



## 2010/2011

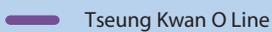
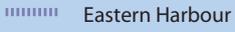
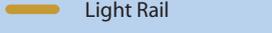
Interim Report

Six months ended 30 September 2010

# 180 Retail and Car Park Properties Under Management



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## CORPORATE PROFILE

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**The Link Real Estate Investment Trust** (“The Link REIT”) is Hong Kong’s first and largest REIT, with a portfolio of 180 properties comprising 149 integrated retail and car park facilities, two standalone retail facilities and 29 standalone car park facilities. As at 30 September 2010, the portfolio had internal floor area (“IFA”) of approximately 11 million square feet (“sq ft”) of retail space and approximately 80,000 car park spaces. Around 8%, 32% and 60% of the total IFA is located on Hong Kong Island, Kowloon, and the New Territories, respectively.

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

The current investment strategy of The Link REIT’s manager, The Link Management Limited (the “Manager”), is to invest in sustainable income producing properties in Hong Kong that are mainly for retail and car park use and to maximise their value through asset enhancement works encompassing physical structure, trade-mix, customer service and promotional activities. As these enhancement projects progress, the portfolio 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 180 properties.

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

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# 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 **R**espect, **E**xcellence, **I**ntegrity and **T**eamwork



# Highlights for the Period ended 30 September 2010



## EARNINGS GROWTH

• Revenue	HK\$2,621 million	↑ 7.5%
• Net property income	HK\$1,765 million	↑ 9.2%
• Distribution per unit	HK\$52.86 cents	↑ 9.3%
• Distribution payout ratio		100%



## PORTFOLIO PERFORMANCE

• Average monthly unit rent	HK\$31.7 psf	↑ 6.7%
• Composite reversion rate		22.7%
• Occupancy rate		↑ to 90.9%
• Net property income margin		↑ to 67.3%



## FINANCIAL POSITION

• Portfolio valuation <sup>(1)</sup>	HK\$57,337 million	↑ 6.6%
• Net asset value per unit <sup>(1)</sup>	HK\$18.73	↑ 7.3%
• Gearing ratio <sup>(1)</sup>		↓ to 17.1%
• Credit ratings upgraded by Moody's to A2 / Stable		

(1) These comparisons are based on 31 March 2010 figures while others are based on 30 September 2009 figures.

# Chairman's Statement

I am delighted that The Link REIT has achieved strong operating results for the six months ended 30 September 2010. The operating environment in the period under review was good as economic and retail sales growth in Hong Kong were fairly strong. I will leave details of the operating performance, strategy and outlook to the Report of the Chief Executive Officer ("CEO"). My statement will focus on the unveiling of our Vision, Mission and Values as the Manager of The Link REIT.

## Vision, Mission and Values

Our vision is to be a world class real estate investor and manager serving and improving the lives of those around us. This means we aim to manage our portfolio of investment properties in ways that benefit our tenants, shoppers, employees, investors and the community at large. If our work benefits those we serve, this complements, and does not conflict with, growing value for our Unitholders.

Supporting our vision is our mission to build relationships with our many stakeholders. We work in an inter-connected world. With a portfolio of our size, we need good relationships with all our stakeholders for us to do our job well. Our mission is to build such relationships by partnering with local communities, to provide value and quality service and to deliver sustainable growth.

Underlying how we deliver our mission and achieve our vision are values which all our staff are expected to embrace. These are **R**espect, **E**xcellence, **I**ntegrity and **T**eamwork. The board of directors (the "Board") and management have considered carefully how to capture the essence of our business philosophy in these statements. As a new company, it will take time before these values are ingrained in everything we do. But I know that all our staff will use these expressions of our Vision, Mission and Values as touchstones to guide their daily operational work as well as our longer term planning.

## Appreciation

It is with disappointment that the Board bade farewell to Mr Ian David Murray ROBINS, who stepped down as CEO on 17 May 2010 and left the Manager on 30 June 2010. Mr Robins has brought tremendous passion to the business and done a great job in driving change within our platform and delivering outstanding risk adjusted returns to Unitholders. The Board wishes Mr Robins well in his future endeavours and welcomes Mr George Kwok Lung HONGCHOY who became CEO on 17 May 2010. The Board also extends its warmest welcome to Mr Andy CHEUNG Lee Ming, who with effect from 28 June 2010, was appointed as the Chief Financial Officer ("CFO") and an Executive Director of the Manager.

I am pleased with the smooth transition of senior leadership to Mr Hongchoy and Mr Cheung. The Board would like to offer sincere thanks to our management and staff, whose professionalism and dedication are critical to our success.

Looking ahead, by the time you receive this report, The Link REIT would have just celebrated the fifth anniversary of its listing. I am immensely encouraged of how The Link REIT has grown over the last five years. Those of you who have invested in The Link REIT at the time of listing and held on to your units until today would have enjoyed a rewarding return on your investment.

Much has changed at The Link REIT over the past five years. We have better systems, processes, assets, people and financial position. The results over the past five years testify to the dedication and professionalism of our staff and the resilience of our portfolio. No doubt the years ahead will herald further change and progress. I am confident that with the dedication of our management and staff, we are ready to meet future challenges and that the transformation of our portfolio will benefit the Hong Kong communities we serve.

**Nicholas Robert SALLNOW-SMITH**

*Chairman*

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

10 November 2010

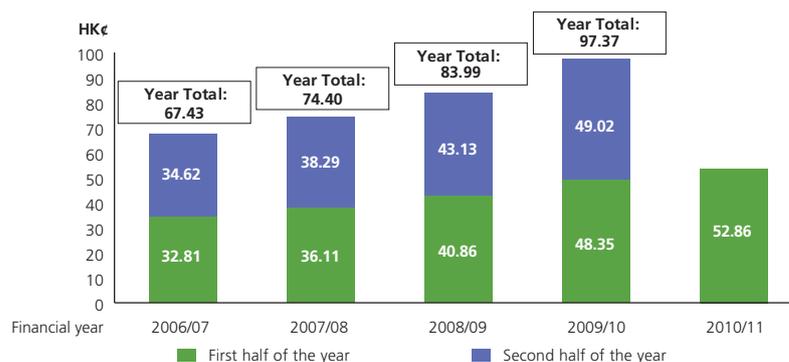
# Report of the Chief Executive Officer

I am pleased to report the unaudited interim results of The Link REIT and its subsidiaries (the "Group") for the six months ended 30 September 2010.

