serve the community, and to deliver a successful track record of profit growth for our Unitholders. With the hard work and professionalism of our staff under the leadership of the senior management team and the resilient characteristics of the properties of The Link REIT, I have every confidence that our team can make forth progress towards achieving our mission and continue to create value for our stakeholders in the years to come.

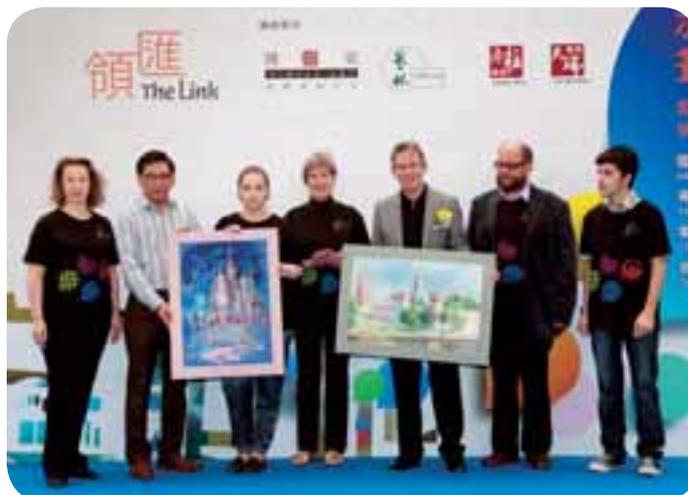
Nicholas Robert SALLNOW-SMITH

Chairman

The Link Management Limited

As Manager of The Link Real Estate Investment Trust

1 June 2011



Chairman hosting the opening ceremony of "Bring Art to Community" event at Stanley Plaza



*Adding value to Hong Kong's
retail infrastructure*



21

asset enhancement projects
completed since initial
public offering



“ With asset enhancement project, footfall and shoppers traffic at Tak Tin Plaza has increased markedly during weekends. Customers come more often. A new interior design has much enhanced the conditions of the shopping centre. ”

~ Wing Chan, tenant of children goods at Tak Tin Plaza

◀ Tai Yuen Market, the first fresh market enhancement, sets new service standards

CEO's Report



CEO George Hongchoy at Launch Ceremony of Cheung Fat Plaza, a completed asset enhancement project



Lok Fu Plaza after renovation

I am pleased that The Link REIT has delivered another year of steady growth for the financial year ended 31 March 2011. This year also marks The Link REIT's fifth anniversary as a publicly listed entity since its initial public offering ("IPO") in November 2005. From our IPO to the end of March 2011, The Link REIT has delivered a compound average annualised total return of 21.3%, being a combination of capital appreciation and distributions paid out for our Unitholders.

DELIVERING SUSTAINABLE RETURN

Our business has benefited from the strong local economy in 2010. Total revenue grew by 7.3% to HK\$5,353 million (2010: HK\$4,990 million) mainly supported by the performance of the retail shops, the largest component of the retail properties, which contributed HK\$3,179 million, an increase of 9.2% from last year. This rental growth was mainly driven by the strong composite reversion rate of 21.4%, higher occupancy and contributions from the completed asset enhancement initiatives ("AEIs").

Total property operating expenses for the year ended 31 March 2011 increased by 2.8% to HK\$1,709 million (2010: HK\$1,662 million). As part of our overall effort to improve our service quality, we have invested more on staff and repair and maintenance. I am pleased with the savings achieved in utilities expenses where, among other initiatives, we upgraded to more energy efficient lighting systems and air-conditioning chiller systems at various properties. These upgrade programmes will continue to generate both environmental benefits and cost efficiencies. Net property income margin continued to improve to 68.1% (2010: 66.7%).

Total distributable income to Unitholders for the year amounted to HK\$2,458 million (2010: HK\$2,134 million). Total distribution per unit for the year was HK\$110.45 cents, 13.4% higher than last year.

The value of the portfolio as at 31 March 2011 has increased to HK\$67,318 million, an increase of 25.2% compared to last year. Net asset value per unit also increased by 31.9% to HK\$24.63 per unit (2010: HK\$18.68, as restated) as at 31 March 2011.

IMPROVING SHOPPING ENVIRONMENT

AEIs have been one of the main growth drivers for The Link REIT. As at 31 March 2011, we have completed 21 AEIs encompassing a total internal floor area of approximately 2.9 million square feet.

These AEIs have not only generated satisfactory return on investment to our Unitholders, but they also improved service, trade-mix, physical layout and access of our properties and enhanced the shopping environment to their neighbourhoods and beyond.

During this financial year, we have completed the AEI for our flagship property – Lok Fu Plaza. The 390,000 square feet shopping centre features a 110,000 square feet UNY department store and over 200 general retail shops offering a wide range of products which include approximately 40 eateries providing local delicacies and regional cuisines. The overall shopping environment and experience have been enhanced with large and bright open space, improved circulation and revamped exterior.

The Link REIT is focused on delivering:



Disclaimer:

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

We announced last year our first fresh market AEI – Tai Yuen market. The improvement work for Tai Yuen market included a new air-conditioning system, a widened and more attractive entrance, utility supplies customised for different trades, purpose-designed plumbing and drainage, and a redesigned layout for better accessibility and stall visibility. In addition to hardware improvements, we also offer better tenant and customer service such as stall-to-stall garbage collection and service ambassadors hired locally to guide customers and offer assistance. We will apply the experience learned at Tai Yuen market to other markets.

We are committed to invest more capital in the coming years to improve a larger number of our retail facilities as we believe these asset enhancement projects are welcomed by all our stakeholders, including retailers, shoppers, employees, investors and the community.

We continued to invest more on repair and maintenance to improve our property standards. We have also been upgrading and replacing our air-conditioning and lighting systems to reduce energy consumption and to improve our entire portfolio to ensure sustainability.



CEO (right) visiting a retailer

During the year, we announced our plan to upgrade all our facilities for barrier free access ("**BFA**"). At a budget of HK\$200 million, the programme will be rolled out in three phases with anticipated completion of the last phase in 2016.

The improvement in shopping environment and better business opportunities offered by our portfolio is evidenced by the addition of a number of popular retailers in personal care products, cosmetics, apparels, electrical appliances, premium food stores and restaurants which joined our portfolio for the first time during this financial year.

Our portfolio not only provides the platform for major retailers to serve the community but also offers opportunities for quality independent operators ("**QIOs**") to grow in the local market as evidenced by a number of small retailers who started business in our portfolio and have since expanded amongst our portfolio and beyond.

The improvement of our retail facilities is not restricted to our shopping centres but also covers a unique part of our portfolio, the cooked food stalls or "Da Pai Dongs", also known as "mushroom pavilions". These are stand-alone cooked food stalls situated outside some of our shopping centres which played a unique role in the local dining culture.



Young award-winning artists from Hong Kong and Europe gathered at Stanley Plaza for "Bring Art to Community" event

CONTRIBUTING TO OUR COMMUNITY

As we improve customer experience across our retail and car park portfolio, we are also contributing to the development and well-being of the community through a wide range of initiatives that enhance the lives of those in our neighbourhood and beyond.

We have directly and indirectly created 3,616 employment opportunities in construction jobs and consultancy work relating to our AELs completed within the financial year.

The better operating environment in our shopping centres also enhances the business of general retailers and food and beverage operators which would create more employment opportunities in the community.

We continued to lease approximately 8% of our portfolio in terms of internal floor area to education, welfare and non-government organisations which can enjoy concessionary rent when providing services at our properties.

Through such community engagement programmes as "Eco-terrace", "Lok Fu History Gallery" and "Bring Art to the Community", we have helped promote green living among members of the public and cultivate greater interest in the art and community's cultural and historical treasures.

STRENGTHENING THE PLATFORM

Since taking over as CEO of The Link REIT in May 2010, I have rolled out a number of initiatives to build a sustainable platform for our business.

CEO's Report

To set the tone for the development of corporate culture, we have organised an all-staff town hall meeting in July 2010. The importance of customer service, teamwork and open communication were emphasised at the meeting. We unveiled our **V**ision, **M**ission and **V**alues as the Manager of The Link REIT in November 2010 together with a set of "Management Standards" and "Link Handbook". All these help define the strategic focus and culture of management and all fellow employees. To carry on the momentum of continuous development, a series of management development sessions called "Meeting our Business Partners" were introduced in the year. Our business partners were invited to share their success stories with our management team.

I am glad to see improvements in various aspects of our operations and I would like to express my gratitude to the management team and staff for adhering to our values of **R**espect, **E**xcellence, **I**ntegrity and **T**eamwork in managing and operating our business. I am confident that the team will achieve our mission of building better relationship with all our stakeholders through value and quality service, local communities' partnership and delivery of sustainable growth.

GOING FORWARD

Much has been achieved in the past five years in terms of investment return and our financial position is stronger than ever. The challenge for management is to sustain this growth path of the portfolio and pursue other opportunities to create further value for our stakeholders.

Against a background of continuing economic growth in Hong Kong and mainland China, consumer confidence remains high which drives retailers' demand for retail shop space. However, new challenges are expected to surface due to uncertainties in the recovery of major developed market economies and local policies affecting labour supply and costs.

The Manager will continue to implement strategy to improve our properties through asset enhancement, better service quality and active tenant mix management. Successful execution of these strategies should continue to facilitate retail sales in our properties and deliver sustainable growth in the coming financial year.

Thanks to the solid foundation laid in the past five years, The Link REIT is well positioned to take on these challenges with our strong financial position and dedicated staff to strive towards our vision of becoming a world class real estate investor and manager to serve and improve the lives of those around us.

George Kwok Lung HONGCHOY

Chief Executive Officer

The Link Management Limited

As Manager of The Link Real Estate Investment Trust

1 June 2011



Offering a token of thanks to CEO of The MTR Corporation C K Chow (right) for sharing his management ideas with our staff

Our Milestones

- Eco Terrace community programme was launched in Lok Fu Plaza. Eco Terrace was Hong Kong's first urban organic vegetable field where dozens of green community and heritage activities were held during the programme period.



- The Link was named "Excellence Awardee for Environmental Excellence" of the "Asian CSR Awards" in recognition of its creative green community programme Eco Terrace.



May
2010

June
2010

July
2010

September
2010

October
2010

- Anchor tenant UNY opened at Lok Fu Plaza.

- First all-staff Town Hall meeting at Kowloon Bay Convention Centre to enhance internal communications.



- Moody's upgraded The Link REIT's issuer rating and senior unsecured debt rating to A2.

Our Milestones

- The Link's Board of Directors was named "Directors of the Year 2010" by The Hong Kong Institute of Directors.



- The Link won the "Hong Kong Esteemed Brand Award" in the category of Shopping Centres co-organised by The Chinese University of Hong Kong and Ming Pao.

- The Link was recognised with the "Distinguished Green Contribution Award" presented by the U Green Awards.



November
2010

January
2011

March
2011

April
2011

- Phase I of the Tai Yuen Market upgrading works was completed.
- The Link was presented "The Hong Kong Corporate Governance Excellence Award", which was jointly organised by The Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy of Hong Kong Baptist University.



- The Link was presented the "Hong Kong Top Service Brand" Award by The Hong Kong Brand Development Council.

- The Link won the "Award of Excellence" of the "Corporate Social Responsibility" Category under the "Hong Kong Public Relations Awards 2010" with the Eco Terrace Community Programme.





*Service from
the Heart*

CUSTOMER SERVICE



Over HK\$200M

to be invested to improve the barrier free
access facilities across the portfolio



“ I have been living in Lok Fu for more than 40 years. Before my retirement, I was in the service industry. With this new customer service job, I can continue to use my time and skills to contribute to my own community and gain satisfaction from serving people. ”

~ Kwok Wai Ming, a Lok Fu resident serving as customer service ambassador at Lok Fu Plaza

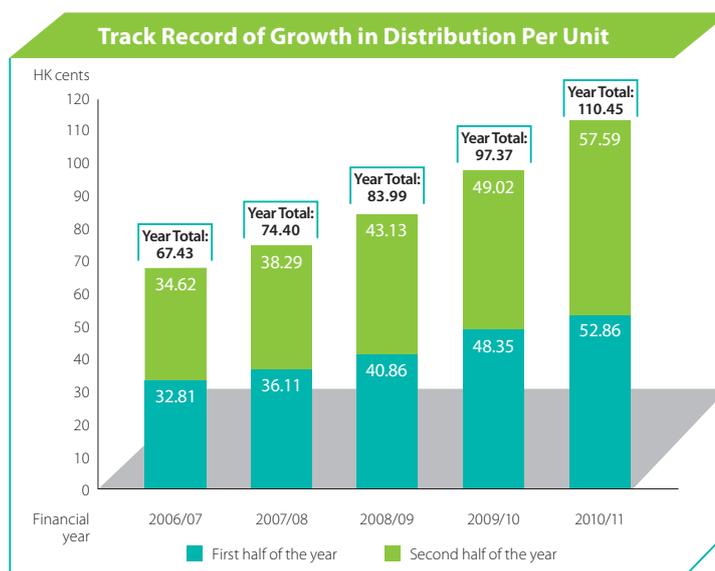
◀ A staff member serving customers at Lok Fu Plaza

Management Discussion and Analysis

FINANCIAL REVIEW

Financial Performance

This financial year was a period of continued and strong growth for The Link REIT. Benefitting from improving economic conditions in Hong Kong, DPU increased by 13.4% from a year ago, extending its consistent track record of growing The Link REIT's DPU. Due primarily to the appreciation in the values of investment properties and the reversal of prior years' deferred tax provision following the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") in December 2010, net asset value per unit rose to HK\$24.63 as at 31 March 2011.



Total revenue and net property income for the year ended 31 March 2011 rose 7.3% and 9.5% year-on-year to HK\$5,353 million (2010: HK\$4,990 million) and HK\$3,644 million (2010: HK\$3,328 million) respectively. Total property operating expenses increased by 2.8% to HK\$1,709 million (2010: HK\$1,662 million). The composite reversion rate for the retail properties continued to be healthy at 21.4% (2010: 20.5%) on the back of the strong local economy and improving trade mix. Together with increasing contribution from the completed AEs and relentless efforts on cost efficiencies, the Manager has managed to maintain continuous DPU growth for The Link REIT.

Income Statement Summary

	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M (Restated) ⁽¹⁾	YoY %
Revenue	5,353	4,990	7.3
Property operating expenses	(1,709)	(1,662)	2.8
Net property income	3,644	3,328	9.5
General and administrative expenses	(176)	(120)	46.7
Interest income	4	6	(33.3)
Finance costs on interest bearing liabilities	(501)	(583)	(14.1)
Profit before taxation, change in fair values of investment properties and transactions with Unitholders	2,971	2,631	12.9
Change in fair values of investment properties	12,812	9,809	30.6
Taxation	(503)	(458)	9.8
Profit for the year, before transactions with Unitholders	15,280	11,982	27.5

Note:

⁽¹⁾ Comparative figures have been restated as a result of the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets".

Total distributable income for the year ended 31 March 2011 rose 15.2% from a year ago to HK\$2,458 million (2010: HK\$2,134 million). Total DPU of HK110.45 cents for the year comprises interim DPU of HK52.86 cents (2010: HK48.35 cents) and final DPU of HK57.59 cents (2010: HK49.02 cents) as approved by the Board. The total DPU represents a distribution yield of 4.5% based on the closing market price on 31 March 2011 of HK\$24.35 per unit.

Management Discussion and Analysis

Distribution Statement Summary

	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M (Restated) ⁽¹⁾	YoY %
Profit for the year, before transactions with Unitholders	15,280	11,982	27.5
Change in fair values of investment properties	(12,812)	(9,809)	30.6
Other non-cash income	(10)	(39)	(74.4)
Total distributable income	2,458	2,134	15.2
Distribution per unit (HK cents)	110.45	97.37	13.4

Note:

⁽¹⁾ Comparative figures have been restated as a result of the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets".

Analysis of Revenue

Base rental income from shops which accounted for 57.8% (2010: 57.0%) of revenue for the year under review, rose 8.9% year-on-year to HK\$3,095 million (2010: HK\$2,841 million). Turnover rent and mall merchandising income continued to record strong growth of 20.0% to HK\$84 million (2010: HK\$70 million) and 26.4% to HK\$115 million (2010: HK\$91 million) respectively. Markets and cooked food stalls recorded steady growth year-on-year. Income from the Housing Department ("HD") office, however, showed a decline of 50.0% to HK\$5 million (2010: HK\$10 million) after the HD vacated office spaces at The Link REIT's shopping centres.

The Link REIT has the largest car park portfolio by a single owner in Hong Kong. In the financial year under review, car park revenue rose 3.9% year-on-year to HK\$1,044 million (2010: HK\$1,005 million), with utilisation rate improved to 75.0% (2010: 71.8%). The net property income margin for car parks increased to 58.5% for the year ended 31 March 2011 (2010: 51.0%) partly due to the reduction of a one-off provision for the retrospective car park waiver fee in the year under review.

	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	YoY %	Percentage contribution for the year ended 31 March 2011 %
Rental income:				
Shops – Base rent	3,095	2,841	8.9	57.8
Shops – Turnover rent	84	70	20.0	1.6
Markets	546	522	4.6	10.2
Cooked Food Stalls	54	50	8.0	1.0
Education / Welfare	45	45	0.0	0.8
HD Office	5	10	(50.0)	0.1
Ancillary	71	70	1.4	1.3
Mall Merchandising	115	91	26.4	2.2
Gross revenue from car parks:				
Monthly	778	769	1.2	14.5
Hourly	266	236	12.7	5.0
Expenses recovery and other miscellaneous income:				
Property related income	294	286	2.8	5.5
	5,353	4,990	7.3	100.0

Management Discussion and Analysis

Analysis of Expenses

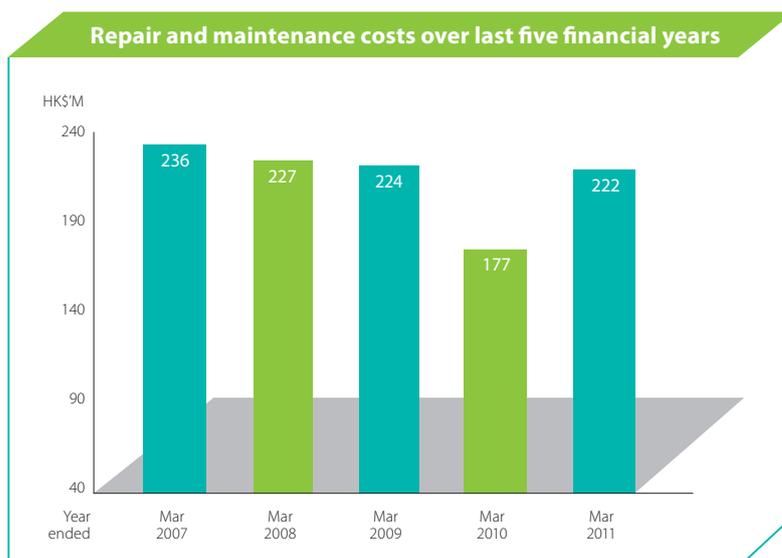
Total property operating expenses for the year ended 31 March 2011 increased 2.8% to HK\$1,709 million (2010: HK\$1,662 million). Whilst there were continual efforts to control costs, the overall cost structure has been evolving since the listing of The Link REIT five years ago as the Manager refines The Link REIT's operating structure.

During the year under review, there were certain changes such as the increase in direct staff costs and reduction in property managers' fees after the move to direct management in November 2009 and the increase in Government rent following completion of property title transfer in August 2010.

Additional staff costs were incurred as the Manager increased headcount at the front line as part of its continual efforts in pursuit of quality service to customers and in strengthening the work force to build a sustainable platform. Headcount should stabilise near current levels and efforts will be deployed on training and development moving forward.

Repair and maintenance costs were also up year-on-year due to the Manager's continual efforts to improve general property conditions across the portfolio. This should pay off after normalising the repair and maintenance expenses over time as unplanned repair work will be reduced in the future.

Continual efforts were deployed on energy saving initiatives such as the upgrade and replacement of air-conditioning and lighting systems to reduce energy consumption resulting in lower utilities expenses for two consecutive years. Net property income margin for the year continued to improve to 68.1% (2010: 66.7%).



	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	YoY %
Property managers' fees, security and cleaning	428	474	(9.7)
Staff costs	251	176	42.6
Utilities	310	316	(1.9)
Repair and maintenance	222	177	25.4
Government rent and rates	166	127	30.7
Promotion and marketing expenses	94	80	17.5
Other property operating expenses	137	214	(36.0)
Estate common area costs	101	98	3.1
Total property expenses	1,709	1,662	2.8

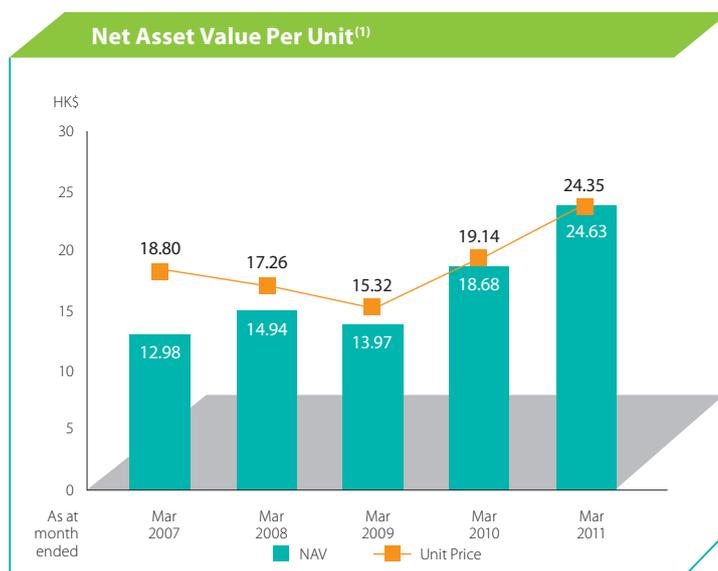
Management Discussion and Analysis

Financial Position

The Link REIT's financial position remains strong with total value of investment properties increasing to HK\$67,318 million as at 31 March 2011 (2010: HK\$53,781 million), an increase of 25.2%. Net asset value per unit rose from HK\$18.68 (as restated) a year ago to HK\$24.63 as at 31 March 2011. Increase in net asset value per unit was driven primarily by the increase in fair values of investment properties.

Note:

⁽¹⁾ Comparative figures have been restated as a result of the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets".



For the year under review, the Manager has incorporated in the consolidated financial results and position of The Link REIT the adjustments as a result of the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets", issued by the HKICPA in December 2010. As this change in accounting policy is applied retrospectively, there is resulting restatement of previous years' figures such as non-current and total assets, non-current and total liabilities and net assets attributable to Unitholders.

Financial Position Summary

	As at 31 March 2011 HK\$'M	As at 31 March 2010 HK\$'M (Restated) ⁽¹⁾
Current Assets	1,045	1,076
Non Current Assets	67,709	54,148
Total Assets	68,754	55,224
Current Liabilities	4,577	1,807
Non Current Liabilities	9,202	12,272
Total Liabilities	13,779	14,079
Net Assets Attributable to Unitholders	54,975	41,145
Units in Issue ('000)	2,232,285	2,202,043
Net Asset Value Per Unit	HK\$24.63	HK\$18.68
Gearing ratio (debt : total assets) (%)	15.1	19.7

Note:

⁽¹⁾ Comparative figures have been restated as a result of the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets".

Management Discussion and Analysis

Valuation Review

Pursuant to the REIT Code, Knight Frank Petty Limited retired as The Link REIT's principal valuer after conducting valuation of the investment properties of The Link REIT for the last three years and Jones Lang LaSalle Limited ("**JLL**") has been appointed to value the investment properties of The Link REIT as at 31 March 2011.

The uplift in valuation was driven mainly by retail properties, which accounted for 85.4% of total property portfolio value. JLL used discounted cash flow ("**DCF**") and income capitalisation approaches to value The Link REIT's property portfolio and the key drivers for the valuation upsurge were the increase in net property income of the portfolio in general and adjustments to the capitalisation rates of part of the portfolio to reflect the improved quality and rental growth prospects.

Change in Fair Values of Investment Properties

	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	Increase / (Decrease) %
At beginning of year	53,781	43,255	N/A
Additions	725	717	N/A
Change in fair values of investment properties	12,812	9,809	N/A
At end of year	67,318	53,781	25.2

Valuation Drivers

	As at 31 March 2011 HK\$'M	As at 31 March 2010 HK\$'M
Retail properties	57,510	45,315
Car parks	9,808	8,466
Total	67,318	53,781
Income Capitalisation Approach – Capitalisation Rate		
Retail properties	5.00–7.00%	5.50–7.56%
Retail properties: weighted average	5.92%	6.46%
Car parks	5.50–9.25%	6.00–10.00%
Car parks: weighted average	7.63%	8.47%
Overall weighted average	6.16%	6.73%
DCF Approach		
Discount rate	8.00%	8.00–11.40%

Management Discussion and Analysis

Portfolio Breakdown

Properties ⁽¹⁾	Total valuation HK\$'M	Retail revenue HK\$'M	Average monthly unit rent per leased IFA HK\$ psf	Occupancy rate %
1-10	17,876	1,158	47.3	96.6
11-50	29,179	1,948	34.3	90.2
51-100	15,109	985	25.8	91.2
101-180	5,154	216	18.1	88.7
Total	67,318	4,307	32.8	91.5

Note:

⁽¹⁾ Properties ranked by total valuation as at 31 March 2011.

The top 50 properties continued to account for 70% of the total value of the portfolio as at 31 March 2011, reflecting the better quality of these assets which included most of the properties that went through AEs.

Capital Management

During the financial year, The Link REIT continued to focus on extending and spreading out debt maturity and lowering average interest cost. Key financing transactions in the year are summarised below:

- Additional HK\$300 million 7-year unsecured notes at a fixed rate of 3.4125% per annum were issued under the Guaranteed Euro Medium Term Note Programme.
- A total of HK\$1 billion 5-year new bilateral loan facilities were signed with banks at an average all-in cost of HIBOR + 0.78% per annum, of which HK\$610 million facilities are revolving in nature.
- A new NZ\$70.2 million 3-year bilateral loan was borrowed and swapped into a HK\$400 million loan using a cross currency swap with an effective all-in interest rate of HIBOR + 0.45% per annum.
- The HK\$3 billion club loan, concluded in March 2009 at a relatively high credit margin, was fully prepaid.
- HK\$750 million of the 2006 syndicated loan was prepaid.
- The repayment date of HK\$4 billion mortgage loan from The Hong Kong Mortgage Corporation Limited ("**HKMC**") was spread out such that the repayment of HK\$1 billion was re-scheduled to May 2013, HK\$1 billion was rescheduled to May 2015 and the balance of HK\$2 billion remained at the original maturity date in May 2014.
- A new HK\$300 million forward start interest rate swap was entered into which matches the expiry date of an existing cash flow hedging interest rate swap. In effect, such interest rate swap has extended the fixed interest rate protection for the Group's HK\$300 million floating rate borrowing from October 2011 to April 2015.
- A total of HK\$1.65 billion notional principal amount of cash flow hedging interest rate swaps was unwound in order to take advantage of the prolonged low interest rate environment. As a result, fair value losses of HK\$59.2 million originally recognised in the cash flow hedging reserve were realised as finance costs.
- A new HK\$2.5 billion 5-year club loan was mandated in March 2011 with various banks at an all-in cost of HIBOR + 0.85% per annum mainly to refinance the 2006 syndicated loan maturing in October 2011. This new club loan was signed in April 2011 of which HK\$1.25 billion is revolving in nature.

Management Discussion and Analysis

After taking into account the new HK\$2.5 billion club loan that was signed in April 2011, the average outstanding life of the Group's committed debt facilities was extended to 4.3 years as at 31 March 2011 from 3.9 years as at 31 March 2010. Moreover, the facility maturity profile is more evenly spread. All of The Link REIT's borrowings are denominated or fully hedged into Hong Kong dollars.



Apart from refinancing, the Manager also actively manages the Group's interest rate exposure. The Group's fixed rate debt to total debt percentage was reduced to 60% as at 31 March 2011 (2010: 69%) in order to take advantage of the prolonged low market interest rate environment. Overall average interest rate of the Group's debt, after taking into account the interest rate hedging, reduced to 3.72% as at 31 March 2011 (2010: 4.30%). At the same time, the Group's average remaining life of the fixed interest rate period for debt facilities was largely maintained at 3.7 years as at 31 March 2011 (2010: 3.8 years).

Debt Highlights

	As at 31 March 2011	As at 31 March 2010 (Restated) ⁽²⁾
Debt (face value)	HK\$10.37 billion	HK\$10.91 billion
Gearing (debt:total assets)	15.1%	19.7%
Average outstanding life of debt facilities	4.3 years⁽¹⁾	3.9 years
Proportion of liabilities at fixed rates (after swaps)	60%	69%
Average outstanding life of fixed rate debt / swaps	3.7 years	3.8 years
Effective interest rate	3.72%	4.30%

Notes:

⁽¹⁾ Included a new HK\$2.5 billion club loan mandated in March 2011 and signed in April 2011 to mainly refinance the 2006 syndicated loan maturing in October 2011. Excluding the HK\$2.5 billion refinancing, average outstanding life of debt facilities as at 31 March 2011 was 3.4 years.

⁽²⁾ Comparative figures have been restated as a result of the early adoption of the amendments to the HKAS 12 "Deferred Tax: Recovery of Underlying Assets".

Management Discussion and Analysis

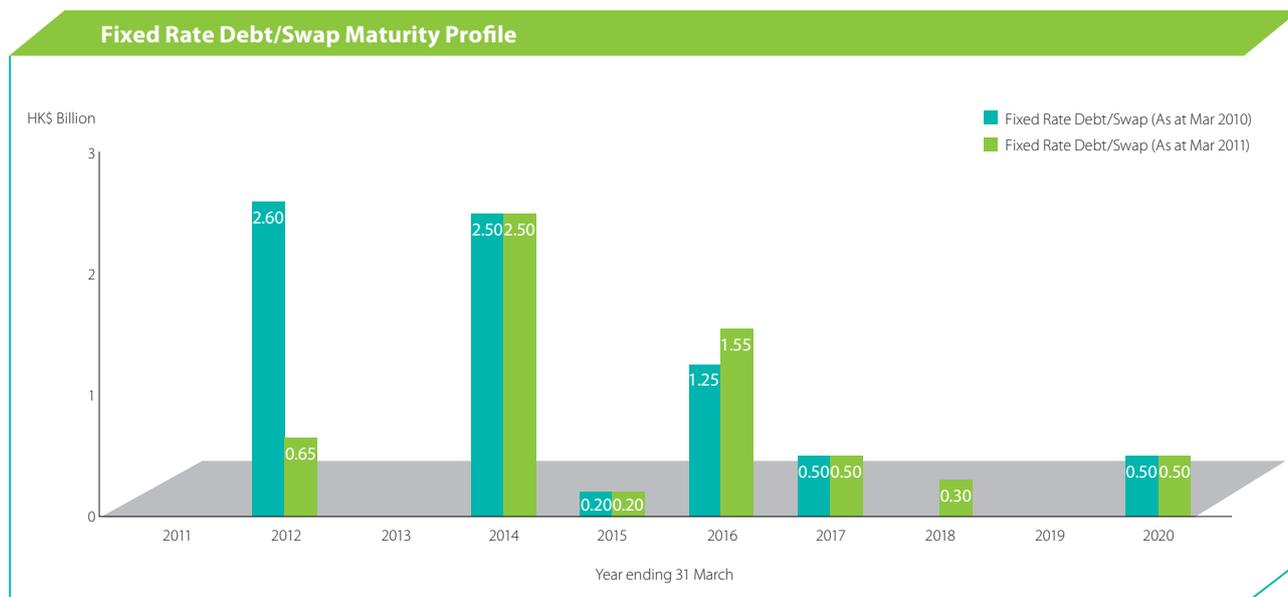
Committed Debt Facilities⁽¹⁾

As at 31 March 2011 (HK\$ Billion)	Fixed Rate Debt ⁽²⁾	Floating Rate Debt ⁽²⁾	Utilised Facilities	Undrawn Facilities	Total Facilities
HKMC Loan	3.75	0.25	4.00	–	4.00
2006 Syndicated Loan	1.35	1.00	2.35	0.40	2.75
Bilateral Loans	–	1.92	1.92	1.16	3.08
Medium Term Notes	1.10	1.00	2.10	–	2.10
Total	6.20	4.17	10.37	1.56	11.93
Percentage	60%	40%	87%	13%	100%

Notes:

⁽¹⁾ all amounts are at face value

⁽²⁾ after interest rate swaps



Liquidity Management

The Link REIT continues to maintain strong available liquidity for both risk management and potential growth purposes. As at 31 March 2011, available liquidity stood at HK\$2.41 billion (2010: HK\$1.95 billion), comprising HK\$854 million cash and deposits and HK\$1.56 billion committed undrawn facilities. As at 31 March 2011, all of The Link REIT's cash and deposits were held in Hong Kong dollars under various banks with credit rating by S&P of no less than "A-" or equivalent. Counterparty exposure is restricted by pre-defined deposit limits for all relationship banks, which are assigned based primarily on their respective credit ratings.

Credit Ratings

The Link REIT commands strong credit ratings by rating agencies. On 24 September 2010, Moody's upgraded The Link REIT's credit rating from A3 to A2 with stable outlook. On 7 December 2010, S&P affirmed The Link REIT's corporate rating at A with stable outlook.

BUSINESS REVIEW

Retail Portfolio

Positive rental reversions, higher occupancy rates, increasing contributions from completed AEs and improving trade mix were the key revenue growth drivers for The Link REIT's retail properties in the year ended 31 March 2011.

Composite Reversion Rate

The composite reversion rate is an indicator of rental growth comparing the newly achieved rental rates of a like for like space with those leases which expired during the financial year. The composite reversion rate for the retail properties remained strong at 21.4% (2010: 20.5%) for the year under review while the composite reversion rate for shops, which accounted for the major share of revenue, was 20.9% (2010: 23.7%).

Composite Reversion Rate by Trade Category

	Year ended 31 March 2011 %	Year ended 31 March 2010 %	Percentage of total IFA (exclude Self use office) as at 31 March 2011 %
Shops	20.9	23.7	81.3
Markets	22.4	13.5	7.7
Cooked Food Stalls	29.8	14.8	1.3
Education / Welfare	2.8	(0.3)	8.1
HD Office	N/A	2.1	1.5
Ancillary	19.1	11.5	0.1
Overall Retail Properties	21.4	20.5	100.0
Overall excluding Education / Welfare	21.8	21.4	91.9

Portfolio Occupancy Analysis

The occupancy rate is a reflection of demand for space in our portfolio and our team's efforts to fill the vacant space. The portfolio's overall occupancy level has been improving steadily to 91.5% as at 31 March 2011 (2010: 90.6%). The occupancy rate for development centres could vary depending on the magnitude and stage of progress of asset enhancement works as at each reporting date. The Manager is delighted to see the occupancy rate for shops at stable centres gradually improve year-on-year to 95.0% for the year under review (2010: 92.5%). Looking forward, the Manager will continue to look for ways to further improve the occupancy for shops, and has assigned personnel to improve occupancy at relatively difficult parts of our portfolio, such as HD office, education and welfare space.

Management Discussion and Analysis

Occupancy Analysis

	As at 31 March 2011			As at 31 March 2010		
	Total IFA excluding Self use office '000 sq ft	Occupancy rate %	Average monthly unit rent per leased IFA HK\$ psf	Total IFA excluding Self use office '000 sq ft	Occupancy rate %	Average monthly unit rent per leased IFA HK\$ psf
Development Centres ⁽¹⁾	1,556	87.4	44.5	1,879	93.1	39.2
Stable Centres ⁽²⁾	9,368	92.1	30.9	8,948	90.1	28.7
Overall	10,924	91.5	32.8	10,827	90.6	30.6

Notes:

⁽¹⁾ Development centres are properties with AEI works in progress, including those completed in the last 12 months.

⁽²⁾ Stable centres are properties that are not classified as development centres.

Occupancy of Different Categories of Space for Stable Centres

Category (as at 31 March 2011)	Total IFA '000 sq ft	Average monthly unit rent per leased IFA HK\$ psf	Occupancy rate %
Shops	7,497	30.8	95.0
Markets	718	66.2	80.4
Cooked Food Stalls	139	38.6	83.4
Education / Welfare	841	4.5	93.3
HD Office	167	13.4	14.5
Ancillary	6	139.7	99.3
Total excluding Self use office	9,368	30.9	92.1
Self use office	128	N/A	N/A
Total including Self use office	9,496		
Total excluding Self use office, Education / Welfare, HD Office and Ancillary	8,354	33.5	93.6

Retail Trade Mix Analysis

The majority of The Link REIT's retail trade mix tends to be consumer staples, catering for the daily necessities of local residents. These trades particularly demonstrate resilience in times of economic turbulences. The retail shops in the food and beverage and supermarket and foodstuff sectors continue to constitute nearly 50% of the portfolio.

As at 31 March 2011	Leased IFA '000 sq ft	% of Leased IFA	% of Monthly rent
Food and Beverage	3,075	30.8	25.2
Supermarket and Foodstuff	1,875	18.8	23.3
Services	929	9.3	10.4
Market Stall	357	3.6	7.9
Single Operator Market	330	3.3	6.2
Personal Care, Medicine, Valuable Goods, Optical, Books and Stationery	589	5.9	8.1

Management Discussion and Analysis

Top 10 Tenants

As at 31 March 2011, the top 10 tenants accounted for approximately 25.7% of IFA and 31.7 % of monthly rent. The Manager will continue to ensure tenant diversification across the portfolio and strengthen relationships with our largest tenants which we believe will enhance the shopping experience of our shoppers.

Tenant Group	Trade Sector	
The Dairy Farm Co. Ltd.	Supermarket, personal care, convenience store	  
A.S. Watson Group (HK) Ltd.	Supermarket, personal care, wine cellar, electrical and household products	   
Wang On Majorluck Ltd.	Single operator market / Single operator shopping centre	
Cafe de Coral Holdings Ltd.	Food and beverage operator	 
McDonald's Restaurants (HK) Ltd.	Food and beverage operator	 
Maxim's Caterers Ltd.	Food and beverage operator	  
China Resources Retail (Group) Co. Ltd.	Supermarket, personal care, convenience store	   
Convenience Retail Asia Ltd.	Convenience store, bakery and cake shop	 
Fairwood Fast Food Ltd.	Food and beverage operator	
Japan Home Centre (HK) Ltd.	Electrical and household products	

(as at 31 March 2011, in order of monthly base rent)

Review of Asset Enhancement Initiatives

The Manager views AEI as a key driver of income growth. A key component of the Manager's efforts is to bring a more relevant retail product offering to the mass market in Hong Kong through ongoing AEIs which the Manager has been actively implementing. Since the IPO of The Link REIT in 2005, the Manager had completed 21 AEI projects. These AEI projects accounted for 37.4% of the Group's revenue (excluding car parks) and approximately 2.9 million square feet of the total IFA of our portfolio for the year under review.

In the year under review, five AEI projects with aggregate capital investment of HK\$776 million were fully completed. Asset enhancement work on our flagship Lok Fu Plaza, with a total capital investment of HK\$426 million, was completed in December 2010. The asset enhancement work of Lok Fu Plaza has produced a premium quality retail centre with substantially improved layout, access and tenant mix. However, the extensive AEI work at Lok Fu Plaza and an extended construction period has affected the investment return of the project.

Management Discussion and Analysis

The performances of the other four upgraded properties namely Siu Sai Wan Plaza, Chung Fu Plaza, Tak Tin Plaza and Chuk Yuen Plaza all achieved satisfactory returns on investments, exceeding our target.

Our pilot fresh market programme at Tai Yuen market is targeted for completion in the later part of 2011. Renovation work at Stanley Plaza is progressing well and part of the centre will be opened in late 2011. Work at Leung King Shopping Centre is also progressing well, with part of the centre, including some of the anchor tenants, opening for business in the second quarter of 2011.

We have recently obtained relevant statutory approvals to commence work on two new AEI projects, namely – Tin Shui Shopping Centre and Sheung Tak Shopping Centre. We are also working on six additional AEI projects which are in various stages of planning and statutory approvals.

The Manager is committed to investing further on AEIs to enhance the return of the portfolio assets. We expect six asset enhancement projects with aggregate capital investment of HK\$780 million will be completed within the next two financial years. Following the completion of our district strategy review earlier this year, we have identified over 20 potential AEI projects with estimated total investment in excess of HK\$1,500 million.

Return on Investment of AEIs completed in the year ended 31 March 2011

Completed Projects	Total IFA as at 31 March 2011 sq ft	Project Capex HK\$'M	Estimated Return on Investment ⁽¹⁾ %
Lok Fu Plaza ⁽²⁾	389,244	426	12.7
Chung Fu Plaza	216,534	75	48.7
Chuk Yuen Plaza	135,144	97	19.5
Siu Sai Wan Plaza	101,136	102	26.4
Tak Tin Plaza	97,324	76	24.3
Total	939,382	776	

Notes:

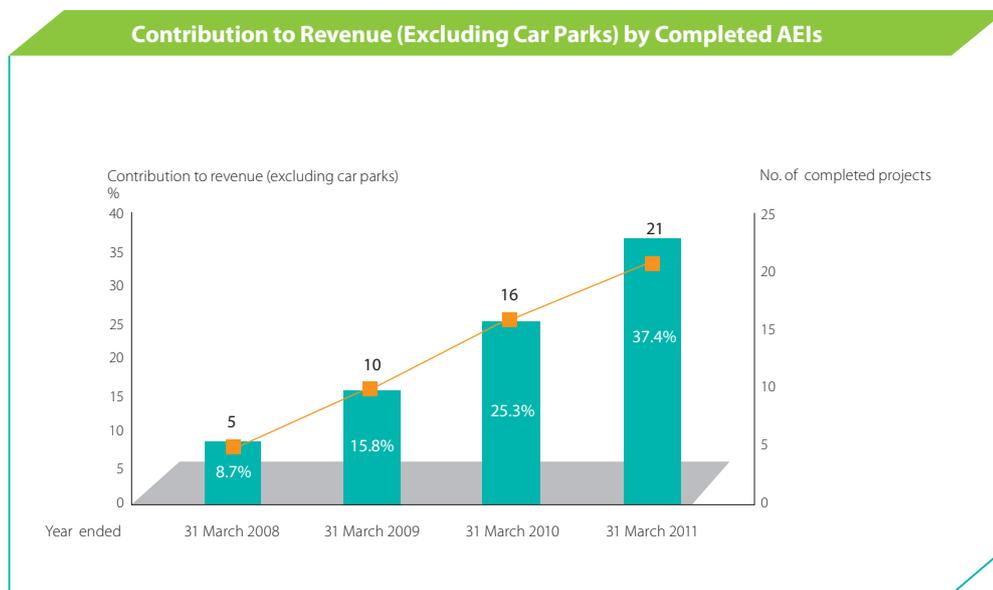
- ⁽¹⁾ Estimated return on investment is calculated based on projected net property income post AEI minus net property income pre AEI divided by the amount of capital expenditures.
- ⁽²⁾ AEI work at Lok Fu Plaza was commenced in August 2006 and completed in December 2010.

Approved AEI Projects Underway⁽¹⁾

Projects ⁽¹⁾	Total Estimated Project Capex HK\$'M	Target Completion Date
Choi Yuen Plaza	162	mid 2011
Stanley Plaza	214	late 2011
Tai Yuen Market	95	late 2011
Tin Shui Shopping Centre ⁽²⁾	66	early 2012
Leung King Shopping Centre	200	mid 2012
Sheung Tak Shopping Centre ⁽²⁾	43	early 2013
Total	780	

Notes:

- ⁽¹⁾ Projects which have secured all internal and necessary statutory approvals.
- ⁽²⁾ Projects which have been newly approved since 30 September 2010.