## Financial Highlights

The six months under review was a period of continued growth for The Link REIT. Driven by strong performance from the retail properties, revenue for the period under review rose 7.5% year-on-year to HK\$2,621 million (six months ended 30 September 2009: HK\$2,438 million). Amidst revenue growth and active cost management, net property income margin continued to improve, rising to 67.3% for the period under review, compared with 66.3% for the six months ended 30 September 2009. Total distributable income for the six months ended 30 September 2010 rose 11.1% year-on-year to HK\$1,172 million (six months ended 30 September 2009: HK\$1,055 million). It is the Manager's current policy to distribute to Unitholders 100% of The Link REIT's total distributable income. As at 30 September 2010, there were in issue 2,217,446,050 units of The Link REIT. Distribution per unit for the six months ended 30 September 2010 was HK52.86 cents (six months ended 30 September 2009: HK48.35 cents), which represents an increase of 9.3% year-on-year and 7.8% half-on-half. A distribution reinvestment scheme is available to Unitholders who can elect to receive the distribution in respect of the six months ended 30 September 2010 in the form of cash, or in the form of new units of The Link REIT, or a combination of both. Net asset value per unit rose 7.3% from HK\$17.46 as at 31 March 2010 to HK\$18.73 as at 30 September 2010 largely because of an increase in values of investment properties in the portfolio.

### Track Record of Growth in Distribution Per Unit



### Change in Net Asset Value Per Unit



**Income Statement Summary**

	Six months ended 30 September 2010 (HK\$'M)	Six months ended 30 September 2009 (HK\$'M)	YoY (%)
Revenues	2,621	2,438	7.5
Property operating expenses	(856)	(821)	4.3
Net property income	1,765	1,617	9.2
General and administrative expenses	(80)	(50)	60.0
Interest income	1	4	(75.0)
Finance costs on interest bearing liabilities	(271)	(266)	1.9
<b>Profit before taxation, change in fair values of investment properties and transactions with Unitholders</b>	<b>1,415</b>	<b>1,305</b>	<b>8.4</b>
Change in fair values of investment properties	3,259	3,946	(17.4)
Taxation	(774)	(871)	(11.1)
<b>Profit after taxation, attributable to Unitholders</b>	<b>3,900</b>	<b>4,380</b>	<b>(11.0)</b>

**Distribution Statement Summary**

	Six months ended 30 September 2010 (HK\$'M)	Six months ended 30 September 2009 (HK\$'M)	YoY (%)
<b>Profit for the period</b>	<b>3,900</b>	<b>4,380</b>	<b>(11.0)</b>
Change in fair values of investment properties	(3,259)	(3,946)	(17.4)
Deferred taxation on change in fair values of investment properties	538	651	(17.4)
Other non-cash income	(7)	(30)	(76.7)
<b>Total distributable income</b>	<b>1,172</b>	<b>1,055</b>	<b>11.1</b>
<b>Distribution per unit (HK cents)</b>	<b>52.86</b>	<b>48.35</b>	<b>9.3</b>

## Portfolio Highlights

The Manager is pleased with the performance of key portfolio metrics in the period under review. Retention and occupancy rates remained relatively stable year-on-year while the composite reversion rate continued to be healthy. The overall reversion rate for the six months ended 30 September 2010 has slightly improved compared with a year ago. Average monthly unit rent per square foot for the retail properties continued to trend upwards, rising 6.7% from HK\$29.7 as at 30 September 2009 to HK\$31.7 as at 30 September 2010.

The conveyance of legal title of List 2 Properties (as defined in the offering circular of The Link REIT dated 14 November 2005) by Hong Kong Housing Authority ("HKHA") had been completed by 31 August 2010. The Link REIT now has full legal title for all its 180 properties.

## Portfolio Metrics

	Six months ended 30 September 2010	Year ended 31 March 2010	Six months ended 30 September 2009	30 September 2010 vs 30 September 2009
Average unit rent (psf) at period / year end				
• Shops	<b>HK\$31.4</b>	HK\$30.3	HK\$29.4	↑ 6.8%
• Overall (ex Self use office)	<b>HK\$31.7</b>	HK\$30.6	HK\$29.7	↑ 6.7%
Composite reversion rate*				
• Shops	<b>22.2%</b>	23.7%	25.3%	↓ 3.1%
• Overall	<b>22.7%</b>	20.5%	22.0%	↑ 0.7%
Occupancy rate at period / year end				
• Development centres	<b>86.9%</b>	93.1%	85.8%	↑ 1.1%
• Stable centres	<b>91.7%</b>	90.1%	92.2%	↓ 0.5%
• Overall	<b>90.9%</b>	90.6%	90.6%	↑ 0.3%
Retention rate				
• Shops	<b>75.7%</b>	66.8%	69.9%	↑ 5.8%
• Overall	<b>74.6%</b>	71.4%	69.5%	↑ 5.1%
Revenue contribution (excluding car parks) from completed Asset Enhancement Initiatives ("AEIs")				
	<b>27.7%</b>	25.3%	20.7%	↑ 7.0%
Net property income margin				
	<b>67.3%</b>	66.7%	66.3%	↑ 1.0%
Car park income per space per month				
	<b>HK\$1,067</b>	HK\$1,054	HK\$1,042	↑ 2.4%

\* Composite reversion rate is the percentage change in per square foot average base rent plus management fee between old and new leases based on like-for-like space

Within The Link REIT's portfolio of 180 retail and car park properties, the top ten and top 50 properties by revenue accounted for 24% and 67% of revenue for the period under review, respectively. Among the 151 properties with a retail component, the top ten and properties ranked from 11<sup>th</sup> to 50<sup>th</sup> by retail revenue achieved average monthly unit rent per square foot of HK\$45.8 and HK\$34.0 as at 30 September 2010, respectively (31 March 2010: HK\$44.9 and HK\$32.0, respectively).

### Portfolio Segmentation

Properties*	Total revenue for period ended 30 September 2010			Total valuation as at 30 September 2010			WACR** (%)
	(HK\$'M)	(%)	Cumulative (%)	(HK\$'M)	(%)	Cumulative (%)	
1-10	618	24	24	15,426	27	27	6.1
11-50	1,117	43	67	24,398	43	70	6.7
51-100	639	24	91	13,007	23	93	7.0
101-180	247	9	100	4,506	7	100	7.8
<b>Total</b>	<b>2,621</b>	<b>100</b>		<b>57,337</b>	<b>100</b>		<b>6.7</b>

\* Properties are ranked by revenue contribution

\*\* WACR = Weighted Average Capitalisation Rate

Retail Properties#	Total IFA as at 30 September 2010			Average monthly unit rent per leased IFA as at 30 September 2010 (HK\$ psf)	% change in average monthly unit rent (30 September 2010 vs 31 March 2010)
	(M sq ft)	(%)	Cumulative (%)		
1-10	1.9	17	17	45.8	2.0
11-50	4.7	43	60	34.0	6.3
51-100	3.4	31	91	24.0	1.7
101-151	1.0	9	100	18.4	(0.5)
<b>Total</b>	<b>11.0</b>	<b>100</b>		<b>31.7</b>	<b>3.6</b>

# Properties are ranked by retail revenue contribution

## Performance Review

Rental income from retail properties which accounted for 75% of revenue in the period under review, rose 9.3% year-on-year to HK\$1,967 million (six months ended 30 September 2009: HK\$1,800 million). The composite reversion rate achieved for the retail properties was 22.7% in the period under review (six months ended 30 September 2009: 22.0%) while overall occupancy rate remained relatively stable at 90.9% as at 30 September 2010 (31 March 2010: 90.6%). Within retail properties, the shops component is the largest revenue contributor. The composite reversion rate for shops was 22.2% in the period under review (six months ended 30 September 2009: 25.3%). There was also increasing contribution to revenue from the six properties where asset enhancement work (or AEI) was completed in the financial year ended 31 March 2010. For the period under review, AEI work on Siu Sai Wan Plaza was completed. AEI work on the largest property, Lok Fu Plaza, is progressing well, with the opening of the new anchor tenant, UNY, in June 2010 and completion of the final phase of this AEI project scheduled for the end of 2010. Extended renovation work on markets is currently under study. The Manager has added two new AEI projects to its pipeline, namely Stanley Plaza and Leung King Shopping Centre.

Revenue from car parks accounted for 19.5% of total revenue for the six months ended 30 September 2010 as car parks revenue rose steadily to HK\$510 million (six months ended 30 September 2009: HK\$497 million). Implementation of procedures on leasing of car park spaces to conform with the relevant Government land lease requirements did not have a material impact on overall car park revenue.



Asset enhancement work at Siu Sai Wan Plaza helps draw more customers from nearby housing estates as well as other neighbouring developments



UNY Department Store, anchor retailer of The Link REIT's flagship Lok Fu Plaza

**Revenue Analysis**

	Six months ended 30 September 2010 (HK\$'M)	Six months ended 30 September 2009 (HK\$'M)	YoY (%)	Percentage contribution six months ended 30 September 2010 (%)
<b>Rental income:</b>				
Shops – Base rent	1,516	1,382	9.7	57.9
Shops – Turnover rent	38	32	18.8	1.5
Markets	270	257	5.1	10.3
Cooked Food Stalls	27	24	12.5	1.0
Education / Welfare	22	23	(4.3)	0.8
Housing Department (“HD”) Office	3	7	(57.1)	0.1
Ancillary	35	33	6.1	1.3
Mall Merchandising	56	42	33.3	2.1
<b>Gross revenue from car parks:</b>				
Monthly	382	385	(0.8)	14.6
Hourly	128	112	14.3	4.9
<b>Expense recovery and other miscellaneous income:</b>				
Property related income	144	141	2.1	5.5
	<b>2,621</b>	<b>2,438</b>	<b>7.5</b>	<b>100.0</b>



The asset enhancement at Tai Wo Plaza boasts a wide array of quality retailers

**Composite Reversion Rate**

	Six months ended 30 September 2010 (%)	Six months ended 30 September 2009 (%)	% of total IFA (ex Self use office) as at 30 September 2010
Shops	22.2	25.3	81.0
Markets	24.7	10.2	7.8
Cooked Food Stalls	27.3	24.6	1.3
Education / Welfare	3.3	1.1	8.2
HD Office	NA	NA	1.6
Ancillary	18.9	2.0	0.1
Overall Retail Properties	22.7	22.0	100.0
Overall excluding Education / Welfare	23.0	22.2	91.8

**Occupancy Analysis**

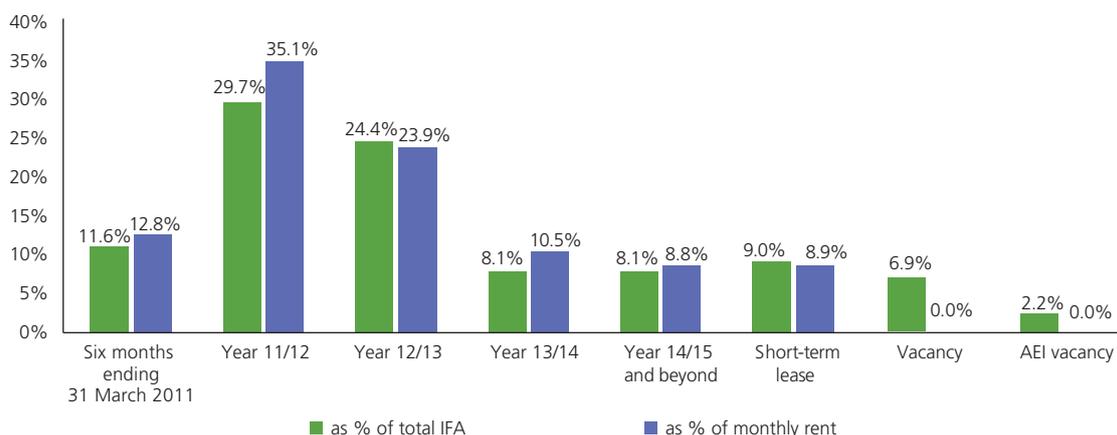
	As at 30 September 2010			As at 31 March 2010		
	Total IFA excluding Self use office (’000 sq ft)	Occupancy rate (%)	Average monthly unit rent per leased IFA (HK\$ psf)	Total IFA excluding Self use office (’000 sq ft)	Occupancy rate (%)	Average monthly unit rent per leased IFA (HK\$ psf)
Development Centres	1,782	86.9	42.1	1,879	93.1	39.2
Stable Centres	9,040	91.7	29.7	8,948	90.1	28.7
Overall	10,822	90.9	31.7	10,827	90.6	30.6