Status of AELs

	Number	Capex HK\$'M
Completed since initial public offering	21	1,603
Underway	6	780
Pending statutory approval	6	497
Others under planning ⁽¹⁾	>20	>1,500
Total⁽¹⁾	>53	>4,380

Note:

⁽¹⁾ Latest estimated figures

Major Contractors

The aggregate value of service contracts of the top five contractors engaged by The Link REIT during the year ended 31 March 2011 and their respective value of services rendered were as follows:

Contractor	Nature of Services	Value of Services HK\$'M	Percentage of Relevant Costs %
Pat Davie Limited	Projects and maintenance	108	6.8
Synergis Management Services Limited	Car park management	77	4.9
TJ Engineering Services Limited	Projects and maintenance	69	4.4
Sino Security Services Limited	Security services	66	4.2
Hong Kong Construction Company Limited	Projects and maintenance	53	3.3
		373	23.6

Asset Enhancement Highlights – Projects Completed in the Current Financial Year

LOK FU PLAZA



SIU SAI WAN PLAZA



CHUNG FU PLAZA





TAK TIN PLAZA



CHUK YUEN PLAZA



Asset Enhancement Highlights – Other Projects Completed in Prior Financial Years

HING WAH PLAZA



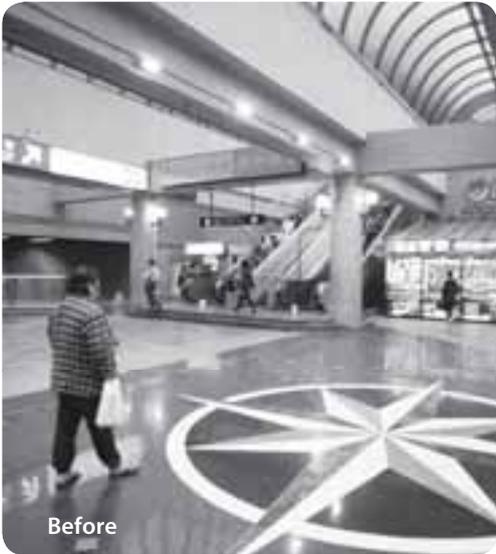


BUTTERFLY PLAZA



Before

TAI WO PLAZA



Before



Asset Enhancement Highlights – Projects Underway

TAI YUEN MARKET



STANLEY PLAZA



LEUNG KING SHOPPING CENTRE



TIN SHUI SHOPPING CENTRE



CHOI YUEN PLAZA



Car Park Portfolio

The Manager reviews the operation efficiency of the car parks on a regular basis to improve services. During the year, the Manager implemented procedures on leasing of car park spaces to ensure that they conformed with the terms of the relevant Government land leases. When necessary, the Manager applied to the Government for land lease waivers to enable the Manager to lease car park spaces in compliance with the terms of the relevant land leases.

Key Car Park Property Performance Indicators

	Year ended 31 March 2011	Year ended 31 March 2010
Car park space allocation – monthly (%)	87.0	86.9
Car park space allocation – hourly (%)	13.0	13.1
Gross receipts by monthly users (%)	74.5	76.5
Gross receipts by hourly users (%)	25.5	23.5
Utilisation of car park space (%)	75.0	71.8
Car park income per space per month (HK\$)	1,095	1,054
Net property income margin (%)	58.5	51.0

To further improve the performance of the car park portfolio, the Manager has recently announced, with effect from 1 April 2011, some upward repricing of rates in selected car parks. Applications have also been made with relevant Government authorities to convert some of the surplus parking spaces for letting as community services centres and residential care homes for the elderly. In this connection, Lands Department has given waiver approval for Tin Chak car park and its detailed commencement date is being finalised.

Completion of Title Transfer of the Properties

As disclosed in the latest interim report of The Link REIT, legal title of all the List 1 Properties and List 2 Properties (as defined in the offering circular dated 14 November 2005 of The Link REIT) has already been transferred to The Link REIT by 31 August 2010. Details of The Link REIT's 180 properties are shown in the valuation report on pages 144 to 193 of this annual report.

Major Real Estate Agents

During the year ended 31 March 2011, commissions were paid to two real estate agents as follows:

Real Estate Agents	Services	Value of Services HK\$'M	Percentage of Relevant Costs %
Knight Frank Hong Kong Limited	Leasing agency services	2.9	96.7
Midland Realty (Comm.) Limited	Leasing agency services	0.1	3.3
		3.0	100.0

Business Initiatives

Continuing Investments in Our Portfolio

The Manager believes that properties with well maintained facilities would provide better shopping atmosphere, drive footfall and improve the operating environment for tenants. The change to direct management in November 2009 allowed the Manager to better understand the condition of the properties in The Link REIT's portfolio which has an average age of around 20 years. The increase in repair and maintenance expenses post direct management reflects our efforts to ensure that our aging properties are maintained to an appropriate standard and could continue to provide satisfactory service to our community.

To improve our entire portfolio to ensure sustainability, the Manager has implemented various energy saving initiatives to reduce energy consumption through more efficient building management systems and capital investments on the replacement of existing lightings with more energy efficient lightings and the introduction of water chilling air conditioners at selected properties. To achieve our goals on energy saving, The Link REIT has been implementing a chiller retrofit project since 2006. During this year, 21 chillers were retrofitted at different shopping centres, adding to the number of chillers retrofitted under this project to a total of 66 as of 31 March 2011. Another major energy saving initiative is to improve the lighting systems for our car parks and shopping centres, such as de-lamping, replacement of exit signs with LED lights and installation of T5 fluorescent lamps or LED lamps. During the year, a total of 15 car parks and shopping centres were completed in the lighting improvement programme. These and other energy saving programmes, supplemented by work process improvements in property management, result in significant savings in electricity consumption during the 2010/11 financial year.

The Manager has announced a 5-year programme to invest HK\$200 million in aggregate to upgrade our facilities for BFA to comply under the "Design Manual : Barrier Free Access 2008" set out by the Buildings Department. The total upgrading of the BFA facilities will particularly benefit persons with disabilities, the elderly, people with other physical limitations, pregnant women and families with young children, through the provision of accessible lifts, vertical platforms, tactile guide paths, accessible customer service counters, ramps, braille and tactile floor plans and accessible toilets.



Enjoying traditional dim sum at modernised cooked food stall



Renovated cooked food stalls at Wong Tai Sin Plaza

Management Discussion and Analysis

The Manager has been exploring new initiatives to improve the service quality of the car park portfolio including full implementation of Day Park and 24-hour parking scheme to eligible patrons in June 2010 and offering half price parking to disabled drivers and drivers carrying people with mobility disabilities. To support the Government's initiatives to promote the use of electric vehicles, we have installed over 46 charging stations in seven car parks and have extended the promotion of free parking at designated time slots and car park spaces for "EV Pass" for electric vehicles users till the end of December 2011. We are also upgrading the CCTV system in our car parks to improve security by increasing coverage of the system from 70% to over 90% of the parking area.

Revitalising and Improving Retail Platform

The Link REIT is the largest owner of retail facilities in Hong Kong and our diversified portfolio covers over 40% of the Hong Kong population providing the platform for major retailers to serve the community and offering opportunities for QIOs to grow in the local market. Several local brands such as "Nutcracker", a Taiwanese drink and snack shop and "Bao Dim Sin Seng", a Chinese bun retailer, started their business in one of our properties and have expanded amongst our portfolio and beyond in recent years.

The Manager believes the success of a shopping centre depends on its ability to attract different types of shoppers to visit the centre on a regular basis and we treasure the QIOs in our portfolio which offer shoppers choices on top of the major retail store operators. Compared to five years ago, the number of QIOs has increased by 394 to 3,305, as follows:

Shops only	31 March 2011			31 March 2006		
	No. of leases	Leased IFA '000 sq ft	% of total	No. of leases	Leased IFA '000 sq ft	% of total
Below or equals 500 sq ft	1,846	604	37.6%	1,596	531	37.2%
501–1,000 sq ft	1,459	1,001	62.4%	1,315	896	62.8%
Total	3,305	1,605	100.0%	2,911	1,427	100.0%

To keep our QIOs abreast of latest management techniques and market knowledge, the "Link Tenant Academy" has organised 12 seminars and workshops for our tenants over the previous financial years to enhance their knowledge in operating their business. In September 2010, the Manager launched together with three local banks "The Link QIO Renovation Financing programme" to offer our QIOs a channel to source funds to renovate their shops and enhance the competitiveness of their businesses to meet ever increasing customer demands.

During the year, we renovated two cooked food stalls or "Da Pai Dongs", also known as "mushroom pavilions", in Chuk Yuen and two in Sun Chui, adding the number of pavilions renovated to date to a total of 19 located in various estates. The renovated pavilions provide modern dining facilities amidst a setting which evokes memories and nostalgia for many Hong Kong-ers where the operators can offer quality products and services widely applauded by residents.



Asset enhancement drives footfall at Siu Sai Wan Plaza

Management Discussion and Analysis

The Manager continued to lease approximately 880,000 square feet or 8% of our portfolio to education, welfare and non-governmental organisations which enjoy concessionary rent when providing community services at our properties. The Manager will continue to work with other charitable / non-governmental organisations to seek suitable accommodations in our portfolio for their operations.

Through such community engagement programmes as "Eco-terrace", "Lok Fu History Gallery", "Bring Art to the Community", we have helped promote green living among members of the public, and cultivate greater interest in the art and community's cultural and historical treasures. Our staff volunteer team also made visits to the elderly centres at the communities in which we operate, bringing warmth and care to senior citizens.

Communication with Stakeholders

The Manager values its relationship with all stakeholders and we endeavour to engage in regular dialogue with them. Throughout the year, the Manager organised over 18 meetings with various interest groups such as political parties, and professional / trade unions. We updated them of our operations and plans and received their feedback and concerns. Our discussions covered many issues of concern to stakeholders, ranging from BFA to availability of motorcycle parking spaces and sustainability of QIOs. Another stakeholder group which the Manager proactively engaged was the Unitholders. As The Link REIT is wholly-owned by public investors such as corporate, retail investors and financial institutions including global investors, dedicated real estate investors and regional focused investors, the Manager reaches out to the investment community as much as possible. During the year, the management team attended 24 conferences and roadshows in Hong Kong and around the world and held around 800 meetings with investors and analysts.

To further improve communication with its stakeholders, the Manager has recently completed the overhaul of its corporate website which provides more information on our business and our properties. The information architecture of the new website provides a more intuitive and user friendly navigation path for different stakeholders to find the most relevant information for their specific needs and incorporates widely-used web accessibility software tools to facilitate browsing by people who are visually impaired or physically disabled (such as neuromuscular impaired).

Human Resources

The Manager's remuneration policy is to provide an equitable, motivating and competitive remuneration package in order to attract, motivate and retain high performing staff. As an ongoing practice of adhering to these principles, the Manager regularly reviews the remuneration policies and practices with the assistance of independent consultants. The Manager completely revamped the bonus plan for non-management staff this year with clear differentiation on bonus payment to reward outstanding performance, putting across the message "Link will reward performance" clearly. As at 31 March 2011, the Manager had 798 staff.



Staff show teamwork at dragon boat race

Management Discussion and Analysis

To nurture a pool of management talent for future business development, the Manager has introduced a management trainee programme this year. Four graduates were recruited from four local universities as management trainees. These trainees are undergoing a two-year intensive programme incorporating on-the-job training and job rotation to different functions of the Manager. This programme will expand to intake more graduates in the coming year.

The Manager provides a series of comprehensive training and development programmes to promote service excellence and professional standards among the staff. A wide range of training has been provided to staff in the year including customer service, communications, complaint handling and emergency response.

A new channel of internal communication was launched in the year. An intranet based portal called "YourVoice.com" has been introduced to provide a forum for staff to raise their concerns and ideas freely. Staff may share their ideas about work, raise work related questions to senior management, provide a full story behind press reports and share their personal life experience. Management would review and respond to the questions and concerns raised in the forum on a timely manner. Some of the constructive suggestions from staff have been adopted by management and put into action.



Visit to elderly centre by The Link Volunteer Team



Management staff at off-site meeting



YourVoice.com, a new interactive channel for staff communication



Staff soccer team in action

Management Discussion and Analysis

A staff volunteer programme has been started during the year. The Manager has chosen elderly homes within The Link REIT's portfolio as a starting point for the volunteers' visits. The programme provided an opportunity for staff to connect with our stakeholders with a perspective in life other than work.

Staff of The Link REIT are also actively participating in various activities in the community. During the year, The Link Dragon Boat Team, Bowling Team and Football Team were formed. These teams participated in various corporate challenges and won friendship with a high spirit of teamwork.

Awards

During the year, we have received various esteemed local and overseas awards, in appreciation of The Link's efforts in the areas of corporate social responsibility and innovative green and environmental initiatives, professional corporate governance, and service and branding.

In corporate social responsibility and green, we have received The Asian CSR Award (October 2010) for our Eco Terrace Green Community Programme, The Hong Kong Public Relations Award of Excellence for Corporate Social Responsibility (April 2011) for Eco Terrace, Gold Award in the category of "Community Relations" for "The Link Fun Academy" (July 2010), U Green Awards (March 2011), and Certificate of the Caring Company Scheme (April 2011).

In corporate governance, we have collected the "Directors of the Year 2010" award by The Hong Kong Institute of Directors for The Link's Board of Directors (November 2010), The Hong Kong Corporate Governance Excellence Awards (December 2010), and The Hong Kong Outstanding Enterprises Award (December 2010).

In service and branding, we have received Hong Kong Esteemed Brand Award (November 2010), The Hong Kong Service Awards 2011 (March 2011), and Hong Kong Top Service Brand Award organised by the Hong Kong Brand Development Council (January 2011). Recognitions like these have greatly encouraged the staff to work harder in achieving excellence in our daily work.



Town Hall meeting to promote stronger service culture among staff members



Annual Dinner in Spring 2011

Strategy and Outlook

The Manager will continue to execute its strategy of upgrading the properties of The Link REIT through better quality service, improving tenant mix and capital investments. The Manager believes that the enhanced shopping experience offered by the upgraded retail facilities of The Link REIT will benefit all its stakeholders – shoppers, tenants, staff and Unitholders. Better shopping environment will drive footfall, improve occupancy, encourage consumer spending, resulting in higher sales volume for the tenants and have a positive effect on rental income.

The Manager believes that there are further values to be extracted from the existing portfolio and will continue to focus on organic growth opportunities to deliver earnings growth in the near term. Revenue improvement from the stable centres would be driven by rental reversion, improving tenant mix and higher occupancy rates. Whilst average unit rent per square foot has been consistently increasing, the Manager believes that with the continuous upgrade of the retail properties and a buoyant local economy, the momentum on the reversion rate on the back of the increase in the average monthly unit rent can be maintained.

With the completion of 21 AEI projects as at 31 March 2011, revenue contributions from these upgraded shopping centres will become more significant. These upgraded shopping centres will not only deliver immediate rental return but also potential for further rental growth in the future due to their ability to attract quality branded tenants. The quality of these AEI-upgraded shopping centres is commensurate with the brand quality of some popular retailers which opened stores in The Link REIT's portfolio for the first time during the financial year under review. The Manager expects more of these quality brands to join The Link REIT's portfolio which would in turn attract other complementary retailers to do so. Tenants in the consumer staples sector offering daily necessities to local residents would continue to be an important part of the tenant mix within the properties of The Link REIT but the Manager will seek new tenants to add to the core tenants to give consumers more variety and attract them to shop in their local vicinity.

The Manager would continue its strategy to invest more capital on new AEI projects and would conduct further feasibility studies to assess the financial return of the newly identified potential AEIs. AEI plans will be executed on those properties which could achieve the target rate of return on investments.

The Tai Yuen market has provided us with a lot of insight into how we could improve the attractiveness of our markets. The Manager will capitalise on the experience learned from the Tai Yuen market to apply them to appropriate markets within the portfolio to improve the quality and rental yield.

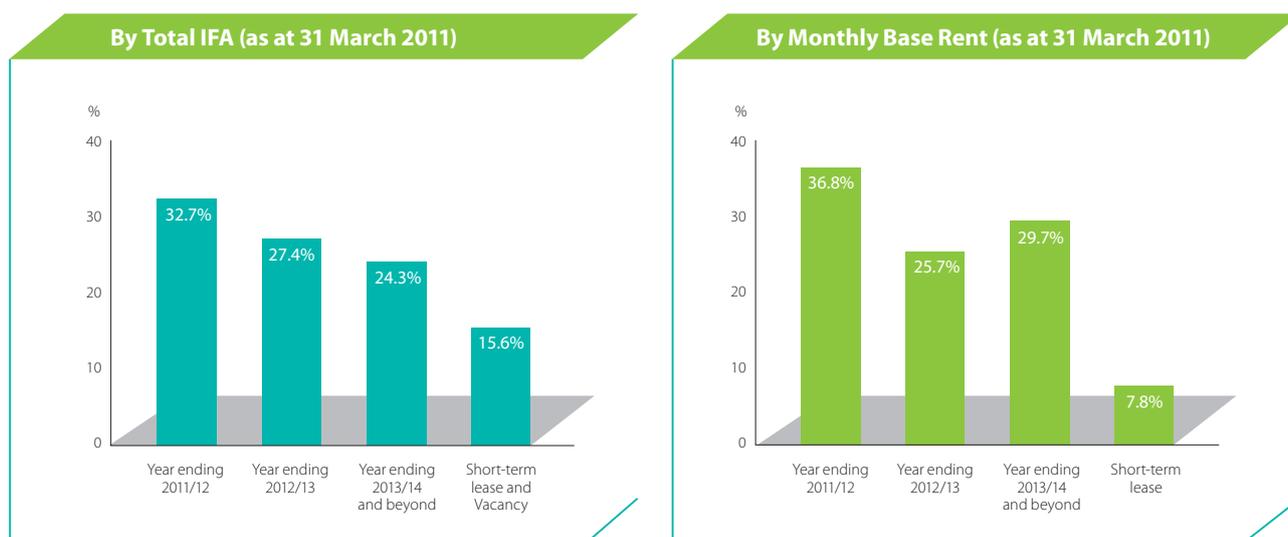
Cost management will continue to be a main focus of the Manager in the coming year as there could be continuing pressure on certain cost items due to external factors such as increases in utility tariff and Government rent and rates whilst efforts will be deployed to stabilise staff and repair and maintenance costs near current levels. The implementation of the statutory minimum wage legislation in Hong Kong will increase the cost of the Manager's outsourcing arrangement with contractors in cleaning services, security, car park management and maintenance. Ongoing energy saving initiatives including upgrade programmes on lighting and air conditioners will continue to generate both environmental benefits and cost efficiencies to mitigate impact of any increase in electricity tariff. More diligent cost control would be required to mitigate these cost increases in order to achieve target performance year-on-year.

Management Discussion and Analysis

The Manager mentioned in the interim report of The Link REIT its intention to seek growth opportunities beyond its existing portfolio in Hong Kong where it could leverage on its local expertise and would take into consideration factors such as investment returns, funding costs, AEI potential and management expertise in selecting appropriate investment opportunities. The Manager believes that acquisitions in Hong Kong could create synergy and would supplement the growth opportunities of the existing portfolio.

The term of a typical lease in The Link REIT's retail properties is three years. In the financial year ending 31 March 2012, leases accounting for approximately 37% by monthly base rent and approximately 33% by IFA of the retail properties will expire. With the strong local economy and buoyant consumer confidence, demand for retail space is expected to be strong. The Manager is confident that retail space from expiring leases will be filled by existing or new tenants at competitive rates. The proportion of leases expiring in the new financial year is comparatively higher than in other years. Going forward, the Manager targets to manage the expiry profile more actively to smooth out possible market risks.

Portfolio Lease Expiry Profile



Retail sales growth in Hong Kong continued to be strong in the first quarter of calendar year 2011 reflecting robust consumer confidence. The continuous improvement of the properties in The Link REIT supported by the strong local economy would drive rental reversion. Coupled with increasing contributions from the completed AEs, it is expected to achieve positive rental growth in the financial year ending 31 March 2012. With diligent costs control, energy efficient measures and prospect of rent increase, the Manager is optimistic that performance would be further improved.

商店 Shops



n.b.s

*Wider Choices,
Better Quality*



Over

40

new retail trade names

introduced to the portfolio during the year



“ I always shop and dine in the neighbourhood where I live. After the renovation, Siu Sai Wan Plaza is bursting with energy, offering a full range of shopping and dining choices. I enjoy Yum Cha with my parents and dessert with friends during weekends. ”

~ KiKi, a resident of Siu Sai Wan district

◀ **Enhanced trade mix at Tak Tin Plaza improves customer experience**

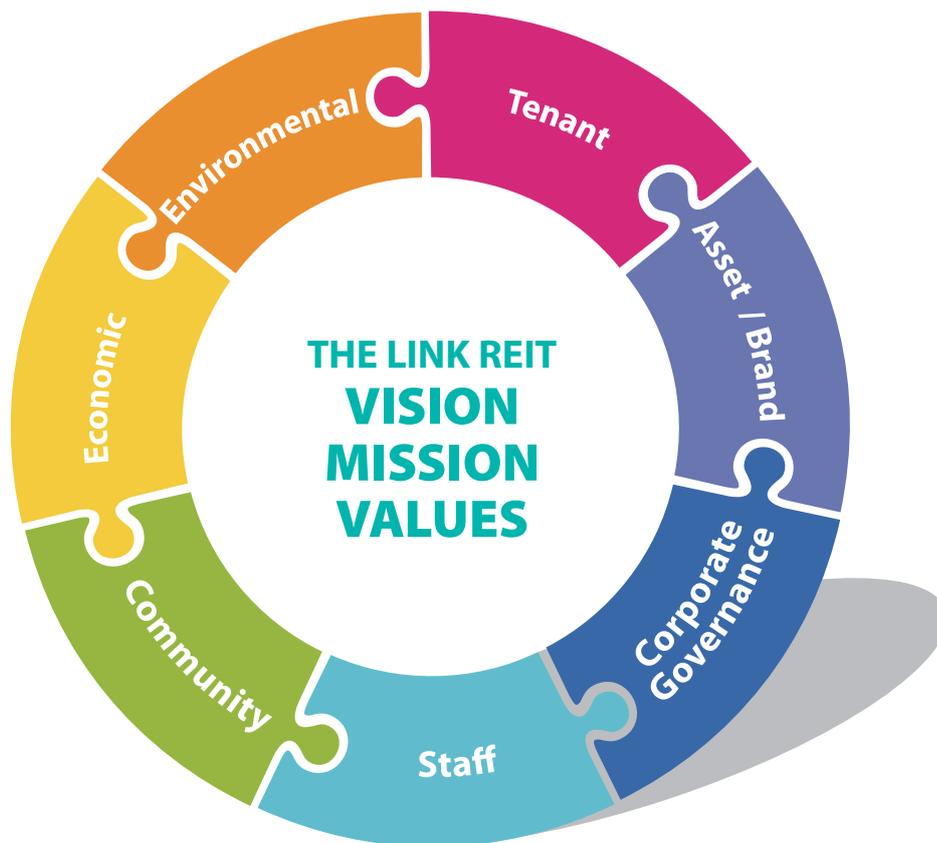
Sustainability

THE LINK SUSTAINABILITY FRAMEWORK

The Link REIT believes that a sustainable enterprise provides not only financial returns to investors, but also sustainable growth to all stakeholders and the community it serves. During the year, the Manager has reviewed its sustainability strategy and developed a new sustainability framework. This framework is based on The Link REIT's Vision, Mission and Values, which puts sustainable growth and taking care of all stakeholders at the heart of the business operation. The framework encompasses seven areas of sustainability, namely tenant, asset/brand, community, staff, corporate governance,

economic and environmental sustainability. In the five years since The Link REIT's listing, the Manager has been committing considerable resources in sustainability and has attained varying degrees of success in each of these seven areas. With the newly-developed framework, however, the Manager believes its future sustainability efforts will be more focused, principles more clearly identified and policies more well-defined. The framework will assist in setting more clear and quantifiable sustainability objectives and performance indicators for all departments and divisions. It will also help establish and integrate sustainability deliverables into The Link REIT's strategy going forward.

The Link REIT's Vision, Mission and Values underline the seven areas of sustainability



TENANT SUSTAINABILITY

Tenants are the core of The Link REIT's business. The Manager seeks to offer the tenants a business environment that closely meets their business needs, while engaging tenants of all ranks in discussions and responding to their feedback.

In terms of physical improvements of hardware, during the financial year the Manager has completed the upgrading of five shopping centres, which involved capital investments of over HK\$776 million. In addition, the Manager has spent HK\$222 million in repair and maintenance of the shopping centres and car park facilities across the portfolio. All such investments were done with a view to enhance the shopping environment and provide a more sustainable platform for the tenants' businesses.

Apart from hardware improvements, the Manager also focused on delivering better customer service to both shoppers and tenants. The Manager introduced customer service ambassadors in selected shopping centres as part of its efforts to enhance the overall shopping experience. To generate more footfall for the tenants' benefit, the Manager organised numerous marketing and promotional events at the shopping centres, spending HK\$94 million over the course of the year. To assist and educate the tenants of the latest retail trends and business knowledge, the ever popular and successful Tenant Academy was in its third



The Link Tenant Academy seeks to better equip retailers with latest business management skills

year of operation. 12 seminars were offered during the year, covering a wide range of topics pertaining to the tenants' business interests such as "customer service communication skills" and "interior design for shops". The Manager invited seasoned professionals and subject experts to present at the seminars which were open to all tenants free-of-charge and were well-attended by over 1,800 tenants in total.

Such investments in hardware and software have produced encouraging results in terms of tenant sustainability. Customer opinion surveys done on seven shopping centres which previously underwent asset enhancements showed that customer satisfaction increased substantially, with 71%–91% of customers giving a "satisfactory" or "very satisfactory" ranking. Moreover, the benefits of tenant sustainability were felt by the smaller tenants as well, as shown by the increase in the number of leases to QIOs (with shop size under 1,000 square feet), which rose from 2,911 as at 31 March 2006 to 3,305 as at 31 March 2011.

COMMUNITY SUSTAINABILITY

The Link REIT's extensive portfolio of community-oriented retail and car park facilities reaches a catchment population of over 40% of Hong Kong's total population. Thus the Manager is keen to contribute to the well-being of The Link REIT by advancing community sustainability and enhancing relationship with this key stakeholder through proactive engagement.

The Manager seeks to promote social and economic regeneration through helping the under-privileged and partnering with local institutions to create social asset and capital. The Link REIT leases approximately 8% of floor area to charity organisations at concessionary rents. To promote further community building, The Link REIT also offers full waiver or discount to the Government and other charity organisations on letting fees for venues. The venues are typically used to host activities supporting local communities, and during the year The Link REIT sponsored a total of 2,690 days of such charitable letting. The Link Fun Academy organises countless events focusing on arts, culture, youth and community development. Aside from such corporate sponsorships, the Manager also encourages its staff to contribute to community sustainability by organising staff volunteer teams to visit elderly centres in the local estates.

Sustainability

In January 2011, the Manager announced that it would invest HK\$200 million up to 2016 to review and upgrade all facilities for BFA. This is the result of intense consultation with the Government, interest groups, local communities as well as subject experts. Such commitment is a demonstration of how the Manager maintains and improves community sustainability through proactive and ongoing stakeholder engagement.

ENVIRONMENTAL SUSTAINABILITY

Environmental stewardship is one of the key challenges businesses around the world are facing today. Fully acknowledging the importance of improving environmental performance and energy efficiency of its buildings, the Manager has strived to improve physical hardware to more environmentally-friendly alternatives. During the year, the Manager embarked on aggressive programmes for existing shopping centres to retrofit chiller plants, replace lighting systems and apply other energy saving equipment such as solar film for skylights and glass walls and variable speed drives. These programmes, supplemented by work process improvements, resulted in a decrease of approximately 15,000 tonnes of carbon dioxide equivalent during the financial year. For the renovation projects, the Manager has also adopted green technologies in design guidelines, green specifications and

green materials such as solar panels, green roofs and natural ventilation.

The Manager trains and educates its staff on environmental management, with six colleagues joining the BEAM training scheme organised by The Hong Kong Green Building Council. As the first batch of BEAM Professionals at The Link REIT, the team will be responsible for the promotion of innovative and environmentally friendly practices in all business operations, such as AEI projects and property management. The Link REIT also educates the community on how to think and work responsibly and provide green knowledge that can be applied to daily life. The “Eco Terrace” programme at Lok Fu Plaza was a very successful partnership with over ten green groups to establish a pioneer farmland so that nearby residents have the opportunity to take part in farming activities at the terraced field. In the autumn-winter season alone, over 5,000 pots of nearly 15,000 sets of organic vegetables were planted, including strawberries, broccoli, cabbage, beetroot, romaine lettuce and sunflowers. By enabling participants to experience the farming process with their families, and share planting tips with each other, the project will help inspire healthy organic green living. The “Eco Terrace” project was awarded an Asian CSR Award in Environment Excellence in October 2010, recognising that the creative green community programme was among the best in the region.



The Link Fun Academy provides learning opportunities to the public through workshops and classes on a wide range of topics



More facilities using renewable energy at upcoming asset enhancement projects

Sustainability



Eco Terrace inspires green living in the community

However, the Manager recognises that in taking a longer term view of environmental sustainability, it will need to develop an overall strategy – focusing not only on energy and lighting, but also on water and waste – and then implement policies and put in place systems for monitoring and reporting. In addition to identifying and satisfying local environmental legislations and statutory requirements, the Manager will make reference against international guidelines and best practices in establishing green supply chain management, rental agreement and leases, internal controls and management systems to ensure it meets environmental requirements and targets.

STAFF SUSTAINABILITY

The stellar performance of The Link REIT in the last five years since listing was made possible by the dedicated work of its staff. To date, The Link REIT has approximately 800 staff under direct employment. To retain such a large body of professionals, it offers competitive compensation and benefits packages and endeavours to improve the performance management and reward systems to enhance productivity. Starting this financial year, the Manager is also investing more in the training and development of its workforce and the promotion of corporate culture.

Since the onset of the direct management approach in 2009, the Manager has been investing to improve property management services, which has culminated in the launch of the Link Staff Academy in July 2010. Up until 31 March 2011, the Staff Academy has provided over 3,900 hours of training to frontline staff. Other staff training and individual development programmes were offered to promote professionalism and personal growth of staff, such as supervising skills, performance management skills, language application skills, computer system operation, industry best practice sharing, overseas site visits, and outdoor team building workshops. In addition, The Link REIT has decided to expand its university recruitment programme, expanding the number of graduate management trainees hired from four in 2010/11 to a target of nine in 2011/12. The Manager hopes the programme will help develop a group of indigenous grown and trained pool of talent which may eventually rise into senior management roles.

The Manager builds corporate culture based on open communication and transparency. Perhaps the best evidence of proactive staff engagement was the introduction of the corporate blog site – Yourvoice.com – in November 2010. Staff could submit blog posts anonymously on topics ranging from questions about year-end bonuses, to proposals for



Staff attending a management seminar at Hong Kong Disneyland



Participating staff members demonstrate team spirit at Community Chest Sports Corporate Challenge

establishing a Link football team and suggestions on nearby restaurants for lunch. The blogs are actively monitored by the Human Resources Department, who would alert the respective departments or divisions to respond as necessary and as quickly as possible. Another means of building a corporate culture and fostering a sense of belonging was to provide staff with opportunities to strengthen camaraderie and team spirit, such as the anniversary party at the Ocean Park for staff members and their families. A staff club with recreational facilities such as gym equipment and pool table is scheduled for completion by the second half of 2011.

ASSET/BRAND SUSTAINABILITY

The Link REIT is the largest REIT in Asia by market capitalisation and the largest owner of retail floor area in Hong Kong. To manage such a sizeable and visible portfolio and business, the Manager has started to establish more consistent brand management disciplines across the organisation via a holistic control of all communications, including the repositioning of shopping centres according to product attributes. This was perhaps the most significant asset/brand sustainability initiative as it resulted in the categorisation of the 151 retail facilities into four groups.

- Boutique Centres such as Stanley Plaza which offer unique shopping experience due to their one-of-a-kind locations, historic significance or design features;
- Regional Centres such as the flagship Lok Fu Plaza which are distinguished by their size and/or regional significance in attracting shoppers beyond the immediate catchment areas;
- Community Centres are neighbourhood malls serving local residents for their daily shopping needs; and
- Street Shops.

The Manager will develop distinct strategies for each of these groups including differentiated branding, marketing, leasing and property management strategies and practices. The Manager will constantly review the categorisation as it rolls out the AEI programme which will take into consideration each asset's potential for revitalisation and recategorisation. Through renovation and repositioning of the centres, the AEI programme offers an opportunity to reinforce the branding according to the requisite category.



Siu Sai Wan Plaza adopts new property logo after asset enhancement



Directors joining the Annual Dinner give a toast to all staff

CORPORATE GOVERNANCE SUSTAINABILITY

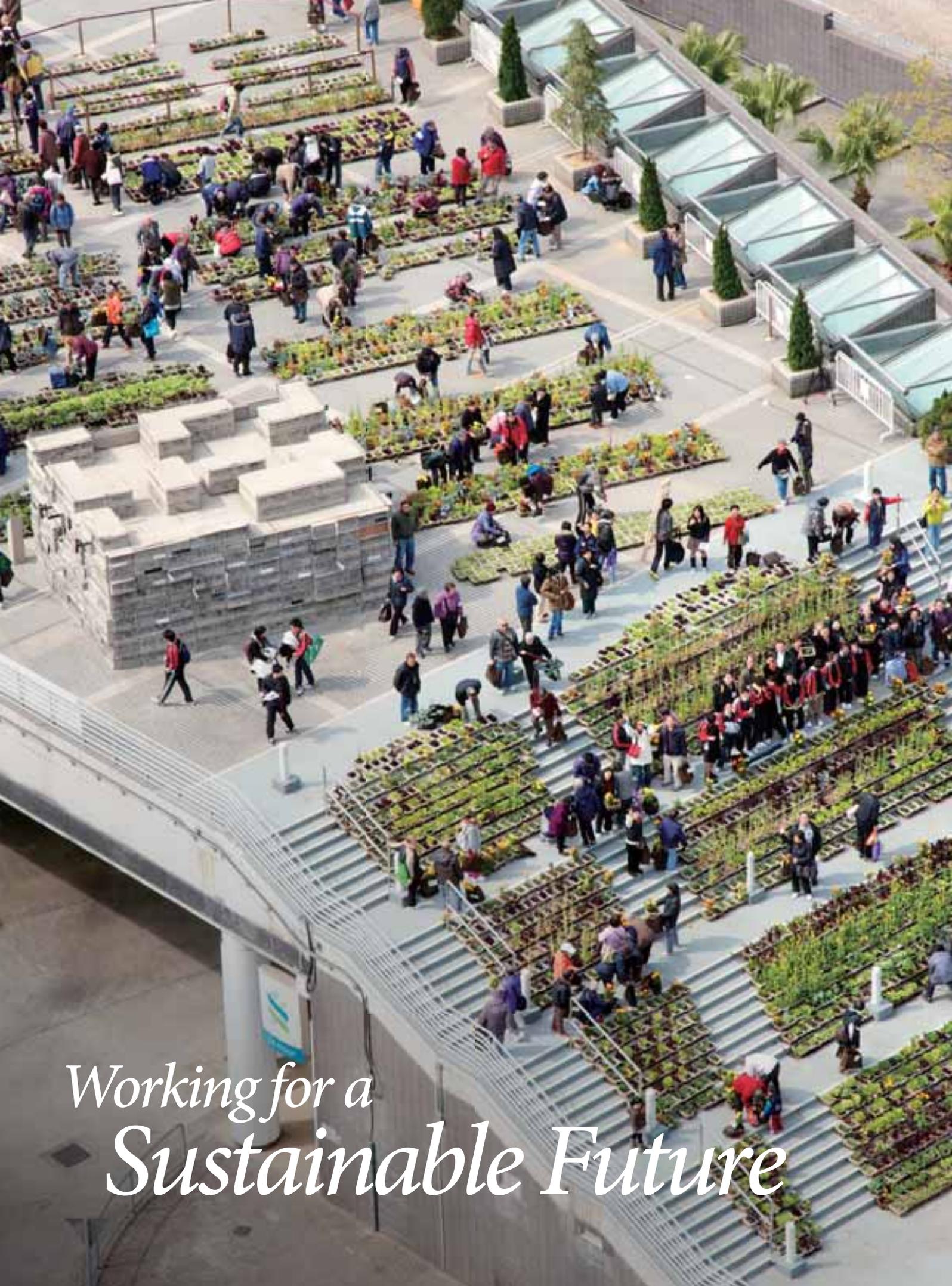
The Link REIT is the only internally-managed REIT in the Asian market. The structure binds the Manager and the REIT together, further aligning the interests of the two with the absence of a separate sponsor or shareholder for the REIT manager. The independent Trustee serves as an added governance security as it is responsible for the safe custody of The Link REIT's assets. Recognising that units of The Link REIT are widely held by Unitholders around the world and there is no controlling Unitholder, the Board's function in corporate governance is viewed as vital, as it is responsible for the overall governance of the Manager. The Board consists of a majority of independent non-executive directors who are seasoned professionals from legal, accounting, banking, academic, surveying, architectural and corporate fields. The Link REIT's strength in corporate governance is recognised by a number of awards received during the year. The Hong Kong Institute of Directors named its Board "Directors of the Year 2010". The Link REIT also received the "Hong Kong Corporate Governance Excellence Award" presented by The Chamber of Hong Kong Listed Companies and Hong Kong Baptist University in recognition of its commitment to managing stakeholders' interests and maintaining high standards of governance.

ECONOMIC SUSTAINABILITY

As a business enterprise, The Link REIT's responsibility first and foremost is to be economically sustainable. It has proven its success in this regard by delivering consistently strong financial performance, with a compound average annualised return of 21.3% from the listing in November 2005 to the end of the financial year under review. But The Link REIT's goal for economic success extends to the overall economy as well, by providing an efficient platform for other businesses to flourish and to improve its portfolio for the benefits of all stakeholders. It promotes greater choice for consumers by improving trade mix; enhances shopping experience for customers by upgrading facilities and introducing better service quality; generates more traffic flow for tenants by creating incentive parking programmes and organising marketing and promotion functions; revitalises traditional operators such as cooked food stalls through modernisation and even assisting them in obtaining restaurant licenses. But the Manager also supports a thriving and economically buoyant community through other more subtle means. One such example is the hiring of many part-time customer service ambassadors from within the vicinity to promote employment in local public housing estates.



Local residents are hired as customer service ambassadors to introduce new choices at the renovated Tai Yuen Market



*Working for a
Sustainable Future*



15,000

sets of organic vegetables featured at green community project Eco Terrace



“ We have participated in different programmes of the Eco-Terrace at Lok Fu Plaza, including the planting workshop, rope-skipping class and Heritage Walk. We are grateful for this chance to plant organic vegetables with our own hands, and learn more about the heritage of our neighbourhood. ”

~ Kwan So Fun and Poon Hiu Tung, both students of a primary school at Lok Fu

◀ Bird-eye view of Eco-Terrace at Lok Fu Plaza's open podium

Board of Directors of the Manager

Mr Nicholas Robert SALLNOW-SMITH

Chairman (also an Independent Non-Executive Director)

Mr Sallnow-Smith, aged 61, has been an Independent Non-Executive Director and the Chairman of the Board of the Manager since April 2007. He is also the chairman of the Nomination Committee and the Finance and Investment Committee of the Manager.

Mr Sallnow-Smith has over 35 years of experience in the finance and treasury field in the United Kingdom and Hong Kong, and has extensive knowledge of the property investment/management industry in Hong Kong. He was Chief Executive of Hongkong Land Limited between 2000 and 2007.

Mr Sallnow-Smith is an Independent Non-Executive Director of Dah Sing Financial Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange) and Dah Sing Bank, Limited, the Chairman of the Board of Directors of LionRock Master Fund Limited in Singapore and a member of the Advisory Board of Winnington Group. He is also an Independent Non-Executive Director of Wynn Macau, Limited (a company listed on the Main Board of the Hong Kong Stock Exchange). Mr Sallnow-Smith has been actively involved in public service and is currently a Director of the Hong Kong Philharmonic Society, Chairman of the Hong Kong Youth Arts Foundation, a member of the Council of the Treasury Markets Association (Hong Kong Association of Corporate Treasuries Representative) and a member of General Committee of The British Chamber of Commerce in Hong Kong. He is also the Chairman of AFS Intercultural Exchanges Limited. Save as disclosed above, Mr Sallnow-Smith did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Mr George Kwok Lung HONGCHOY

Executive Director & Chief Executive Officer

Mr Hongchoy, aged 49, joined the Manager as Chief Financial Officer in January 2009 and was appointed as an Executive Director in February 2009. On 17 May 2010, he became Chief Executive Officer of the Manager. Mr Hongchoy is currently a member of the Nomination Committee, the Finance and Investment Committee and the Human Resources and Compensation Committee of the Manager and director of The Link Holdings Limited, The Link Properties Limited and The Link Finance Limited, being the principal subsidiaries of The

Link REIT. Mr Hongchoy 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, a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of The Hong Kong Institute of Directors. He has over 23 years of experience in investment banking, financial consulting and accounting in Asia and New Zealand.

Mr Hongchoy is a Director of the Hong Kong Securities Institute, Hong Kong Cyberport Management Company Limited and Hong Kong Applied Science and Technology Research Institute Company Limited. He is a member of the Hong Kong Chapter Board of the Asia Pacific Real Estate Association, the Asia Executive Board of The Wharton School and the Faculty Advisory Committee of Faculty of Business at The Hong Kong Polytechnic University. He was a Council Member of the Hong Kong Institute of Certified Public Accountants and Chairman of its Corporate Finance Committee in 2008 and a member of the Advisory Committee on Human Resources Development in the Financial Sector of The Government of the HKSAR in 2008-2010. Mr Hongchoy did not hold any directorships in public listed companies in Hong Kong or overseas in the past three years.

Mr Andy CHEUNG Lee Ming

Executive Director & Chief Financial Officer

Mr Cheung, aged 44, joined the Manager as an Executive Director and Chief Financial Officer in June 2010. He is also a member of the Finance and Investment Committee of the Manager and director of The Link Holdings Limited, The Link Properties Limited and The Link Finance Limited, being the principal subsidiaries of The Link REIT. Mr Cheung has over 19 years of experience in the areas of business development, finance and audit. He holds a Bachelor degree in Business Administration from the Boston University and a Master of Business Administration degree from the McMaster University. He is a Certified Public Accountant of the State of Illinois in the United States.

Prior to joining the Manager, Mr Cheung was an Executive Director and Chief Financial Officer of Paul Y. Engineering Group Limited and was an Executive Director of Hopewell Holdings Limited from 2003 to 2007, both of which are listed on the Main Board of the Hong Kong Stock Exchange. Save as disclosed

Board of Directors of the Manager

above, Mr Cheung did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Mr Ian Keith GRIFFITHS

Non-Executive Director

Mr Griffiths, aged 56, has been a Non-Executive Director of the Manager since September 2007. He is also a member of the Finance and Investment Committee of the Manager. Mr Griffiths has practiced architecture for 32 years, with 28 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, Chairman of the Asian Youth Orchestra, an Honorary Professor of Architecture at The University of Hong Kong and a member of the Board of Directors of the City Chamber Orchestra of Hong Kong. Aedas is the largest architectural practice in Hong Kong and has some 40 offices and 2,000 staff internationally. Mr Griffiths did not hold any directorships in public listed companies in Hong Kong or overseas in the past three years.