**Portfolio Summary**

As at 30 September 2010					
Category	Total IFA (sq ft)	Leased IFA (sq ft)	Vacant IFA (sq ft)	Average monthly unit rent per leased IFA (HK\$ psf)	Occupancy rate (%)
Shops	8,764,585	8,177,058	587,527	31.4	93.3
Markets	850,857	686,558	164,299	66.1	80.7
Cooked Food Stalls	142,831	114,645	28,186	37.3	80.3
Education / Welfare	884,238	828,749	55,489	4.5	93.7
HD Office	172,443	27,884	144,559	13.4	16.2
Ancillary	6,870	6,846	24	141.2	99.7
Total excluding Self use office	10,821,824	9,841,740	980,084	31.7	90.9
Self use office	144,331	–	–		
Total including Self use office	10,966,155	9,841,740	980,084		
Total excluding Self use office, Education / Welfare, HD Office and Ancillary	9,758,273	8,978,261	780,012	34.1	92.0

**Retail Trade Mix**

As at 30 September 2010	Leased IFA (sq ft)	% of leased IFA	% of monthly rent
Food and Beverage	3,048,192	31.0	25.2
Supermarket and Foodstuff	1,828,430	18.6	23.1
Services	916,743	9.3	10.4
Market Stalls	359,396	3.7	8.1
Personal Care, Medicine, Valuable Goods, Optical, Books and Stationery	564,516	5.7	8.1
Single Operator Market	327,162	3.3	6.5

**Portfolio Lease Expiry Profile as at 30 September 2010**

**Status of Asset Enhancement Initiatives**

	Number of Projects	Capex (HK\$'M)
Projects Completed since IPO	17	929
Projects Underway	8	1,336
Projects Pending Government Approval	4	208
Other Projects Under Planning	>20*	>1,500*
<b>Total</b>	<b>&gt;49*</b>	<b>&gt;3,973*</b>

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

\* Latest estimate figures

Project	Projects Underway	
	2H2010/11 Capex (HK\$'M)	2011/12 and beyond Project Capex (HK\$'M)
Tak Tin	76	Chung Fu 75
Chuk Yuen	97	Tai Yuen 95
Lok Fu	423	Choi Yuen 162
		Stanley 214
		Leung King 194
<b>Total</b>	<b>596</b>	<b>740</b>

### Car Park Performance Indicators

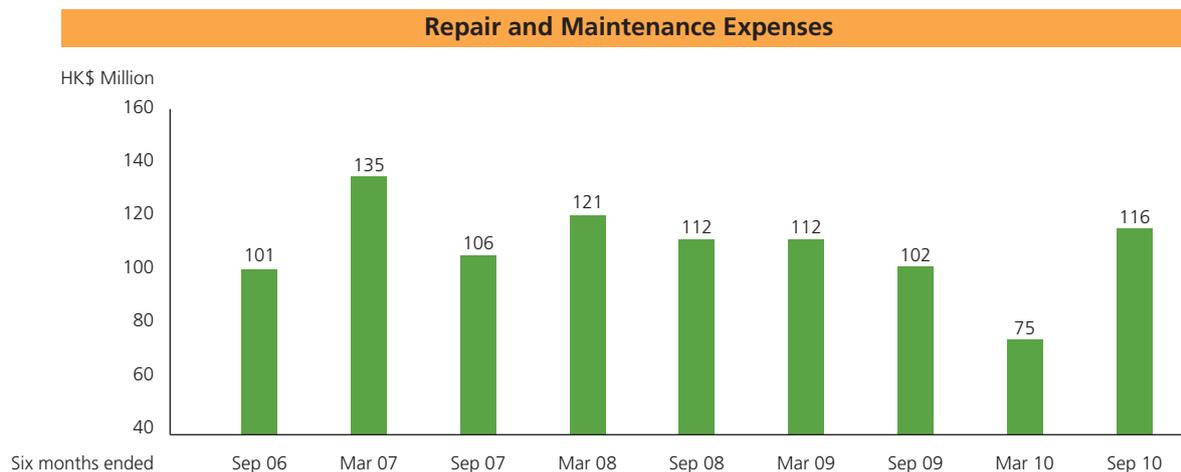
	Six months ended 30 September 2010	Six months ended 30 September 2009
Car park space allocation – monthly (%)	<b>87.0</b>	86.9
Car park space allocation – hourly (%)	<b>13.0</b>	13.1
Gross receipts by monthly users (%)	<b>74.9</b>	77.5
Gross receipts by hourly users (%)	<b>25.1</b>	22.5
Utilisation of car park space (%)	<b>72.6</b>	72.4
Car park income per space per month (HK\$)	<b>1,067</b>	1,042
Net property income margin (%)	<b>57.5</b>	57.1

### Expenses Analysis

	Six months ended 30 September 2010 (HK\$'M)	Six months ended 30 September 2009 (HK\$'M)	YoY (%)
Property managers' fees, security and cleaning	<b>212</b>	264	(19.7)
Staff costs	<b>123</b>	68	80.9
Utilities	<b>182</b>	175	4.0
Repair and maintenance	<b>116</b>	102	13.7
Government rent and rates	<b>78</b>	59	32.2
Promotion and marketing expenses	<b>39</b>	34	14.7
Other property operating expenses	<b>57</b>	72	(20.8)
Estate common area costs	<b>49</b>	47	4.3
<b>Total property expenses</b>	<b>856</b>	821	4.3



Tin Shing Car Park offers the largest electric vehicle charging station in Hong Kong



While driving revenue growth, the Manager continued to be vigilant on cost. There were cost pressures, for example, from an electricity tariff hike for Kowloon and the New Territories that was effective from January 2010 and moderate wage increases for staff. Property managers' fees, security and cleaning costs decreased while staff costs increased following the move to direct management of properties that was implemented in November 2009 whereby frontline staff are now being directly employed by the Manager. Costs of repair and maintenance rose year-on-year in part due to efforts to enhance the level of maintenance across the portfolio following the move to direct management. Given ongoing efforts to improve property conditions across the portfolio, the Manager is comfortable with the increase in repair and maintenance costs which are roughly in line with historical levels. Total property expenses for the six months ended 30 September 2010 was HK\$856 million (six months ended 30 September 2009: HK\$821 million).

Amidst successful cost management and continued revenue growth, there was further improvement in net property income margin which rose from 66.3% for the six months ended 30 September 2009 to 67.3% for the six months ended 30 September 2010.



The Link REIT continues to enhance the level of maintenance service across its portfolio

## Financial Position Review

Total assets as at 30 September 2010 were HK\$62,567 million, representing an increase of 6.2% from HK\$58,931 million as at 31 March 2010. The bulk of The Link REIT's assets are its investment properties. Value of investment properties as determined by Knight Frank Petty Limited was HK\$57,337 million as at 30 September 2010, up 6.6% from HK\$53,781 million as at 31 March 2010. Amidst an increase in asset values and minimal change in liabilities, net assets attributable to Unitholders rose from HK\$38,444 million as at 31 March 2010 to HK\$41,527 million as at 30 September 2010. The gearing ratio, which is debt to total assets, was 17.1% as at 30 September 2010 (31 March 2010: 18.4%).

### Financial Position Summary

	As at 30 September 2010 (HK\$'M)	As at 31 March 2010 (HK\$'M)
Current Assets	1,095	1,076
Non-current Assets	61,472	57,855
<b>Total Assets</b>	<b>62,567</b>	58,931
Current Liabilities	2,104	1,807
Non-current Liabilities	18,936	18,680
<b>Total Liabilities</b>	<b>21,040</b>	20,487
<b>Net Assets Attributable to Unitholders</b>	<b>41,527</b>	38,444
Units in Issue ('000)	2,217,446	2,202,043
<b>Net Asset Value Per Unit</b>	<b>HK\$18.73</b>	HK\$17.46

### Financial Position Highlights

	As at 30 September 2010	As at 31 March 2010
Valuation (HK\$'M)	57,337	53,781
Liquidity ratio (current asset:current liabilities)	52.0%	59.5%
Gearing ratio (debt:total assets)	17.1%	18.4%
Total liabilities to total assets	33.6%	34.8%
Trade receivables (HK\$'M)		
0-90 Days	52	63
Over 90 Days	3	4

Based on the valuation of Knight Frank Petty Limited, the principal valuer of The Link REIT (the “Principal Valuer”), the value of the retail properties rose 6.7% from HK\$45,315 million as at 31 March 2010 to HK\$48,339 million as at 30 September 2010 while the value of car parks rose from HK\$8,466 million as at 31 March 2010 to HK\$8,998 million as at 30 September 2010. The Principal Valuer used a combination of the discounted cash flow (“DCF”) and the income capitalisation approaches to value The Link REIT’s portfolio. The valuation increase for the retail properties was largely due to increase in income.

### Valuation Drivers

	As at 30 September 2010	As at 31 March 2010
Retail properties (HK\$’M)	<b>48,339</b>	45,315
Car parks (HK\$’M)	<b>8,998</b>	8,466
Total (HK\$’M)	<b>57,337</b>	53,781
Retail IFA (sq ft)	<b>10,966,155</b>	10,972,488
Per sq ft – retail (HK\$)	<b>4,408</b>	4,130
No. of car park spaces	<b>79,470</b>	79,485
Per car park space (HK\$)	<b>113,218</b>	106,504

### Income Capitalisation Approach – Capitalisation rate

Retail properties	<b>5.46 – 7.56%</b>	5.50 – 7.56%
Retail properties: weighted average	<b>6.44%</b>	6.46%
Car parks	<b>6.00 – 10.00%</b>	6.00 – 10.00%
Car parks: weighted average	<b>8.46%</b>	8.47%
Overall weighted average	<b>6.71%</b>	6.73%

### DCF Approach

Discount rate	<b>8.00 – 11.40%</b>	8.00 – 11.40%
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## Capital Management

During the period under review, The Link REIT has focused on extending debt maturity and lowering average interest cost.

Key financing transactions in the period are summarised below:

- A total of HK\$1.0 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.
- 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 new NZ\$70.2 million 3-year bilateral loan was borrowed and swapped into a HK\$400 million loan using cross currency swap with an effective all-in interest rate of HIBOR + 0.45%.
- The HK\$3 billion club loan, concluded in March 2009 amidst the economic downturn at a relatively high credit margin, was fully prepaid.
- HK\$750 million of the 2006 syndicated loan was prepaid in September 2010. Along with this loan prepayment, HK\$650 million notional amount of designated hedging interest rate swap was unwound and a fair value loss of HK\$32.4 million originally recognised in the cash flow hedging reserve was realised as finance costs in September 2010.

The overall average interest rate of the debt portfolio, after taking into account interest rate hedging, had reduced from 4.30% as at 31 March 2010 to 4.08% as at 30 September 2010. The average outstanding life of committed debt facilities was maintained at 3.9 years while the average outstanding life of fixed debt was also maintained at 3.8 years.

### Debt Highlights

	As at 30 September 2010	As at 31 March 2010
Borrowings (face value)	<b>HK\$10.68B</b>	HK\$10.91B
Gearing (debt:total assets)	<b>17.1%</b>	18.4%
Average outstanding life of debt facilities	<b>3.9 years</b>	3.9 years
Proportion of liabilities at fixed rates (after swaps)	<b>67%</b>	69%
Average outstanding life of fixed rate debt / swaps	<b>3.8 years</b>	3.8 years
Effective interest rate	<b>4.08%</b>	4.30%

**Debt Financial Covenants**

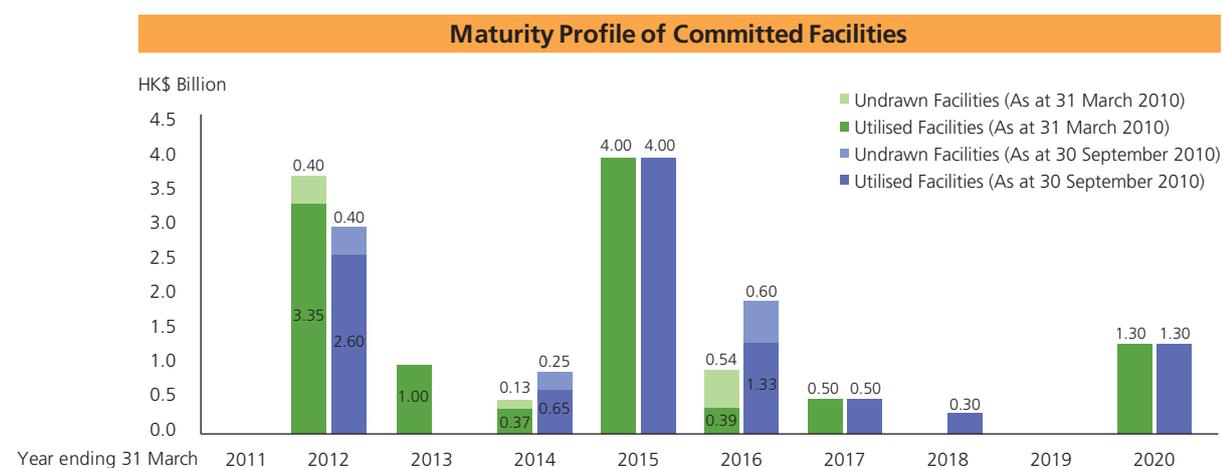
	As at 30 September 2010	Covenant
EBITDA:interest expenses	6.3:1	> 2:1
Gearing (debt:total assets)	17.1%	< 45%
Secured debt	HK\$4B	< HK\$7B
Unsecured debt:unencumbered properties	13.1%	< 45%