Mr Michael Ian ARNOLD

Independent Non-Executive Director

Mr Arnold, aged 67, has been an Independent Non-Executive Director of the Manager since September 2004. He is also the chairman of the Human Resources and Compensation Committee and a member of the Nomination Committee and the Finance and Investment Committee of the Manager. Mr Arnold is an Independent Non-Executive Director of VinaLand Limited (listed on the AIM Market of the London Stock Exchange). He is a Chartered Surveyor and has some 44 years of experience in the property industry. Save as disclosed above, Mr Arnold did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Mr William CHAN Chak Cheung

Independent Non-Executive Director

Mr Chan, aged 63, has been an Independent Non-Executive Director of the Manager since October 2009. He is also the chairman of the Audit Committee and a member of the Remuneration Committee of the Manager. Mr Chan is a retired partner of PricewaterhouseCoopers with a career spanning 33 years in Canada, Hong Kong and mainland China. Mr Chan is an Independent Non-Executive Director of King Fook Holdings Limited and National Electronics Holdings Limited, both of which are listed on the Main Board of the Hong Kong Stock

Exchange, as well as a director of several non-listed companies. He was an Independent Non-Executive Director of Kingsway International Holdings Limited (listed on TSX in Canada). Mr Chan brings senior management skills and experience in solving complex business issues in many different industries including the real estate industry, and also brings experience in matters on corporate governance. Save as disclosed above, Mr Chan did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Mr Anthony CHOW Wing Kin, SBS, JP

Independent Non-Executive Director

Mr Chow, aged 60, has been an Independent Non-Executive Director of the Manager since May 2006. He is also a member of the Audit Committee, the Remuneration 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 practising solicitor in Hong Kong for over 29 years and is currently Partner of the law firm Messrs. Peter C Wong, Chow & Chow. His principal areas of practice include corporate and commercial, property law, probate and civil litigation. Mr Chow is a China-Appointed Attesting Officer and a member of the Guangzhou Arbitration Commission. He is also the Chairman of the Process Review Panel for the Securities and Futures Commission of Hong Kong and a steward of the Hong Kong Jockey Club. Mr Chow is a Non-Executive Director of Kingmaker Footwear Holdings Limited and an Independent Non-Executive Director of Fountain Set (Holdings) Limited and Ping An Insurance (Group) Company of China, Ltd, all of which are listed on the Main Board of the Hong Kong Stock Exchange. He is the former President of The Law Society of Hong Kong. Save as disclosed above, Mr Chow did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Dr Patrick FUNG Yuk Bun, JP

Independent Non-Executive Director

Dr Fung, aged 64, has been an Independent Non-Executive Director of the Manager since August 2005. He is also the chairman of the Remuneration Committee of the Manager. Dr Fung is a veteran banker with over 34 years of experience. He has been Chairman and Chief Executive of Wing Hang Bank, Limited since 1996 and is also a Non-Executive Director of Miramar Hotel and Investment Company, Limited, both of which are listed on the Main Board of the Hong Kong Stock Exchange. Dr Fung is the Chairman of Executive Committee and Vice President of the

Board of Directors of the Manager

Council of The Hong Kong Institute of Bankers and a member of the Hong Kong Tourism Board. Save as disclosed above, Dr Fung did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Mr Stanley KO Kam Chuen, BBS, JP

Independent Non-Executive Director

Mr Ko, aged 65, has been an Independent Non-Executive Director of the Manager since September 2005. He is also a member of the Audit Committee and the Human Resources and Compensation Committee of the Manager. Mr Ko has extensive experience in business development and management of business portfolios. He is Chairman of Jardine Airport Services Limited, Advisor to the board of Jardine Matheson Limited and an Independent Non-Executive Director of SW Kingsway Capital Holdings Limited (which is listed on the Main Board of the Hong Kong Stock Exchange). Mr Ko is Chairman of LARK International Holdings Limited. Save as disclosed above, Mr Ko did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Mr David Charles WATT

Independent Non-Executive Director

Mr Watt, aged 61, has been an Independent Non-Executive Director of the Manager since August 2009. He is also a member of the Remuneration Committee and the Finance and Investment Committee of the Manager. Mr Watt holds a Master of Arts in Modern History from the University of Oxford and completed the International Executive Programme at INSEAD, France in 1991. He is a Fellow of the Royal Institution of Chartered Surveyors and is also a member of its Global Communications Board. Mr Watt is currently an International Director of DTZ with responsibility for business development and client services across the Asia-Pacific Region. He has over 35 years of international experience on a wide range of commercial development projects. He is a member of the International Council of Shopping Centres and former member of its European Advisory Board. Mr Watt did not hold any directorships in public listed companies in Hong Kong or overseas in the past three years.

Professor Richard WONG Yue Chim, SBS, JP

Independent Non-Executive Director

Professor Wong, aged 58, has been an Independent Non-Executive Director of the Manager since September 2007. He is also a member of the Audit Committee and the Human Resources and Compensation Committee of the Manager. Professor Wong is Professor of Economics at The University of Hong Kong. His main research interest is in the economic analysis of competition, regulation and economic development. He has been actively involved in public services and serves on numerous public bodies. Professor Wong is an Independent Non-Executive Director of Great Eagle Holdings Limited, CK Life Sciences Int'l., (Holdings) Inc., Orient Overseas (International) Limited, Pacific Century Premium Developments Limited and Sun Hung Kai Properties Limited, all of which are listed on the Main Board of the Hong Kong Stock Exchange. He is also an Independent Non-Executive Director of Hong Kong Mercantile Exchange Limited and Industrial and Commercial Bank of China (Asia) Limited (the latter was listed on the Hong Kong Stock Exchange until December 2010). Save as disclosed above, Professor Wong did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Dr Allan ZEMAN, GBS, JP

Independent Non-Executive Director

Dr Zeman, aged 62, has been an Independent Non-Executive Director of the Manager since September 2004. He is also a member of the Audit Committee of the Manager. Dr Zeman is Chairman of Lan Kwai Fong Holdings Limited and Ocean Park Hong Kong. He is a Non-Executive Director and Vice Chairman of Wynn Macau, Limited and an Independent Non-Executive Director of Pacific Century Premium Developments Limited, Sino Land Company Limited and Tsim Sha Tsui Properties Limited, all of which are listed on the Main Board of the Hong Kong Stock Exchange. He is also a Director of Wynn Resorts Ltd in Las Vegas. Dr Zeman was founder and owner of Colby International Limited until late 2000. He is a board member of the West Kowloon Cultural District Authority. Save as disclosed above, Dr Zeman did not hold any directorships in other public listed companies in Hong Kong or overseas in the past three years.

Management Team

Mr George Kwok Lung HONGCHOY

Executive Director and Chief Executive Officer

Mr Andy CHEUNG Lee Ming

Executive Director and Chief Financial Officer

Mr Ricky CHAN Ming Tak

Director (Legal) & Company Secretary

Mr Ricky Chan, aged 52, is the Director of Legal and the company secretary of the Manager. He is responsible for overseeing all the Manager's legal and company secretarial affairs. Mr Ricky Chan joined the Manager in August 2010 and has over 27 years of experience in the legal profession with extensive experience in real estate, corporate finance, listing matters and cross-border transactions. Before joining the Manager, Mr Ricky Chan was the Group General Counsel of Littauer Technologies Co., Ltd (Kosdaq-listed), the Head Legal Counsel and company secretary of K. Wah International Holdings Limited and the General Counsel of Pacific Century Premium Developments Limited. Mr Ricky Chan holds a Bachelor of Laws from The University of Hong Kong, a Master of Laws from University of London and is a qualified solicitor in Hong Kong.

Mr Tony LAM Kwok Tai

Director (Human Resources)

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

Mr POON Kai Tik

Director (Corporate Communications)

Mr Poon, aged 58, oversees corporate communications, marketing and promotional functions across the portfolio, as well as advising on corporate sustainability of The Link REIT. He joined the Manager in January 2010 and has over 35 years of experience working in major advertising and marketing agencies, public media companies and public organisations in Hong Kong, which included an eight-year tenure as Assistant Director/Corporate and Community Relations for the Hong Kong Housing Authority. Before joining the Manager, Mr Poon served as Head of Corporate Communications for the Hong Kong Hospital Authority. He holds a Master of Business Administration degree from the Chinese University of Hong Kong and a Bachelor of Arts degree from the University of Hong Kong.

Mr Edward TSE Siu Cheung

Director (Project and Development)

Mr Edward Tse, aged 51, is responsible for formulating project development strategies, policies and overseeing the renovation projects to support the Manager in realising the full potential of The Link REIT's assets. He joined the Manager in May 2010 and has over 26 years of experience in architectural design and management, with extensive experience in project management, contract and on-site construction management, shopping mall branding. Mr Edward Tse holds a Bachelor of Arts degree in Architecture and a Bachelor of Architecture degree from the University of Hong Kong. He is an Authorised Person (List of Architects), a Registered Architect in Hong Kong and also a member of Hong Kong Institute of Architects.

Management Team

Mr Hubert CHAK

Associate Director (Corporate Development)

Mr Hubert Chak, aged 50, is responsible for the formulation of corporate development strategy of the Manager with a holistic view of the current property portfolio and investment opportunities beyond it. He also oversees the investor relations function of the Manager and is one of the responsible officers of the Manager for the purpose of the Securities and Futures Ordinance. Mr Hubert Chak joined the Manager in June 2010. He holds a Master of Business Administration degree and a Bachelor of Science degree in Mechanical Engineering from University of Wales (now known as Cardiff University). Before joining the Manager, he was the Group Chief Operating Officer and Executive Director of CSI Properties Limited. Mr Hubert Chak held various senior management positions at PCCW Limited between 1999 and 2007 and was an executive director of Pacific Century Premium Developments Limited until February 2007. He is currently an independent non-executive director of Tradelink Electronic Commerce Limited.

Ms Vivien CHAN Pik Kwan

Head of Media & Public Affairs

Ms Vivien Chan, aged 49, oversees the Manager's media and public affairs function to devise media strategy and public affairs outreach for the senior management team to publicise the Manager's work, build relationship and enhance communications with its key stakeholders, and is one of the authorised spokespersons of the Manager. She joined the Manager in November 2009 and has over 28 years of extensive experience in media and corporate communications. Ms Vivien Chan holds a Master of Art in Media and Communication Studies from New York University of the United States and a Bachelor of Arts degree in Political Science and Philosophy from The University of Hong Kong.

Mr Patrick CHEANG Kwok Kei

Head of Risk Management and Compliance

Mr Patrick Cheang, aged 42, oversees corporate governance, risk management, regulatory and operational compliance as well as fostering the risk and compliance awareness in the Manager. He joined the Manager in August 2009 and has extensive experience in internal audit, risk management and corporate governance in property development and property management industries. Mr Patrick Cheang holds a Bachelor of Finance degree from The University of Hong Kong and Diploma of China Business and Commercial Law from Shenzhen University.

Ms Irene FISHER, MH

Head of Property Management

Ms Irene Fisher, aged 59, is responsible for providing property management services to the assets in The Link REIT's portfolio. She joined the Manager in September 2004 and has extensive experience in the development, management and leasing of commercial portfolios. Ms Irene Fisher 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 of the Hong Kong Institute of Housing and Institute of Shopping Centre Management, and is currently the Chairman of the Research, Training and Education Committee of Institute of Shopping Centre Management.

Ms Peionie KONG Po Yan

Head of Leasing

Ms Peionie Kong, aged 41, is responsible for the leasing of the Manager's asset portfolio. She joined the Manager in March 2005 and has 18 years of experience in the real estate industry. Prior to joining the Manager, she had held managerial positions in different sizable and reputable companies. Ms Peionie Kong holds a Bachelor of Arts degree in Geography from The University of Hong Kong.

Management Team

Mr Henry LO Oi Sang

Head of Internal Audit

Mr Henry Lo, aged 37, is responsible for the internal audit function of the Manager, including the formulation and implementation of internal audit plan. He joined the Manager in April 2011 and has 14 years of experience in auditing, corporate governance and risk management. Mr Henry Lo holds a Bachelor of Business Administration degree in Information Systems from the Hong Kong University of Science and Technology. He is a member of the Hong Kong Institute of Certified Public Accountants, a Fellow of the Association of Chartered Certified Accountants and a Certified Information Systems Auditor.

Mr Michael LO Kam Chuen

Head of Operations

Mr Michael Lo, aged 60, oversees the operations, facility management and car park management of the Manager's asset portfolio to ensure reliable and efficient asset management. He joined the Manager in June 2010 and has 39 years of experience in the property and facility management business. Mr Michael Lo holds a Master of Science degree in Facility Management from The Hong Kong Polytechnic University and a Certificate in Housing Management from The University of Hong Kong. He is Certified Facility Manager with the International Facility Management Association ("IFMA") and plays an active role in the professional community by serving as past Director and Vice President of the Hong Kong Chapter of IFMA.

Mr Keith NG Man Keung

Head of Treasury

Mr Keith Ng, aged 39, is responsible for the arrangement of borrowings, cash management, financial risk management and related treasury matters of The Link REIT. He joined the Manager in June 2009 and has 18 years of experience in corporate treasury, accounting and finance. Mr Keith 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, and a Bachelor degree in Computer Science from The University of Hong Kong. He is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants, and also holds the Chartered Financial Analyst designation.

Ms Rosa TSANG Yuen Yin

Head of Finance

Ms Rosa Tsang, aged 41, oversees the finance and accounting functions of the Manager. She joined the Manager in January 2007 and has 19 years of experience in auditing, accounting and finance. Ms Rosa 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 Cissy Tsang, aged 64, is responsible for the repositioning and development of the wet market and cooked food stalls in the asset portfolio of The Link REIT in order to maximise investment return and asset value. She joined the Manager in May 2006 and has over 40 years of management experience serving different sizable and reputable companies. Ms Cissy Tsang holds a Master of Business Administration degree from Brunel University in the United Kingdom. She is a Fellow of the Chartered Institute of Housing and also a Certified Property Manager, an Accredited Condominium Manager, and a Professional Administration Manager.

Mr Damien WU Tat Ming

Head of Information Technology

Mr Damien Wu, aged 41, is responsible for the formulation of the information technology strategy as well as the management of all information technology functions of the Manager. He joined the Manager in October 2010 and has over 16 years of experience in the information technology management. Mr Damien Wu holds a Bachelor of Mathematics (Joint Honours in Management Accounting and Computer Science) degree from The University of Waterloo in Canada.

Our Governance

Corporate Governance Report

The Manager is committed to high standard of corporate governance with policies and procedures in place ensuring that The Link REIT is being managed and operates in an efficient and transparent manner.

COMPLIANCE

During the year ended 31 March 2011, the Manager and The Link REIT complied with the Code on Real Estate Investment Trusts (the “**REIT Code**”), the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”), (where applicable) the relevant provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the trust deed dated 6 September 2005 (as amended and supplemented by various supplemental deeds) constituting The Link REIT (the “**Trust Deed**”) and the corporate governance requirements contained in the compliance manual adopted by the Manager for managing The Link REIT (the “**Compliance Manual**”).

The Manager and The Link REIT 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.

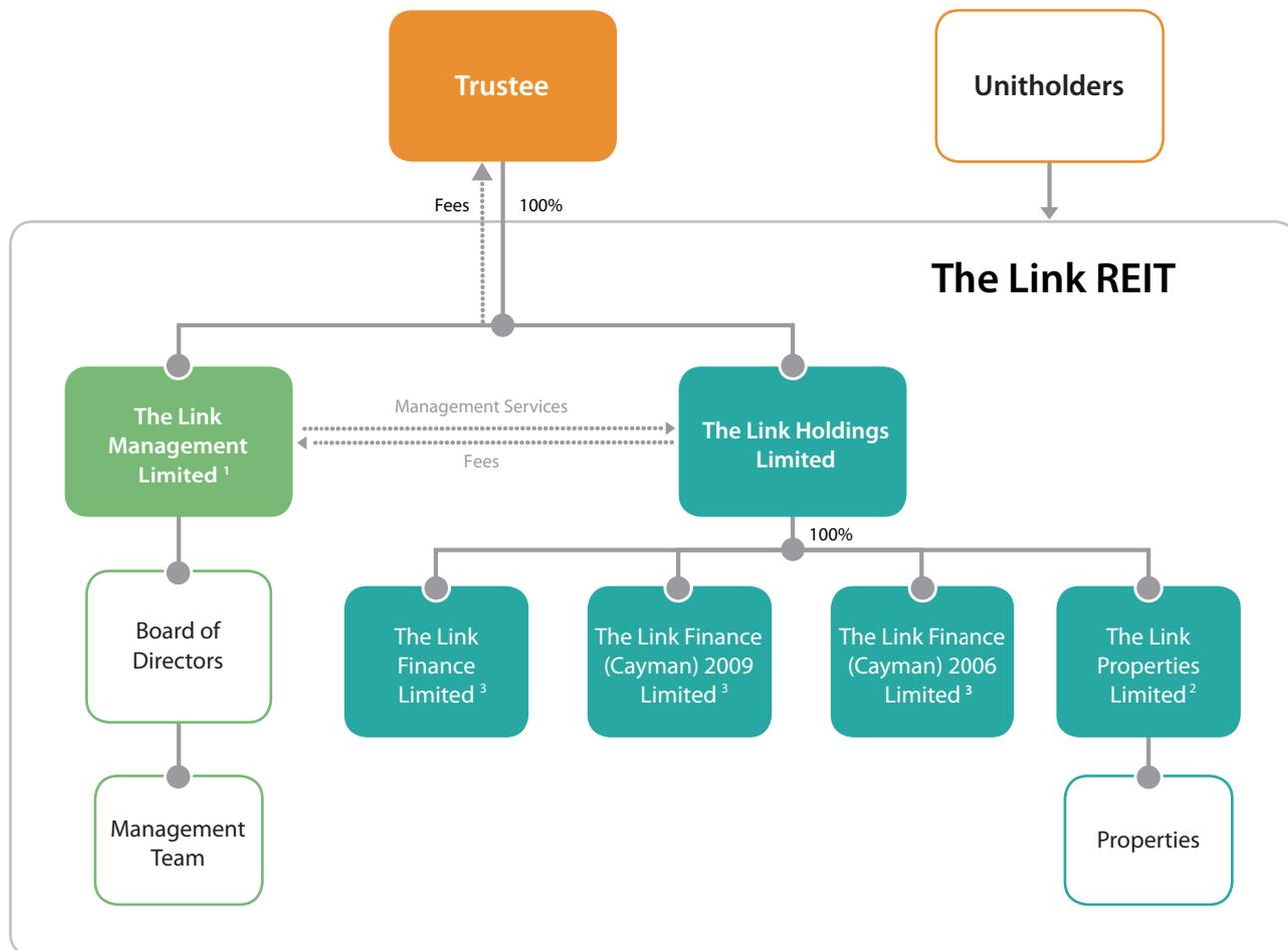
AUTHORISATION STRUCTURE

The Link REIT is a collective investment scheme authorised by the SFC under section 104 of the SFO and regulated by the REIT Code issued by the SFC.

HSBC Institutional Trust Services (Asia) Limited, the trustee of The Link REIT (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. As at the date of this report, the Manager has six responsible officers pursuant to the requirements of the SFO, namely, Mr George Kwok Lung HONGCHOY, Mr Andy CHEUNG Lee Ming, Mr Hubert CHAK, Mr James Andrew CLARK, Mr Simon HO Kam Por and Mr Eric YAU Siu Kei.

CORPORATE STRUCTURE OF THE LINK REIT



Notes:

- ¹ The Link Management Limited is the Manager of The Link REIT.
- ² The Link Properties Limited holds all the properties of The Link REIT.
- ³ These are companies established for arranging financing for The Link REIT.

ROLES OF THE TRUSTEE AND THE MANAGER

The Link REIT adopts 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 the 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 the benefit of the Unitholders. The Manager is responsible for managing The Link REIT in accordance with the Trust Deed and in particular, to ensure that the financial and economic aspects of The Link REIT's assets are professionally managed in the sole interests of the Unitholders.

The relationship between the Trustee and the Manager is regulated by the Trust Deed. On 23 July 2010, the eighth supplemental deed was entered into between the Trustee and the Manager to amend the Trust Deed for the purposes of, among others, complying with the revisions to the REIT Code made by the SFC on 25 June 2010 to extend the application of the Codes on Takeovers and Mergers and Share Repurchases issued by the SFC to SFC-authorized real estate investment trusts.

THE BOARD OF THE MANAGER

Composition of the Board

With the aim of maintaining an effective and balanced board structure, the Board of the Manager has been set to provide for a minimum of nine and a maximum of 14 directors (the "**Directors**").

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

- at least half of the Board members shall be Independent Non-Executive Directors;
- the Chairman of the Board shall be an Independent Non-Executive Director; and
- the Board should comprise Directors with a broad range of commercial experience including expertise in funds management and the property industry and skills to contribute to an effective and efficient Board.

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

As at the date of this report, the Board comprises 12 members, nine of whom are Independent Non-Executive Directors, one is Non-Executive Director and two are Executive Directors, being the Chief Executive Officer and the Chief Financial Officer. The names and biographical details of the Directors are set out in the section headed "Board of Directors of the Manager" in this annual report.

Each of the Independent Non-Executive Directors is appointed for a specific term of three years which can be renewed up to a maximum term of nine years.

The Articles of Association of the Manager contain provisions regarding retirement and re-election of the Directors. In addition, the Manager's corporate governance policy requires one-third of the Independent Non-Executive Directors to retire by rotation at each annual general meeting of Unitholders of The Link REIT.

Changes in Board Members

The changes in members of the Board and committees of the Board (the “**Board Committees**”) during the year were as follows:

- Mr Ian David Murray ROBINS ceased to be an Executive Director, the Chief Executive Officer, and a member of the Finance and Investment Committee, the Human Resources and Compensation Committee and the Nomination Committee with effect from 17 May 2010.
- Mr George Kwok Lung HONGCHOY, an Executive Director, a member of the Finance and Investment Committee and the former Chief Financial Officer (who also acted as the Acting Chief Financial Officer from 17 May 2010 to 28 June 2010), succeeded as the Chief Executive Officer and was also appointed as a member of the Human Resources and Compensation Committee and the Nomination Committee with effect from 17 May 2010.
- Mr Andy CHEUNG Lee Ming was appointed as an Executive Director, the Chief Financial Officer and a member of the Finance and Investment Committee with effect from 28 June 2010.

Independence of Directors

The Manager has received an annual confirmation of independence for the year from each of the Independent Non-Executive Directors. The Nomination Committee had assessed and considered that all the Independent Non-Executive Directors met the criteria of independence as set out in the corporate governance policy of the Manager, that are no less exacting than those set out in the Listing Rules, for assessing the independence of a Non-Executive Director.

Directors’ Service Contracts

There is no service contract, which is not determinable by the Manager within one year without payment of compensation (other than statutory compensation), in respect of those Directors who are due to retire and offer for re-election at the forthcoming annual general meeting of the Unitholders of The Link REIT.

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. It leads and guides the Manager’s corporate strategy and direction, and is functioning separately from, and independent of, the management team. The Board exercises the general powers within the limits defined by the Manager’s Articles of Association and the provisions contained in its corporate governance policy, with a view to ensuring that the management discharges its duties and is compensated appropriately, and that sound internal control policies and risk management systems are maintained. The Board also approves major financial decisions and review the overall performance of The Link REIT.

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

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

The position of the Chairman of the Board and the Chief Executive Officer are held separately, currently by Mr Nicholas Robert SALLNOW-SMITH and Mr George Kwok Lung HONGCHOY respectively, who are independent from each other 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 decision, including but not limited to:

- (i) approval of interim and final distributions, interim and annual reports and financial statements and circulars to Unitholders;
- (ii) recommending to Unitholders any changes to the Memorandum and Articles of Association of the Manager or the provisions of the Trust Deed;
- (iii) approval of sale and/or acquisition of properties;
- (iv) approval of the appointment or removal of the Chief Executive Officer and any other Directors as well as the company secretary;
- (v) issue of new units and/or repurchase of units of The Link REIT;
- (vi) approval of any matter which would have a material effect on The Link REIT's financial position, liabilities, future strategy or reputation; and
- (vii) approval of the powers and authority delegated to the various Board Committees.

Appointment and Removal of Directors

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

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

Pursuant to and subject to the terms of the Trust Deed, the Trustee and the Manager shall take all necessary actions to appoint and/or re-appoint or remove any Director in accordance with an ordinary resolution passed to such effect by the Unitholders. The Manager shall upon receipt of a valid request from the Unitholders convene a meeting of Unitholders for the purpose of seeking the approval of Unitholders for any proposed appointment and/or re-appointment or removal of Directors by way of ordinary resolution. In this regard, the quorum for such meeting of Unitholders shall be two or more Unitholders present in person or by proxy registered as holding (i) not less than 10% of the units in issue where such proposed appointment and/or re-appointment or removal has been approved or recommended by the Nomination Committee; or otherwise (ii) not less than 25% of the units in issue in the absence of approval or recommendation of the Nomination Committee. Pursuant to the Articles of Association of the Manager, the Board shall have the right to remove an incumbent Director by giving him 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 and a Director shall also abstain from voting in respect of his own re-appointment.

Information to the Board

Regular reports are presented to all Directors to ensure that they are well informed of the business developments and progress of The Link REIT. Notice of Board or Board Committee meeting will be given at least 14 days in advance in accordance with the corporate governance policy of the Manager. This is to give sufficient time for the Directors to arrange for attendance of the meeting. Agenda together with sufficient information and materials are provided to Directors at least 3 days in advance of the meeting. When considered necessary, Directors can obtain independent advice from external professional parties at the expense of The Link REIT.

BOARD COMMITTEES

Except those matters specifically reserved to the Board, the Board may delegate to various Board Committees powers to assist it to discharge the relevant part of its duties and responsibilities.

Meeting Attendance

During the year ended 31 March 2011, Directors' attendance at annual general meeting of Unitholders, Board meetings and various Board Committee meetings of The Link REIT is shown in the following table:

Name of Directors	Meeting Attendance (Number of Meetings Attended/Eligible to Attend)						
	Board	Audit Committee	Remuneration Committee	Nomination Committee	Finance and Investment Committee	Human Resources and Compensation Committee	2010 Annual General Meeting of Unitholders
Current Directors							
Nicholas Robert SALLNOW-SMITH	9/9	–	–	2/2	7/7	–	1/1
George Kwok Lung HONGCHOY ¹	9/9	–	–	1/1	7/7	2/2	1/1
Andy CHEUNG Lee Ming ²	7/7	–	–	–	5/5	–	1/1
Ian Keith GRIFFITHS	6/9	–	–	–	5/7	–	0/1
Michael Ian ARNOLD	9/9	–	–	2/2	6/7	3/3	1/1
William CHAN Chak Cheung	8/9	5/5	2/2	–	–	–	0/1
Anthony CHOW Wing Kin	9/9	4/5	2/2	2/2	–	–	1/1
Patrick FUNG Yuk Bun	8/9	–	2/2	–	–	–	1/1
Stanley KO Kam Chuen	6/9	5/5	–	–	–	3/3	1/1
David Charles WATT	8/9	–	2/2	–	5/7	–	1/1
Richard WONG Yue Chim	7/9	4/5	–	–	–	3/3	1/1
Allan ZEMAN	3/9	2/5	–	–	–	–	0/1
Former Director							
Ian David Murray ROBINS ³	1/1	–	–	1/1	1/1	1/1	–
In attendance							
External Auditor	1/1	5/5	–	–	–	–	1/1
Internal Auditor	–	5/5	–	–	–	–	–
Total meetings held	9	5	2	2	7	3	1
Minimum meetings required	4	3	2	2	4	2	1

Notes:

- ¹ Mr George Kwok Lung HONGCHOY was appointed as a member of the Nomination Committee and the Human Resources and Compensation Committee with effect from 17 May 2010.
- ² Mr Andy CHEUNG Lee Ming was appointed as an Executive Director and a member of the Finance and Investment Committee with effect from 28 June 2010.
- ³ Mr Ian David Murray ROBINS ceased to be an Executive Director and a member of the Nomination Committee, the Finance and Investment Committee and the Human Resources and Compensation Committee with effect from 17 May 2010.

Audit Committee

Pursuant to its terms of reference, the Audit Committee shall have at least 3 members, all being Independent Non-Executive Directors but no member of the Finance and Investment Committee shall sit on the Audit Committee. The Audit Committee currently comprises five members, namely, Mr William CHAN Chak Cheung (chairman), Mr Anthony CHOW Wing Kin, Mr Stanley KO Kam Chuen, Professor Richard WONG Yue Chim and Dr Allan ZEMAN. The primary duties of the Audit Committee are to oversee the disclosure of information to Unitholders such as interim and annual reports and financial statements, announcements and circulars; review the completeness, accuracy, clarity and fairness of such information disclosed; consider the scope, approach, nature and findings of internal and external audit; review and monitor connected party transactions; recommend the Board on appointment or re-appointment of the external auditor; review reports from the external auditor and guide the management to take appropriate actions to remedy faults or deficiencies identified. It is also responsible to the Board for the quality and integrity of internal controls and management of risk.

The Audit Committee is required to meet at least three times a year with its decisions and progress reported back to the Board on a regular basis. The Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit and the external auditor are invited as regular attendees to Audit Committee meetings. The independent property valuer will be invited to attend the meetings as and when required. The Audit Committee will also meet with the external auditor without the presence of management.

For the year ended 31 March 2011, the Audit Committee met five times and performed, the following key tasks:

- (i) reviewed the interim and annual results announcements and reports and the financial statements of The Link REIT in conjunction with the external auditor, with a view to ensuring that such results and reports and financial statements were prepared in compliance with applicable legal and regulatory requirements;
- (ii) reviewed the accuracy and clarity of announcements, circulars and other corporate communications issued to Unitholders in the year;
- (iii) reviewed and monitored connected party transactions to ensure that such transactions were entered into in accordance with the REIT Code and the conditions of the various waiver letters of the SFC;
- (iv) reviewed fees paid for audit and non-audit services and recommended on the re-appointment of the external auditor;
- (v) reviewed external and internal audit reports and other internal compliance reports;
- (vi) approved internal audit plan, reviewed findings and monitored the progress of recommended actions;
- (vii) recommended to the Board on the appointment of Head of Internal Audit; and
- (viii) reviewed current insurance coverage and the corporate governance framework.

Finance and Investment Committee

Pursuant to its terms of reference, the Finance and Investment Committee shall have at least four members, comprising the Chief Executive Officer, the Chief Financial Officer and at least one Independent Non-Executive Director. The Finance and Investment Committee currently comprises six members, namely, Mr Nicholas Robert SALLNOW-SMITH (chairman), Mr George Kwok Lung HONGCHOY, Mr Andy CHEUNG Lee Ming, Mr Ian Keith GRIFFITHS, Mr Michael Ian ARNOLD and Mr David Charles WATT. The primary duties of the Finance and Investment Committee include evaluating and making recommendations on proposed acquisitions and/or disposal of assets; reviewing budgets and making recommendations to the Board on all key items of expenditure; and reviewing the 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, distribution payout, investment appraisal, management and statutory reporting.

The Finance and Investment Committee is required to meet at least four times a year with its decisions and progress reported back to the Board on a regular basis.

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During the year ended 31 March 2011, the Finance and Investment Committee met seven times and performed, the following key tasks:

- (i) reviewed and recommended annual budget for approval by the Board;
- (ii) reviewed regularly business and financial performance;
- (iii) reviewed and considered refinancing plans and structure;
- (iv) approved asset enhancement projects and regularly reviewed and monitored the progress of such projects;
- (v) evaluated, considered and made recommendations on potential investment opportunities within the criteria set by the Board; and
- (vi) reviewed and considered the financial governance of The Link REIT, including financial and treasury management strategies and policies, financing and refinancing transactions and capital management issues

Human Resources and Compensation Committee

Pursuant to its terms of reference, the Human Resources and Compensation Committee shall comprise the Chief Executive Officer and at least three other Directors as members, with at least half of its members being Independent Non-Executive Directors. The Human Resources and Compensation Committee currently comprises four members, namely, Mr Michael Ian ARNOLD (chairman), Mr Stanley KO Kam Chuen, Professor Richard WONG Yue Chim and Mr George Kwok Lung HONGCHOY. The primary duties of the Human Resources and Compensation Committee are to oversee the human resources strategy and policies and to set broad remuneration principle and manpower strategy, except for the remuneration policy of the Directors, the Chief Executive Officer and the Chief Financial Officer which shall be determined by the Remuneration Committee. It also recommends the manpower deployment plan including the pay level and manpower and succession plan and administers the long-term incentive plan of The Link REIT.

The Human Resources and Compensation Committee is required to meet at least twice a year with its decisions and progress reported back to the Board on a regular basis.

During the year ended 31 March 2011, the Human Resources and Compensation Committee met three times and performed, among others, the following key tasks:

- (i) reviewed the organisation structure, manpower plan, terms and conditions of employment, staff benefits, new human resources initiatives, senior management appointments (except Directors) and other related issues;
- (ii) reviewed the salary increase budget and bonus payments for the employees of the Manager (except Directors); and
- (iii) approved the grant of restricted unit awards to eligible participants (except Directors) under the long-term incentive plan of The Link REIT.

Nomination Committee

Pursuant to its terms of reference, a majority of the members of the Nomination Committee must be Independent Non-Executive Directors, one of whom must be a Non-Executive Director from the Human Resources and Compensation Committee. The Nomination Committee currently comprises four members, namely, Mr Nicholas Robert SALLNOW-SMITH (chairman), Mr Michael Ian ARNOLD, Mr Anthony CHOW Wing Kin and Mr George Kwok Lung HONGCHOY. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board and various Board Committees on an ongoing basis; and nominate and recommend on the appointment, re-appointment and removal of Directors. If a member of the Nomination Committee is the current subject of re-appointment or removal, then such Director shall abstain from participating in the relevant discussion and voting.

The Nomination Committee is required to meet at least twice a year with its decisions and progress reported back to the Board on a regular basis.

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During the year ended 31 March 2011, the Nomination Committee met twice and performed, the following key tasks:

- (i) reviewed the composition and structure of the Board and various Board Committees;
- (ii) reviewed Directors' attendance at Board and Board Committee meetings;
- (iii) assessed independence of the Independent Non-Executive Directors and laid down the arrangements for evaluation of Board performance of the Board;
- (iv) recommended on renewal of the term of Independent Non-Executive Directors; and
- (v) recommended on re-election of retiring Directors by Unitholders.

Remuneration Committee

Pursuant to its terms of reference, the Remuneration Committee shall comprise at least four members, all being Independent Non-Executive Directors (but excluding Chairman of the Board). The Remuneration Committee currently comprises four members, namely, Dr Patrick FUNG Yuk Bun (chairman), Mr William CHAN Chak Cheung, Mr Anthony CHOW Wing Kin and Mr David Charles WATT. The primary duties of the Remuneration Committee are to oversee, develop and administer an accountable and fair remuneration policy and framework for the Directors, the Chief Executive Officer and the Chief Financial Officer to ensure that appropriate incentives are provided to encourage enhanced performance and their contributions to the success of The Link REIT are recognised.

The Remuneration Committee is required to meet at least twice a year with its decisions and progress reported back to the Board on a regular basis.

During the year ended 31 March 2011, the Remuneration Committee met twice and performed, the following key tasks:

- (i) reviewed the remuneration policies of the Directors, the Chief Executive Officer and the Chief Financial Officer;
- (ii) approved remuneration packages of the Executive Directors; and
- (iii) recommended on the grant of restricted unit awards to Directors under the long-term incentive plan of The Link REIT.

The Remuneration Committee also agreed to the adjustments to fees payable to Non-Executive and Independent Non-Executive Directors in the year.

Terms of Reference of Board Committees

Terms of reference of the Board Committees setting out in detail their powers, duties and authority are available on The Link REIT's website.

COMMUNICATIONS WITH STAKEHOLDERS AND UNITHOLDERS

In promoting good corporate governance and transparency, the Manager has continually communicated with both the stakeholders and the Unitholders through the following channels:

- (i) press conferences and analyst meetings which are held at least twice a year at the time of announcing interim and final results of The Link REIT;
- (ii) during the annual general meeting of the Unitholders where Directors and the senior executives will explain strategies and directions of The Link REIT and address questions from Unitholders;
- (iii) the corporate website which is constantly updated with latest developments of The Link REIT and serves as a platform for enquiry through email in addition to the general investor hotline; and
- (iv) various investors' conferences or roadshows where the Manager can promote The Link REIT as well as foster relationships with potential investors.

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During the year ended 31 March 2011, the Manager has participated in the following roadshows and investors' conferences:

Month	Event	Organiser	Venue
Year 2010			
April	APREA Property Leaders Forum 2010	Asian Public Real Estate Association	Singapore
April	China/Hong Kong Conference 2010	Macquarie	Hong Kong
April	Hong Kong China Property Forum	Daiwa	Hong Kong
June	Post Final Results Roadshow	Goldman Sachs	Hong Kong
June	Post Final Results Roadshow	DBS Vickers	Singapore
June	The 7th Nomura Asia Equity Forum	Nomura	Singapore
June	Post Final Results Roadshow	UBS	Sydney
June	Real Estate Investment World 2010	Terrapinn	Singapore
June	J.P. Morgan's 14th Annual Asia Pacific Conference 2010	JPMorgan	New York
July	Citi Hong Kong/China Mini Conference	Citi	Hong Kong
August	Daiwa Asia REIT Day	Daiwa	Hong Kong/Tokyo
September	Hong Kong/China Property Day 2010	UBS	Hong Kong
September	Asia Pacific Corporate Access Day	Standard Chartered	Singapore
November	Post Interim Results Roadshow	HSBC	Hong Kong/Singapore/London
November	Property Access Day	CLSA	Hong Kong
November	Global Property Series	Macquarie	Hong Kong
November – December	Global Real Estate Conference 2010	UBS	London
December	Global Property Series	Macquarie	New York
Year 2011			
January	Greater China Conference	UBS	Shanghai
January	Hong Kong Corporate Summit	Daiwa	Hong Kong
February	The 8th Annual Asia Pacific Investor Conference	Citi	Singapore
March	Investment Conference	Daiwa	Tokyo
March	Citi HK/China Mini Conference	Citi	Hong Kong
March	Asian Investment Conference 2011	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.

REPORTING AND TRANSPARENCY

The financial statements of The Link REIT are prepared in accordance with the Hong Kong Financial Reporting Standards for each financial year ending 31 March and each six months ending 30 September. In accordance with the REIT Code, the annual report and audited financial statements of The Link REIT will be published and sent to Unitholders no later than four months following each financial year end and the interim report no later than two months following each half-year end.

The Board of the Manager reviews material disclosures made with respect to The Link REIT to ensure accuracy and completeness of such disclosures. 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.

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

GENERAL MEETINGS

The Link REIT is required to hold an annual general meeting of Unitholders once every year, in addition to any other meetings of Unitholders which may be held as and when required. The Trustee and the Manager may at any time convene a meeting of Unitholders. The Manager shall, if requested in writing by not less than two Unitholders registered as together holding not less than 10% of the units in issue, convene a meeting of Unitholders. Notice convening the annual general meeting or other meeting of Unitholders will be given to Unitholders in accordance with the requirements set forth in the Trust Deed, the REIT Code, and the Listing Rules. Generally, two or more Unitholders present in person or by proxy registered as holding together not less than 10% of the units in issue shall form a quorum for the transaction of business. For the purpose of passing a special resolution, the quorum shall be two or more Unitholders present in person or by proxy registered as holding together not less than 25% of the units in issue.

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 as a whole.

Pursuant to the Trust Deed, no less than two registered Unitholders holding together 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 way of poll.

The last annual general meeting of Unitholders of The Link REIT was held on 28 July 2010 at which all resolutions were voted on poll and duly passed. The poll voting results of such annual general meeting was announced on 28 July 2010 after the meeting.

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

ISSUES OF NEW UNITS

In accordance with the REIT Code, any issue of new units must be first offered on a pro rata basis to the existing Unitholders except that new units may be issued free of such pre-emption right:

- (i) if the maximum number to be issued does not exceed 20% of the number of units in issue at the end of the previous financial year; or
- (ii) if the issue is approved by the Unitholders by way of an ordinary resolution.

During the year ended 31 March 2011, the Manager and The Link REIT did not issue any new units in breach of the above pre-emption right and have observed the relevant provisions and restrictions in the REIT Code regarding issue of new units.

The following new units were issued during the year:

- (i) 13,609,788 new units were issued on 4 August 2010 at an issue price of HK\$19.744 per unit pursuant to the final distribution reinvestment scheme in respect of the year ended 31 March 2010;
- (ii) 14,814,690 new units were issued on 20 January 2011 at an issue price of HK\$24.04 per unit pursuant to the interim distribution reinvestment scheme in respect of the six months ended 30 September 2010; and
- (iii) 1,816,583 new units were issued pursuant to the long-term incentive plan of The Link REIT.

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

Neither the Manager nor any of The Link REIT's subsidiaries purchased, sold or redeemed any of The Link REIT's listed units during the year ended 31 March 2011.

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

For the purposes of monitoring and supervising 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 Securities of The Link REIT by Directors and Senior Executives" (the "**Securities Dealing Code**") containing provisions that are no less exacting than terms under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

Pursuant to the Securities Dealing Code, the Directors and senior executives of the Manager wishing to deal in the securities of The Link REIT must first have regard to provisions in the Compliance Manual which are 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 the 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.

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

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

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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 provisions of the Listing Rule is made. The Directors or senior executives of the Manager who are privy to the relevant negotiations or agreements or any unpublished price-sensitive information should caution those Directors and senior executives 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 also adopted and incorporated the black-out periods in relation to publication of interim and annual results as set out in the Listing Rules in the Securities Dealing Code.

All the Directors, after specific enquiry on each of them, have confirmed that they complied with the required standard set out in the Securities Dealing Code throughout the year ended 31 March 2011.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed on pages 89 to 93 under the section of "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 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 periodically report and update on changes to other directorships and positions they hold in other organisations. 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 (nor will they be counted in the quorum) on business in which they have a material interest which is different from the interests of other Unitholders as a whole;
- (iv) the Manager does not manage any real estate investment trusts other than The Link REIT; and
- (v) all connected party transactions will be managed in accordance with the procedures set out in the REIT Code, the Compliance Manual, the Memorandum and Articles of Association of the Manager and other relevant policies and guidelines issued and adopted by The Link REIT.

REMUNERATION POLICY

Non-Executive/Independent Non-Executive Directors

The objective of remunerating Non-Executive and Independent 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 practices. They receive fees for serving on the Board and additional fees for undertaking extra duties for serving on Board Committees. They are also eligible to participate in the long-term incentive plan of The Link REIT.

Executive Directors and Other Staff

The Manager's remuneration policy is built on 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.

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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/paternity leave, medical insurance, life and personal accident insurance, employee compensation, club membership, etc. Executive Directors and those employees of the Manager who have contributed or are considered to have the potential to contribute to The Link REIT are eligible to participate in the long-term incentive plan of The Link REIT.

UNITHOLDERS STATISTICS

As at 31 March 2011, an analysis of the Unitholders according to information available from the register of The Link REIT was as follows:

	Number of Holders	Number of Units	Percentage (%)
0-1,000	8,483	5,800,125	0.26
1,001-5,000	16,364	35,005,313	1.57
5,001-10,000	985	6,927,520	0.31
10,001-100,000	537	14,570,221	0.65
100,001 or over	52	2,169,981,361	97.21
Total as at 31 March 2011	26,421	2,232,284,540	100.00

Note: The above table represents analysis of holdings of units of registered Unitholders. As at 31 March 2011, HKSCC Nominees Limited was the registered holder of 2,151,469,301 units, representing 96.38% of the total units in issue of The Link REIT.

PUBLIC FLOAT

There were 2,232,284,540 units of The Link REIT in issue as at 31 March 2011. Based on the information that is publicly available to the Manager, The Link REIT maintained the required public float with more than 25% of its issued units being held in public hands as at 31 March 2011.

REVIEW OF INTERNAL CONTROLS AND ASSESSMENT OF BUSINESS RISKS

The Board reviewed the internal controls and assessed the business risks of The Link REIT in general with the assistance of the Board Committees. It has also reviewed and considered the adequacy of resources, qualifications and experience of accounting staff with the assistance of the Human Resources and Compensation Committee. The Board considered the financial performance of The Link REIT against approved budget and reviewed quarterly compliance reports as 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 conducted reviews of internal controls for the property leasing and management processes and the financial systems of The Link REIT. Internal audit report highlighting audit findings and recommendations for improvement was reviewed by the Audit Committee.

The Board was satisfied with the effectiveness and adequacy of internal controls having reviewed the key processes of The Link REIT.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2011, the percentages attributable to the five largest customers combined and the five largest suppliers combined are less than 30% of The Link REIT's total turnover and purchases for the year, respectively.

So far as the Directors of the Manager are aware, none of the Directors, their associates and any Unitholder which to the knowledge of the Directors own more than 5% of the issued units of The Link REIT had any interest in the five largest customers or the five largest suppliers.

REVIEW OF FINANCIAL STATEMENTS

The Directors of the Manager acknowledge their responsibilities for the preparation of the financial statements of The Link REIT for the year ended 31 March 2011.

The statement of the auditor regarding its reporting responsibilities on the consolidated financial statements of The Link REIT is set out in the independent auditor's report on pages 97 and 98.

AUDITOR'S APPOINTMENT AND REMUNERATION

The Audit Committee is responsible to appraise the quality and effectiveness of the external auditor and make recommendations on the appointment or re-appointment of the external auditor and its remuneration for the Board's approval. The Audit Committee will assess whether or not the independence and objectivity of the external auditor would be affected by the scope of non-audit services it provided, and has established approval and reporting guidelines for the engagement of the external auditor for provision of non-audit services.

Audit services are audit work performed on the full-year financial statements of The Link REIT. Non-audit services are those services provided by the external auditor at fees in addition to the audit fees, such as review of interim results and report, review of internal control systems, taxation and other ad hoc non-recurring services provided to The Link REIT. Fees paid/payable to the external auditor for audit and non-audit services for the year ended 31 March 2011 are disclosed in note 9 to the consolidated financial statements on page 122.