**Committed Debt Facilities<sup>^</sup>**

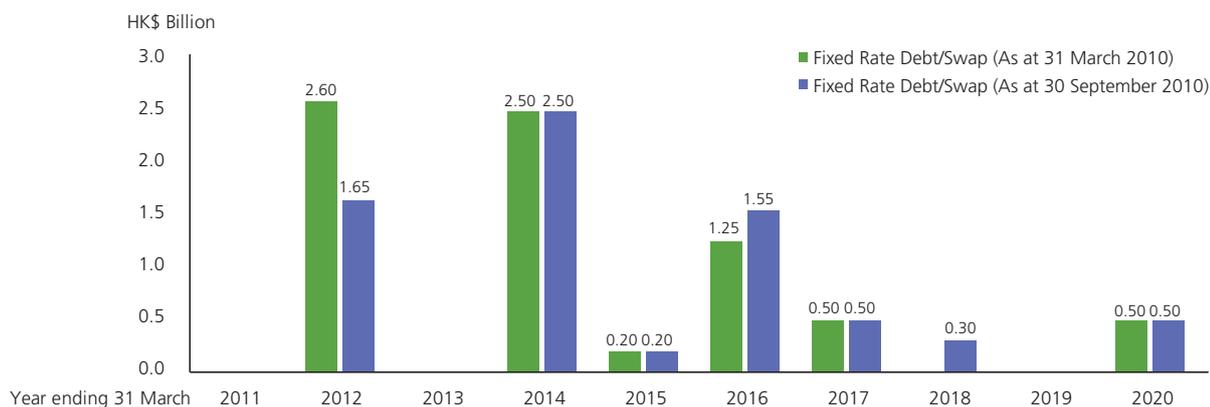
As at 30 September 2010 (HK\$'B)	Fixed Rate Debt*	Floating Rate Debt*	Utilised Facilities	Undrawn Facilities	Total Facilities
HKMC Loan	3.75	0.25	4.00	–	4.00
2006 Syndicated Loan	2.35	–	2.35	0.40	2.75
Bilateral Loans	–	2.23	2.23	0.85	3.08
Medium Term Notes	1.10	1.00	2.10	–	2.10
<b>Total</b>	<b>7.20</b>	<b>3.48</b>	<b>10.68</b>	<b>1.25</b>	<b>11.93</b>
<b>Percentage</b>	<b>67%</b>	<b>33%</b>	<b>90%</b>	<b>10%</b>	<b>100%</b>

<sup>^</sup> all amounts are at face value

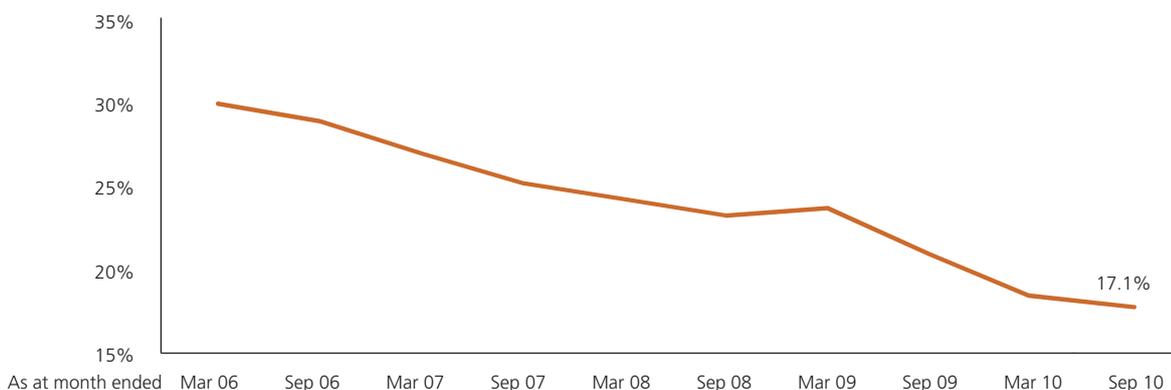
\* after interest rate swaps



### Fixed Rate Debt/Swap Maturity Profile



### Gearing Ratio



### Available Liquidity

The Link REIT continues to maintain strong available liquidity. As at 30 September 2010, available liquidity stood at HK\$2.16 billion (31 March 2010: HK\$1.95 billion) which comprised undrawn committed bank facilities of HK\$1.25 billion (31 March 2010: HK\$1.07 billion) and cash on hand of HK\$907 million (31 March 2010: HK\$876 million).

### Credit Ratings

The Link REIT enjoys strong credit ratings by rating agencies.

On 16 July 2010, Standard and Poor's affirmed The Link REIT's corporate credit rating at A with stable outlook.

On 24 September 2010, Moody's Investors Services ("Moody's") upgraded The Link REIT's credit rating to A2 from A3 with stable outlook. In upgrading The Link REIT's rating, Moody's took into account The Link REIT's resilience in the down-market through continuous revenue growth, an improved liquidity through increasing undrawn committed bank facilities and an improved capital structure through spreading out of debt maturity dates.

## Strategy

The Manager will continue to execute on its mission of providing quality shopping centres for the benefit of the retailers, customers and the Hong Kong communities it serves. The Manager sees the provision of better shopping experience in its retail properties as beneficial to retailers, shoppers and Unitholders.

The Manager has a four prong strategy to grow income, comprising driving revenue from stabilised shopping centres (through steady reversion and increasing occupancy), delivering incremental revenue from completed asset enhancement initiatives, managing costs as part of improving the quality of services to our tenants and customers, and containing finance costs by better management of capital structure and financial risk.

The Manager continues to see good growth potential from the existing portfolio of assets of The Link REIT. As such, the near term focus remains that of extracting growth from the existing portfolio. The Manager has commenced its district strategy review, which involves a multi-disciplinary effort to understand each individual asset, so as to determine asset enhancement plans and timing of implementation. Rental rates vary widely across the portfolio as does the scope for potential asset enhancement. The Manager will employ a mix of strategies such as implementing asset enhancement of varying scales, changing tenant mix, carrying out promotion activities, and changing usage of space to obtain optimal performance across all existing assets.