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Long Term Incentive Plan

A long-term incentive plan (the “**LTI Plan**”) was adopted by the Unitholders on 23 July 2007 pursuant to which equity incentives, in the form of restricted unit award giving a conditional right to receive units (the “**Restricted Unit Award**”), unit option giving an option to subscribe for units (the “**Unit Option**”) and cash incentive in the form of conditional cash award (the “**Conditional Cash Award**”) (and, each individually referred to as an “**Award**” and collectively as “**Awards**”) may be granted to the Directors and key employees of the Manager. Conditional Cash Award, which is granted in conjunction with the Restricted Unit Award, gives the grantee a conditional right to receive a cash payment equal to the aggregate distributions per unit paid to the Unitholders during the vesting period multiplied by the actual number of units finally vested with such grantee.

SUMMARY OF THE LTI PLAN

The principal purposes of the LTI Plan are:

- (i) to align the interests of the participants of the LTI Plan with the achievement of the strategic long-term goals of the Manager for The Link REIT and the interests of the Unitholders as a whole;
- (ii) to enhance the 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 the Unitholders; and
- (iii) to 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.

Persons who are eligible to participate in the LTI Plan (the “**Participants**”) include (i) Directors; and (ii) key employees of the Manager who, in the sole opinion of the Human Resources and Compensation Committee of the Manager, have contributed or have the potential to contribute to the success of The Link REIT.

Grant of any Award to a Director, the chief executive officer of the Manager, or a significant holder (as defined in the REIT Code) of The Link REIT or any of their respective associates (other than a person who is an associate only by virtue of his employment with the Manager) shall be approved by the Board. No Director shall be involved in the decision of granting Award to himself.

The total number of units which may be issued pursuant to all the Awards granted under the LTI Plan shall not in aggregate exceed 213,745,400 units (being 10% of the then units in issue as at the date of the adoption of the LTI Plan). As at the date of this report, 206,881,284 units are available for further grant of Awards under the LTI Plan, representing approximately 9.27 % of the units in issue.

Unless approved by the Unitholders by way of an ordinary resolution, no Participant shall be granted an Award which, if accepted and vested (for Restricted Unit Award) and/or exercised (for Unit Option) in full, would result in such Participant becoming entitled to receive such number of units that, when aggregated with the units already issued or to be issued to him/her pursuant to all the Awards granted to him/her (including Awards vested and/or exercised, cancelled and outstanding) within a 12-month period immediately preceding the date of such proposed grant, would exceed 1% of the total units in issue as at the proposed date of grant of such Award.

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Long Term Incentive Plan

If an Award is proposed to be granted to an Independent Non-Executive Director or a significant holder (as defined in the REIT Code) of The Link REIT or any of their respective associates which would result in the units issued and to be issued pursuant to all the Awards granted to him/her (including Awards vested and/or exercised, cancelled and outstanding) within a 12-month period up to and including the date of such proposed grant, (i) representing in aggregate over 0.1% of the total units in issue; and (ii) having an aggregate value, based on the closing price of the units at the date of such proposed grant, in excess of HK\$5 million, such further grant of Award shall be approved by the Unitholders by way of an ordinary resolution and the relevant Participant and his associate(s) shall abstain from voting on such ordinary resolution. In addition, any grant of Awards to an Independent Non-Executive Director shall not, among others, exceed 1% of the total units in issue.

The vesting period of a Restricted Unit Award is generally one year to three years, or such other period(s) as determined by the Human Resources and Compensation Committee. The option period for a Unit Option is such period (but no longer than 10 years) as determined by the Human Resources and Compensation Committee.

The exercise price of a Unit Option shall be determined by the Human Resources and Compensation Committee which shall not be less than the higher of: (i) the closing price of the units as quoted on the Hong Kong Stock Exchange on the date of grant; and (ii) the average of the closing prices of the units as quoted on the Hong Kong Stock Exchange for the five trading days immediately preceding the date of grant.

The performance targets and/or other vesting conditions for a Restricted Unit Award shall be determined by the Human Resources and Compensation Committee, who shall determine in its absolute discretion whether, and to what extent, such performance targets and/or vesting conditions have been satisfied (or, if applicable, waived) upon vesting.

Conditional Cash Award is only granted in conjunction with Restricted Unit Award and is subject to the same performance targets and/or other vesting conditions and vesting periods as applied to the relevant Restricted Unit Award.

A grantee shall accept the offer for an Award within 14 days (or such other period as specified by the Human Resources and Compensation Committee) from the date of grant.

Consideration payable on acceptance of an Award (if any) shall be determined by the Human Resources and Compensation Committee in its sole discretion.

Save for early termination pursuant to the provisions in the LTI Plan, it shall remain valid for 10 years from 23 July 2007, its date of adoption.

No Unit Option has ever been granted since the adoption of the LTI Plan.

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RESTRICTED UNIT AWARDS

Set out below is information relating to the Restricted Unit Awards (and, if applicable, in conjunction with Conditional Cash Awards) granted, vested and lapsed during the year and outstanding balances as at year beginning and year end:

Name (Position)	Date of grant	Vesting period	Outstanding at 1 April 2010 ¹	Granted during the year ^{1,3}	Vested during the year ^{2,5,6}	Cancelled during the year	Lapsed during the year ⁴	Outstanding at 31 March 2011 ¹
Directors								
Nicholas Robert SALLNOW-SMITH (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	294,000	–	(61,212)	–	(232,788)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	93,000	–	(93,000)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	93,000	–	–	–	–	93,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	73,000	–	–	–	–	73,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	73,000	–	–	–	–	73,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	70,500	–	–	–	70,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	70,500	–	–	–	70,500
George Kwok Lung HONGCHOY (Executive Director)	16 Jan 2009	16 Jan 2009 to 15 Jan 2012	140,515	–	–	–	–	140,515
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	121,500	–	–	–	–	121,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	121,500	–	–	–	–	121,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	177,500	–	–	–	177,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	177,500	–	–	–	177,500
Andy CHEUNG Lee Ming (Executive Director)	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	84,000	–	–	–	84,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	84,000	–	–	–	84,000
Ian Keith GRIFFITHS (Non-Executive Director)	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	25,000	–	(25,000)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	25,000	–	–	–	–	25,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	19,500	–	–	–	–	19,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	19,500	–	–	–	–	19,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	19,500	–	–	–	19,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	19,500	–	–	–	19,500
Michael Ian ARNOLD (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	–	(21,224)	–	(82,276)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	33,000	–	(33,000)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	33,000	–	–	–	–	33,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	26,000	–	–	–	–	26,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	26,000	–	–	–	–	26,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	25,000	–	–	–	25,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	25,000	–	–	–	25,000
William CHAN Chak Cheung (Independent Non-Executive Director)	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	26,000	–	–	–	26,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	26,000	–	–	–	26,000
Anthony CHOW Wing Kin (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	–	(17,533)	–	(67,967)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	–	(30,500)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	30,500	–	–	–	–	30,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	24,000	–	–	–	–	24,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	24,000	–	–	–	–	24,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	26,000	–	–	–	26,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	26,000	–	–	–	26,000

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Name (Position)	Date of grant	Vesting period	Outstanding at 1 April 2010 ¹	Granted during the year ^{1,3}	Vested during the year ^{2,5,6}	Cancelled during the year	Lapsed during the year ⁴	Outstanding at 31 March 2011 ¹
Patrick FUNG Yuk Bun (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	–	(21,224)	–	(82,276)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	33,000	–	(33,000)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	33,000	–	–	–	–	33,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	26,000	–	–	–	–	26,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	26,000	–	–	–	–	26,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	20,500	–	–	–	20,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	20,500	–	–	–	20,500
Stanley KO Kam Chuen (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	78,000	–	(15,995)	–	(62,005)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	–	(30,500)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	30,500	–	–	–	–	30,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	24,000	–	–	–	–	24,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	24,000	–	–	–	–	24,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	24,000	–	–	–	24,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	24,000	–	–	–	24,000
David Charles WATT (Independent Non-Executive Director)	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	21,500	–	–	–	21,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	21,500	–	–	–	21,500
Richard WONG Yue Chim (Independent Non-Executive Director)	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	–	(30,500)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	30,500	–	–	–	–	30,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	24,000	–	–	–	–	24,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	24,000	–	–	–	–	24,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	24,000	–	–	–	24,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	24,000	–	–	–	24,000
Allan ZEMAN (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	–	(17,533)	–	(67,967)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	27,500	–	(27,500)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	27,500	–	–	–	–	27,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	21,500	–	–	–	–	21,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	21,500	–	–	–	–	21,500
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	22,000	–	–	–	22,000
	12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	22,000	–	–	–	22,000
Ian David Murray ROBINS (Former Executive Director)	24 Dec 2007	24 Dec 2007 to 23 Jul 2010	2,292,000	–	–	–	(2,292,000)	–
	24 Dec 2007	24 Dec 2007 to 23 Jul 2011	1,635,000	–	–	–	(1,635,000)	–
	24 Dec 2007	24 Dec 2007 to 23 Jul 2012	1,635,000	–	–	–	(1,635,000)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	273,500	–	(273,500)	–	–	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	273,500	–	–	–	(273,500)	–
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	215,000	–	–	–	(215,000)	–
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	215,000	–	–	–	(215,000)	–

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Long Term Incentive Plan

Name (Position)	Date of grant	Vesting period	Outstanding at 1 April 2010 ¹	Granted during the year ^{1,3}	Vested during the year ^{2,5,6}	Cancelled during the year	Lapsed during the year ⁴	Outstanding at 31 March 2011 ¹
Other Participants in aggregate	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	2,529,241	–	(515,584)	–	(2,013,657)	–
	5 May 2008	5 May 2008 to 4 May 2010	552,026	–	(131,478)	–	(420,548)	–
	5 May 2008	5 May 2008 to 4 May 2011	273,240	–	–	–	–	273,240
	5 May 2008	5 May 2008 to 4 May 2012	273,240	–	–	–	–	273,240
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	423,500	–	(414,500)	–	(9,000)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	423,500	–	–	–	(81,500)	342,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	420,000	–	–	–	(108,500)	311,500
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	420,000	–	–	–	(108,500)	311,500
	12 Nov 2010	12 Nov 2010 to 25 Nov 2010	–	23,800	(23,800)	–	–	–
	12 Nov 2010	12 Nov 2010 to 30 Jun 2012	–	735,500	–	–	(10,000)	725,500
12 Nov 2010	12 Nov 2010 to 30 Jun 2013	–	735,500	–	–	(10,000)	725,500	
Total			14,069,262	2,575,800	(1,816,583)	–	(9,622,484)	5,205,995

Notes:

- ¹ The figures stated above represent the maximum number of units that may be vested under the respective Restricted Unit Awards. The number of units that will finally vest and be issued to each Participant may range from zero to the maximum number depending on whether, and the extent to which, the relevant vesting conditions are met.
- ² The weighted average closing price of the units on the business days immediately preceding the dates on which the Restricted Unit Awards were vested during the year was HK\$20.05 per unit.
- ³ The closing price of the units as quoted on the Hong Kong Stock Exchange was HK\$24.80 per unit on 11 November 2010, being the date immediately preceding the date on which the Restricted Unit Awards were granted in the year. On the assumption that the Restricted Unit Awards granted during the year were finally vested for the maximum number of units, the estimated fair value of such Restricted Unit Awards would amount to approximately HK\$76.5 million as at 31 March 2011 based on the valuation conducted by an independent external valuer. Please also refer to note 19 to the consolidated financial statements.
- ⁴ The figures stated above represent the maximum number of units lapsed in the year.
- ⁵ Upon vesting of the Restricted Unit Awards, if so prescribed by the conditions of grant, each Participant will be entitled to receive a Conditional Cash Award which represents a cash amount equal to the aggregate of the distributions per unit to the Unitholders in 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 in respect of the Restricted Unit Awards granted but not yet vested in the year, the aggregate weighted average value carried by each of the Conditional Cash Awards at the year end was HK\$1.2222 per unit.
- ⁶ Notwithstanding note 5 above, the Restricted Unit Awards in respect of 23,800 units granted on 12 November 2010 with the vesting period ended on 25 November 2010 were not granted in conjunction with any Conditional Cash Awards.

Based on the maximum number of 5,205,995 units to be issued upon vesting of all the Restricted Unit Awards outstanding at year end and the last traded price of the units as quoted on the Hong Kong Stock Exchange at the year end of HK\$24.35 per unit, the aggregate value of the units as at 31 March 2011 would be approximately HK\$126.8 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

Interests of Substantial Unitholders, Directors and Connected Persons in Units

INTERESTS OF SUBSTANTIAL UNITHOLDERS IN UNITS

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

According to the disclosure of interests to the Manager and the 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 2011 were as follows:

Persons having 5% or more interests	Capacity in which interests disclosed were held	Number of units in Long Positions (L)/ Short Positions (S)/ Lending Pool (LP)	Approximate percentage of total units in issue ² %
Blackrock, Inc. ¹	Controlled corporations	(L) 141,303,827 (S) 4,281,186	6.33 0.19
Capital Research and Management Company	Investment manager	(L) 135,435,500	6.06
Commonwealth Bank of Australia	Controlled corporations	(L) 154,310,114	6.91
The Bank of New York Mellon Corporation	Controlled corporations	(L) 155,104,556 (LP) 150,067,806	6.94 6.72

Notes:

- ¹ Subsequent to the financial year end and up to the date of this report, Blackrock, Inc. ("**Blackrock**") notified the Hong Kong Stock Exchange and the Manager that as at 8 April 2011, 12 April 2011, 20 April 2011, 3 May 2011 and 4 May 2011 (being the respective date of relevant event in the notifications received), the long position interests held by Blackrock through its controlled corporations were changed to 143,281,927 units, 144,492,627 units, 143,405,552 units, 144,223,652 units and 144,261,152 units, respectively; whereas its short position interests as at the said dates were changed to 4,255,186 units, 4,852,186 units, 4,908,686 units, 4,886,186 units and 4,873,186 units, respectively.
- ² The approximate percentages stated above were calculated based on 2,232,284,540 units of The Link REIT in issue as at 31 March 2011 (and rounded down to two decimal places).

DIRECTORS' INTERESTS IN UNITS

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, the interests of the Directors in the units and underlying units of The Link REIT as at 31 March 2011 were as follows:

Name of Directors	Number of units				Interest in underlying units ²	Total	Approximate percentage of total units in issue ³ %
	Personal interest ¹	Family interest	Corporate interest	Other interest			
Chairman (also an Independent Non-Executive Director)							
Nicholas Robert SALLNOW-SMITH	157,602	-	-	-	380,000	537,602	0.0241
Executive Directors							
George Kwok Lung HONGCHOY	100,000	-	-	-	738,515	838,515	0.0376
Andy CHEUNG Lee Ming	-	-	-	-	168,000	168,000	0.0075
Non-Executive Director							
Ian Keith GRIFFITHS	25,549	-	-	-	103,000	128,549	0.0058
Independent Non-Executive Directors							
Michael Ian ARNOLD	55,224	-	-	-	135,000	190,224	0.0085
William CHAN Chak Cheung	-	-	-	-	52,000	52,000	0.0023
Anthony CHOW Wing Kin	249,089	-	-	-	130,500	379,589	0.0170
Patrick FUNG Yuk Bun	55,416	-	-	-	126,000	181,416	0.0081
Stanley KO Kam Chuen	46,495	-	-	-	126,500	172,995	0.0077
David Charles WATT	-	-	-	-	43,000	43,000	0.0019
Richard WONG Yue Chim	31,170	-	-	-	126,500	157,670	0.0071
Allan ZEMAN	46,023	-	-	-	114,500	160,523	0.0072

Notes:

- ¹ The Directors' interests in units stated above are long position interests. There is no short position interest held by any Director.
- ² The interests in underlying units stated above are long position interests and represent the maximum number of units which may be issued to the relevant Directors in respect of the Restricted Unit Awards granted to them pursuant to the LTI Plan. Please refer to pages 81 to 85 of this annual report for further details of the LTI Plan.
- ³ The approximate percentages stated above were calculated based on 2,232,284,540 units of The Link REIT in issue as at 31 March 2011.

Save as disclosed above and so far as the Manager is aware, none of the Directors or any of their respective associates held any other interest in the units of The Link REIT as at 31 March 2011.

INTERESTS OF CONNECTED PERSONS IN UNITS

After making reasonable enquiry and according to information available to the Manager, the following persons, being connected persons (as defined under the REIT Code) to The Link REIT, held units of The Link REIT set out below as at 31 March 2011:

Name	Number of units	Approximate percentage of total units in issue ⁴ %
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries ¹	2,155,592	0.0966
Wing Hang Bank, Limited ²	100,000	0.0045

Notes:

- ¹ The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries 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 the information available to the Manager, the units of The Link REIT held by The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries as at 31 March 2011 decreased by 4,260,083 units as compared to that of 31 March 2010.
- ² Wing Hang Bank, Limited is a connected person to The Link REIT as Dr Patrick FUNG Yuk Bun, Chairman of Wing Hang Bank, Limited, is a Director of the Manager.
- ³ As at 31 March 2011, Dah Sing Life Assurance Company Limited and Dah Sing Insurance Company Limited, both being wholly-owned subsidiaries of Dah Sing Financial Holdings Limited, held 903,000 units (approximately 0.0405%) and 25,000 units (approximately 0.0011%) of The Link REIT, respectively. Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Board of the Manager, is an Independent Non-Executive Director of Dah Sing Financial Holdings Limited and therefore Dah Sing Financial Holdings Limited is a connected person to The Link REIT.
- ⁴ The approximate percentages stated in the table and in note (3) above were calculated based on 2,232,284,540 units of The Link REIT in issue as at 31 March 2011.

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Connected Party Transactions

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

WAIVERS FROM STRICT COMPLIANCE

Waivers from strict compliance with the disclosure and Unitholders' approval requirements under Chapter 8 of the REIT Code in respect of certain connected party transactions entered into by The Link REIT with its connected persons have been granted by the SFC upon listing of The Link REIT and subsequently on 8 June 2007, 26 October 2007, 25 February 2009 and 15 March 2010 (the "**Waivers**"). The Waivers have been granted subject to stipulated terms and conditions including, inter alia, that the transactions should be entered into at arm's length on normal commercial terms, with specific caps on transaction amounts or fees paid, to be reviewed by the auditor and the Audit Committee, and approved by the Board (the "**Waiver Conditions**"). During the year ended 31 March 2011, The Link REIT has complied with the Waiver Conditions.

CONNECTED PERSONS

The following table sets out names of connected persons, as defined under the REIT Code, who had entered into transactions with The Link REIT and/or its subsidiaries during the year ended 31 March 2011:

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 ") ¹	Principal Valuer of The Link REIT and associates of the Principal Valuer
Jones Lang LaSalle Limited and its subsidiaries (" Jones Lang LaSalle Group ") ²	Principal Valuer of The Link REIT and associates of the Principal Valuer
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) (" HSBC Group ")	Trustee's associate
Industrial and Commercial Bank of China (Asia) Limited (" ICBC (Asia) ")	Associate of Professor Richard WONG Yue Chim, Director of the Manager
Wing Hang Bank, Limited (" Wing Hang Bank ")	Associate of Dr Patrick FUNG Yuk Bun, Director of the Manager
Aedas Limited and its subsidiaries (" Aedas Group ")	Associate of Mr Ian Keith GRIFFITHS, Director of the Manager
Dah Sing Bank, Limited (" Dah Sing Bank ")	Associate of Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Manager
Hong Kong Youth Arts Foundation	Associate of Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Manager
Hong Kong Securities Institute	Associate of Mr George Kwok Lung HONGCHOY, Director of the Manager
Business Environment Council Limited (" BEC ") ³	Associate of Mr Michael Ian ARNOLD, Director of the Manager
HK-BEAM Society	Associate of Mr Michael Ian ARNOLD, Director of the Manager
Ocean Park Corporation	Associate of Dr Allan Zeman, Director of the Manager

Notes:

- ¹ Knight Frank Petty Limited ceased to act as the Principal Valuer of The Link REIT on 20 January 2011 and accordingly, Knight Frank Group ceased to be a connected person to The Link REIT with effect from the said date.
- ² Jones Lang LaSalle Group has become a connected person to The Link REIT since Jones Lang LaSalle Limited was appointed the Principal Valuer of The Link REIT on 17 November 2010.
- ³ Business Environment Council Limited ceased to be a connected person to The Link REIT following Mr Michael Ian ARNOLD's retirement as a board member of BEC on 5 November 2010.

Our Governance

Connected Party Transactions

INCOME

The following table sets out the income derived from connected party transactions during the year ended 31 March 2011:

Connected Person	Nature of Transaction	Income Derived HK\$'M
Dah Sing Bank	Tenancy/license contracts ¹	5.0 ²
HSBC Group	Tenancy/license contracts ¹	19.0 ²
ICBC (Asia)	Tenancy/license contracts ¹	5.1 ²
	Interest income	0.7
Wing Hang Bank	Interest income	0.1

Notes:

¹ For shops, ATMs and showcases at various locations.

² Amounts excluding deposits received.

EXPENSES

The following table sets out the expenses incurred on connected party transactions during the year ended 31 March 2011:

Connected Person	Nature of Transaction	Expenses Incurred HK\$'M
The Link Management Limited ¹	Management fee	401.4
HSBC Institutional Trust Services (Asia) Limited ²	Trustee's fee	4.3
Dah Sing Bank	Interest expenses and various financing charges	0.8
	Arrangement fees and bank charges	0.1
Knight Frank Group ³	Valuation fee	0.9
	Leasing agency and other consultancy fees	5.7
Jones Lang LaSalle Group ⁴	Valuation fee	2.6
HSBC Group	Interest expense and various financing charges	75.7
	Arrangement fees and bank charges	2.7
	Staff benefit and insurance consultancy fees	2.4
ICBC (Asia)	Interest expense and various financing charges	0.9
	Arrangement fees and bank charges	1.1
Wing Hang Bank	Interest expense and various financing charges	0.3
	Arrangement fees and bank charges	1.0
Aedas Group	Architectural and renovation consultancy fees	4.1
Ocean Park Corporation	Event chartering expenses	0.4

Notes:

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

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

³ For expenses incurred up to 20 January 2011.

⁴ For expenses incurred since 17 November 2010.

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 Dah Sing Bank for lease of retail shops and/or areas for the installation of ATMs and showcases at various properties of The Link REIT.

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

Name of Tenant	Nature of Transaction	Lease Term	Annual Income ¹ HK\$'M	Rental Deposit Received as at 31 March 2011 HK\$'M
Dah Sing Bank	Tenancy for shops 1101-1102 at Lok Fu Plaza	Term of 3 years expiring on 7 March 2013	1.8	0.5
	Tenancy for shop 201 and Unit No. 3 on Level 2 of Wah Ming Shopping Centre	Term of 3 years expiring on 30 April 2013	1.1	0.3
Hang Seng Bank Limited ²	Tenancy for shop G202 at Lok Fu Plaza	Term of 3 years expiring on 31 October 2013	2.0	0.6
ICBC (Asia)	Tenancy for shops F18 & F19 A-C at Oi Man Shopping Centre	Term of 1 year expiring on 31 August 2011	1.0	0.3
	Tenancy for shop No. 216 at Tai Wo Plaza	Term of 3 years expiring on 15 September 2012	1.4	0.1
The Hongkong and Shanghai Banking Corporation Limited	Tenancy for shops L202-L206 at Lok Fu Plaza	Term of 3 years expiring on 21 August 2011	2.1	0.6 ³

Notes:

- ¹ The annual income stated above refers to the base rent which would have been received for a 12-month period starting from the beginning of the financial year ended on 31 March 2011.
- ² Hang Seng Bank Limited is a subsidiary of the HSBC Group and therefore a connected person to The Link REIT.
- ³ In the form of bank guarantee.

PROVISION OF BANKING AND FINANCIAL SERVICES FROM CONNECTED PERSONS

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

LOANS

The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Dah Sing Bank were the lenders of a syndicated loan facility made available to The Link Finance Limited, an indirect wholly owned subsidiary of The Link REIT, in August 2006. The outstanding balances due to The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Dah Sing Bank pursuant to this syndicated loan were HK\$305.5 million, HK\$94 million, and HK\$117.5 million, respectively as at 31 March 2011.

The Link Finance Limited concluded a HK\$3 billion club loan facility in March 2009 with thirteen mandated lead arrangers which, among others, included The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Wing Hang Bank. Such loan was fully repaid in the year.

The Link Finance Limited concluded a HK\$500 million bilateral loan in May 2010 with The Hongkong and Shanghai Banking Corporation Limited. The facility was fully utilised as at 31 March 2011.

DEPOSITS

As at 31 March 2011, subsidiaries of The Link REIT placed deposits with The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Wing Hang Bank of approximately HK\$27 million, HK\$135 million and HK\$21 million respectively.

OTHER BANKING TRANSACTIONS

The Link Finance Limited maintained interest rate swap contracts with The Hongkong and Shanghai Banking Corporation Limited during the year under review. The total notional principal outstanding value in respect of such swap contracts with The Hongkong and Shanghai Banking Corporation Limited was HK\$2.3 billion as at 31 March 2011.

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

Save as disclosed above, each of the Trustee and the Manager confirms that there was no other corporate finance transactions entered into with the HSBC Group during the year ended 31 March 2011.

REPORT FROM AUDITOR IN RELATION TO CERTAIN CONNECTED PARTY TRANSACTIONS

The Group's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the connected party transactions on the leasing of properties and corporate finance transactions in accordance with the Waivers from strict compliance with the disclosure requirements under Chapter 8 of the REIT Code granted by the SFC.

CONFIRMATION BY THE AUDIT COMMITTEE

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

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

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

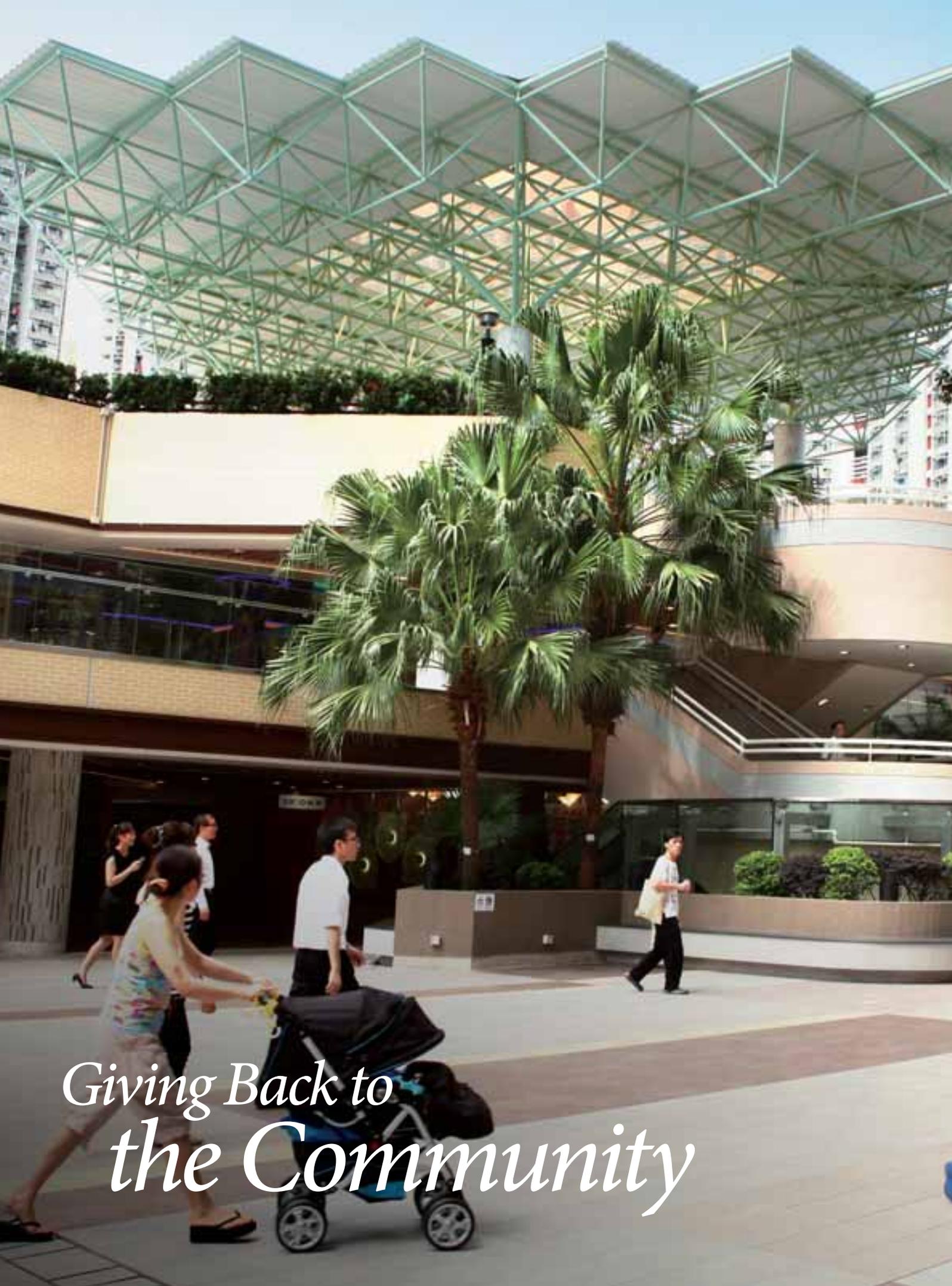
CONFIRMATION BY THE MANAGER

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

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

CONTINUATION WITH THE WAIVERS GRANTED WITHOUT UNITHOLDERS' APPROVAL

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



*Giving Back to
the Community*

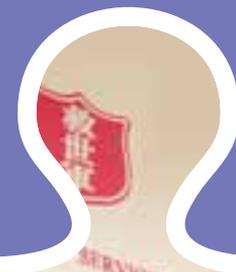


About

8%

of our internal floor area

dedicated to leasing for educational and welfare organisations at concessionary rate



“ Since opening at Wan Tsui Shopping Centre in 1989, our centre has built a strong relationship with the local communities. Many families like to join our activities after dining in the mall. The high footfall and convenient location of this property have helped us extend the reach of our service. ”

~ Derek Choi (1st from right) of youth service centre at Wan Tsui Shopping Centre

◀ Renovation works at Chuk Yuen rejuvenate shopping environment

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 and supplemented by the First Supplemental Deed dated 4 November 2005, the Second Supplemental Deed dated 8 November 2005, the Third Supplemental Deed dated 16 January 2006, the Fourth Supplemental Deed dated 21 November 2006, the Fifth Supplemental Deed dated 13 July 2007, the Sixth Supplemental Deed dated 23 July 2007, the Seventh Supplemental Deed dated 5 October 2009, and the Eighth Supplemental Deed dated 23 July 2010) for the financial year ended 31 March 2011.

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

Hong Kong, 1 June 2011

Independent Auditor's Report



羅兵咸永道會計師事務所

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

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

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

We have audited the consolidated financial statements of The Link Real Estate Investment Trust ("**The Link REIT**") and its subsidiaries (together, the "**Group**") set out on pages 99 to 143, which comprise the consolidated statement of financial position as at 31 March 2011, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and net assets attributable to Unitholders, consolidated statement of cash flows and consolidated statement of distributions for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGER'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Manager of The Link REIT is responsible for the preparation of these consolidated financial statements that give a true and fair view 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 eight 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**"), and for such internal control as the Manager determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the consolidated financial statements are free from material misstatement.

AUDITOR'S RESPONSIBILITY *(continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 consolidated 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 give a true and fair view of the state of affairs of the Group as at 31 March 2011 and of the results and cash flows of the Group 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, 1 June 2011

Consolidated Financial Statements

Consolidated Income Statement

For the year ended 31 March 2011

		2011	2010
	Note	HK\$'M	HK\$'M (Restated)
Revenues	6	5,353	4,990
Property operating expenses	8	(1,709)	(1,662)
Net property income		3,644	3,328
General and administrative expenses		(176)	(120)
Change in fair values of investment properties	14	12,812	9,809
Operating profit	9	16,280	13,017
Interest income		4	6
Finance costs on interest bearing liabilities	10	(501)	(583)
Profit before taxation and transactions with Unitholders		15,783	12,440
Taxation	12	(503)	(458)
Profit for the year, before transactions with Unitholders (Note (i))	13	15,280	11,982
Distributions paid to Unitholders:			
2009 final distribution		–	(935)
2010 interim distribution		–	(1,055)
2010 final distribution		(1,079)	–
2011 interim distribution		(1,172)	–
		13,029	9,992
Represented by :			
Change in net assets attributable to Unitholders, excluding issues of new units		13,169	10,219
Amount arising from cash flow hedging reserve movement	24	(140)	(227)
		13,029	9,992

The notes on pages 105 to 143 are an integral part of these consolidated financial statements.

Notes:

- (i) Earnings per unit, based upon profit after taxation and before transactions with Unitholders and the weighted average number of units in issue, are set out in Note 13 to the consolidated financial statements.
- (ii) Total Distributable Income (as defined in the Trust Deed constituting The Link Real Estate Investment Trust) 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 the Unitholders on or about 26 July 2011.

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2011

		Before transactions with Unitholders	Transactions with Unitholders (Note (i))	After transactions with Unitholders
	Note	HK\$'M	HK\$'M	HK\$'M
For the year ended 31 March 2011				
Profit for the year		15,280	(15,420)	(140)
Other comprehensive income				
Cash flow hedging reserve		140	–	140
Total comprehensive income for the year	(ii)	15,420	(15,420)	–

		Before transactions with Unitholders	Transactions with Unitholders (Note (i))	After transactions with Unitholders
	Note	HK\$'M (Restated)	HK\$'M (Restated)	HK\$'M
For the year ended 31 March 2010				
Profit for the year		11,982	(12,209)	(227)
Other comprehensive income				
Cash flow hedging reserve		227	–	227
Total comprehensive income for the year	(ii)	12,209	(12,209)	–

The notes on pages 105 to 143 are an integral part of these consolidated financial statements.

Notes:

- (i) Transactions with Unitholders comprised the distributions to Unitholders of HK\$2,251 million (2010: HK\$1,990 million) and change in net assets attributable to Unitholders, excluding issues of new units, of HK\$13,169 million (2010: HK\$10,219 million, as restated).
- (ii) In accordance with the Trust Deed, The Link Real Estate Investment Trust is required to distribute to the Unitholders not less than 90% of its Total Distributable Income for each financial year. Accordingly, the units contain contractual obligations of the trust to pay cash distributions. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with Hong Kong Accounting Standard 32: Financial Instruments: Presentation. Consistent with Unitholders' funds being classified as a financial liability, the distributions to Unitholders and change in net assets attributable to Unitholders, excluding issues of new units, are finance costs. Accordingly, the total comprehensive income, after the transactions with Unitholders, is zero.

Consolidated Financial Statements

Consolidated Statement of Distributions

For the year ended 31 March 2011

		2011	2010
	Note	HK\$'M	HK\$'M (Restated)
Profit for the year, before transactions with Unitholders		15,280	11,982
Adjustments:			
Change in fair values of investment properties		(12,812)	(9,809)
Other non-cash income		(10)	(39)
Total Distributable Income (Note (i))		2,458	2,134
Interim distribution, paid		1,172	1,055
Final distribution, to be paid to the Unitholders		1,286	1,079
Total distributions for the year (Note (ii))		2,458	2,134
As a percentage of Total Distributable Income		100%	100%
Units in issue at 31 March	23	2,232,284,540	2,202,043,479
Distributions per unit to Unitholders:			
Interim distribution per unit, paid (Note (iii))		HK52.86 cents	HK48.35 cents
Final distribution per unit, to be paid to the Unitholders (Note (iv))		HK57.59 cents	HK49.02 cents
Distribution per unit for the year		HK110.45 cents	HK97.37 cents

The notes on pages 105 to 143 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 has decided to distribute 100% of Total Distributable Income as the distribution for the year ended 31 March 2011 (2010: 100%). The interim distribution was paid to the Unitholders on 20 January 2011. The final distribution will be paid to the Unitholders on or about 26 July 2011.
- (iii) The interim distribution per unit of HK52.86 cents for the six months ended 30 September 2010 was calculated based on the interim distribution of HK\$1,172 million for the period and 2,217,446,050 units in issue as at 30 September 2010. The interim distribution per unit of HK48.35 cents for the six months ended 30 September 2009 was calculated based on the interim distribution of HK\$1,055 million for the period and 2,180,865,373 units in issue as at 30 September 2009.
- (iv) The final distribution per unit of HK57.59 cents (2010: HK49.02 cents) is calculated based on the final distribution to be paid to the Unitholders of HK\$1,286 million for the second half of the financial year and 2,232,284,540 units in issue as at the year end (2010: HK\$1,079 million and 2,202,043,479 units).

Consolidated Financial Statements

Consolidated Statement of Financial Position

As at 31 March 2011

		As at 31 March 2011	As at 31 March 2010	As at 1 April 2009
	Note	HK\$'M	HK\$'M (Restated)	HK\$'M (Restated)
Non-current assets				
Goodwill		281	281	281
Investment properties	14	67,318	53,781	43,255
Property, plant and equipment	15	76	86	65
Derivative financial instruments	21	34	-	-
		67,709	54,148	43,601
Current assets				
Trade and other receivables	16	159	162	121
Deposits and prepayments		32	38	21
Short-term bank deposits	17	155	243	722
Cash and cash equivalents	17	699	633	508
		1,045	1,076	1,372
Total assets		68,754	55,224	44,973
Current liabilities				
Trade payables, receipts in advance and accruals	18	1,026	993	1,125
Security deposits		739	630	493
Provision for taxation		139	145	71
Current portion of long-term incentive plan payable	19	38	39	-
Interest bearing liabilities	20	2,598	-	-
Derivative financial instruments	21	37	-	-
		4,577	1,807	1,689
Net current liabilities		3,532	731	317
Total assets less current liabilities		64,177	53,417	43,284
Non-current liabilities, excluding net assets attributable to Unitholders				
Long-term incentive plan payable	19	29	26	34
Interest bearing liabilities	20	7,782	10,867	11,538
Derivative financial instruments	21	332	513	738
Deferred tax liabilities	22	1,059	866	691
		9,202	12,272	13,001
Total liabilities, excluding net assets attributable to Unitholders		13,779	14,079	14,690
Net assets attributable to Unitholders		54,975	41,145	30,283
Units in issue	23	2,232,284,540	2,202,043,479	2,167,040,427
Net assets per unit attributable to Unitholders		HK\$24.63	HK\$18.68	HK\$13.97

The notes on pages 105 to 143 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
1 June 2011

George Kwok Lung HONGCHOY

Chief Executive Officer
1 June 2011

Consolidated Financial Statements

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

For the year ended 31 March 2011

	Note	Total equity HK\$'M	Net assets attributable to Unitholders HK\$'M	Total HK\$'M
Net assets attributable to Unitholders at 1 April 2010, as previously reported		–	38,444	38,444
Prior year adjustments in respect of changes in accounting policy	2(c)	–	2,701	2,701
Net assets attributable to Unitholders at 1 April 2010, as restated		–	41,145	41,145
Issuance of units				
under distribution reinvestment scheme		–	625	625
under long-term incentive plan		–	36	36
Profit for the year ended 31 March 2011, before transactions with Unitholders		–	15,280	15,280
Distributions paid to Unitholders				
2010 final distribution		–	(1,079)	(1,079)
2011 interim distribution		–	(1,172)	(1,172)
Change in fair values of cash flow hedges	24	(191)	–	(191)
Amount transferred to the consolidated income statement	24	331	–	331
Amount arising from cash flow hedging reserve movement	24	(140)	140	–
Change in net assets attributable to Unitholders for the year ended 31 March 2011, excluding issues of new units		–	13,169	13,169
Net assets attributable to Unitholders at 31 March 2011		–	54,975	54,975
Net assets attributable to Unitholders at 1 April 2009, as previously reported		–	29,201	29,201
Prior year adjustments in respect of changes in accounting policy	2(c)	–	1,082	1,082
Net assets attributable to Unitholders at 1 April 2009, as restated		–	30,283	30,283
Issuance of units under distribution reinvestment scheme		–	643	643
Profit for the year ended 31 March 2010, before transactions with Unitholders, as restated		–	11,982	11,982
Distributions paid to Unitholders				
2009 final distribution		–	(935)	(935)
2010 interim distribution		–	(1,055)	(1,055)
Change in fair values of cash flow hedges	24	(157)	–	(157)
Amount transferred to the consolidated income statement	24	384	–	384
Amount arising from cash flow hedging reserve movement	24	(227)	227	–
Change in net assets attributable to Unitholders for the year ended 31 March 2010, excluding issues of new units, as restated		–	10,219	10,219
Net assets attributable to Unitholders at 31 March 2010, as restated		–	41,145	41,145

The notes on pages 105 to 143 are an integral part of these consolidated financial statements.

Consolidated Financial Statements

Consolidated Statement of Cash Flows

For the year ended 31 March 2011

		2011	2010
	Note	HK\$'M	HK\$'M
Operating activities			
Net cash generated from operating activities	25(a)	3,365	2,998
Investing activities			
Additions to investment properties	14	(725)	(717)
Additions to property, plant and equipment	15	(16)	(39)
Proceeds from disposal of property, plant and equipment		1	–
Interest income received		4	6
Decrease in short-term bank deposits with original maturity of more than three months		88	479
Net cash used in investing activities		(648)	(271)
Financing activities			
Proceeds from interest bearing liabilities, net of transaction costs		4,682	8,407
Repayment of interest bearing liabilities		(5,230)	(9,100)
Interest expenses paid on interest bearing liabilities		(477)	(562)
Distributions paid to Unitholders		(1,626)	(1,347)
Net cash used in financing activities		(2,651)	(2,602)
Net increase in cash and cash equivalents		66	125
Cash and cash equivalents at 1 April		633	508
Cash and cash equivalents at 31 March		699	633

The notes on pages 105 to 143 are an integral part of these consolidated financial statements.

Consolidated Financial Statements

Notes to the Consolidated Financial Statements

1 CORPORATE INFORMATION

The Link Real Estate Investment Trust (“**The Link REIT**”) is a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The Link REIT is governed by a trust deed entered into on 6 September 2005 (as amended and supplemented by the First Supplemental Deed dated 4 November 2005, the Second Supplemental Deed dated 8 November 2005, the Third Supplemental Deed dated 16 January 2006, the Fourth Supplemental Deed dated 21 November 2006, the Fifth Supplemental Deed dated 13 July 2007, the Sixth Supplemental Deed dated 23 July 2007, the Seventh Supplemental Deed dated 5 October 2009 and the Eighth Supplemental Deed dated 23 July 2010) (together the “**Trust Deed**”).

The principal activity of The Link REIT and its subsidiaries (the “**Group**”) is investment in retail properties and car park operations in Hong Kong. The addresses of the registered offices of the Manager, The Link Management Limited, and the Trustee, HSBC Institutional Trust Services (Asia) Limited, are 33/F, One Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong and 1 Queen’s Road Central, Hong Kong, respectively.

2 BASIS OF PREPARATION

(a) Statement of compliance

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

As at 31 March 2011, the Group’s current liabilities exceeded its current assets by HK\$3,532 million. Taking into account the unutilised committed bank loan facilities of HK\$1,560 million and the new club loan facility of HK\$2,500 million obtained after year end (Note 29), the Group considers that its liquidity and financial position as a whole is healthy and it has a reasonable expectation that the Group has adequate resources to meet its liabilities and commitments as and when they fall due and to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the consolidated financial statements.

(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, the functional currency of The Link REIT.

2 BASIS OF PREPARATION (continued)

(c) Adoption of new and revised HKFRSs

For the year ended 31 March 2011, the Group has adopted all the new standards, amendments and interpretations that are currently in issue and effective.

HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 Amendment	Classification of Rights Issues
HKAS 39 Amendment	Eligible Hedged Items
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards
HKFRS 1 Amendments	Additional Exemptions for First-time Adopters
HKFRS 2 Amendment	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
HK-Int 4 Amendment	Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases
HK-Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Improvements to HKFRSs – HKFRS 5	Non-current Assets Held for Sale and Discontinued Operations
Improvements to HKFRSs 2009	

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

Early adoption of amendments to HKAS 12 “Deferred Tax: Recovery of Underlying Assets”

The HKICPA issued the amendments to HKAS 12 “Deferred Tax: Recovery of Underlying Assets” in December 2010, effective for annual periods beginning on or after 1 January 2012 with early adoption permitted. The amendments require deferred tax on an investment property, carried under the fair value model in HKAS 40, to be measured presuming that an investment property is recovered through sale.

The Group has early adopted these amendments retrospectively for the financial year ended 31 March 2011 and the effects of adoption are disclosed as follows.