To date, the focus of our asset enhancement efforts has been on our top 50 assets ranked by revenue. We will continue to roll out these large scale asset enhancement initiatives. In addition, through the district strategy review, management believes there is value to be extracted from upgrading of assets beyond the top 50. Upgrading of smaller assets within The Link REIT's portfolio will also lead to customers of these assets enjoying better shopping experiences. Planning work is now underway to roll out upgrading works on our smaller assets. Smaller capital sums per project will be spent in upgrading our smaller assets but management expects there can be a meaningful impact as the number of such projects builds up over time. This strategy of moving beyond the top 50 assets will extend the range of our asset enhancement programme.

The Manager has started to put more effort into exploring growth opportunities in Hong Kong beyond the existing portfolio where we could leverage on our local expertise. The Link REIT has a strong financial position and the debt capacity to fund acquisition growth, and the Manager has relevant skill sets to add value to third party assets. We will however be patient and disciplined when it comes to acquisitions.

During the past few months, management has been busy on various initiatives which should contribute to The Link REIT building a strong and sustainable business. This encompasses embracing environmental initiatives, enhancing relationships with tenants, championing corporate social responsibility and staff development. Management has strengthened communication channels with tenants, community groups, suppliers and professional bodies. Staff training efforts have been stepped up with the launch of The Link Staff Academy. Programmes run under The Link Staff Academy will help equip staff with necessary skill sets to perform their duties effectively and position them to take on greater responsibilities over time.

To better serve our quality independent operators (“QIOs”) and to thank them for their long term support, the Manager launched in September 2010 “The Link QIO Renovation Financing” programme, under which the Manager lined up three local banks, namely Dah Sing Bank, Limited, Bank of China (Hong Kong) Limited and the Bank of East Asia, Limited, to offer our QIOs a specially designed renovation financing scheme. By facilitating QIOs’ access to working capital, the programme can help them better take advantage of business opportunities.

Following the move to direct management of our properties in November 2009, a major focus has been to improve the standard of our property management. Management has launched the Model Shopping Centre project which serves to identify and implement best practices in property management at a few selected properties of varying sizes. The objective is to put in place property management best practices for various property types and to over time roll out such best practices across the portfolio of properties of The Link REIT.



The Manager has lined up local banks to offer a renovation financing scheme to quality independent operators

## Human Resources

The Manager's remuneration policy is built upon the principles of providing an equitable, motivating and competitive remuneration package with a view to attracting, motivating and retaining high performing staff. As an ongoing practice of adhering to these principles, the Manager reviews the remuneration policies and practices in line with market practices and with assistance provided by independent consultants. All full-time and permanent staff are eligible for a discretionary bonus, the payment of which is based on both individual performance and the overall performance of The Link REIT. Staff benefits include a contribution by the employer to the mandatory provident fund, annual leave, sick leave, maternity leave, medical insurance, life and personal accident insurance.

During the six months ended 30 September 2010, there was a 5% growth in headcount with a large proportion of the additional staff in property management, asset operations and leasing. As at 30 September 2010, the Manager had 769 (31 March 2010: 729) staff.

To nurture aspiring and professional management talents for future business development, the Manager launched a Management Trainee Programme and recruited 4 fresh graduates from local universities as management trainees. The trainees are undergoing a 2-year intensive programme incorporating on-the-job training and job rotations to different functions within the Manager.



The Manager is committed to staff development with a view to improving service quality

## Corporate Citizenship

We continue to use our properties as platforms to serve the communities, and enrich the lives of people around us. We set aside about 8% of leasable area for educational and welfare uses, enabling non-governmental and charitable organisations to enjoy concessionary rent while providing services at our properties.

The Manager maintains regular contact with Legislative and District Council members and public interest groups and keeps them posted on our business initiatives, addresses issues of concern raised by them, and promotes mutual understanding between The Link REIT and these concern groups.

In a bid to inspire sustainable organic life, and promote better understanding of local culture and heritage, the Manager launched the Eco Terrace at Lok Fu Plaza in the summer of 2010. As a pioneer organic green field at an urban shopping mall, it showcased over 3,000 pots of nearly 10,000 sets of seasonal organic vegetables at the centre's outdoor podium and staircases. The project attracted tens of thousands of participants in two months, through a series of green events as well as community heritage and culture activities.

As our asset enhancement programme extends to more centres, we are creating more jobs in the construction industry. By rejuvenating business environment in our properties, we are not only providing better shopping experience to shoppers, but also adding more jobs in the retail and service sectors.

## Awards

In July 2010, the Manager was presented a Gold Award for its corporate citizenship project "The Link Fun Academy" and a Silver Award for its strong brand management of asset enhancement projects, in the Ninth China Golden Awards for Excellence in Public Relations, organised by the China International Public Relations Association. The awards recognised the professional and effective performance of The Link REIT in planning and implementing the respective projects.



Green community project "Eco Terrace" at Lok Fu Plaza

In July 2010, The Link REIT was presented an award in cover design at the 23<sup>rd</sup> Mercury Excellence Awards for its 2009 Annual Report. Organised by MerComm, Inc, the award programme is an annual showcase of the world's best achievements in public relations and corporate communications.

Also in October 2010, the Manager was named Excellence Awardee at the Asian CSR Awards for its green community project "Eco Terrace" at Lok Fu Plaza. Asian CSR Awards are organised as a regional programme on corporate social responsibility, with disciplines ranging from recognising corporate achievements in best workplace practices, poverty alleviation, support and improvement of education, environmental excellence, to concern for health.

### Outlook

Within the second half of the current financial year ending 31 March 2011, leases accounting for 12.8% of monthly base rent of retail properties will expire. Based on current economic conditions and ongoing lease negotiations and enquiries, the Manager is confident that vacancies will be filled up by existing or new tenants at competitive rental rates.

With the support of the strong local economy, the Manager is confident in delivering continued revenue growth in the second half of this financial year. Revenue growth for retail properties is expected to remain reasonably strong while that for car parks is expected to be flat. Positive rental reversion, stable to improving occupancy and completion of asset enhancement initiatives will drive revenue growth for retail properties. There will be increasing revenue and income contribution from newly completed asset enhancement centres as well as those scheduled for completion over the rest of this financial year, particularly our flagship, Lok Fu Plaza. The Manager remains focused on keeping costs under control, whilst continuing with the investment on repair and maintenance in the near term given ongoing efforts to improve property conditions across the portfolio.

I would like to thank management and staff for their hard work and contribution to the fine set of results achieved in the period under review. Looking ahead, the economy in Hong Kong has been improving and new jobs are being created, demonstrating the resilience of the Hong Kong economy amidst a still uncertain global economic outlook. Should major economies elsewhere weaken, particularly the United States and Mainland China, there will be adverse impact on Hong Kong's economy. Nevertheless, retailers within The Link REIT's portfolio of properties cater largely to non-discretionary spending and therefore retail sales at The Link REIT's properties should prove resilient.