As disclosed in Note 14, the Group has investment properties measured at their fair values amounting to HK\$53,781 million (1 April 2009: HK\$43,255 million) as of 1 April 2010. As required by the amendments, the Group has re-measured the deferred tax relating to these investment properties according to the tax consequence on the presumption that they are recovered entirely by sale, or rebutting this presumption, where appropriate. The comparative figures for 2010 have been restated to reflect the change in accounting policy, as summarised below:

2 BASIS OF PREPARATION (continued)

(c) **Adoption of new and revised HKFRSs** (continued)

(i) **On the consolidated income statement for the year ended 31 March**

	2011	2010
	HK\$'M	HK\$'M
Decrease in taxation	(2,114)	(1,619)
Increase in profit for the year, before transactions with Unitholders	2,114	1,619
Increase in net assets attributable to Unitholders	2,114	1,619
Increase in basic earnings per unit	HK\$0.95	HK\$0.74
Increase in diluted earnings per unit	HK\$0.95	HK\$0.74

(ii) **On the consolidated statement of financial position**

	As at 31 March 2011	As at 31 March 2010	As at 1 April 2009
	HK\$'M	HK\$'M	HK\$'M
Decrease in goodwill	(3,707)	(3,707)	(3,707)
Decrease in deferred tax liabilities	(8,522)	(6,408)	(4,789)
Increase in net assets attributable to Unitholders	4,815	2,701	1,082

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 2011.

HKFRS 1 Amendment	Limited Exemptions from Comparative HKFRS 7 Disclosures for First-time Adopters ¹
HKFRS 1 Amendments	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ²
HKFRS 7 Amendments	Disclosures – Transfers of Financial Assets ²
HKFRS 9	Financial Instruments ³
HK(IFRIC)-Int 14 Amendment	Prepayments of a Minimum Funding Requirement ⁴
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments ¹
Improvements to HKFRSs 2010 ⁵	

2 BASIS OF PREPARATION (continued)

(c) Adoption of new and revised HKFRSs (continued)

- ¹ effective for accounting periods beginning on or after 1 July 2010
- ² effective for accounting periods beginning on or after 1 July 2011
- ³ effective for accounting periods beginning on or after 1 January 2013
- ⁴ effective for accounting periods beginning on or after 1 January 2011
- ⁵ effective for accounting periods beginning on or after 1 January 2011 except the amendments to HKFRS 3 and HKAS 27 which are effective for accounting periods beginning on or after 1 July 2010

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Manager has concluded that while the adoption of the new or revised HKFRSs may result in new or amended disclosures, it is 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 in Note 2.

(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 2011 and their 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 (operating segment), or in providing services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Consistent with the Group's internal financial reporting to the Manager, being the chief operating decision maker, for the purpose of making decisions about allocating resources and assessing performance, operating segment is determined with segment assets consisting primarily of tangible assets and receivables and segment liabilities mainly comprising operating liabilities. No geographical segment information has been prepared as all the properties are located within Hong Kong for the years presented.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investment properties

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

Investment property comprises land held under government leases and treated under finance lease and buildings held under finance leases.

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

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

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

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair 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 repair 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 estimated residual value less accumulated impairment losses over the shorter of the estimated useful lives or their lease terms (if applicable), as follows:

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

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Trade and other receivables

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

(f) Cash and cash equivalents

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

(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.

(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 distributions and also upon termination of the trust, a share of all net cash proceeds derived from the sale or realisation of the assets of the trust less any liabilities, in accordance with their proportionate interests in the trust at the date of the termination. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with HKAS 32: Financial Instruments: Presentation. This liability is shown on the consolidated statement of financial position as the net assets attributable to Unitholders. Distributions to Unitholders are recognised in the consolidated income statement.

(i) Trade payables and provisions

(i) Trade payables

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

(ii) Provisions

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Operating leases

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

(k) Current and deferred taxation

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

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

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

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

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

Upon the early adoption of the amendments to HKAS 12 "Deferred Tax: Recovery of Underlying Assets" which were applied retrospectively, deferred tax liability or deferred tax asset arising from investment property is determined based on the presumption that the carrying amount of such investment property will be recovered through sale with the corresponding tax rate applied. In prior years, it was assumed that the carrying amounts were recovered entirely through use.

(l) Interest bearing liabilities

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

(m) Impairment of non-financial assets

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Revenue recognition

(i) Rental income from retail properties

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

(ii) Gross receipts from car parks

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

(iii) Service fees and charges

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

(iv) Interest income

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

(o) Expenditure

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

(p) Employee benefits

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

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

(q) Employees' long-term incentive plan

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

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

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.

(i) Cash flow hedge

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 recognised in other comprehensive income and deferred in a cash flow 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 cash flow 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 the cash flow hedging reserve at that time shall remain 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.

(ii) Fair value hedge

Derivatives designated as hedging instruments to hedge the fair value of recognised assets or liabilities may qualify as fair value hedges.

The Group uses interest rate swaps to hedge its exposure to variability in fair values of recognised liabilities against changes in market interest rates.

The Group uses cross currency swaps to hedge its exposure to variability in fair values of recognised foreign currency liabilities against changes in foreign currency exchange rates and market interest rates. The changes in fair values of the cross currency swaps are recognised directly in the consolidated income statement.

Changes in the fair values of these derivative contracts, together with the changes in the fair values of the hedged liabilities attributable to the hedged risk are recognised in the consolidated income statement as finance costs on interest bearing liabilities. At the same time the carrying amount of the hedged liability in the consolidated statement of financial position is adjusted for the changes in fair value.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) **Borrowing costs**

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

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 and cross currency swaps to manage financial risk.

(i) **Market risk**

(A) *Interest rate risk*

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

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

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

As at 31 March 2011, if interest rates on floating rate interest bearing liabilities net of floating rate interest bearing assets had been 100 basis points higher/lower with all other variables held constant, profit for the year, before transactions with Unitholders, would have been HK\$28 million (2010: HK\$21 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. As at 31 March 2011, if interest rates had been 100 basis points higher/lower, the hedging reserve would have been HK\$160/167 million (2010: HK\$215/254 million) higher/lower mainly as a result of an increase/decrease in the fair values of the cash flow hedges as described above.

4 FINANCIAL RISK MANAGEMENT (continued)

(a) **Financial risk factors** (continued)

(i) **Market risk** (continued)

(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 bank loans denominated in United States Dollars and New Zealand Dollars. It uses cross currency swaps to hedge its exposure against changes in the United States Dollars and New Zealand Dollars exchange rates, management therefore considers that there are no significant currency risk with respect to United States Dollars and New Zealand Dollars. As at 31 March 2011, the Hong Kong Dollars equivalent of the United States Dollars and the New Zealand Dollars bank loans stand at HK\$249 million (2010: HK\$248 million) and HK\$415 million (2010: Nil), respectively.

(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. In addition, deposits placed with any individual counterparty cannot exceed a pre-defined limit assigned to the individual counterparty. As at 31 March 2011, deposits with banks amounted to HK\$853 million (2010: HK\$875 million), all of which were placed with financial institutions with external credit ratings of no less than "A-".

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

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance. The Group's exposure to credit risk arising from trade receivables amounted to HK\$51 million (2010: HK\$63 million) and is set out in Note 16. The Group's exposure to credit risk arising from bank deposits amounted to HK\$853 million (2010: HK\$875 million) and is set out in Note 17.

4 FINANCIAL RISK MANAGEMENT (continued)

(a) Financial risk factors (continued)

(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 and short-term bank deposits of HK\$854 million as at 31 March 2011 (2010: HK\$876 million). In addition to the cash resources, the Group has total available borrowing facilities amounting to HK\$11.93 billion (2010: HK\$11.98 billion), of which HK\$10.37 billion (2010: HK\$10.91 billion) was drawn as at 31 March 2011. The undrawn committed facilities, in the form of bank loan, totalled HK\$1.56 billion as at 31 March 2011 (2010: HK\$1.07 billion).

As at 31 March 2011, the Group's current liabilities exceeded its current assets by HK\$3,532 million (2010: HK\$731 million). Subsequent to 31 March 2011, the Group has signed a new HK\$2,500 million club loan banking facility with various banks in April 2011 mainly to refinance its current portion of interest bearing liabilities.

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

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
At 31 March 2011				
Interest bearing liabilities	2,780	239	6,164	2,324
Trade payables and accruals	903	–	–	–
Security deposits	265	207	245	22
Unitholders' funds	–	–	–	54,975
Derivative financial instruments (net settled)	173	127	72	1
At 31 March 2010				
Interest bearing liabilities	184	3,650	6,018	2,475
Trade payables and accruals	886	–	–	–
Security deposits	193	198	199	40
Unitholders' funds, as restated	–	–	–	41,145
Derivative financial instruments (net settled)	246	152	91	39

4 FINANCIAL RISK MANAGEMENT (continued)

(b) Capital management

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

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

	2011	2010
	HK\$'M	HK\$'M (Restated)
Interest bearing liabilities (Note 20)	10,380	10,867
Total asset value	68,754	55,224
Gearing ratio	15.1%	19.7%

(c) Fair value estimation

(i) Fair value hierarchy

For financial instruments that are measured at fair value, HKFRS 7 requires disclosure of fair value measurement by three levels of fair value measurement hierarchy:

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

The fair values of interest rate swaps and cross currency swaps are calculated by reference to the present values of the estimated future cash flows, taking into account current interest and exchange rates observed in the market. The Group's interest rate swaps and cross currency swaps are included in Level 2 (2010: Level 2).

(ii) Fair value disclosure

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.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

(a) Investment properties

The fair value of each investment property is individually determined at each reporting date by independent valuers based on a market value assessment, on an existing use basis. The valuers have relied on the discounted cash flow analysis and the income capitalisation approach as their primary methods, cross-referenced to 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. Discount rate of 8% (2010: 8.0% to 11.4%) and income capitalisation rates in the range of 5.02% to 8.48% (2010: 5.52% to 9.5%) were used in the discounted cash flow analysis and the capitalisation of income approach respectively. 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 reporting date.

(c) Long-term incentive plan valuation

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

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(d) Goodwill

Goodwill is recorded as a separate asset and it is subject to an annual impairment test. The tests undertaken as at 31 March 2010 and 2011 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 rates, 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. The discount rates and income capitalisation rates stated in Note 5(a) 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:

	2011	2010
	HK\$'M	HK\$'M
Rental income from retail properties	4,015	3,699
Gross rental revenue from car parks	1,044	1,005
	5,059	4,704
Other revenues		
Air conditioning service fees	276	266
Other property related income	18	20
	294	286
Total revenues	5,353	4,990

Leases with tenants provide for monthly base rent and recovery of certain outgoings. Additional rents based on business turnover amounted to HK\$84 million (2010: HK\$70 million) and have been included in the rental income.

7 SEGMENT INFORMATION

	Retail properties	Car parks	Head office	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
For the year ended 31 March 2011				
Revenues	4,307	1,046	–	5,353
Segment results	3,032	612	(176)	3,468
Change in fair values of investment properties	11,495	1,317	–	12,812
Interest income				4
Finance costs on interest bearing liabilities				(501)
Profit before taxation and transactions with Unitholders				15,783
Taxation				(503)
Profit for the year, before transactions with Unitholders				15,280
Capital expenditure	700	25	16	741
Depreciation	–	–	(24)	(24)
As at 31 March 2011				
Segment assets	57,650	9,838	97	67,585
Goodwill				281
Derivative financial instruments				34
Short-term bank deposits				155
Cash and cash equivalents				699
Total assets				68,754
Segment liabilities	1,347	199	219	1,765
Provision for taxation				139
Long-term incentive plan payable				67
Interest bearing liabilities				10,380
Derivative financial instruments				369
Deferred tax liabilities				1,059
Total liabilities, excluding net assets attributable to Unitholders				13,779
Net assets attributable to Unitholders				54,975

Consolidated Financial Statements

Notes to the Consolidated Financial Statements (continued)

7 SEGMENT INFORMATION (continued)

	Retail properties	Car parks	Head office	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
				(Restated)
For the year ended 31 March 2010				
Revenues	3,983	1,007	–	4,990
Segment results	2,814	514	(120)	3,208
Change in fair values of investment properties	9,153	656	–	9,809
Interest income				6
Finance costs on interest bearing liabilities				(583)
Profit before taxation and transactions with Unitholders				12,440
Taxation				(458)
Profit for the year, before transactions with Unitholders				11,982
Capital expenditure	703	15	38	756
Depreciation	–	–	(17)	(17)
As at 31 March 2010				
Segment assets	45,459	8,495	113	54,067
Goodwill				281
Short-term bank deposits				243
Cash and cash equivalents				633
Total assets				55,224
Segment liabilities	1,176	227	220	1,623
Provision for taxation				145
Long-term incentive plan payable				65
Interest bearing liabilities				10,867
Derivative financial instruments				513
Deferred tax liabilities				866
Total liabilities, excluding net assets attributable to Unitholders				14,079
Net assets attributable to Unitholders				41,145

8 PROPERTY OPERATING EXPENSES

	2011	2010
	HK\$'M	HK\$'M
Property managers' fees, security and cleaning	428	474
Staff costs (Note 11)	251	176
Government rent and rates	166	127
Repair and maintenance	222	177
Utilities	310	316
Promotion and marketing expenses	94	80
Estate common area costs	101	98
Other property operating expenses	137	214
	1,709	1,662

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

	2011	2010
	HK\$'M	HK\$'M
Operating profit before finance costs, taxation and transactions with Unitholders is stated after charging:		
Staff costs (Note 11)	364	247
Depreciation of property, plant and equipment	24	17
Loss on disposal of property, plant and equipment	1	1
Trustee's fee	4	3
Valuation fee	4	4
Auditor's remuneration		
– audit service	4	4
– non-audit service	2	3
Bank charges	3	3
Operating lease charges	13	9
Other legal and professional fees	10	8
Commission to property agents	–	1

10 FINANCE COSTS ON INTEREST BEARING LIABILITIES

	2011	2010
	HK\$'M	HK\$'M
Interest expenses on interest bearing liabilities wholly repayable within five years	121	160
Interest expenses on interest bearing liabilities wholly repayable beyond five years	85	32
Other borrowing costs (Note)	323	412
	529	604
Less: Capitalised under investment properties	(28)	(21)
	501	583

Note: Other borrowing costs include HK\$331 million (2010: HK\$384 million) net losses on interest rate swaps designated as cash flow hedges, HK\$37 million (2010: HK\$15 million) net gains on interest rate swaps and cross currency swaps designated as fair value hedges and various banking and financing charges.

11 STAFF COSTS

	2011	2010
	HK\$'M	HK\$'M
Wages and salaries	298	211
Contributions to mandatory provident fund scheme	7	5
Long-term incentive plan awards (Note 19)	59	31
	364	247

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

	2011	2010
	HK\$'M	HK\$'M
Included under property operating expenses (Note 8)	251	176
Included under general and administrative expenses	113	71
	364	247

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Notes to the Consolidated Financial Statements (continued)

11 STAFF COSTS (continued)

(b) Directors' emoluments

The remunerations of directors are set out below:

Name of Director	Fees	Base pay, allowance and other benefits	Contribution to pension scheme	Variable remuneration related to performance	Long-term incentive plan awards (current year grants)	Long-term incentive plan awards (prior years' grants)	Total 2011	Total 2010	
		(Note (i))	(Note (ii))	(Note (iii))	(Note (iv))	(Note (iv))			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Mr Nicholas Robert SALLNOW-SMITH	1,975	-	-	-	903	2,878	3,923	6,801	3,621
Mr George Kwok Lung HONGCHOY	-	4,930	12	4,140	2,273	11,355	4,979	16,334	5,943
Mr Ian David Murray ROBINS (Note (v))	-	1,997	4	5,000	-	7,001	1,344	8,345	25,183
Mr Andy CHEUNG Lee Ming (Note (vi))	-	2,305	10	-	1,076	3,391	-	3,391	-
Mr Ian Keith GRIFFITHS	542	-	-	-	249	791	952	1,743	1,011
Mr Michael Ian ARNOLD	693	-	-	-	320	1,013	1,391	2,404	1,284
Mr William CHAN Chak Cheung	725	-	-	-	333	1,058	-	1,058	292
Mr Anthony CHOW Wing Kin	725	-	-	-	333	1,058	1,272	2,330	1,208
Dr Patrick FUNG Yuk Bun	565	-	-	-	263	828	1,391	2,219	1,280
Mr Stanley KO Kam Chuen	675	-	-	-	307	982	1,264	2,246	1,192
Mr David Charles WATT	603	-	-	-	275	878	-	878	293
Prof Richard WONG Yue Chim	675	-	-	-	307	982	1,167	2,149	1,235
Dr Allan ZEMAN	615	-	-	-	282	897	1,154	2,051	1,069
	7,793	9,232	26	9,140	6,921	33,112	18,837	51,949	43,611

Notes:

- (i) Other benefits include leave pay, insurance premium and club membership fee.
- (ii) For the year ended 31 March 2010, contribution to pension scheme was HK\$24,000.
- (iii) The variable remuneration paid during the year was in relation to performance and services for year ended 31 March 2010.
- (iv) For the year ended 31 March 2011, certain long-term incentive plan awards have been vested and 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 written back. Details on the long-term incentive plan of the Group are set out in Note 19.
- (v) Resigned on 17 May 2010.
- (vi) Appointed on 28 June 2010.

11 STAFF COSTS (continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2010: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2010: three) individuals during the year are as follows:

	2011	2010
	HK\$'M	HK\$'M
Basic salaries, other allowances and benefits in kind	2	9
Discretionary bonus	1	13
Contractual compensation for loss of office	–	10
Long-term incentive plan awards	5	3
Total	8	35

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

	2011	2010
	Number of individuals	Number of individuals
Emoluments bands		
HK\$4,000,001-HK\$4,500,000	2	–
HK\$4,500,001-HK\$5,000,000	–	1
HK\$5,500,001-HK\$6,000,000	–	1
HK\$6,500,001-HK\$7,000,000	1	–
HK\$8,000,001-HK\$8,500,000	1	–
HK\$13,500,001-HK\$14,000,000	–	1
HK\$16,000,001-HK\$16,500,000	1	–
HK\$17,000,001-HK\$17,500,000	–	1
HK\$25,000,001-HK\$25,500,000	–	1

(d) Pension – defined contribution plan

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

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Notes to the Consolidated Financial Statements (continued)

12 TAXATION

Hong Kong profits tax has been provided for at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the year.

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

	2011	2010
	HK\$'M	HK\$'M (Restated)
Current taxation	310	283
Deferred taxation		
– Accelerated depreciation allowances	193	175
Taxation	503	458

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:

	2011	2010
	HK\$'M	HK\$'M (Restated)
Profit before taxation	15,783	12,440
Expected tax calculated at the Hong Kong profits tax rate of 16.5% (2010: 16.5%)	2,604	2,052
Tax effect of non-deductible expenses	14	26
Tax effect of non-taxable income	(2,114)	(1,620)
Adjustment in respect of prior years	(1)	–
Taxation	503	458

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

	2011	2010 (Restated)
Profit after taxation and before transactions with Unitholders	HK\$15,280 million	HK\$11,982 million
Weighted average number of units for the year for calculating basic earnings per unit	2,215,158,272	2,179,334,098
Adjustment for dilutive contingently issuable units under the long-term incentive plan	2,294,244	1,819,282
Weighted average number of units for the year for calculating diluted earnings per unit	2,217,452,516	2,181,153,380
Basic earnings per unit based upon profit after taxation and before transactions with Unitholders	HK\$6.90	HK\$5.50
Diluted earnings per unit based upon profit after taxation and before transactions with Unitholders	HK\$6.89	HK\$5.49

14 INVESTMENT PROPERTIES

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

	Retail properties	Car parks	Total
	HK\$'M	HK\$'M	HK\$'M
At 1 April 2010	45,315	8,466	53,781
Additions	700	25	725
Change in fair values	11,495	1,317	12,812
At 31 March 2011	57,510	9,808	67,318
At 1 April 2009	35,460	7,795	43,255
Additions	702	15	717
Change in fair values	9,153	656	9,809
At 31 March 2010	45,315	8,466	53,781

(b) Government leases

The properties included as investment properties on the consolidated statement of financial position comprise properties where the Group has legal title under government leases for a fixed number of years (with renewal rights in one case). As at 31 March 2011, legal title for all 180 (2010: 153) properties has been granted to the Group. The remaining lease periods of those government leases range from 32 to 49 years.

14 INVESTMENT PROPERTIES (continued)

(c) Fair values

The investment properties were revalued on an open market value basis by Jones Lang LaSalle Limited, an independent firm of professional qualified valuers, which was newly appointed as the Principal Valuer of The Link REIT for the valuation as at 31 March 2011. The independent valuation for the year ended 31 March 2010 was performed by Knight Frank Petty Limited.

(d) Security for the Group's loan facilities

As at 31 March 2011, certain of the Group's investment properties, amounting to approximately HK\$6.9 billion (2010: HK\$5.5 billion), were pledged to secure the loan from The Hong Kong Mortgage Corporation Limited ("HKMC"). No property was pledged to secure any bank loan or medium term note.

15 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Motor vehicles	Equipment	Total
	HK\$'M	HK\$'M	HK\$'M	HK\$'M
At 1 April 2010	40	2	44	86
Additions	11	3	2	16
Disposals	(1)	(1)	-	(2)
Depreciation charge for the year	(15)	-	(9)	(24)
At 31 March 2011	35	4	37	76
At 31 March 2011				
Cost	62	6	82	150
Accumulated depreciation	(27)	(2)	(45)	(74)
Net book value	35	4	37	76
At 1 April 2009	30	3	32	65
Additions	18	-	21	39
Disposals	(1)	-	-	(1)
Depreciation charge for the year	(7)	(1)	(9)	(17)
At 31 March 2010	40	2	44	86
At 31 March 2010				
Cost	53	5	80	138
Accumulated depreciation	(13)	(3)	(36)	(52)
Net book value	40	2	44	86

16 TRADE AND OTHER RECEIVABLES

	2011	2010
	HK\$'M	HK\$'M
Trade receivables	55	67
Less: provision for impairment of trade receivables	(4)	(4)
Trade receivables – net	51	63
Other receivables	108	99
	159	162

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

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

The ageing analysis of trade receivables is as follows:

	2011	2010
	HK\$'M	HK\$'M
0 – 30 days	48	58
31 – 90 days	4	5
Over 90 days	3	4
	55	67

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

Included in the net trade receivables of HK\$51 million (2010: HK\$63 million) presented above were HK\$28 million (2010: HK\$27 million) of accrued car park income and HK\$7 million (2010: HK\$8 million) of accrued turnover rent, which were not yet due as at 31 March 2011. The remaining HK\$16 million (2010: HK\$28 million) were past due but not impaired.

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

	2011	2010
	HK\$'M	HK\$'M
0 – 30 days	13	23
31 – 90 days	3	5
	16	28

16 TRADE AND OTHER RECEIVABLES (continued)

As at 31 March 2011, trade receivables of HK\$4 million (2010: HK\$4 million) were considered as impaired and had been provided for. The individually impaired receivables are those where collectibility is in doubt.

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

	2011	2010
	HK\$'M	HK\$'M
31 – 90 days	1	–
Over 90 days	3	4
	4	4

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

	2011	2010
	HK\$'M	HK\$'M
At 1 April	4	4
Provision for impairment of trade receivables	4	1
Receivables written off during the year as uncollectible	(4)	(1)
At 31 March	4	4

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

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

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

17 CASH AND CASH EQUIVALENTS AND SHORT-TERM BANK DEPOSITS

	2011	2010
	HK\$'M	HK\$'M
Cash in hand	1	1
Cash at bank	36	33
Short-term bank deposits with original maturity of less than three months	662	599
Cash and cash equivalents	699	633
Short-term bank deposits with original maturity of more than three months	155	243
	854	876

Cash and cash equivalents are denominated in Hong Kong Dollars.

18 TRADE PAYABLES, RECEIPTS IN ADVANCE AND ACCRUALS

	2011	2010
	HK\$'M	HK\$'M
Trade payables	75	49
Receipts in advance	123	107
Accruals	828	837
	1,026	993

The ageing analysis of trade payables is as follows:

	2011	2010
	HK\$'M	HK\$'M
0 – 30 days	60	32
31 – 90 days	14	15
Over 90 days	1	2
	75	49

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

19 LONG-TERM INCENTIVE PLAN PAYABLE

	2011	2010
	HK\$'M	HK\$'M
Long-term incentive plan payable	67	65
Less: current portion of long-term incentive plan payable	(38)	(39)
Non-current portion of long-term incentive plan payable	29	26

The Group adopted a long-term incentive plan (the “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 directors and key employees of the Manager. Awards are approved by the Human Resources and Compensation Committee. No Unit Option has been granted since the adoption date.

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

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

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, NPI and/or certain vesting conditions, where appropriate, will range from 0% to 300% of the RUA granted. CCA is granted in conjunction with the grant of RUA, bestowing upon the grantee a conditional right to receive a cash payment representing an amount equivalent to the aggregate of the distributions per unit to Unitholders during the vesting period, multiplied by the number of units that will eventually be vested.

During the vesting period, a liability is recognised representing the estimated fair value of the Awards granted and the portion of the vesting period expired as at the reporting date. The fair value of the Awards was estimated at the reporting date by Towers Watson Hong Kong Limited, an independent external valuer based on valuation techniques and assumptions on unit prices, lives of the Awards and distribution pay-out rates. The change in fair value of the outstanding Awards 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.

During the year, the Group issued 1,816,583 units in accordance with the vesting conditions under the Plan.

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Notes to the Consolidated Financial Statements (continued)

19 LONG-TERM INCENTIVE PLAN PAYABLE (continued)

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

Date of grant	Vesting period	Outstanding as at 1 April 2010	Granted during the year	Vested during the year ⁽ⁱ⁾	Lapsed during the year	Outstanding as at 31 March 2011	Maximum to be issued on vesting date ⁽ⁱⁱ⁾
24 July 2007	24 July 2007 to 23 July 2010	1,094,580	-	(670,305)	(424,275)	-	-
24 December 2007	24 December 2007 to 23 July 2010	764,000	-	-	(764,000)	-	-
	24 December 2007 to 23 July 2011	545,000	-	-	(545,000)	-	-
	24 December 2007 to 23 July 2012	545,000	-	-	(545,000)	-	-
5 May 2008	5 May 2008 to 4 May 2010	236,678	-	(131,478)	(105,200)	-	-
	5 May 2008 to 4 May 2011	117,150	-	-	-	117,150	273,240
	5 May 2008 to 4 May 2012	117,150	-	-	-	117,150	273,240
16 January 2009	16 January 2009 to 15 January 2012	140,515	-	-	-	140,515	140,515
13 February 2009	13 February 2009 to 30 June 2010	500,000	-	(495,500) ⁽ⁱⁱⁱ⁾	(4,500)	-	-
	13 February 2009 to 30 June 2011	500,000	-	-	(177,500)	322,500	645,000
24 September 2009	24 September 2009 to 30 June 2011	497,250	-	-	(161,750)	335,500	671,000
	24 September 2009 to 30 June 2012	497,250	-	-	(161,750)	335,500	671,000
12 November 2010	12 November 2010 to 25 November 2010	-	23,800	(23,800)	-	-	-
12 November 2010	12 November 2010 to 30 June 2012	-	638,000	-	(5,000)	633,000	1,266,000
	12 November 2010 to 30 June 2013	-	638,000	-	(5,000)	633,000	1,266,000
Subtotal		5,554,573	1,299,800	(1,321,083)	(2,898,975)	2,634,315	5,205,995
Additional units vested over 100% of the RUA granted		-	-	(495,500) ⁽ⁱⁱⁱ⁾	-	-	-
Total		5,554,573	1,299,800	(1,816,583)	(2,898,975)	2,634,315	5,205,995

Notes:

(i) RUA vesting percentages during the year ranged from 56% to 200%.

(ii) If certain vesting conditions are met.

(iii) Additional units over 100% of the RUA granted were vested pursuant to the relevant vesting conditions.

20 INTEREST BEARING LIABILITIES

	2011	2010
	HK\$'M	HK\$'M
Syndicated loan	2,349	3,097
HKMC loan (secured)	4,000	4,000
Medium term notes	2,112	1,788
Other borrowings	1,919	1,982
	10,380	10,867
Less: current portion of interest bearing liabilities	(2,598)	–
Non-current portion of interest bearing liabilities	7,782	10,867

Interest bearing liabilities are repayable as follows:

	2011	2010
	HK\$'M	HK\$'M
Due in the first year		
Syndicated loan	2,349	–
Other borrowings	249	–
	2,598	–
Due in the second year		
Syndicated loan	–	3,097
Other borrowings	–	248
	–	3,345
Due in the third year		
HKMC loan (secured)	1,000	–
Other borrowings	664	688
	1,664	688
Due in the fourth year		
HKMC loan (secured)	2,000	–
Other borrowings	–	369
	2,000	369
Due in the fifth year		
HKMC loan (secured)	1,000	4,000
Other borrowings	1,006	–
	2,006	4,000
Due beyond the fifth year		
Medium term notes	2,112	1,788
Other borrowings	–	677
	2,112	2,465
	10,380	10,867

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Notes to the Consolidated Financial Statements (continued)

20 INTEREST BEARING LIABILITIES (continued)

Notes:

- (i) Except for a bank loan of HK\$249 million (2010: HK\$248 million) which is denominated in United States Dollars and a bank loan of HK\$415 million (2010: Nil) which is denominated in New Zealand Dollars, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (ii) The effective interest rate of the interest bearing liabilities (including interest rate swaps and cross currency swaps) at the reporting date was 3.72% (2010: 4.30%). The carrying amounts of the interest bearing liabilities approximate their fair values.

21 DERIVATIVE FINANCIAL INSTRUMENTS

	2011	2010
	HK\$'M	HK\$'M
Derivative assets		
Non-current item		
Designated as fair value hedge		
– interest rate swaps	19	–
– cross currency swaps	15	–
	34	–
Derivative liabilities		
Current item		
Designated as cash flow hedge – interest rate swaps	(37)	–
Non-current item		
Designated as cash flow hedge – interest rate swaps	(332)	(509)
Designated as fair value hedge – interest rate swaps	–	(4)
	(369)	(513)
	(335)	(513)

21 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Note: The Group uses interest rate swaps and cross currency swaps (swapping from foreign currencies to Hong Kong Dollars) to minimise its exposure to movements in interest rates and foreign currency exchange rates in relation to its interest bearing liabilities. The fair values of these interest rate swaps and cross currency swaps are classified as non-current items should the remaining maturities of the hedged items extend for more than 12 months. Any change in fair values of the effective portion of the cash flow hedges in relation to interest rate swaps is recognised in the hedging reserve. Any change in fair values of the fair value hedges in relation to interest rate swaps and any change in fair values of cross currency swaps are recognised directly in the consolidated income statement. A net amount of HK\$140 million (2010: HK\$227 million) has been credited to the hedging reserve during the year as further set out in Note 24.

As at 31 March 2011, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 3.1 years on HK\$5.1 billion borrowings (2010: 3.3 years on HK\$6.75 billion borrowings) from the reporting date. The notional principal amount and the weighted average fixed interest rate of the outstanding floating rates to fixed rates interest rate swap contracts as at 31 March 2011 were HK\$5.1 billion (2010: HK\$6.75 billion) and 4.39% (2010: 4.54%) respectively.

As at 31 March 2011, the derivative financial instruments qualifying as fair value hedges have, in effect, converted part of the Group borrowings into Hong Kong Dollars floating rate interest bearing liabilities. The notional principal amounts of the outstanding interest rate swap contracts and cross currency swap contracts qualifying as fair value hedges as at 31 March 2011 were HK\$1 billion and HK\$650 million respectively (2010: HK\$1 billion and HK\$250 million respectively).

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 24) as at 31 March 2011 will be released to the consolidated income statement.

22 DEFERRED TAX LIABILITIES

Deferred taxation is calculated in full on temporary differences under the liability method using a tax rate of 16.5% (2010: 16.5%).

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

	2011	2010
	HK\$'M	HK\$'M (Restated)
Temporary differences		
At 1 April, as previously reported	7,274	5,480
Prior year adjustments in respect of changes in accounting policy	(6,408)	(4,789)
At 1 April, as restated	866	691
Recognised in the consolidated income statement:		
Accelerated depreciation allowances claimed	193	175
At 31 March	1,059	866

Upon the early adoption of the amendments to HKAS 12 "Deferred Tax: Recovery of Underlying Assets" which were applied retrospectively, the deferred tax liabilities solely arose from accelerated depreciation allowances claimed.

23 UNITS IN ISSUE

	2011	2010
	Number of units	Number of units
At 1 April	2,202,043,479	2,167,040,427
Units issued under distribution reinvestment scheme	28,424,478	35,003,052
Units issued under long-term incentive plan	1,816,583	–
At 31 March	2,232,284,540	2,202,043,479

Last traded price of the units as at 31 March 2011 was HK\$24.35 (2010: HK\$19.14) per unit. Based on 2,232,284,540 units in issue as at 31 March 2011 (2010: 2,202,043,479 units), market capitalisation was HK\$54,356 million (2010: HK\$42,147 million).

24 RESERVES

	Hedging reserve	Earnings retained for cash flow hedge adjustments	Total reserves
	HK\$'M	HK\$'M	HK\$'M
At 1 April 2010	(509)	509	–
Cash flow hedges:			
– Change in fair values	(191)	–	(191)
– Amount transferred to the consolidated income statement (Note)	331	–	331
	140	–	140
Net assets attributable to Unitholders			
– Amount arising from cash flow hedging reserve movement	–	(140)	(140)
At 31 March 2011	(369)	369	–
At 1 April 2009	(736)	736	–
Cash flow hedges:			
– Change in fair values	(157)	–	(157)
– Amount transferred to the consolidated income statement (Note)	384	–	384
	227	–	227
Net assets attributable to Unitholders			
– Amount arising from cash flow hedging reserve movement	–	(227)	(227)
At 31 March 2010	(509)	509	–

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).

25 NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Net cash generated from operating activities

	2011	2010
	HK\$'M	HK\$'M
Profit before taxation and transactions with Unitholders	15,783	12,440
Loss on disposal of property, plant and equipment	1	1
Long-term incentive plan awards	59	31
Depreciation expenses	24	17
Interest income	(4)	(6)
Finance costs on interest bearing liabilities	501	583
Change in fair values of investment properties	(12,812)	(9,809)
Decrease/(increase) in trade and other receivables, deposits and prepayments	9	(58)
Increase/(decrease) in trade payables, receipts in advance and accruals	32	(128)
Increase in security deposits	109	136
Long-term incentive plan paid	(21)	-
Hong Kong profits tax paid	(316)	(209)
Net cash generated from operating activities	3,365	2,998

(b) Major non-cash transactions

During the year, distributions amounting to HK\$625 million (2010: HK\$643 million) were paid to Unitholders in the form of additional units under the distribution reinvestment scheme. Additional units of HK\$36 million (2010: Nil) were issued under the long-term incentive plan.

26 COMMITMENTS

(a) Capital commitments

	2011	2010
	HK\$'M	HK\$'M
Improvement projects to existing investment properties		
Authorised but not contracted for	753	778
Contracted but not provided for	603	476
	1,356	1,254

(b) Operating lease commitments

As at 31 March 2011, the analysis of the Group's aggregate future minimum lease rental payables under non-cancellable operating leases is as follows:

	2011	2010
	HK\$'M	HK\$'M
Within one year	9	8
Between one and five years	8	12
	17	20

27 CONNECTED PARTY TRANSACTIONS AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

(a) Nature of relationship with connected/related parties

The table set forth below summarises the names of the connected/related parties, as defined in the REIT Code/HKAS 24 (Revised) "Related Party Disclosures", and nature of their relationship with The Link REIT as at 31 March 2011:

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
Jones Lang LaSalle Limited (the " Principal Valuer ") (Note (i))	The current Principal Valuer of The Link REIT
Knight Frank Petty Limited (Note (ii))	The former Principal Valuer of The Link REIT
Knight Frank Hong Kong Limited (Note (iii))	A related party of the former Principal Valuer
Hong Kong Youth Arts Foundation *	Director in common
Wing Hang Bank, Limited (" Wing Hang Bank ") *	Director in common
Industrial and Commercial Bank of China (Asia) Limited (" ICBC (Asia) ")	Director in common
Aedas Limited and its subsidiaries (the " Aedas Group ") *	Director in common
Hong Kong Securities Institute *	Director in common
Dah Sing Bank, Limited (" Dah Sing Bank ")	Director in common
Business Environment Council Limited (Note (iii))	Director in common
HK-BEAM Society *	Director in common
Ocean Park Corporation *	Director in common

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

Notes:

- (i) Jones Lang LaSalle Limited is the current Principal Valuer of The Link REIT who was formally appointed on 17 November 2010 and is responsible for the property valuation of The Link REIT for the year ended 31 March 2011.
- (ii) Knight Frank Petty Limited was the former Principal Valuer of The Link REIT who was responsible for the property valuation of The Link REIT up till the period ended 30 September 2010. The term of office of Knight Frank Petty Limited formally ended on 20 January 2011 and since then, Knight Frank Hong Kong Limited has ceased to be a connected party of The Link REIT.
- (iii) Business Environment Council Limited ceased to be a connected party with effect from 5 November 2010.

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:

	2011	2010
	HK\$'M	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 and other consultancy fees	(3)	(3)
Leasing agency fee paid and payable to Knight Frank Hong Kong Limited (Note (iv))	(3)	(4)
Transactions with the HSBC Group (Note (v))		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities and interest rate swaps	(78)	(81)
Staff expense to the HSBC Group on medical/group life insurance and insurance brokerage fee	(2)	(4)
Rental income from the HSBC Group on leasing of retail units	19	18
Transactions with ICBC (Asia) (Note (v))		
Interest expense and various financing charges to ICBC (Asia) on interest bearing liabilities	(2)	(4)
Rental income from ICBC (Asia) on leasing of retail units	5	4
Interest income from ICBC (Asia) on short-term bank deposits	1	1
Transactions with Wing Hang Bank (Note (v))		
Interest expense and various financing charges to Wing Hang Bank on interest bearing liabilities	(1)	(3)
Architectural/renovation consultancy services fees paid and payable to the Aedas Group (Note (v))	(4)	(6)
Transactions with Dah Sing Bank (Note (v))		
Interest expense and various financing charges to Dah Sing Bank on interest bearing liabilities	(1)	(1)
Rental income from Dah Sing Bank on leasing of retail units	5	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) Jones Lang LaSalle Limited was appointed as the Principal Valuer of The Link REIT with effect from 17 November 2010. Valuation fee paid and payable to Jones Lang LaSalle Limited and Knight Frank Petty Limited for the current year amounted to HK\$3 million and HK\$1 million respectively (2010: HK\$4 million was paid to Knight Frank Petty Limited). The transactions with the Principal Valuer were entered into at arm's length on normal commercial terms.
- (iv) Knight Frank Hong Kong Limited was a related party of Knight Frank Petty Limited, who ceased to be the Principal Valuer with effect from 20 January 2011. Accordingly Knight Frank Hong Kong Limited ceased to be a connected party of The Link REIT. The transactions with Knight Frank Hong Kong Limited were entered into at arm's length on normal commercial terms.
- (v) The transactions were entered into at arm's length on normal commercial terms.

(c) Balances with related parties

Balances with related parties are set out below:

	2011	2010
	HK\$'M	HK\$'M
Interest bearing liabilities with the HSBC Group	(806)	(443)
Net interest rate swaps with the HSBC Group	(159)	(171)
Security deposits from the HSBC Group	(1)	(1)
Net interest payable to the HSBC Group	(6)	(7)
Short-term bank deposits and savings placed with the HSBC Group	27	202
Interest bearing liabilities with Wing Hang Bank	–	(62)
Short-term bank deposits placed with Wing Hang Bank	21	–

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:

	2011	2010
	HK\$'M	HK\$'M
Fees	8	6
Basic salaries, allowances and other benefits	28	47
Long-term incentive plan awards	29	24
	65	77

28 FUTURE MINIMUM RENTAL RECEIVABLES

As at 31 March 2011, the analysis of the Group's aggregate future minimum rental income receivables under non-cancellable operating leases is as follows:

	2011	2010
	HK\$'M	HK\$'M
Within one year	2,703	2,532
Between one and five years	2,772	2,730
Beyond five years	62	100
	5,537	5,362

Most of the operating leases are on fixed terms and for terms of 3 years (2010: 3 years).

29 EVENT AFTER THE REPORTING DATE

Subsequent to 31 March 2011, the Group has signed a new HK\$2.5 billion club loan banking facility with various banks in April 2011 mainly to refinance its current portion of interest bearing liabilities.

Consolidated Financial Statements

Notes to the Consolidated Financial Statements (continued)

30 SUBSIDIARIES

The Link REIT held the following wholly owned subsidiaries as at 31 March 2011:

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

31 APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were authorised for issue by the Board and the Trustee on 1 June 2011.

Valuation Report



Jones Lang LaSalle Limited
Valuation Advisory Services
6/F Three Pacific Place 1 Queen's Road East Hong Kong
tel +852 2846 5000 fax +852 2968 0078
Company Licence No.: C-003464

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牌照號碼C-003464



ISO 9001 : 2008

Certificate No.: CC 568

19 May 2011

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)
33/F, One Landmark East
100 How Ming Street
Kwun Tong
Kowloon
Hong Kong

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

Dear Sirs

THE LINK REIT – ANNUAL VALUATION AS AT 31 MARCH 2011

Instructions

We refer to the instruction from **The Link Management Limited** ("**LML**"), acting as the manager of The Link Real Estate Investment Trust ("**Link REIT**"), and **HSBC Institutional Trust Services (Asia) Limited** ("**Trustee**") to conduct property valuations ("**Valuation**") for the portfolio of retail and car parking facilities ("**Properties**") of the Link REIT for presentation in its 2010-2011 Annual Report in compliance with the relevant requirements set out in the Code on Real Estate Investment Trusts issued by the Securities and Futures Commission of Hong Kong (SFC), the trust deed of the Link REIT dated 6 September 2005 as supplemented from time to time by the supplemental deeds and, where applicable, the Listing Rules of The Stock Exchange of Hong Kong (SEHK).

Valuation Report

Valuer's Interest

We hereby certify Jones Lang LaSalle Limited is independent of the scheme, the trustee, the management company and each of the significant holders of the scheme, as per the Code on Real Estate Investment Trust issued by the SFC.

Basis of Valuation

Unless otherwise stated, our valuation has been prepared in accordance with the "HKIS Valuation Standards on Properties" published by The Hong Kong Institute of Surveyors ("**HKIS**") and our General Principles of Valuation. Where the HKIS Valuation Standards are silent on subjects requiring guidance, we would refer to the "International Valuation Standards" published by the International Valuation Standards Committee ("**IVSC**") and/or "The RICS Valuation Standards" published by the Royal Institution of Chartered Surveyors ("**RICS**"), subject to variation to meet local established law, custom, practice and market conditions.

Our valuation of the Properties is made on the basis of the 'Market Value' adopted by the HKIS, set out as follows:

"Market Value is 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."

Our valuation services have been executed in accordance with our Quality Assurance System, accredited by HKQAA via ISO 9001: 2008 and our report prepared with reference to the assumptions, definitions and limiting conditions as set out in our General Principles of Valuation.

Valuation Methodologies

We have relied on the Income Capitalisation Approach and Discounted Cash Flow Analysis ("**DCF**") as the primary approaches, cross-referenced to the Direct Comparison method.

Income Capitalisation Approach

The income capitalisation approach is based on the capitalisation of the current passing rental income and potential reversionary income over the remaining tenure of the property from the date of valuation at appropriate investment yields to arrive at the capital value. The appropriate adjustments/deductions for rent free period, ongoing vacancy voids/marketing periods and non recoverable expenses for the vacant space have been allowed.

The income capitalisation approach can more accurately reflect these property specific factors by utilising various specific assumptions which have been derived via analysis of market evidence. The ability to apply these assumptions in the capitalisation approach is by far more appropriate for valuing an investment property where investors' emphasis on delivering returns is of paramount importance.

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

Retail	: 5.00% to 7.00%
Car Park	: 5.50% to 9.25%
Blended	: 5.02% to 8.48%

Valuation Report

Discounted Cash Flow Analysis

The DCF approach requires periodic net cash flows to be forecasted over the life of the investment and discounted at a risk-adjusted opportunity cost of capital to arrive at a present value.

The DCF takes into consideration the yearly net cash flows after deductions for expenditure, and having regard to the assumptions made relating to rental growth projections, vacancies, rent frees, replacement reserve, non-recoverable outgoings and leasing costs. The DCF analysis incorporates an assumed 10-year holding period and the reversionary value in year eleven, discounted by an appropriate discount rate to derive a net present value.

The main assumptions made in our DCF analysis, are summarised below:

- Growth and/or inflation rates for retail and car park income, management fees, airconditioning charges for each of the Properties;
- Outgoings such as operating expenses, government rates and rents, agent fee, stamp duty, legal costs, capex have been allowed for;
- Marketing periods, rent-free periods, retention rates and vacancy allowances have been allowed for.

Direct Comparison

Although many types of property in Hong Kong are valued on direct comparison (unit value) approach, this method has inherent limitations in quantitatively capturing various property specific characteristics including the quality of occupancy, existing rental income and reversionary potential, management and levels of performance of the Properties, existing tenant covenants and investors' expectations on returns. The ability to apply these assumptions in the income capitalisation approach is more appropriate for valuing an investment property where investors' emphasis on delivering returns is of paramount importance. The specific factors and assumptions applied within the income capitalisation approach have been derived via analysis and appreciation of market evidence and expectations.

The direct comparison approach is however useful as cross check to the overall unit values (per square foot) derived from the income capitalisation approach.

Valuation Reconciliation

The results of the three valuation methods will be reconciled and the assessed value will be analysed in terms of initial passing yield and internal rate of return and on a dollar per square foot basis.

Valuation Assumptions

The valuations have been made on the assumption that the Link REIT sells the property interests in the open market without the benefit of deferred-terms contracts, leasebacks, joint ventures, management agreements or any similar arrangements which could serve to affect the values of the property interests.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation which may be incurred in effecting sales. Unless otherwise stated, it is assumed that the Properties are free of encumbrances, restrictions and outgoings of an onerous nature which could affect their capital values.

Valuation Report

Title Investigation and Encumbrances

We have been provided with copies of the title documents relating to the Properties. As per the information provided by LML, as at the Valuation Date, all the Properties have obtained their legal titles. We have conducted land searches of the Properties with the Land Registry. However, we have not examined the original documents to verify ownership or to ascertain the existence of any lease amendments, which may not appear on the copies handed to us. All documents and leases have been used for reference only and all dimensions, measurements and areas are approximate.

Site Investigation

We have not carried out any investigations on site in order to determine the suitability of ground conditions and services etc. for future redevelopment, nor did we undertake archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory and that where developments are contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these, or to archaeological or ecological matters. In the course of our assessments, we have assumed that no contamination affecting the Properties or the neighbouring land. However, should it be established subsequently that contamination exists at the Properties or on any neighbouring land, or that the premises have been or are being put to any contaminative use, we reserve the right to adjust the values reported herein.

Plant and Machinery

Our valuation normally includes all plant and machinery that form part of the building services installations. However, process plant, machinery and equipment which may have been installed wholly in connection with the occupiers' commercial processes, together with furniture and furnishings, tenants' fixtures and fittings are excluded in our valuation.

Car Parking Spaces

We are advised that for those Properties where temporary/permanent planning approvals or waivers are required for letting of surplus car parks to non-residents, these have already been or are in the process of being obtained from the relevant Government authorities.

Telecommunication Facilities

We have assumed that all telecommunication facilities at the Properties are permitted and that all necessary approvals have been obtained from the relevant authorities.

Acknowledgement of Information

We have relied to a considerable extent on the information provided by the LML and have accepted advice given to us on such matters as identification of the Properties, planning approvals, statutory notices, easements, tenure, occupation, floor plans, floor areas, tenancy schedule and all other relevant matters.

Valuation Report

In the course of our valuation, we have also made reference to inter alia, the following information as provided by LML:

1. Copy of Tenancy Schedule as at 31 March 2011 and subsequent updates;
2. Copy of Other Retail (including turnover rent, mall merchandising income and miscellaneous income) and Car Park incomes (including Monthly Car Park, Hourly Car Park and miscellaneous income) from March 2010 to February 2011;
3. Copy of Retail and Car Park Actual Income from March 2010 to February 2011
4. Copy of Operating Expenses from March 2010 to February 2011;
5. Copy of Management Fee to Estate Common Area 2011/2012 Budget;
6. Copy of CAPEX schedules as at 31 December 2010;
7. Copy of layout plans of the Properties;
8. Copy of Government Leases, Assignments and Deed of Mutual Covenant Documents of the Properties;

Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore only approximations. No on site measurements have been taken. We have not been instructed to independently verify the information provided to us. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

We have not seen original planning and/or development and occupation consents. We have assumed that the Properties have been erected, being occupied and used in accordance with such consents and that there are no outstanding statutory notices.

Summary of Values

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

Valuation

We are of the opinion that the market value of the unencumbered leasehold interest of the Portfolio, subject to the existing tenancies, as at 31 March 2011, was in the sum of

HK\$67,317,500,000 (HONG KONG DOLLARS SIXTY SEVEN BILLION THREE HUNDRED SEVENTEEN MILLION AND FIVE HUNDRED THOUSAND).

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

Retail Facilities

- Retail value was HK\$57,509,600,000 (Hong Kong Dollars Fifty Seven Billion Five Hundred Nine Million and Six Hundred Thousand)
- Initial Yield of 5.8%

Valuation Report

Car Parking Facilities

- Car Park value was HK\$9,807,900,000 (Hong Kong Dollars Nine Billion Eight Hundred Seven Million and Nine Hundred Thousand)
- Initial Yield of 7.6%

Total Portfolio

- Total portfolio value was HK\$67,317,500,000 (Hong Kong Dollars Sixty Seven Billion Three Hundred Seventeen Million and Five Hundred Thousand)
- Initial Yield of 6.0%

Conversion Factor

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

Jones Lang LaSalle Limited

Lau Chun-kong MRICS, MHKIS, RPS (GP)

International Director

Licence No.: E-131615

Mr. Lau Chun-kong, chartered valuation surveyor, MRICS, MHKIS, RPS (GP), has been a qualified valuer since 1991 and has over 24 years experience in the valuation of properties in Hong Kong.

Enc.

Schedule of Values

No.	Property Name	No.	Property Name
11	Butterfly Plaza	38	Fu Shin Shopping Centre
154	Car Park within Ching Wang Court	58	Fu Tai Shopping Centre
179	Car Park within Chuk Yuen (North) Estate	25	Fu Tung Plaza
175	Car Park within Fung Lai Court	45	Fung Tak Shopping Centre
168	Car Park within Hong Keung Court	5	Hau Tak (II) Shopping Centre
147	Car Park within Ka Tin Court	33	Heng On Commercial Centre
173	Car Park within Kam On Court	34	Hin Keng Shopping Centre
117	Car Park within Kin Ming Estate	134	Hing Man Commercial Centre
172	Car Park within King Lai Court	118	Hing Tin Commercial Centre
174	Car Park within Kwai Hong Court	92	Hing Tung Shopping Centre
141	Car Park within Lai On Estate	48	Hing Wah Plaza
176	Car Park within Lower Wong Tai Sin (I) Estate	81	Hiu Lai Shopping Centre
166	Car Park within Ming Nga Court	31	Ho Man Tin Plaza
144	Car Park within Ning Fung Court	75	Hoi Fu Shopping Centre
178	Car Park within Pang Ching Court	85	Ka Fuk Shopping Centre
150	Car Park within Po Pui Court	7	Kai Tin Shopping Centre
159	Car Park within San Wai Court	78	Kai Yip Commercial Centre
177	Car Park within Sau Mau Ping (I) Estate	72	Kam Tai Shopping Centre
135	Car Park within Tin King Estate	102	Kam Ying Court Shopping Centre
163	Car Park within Tin Yau Court	109	Kin Sang Shopping Centre
133	Car Park within Tin Yuet Estate	76	King Lam Shopping Centre
146	Car Park within Tsui Ping South Estate	55	Kwai Fong Plaza
136	Car Park within Tsz Man Estate	100	Kwai Hing Shopping Centre
167	Car Park within Upper Ngau Tau Kok Estate	62	Kwai Shing East Shopping Centre
129	Car Park within Wah Lai Estate	60	Kwong Fuk Commercial Centre
156	Car Park within Wang Fuk Court	93	Kwong Tin Shopping Centre
161	Car Park within Yee Kok Court	32	Kwong Yuen Shopping Centre
165	Car Park within Yee Nga Court	99	Lai Kok Shopping Centre
152	Car Park within Ying Ming Court	65	Lee On Shopping Centre
151	Car Park within Yue On Court	94	Lei Cheng Uk Shopping Centre
8	Cheung Fat Plaza	51	Lei Tung Commercial Centre
90	Cheung Hang Shopping Centre	35	Lek Yuen Plaza
42	Cheung Hong Commercial Centre	14	Leung King Shopping Centre
83	Cheung Wah Shopping Centre	1	Lok Fu Plaza
16	Choi Ming Shopping Centre	67	Lok Wah Commercial Centre
28	Choi Wan Commercial Complex	70	Long Ping Commercial Centre
15	Choi Yuen Plaza	9	Lung Cheung Plaza
19	Chuk Yuen Plaza	54	Lung Hang Commercial Centre
89	Chun Shek Shopping Centre	63	Mei Lam Commercial Centre
2	Chung Fu Plaza	103	Ming Tak Shopping Centre
26	Chung On Shopping Centre	27	Oi Man Shopping Centre
115	Fortune Shopping Centre	39	Oi Tung Shopping Centre
82	Fu Cheong Shopping Centre	50	On Ting Commercial Complex
52	Fu Heng Shopping Centre	97	On Yam Shopping Centre

Valuation Report

No.	Property Name	No.	Property Name
110	Ping Tin Shopping Centre	66	Shek Yam Shopping Centre
122	Po Hei Court Commercial Centre	10	Sheung Tak Shopping Centre
43	Po Lam Shopping Centre	37	Shun Lee Commercial Centre
36	Po Tat Shopping Centre	119	Shun On Commercial Centre
101	Po Tin Shopping Centre	124	Siu Hei Commercial Centre
71	Retail and Car Park within Ap Lei Chau Estate	105	Siu Lun Shopping Centre
116	Retail and Car Park within Cheung On Estate	20	Siu Sai Wan Plaza
108	Retail and Car Park within Cheung Wang Estate	23	Stanley Plaza
128	Retail and Car Park within Ching Wah Court	86	Sui Wo Court Commercial Centre
170	Retail and Car Park within Choi Fai Estate	56	Sun Chui Shopping Centre
130	Retail and Car Park within Choi Ha Estate	111	Sun Tin Wai Commercial Centre
148	Retail and Car Park within Fung Wah Estate	57	Tai Hing Commercial Centre
123	Retail and Car Park within Hong Pak Court	64	Tai Wo Hau Commercial Centre
169	Retail and Car Park within Hong Shui Court	13	Tai Wo Plaza
137	Retail and Car Park within Hong Yat Court	46	Tai Yuen Commercial Centre
162	Retail and Car Park within Hung Hom Estate	22	Tak Tin Plaza
125	Retail and Car Park within Ko Chun Court	18	Tin Chak Shopping Centre
180	Retail and Car Park within Ko Yee Estate	120	Tin Ma Court Commercial Centre
158	Retail and Car Park within Lok Nga Court	74	Tin Ping Shopping Centre
121	Retail and Car Park within Lok Wah (South) Estate	29	Tin Shing Shopping Centre
127	Retail and Car Park within Mei Chung Court	49	Tin Shui Shopping Centre
139	Retail and Car Park within Nam Cheong Estate	95	Tin Tsz Shopping Centre
153	Retail and Car Park within Po Nga Court	113	Tin Wan Shopping Centre
164	Retail and Car Park within Sau Mau Ping (III) Estate	21	Tin Yiu Plaza
84	Retail and Car Park within Shun Tin Estate	107	Tsing Yi Commercial Complex
149	Retail and Car Park within Siu On Court	69	Tsui Lam Shopping Centre
160	Retail and Car Park within Tai Ping Estate	44	Tsui Ping North Shopping Centre
142	Retail and Car Park within Tin Wah Estate	91	Tsz Ching Shopping Centre (I) & (II)
171	Retail and Car Park within Tin Wang Court	3	Tsz Wan Shan Shopping Centre
155	Retail and Car Park within Tin Yat Estate	61	Un Chau Shopping Centre
132	Retail and Car Park within Tong Ming Court	88	Wah Kwai Shopping Centre
131	Retail and Car Park within Tsui Wan Estate	59	Wah Ming Shopping Centre
140	Retail and Car Park within Tsz Oi Court	106	Wah Sum Shopping Centre
157	Retail and Car Park within Tung Hei Court	79	Wan Tau Tong Shopping Centre
114	Retail and Car Park within Tung Tau Estate	80	Wan Tsui Commercial Complex
126	Retail and Car Park within Wo Ming Court	96	Wang Tau Hom (Wang Fai Centre)
143	Retail and Car Park within Yan Ming Court	17	Wo Che Plaza
138	Retail and Car Park within Yan Shing Court	4	Wong Tai Sin Plaza
145	Retail and Car Park within Ying Fuk Court	24	Yat Tung Shopping Centre
98	Sam Shing Commercial Centre	12	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)
6	Sau Mau Ping Shopping Centre	41	Yau Oi Commercial Centre
30	Sha Kok Commercial Centre	112	Yin Lai Court Shopping Centre
47	Shan King Commercial Centre	68	Yiu On Shopping Centre
87	Shek Lei Shopping Centre Phase I	104	Yiu Tung Shopping Centre
53	Shek Lei Shopping Centre Phase II	40	Yu Chui Shopping Centre
73	Shek Wai Kok Commercial Centre	77	Yung Shing Shopping Centre

Valuation Report

The Link Management Limited

HSBC Institutional Trust Services (Asia) Limited

Schedule of Values

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
1	Lok Fu Plaza	389,243.6	793	188.1	5.02%	3,675.0	8.00%	3,478.5	3,576.8	5.26%	8.43%
	Brief Description:	Lok Fu Plaza, completed between 1983 and 1991, comprises a 6-storey (including basement) commercial building (Commercial Centre I), a 7-storey (including basement) commercial building (Commercial Centre II), a 4-storey car park building (Car Park I), a 2-storey car park building (Car Park II), some Integrated Commercial/Car Park Accommodation in Wang Shun House, Wang Tat House and Wang Yat House as well as Associated Areas in Lok Fu Estate. There are a total of 793 car parking spaces in Lok Fu Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 107,428/335,530th equal and undivided shares of and in New Kowloon Inland Lot No. 6451 and is held under a Government Lease for a term of 50 years from 31 December 2007.									
2	Chung Fu Plaza	216,533.7	1,177	118.7	5.83%	1,958.8	8.00%	1,950.6	1,954.7	6.07%	8.80%
	Brief Description:	Chung Fu Plaza comprises a 9-storey commercial/ car park building (Chung Fu Plaza Phase 1) and a 3-storey commercial building (Chung Fu Plaza Phase 2) connected by a footbridge on the 1st floor, a kindergarten and day nursery respectively on the ground and 1st floors of the Ancillary Facilities Block and open car park spaces in Tin Chung Court. There are a total of 1,177 parking spaces in Chung Fu Plaza. Phase 1 of Chung Fu Plaza was completed in 1999 while Chung Fu Plaza Phase 2 was completed in 2000.									
	Title Details:	The property is held by The Link Properties Limited. Chung Fu Plaza Phase 1 comprises all that piece or parcel of ground in Section A of Tin Shui Wai Town Lot No. 18 and 2,021/363,535th equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No 18 and is held under a Government Lease for a term of 50 years commencing from 8 January 1999. Chung Fu Plaza Phase 2 comprises portion of 50,802/297,568th equal and undivided shares of and in Tin Shui Wai Town Lot No.41 and is held under a Government Lease for a term of 50 years from 8 June 2010.									
3	Tsz Wan Shan Shopping Centre	202,816.7	940	111.9	5.82%	1,887.0	8.00%	1,919.3	1,903.2	5.88%	8.95%
	Brief Description:	Tsz Wan Shan SC, completed in 1997, comprises an 8-storey commercial block with car parking facility (Commercial/Car Park Block), a 3-storey car park (Multi-storey car park), a 3-storey car park building (Car Park Block A), another split-level 4-storey car park building (Car Park Block B), a lift tower, some facilities in Integrated Commercial/Car Park Accommodation in Ancillary Facilities Block, various open car parks and associated areas in Tsz Lok Estate (Open Car Parks). There are a total of 940 car parking spaces in Tsz Wan Shan SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 81,055/481,546th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6442 and is held under a Government Lease for a term of 50 years from 8 October 2007.									



Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
4	Wong Tai Sin Plaza	148,065.6	688	89.5	5.34%	1,639.5	8.00%	1,588.0	1,613.8	5.54%	8.60%
	Brief Description:	Wong Tai Sin Plaza, completed in phases between 1982 and 1983, comprises Commercial Blocks, a 4-storey Multi-storey Commercial/Car Park Accommodation, a 5-storey Commercial/Car Park block, a single storey car park block, some integrated commercial/car park accommodations in Lung Kwong House, Lung Fai House, Lung Lok House and Lung On House, open car parks and associated areas in Lower Wong Tai Sin (2) Estate. There are a total of 688 car parking spaces in Wong Tai Sin Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 51,200/323,235th equal and undivided shares of and in New Kowloon Inland Lot No 6438 and is held under a Government Lease for a term of 50 years commencing from 17 May 2007.									
5	Hau Tak (II) Shopping Centre	178,620.4	623	91.6	5.42%	1,612.5	8.00%	1,568.8	1,590.7	5.76%	8.64%
	Brief Description:	Hau Tak (II) SC, completed in 1993, comprises two 5-storey Commercial/Car Park Blocks (East Wing & West Wing), various open car parks and associated areas in Hau Tak Estate. There are a total of 623 car parking spaces in Hau Tak (II) 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.									
6	Sau Mau Ping Shopping Centre	158,753.1	611	89.1	5.79%	1,522.2	8.00%	1,464.3	1,493.3	5.97%	8.56%
	Brief Description:	Sau Mau Ping SC, completed in 2002, comprises a 4-storey Commercial/Car Park Block, a 5-storey car park podium of the Ancillary Facilities Building (Multi-storey Car Park A) and some associated areas in Sau Mau Ping Estate. There are a total of 611 car parking spaces in Sau Mau Ping SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 57,670/833,450th equal and undivided shares of and portion of 10/833,450th equal and undivided shares of and in New Kowloon Inland Lot No. 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
7	Kai Tin Shopping Centre	184,435.5	461	92.3	5.81%	1,515.0	8.00%	1,460.2	1,487.6	6.21%	8.58%
	Brief Description:	Kai Tin SC, completed by phases in 1999 & 2003, comprises a 7-storey Commercial/Car Park Block, a 5-storey Kai Tin Shopping Centre and various associated areas and car parks in Kai Tin Estate. There are a total of 461 car parking spaces in Kai Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 65,207/256,946th equal and undivided shares of and in New Kowloon Inland Lot No 6481 and is held under a Government Lease for a term of 50 years commencing from 29 September 2009.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
8	Cheung Fat Plaza	165,972.7	590	85.9	5.84%	1,456.1	8.00%	1,402.5	1,429.3	6.01%	8.57%
	Brief Description:	Cheung Fat Plaza, 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 Plaza.									
	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.									
9	Lung Cheung Plaza	154,231.4	473	84.5	5.54%	1,455.5	8.00%	1,372.5	1,414.0	5.97%	8.43%
	Brief Description:	Lung Cheung Plaza, completed in 2001, comprises a 5-storey (including a basement level) Commercial/Car Park Accommodation and some associated areas in Upper Wong Tai Sin Estate. There are a total of 473 car parking space in Lung Cheung Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 53,974/311,854th equal and undivided shares of and in New Kowloon Inland Lot No. 6439 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
10	Sheung Tak Shopping Centre	129,762.4	1,280	89.2	5.87%	1,434.1	8.00%	1,391.3	1,412.7	6.31%	8.62%
	Brief Description:	Sheung Tak SC, completed in 1998, comprises a 4-storey commercial/car park block (Commercial/Car Park Block), three 5-storey car park buildings (Car Parks A, B and C), Integrated Commercial/Car Park Accommodation on the ground floor of Sheung Mei House, various open car parks and associated areas in Sheung Tak Estate. There are a total of 1,280 car parking spaces in Sheung Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 95,092/467,545th equal and undivided shares of and in Tseung Kwan O Town Lot No 98 and is held under a Government Lease for a term of 50 years from 26 March 2007.									
11	Butterfly Plaza	175,388.9	313	78.2	5.81%	1,394.4	8.00%	1,368.5	1,381.5	5.66%	8.70%
	Brief Description:	Butterfly Plaza, completed in 1983, comprises a 3-storey commercial building with market (Commercial Complex), various shop units on the ground and first floors of Tip Sum House (Integrated Commercial/ Car Park Accommodation) and Tip Ling House (Integrated Commercial/ Car Park Accommodation), a 4-storey car park building (Multi-storey Car Park), cooked food stalls at the Commercial Area near Block 6, various open car parks, open loading and unloading spaces and associated area in Butterfly Estate. There are a total of 313 parking spaces in Butterfly Plaza.									
	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.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
12	Yau Mei & Ko Cheung (Lei Yue Mun Plaza)	99,180.7	0	75.8	5.75%	1,230.1	8.00%	1,174.5	1,202.3	6.30%	8.51%
	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.									
13	Tai Wo Plaza	142,741.8	454	74.4	5.90%	1,222.6	8.00%	1,181.5	1,202.1	6.19%	8.60%
	Brief Description:	Tai Wo Plaza, completed in 1989, comprises two Commercial/Car Park Blocks (Phase 1: 3-storey plus a Basement level and Phase 2: 2-storey plus a Basement level), a single storey Cooked Food Centre and Portions of the Integrated HA Accommodation comprising shops, stores, offices and clinics on the ground, second and third floors of Oi Wo House and shops, offices and clinics on the ground, second and third floors of On Wo House and the entrance access on the ground floor of Hei Wo House that leads to the ground floor of Phase 1 Commercial Block in Tai Wo Estate. There are a total of 454 car parking spaces in Tai Wo Plaza.									
	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 commencing from 10 February 2000.									
14	Leung King Shopping Centre	202,892.9	616	58.5	6.05%	1,150.7	8.00%	1,206.1	1,178.4	4.97%	9.03%
	Brief Description:	Leung King SC, completed in 1988, comprises a 4-storey commercial/ car park building (Commercial/ Car Park Block), HA Open Car Parks and HA Road in Leung King Estate. There are a total of 616 car 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 commencing from 8 February 2001.									
15	Choi Yuen Plaza	114,009.0	536	73.4	5.94%	1,174.6	8.00%	1,164.4	1,169.5	6.28%	8.73%
	Brief Description:	Choi Yuen Plaza, completed in 1982, comprises a 6-storey (include a basement level) retail/car park building (Commercial/Car Park Block), open car parks, associated areas and various shop units in Choi Chu House, Choi Yuk House, Choi Ping House and Choi Wah House (Integrated Commercial/Car Park Accommodation) in Choi Yuen Estate. There are a total of 536 car parking spaces in Choi Yuen Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,746/286,392nd equal and undivided shares of and in Fanling Sheung Shui Town Lot No 230 and is held under a Government Lease for a term of 50 years from 17 September 2005.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
16	Choi Ming Shopping Centre	98,383.9	765	69.8	5.84%	1,143.0	8.00%	1,104.4	1,123.7	6.21%	8.60%
	Brief Description:	Choi Ming SC comprises a 5-storey (including the basement) Commercial / Car Park Block, an 8-storey Carport Building, all those covered parking spaces on the ground floor of Choi Ming Court and the ground floor of a 6-storey Retail / Car Park Building in Kin Ming Estate (Known as Extension Block). There are a total of 765 car parking spaces in Choi Ming SC. Choi Ming Court was completed in 2001 and the Extension Block was completed in 2003.									
	Title Details:	The property is held by The Link Properties Limited. Choi Ming Shopping Centre (within Choi Ming Court's portion) 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 commencing from 4 May 2001. Choi Ming Shopping Centre Extension Block comprises portion of 39,133/420,644th equal and undivided shares of and in Tseung Kwan O Town Lot No.109 and is held under a Government Lease for a term of 50 years from 15 March 2010.									
17	Wo Che Plaza	191,310.4	828	64.5	5.96%	1,067.4	8.00%	1,041.5	1,054.5	6.12%	8.66%
	Brief Description:	Wo Che Plaza, completed in 1977, comprises a 4-storey retail/car park building (Commercial/Car Park Block), various retail units on the ground floors of Tai Wo House, Foo Wo House, King Wo House, Hau Wo House and Chi Wo House (Integrated Commercial/Car Park Accommodation), associated areas and open car parks in Wo Che Estate. There are a total of 828 car parking spaces in Wo Che Plaza.									
	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. 529 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
18	Tin Chak Shopping Centre	142,038.5	302	65.9	6.05%	1,049.2	8.00%	1,030.2	1,039.7	6.34%	8.71%
	Brief Description:	Tin Chak SC, completed in 2001, comprises a 4-storey commercial block, a 4-storey car park building, kiosk at the entrance of the commercial block and associate areas in Tin Chak Estate. There are a total of 302 car parking spaces in Tin Chak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,810/272,897th equal and undivided shares of and in Tin Shui Wai Town Lot No 37 and is held under a Government Lease for a term of 50 years commencing from 14 October 2005.									
19	Chuk Yuen Plaza	135,143.5	1,103	59.6	6.07%	985.9	8.00%	966.3	976.1	6.10%	8.69%
	Brief Description:	Chuk Yuen Plaza, completed in 1984, comprises a 5-storey commercial block with basement car park (Commercial/Car Park Block), a 4-storey car park podium of Chui Yuen House (Multi-storey Car Park Accommodation), various shop units on the ground and second floors of Sau Yuen House, various free standing cooked food stalls (Cooked Food Stalls), various open car parking spaces (Open Car Parks) and associated areas in Chuk Yuen South Estate. There are a total of 1,103 car parking spaces in Chuk Yuen Plaza.									
	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.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
20	Siu Sai Wan Plaza	101,136.5	558	59.3	5.88%	966.4	8.00%	934.2	950.3	6.24%	8.59%
	Brief Description:	Siu Sai Wan Plaza, completed in 1989, comprises a 5-storey Shopping Centre interconnected with a 12-level Car Park Block, a 2-storey Car Park Block (i.e. Siu Sai Wan Estate Phase 3 Car Park), a post office (i.e. the Integrated Commercial Accommodation) on the ground floor of Sui Yick House and various car parking spaces in Siu Sai Wan Estate. There are a total of 558 car parking spaces in Siu Sai Wan Plaza.									
	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.									
21	Tin Yiu Plaza	96,073.9	480	57.3	6.12%	938.6	8.00%	926.5	932.6	6.15%	8.75%
	Brief Description:	Tin Yiu Plaza, completed in 1992, comprises a 4-storey commercial/car park building (Commercial/Car Park Block), open car parks and associated areas in Tin Yiu Estate. There are a total of 480 car parking spaces in Tin Yiu Plaza.									
	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.									
22	Tak Tin Plaza	97,324.3	754	53.9	6.24%	857.0	8.00%	855.6	856.3	6.30%	8.83%
	Brief Description:	Tak Tin Plaza, completed in 1991, comprises a 4-storey commercial building (Commercial Block), a 7-storey (14 split-levels) car park building (Car Park Block A), a 6-storey (10 split-levels) car park building (Car Park Block B), a single-storey car park podium (Car Park Block C) located underneath the residential block of Tak Hong House, open car parking spaces near to Tak Shing House, and portions of the Integrated HA Accommodation on the 2nd Floor of Tak King House in Tak Tin Estate. There are a total of 754 car parking spaces in Tak Tin Plaza.									
	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.									
23	Stanley Plaza	94,925.3	411	31.8	5.86%	822.2	8.00%	838.9	830.6	3.83%	8.83%
	Brief Description:	Stanley Plaza, completed in phases between 1999 and 2000, consists of three portions. Portion 1, Stanley Plaza, comprises a 6-storey retail/car park building (Commercial/ Car Park Block), a 3-storey retail building (Murray House) and three single-storey shop stalls/kiosks at the Village Square together with the open venue thereof. Portion 2 comprises various open car parking spaces near Lung Tak Court within Ma Hang Estate. Portion 3 comprises two shop units on the ground floor of Leung Ma House and the 2-storey basement car park building (Basement Car Park Block) situated adjacent to Leung Ma House of Ma Hang Estate. There are a total of 426 car parking spaces in Stanley Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 37,045/116,974th equal and undivided shares of and in Stanley Inland Lot No.98 and is held under a Government Lease for a term of 50 years from 11 June 2009.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
24	Yat Tung Shopping Centre	192,709.3	1,900	49.1	6.07%	807.7	8.00%	793.4	800.6	6.13%	8.71%
	Brief Description:	Yat Tung SC, completed in phases between 2001 and 2003, comprises a 3-storey Commercial Centre 1 (Commercial Blocks), a 4-storey Commercial Centre 2 (Commercial Blocks), a 6-storey Car Park Block (Multi-Storey Car Park 1), a second 6-storey Car Park Block (Commercial/Car Park Block), a third 6-storey Car Park Block (Multi-Storey Car Park 3), various open car parks and associated areas in Yat Tung Estate. There are a total of 1,900 car parking spaces in Yat Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 107,811/930,819th equal and undivided shares of and in Tung Chung Town Lot No 30 and is held under a Government Lease for a term of 50 years from 5 February 2009.									
25	Fu Tung Plaza	103,986.1	537	46.4	6.12%	747.7	8.00%	754.6	751.2	6.18%	8.90%
	Brief Description:	Fu Tung Plaza, completed in 1997, comprises a 4-storey retail /car park building (Commercial/Car Park Block), a 3-storey car park building (Car Park Block) and various open car parks (Open Car Parks) and associated areas in Fu Tung Estate. There are a total of 537 car parking spaces in Fu Tung Plaza.									
	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.									
26	Chung On Shopping Centre	83,805.5	995	47.2	6.53%	712.9	8.00%	731.8	722.4	6.54%	9.03%
	Brief Description:	Chung On SC, completed in 1996, comprises a 6-storey (including roof) Commercial/Car Park Block with associated areas, covered parking spaces on the ground floor of Chung Ping House (namely the Integrated Commercial/Car Park Accommodation) and all the open car parks in Chung On Estate. There are a total of 995 car parking spaces in Chung On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,385/223,886th equal and undivided shares of and in Sha Tin Town Lot No 544 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
27	Oi Man Shopping Centre	204,322.8	808	30.5	6.31%	681.2	8.00%	696.6	688.9	4.43%	8.99%
	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.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
28	Choi Wan Commercial Complex	166,172.5	859	36.1	6.07%	677.9	8.00%	671.5	674.7	5.34%	8.77%
	Brief Description:	Choi Wan CC, completed in 1980, comprises a 5-storey (with split-levels on lower ground, ground and first floors) retail/car park building standing beside Block 6 (Commercial/Car Park Block 1), a 7-storey retail/car park building beside Block 15 (Commercial/Car Park Block 2), a 2-storey building (Commercial Block 1), various shop units on the ground and first floors of Fei Fung House, various free standing cooked food stalls (Commercial Block 2) and various open car parks, associated areas and integrated accommodations in Choi Wan Estate (Open Car Parks). There are a total of 859 car parking spaces in Choi Wan CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 61,003/394,552th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No. 6461 and is held under a Government Lease for a term of 50 years from 29 December 2008.									
29	Tin Shing Shopping Centre	80,222.8	1,458	44.1	6.48%	659.2	8.00%	668.7	664.0	6.64%	8.95%
	Brief Description:	Tin Shing SC, completed in 2000, comprises an 8-storey commercial/car park building (Ting Shing Commercial Centre), a 3-storey kindergarten and day nursery (Ancillary Facilities Block) in Tin Shing Estate. There are a total of 1,458 car parking spaces in Tin Shing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,480/357,800th equal and undivided shares of and in the Remaining Portion of Tin Shui Wai Town Lot No 17 that is held under a Government Lease for a term of 50 years from 28 November 1997.									
30	Sha Kok Commercial Centre	101,841.3	662	40.5	6.39%	617.0	8.00%	625.9	621.5	6.52%	8.94%
	Brief Description:	Sha Kok CC, completed in 1980, comprises a 4-storey retail/car park building (Commercial Block), various shop units on the ground floors of Sand Martin House and Osprey House (Integrated Commercial/Car Park Accommodation), several cooked food stalls and open car parks in Sha Kok Estate. There are a total of 662 car parking spaces in Sha Kok CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,438/340,309th equal and undivided shares of and in Sha Tin Town Lot No 552 and is held under a Government Lease for a term of 50 years from 3 July 2008.									
31	Ho Man Tin Plaza	101,856.6	299	37.1	6.20%	608.0	8.00%	600.8	604.4	6.14%	8.76%
	Brief Description:	Ho Man Tin Plaza, completed in 2001, comprises a 4-storey commercial/car park building and a 3-storey car park block in Homantin Estate. There are a total of 299 car parking spaces in Ho Man Tin Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,411/57,202nd equal and undivided shares of and in Section A and 20,327/214,270th equal and undivided shares of and in the Remaining Portion of Kowloon Inland Lot No 11119 that is held under a Government Lease for a term of 50 years from 20 November 1998.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
32	Kwong Yuen Shopping Centre	80,611.0	736	39.2	6.47%	597.6	8.00%	608.0	602.8	6.49%	8.97%
	Brief Description:	Kwong Yuen SC, completed in 1991, comprises five 2-storey to 3-storey retail buildings (Commercial Complex-Commercial Block Nos 1-5) with associated area, two separate 5-storey and 6-storey car park buildings (Car Park Block Nos 1 & 2) with associated area and open car parks in Kwong Yuen Estate. There are a total of 736 car parking spaces in Kwong Yuen SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 29,929/279,026th equal and undivided shares of and in Sha Tin Town Lot No 506 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
33	Heng On Commercial Centre	114,904.9	585	37.2	6.54%	558.9	8.00%	569.4	564.2	6.60%	8.98%
	Brief Description:	Heng On CC, completed in 1987, comprises a 5-storey commercial/car park building (Commercial/Car Park Block), all those associated areas and lorry parking spaces along the Estate Roads in Heng On Estate. There are a total of 585 car parking spaces in Heng On CC.									
	Title Details:	The property is held by The Link Properties Limited. The Commercial/Car Park Block and Associated Areas comprises 39,206/40,931st 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.									
34	Hin Keng Shopping Centre	95,227.2	636	34.4	6.39%	549.9	8.00%	556.0	553.0	6.22%	8.91%
	Brief Description:	Hin Keng SC, completed in 1987, comprises a 6-storey retail/car park building with basement floor (Commercial/Car Park Complex), open car parks, several cooked food stalls and HA Roads in Hin Keng Estate. There are a total of 636 car parking spaces in Hin Keng SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 37,320/396,392nd equal and undivided shares of and in Sha Tin Town Lot No 503 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
35	Lek Yuen Plaza	105,967.2	438	33.4	6.19%	552.7	8.00%	547.3	550.0	6.07%	8.77%
	Brief Description:	Lek Yuen Plaza, completed in 1976, comprises a 3-storey retail /car park block (Commercial/Car Park Block), various retail units and premises on the ground to second floors of Wing Shui House, Wah Fung House, Fu Yu House, Fook Hoi House and Kwai Wo House (Integrated Commercial/Car Park Accommodation) as well as open car parks in Lek Yuen Estate. There are a total of 438 car parking spaces in Lek Yuen Plaza.									
	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.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
36	Po Tat Shopping Centre	83,780.7	1,083	35.9	6.35%	544.8	8.00%	544.7	544.8	6.58%	8.84%
	Brief Description:	Po Tat SC, completed in 2002, comprises a 7-storey retail/car park building (Commercial Centre), two 3-storey car park podiums underneath Blocks A to C (Car Park Podium I) and Blocks D to F (Car Park Podium II), Integrated Commercial/Car Park Accommodation in Tat Cheung House and various associated areas in Po Tat Estate. There are a total of 1,083 car parking spaces in Po Tat SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 75,195/546,029th equal and undivided shares of and in New Kowloon Inland Lot No 6470 and is held under a Government Lease for a term of 50 years from 9 April 2009.									
37	Shun Lee Commercial Centre	214,320.6	731	31.4	6.34%	539.1	8.00%	542.7	540.9	5.81%	8.88%
	Brief Description:	Shun Lee CC, completed in 1978, comprises a 4-storey Commercial Complex I, a 3-storey Commercial Complex II, a 3-storey Car Park Block A, a 3-storey Car Park Block C and retail units at Lee Foo House, Lee Hong House, Lee Yat House and Lee Yip House as well as open car parks in Shun Lee Estate. There are a total of 731 car parking spaces in Shun Lee CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 56,354/295,872nd equal and undivided shares of and in New Kowloon Inland Lot No. 6465 and is held under a Government Lease for a term of 50 years from 31 March 2010.									
38	Fu Shin Shopping Centre	98,035.4	525	32.5	6.45%	523.9	8.00%	531.5	527.7	6.17	8.94%
	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.									
39	Oi Tung Shopping Centre	81,144.3	634	31.4	6.27%	521.3	8.00%	529.3	525.3	5.98%	8.95%
	Brief Description:	Oi Tung SC, completed in 2000, comprises a 3-storey retail building (Commercial Centre), a 6-storey car-parking podium accommodating various welfare units and car parking spaces within Oi Sin House (Multi-storey Commercial/Car Park Accommodation and the Integrated Commercial/Car Park Accommodation) and various associated areas in Oi Tung Estate. There are a total of 634 car parking spaces in Oi Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,910/194,191st equal and undivided shares of and in Shau Kei Wan Inland Lot No 849 and is held under a Government Lease for a term of 50 years from 17 September 2005.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
40	Yu Chui Shopping Centre	105,641.0	1,175	32.9	6.29%	522.4	8.00%	522.2	522.3	6.30%	8.84%
	Brief Description:	Yu Chui SC, completed in 2001, comprises a 7-storey including mezzanine floor shopping centre (Commercial Complex), a 4-storey stand-alone ancillary facilities building (Car Park and Ancillary Facilities Block) and various open loading and unloading spaces in Yu Chui Court. There are a total of 1,175 car parking spaces provided in Yu Chui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 48,967/361,200th equal and undivided shares of and in Sha Tin Town Lot No 462 and is held under a Government Lease for a term of 50 years from 18 May 2001.									
41	Yau Oi Commercial Centre	101,060.8	780	29.5	6.35%	507.9	8.00%	506.4	507.2	5.82%	8.82%
	Brief Description:	Yau Oi CC, completed in 1980, comprises a 3-storey commercial complex composing the Restaurant Block and portions of Oi Yung House, an annexed single storey commercial podium, a 6-storey (including Mezzanine Floor) car park and market building, a 4-storey split-level car park building, various cooked food stalls and open car parks in Yau Oi Estate. There are a total of 780 parking spaces in Yau Oi CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,037/551,040th equal and undivided shares of and in Tuen Mun Town Lot No 479 and is held under a Government Lease for a term of 50 years from 14 July 2010.									
42	Cheung Hong Commercial Centre	135,136.8	709	28.3	6.67%	487.8	8.00%	503.7	495.8	5.72%	9.06%
	Brief Description:	Cheung Hong CC, completed in 1980, comprises a 5-storey (including Lower Ground Floor) commercial/car park building known as Commercial Centre No 1, a 4-storey commercial building known as Commercial Centre No 2, a 3-storey car park building known as Car Park Block No 1, a 3-storey car park/market/games area complex known as Car Park Block No 2, various shop stalls and welfare units on the ground and 1st floors of Hong Wo House, various shop units at Hong Fu House, Hong Tai House and Hong Kwai House, a 2-storey restaurant block, various cook food stalls and open car parks within Cheung Hong Estate. There are a total of 709 car parking spaces in Cheung Hong CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 48,055/467,365th equal and undivided shares of and in Tsing Yi Town Lot No 175 and is held under a Government Lease for a term of 50 years from 10 September 2009.									
43	Po Lam Shopping Centre	101,725.9	398	30.6	6.45%	485.2	8.00%	493.1	489.2	6.26%	8.95%
	Brief Description:	Po Lam SC, completed in 1989, comprises a 4-storey Commercial Complex I, a 3-storey Commercial Complex II, a 3-storey Car Park Block, the Integrated HA Accommodation in Po Ning House and Po Kan House, various open car parks as well as the electricity sub-station in Po Lam Estate. There are a total of 398 car parking spaces in Po Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 25,495/341,494th equal and undivided shares of and in Tseung Kwan O Town Lot No 88 and is held under a Government Lease for a term of 50 years from 19 October 2004.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
44	Tsui Ping North Shopping Centre	109,106.2	421	30.0	6.40%	487.6	8.00%	490.7	489.2	6.14%	8.89%
	Brief Description:	Tsui Ping North SC, completed in 1990, comprises a 2-storey retail podium with associated areas (Commercial Complex), a 4-storey car park building with associated area and external walls (Car Park Block), portions of the Integrated HA Accommodation in Tsui Tsz House, Tsui Lau House, Tsui Pak House, Tsui On House, Tsui Yue House and Tsui To House as well as various open car parks in Tsui Ping (North) Estate. There are a total of 421 car parking spaces in Tsui Ping North SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,542/345,220th equal and undivided shares of and in Kwun Tong Inland Lot No 754 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
45	Fung Tak Shopping Centre	72,302.7	487	28.5	6.17%	488.9	8.00%	484.3	486.6	5.86%	8.77%
	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.									
46	Tai Yuen Commercial Centre	130,100.4	594	29.4	5.94%	479.1	8.00%	492.8	486.0	6.05%	8.94%
	Brief Description:	Tai Yuen CC, completed in 1980, comprises a 3-storey (including basement) commercial building (Commercial Block A), a 4-storey commercial building (Commercial Block B), a 4-storey Car Park Block, various commercial accommodations in Tai Wing House, Tai Man House and Tai Tak House, various associated areas, a pump room and various open car parks in Tai Yuen Estate. There are a total of 594 car parking spaces in Tai Yuen CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,718/353,530th equal and undivided shares of and in Tai Po Town Lot No 192 and is held under a Government Lease for a term of 50 years commencing from 29 June 2007.									
47	Shan King Commercial Centre	128,134.6	638	28.6	6.37%	472.5	8.00%	485.9	479.2	5.97%	9.02%
	Brief Description:	Shan King CC, completed in 1983, comprises a 5-storey Car Park/Commercial Complex, a 4-storey Car Park/Community Block, portions of the Integrated HA Accommodation on the ground and second floors of King Wah House, the ground floor cooked food stalls and open car parks in Shan King Estate. There are a total of 638 car parking spaces in Shan King CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,369/477,867th equal and undivided shares of and in Tuen Mun Town Lot No 469 and is held under a Government Lease for a term of 50 years from 20 August 2004.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
48	Hing Wah Plaza	81,981.8	268	28.1	5.85%	472.4	8.00%	461.4	466.9	6.01%	8.67%
	Brief Description:	Hing Wah Plaza, completed in 2000, comprises a 2-storey Commercial Centre, a 9-storey Car Park Block, the Integrated Commercial/Car Park Accommodation on the ground floor (Podium Level) of May Wah House and associated areas in Hing Wah Estate. There are a total of 268 car parking spaces in Hing Wah Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,675/160,197th equal and undivided shares of and in Chai Wan Inland Lot No 177 and is held under a Government Lease for a term of 50 years from 28 February 2007.									
49	Tin Shui Shopping Centre	74,139.2	577	32.3	6.37%	455.8	8.00%	469.6	462.7	6.98%	8.94%
	Brief Description:	Tin Shui SC, completed in 1992, comprises a 2-storey commercial block, a 4-storey commercial/car park block (connected internally and together known as Commercial/ Car Park Block), various open car parks and associated areas in Tin Shui Estate. There are a total of 577 car parking spaces in Tin Shui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 34,646/599,404th equal and undivided shares of and in Tin Shui Wai Town Lot No 39 and is held under a Government Lease for a term of 50 years from 5 September 2007.									
50	On Ting Commercial Complex	108,015.5	546	25.4	6.31%	459.1	8.00%	461.4	460.3	5.52%	8.88%
	Brief Description:	On Ting CC, completed in 1980, comprises a 5-storey (including a Mezzanine Floor) Car Park and Market Building, a 6-storey Commercial Accommodation that occupies portion of Ting Cheung House, an adjacent 3-storey new Annex Block, a Restaurant Block and various open car parks and associated areas in On Ting Estate. There are a total of 546 car parking spaces in On Ting CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 41,242/323,574th equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No 476 and is held under a Government Lease for a term of 50 years from 29 September 2009.									
51	Lei Tung Commercial Centre	90,775.7	687	20.7	6.53%	421.5	8.00%	433.5	427.5	4.84%	9.03%
	Brief Description:	Lei Tung CC, completed in 1988, comprises a 4-storey retail building (Commercial Complex 1) and a 7-storey (including 3 split-level basement car parks) retail/car park building (Commercial Complex 2) interlinked by 2 footbridges across Lei Tung Estate Bus Terminus, a 4-level car park/market building (Car Park/Market Block), a 3-level car park/community hall building (Car Park/Community Hall Block), various ancillary units and car parking spaces on ground, second & third floors of Tung Hing House, ground floor of Tung Mau House, basement, ground & second floors of Tung Sing House, second to fourth floors of Tung On House (Portions of the Integrated HA Accommodation) and various associated areas within Commercial Complex 1, Car Park/ Market Block and Car Park/Community Hall (Associated Areas to the Detached HA Accommodation) within Lei Tung Estate. There are a total of 687 car parking spaces in Lei Tung CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 45,424/451,716th equal and undivided shares of and in Ap Lei Chau Inland Lot No 133 and is held under a Government Lease for a term of 50 years from 20 December 2004.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
52	Fu Heng Shopping Centre	56,455.1	517	27.5	6.60%	417.2	8.00%	428.9	423.1	6.49%	9.04%
	Brief Description:	Fu Heng SC, completed in 1990, comprises a 3-storey (including a Semi-Basement) Commercial/Car Park Building with a 2-storey Car Park/Indoor Recreational Centre annexed thereto (i.e. Multi-purpose Complex), a 3-storey Car Park Block and various open car parking spaces on the estate road of Fu Heng Estate. The Indoor Recreational Centre does not form part of Fu Heng SC. There are a total of 517 car parking spaces in Fu Heng SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 22,900/358,013th equal and undivided shares of and in Tai Po Town Lot No 178 and is held under a Government Lease for a term of 50 years commencing from 10 February 2000.									
53	Shek Lei Shopping Centre Phase II	84,406.4	179	25.5	6.37%	419.7	8.00%	421.2	420.5	6.07%	8.86%
	Brief Description:	Shek Lei SC Phase II, completed in 1999, comprises a 6-storey commercial/car park building (Commercial/Car Park Block) in Shek Lei Estate. There are a total of 179 car parking spaces in Shek Lei SC Phase II.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 28,398/655,826th equal and undivided shares of and in The Remaining Portion of Kwai Chung Town Lot No. 505 and is held under a Government Lease for a term of 50 years from 31 March 2010.									
54	Lung Hang Commercial Centre	69,224.6	440	24.8	6.41%	419.6	8.00%	420.5	420.1	5.91%	8.86%
	Brief Description:	Lung Hang CC, completed in 1983, comprises a 3-storey retail/car park building (Commercial Complex), a single storey market building (Market), a single storey car park building (Car Park Block), cooked food stalls and open car parks in Lung Hang Estate. There are a total of 440 car parking spaces in Lung Hang CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,047/289,255th equal and undivided shares of and in Sha Tin Town Lot No 557 and is held under a Government Lease for a term of 50 years from 31 March 2010.									
55	Kwai Fong Plaza	57,648.3	483	26.4	6.36%	415.5	8.00%	418.0	416.8	6.33%	8.88%
	Brief Description:	Kwai Fong Plaza, completed by phases in 1995 and 2000, comprises a 6-storey Car Park Block 1, the roof and upper roof of Car Park Block 2, a 2-storey Commercial/Car Park Block, the Integrated Commercial/Car Park Accommodations in Kwai Oi House and Kwai Kin House, the Multi-storey Commercial/Car Park Accommodation, open car parks and associated areas in Kwai Fong Estate. There are a total of 483 car parking spaces in Kwai Fong Plaza.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 24,107/408,730th equal and undivided shares of and in Kwai Chung Town Lot No 500 and is held under a Government Lease for a term of 50 years from 27 March 2009.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
56	Sun Chui Shopping Centre	67,735.4	620	23.8	6.43%	407.4	8.00%	410.1	408.8	5.83%	8.89%
	Brief Description:	Sun Chui SC, completed in 1983, comprises a 2-storey retail building (Commercial Centre), a single storey market building (Market), a separate 3-storey car park building (Car Park 1), two separate single storey car park buildings (Car Parks 2 & 3), premises on the ground and second floors of Sun Yee House (Portions of the Integrated HA Accommodation), several cooked food stalls and open car parks in Sun Chui Estate. There are a total of 620 car parking spaces in Sun Chui SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,934/395,903rd equal and undivided shares of and in Sha Tin Town Lot No 554 and is held under a Government Lease for a term of 50 years from 25 May 2009.									
57	Tai Hing Commercial Centre	112,919.0	672	19.5	6.48%	394.1	8.00%	401.6	397.9	4.90%	8.98%
	Brief Description:	Tai Hing CC, completed in 1977, comprises two 2-storey commercial blocks (Blocks 1 & 2), various open car parks and associated areas in Tai Hing Estate. Commercial Block 1 is intersected by Tai Fong Street into two parts and connected via a footbridge on the 1st floor. There are a total of 672 car parking spaces in Tai Hing CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 27,288/474,882nd equal and undivided shares of and in Remaining Portion of Tuen Mun Town Lot No 484 and is held under a Government Lease for a term of 50 years from 18 March 2009.									
58	Fu Tai Shopping Centre	64,002.3	635	26.0	6.37%	396.1	8.00%	395.3	395.7	6.57%	8.83%
	Brief Description:	Fu Tai SC, completed in 2000, comprises a 6-storey Commercial /Car Park Accommodation, various open car parks and associated areas in Fu Tai Estate. There are a total of 635 car parking spaces in Fu Tai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,769/382,833rd equal and undivided shares of and in Tuen Mun Town Lot No 418 and is held under a Government Lease for a term of 50 years from 12 March 2001.									
59	Wah Ming Shopping Centre	66,506.7	295	25.3	6.48%	393.1	8.00%	397.5	395.3	6.40%	8.92%
	Brief Description:	Wah Ming SC, completed in 1990, comprises two 3-storey retail/car park blocks (Commercial/Car Park Blocks) interlinked by a footbridge on the second floor, and portions of the parking areas within Wah Ming Estate. There are a total of 295 carparking 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.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
60	Kwong Fuk Commercial Centre	68,938.2	461	24.2	6.58%	385.7	8.00%	395.4	390.6	6.21%	9.01%
	Brief Description:	Kwong Fuk CC, completed in 1983, comprises a 3-storey Commercial Complex erected over a 2-storey Car Park and Market Complex, various ground floor shops at Kwong Yan House, all the cooked food stalls and open car parks within Kwong Fuk Estate. There are a total of 461 parking spaces in Kwong Fuk CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,946/351,384th equal and undivided shares of and in Tai Po Town Lot No 196 and is held under a Government Lease for a term of 50 years from 17 March 2010.									
61	Un Chau Shopping Centre	50,456.5	213	24.2	5.98%	393.0	8.00%	382.9	388.0	6.23%	8.65%
	Brief Description:	Un Chau SC, completed in 1999, comprises a 2-storey retail building (Commercial Podium), a single-storey car park podium under Un Hong House (Car Park Podium) and a 2-storey car park building (Car Park Block) in Un Chau Estate. There are a total of 213 car parking spaces in Un Chau SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,388/355,830th equal and undivided shares of and in New Kowloon Inland Lot No 6478 and is held under a Government Lease for a term of 50 years from 11 March 2010.									
62	Kwai Shing East Shopping Centre	111,582.9	583	20.0	6.20%	380.0	8.00%	378.7	379.4	5.28%	8.81%
	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 held by The Link Properties Limited. It comprises 50,672/426,967th equal and undivided shares of and in Kwai Chung Town Lot No 498 and is held under a Government Lease for a term of 50 years from 13 October 2009.									
63	Mei Lam Commercial Centre	86,236.2	375	23.0	6.44%	373.5	8.00%	382.6	378.1	6.08%	9.00%
	Brief Description:	Mei Lam CC, completed in 1981, comprises a 3-storey retail building (Commercial Complex), an adjoining 4-storey car park building (Multi-Storey Car Park), various retail units on the ground floor of Mei Fung House (Portions of the Integrated HA Accommodation), cooked food stalls and open car parks in Mei Lam Estate. There are a total of 375 car parking spaces in Mei Lam CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 29,125/273,313th equal and undivided shares of and in Sha Tin Town Lot No 558 and is held under a Government Lease for a term of 50 years from 22 March 2010.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
64	Tai Wo Hau Commercial Centre	78,774.1	609	22.3	6.74%	354.9	8.00%	369.6	362.3	6.15%	9.11%
	Brief Description:	Tai Wo Hau CC, completed in two phases in 1984 and 1993, comprises a 4-storey commercial block/car park block (Commercial /Car Park Block), a single-storey commercial block (Commercial Block), a 4-storey car park (Car Park Block), car parks on Levels 1 and 2 of the Multi-storey Car Park (Multi-storey Car Park Accommodation), units on various floors of Fu On House, Fu Man House, Fu Pong House, Fu Pik House, Fu Tak House and the Indoor Recreation Centre (Integrated Commercial/Car Park Accommodation), various open car parks and associated areas in Tai Wo Hau Estate. There are a total of 609 car parking spaces in Tai Wo Hau CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,793/475,099th equal undivided shares of and in The Remaining Portion of Kwai Chung Town Lot No 503 and is held under a Government Lease for a term of 50 years from 29 December 2008.									
65	Lee On Shopping Centre	49,465.5	390	23.1	6.68%	344.2	8.00%	354.5	349.4	6.62%	9.06%
	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.									
66	Shek Yam Shopping Centre	75,215.9	424	19.5	6.53%	340.7	8.00%	349.2	345.0	5.66%	9.02%
	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 held by The Link Properties Limited. It comprises 45,184/191,130th equal and undivided shares of and in the Remaining Portion of Kwai Chung Town Lot No 506. They are held under a Government Lease for a term of 50 years from 11 January 2010.									
67	Lok Wah Commercial Centre	108,460.6	650	21.1	6.27%	338.3	8.00%	340.0	339.2	6.23%	8.86%
	Brief Description:	Lok Wah CC, completed in 1985, comprises a 4-storey Commercial/Car Park Complex, various Integrated Commercial/Car Park Accommodations, associated areas and open car parks in Lok Wah (North) Estate. There are a total of 650 car parking spaces in Lok Wah CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 38,134/513,788th and portion of 667/513,788th equal and undivided shares of and in New Kowloon Inland Lot No 6460 and is held under a Government Lease for a term of 50 years commencing from 9 September 2008.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
68	Yiu On Shopping Centre	52,565.4	547	22.1	6.76%	333.5	8.00%	344.7	339.1	6.52%	9.08%
	Brief Description:	Yiu On SC, completed in 1989, comprises a 7-storey multi-purpose complex with retail shops, market and parking spaces therein and various open car parking spaces adjacent to the complex in Yiu On Estate. There are a total of 547 parking spaces in Yiu On SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,616/306,501st equal and undivided shares of and in Sha Tin Town Lot No 505 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
69	Tsui Lam Shopping Centre	88,934.3	711	22.0	6.84%	332.0	8.00%	345.4	338.7	6.50%	9.13%
	Brief Description:	Tsui Lam SC, completed in 1989, comprises portions of the Detached HA Accommodation, which includes a 6-storey commercial/car park block (excluding the canteen and bus regulator on the ground floor), two cooked food stalls, a 2-storey car park block and an oil tank as well as all those portions of the Integrated HA Accommodation on the ground floor, 2nd floor and 3rd floor of Pik Lam House and Sau Lam House in Tsui Lam Estate. There are a total of 711 car parking spaces in Tsui Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 35,166/319,299th equal and undivided shares of and in Tseung Kwan O Town Lot No 96 and is held under a Government Lease for a term of 50 years from 15 February 2006.									
70	Long Ping Commercial Centre	93,589.5	564	18.3	6.54%	323.8	8.00%	334.8	329.3	5.55%	9.07%
	Brief Description:	Long Ping CC, completed in 1987, comprises a 6-storey (including a Mezzanine Floor) Commercial/Car Park Block, a 2-storey Car Park/Community Centre Block, open car parks and several retail units at Yuk Ping House, Shek Ping House and Kang Ping House as well as some areas in Blocks 4, 5 & 6 in Long Ping Estate. There are a total of 564 car parking spaces in Long Ping CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,958/498,969th equal and undivided shares of and in Yuen Long Town Lot No 521 and is held under a Government Lease for a term of 50 years from 15 March 2006.									
71	Retail and Car Park within Ap Lei Chau Estate	47,235.9	325	20.4	6.76%	309.7	8.00%	317.9	313.8	6.50%	9.04%
	Brief Description:	Ap Lei Chau RC, completed in 1980, comprises a 6-storey retail/car park building (Commercial/Car Park Block), a 2-storey market/office building (Market/Office Block), various shop units located on the ground floors of Lei Chak House, Lei Fook House, Lei Moon House, Lei Ning House, Lee Tim House and Lei Yee House and various open car parking spaces scattered within Ap Lei Chau Estate. There are a total of 325 car parking spaces in Ap Lei Chau RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 18,111/246,593rd equal and undivided shares of and in Ap Lei Chau Inland Lot No 134 and is held under a Government Lease for a term of 50 years from 4 May 2010.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
72	Kam Tai Shopping Centre	45,827.1	758	21.1	6.79%	301.6	8.00%	314.9	308.3	6.84%	9.16%
	Brief Description:	Kam Tai SC, completed in 2001, comprises a 7-storey commercial/car park block in Kam Tai Court. There are a total of 758 car parking spaces therein.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,347/32,708th equal and undivided shares of and in Section A of Sha Tin Town Lot No 447 and is held under a Government Lease for a term of 50 years from 29 June 1998.									
73	Shek Wai Kok Commercial Centre	130,630.0	578	14.9	6.63%	286.4	8.00%	299.8	293.1	5.09%	9.14%
	Brief Description:	Shek Wai Kok CC, completed in 1980, comprises a 4-storey commercial block (Shopping Centre 1), a 3-storey (including podium) car park block (Car Park Building A), a 5-storey car park block (Car Park Building B), various shop units on the ground, 1st and 2nd floors of Shek Fong House, 1st and 2nd floors of Shek Ho House as well as various open car parks and associated areas in Shek Wai Kok Estate. There are a total of 578 car parking spaces in Shek Wai Kok CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 33,098/393,762nd equal and undivided shares of and in Tsuen Wan Town Lot No 411 and is held under a Government Lease for a term of 50 years commencing from 29 April 2009.									
74	Tin Ping Shopping Centre	61,544.8	471	19.0	6.81%	285.1	8.00%	298.5	291.8	6.53%	9.17%
	Brief Description:	Tin Ping SC, completed in 1989, comprises a 6-storey (including lower ground floor) retail/car park building (Commercial/Car Park Block), a single-storey Cooked Food Centre (currently occupied as a fast food restaurant), various open car parking spaces (Open Car Parks) and various shop units/storerooms on the ground floors of Tin Hor House, Tin Ming House and Tin Mei House (Portions of the Integrated HA Accommodation) in Tin Ping Estate. There are a total of 471 car parking spaces in Tin Ping SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,852/353,579th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 208 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
75	Hoi Fu Shopping Centre	34,904.3	225	20.0	6.58%	289.6	8.00%	293.3	291.5	6.85%	8.93%
	Brief Description:	Hoi Fu SC, completed in 1999, comprises portions of a 2-storey commercial building (Block E) and portions of a 6-storey car parking/elderly housing/care attention home building (Block D) in Hoi Fu Court. There are a total of 225 car parking spaces in Hoi Fu SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,413/204,120th equal and undivided shares of and in Kowloon Inland Lot No 11141 and is held under a Government Lease for a term of 50 years from 16 July 1999.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
76	King Lam Shopping Centre	58,385.0	418	18.6	6.60%	284.0	8.00%	294.5	289.3	6.43%	9.09%
	Brief Description:	King Lam SC, completed in 1990, comprises a 4-storey commercial/car park building, various shop units on the ground floors of King Chung House and King Lui House and various open car parks in King Lam Estate. There are a total of 418 car parking spaces in King Lam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 18,412/278,433rd equal and undivided shares of and in Tseung Kwan O Town Lot No 83 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
77	Yung Shing Shopping Centre	58,179.3	283	18.9	6.65%	285.3	8.00%	292.3	288.8	6.54%	9.02%
	Brief Description:	Yung Shing SC, completed in 1999, comprises a 3-storey retail building and the car park podium of the adjoining 7-storey ancillary facilities block (together known as Portions of the Composite Block) in Yung Shing Estate. There are a total of 283 car parking spaces in Yung Shing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,641/161,475th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 207 and is held under a Government Lease for a term of 50 years commencing from 16 July 1999.									
78	Kai Yip Commercial Centre	76,114.7	383	17.0	6.32%	289.2	8.00%	286.5	287.9	5.92%	8.77%
	Brief Description:	Kai Yip CC, completed in 1981, comprises a 4-storey retail /car park building (Commercial Centre), open car parking areas, various cooked food stalls and various shop units in Kai Yip Community Hall as well as the ground floor of Kai Yin House and Kai Lok House in Kai Yip Estate. There are a total of 383 car parking spaces in Kai Yip CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,955/211,867th equal and undivided shares of and in New Kowloon Inland Lot No 6466 and is held under a Government Lease for a term of 50 years from 3 July 2008.									
79	Wan Tau Tong Shopping Centre	40,393.0	438	18.9	6.65%	283.3	8.00%	291.1	287.2	6.57%	9.04%
	Brief Description:	Wan Tau Tong SC, completed in 1991, comprises a 2-storey Commercial Centre, a 4-storey Car Park Building, a shop unit on the ground floor of Wan Loi House and various open car parks in Wan Tau Tong Estate. There are a total of 438 car parking spaces in Wan Tau Tong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A, E, F and 135/104,741th equal and undivided shares of and in the Remaining Portion of Tai Po Town Lot No 172 and is held under a Government Lease for a term of 50 years commencing from 8 April 1998.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
80	Wan Tsui Commercial Complex	83,906.7	359	17.4	6.62%	269.1	8.00%	284.4	276.8	6.27%	9.19%
	Brief Description:	Wan Tsui CC, completed in 1979, comprises a 5-storey retail building (Commercial Block), a single-storey car park building adjacent to Hei Tsui House (Car Park Block), a 2-storey (including a basement) market/car park building (Market/Car Park Block), a 2-storey car park podium beneath Chak Tsui House (Car Park Podium), various shop units on the ground floor of Yee Tsui House and Shing Tsui House, a Government clinic on the ground floor of Lee Tsui House and various open car parking spaces along the estate roads (Open Car Parks) within Wan Tsui Estate. There are a total of 359 car parking spaces within Wan Tsui CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,208/222,534th equal and undivided shares of and in The Remaining Portion of Chai Wan Inland Lot No 180 and is held under a Government Lease for a term of 50 years from 31 March 2010.									
81	Hiu Lai Shopping Centre	35,377.2	637	16.5	7.04%	258.9	8.00%	277.1	268.0	6.14%	9.32%
	Brief Description:	Hiu Lai SC, completed in 1996, comprises a 9-storey (split-level from Levels 2 to 8) Commercial/Car Park Block and two kindergartens on the ground floors of Hiu Tin House and Hiu On House in Hiu Lai Court. There are a total of 637 car parking spaces in Hiu Lai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,000/249,375th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6205 that is held under a Government Lease for a term from 11 November 1994 to 30 June 2047.									
82	Fu Cheong Shopping Centre	49,115.1	547	14.1	6.46%	263.2	8.00%	270.1	266.7	5.30%	9.02%
	Brief Description:	Fu Cheong SC, completed in 2002, comprises a 3-storey commercial podium (Multi-storey Commercial Accommodation and Integrated Commercial /Car Park Accommodation, Fu Yun House (Ancillary Facilities Block)) beneath Fu Yun House and a 4-storey car park podium (Multi-storey Car Park Accommodation) beneath Fu Hoi House and Fu Yee House of Fu Cheong Estate. There are a total of 547 car parking spaces in Fu Cheong SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 31,469/355,647th equal and undivided shares of and in New Kowloon Inland Lot No 6437 and is held under a Government Lease for a term of 50 years from 17 September 2005.									
83	Cheung Wah Shopping Centre	67,205.2	353	15.4	6.59%	255.1	8.00%	262.1	258.6	5.94%	9.02%
	Brief Description:	Cheung Wah SC, completed in 1984, comprises a 4-storey retail building (Commercial Centre), an adjoining 3-storey market building (Market) and a 2-storey car park building (Car Park 2) with cooked food stalls on the roof. The property also includes a 4-storey car park building (Car Park 1), open car parking spaces and various shop units located on the ground floors of Cheung Chung House and Cheung Lai House in Cheung Wah Estate. There are a total of 353 car parking spaces in Cheung Wah SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,310/299,811th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 226 and is held under a Government Lease for a term of 50 years from 16 June 2004.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
84	Retail and Car Park within Shun Tin Estate	67,900.8	581	15.8	6.69%	245.7	8.00%	251.3	248.5	6.37%	9.01%
	Brief Description:	Shun Tin RC, completed in 1981, comprises Commercial Blocks A, B & C, a 4-storey Car Park A, a 3-storey Car Park B, the Integrated Commercial/Car Park Accommodations in Tin Kam House, Tin Wing House, Tin Kuen House, Tin Kei House, Tin Yiu House and various open car parks in Shun Tin Estate. There are a total of 581 car parking spaces in Shun Tin RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 24,566/378,187th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6474 and is held under a Government Lease for a term of 50 years from 9 February 2009.									
85	Ka Fuk Shopping Centre	58,899.7	312	15.3	6.50%	246.1	8.00%	248.8	247.5	6.17%	8.92%
	Brief Description:	Ka Fuk SC, completed in 1995, comprises a 5-storey retail/car park building and an adjoining 2-storey retail building interlinked on the first floor via a footbridge (Commercial Centre) and various open car parks in Ka Fuk Estate. There are a total of 312 car parking spaces in Ka Fuk SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,652/153,283rd equal and undivided shares of and in Fanling Sheung Shui Town Lot No 234 and is held under a Government Lease for a term of 50 years from 30 April 2008.									
86	Sui Wo Court Commercial Centre	61,754.2	980	14.6	6.79%	239.2	8.00%	249.6	244.4	5.98%	9.15%
	Brief Description:	Sui Wo Court CC, completed in 1980, comprises a 2-storey retail/car park building with basement floor (Commercial/Car Park Block), two separate 3-storey car park buildings (Multi-Storey Car Parks A and C), a freestanding 6-storey car park building (Multi-Storey Car Park B), open car parks and associated areas in Sui Wo Court. There are a 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.									
87	Shek Lei Shopping Centre Phase I	39,031.3	459	15.6	6.76%	237.1	8.00%	243.3	240.2	6.51%	9.03%
	Brief Description:	Shek Lei SC Phase I, completed in 1993, comprises a 4-storey commercial/car park building (Commercial/Car Park Block), a 2-storey car park building, various shop units on the ground floors of Shek Ning House and Shek Sau House, as well as various open parking spaces in Shek Lei Estate. There are a total of 459 car parking spaces in Shek Lei SC Phase 1.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,677/655,826th equal and undivided shares of and in The Remaining Portion of Kwai Chung Town Lot No. 505 and is held under a Government Lease for a term of 50 years from 31 March 2010.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
88	Wah Kwai Shopping Centre	42,097.1	413	16.5	6.93%	234.7	8.00%	244.3	239.5	6.88%	9.13%
	Brief Description:	Wah Kwai SC, completed in 1991, comprises a 4-storey (including 2 basement levels) commercial/car park building (Commercial/Car Park Block with Associated Areas therein) and Integrated Commercial/Car Park Accommodation, Clinics 1 and 2 on the ground floor of Wah Oi House (Block 6), portion of Store Room (For Commercial Use) on the ground floor of Wah Lim House (Block 3) and some open car parks in Wah Kwai Estate. There are a total of 413 car parking spaces in Wah Kwai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,518/23,148th equal and undivided shares of and in Section A of Aberdeen Inland Lot No 443 and the Extension thereto and is held under a Government Lease for a term of 50 years from 8 April 1998. It also comprises 681/144,409th equal and undivided shares of and in the Remaining Portion of Aberdeen Inland Lot No 443 and is held under a Government Lease for a term of 50 years from 8 April 1998.									
89	Chun Shek Shopping Centre	61,299.3	583	14.0	6.53%	233.4	8.00%	238.1	235.8	5.93%	8.96%
	Brief Description:	Chun Shek SC, completed in 1984, comprises a 4-storey retail building (Commercial Complex), an adjoining 4-storey car park building (Car Park Block 1), a free-standing 2-storey car park building (Car Park Block 2), open car parks and various shop units on the ground floor of Shek Jing House (Portions of the Integrated HA Accommodation) in Chun Shek Estate. There are a total of 583 car parking spaces in Chun Shek SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,567/155,467th equal and undivided shares of and in Sha Tin Town Lot No 555 and is held under a Government Lease for a term of 50 years from 30 September 2009.									
90	Cheung Hang Shopping Centre	60,523.9	327	14.4	6.81%	224.1	8.00%	231.7	227.9	6.30%	9.08%
	Brief Description:	Cheung Hang SC, completed in 1990, comprises a 5-storey commercial centre and a 5-storey car park building in Cheung Hang Estate. There are a total of 327 car parking spaces in Cheung Hang SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 26,593/289,056th equal and undivided shares of and in Tsing Yi Town Lot No 177 and is held under a Government Lease for a term of 50 years from 29 December 2008.									
91	Tsz Ching Shopping Centre (I) & (II)	18,116.3	882	15.1	6.86%	211.3	8.00%	221.8	216.6	6.97%	9.20%
	Brief Description:	Tsz Ching SC, completed in phases between 1996 and 2001, comprises a 3-storey commercial/car park building (Commercial/Car Park I Block), a 4-storey including basement commercial /car park building (Multi-storey Commercial /Car Park II Accommodation), a 5-storey plus a mezzanine floor car park building (Car Park III Block), various shop units on the ground floor of Ching Wo House (Integrated Commercial/Car Park Accommodation of Ching Wo House), various open commercial loading/unloading space and associated areas in Tsz Ching Estate. There are a total of 882 car parking spaces in Tsz Ching SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 32,549/507,335th equal and undivided shares of and in New Kowloon Inland Lot No 6444 and is held under a Government Lease for a term of 50 years from 28 February 2007.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
92	Hing Tung Shopping Centre	56,136.1	420	13.0	6.77%	207.9	8.00%	218.7	213.3	6.08%	9.17%
	Brief Description:	Hing Tung SC, completed in 1995, comprises a 7-storey commercial/car park building (Commercial/Car Park Block) and a shop unit at the 2-storey stand-alone lift tower (i.e. Lift Tower No 1 that is linked to the Commercial/Car Park Block by a footbridge across Yiu Hing Road) in Hing Tung Estate. There are a total of 420 car parking spaces in Hing Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,786/155,258th equal and undivided shares of and in Shau Kei Wan Inland Lot No 851 and is held under a Government Lease for a term of 50 years from 8 February 2010.									
93	Kwong Tin Shopping Centre	57,838.7	53	13.6	6.30%	212.7	8.00%	212.4	212.6	6.41%	8.82%
	Brief Description:	Kwong Tin SC, completed in 1993, comprises a 3-storey commercial/car park block and associated areas in Kwong Tin Estate. There are a total of 53 car parking spaces in Kwong Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,957/162,870th equal and undivided shares of and in New Kowloon Inland Lot No 6445 and is held under a Government Lease for a term of 50 years from 14 October 2005.									
94	Lei Cheng Uk Shopping Centre	78,535.7	461	12.8	6.53%	206.2	8.00%	213.4	209.8	6.08%	9.07%
	Brief Description:	Lei Cheng Uk SC, completed in 1984, comprises a 4-storey commercial/car park podium (Commercial/Car Park Areas), a single-storey car park building near Lai Yeung House (Car Park Block), various open car parking spaces (Open Car Parks) and various shop units and portions in Yan Oi House, Chung Hou House, Wo Ping House and Shun Yee House (Portions of the Integrated HA Accommodation) within Lei Cheng Uk Estate. There are a total of 461 car parking spaces in Lei Cheng Uk SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,862/264,258th equal and undivided shares of and in New Kowloon Inland Lot No 6416 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
95	Tin Tsz Shopping Centre	36,873.1	289	12.1	6.46%	205.6	8.00%	208.4	207.0	5.84%	8.93%
	Brief Description:	Tin Tsz SC, completed in 1997, comprises a 2-storey commercial centre, several ground floor shops at Tsz Ping House, a 4-storey car park building and various open car parks and associated areas in Tin Tsz Estate. There are a total of 289 car parking spaces in Tin Tsz SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,511/202,482nd equal and undivided shares of and in Tin Shui Wai Town Lot No 40 and is held under a Government Lease for a term of 50 years from 29 June 2007.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
96	Wang Tau Hom (Wang Fai Centre)	25,863.8	290	12.0	6.57%	202.3	8.00%	209.0	205.7	5.82%	9.05%
	Brief Description:	Wang Tau Hom (Wang Fai Centre), completed in 1982, comprises a 3-storey retail building (Wang Fai Centre), a single-storey market (Fou Mou Street Market), a 5-storey split-level car park building (Car Park Block), various open car parking spaces and associated areas in Wang Tau Hom Estate. There are a total of 290 car parking spaces in Wang Tau Hom (Wang Fai Centre).									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,507/373,309th equal and undivided shares of and in New Kowloon Inland Lot No 6462 and is held under a Government Lease for a term of 50 years from 16 July 2008.									
97	On Yam Shopping Centre	40,592.6	347	13.5	7.01%	200.5	8.00%	210.4	205.5	6.59%	9.19%
	Brief Description:	On Yam SC, completed in 1994, comprises a 7-storey (excluding cockloft) Commercial / Car Park Block, various open car parks and associated areas in On Yam Estate. There are a total of 347 car parking spaces in On Yam SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,323/369,270th equal and undivided shares of and in Kwai Chung Town Lot No 497 and is held under a Government Lease for a term of 50 years commencing from 14 October 2005.									
98	Sam Shing Commercial Centre	75,767.4	176	12.5	6.76%	195.0	8.00%	201.5	198.3	6.29%	9.05%
	Brief Description:	Sam Shing CC, completed in 1980, comprises a 3-storey commercial/car park building (Commercial Complex), an annexed single storey market building (Market), cooked food stalls, shop stalls, open parking spaces, portions of ground floors of Block 1 (Chun Yu House), Block 2 (Moon Yu House) and portions of the ground and first floors of Block 3 (Fung Yu House) of Sam Shing Estate. There are a total of 176 parking spaces in Sam Shing CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 14,434/115,271st equal and undivided shares of and in Tuen Mun Town Lot No 481. They are held under a Government Lease for a term of 50 years from 22 March 2010.									
99	Lai Kok Shopping Centre	81,219.4	140	10.3	6.30%	194.0	8.00%	197.3	195.7	5.27%	8.95%
	Brief Description:	Lai Kok SC, completed in 1981, comprises a 3-storey commercial building, a single storey wet market, a 3-storey car park building, various ground level shop units opposite to Lai Ho House, and various shop units on the ground floors of Lai Huen House, Lai Lan House and Lai Mei House in Lai Kok Estate. There are a total of 140 car parking spaces in Lai Kok SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,339/164,134 equal and undivided shares of and in New Kowloon Inland Lot No. 6475 and is held under a Government Lease for a term of 50 years from 30 October 2009.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
100	Kwai Hing Shopping Centre	24,728.2	277	13.3	6.91%	188.6	8.00%	199.4	194.0	6.83%	9.24%
	Brief Description:	Kwai Hing SC, completed in 1991, comprises portions of the ground and 2nd floors of Hing Kok House (i.e. Integrated HA Accommodation), a 2-storey commercial block, a 3-storey car park block and various open car parks in Kwai Hing Estate. There are a total of 277 car parking spaces in Kwai Hing SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,824/102,732nd equal and undivided shares of and in Kwai Chung Town Lot No 489 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
101	Po Tin Shopping Centre	63,746.8	62	11.4	6.56%	186.1	8.00%	188.7	187.4	6.07%	8.94%
	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 held by The Link Properties Limited. It comprises 12,479/240,980th equal and undivided shares of and in Tuen Mun Town Lot No 485 and is held under a Government Lease for a term of 50 years from 17 February 2010.									
102	Kam Ying Court Shopping Centre	37,237.4	492	12.7	7.02%	180.3	8.00%	189.8	185.1	6.88%	9.21%
	Brief Description:	Kam Ying SC, completed in 1991, comprises a 3-storey commercial/car park building (Commercial/Car Park Block) and associated areas in Kam Ying Court. There are a total of 492 car parking spaces in Kam Ying SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 17,433/22,627th equal and undivided shares of and in the Remaining Portion of Sha Tin Town Lot No. 305 and is held under a Government Lease for a term from 16 May 1990 to 30 June 2047.									
103	Ming Tak Shopping Centre	38,766.3	383	11.0	6.51%	180.7	8.00%	188.8	184.8	5.95%	9.14%
	Brief Description:	Ming Tak SC, completed in 1999, comprises a 4-storey commercial/car park block, various open car parks, associated areas and guard kiosks in Ming Tak Estate. There are a total of 383 car parking spaces in Ming Tak SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,354/108,489th equal and undivided shares of and in Tseung Kwan O Town Lot No 108 and is held under a Government Lease for a term of 50 years from 28 July 2008.									
104	Yiu Tung Shopping Centre	66,238.7	685	7.7	6.81%	165.9	8.00%	189.9	177.9	4.32%	9.71%
	Brief Description:	Yiu Tung SC, completed in 1994, comprises a 3-storey retail building (Commercial Centre), a 2-storey car park building (Car Park No 1), an 8-storey car park building (Car Park No 2) and a ground floor unit in Yiu Tung Estate. Escalators and footbridges in Yiu Tung Estate provide direct access to the bottom of Yiu Hing Road and Nam Hong Street. There are a total of 685 car parking spaces in Yiu Tung SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 35,548/381,831st equal and undivided shares of and in Shau Kei Wan Inland Lot No 852 and is held under a Government Lease for a term of 50 years from 29 March 2010.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
105	Siu Lun Shopping Centre	32,018.8	463	11.0	6.90%	164.7	8.00%	173.6	169.2	6.53%	9.21%
	Brief	Siu Lun SC, completed in 1993, comprises a single storey kindergarten, a 2-storey commercial centre and two									
	Description:	4-storey car park blocks (Phases 1 and 2 Carports) in Siu Lun Court. There are a total of 463 car parking spaces in Siu Lun SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Sections A, B and C of Tuen Mun Town Lot No 357 and is held under a Government Lease for a term from 6 September 1991 to 30 June 2047.									
106	Wah Sum Shopping Centre	26,447.1	356	11.8	6.92%	164.6	8.00%	172.3	168.5	6.97%	9.15%
	Brief	Wah Sum SC, completed in 1995, comprises a 2-storey retail building (Commercial Centre), an adjoining 4-storey									
	Description:	car park building (Car Park Block) interconnected with the Commercial Centre on the first floor and various open car parking spaces in Wah Sum Estate. There are a total of 356 car parking spaces in Wah Sum SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 16,753/109,515th equal and undivided shares of and in Fanling Sheung Shui Town Lot No 236 and is held under a Government Lease for a term of 50 years from 16 January 2009.									
107	Tsing Yi Commercial Complex	49,668.1	344	10.3	6.91%	158.3	8.00%	167.8	163.1	6.34%	9.21%
	Brief	Tsing Yi CC, completed in 1986, comprises a 4-storey Commercial Complex, a 4-storey car park building (Car Park									
	Description:	Block 1), a 3-storey car park building (Car Park Block 2), HA parking area, open car parks and associated areas in Tsing Yi Estate. There are a total of 344 car parking spaces in Tsing Yi CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,014/222,251st equal and undivided shares of and in Tsing Yi Town Lot No 167 and is held under a Government Lease for a term of 50 years from 8 February 2001.									
108	Retail and Car Park within Cheung Wang Estate	11,529.2	333	10.3	6.63%	149.2	8.00%	152.5	150.9	6.85%	8.99%
	Brief	Cheung Wang RC, completed in 2001, comprises a single storey Commercial/Car Park Block, a 2-storey multi-									
	Description:	storey Car Park Accommodation, the associated areas and various open car parks within Cheung Wang Estate. There are a total of 333 car parking spaces in Cheung Wang RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 13,010/259,640th shares of and in Tsing Yi Town Lot No 178 and is held under a Government Lease for a term of 50 years from 25 March 2009.									
109	Kin Sang Shopping Centre	38,738.1	273	8.5	6.49%	147.2	8.00%	149.9	148.6	5.72%	8.95%
	Brief	Kin Sang SC, completed in 1990, comprises a 3-storey commercial building (Commercial Block), a 4-storey car									
	Description:	park building (Car Park Block) and associate areas in Kin Sang Estate. There are a total of 273 car parking spaces in Kin Sang SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 14,100/28,621st equal and undivided shares of and in Section A of Tuen Mun Town Lot No 441 and is held under a Government Lease for a term of 50 years from 8 April 1998.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
110	Ping Tin Shopping Centre	22,438.1	406	8.7	6.64%	143.7	8.00%	150.3	147.0	5.95%	9.16%
	Brief	Ping Tin SC, completed in 1997, comprises a 3-storey retail building (Commercial Centre), a split-level 4-storey annexed car park building (Car Park Block), the ground and first floors car park of a 4-storey ancillary facilities building (Ancillary Facilities Block) and various open car parking spaces near to the ingress of the car park building in Ping Tin Estate. There are a total of 406 car parking spaces in Ping Tin SC.									
	Description:	Ping Tin SC, completed in 1997, comprises a 3-storey retail building (Commercial Centre), a split-level 4-storey annexed car park building (Car Park Block), the ground and first floors car park of a 4-storey ancillary facilities building (Ancillary Facilities Block) and various open car parking spaces near to the ingress of the car park building in Ping Tin Estate. There are a total of 406 car parking spaces in Ping Tin SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 16,966/362,174th equal and undivided shares of and in New Kowloon Inland Lot No 6446 and is held under a Government Lease for a term of 50 years from 30 March 2009.									
111	Sun Tin Wai Commercial Centre	54,482.6	320	7.7	6.99%	140.1	8.00%	147.5	143.8	5.36%	9.17%
	Brief	Sun Tin Wai CC, completed in 1981, comprises a 6-storey retail/car park building (Sun Tin Wai Commercial Centre), open car parks and various isolated cooked food stalls in Sun Tai Wai Estate. There are a total of 320 car parking spaces in Sun Tin Wai CC.									
	Description:	Sun Tin Wai CC, completed in 1981, comprises a 6-storey retail/car park building (Sun Tin Wai Commercial Centre), open car parks and various isolated cooked food stalls in Sun 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.									
112	Yin Lai Court Shopping Centre	16,298.4	150	9.4	6.59%	136.2	8.00%	138.6	137.4	6.84%	8.97%
	Brief	Yin Lai SC, completed in 1991, comprises a 4-storey retail/car park building in Yin Lai Court. There is direct access to Lai King station at floor LG2. There are a total of 150 car parking spaces in Yin Lai SC.									
	Description:	Yin Lai SC, completed in 1991, comprises a 4-storey retail/car park building in Yin Lai Court. There is direct access to Lai King station at floor LG2. There are a total of 150 car parking spaces in Yin Lai SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Kwai Chung Town Lot No 389 and is held under a Government Lease for a term from 21 September 1990 to 30 June 2047.									
113	Tin Wan Shopping Centre	35,483.1	417	7.7	7.07%	127.1	8.00%	138.9	133.0	5.76%	9.44%
	Brief	Tin Wan SC, completed in 1997, comprises a 6-storey retail building (Commercial Block), the LG/F and four levels of car parks in the adjoining 6-storey car park building (Car Park Block) and the ground floor of Tin Wan Estate Housing for Senior Citizens in Tin Wan Estate. There are a total of 417 car parking spaces in Tin Wan SC.									
	Description:	Tin Wan SC, completed in 1997, comprises a 6-storey retail building (Commercial Block), the LG/F and four levels of car parks in the adjoining 6-storey car park building (Car Park Block) and the ground floor of Tin Wan Estate Housing for Senior Citizens in Tin Wan Estate. There are a total of 417 car parking spaces in Tin Wan SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 23,010/32,144th equal and undivided shares of and in The Remaining Portion of Aberdeen Inland Lot No 455 and is held under a Government Lease for a term of 50 years from 24 July 2009.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
114	Retail and Car Park within Tung Tau Estate	38,614.3	493	6.8	6.83%	129.7	8.00%	134.7	132.2	5.13%	9.11%
	Brief Description:	Tung Tau RC, completed in 1982, comprises a split-level single-storey retail building with basement car park (Commercial Complex), a 3-storey car park block (Car Park Block) and various open car parking spaces (Open Car Parks), shop units on the ground floor in front of the Commercial Complex, shops on the ground floors of Cheung Tung House, Hong Tung House, On Tung House, Wong Tung House and Yue Tung House in Tung Tau (II) Estate. There are a total of 493 car parking spaces in Tung Tau RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 16,942/349,186th equal and undivided shares of and in New Kowloon Inland Lot No 6413 and is held under a Government Lease for a term of 50 years from 24 January 2002.									
115	Fortune Shopping Centre	19,334.6	153	7.6	6.46%	126.8	8.00%	127.5	127.2	5.99%	8.88%
	Brief Description:	Fortune SC, completed in 2000, comprises a 5-storey Car Park Block, a 2-storey multi-storey Commercial/Car Park Accommodation, the associated areas, covered areas, guard kiosk and portion of Multi-purpose HA Accommodation (the Integrated Commercial/Car Park Accommodation on the second floor of Fook Ming House). There are a total of 153 car parking spaces in Fortune SC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 11,807/115,133rd equal and undivided shares of and in New Kowloon Inland Lot No 6484 and is held under a Government Lease for a term of 50 years from 27 April 2009.									
116	Retail and Car Park within Cheung On Estate	3,907.3	484	9.1	7.79%	117.5	8.00%	132.2	124.9	7.30%	9.70%
	Brief Description:	Cheung On RC, completed in 1988, comprises a 4-storey car park building, known as Car Park 1, a 2-storey split-level car park building known as Car Park 2, and various shops and medical centre on the ground floor of On Tao House in Cheung on Estate. There are a total of 484 car parking spaces in Cheung On RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section D, Section F and 403/293,522nd equal and undivided shares of and in the Remaining Portion of Tsing Yi Town Lot No 160 that is held under a Government Lease for a term of 50 years from 8 April 1998.									
117	Car Park within Kin Ming Estate	0.0	763	9.4	8.50%	106.7	8.00%	125.7	116.2	8.05%	10.05%
	Brief Description:	Kin Ming CP, completed in 2003, comprises car parking spaces in the 6-storey commercial/car park block and various car parking spaces in Kin Ming Estate. There are a total of 763 car parking spaces in Kin Ming CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises portion of 39,133/420,644th equal and undivided shares of and in Tseung Kwan O Town Lot No 109 and is held under a Government Lease for a term of 50 years from 15 March 2010.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
118	Hing Tin Commercial Centre	28,288.7	387	6.4	6.92%	112.0	8.00%	118.3	115.2	5.57%	9.17%
	Brief Description:	Hing Tin CC, completed in 1988, comprises a 2-storey commercial block (including a market) (Commercial Complex), several shop units on the ground floors of Mei Tin House and Yan Tin House, a 2-storey car park building (Car Park B), a 4-storey car park building (Car Park C), and various cooked food stalls near to Mei Tin House and Choi Tin House in Hing Tin Estates. There are a total of 387 car parking spaces in Hing Tin CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,570/149,828th equal and undivided shares of and in New Kowloon Inland Lot No 6377 and is held under a Government Lease for a term of 50 years commencing from 8 February 2001.									
119	Shun On Commercial Centre	87,216.1	459	6.0	6.73%	112.1	8.00%	116.4	114.3	5.24%	9.10%
	Brief Description:	Shun On CC, completed in 1978, comprises portions of the two Commercial Blocks 1& 2, a 2-storey retail/4-storey car park building (Commercial/Car Park Block), the Integrated Commercial/Car Park Accommodations in On Kwan House, On Chung House and On Yat House, various Commercial Facilities, associated areas and open car parks in Shun On Estate. There are a total of 459 car parking spaces in Shun On CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 20,130/179,429th equal and undivided shares of and in The Remaining Portion of New Kowloon Inland Lot No 6472 and is held under a Government Lease for a term of 50 years from 28 July 2008.									
120	Tin Ma Court Commercial Centre	39,123.8	585	6.1	6.80%	106.1	8.00%	113.5	109.8	5.56%	9.23%
	Brief Description:	Tin Ma Court CC, completed in 1986, comprises a 3-storey commercial centre (Commercial Centre) and an adjoining 5-storey car park building (Car Park Block) in Tin Ma Court. There are a total of 585 car parking spaces in Tin Ma Court CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5994 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
121	Retail and Car Park within Lok Wah (South) Estate	16,783.6	226	5.3	6.83%	99.1	8.00%	99.3	99.2	5.32%	8.85%
	Brief Description:	Lok Wah (South) RC, completed in 1982, comprises a 4-storey Car Park Block, three free standing cooked food stalls near On Wah House, market stalls at Chin Wah House, portion of the ground floor of On Wah House, associated areas and open car parks in Lok Wah (South) Estate. There are a total of 226 car parking spaces in Lok Wah (South) RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 13,231/513,788th and portion of 667/513,788th equal and undivided shares of and in New Kowloon Inland Lot No 6460 and is held under a Government Lease for a term of 50 years commencing from 9 September 2008.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
122	Po Hei Court Commercial Centre	13,682.1	0	5.5	6.00%	86.9	8.00%	85.5	86.2	6.37%	8.73%
	Brief	Po Hei Court CC, completed in 1993, comprises shops on the ground floor of Blocks A & B of Po Hei Court.									
	Description:										
	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.									
123	Retail and Car Park within Hong Pak Court	17,954.4	549	5.9	7.92%	73.7	8.00%	83.2	78.5	7.49%	9.72%
	Brief	Hong Pak RC, completed in 1993, comprises a 7-storey car park block with two kindergartens located on Level 7									
	Description:	in Hong Pak Court. There are a total of 549 car parking spaces in Hong Pak RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6095 and is held under a Government Lease for a term from 25 September 1991 to 30 June 2047.									
124	Siu Hei Commercial Centre	23,427.0	560	5.0	7.43%	67.5	8.00%	74.6	71.1	7.09%	9.47%
	Brief	Siu Hei CC, completed in 1986, comprises a 3-storey (including mezzanine floor) commercial centre with retail,									
	Description:	market and welfare facilities therein and a 4-storey split level car park block in Siu Hei Court. There are a total of 560 parking spaces in Siu Hei CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tuen Mun Town Lot No 255 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
125	Retail and Car Park within Ko Chun Court	7,331.0	323	5.3	7.89%	66.3	8.00%	75.0	70.7	7.56%	9.72%
	Brief	Ko Chun RC, completed in 1993, comprises a 6-storey (12 split-levels) commercial/car park block and a									
	Description:	kindergarten on the ground floor of Chun Moon House of Ko Chun Court. There are a total of 323 car parking spaces in Ko Chun RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 530/81,791st equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6189 that is held under a Government Lease for a term from 3 June 1993 to 30 June 2047.									
126	Retail and Car Park within Wo Ming Court	7,341.1	379	4.9	7.64%	63.8	8.00%	71.2	67.5	7.29%	9.63%
	Brief	Wo Ming RC, completed in 1999, comprises a 6-storey car park building and a kindergarten on the ground floor									
	Description:	of Block A in Wo Ming Court. There are a total of 379 car parking spaces in Wo Ming RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 728/82,796th equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No 52 that is held under a Government Lease for a term of 50 years from 28 November 1997.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
127	Retail and Car Park within Mei Chung Court	1,076.4	385	5.1	8.06%	62.0	8.00%	70.7	66.4	7.68%	9.79%
	Brief Description:	Mei Chung RC, completed in 1996, comprises a 5-storey car park building with a retail shop located on Level 2 in Mei Chung Court. There are a total of 385 car parking spaces in Mei Chung RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No 396 and is held under a Government Lease for a term from 11 November 1994 to 30 June 2047.									
128	Retail and Car Park within Ching Wah Court	11,861.9	348	3.9	7.77%	56.6	8.00%	63.2	59.9	6.53%	9.65%
	Brief Description:	Ching Wah RC, completed in 1984, comprises a 3-storey commercial/car park building in Ching Wah Court. There are a total of 348 car parking spaces in Ching Wah RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tsing Yi Town Lot No 100 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
129	Car Park within Wah Lai Estate	0.0	411	4.5	7.50%	56.4	8.00%	62.5	59.5	7.58%	9.58%
	Brief Description:	Wah Lai CP, completed in 2001, comprises a 5-storey carport building in Wah Lai Estate. There are a total of 411 car parking spaces in Wah Lai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 21,700/102,614th equal and undivided shares of and in the Remaining Portion of Section A of Kwai Chung Town Lot No 445 and is held under a Government Lease for a term of 50 years from 25 May 2001.									
130	Retail and Car Park within Choi Ha Estate	21,431.6	205	3.6	7.59%	53.4	8.00%	59.3	56.4	6.41%	9.59%
	Brief Description:	Choi Ha RC, completed in 1989, comprises a 5-storey Car Park Block, various shops on the ground floors of Choi Yuet House and Choi Sing House as well as various open car parks in Choi Ha Estate. There are a total of 205 car parking spaces in Choi Ha RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,255/129,695th equal and undivided shares of and in New Kowloon Inland Lot No 6348 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
131	Retail and Car Park within Tsui Wan Estate	7,989.4	182	3.2	7.26%	52.3	8.00%	55.6	54.0	5.91%	9.27%
	Brief Description:	Tsui Wan RC, completed in 1993, comprises various self-standing single storey retail units, a 3-storey retail/office building (Commercial Accommodation), a single-storey car park building (Car Park Block) and various open car parking spaces (Open Car Park) in Tsui Wan Estate. There are a total of 182 car parking spaces in Tsui Wan RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,254/123,068th equal and undivided shares of and in Chai Wan Inland Lot No 166 and is held under a Government Lease for a term of 50 years from 18 March 1999.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
132	Retail and Car Park within Tong Ming Court	21,280.4	291	3.2	7.48%	47.9	8.00%	52.4	50.2	6.38%	9.47%
	Brief Description:	Tong Ming RC, completed in 1999, comprises a 5-storey car park building with various shop units and a children & youth centre on the ground floor; and a day nursery and a kindergarten respectively on the ground floors of Tong Wong House and Tong Fu House in Tong Ming Court. There are a total of 291 car parking spaces in Tong Ming RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 1,153/98,512th equal and undivided shares of and in the Remaining Portion of Tseung Kwan O Town Lot No 54 and is held under a Government Lease for a term commencing from 26 June 1997 and expiring on 30 June 2047.									
133	Car Park within Tin Yuet Estate	0.0	560	3.8	8.50%	45.6	8.00%	53.8	49.7	7.73%	10.07%
	Brief Description:	Tin Yuet CP, completed in 2000, comprises a 4-storey (including a Mezzanine Floor) Carport Block in Tin Yuet Estate. There are a total of 560 car parking spaces in Tin Yuet CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises portion of 50,802/297,568th equal and undivided shares of and in Tin Shui Wai Town Lot No 41 and is held under a Government Lease for a term of 50 years from 8 June 2010.									
134	Hing Man Commercial Centre	33,903.9	226	1.9	7.11%	46.5	8.00%	48.5	47.5	4.01%	9.14%
	Brief Description:	Hing Man CC, completed in 1982, comprises a 6-storey (including roof but excluding the access lift tower at Chai Wan Road) commercial/car park building (Commercial/Car Park Block) in Hing Man Estate. There are a total of 226 car parking spaces in Hing Man CC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 12,404/126,748th equal and undivided shares of and in Chai Wan Inland Lot No 179 and is held under a Government Lease for a term of 50 years from 29 March 2010.									
135	Car Park within Tin King Estate	0.0	380	3.6	8.25%	41.8	8.00%	48.5	45.2	8.01%	9.92%
	Brief Description:	Tin King CP, completed in 1989, comprises the ground, second and third, portions of 4th and 5th floors, roof and upper roof of a 5-storey Car Park Block as well as various open car parks in Tin King Estate. There are a total of 380 car parking spaces in Tin King CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 4,036/197,161st equal and undivided shares of and in Tuen Mun Town Lot No 444 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
136	Car Park within Tsz Man Estate	0.0	364	3.4	8.25%	40.3	8.00%	47.0	43.7	7.89%	9.95%
	Brief Description:	Tsz Man CP, completed in 1994, comprises a 4-storey car park building with associated area in Tsz Man Estate. There are a total of 364 car parking spaces in Tsz Man CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 9,121/139,291st equal and undivided shares of and in New Kowloon Inland Lot No 6441 and is held under a government Lease for a term of 50 years from 28 February 2008.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
137	Retail and Car Park within Hong Yat Court	7,039.7	355	3.1	8.06%	39.6	8.00%	45.4	42.5	7.32%	9.83%
	Brief Description:	Hong Yat RC, completed in 1993, comprises a 7-storey car park block with a kindergarten on Level 13 (6th Floor) in Hong Yat Court. There are a total of 355 car parking spaces in Hong Yat RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 4,582/99,200th equal and undivided shares of and in New Kowloon Inland Lot No 6329 and is held under a Government Lease for a term of 50 years from 5 February 2001.									
138	Retail and Car Park within Yan Shing Court	11,700.5	252	2.6	7.65%	40.1	8.00%	44.2	42.2	6.18%	9.53%
	Brief Description:	Yan Shing RC, completed in 1993, comprises a 6-storey car park block (Car Park Block) with a retail shop, estate office and kindergarten on the ground floor in Yan Shing Court. There are a total of 252 car parking spaces in Yan Shing RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Fanling Sheung Shui Town Lot No 39 and is held under a Government Lease for a term from 10 September 1992 to 30 June 2047.									
139	Retail and Car Park within Nam Cheong Estate	8,106.9	156	2.8	7.40%	40.0	8.00%	43.7	41.9	6.63%	9.45%
	Brief Description:	Nam Cheong RC, completed in 1989, comprises a single-storey car park block (Car Park Block), various open car parking spaces and various shop units on the ground floor of Cheong Shun House, Cheong Yat House, Cheong On House and Cheong Yin House in Nam Cheong Estate. There are a total of 156 car parking spaces in Nam Cheong RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,670/109,764th equal and undivided shares of and in New Kowloon Inland Lot No 6427 and is held under a Government Lease for a term of 50 years from 17 August 2005.									
140	Retail and Car Park within Tsz Oi Court	13,304.3	199	2.9	7.66%	39.2	8.00%	43.3	41.3	6.93%	9.55%
	Brief Description:	Tsz Oi RC, completed in phases between 1997 and 2000, comprises a 6-storey car park building with a kindergarten on 6/F (Car Park Block) of Tsz Oi Court and a single-storey kindergarten building in Tsz Oi Court Stage III. There are a total of 199 car parking spaces in Tsz Oi RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 699/113,761st equal and undivided shares of and in New Kowloon Inland Lot No 6265 and is held under a Government Lease for a term of 50 years from 7 May 1999. It also comprises the entire Section A of New Kowloon Inland Lot No 6211 that is held under a Government Lease for a term from 9 June 1995 to 30 June 2047.									
141	Car Park within Lai On Estate	0.0	181	3.0	7.75%	38.6	8.00%	43.5	41.1	7.38%	9.70%
	Brief Description:	Lai On CP, completed in 1993, comprises a 3-storey car park building and various open car parks in Lai On Estate. There are a total of 181 car parking spaces in Lai On CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 5,099/9,011th equal and undivided shares of and in the Remaining Portion of New Kowloon Inland Lot No 6482 that is held under a Government Lease for a term of 50 years from 6 March 2009.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
142	Retail and Car Park within Tin Wah Estate	1,475.3	287	2.9	7.44%	38.9	8.00%	42.4	40.7	7.16%	9.45%
	Brief Description:	Tin Wah RC, completed in 1999, comprises two ground floor shop units and car parking spaces on the ground to second floors of the 7-storey Ancillary Facilities Block in Tin Wah Estate. There are a total of 287 car parking spaces in Tin Wah RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 11,225/236,423rd equal and undivided shares of and in Tin Shui Wai Town Lot No 43 and is held under a Government Lease for a term of 50 years from 12 May 2010.									
143	Retail and Car Park within Yan Ming Court	7,018.1	262	2.6	8.21%	37.5	8.00%	43.7	40.6	6.38%	9.94%
	Brief Description:	Yan Ming RC, completed in 1990, comprises a 3-storey commercial/car park centre in Yan Ming Court. There are a total of 262 car parking spaces in Yan Ming RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Junk Bay Town Lot No 9 and is held under a Government Lease for a term from 22 January 1987 to 30 June 2047.									
144	Car Park within Ning Fung Court	0.0	299	3.2	8.25%	37.4	8.00%	43.5	40.5	7.95%	9.93%
	Brief Description:	Ning Fung CP, completed in 2001, comprises a 3-storey carport building in Ning Fung Court. There are a total of 299 car parking spaces in Ning Fung CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,072/78,707th equal and undivided shares of and in Kwai Chung Town Lot No. 477 and is held under a Government Lease for a term of 50 years from 15 October 1999.									
145	Retail and Car Park within Ying Fuk Court	785.8	163	3.0	8.06%	36.8	8.00%	42.1	39.5	7.64%	9.80%
	Brief Description:	Ying Fuk RC, completed in 2001, comprises a 4-storey split-level car park building with a shop unit on the ground floor (Car Park Block) in Ying Fuk Court. There are a total of 163 car parking spaces in Ying Fuk RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the Remaining Portion of New Kowloon Inland Lot No 6266 and is held under a Government Lease for a term of 50 years from 7 May 1999.									
146	Car Park within Tsui Ping South Estate	5,274.4	229	2.1	8.00%	36.9	8.00%	42.1	39.5	5.26%	9.82%
	Brief Description:	Tsui Ping South CP, completed in 1990, comprises a 3-storey Car Park Block with a management office on the second floor and various open car parks in Tsui Ping South Estate. There are a total of 229 car parking spaces in Tsui Ping South CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 6,785/291,576 th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 755 and is held under a Government Lease for a term of 50 years from 27 November 2009.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
147	Car Park within Ka Tin Court	0.0	348	2.8	8.25%	35.4	8.00%	41.3	38.4	7.39%	9.94%
	Brief	Ka Tin Court CP, completed in 1988, comprises a 3-storey car park building in Ka Tin Court. There are a total of 348									
	Description:	car parking spaces in Ka Tin Court CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No 290 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 that has been statutorily extended to 30 June 2047.									
148	Retail and Car Park within Fung Wah Estate	9,818.2	161	2.1	7.50%	36.4	8.00%	40.2	38.3	5.42%	9.53%
	Brief	Fung Wah RC, completed in 1993, comprises portions of the Integrated HA Accommodation on LG/F and UG/F									
	Description:	of Block 2 Hiu Fung House, the G/F and LG/F of Block 3 Sau Fung House, a 2-storey Car Park Block as well as open car parks in Fung Wah Estate. There are a total of 161 car parking spaces in Fung Wah RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 5,638/76,232nd equal and undivided shares of and in Chai Wan Inland Lot No 169 and is held under a Government Lease for a term of 50 years from 10 February 2000.									
149	Retail and Car Park within Siu On Court	17,082.5	273	2.5	7.55%	34.1	8.00%	37.8	36.0	6.92%	9.59%
	Brief	Siu On RC, completed in 1981, comprises a 4-storey split-level car park building, a kindergarten spreads across the									
	Description:	ground floors of Ting Chi House and Ting Yin House as well as a Youth & Children Centre across the ground floors of Ting Kay House, Ting On House and Ting Hoi House in Siu On Court. There are a total of 273 parking spaces in Siu On RC.									
	Title Details:	The property is held by the Link Properties Limited. It comprises the entire Section A and 2/26,863rd equal and undivided shares of and in the Remaining Portion of Tuen Mun Town Lot No 216 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
150	Car Park within Po Pui Court	0.0	277	2.7	8.25%	32.9	8.00%	38.3	35.6	7.67%	9.95%
	Brief	Po Pui CP, completed in 1995, comprises a 3-storey Car Park Block in Po Pui Court. There are a total of 277 car									
	Description:	parking spaces in Po Pui CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Kwun Tong Inland Lot No 728 and is held under a Government Lease from 8 Feb 1994 to 30 June 2047.									
151	Car Park within Yue On Court	1,322.9	296	2.5	8.19%	32.5	8.00%	37.5	35.0	7.27%	9.88%
	Brief	Yue On CP, completed in 1988, comprises a 5-storey car park block (Car Park Block) with an office on the ground									
	Description:	floor. There are a total of 296 car parking spaces in Yue On CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Ap Lei Chau Inland Lot No 117 and is held under a Government Lease for a term of 75 years from 1 February 1982 renewable for another 75 years.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
152	Car Park within Ying Ming Court	0.0	274	2.6	8.50%	31.7	8.00%	37.4	34.6	7.62%	10.04%
	Brief Description:	Ying Ming CP, completed in 1989, comprises a 2-storey carport building in Ying Ming Court. There are a total of 274 car parking spaces in Ying Ming CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Junk Bay Town Lot No 4 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									
153	Retail and Car Park within Po Nga Court	13,950.1	246	2.1	7.73%	32.3	8.00%	36.1	34.2	6.04%	9.66%
	Brief Description:	Po Nga RC, completed in 1989, comprises a 3-storey car park building, a kindergarten on the ground floor of Ka Wo House and a nursery on the ground floor of Hing Wo House in Po Nga Court. There are a total of 246 car parking spaces in Po Nga RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A and 2/59,187th equal and undivided shares of and in the Remaining Portion of Tai Po Town Lot No 73 that is held under a Government Lease for a term from 29 March 1988 to 30 June 2047.									
154	Car Park within Ching Wang Court	0.0	179	2.7	8.50%	31.1	8.00%	36.7	33.9	8.11%	10.07%
	Brief Description:	Ching Wang CP, completed in 2001, comprises a 2-storey car park building in Ching Wang Court. There are a total of 179 car parking spaces in Ching Wang CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 2,516/36,665th equal and undivided shares of and in Tsing Yi Town Lot No 137 and is held under a Government Lease for a term of 50 years from 20 April 1999.									
155	Retail and Car Park within Tin Yat Estate	8,783.4	446	2.0	7.44%	31.4	8.00%	34.4	32.9	6.07%	9.52%
	Brief Description:	Tin Yat RC, completed in 2001, comprises a 7-storey car park building with a kindergarten on the ground floor and various open car parks in Tin Yat Estate. There are a total of 446 parking spaces in Tin Yat RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 15,485/226,221st equal and undivided shares of and in Tin Shui Wai Town Lot No 42 and is held under a Government Lease for a term of 50 years from 28 October 2008.									
156	Car Park within Wang Fuk Court	0.0	408	2.3	8.00%	29.6	8.00%	34.1	31.9	7.10%	9.83%
	Brief Description:	Wang Fuk CP, completed in 1983, comprises a 5-storey car park building (including a basement) in Wang Fuk Court. There are a total of 408 car parking spaces in Wang Fuk CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 27 and is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
157	Retail and Car Park within Tung Hei Court	6,340.0	146	2.3	8.10%	29.6	8.00%	34.0	31.8	7.25%	9.85%
	Brief	Tung Hei RC, completed in 1995, comprises a kindergarten on the ground floors of Blocks A and B (King Hei House & Yat Hei House) and a 2-storey carpark building (Car Park Block) in Tung Hei Court. There are a total of 146 car parking spaces in Tung Hei RC.									
	Description:										
	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.									
158	Retail and Car Park within Lok Nga Court	12,615.4	265	1.9	7.76%	29.0	8.00%	32.2	30.6	6.35%	9.63%
	Brief	Lok Nga RC, completed in 1984, comprises a 5-storey Car Park Block with an indoor sports hall on Level 6 and various open car parks located at the centre of Lok Nga Court. There are a total of 265 car parking spaces in Lok Nga RC.									
	Description:										
	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.									
159	Car Park within San Wai Court	0.0	185	2.1	8.25%	24.5	8.00%	28.5	26.5	8.08%	9.97%
	Brief	San Wai CP, completed in 1990, comprises a 3-storey car park building (Multi-Storey Car Park) in San Wai Court.									
	Description:	There are a total of 185 car parking spaces in San Wai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tuen Mun Town Lot No 326 and is held under a Government Lease for a term from 3 January 1989 to 30 June 2047.									
160	Retail and Car Park within Tai Ping Estate	3,337.8	101	1.3	7.11%	25.6	8.00%	27.0%	26.3	4.94%	9.24%
	Brief	Tai Ping RC, completed in 1989, comprises various retail shops on the ground floor of Ping Hay House (Portions of the Integrated HA Accommodation), a 2-storey car park block (Car Park Block) and various open car parking space (Open Car Parks) in Tai Ping Estate. There are a total of 101 car parking spaces in Tai Ping RC.									
	Description:										
	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.									
161	Car Park within Yee Kok Court	0.0	240	1.9	8.25%	24.0	8.00%	28.0	26.0	7.32%	9.95%
	Brief	Yee Kok CP, completed in 1981, comprises a 5-storey (including a basement) car park building in Yee Kok Court.									
	Description:	There are a total of 240 car parking spaces in Yee Kok CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5911 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
162	Retail and Car Park within Hung Hom Estate	3,993.7	45	1.7	7.57%	24.7	8.00%	27.1	25.9	6.55%	9.52%
	Brief Description:	Hung Hom RC, completed in 1999, comprises a single-storey car park building (Car Park Block), various shop units on the lower ground floor of Hung Fai House and various open car parking spaces scattered within Hung Hom Estate (Open Car Parks). There are a total of 45 car parking spaces in Hung Hom RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,573/51,548th equal undivided shares of and in Hung Hom Inland Lot No 554 and is held under a Government Lease for a term of 50 years from 29 August 2008.									
163	Car Park within Tin Yau Court	0.0	192	1.9	8.50%	21.5	8.00%	26.0	23.8	7.89%	10.15%
	Brief Description:	Tin Yau CP, completed in 1992, comprises a 3-storey car park building (Carport) in Tin Yau Court. There are a total of 192 car parking spaces in Tin Yau CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tin Shui Wai Town Lot No 10 and is held under a Government Lease for a term from 23 January 1992 to 30 June 2047.									
164	Retail and Car Park within Sau Mau Ping (III) Estate	1,507.0	205	1.5	7.22%	21.8	8.00%	23.7	22.8	6.73%	9.39%
	Brief Description:	Sau Mau Ping (III) RC, completed in 1996, comprises a 4-storey Car Park Block with a retail unit located on the ground floor of Sau Mau Ping (III) Estate. There are a total of 205 car parking spaces in Sau Mau Ping (III) RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 7,222/833,450th equal and undivided shares of and in New Kowloon Inland Lot No 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
165	Car Park within Yee Nga Court	0.0	159	1.4	8.50%	18.1	8.00%	21.5	19.8	6.98%	10.13%
	Brief Description:	Yee Nga CP, completed in 1993, comprises a total of 159 car parking spaces located on the ground floor of Yee Nga Court.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 120 and is held under a Government Lease for a term of 22 May 1991 to 30 June 2047.									
166	Car Park within Ming Nga Court	0.0	345	1.4	8.25%	18.0	8.00%	21.1	19.6	7.37%	9.94%
	Brief Description:	Ming Nga CP, completed in 1985, comprises a 3-storey (including basement) car park building in Ming Nga Court. There are a total of 345 car parking spaces in Ming Nga CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Tai Po Town Lot No 36 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
167	Car Park within Upper Ngau Tau Kok Estate	0.0	228	1.5	8.25%	18.0	8.00%	21.1	19.6	7.46%	9.94%
	Brief Description:	Upper Ngau Tau Kok CP, completed in 2002, comprises a 3-storey Car Park Block and associated areas in Upper Ngau Tau Kok Estate. There are a total of 228 car parking spaces in Upper Ngau Tau Kok Estate.									
	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 06 May 2008.									
168	Car Park within Hong Keung Court	0.0	93	1.4	8.25%	17.8	8.00%	20.9	19.4	7.02%	9.98%
	Brief Description:	Hong Keung CP, completed in 1999, comprises a 2-storey Car Park Block and a self-use office in Hong Keung Court. There are a total of 93 car parking spaces in Hong Keung CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the Remaining Portion of New Kowloon Inland Lot No 6239 and is held under a Government Lease for a term of 50 years from 8 January 1999.									
169	Retail and Car Park within Hong Shui Court	344.5	102	1.4	8.17%	17.4	8.00%	20.2	18.8	7.46%	9.87%
	Brief Description:	Hong Shui RC, completed in 1999, comprises a 2-storey split-level car park block (Car Park Block) with a retail unit on Level 2 in Hong Shui Court. There are a total of 102 car parking spaces in Hong Shui RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6227 and is held under a Government Lease for a term of 50 years from 14 May 1998.									
170	Retail and Car Park within Choi Fai Estate	1,044.1	93	1.3	8.48%	17.2	8.00%	20.1	18.7	7.00%	9.90%
	Brief Description:	Choi Fai RC, completed in 1995, comprises a 3-storey car park building (Car Park Block), some open car parks and a shop unit on the ground floor of Choi Ip House (Integrated Commercial/Car Park Accommodation) in Choi Fai Estate. There are a total of 93 car parking spaces in Choi Fai RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 3,391/89,760th equal and undivided shares of and in the New Kowloon Inland Lot No 6483 and is held under a Government Lease for a term of 50 years from 15 June 2009.									
171	Retail and Car Park within Tin Wang Court	9,945.2	79	0.8	7.68%	17.3	8.00%	18.9	18.1	4.38%	9.46%
	Brief Description:	Tin Wang RC, completed in 1992, comprises a 3-storey car park building (Car Park Block) with a kindergarten located on the second floor in Tin Wang Court. There are a total of 79 car parking spaces in Tin Wang RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Remaining Portion of New Kowloon Inland Lot No 6131 and is held under a Government Lease for a term from 21 May 1991 to 30 June 2047.									

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No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
172	Car Park within King Lai Court	0.0	158	1.1	8.50%	14.9	8.00%	17.7	16.3	6.94%	10.12%
	Brief Description:	King Lai CP, completed in 1989, comprises a 3-storey car park block and various open car parks. There are a total of 158 car parking spaces in King Lai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 5943 and is held under a Government Lease for a term of from 4 March 1985 to 30 June 2047.									
173	Car Park within Kam On Court	0.0	238	1.3	8.25%	14.8	8.00%	17.3	16.1	7.88%	9.91%
	Brief Description:	Kam On CP, completed in 1987, comprises a 3-storey car park building in Kam On Court. There are a total of 238 car parking spaces in Kam On CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of Sha Tin Town Lot No. 283 that is held under a Government Lease for a term of 99 years less the last 3 days from 1 July 1898 and has been statutorily extended to 30 June 2047.									
174	Car Park within Kwai Hong Court	0.0	88	1.1	8.25%	14.2	8.00%	16.8	15.5	6.93%	10.01%
	Brief Description:	Kwai Hong CP, completed in 1993, comprises a 3-storey car park building in Kwai Hong Court. There are a total of 88 car parking spaces in Kwai Hong CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,100/35,351st equal and undivided shares of and in Kwai Chung Town Lot No 420 and is held under a Government Lease for a term from 1 March 1990 to 30 June 2047.									
175	Car Park within Fung Lai Court	0.0	134	0.9	8.50%	12.8	8.00%	15.2	14.0	6.69%	10.12%
	Brief Description:	Fung Lai CP, completed in 1997, comprises a 3-storey car park building and various open car parks in Fung Lai Court. There are a total of 134 car parking spaces in Fung Lai CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,512/33,911th equal and undivided shares of and in New Kowloon Inland Lot No. 6240 and is held under a Government Lease for a term from 7 June 1996 to 30 June 2047.									
176	Car Park within Lower Wong Tai Sin (I) Estate	0.0	70	0.3	6.75%	9.8	8.00%	9.6	9.7	3.30%	8.71%
	Brief Description:	Lower Wong Tai Sin CP, completed in 1982, comprises two open car parking areas (Open Car Parks) in Lower Wong Tai Sin (I) Estate. There are a total of 70 car parking spaces in Lower Wong Tai Sin CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 674/240,107th equal and undivided shares of and in New Kowloon Inland Lot No 6373 and is held under a Government Lease for a term of 50 years from 8 February 2001.									

Valuation Report

No.	Property name	IFA (sq ft)	Car Park Spaces	Net Passing Income HK\$pa (M)	Income Capitalisation		DCF Analysis		Assessment as at 31 March 2011	Analysis	
					Cap. Rate	Value (HK\$M)	Discount Rate	Value (HK\$M)	Value (HK\$M)	Initial Yield	Indicated IRR
177	Car Park within Sau Mau Ping (I) Estate	0.0	395	0.6	8.25%	8.5	8.00%	10.1	9.3	6.16%	10.03%
	Brief Description:	Sau Mau Ping (I) CP, completed in 2002, comprises a 3-storey Car Park B beneath the residential block of Sau Ming House, the Integrated Commercial/Car Park Accommodation on the ground floor and roof of Sau Ming House as well as associated areas in Sau Mau Ping (I) Estate. There are a total of 395 car parking spaces in Sau Mau Ping (I) CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 14,364/833,450th and portion of 10/833,450th equal and undivided shares of and in New Kowloon Inland Lot No 6453 and is held under a Government Lease for a term of 50 years from 23 February 2007.									
178	Car Park within Pang Ching Court	0.0	67	0.5	8.50%	8.3	8.00%	9.3	8.8	5.94%	9.71%
	Brief Description:	Pang Ching CP, completed in 1991, comprises various open car parking areas in Pang Ching Court. There are a total of 67 car parking spaces in Pang Ching CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises the entire Section A of New Kowloon Inland Lot No 6121 and is held under a Government Lease for a term from 21 September 1990 to 30 June 2047.									
179	Car Park within Chuk Yuen (North) Estate	0.0	61	0.6	8.50%	8.4	8.00%	9.0	8.7	6.71%	9.39%
	Brief Description:	Chuk Yuen (North) CP, completed in 1987, comprises two open car parking areas in Chuk Yuen (North) Estate. There are a total of 61 car parking spaces in Chuk Yuen (North) CP.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 687/364,071st equal and undivided shares of and in New Kowloon Inland Lot No 6327 and is held under a Government Lease for a term of 50 years from 18 March 1999.									
180	Retail and Car Park within Ko Yee Estate	0.0	38	0.2	7.52%	4.7	8.00%	3.6	4.2	4.34%	6.95%
	Brief Description:	Ko Yee RC, completed in 1994, comprises a single storey Commercial Block, a single storey Car Park Block and open car parks in Ko Yee Estate. There are a total of 38 car parking spaces within Ko Yee RC.									
	Title Details:	The property is held by The Link Properties Limited. It comprises 1,518/80,343rd equal and undivided shares of and in New Kowloon Inland Lot No 6480 and is held under a Government Lease for a term of 50 years commencing from 8 January 2010.									

The above Schedule of Values is a summary of the Full Valuation Report, a comprehensive version (in English) of which is available for inspection at the registered office of the Manager.

Glossary

AEI	Asset Enhancement Initiative, which means asset enhancement works, encompassing improvements in trade-mix, customer service, promotional activities and the physical layout and structure
average monthly unit rent	the average base rent plus management fee per month per square foot leased IFA
base rent	in respect of a lease, the standard rent payable under the lease, exclusive of any additional turnover rent (if applicable) and other charges and reimbursements
car park utilisation rate	the number of tickets sold to monthly users as a percentage of the number of monthly parking spaces available
completed AEI centres	properties where AEI works have been completed
composite reversion rate	the percentage change in per square foot average unit rent between old and new leases on the same store
development centres	properties where AEI works are in progress, including those completed in the last 12 months
DPU	distribution per unit, calculated based on the total distributable income for a financial year/period divided by the number of units in issue as at the end of such financial year/period
HD Office	office space leased to the Housing Department, the executive arm of Hong Kong Housing Authority (a body corporate established by virtue of section 3 of the Housing Ordinance of Hong Kong)
IFA	internal floor area, the internal area within the enclosure and available for the exclusive use of the occupier(s) of a building excluding common area and the thickness of all enclosing walls
internally managed REIT	the manager who manages the REIT is beneficially owned by the REIT itself rather than being owned by an external party
lease	a lease or a tenancy agreement (both of which grant a possessory interest) or a license (which merely constitutes an authority to do something) in respect of premises at the retail properties granted to a tenant
leased IFA	the IFA being let out under a lease
market capitalisation	the market value of the REIT calculated by multiplying the number of units in issue by the prevailing unit price quoted on The Stock Exchange of Hong Kong Limited
NPI	net property income, being total revenue less direct property related expenses
occupancy rate	the aggregated leased IFA as a percentage of total leasable IFA



Glossary (continued)

QIO	quality independent operator, being tenant with shop's IFA less than or equals 1,000 square feet, excluding the top 50 tenants by monthly base rent and trades such as councilor office, post office, department store, bank, off course betting course, elderly centre and single operator shopping centre
retail operations	the operations within the shopping centres, including shop units, market stalls, cooked food stalls, education and welfare, HD office, ancillary and mall merchandising
retention rate	the percentage of tenants being retained in the same shopping centre upon the expiry of leases
return on investment	projected NPI post AEI minus NPI pre AEI divided by the amount of capital expenditures
stable centres	properties that are not classified as development centres
tenant	a lessee, tenant or licensee (as the case may be) under a lease
total distributable income	the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the financial year/period, before transactions with Unitholders) adjusted to eliminate the effect of certain non-cash adjustments
Trust Deed	the trust deed dated 6 September 2005 between the Trustee and the Manager constituting The Link REIT as amended and supplemented by the Supplemental Deeds from time to time
Trustee	HSBC Institutional Trust Services (Asia) Limited, the trustee of The Link REIT
turnover rent	rent calculated and charged by reference to a pre-determined percentage of a tenant's gross sales turnover in excess of the base rent
vacancy rate	the aggregated vacant IFA as a percentage of total leasable IFA

Five Year Performance Summary

FINANCIAL DATA

	Year ended 31 March 2011	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008	Year ended 31 March 2007
	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		(Restated)	(Restated)	(Restated)	(Restated)
Consolidated income statement					
Revenues	5,353	4,990	4,503	4,199	3,954
Property operating expenses	(1,709)	(1,662)	(1,698)	(1,662)	(1,593)
Net property income	3,644	3,328	2,805	2,537	2,361
General and administrative expenses	(176)	(120)	(134)	(102)	(88)
Change in fair values of investment properties	12,812	9,809	(1,865)	4,265	3,514
Operating profit	16,280	13,017	806	6,700	5,787
Interest income	4	6	37	78	60
Finance costs on interest bearing liabilities	(501)	(583)	(511)	(604)	(578)
Profit before taxation and transactions with Unitholders	15,783	12,440	332	6,174	5,269
Taxation	(503)	(458)	(330)	(288)	(301)
Profit for the year, before transactions with Unitholders	15,280	11,982	2	5,886	4,968
Distributions paid to Unitholders	(2,251)	(1,990)	(1,710)	(1,515)	(1,169)
	13,029	9,992	(1,708)	4,371	3,799
Represented by:					
Change in net assets attributable to Unitholders, excluding issues of new Units	13,169	10,219	(2,117)	4,155	3,688
Amount arising from cash flow hedging reserve movement	(140)	(227)	409	216	111
	13,029	9,992	(1,708)	4,371	3,799
Consolidated statement of distributions					
Profit for the year	15,280	11,982	2	5,886	4,968
Adjustments:					
Change in fair values of investment properties	(12,812)	(9,809)	1,865	(4,265)	(3,514)
Deferred taxation on change in tax rate	-	-	(29)	-	-
Other non-cash income	(10)	(39)	(19)	(19)	(13)
Total distributable income	2,458	2,134	1,819	1,602	1,441
Distribution per unit (HK cents)					
Interim DPU	52.86	48.35	40.86	36.11	32.81
Final DPU	57.59	49.02	43.13	38.29	34.62
Total DPU	110.45	97.37	83.99	74.40	67.43

Five Year Performance Summary (continued)

FINANCIAL DATA (continued)

		As at 31 March 2011	As at 31 March 2010 (Restated)	As at 31 March 2009 (Restated)	As at 31 March 2008 (Restated)	As at 31 March 2007 (Restated)
Assets and liabilities						
Investment properties	HK\$'M	67,318	53,781	43,255	44,307	39,557
Other non-current assets	HK\$'M	391	367	346	330	336
Current assets	HK\$'M	1,045	1,076	1,372	2,007	1,638
Total assets	HK\$'M	68,754	55,224	44,973	46,644	41,531
Current liabilities	HK\$'M	4,577	1,807	1,689	3,481	1,056
Non-current liabilities	HK\$'M	9,202	12,272	13,001	10,903	12,731
Total liabilities, excluding net assets attributable to Unitholders	HK\$'M	13,779	14,079	14,690	14,384	13,787
Net assets attributable to Unitholders	HK\$'M	54,975	41,145	30,283	32,260	27,744
Interest bearing liabilities to total assets	%	15.1	19.7	25.7	26.1	29.3
Total liabilities to total assets	%	20.0	25.5	32.7	30.8	33.2
Valuation						
Valuation of investment properties	HK\$'M	67,318	53,781	43,255	44,307	39,557
Valuation weighted average capitalisation rate	%	6.16	6.73	7.42	6.95	N/A
Net assets per unit attributable to Unitholders	HK\$	24.63	18.68	13.97	14.94	12.98
Market price per unit	HK\$	24.35	19.14	15.32	17.26	18.80
Market capitalisation	HK\$'M	54,356	42,147	33,199	37,259	40,184
(Discount)/premium of unit price to net assets per unit attributable to Unitholders	%	(1.1)	2.5	9.7	15.5	44.8
Units in issue		2,232,284,540	2,202,043,479	2,167,040,427	2,158,677,767	2,137,454,000

Five Year Performance Summary (continued)

PORTFOLIO DATA

		Year ended 31 March 2011	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008	Year ended 31 March 2007
			(Restated)	(Restated)	(Restated)	(Restated)
Operational Data						
Average monthly unit rent at year end	HK\$ psf	32.8	30.6	28.4	25.4	23.6
Average monthly unit rent excluding Self use office, Education/Welfare, HD Office and Ancillary at year end	HK\$ psf	35.3	33.0	30.9	27.7	25.9
Composite reversion rate						
Shops	%	20.9	23.7	28.5	24.8	11.1
Overall	%	21.4	20.5	25.2	22.5	9.9
Occupancy rate at year end	%	91.5	90.6	87.4	89.3	90.3
Net property income margin	%	68.1	66.7	62.3	60.4	59.7
Retention rate	%	74.1⁽ⁱ⁾	71.4 ⁽ⁱ⁾	72.9	71.9	78.7
Number of turnover rent leases (excluding ancillary) at year end		4,258	3,206	1,996	907	552
Car park income per space per month	HK\$	1,095	1,054	1,029	979	923
Car park utilisation rate at year end	%	75.0	71.8	71.3	71.2	71.6
Performance Data						
The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (ii))	HK\$	1.22	1.67	5.83	5.26	7.02
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (ii))	HK\$	(6.09)	(4.60)	(3.01)	(0.74)	N/A
Net yield per unit (Note (iii))	%	4.5	5.1	5.5	4.3	3.6
Net yield per unit on listing price of HK\$10.30 per unit	%	10.7	9.5	8.2	7.2	6.5

Notes:

- (i) Includes tenants who relocated within the same property.
- (ii) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$25.85 (2010: HK\$20.35) and HK\$18.54 (2010: HK\$14.08) respectively on The Stock Exchange of Hong Kong Limited during the year. During the year ended 31 March 2007, the lowest traded price was higher than the net assets per unit attributable to Unitholders as at year end date. Accordingly, no discount of the traded price to net assets per unit attributable to Unitholders was presented at 31 March 2007.
- (iii) Net yield per unit is calculated based on distribution per unit for the year ended 31 March 2011 of HK110.45 cents (2010: HK97.37 cents) over the last traded price as at 31 March 2011 of HK\$24.35 (2010: HK\$19.14).



Financial Calendar

LISTING OF THE UNITS

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

There were 2,232,284,540 units in issue as at 31 March 2011 and the number was increased to 2,232,399,318 units on 17 May 2011. Further details of units in issue as at financial year end are set out in note 23 to the consolidated financial statements on page 137.

INVESTOR CALENDAR

Final results announcement for the year ended 31 March 2011	1 June 2011
Ex-final distribution date	15 June 2011
Five trading days to determine unit price for scrip in lieu of final cash distribution	15 June to 21 June 2011 (both dates inclusive)
Closure of register of Unitholders (for final distribution) ¹	17 June to 21 June 2011 (both dates inclusive)
Record date for final distribution	21 June 2011
Announcement of unit price for scrip in lieu of final cash distribution	21 June 2011
Despatch of distribution reinvestment scheme documents	On or about 27 June 2011
Closure of register of Unitholders (for 2011 annual general meeting of Unitholders) ²	11 July to 13 July 2011 (both dates inclusive)
Closure of scrip election ³	4:30 pm on 12 July 2011
2011 annual general meeting of Unitholders	13 July 2011
Final distribution payment date	On or about 26 July 2011
Interim results announcement for the six months ending 30 September 2011	On or before 30 November 2011

¹ The register of Unitholders is closed for ascertaining Unitholders' entitlement to the final distribution. In order to qualify for the final distribution, Unitholders should ensure that all transfers documents accompanied by the relevant unit certificates must be lodged with The Link REIT's unit registrar, Computershare Hong Kong Investor Services Limited (the "Unit Registrar"), at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on 16 June 2011.

² The register of Unitholders is closed for ascertaining Unitholders' right to attend the 2011 annual general meeting of The Link REIT. In order for Unitholders to be eligible to attend and vote at the said annual general meeting, all transfer documents accompanied by the relevant unit certificates must be lodged with the Unit Registrar (at its address shown above) for registration not later than 4:30 pm on 8 July 2011.

³ A distribution reinvestment scheme is available to those eligible Unitholders with a registered address in Hong Kong, who may elect to receive the final distribution for the financial year ended 31 March 2011 wholly in cash or in the form of new units or a combination of both. An announcement giving further details will be published on or about 21 June 2011 and a circular together with the relevant election form or entitlement advice will be sent to the Unitholders on or about 27 June 2011. **Election form for scrip distribution must be lodged with and received by the Unit Registrar (at its address shown above) not later than 4:30 pm on 12 July 2011. Unitholders should note that any election form arrived/received after the aforesaid deadline will be taken as invalid.**

INVESTOR INFORMATION

Financial reports, announcements, circulars, notices, corporate communications, press releases and other investor information of The Link REIT are available online at its website at www.thelinkreit.com.

INVESTOR RELATIONS CONTACT

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WEBSITES

www.thelinkreit.com (The Link REIT website)

www.thelinkfunacademy.com (The Link Fun Academy website)

www.lokfuplaza.com (Lok Fu Plaza website)

Corporate Information

BOARD OF DIRECTORS OF THE MANAGER

Chairman

(also an Independent Non-Executive Director)

Nicholas Robert SALLNOW-SMITH

Executive Directors

George Kwok Lung HONGCHOY

(Chief Executive Officer)

Andy CHEUNG Lee Ming

(Chief Financial Officer)

Non-Executive Director

Ian Keith GRIFFITHS

Independent Non-Executive Directors

Michael Ian ARNOLD

William CHAN Chak Cheung

Anthony CHOW Wing Kin

Patrick FUNG Yuk Bun

Stanley KO Kam Chuen

David Charles WATT

Richard WONG Yue Chim

Allan ZEMAN

RESPONSIBLE OFFICERS OF THE MANAGER

George Kwok Lung HONGCHOY

Andy CHEUNG Lee Ming

Hubert CHAK

James Andrew CLARK

Simon HO Kam Por

Eric YAU Siu Kei

AUTHORISED REPRESENTATIVES OF THE LINK REIT

George Kwok Lung HONGCHOY

Ricky CHAN Ming Tak

COMPANY SECRETARY OF THE MANAGER

Ricky CHAN Ming Tak

TRUSTEE

HSBC Institutional Trust Services (Asia) Limited

AUDITOR OF THE LINK REIT

PricewaterhouseCoopers

PRINCIPAL VALUER

Jones Lang LaSalle Limited

PRINCIPAL BANKERS

Australia and New Zealand Banking Group Limited,
Hong Kong Branch

Bank of China (Hong Kong) Limited

BNP Paribas, Hong Kong Branch

DBS Bank Ltd, Hong Kong Branch

Standard Chartered Bank (Hong Kong) Limited

The Bank of Tokyo-Mitsubishi UFJ, Ltd, Hong Kong Branch

The Hongkong and Shanghai Banking Corporation Limited

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UNIT REGISTRAR AND TRANSFER OFFICE

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