**George Kwok Lung HONGCHOY**

*Chief Executive Officer*

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

10 November 2010

# Corporate Governance

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

## Authorisation Structure

The Link REIT is a collective investment scheme authorised by the SFC under section 104 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“SFO”) and regulated by the Code on Real Estate Investment Trusts (the “REIT Code”) issued by the SFC.

The Manager which was established to manage the portfolio of The Link REIT is licensed by the SFC under the SFO to carry on the regulated activity of asset management. 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 Trustee is responsible for the safe custody of the assets of The Link REIT. The Link REIT has adopted an internalised management structure whereby the Trustee holds all the issued shares of the Manager for the benefit of Unitholders.

## Compliance

During the six months ended 30 September 2010, the Manager and The Link REIT have complied with the provisions of the REIT Code, the relevant provisions of the SFO, 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 between the Trustee and the Manager constituting The Link REIT as amended and supplemented from time to time by supplemental deeds (the “Trust Deed”), and the requirements and procedures laid down in the compliance manual of the Manager adopted for use in relation to the management of The Link REIT. The Board has reviewed and accepted the quarterly compliance reports which had been examined and endorsed by the Audit Committee (“AC”) of the Manager.

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

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

The Manager has adopted a stringent code governing dealings by its directors (the “Directors”) and senior executives in the units of The Link REIT which is comparable to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules. Each Director, after specific enquiry on each of them, has confirmed that he has complied with the required standard set out in the code adopted by the Manager throughout the six months ended 30 September 2010.

## The Board

The Board 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. Pursuant to the Manager’s corporate governance policy, at least half of the Directors are required to be Independent Non-Executive Directors (“INEDs”). As at the date of this report, the Board comprises twelve (12) members, nine (9) of whom are INEDs, one (1) is Non-Executive Director (“NED”) and two (2) are Executive Directors, being the CEO and CFO. The position of Chairman of the Board and CEO are held by two different persons in order to maintain an effective segregation of duties. Various Board committees have been established, each of which is to assist the Board to oversee particular aspects of the Manager’s affairs.

The following sets out changes in the particulars relating to the Directors during the period under review and up to the date of this report:

- With effect from 17 May 2010, Mr Ian David Murray ROBINS ceased to be the CEO, an Executive Director, a member of the Finance and Investment Committee (“FIC”), Human Resources and Compensation Committee (“HRC”) and Nomination Committee (“NC”) and a Responsible Officer of the Manager.
- With effect from 17 May 2010, Mr George Kwok Lung HONGCHOY, an Executive Director, succeeded Mr Ian David Murray ROBINS as the CEO and was also appointed as a member of the HRC and NC. Upon his appointment as the CEO, his remuneration was revised to HK\$5 million per annum together with a discretionary bonus to be determined by the Remuneration Committee (“RC”). With effect from 31 May 2010, Mr George Kwok Lung HONGCHOY resigned as a member of the Advisory Committee on Human Resources Development in the Financial Sector of The Government of the HKSAR. He was appointed as a member of the Faculty Advisory Committee of Faculty of Business at The Hong Kong Polytechnic University with effect from 1 September 2010 and a director of Hong Kong Applied Science and Technology Research Institute Company Limited with effect from 21 October 2010.
- With effect from 28 June 2010, Mr Andy CHEUNG Lee Ming was appointed as an Executive Director, the CFO, a member of the FIC and a Responsible Officer of the Manager.
- With effect from 1 September 2010, Professor Richard WONG Yue Chim resigned as Deputy Vice-Chancellor and Provost of The University of Hong Kong.
- With effect from 4 October 2010, Mr Ian Keith GRIFFITHS has been elected as Deputy Chairman of the Asian Youth Orchestra.

- For the financial year ending 31 March 2011, adjustments (if any) to the fees payable to the Directors for serving on the Board and various Board committees as compared to those of the previous financial year are set out below:
  - (a) annual fee for the Chairman of the Board has been adjusted to HK\$1.72 million;
  - (b) annual fee for each NED or INED has been adjusted to HK\$465,000;
  - (c) annual fee for each AC member, other than the AC chairman whose annual fee remains at last year's level, has been adjusted to HK\$150,000;
  - (d) annual fee for each RC member, other than the RC chairman whose annual fee remains at last year's level, has been adjusted to HK\$60,000;
  - (e) annual fees for the chairman and each other member of the NC all remain at last year's level;
  - (f) annual fees for the chairman and each other member of the FIC have been adjusted to HK\$155,000 and HK\$77,500, respectively; and
  - (g) annual fee for each HRC member, other than the HRC chairman whose annual fee remains at last year's level, has been adjusted to HK\$60,000.

The composition of the Board is reviewed regularly to ensure that members of the Board have the appropriate mix of expertise and experience to lead and guide the affairs and business of the Manager. All Directors have actively participated in the affairs of the Board and various Board committees.

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

A general mandate for repurchase of units of The Link REIT in the open market was given by Unitholders at the annual general meeting of The Link REIT held on 28 July 2010. During the six months ended 30 September 2010, neither the Manager nor any of The Link REIT's subsidiaries had purchased, sold or redeemed any units.

### Issue of New Units

On 4 August 2010, 13,609,788 units of The Link REIT were issued at a price of HK\$19.744 per unit pursuant to the distribution reinvestment scheme in respect of the final distribution for the year ended 31 March 2010. During the period, 1,792,783 units of The Link REIT were issued on the vesting of restricted unit awards pursuant to the long-term incentive plan adopted by The Link REIT on 23 July 2007. Further details of such long-term incentive plan are set out on pages 32 to 35 and in Note 17 to the condensed consolidated interim financial information in this report.

### Review of Financial Results

The interim results of The Link REIT for the six months ended 30 September 2010 have been reviewed by the AC and approved by the Board at its meeting on 10 November 2010. The interim financial information for the said period has also been reviewed by The Link REIT's auditor in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

## Investor Relations

In promoting good corporate governance and transparency, the Manager has continually communicated with both the stakeholders and the Unitholders during the period under review.

Since 1 April 2010, the Manager has participated in the following roadshows and investors' conferences:

Month	Event	Organiser	Venue
April 2010	APREA Property Leaders Forum 2010	Asian Public Real Estate Association	Singapore
April 2010	China/Hong Kong Conference 2010	Macquarie	Hong Kong
April 2010	Hong Kong China Property Forum	Daiwa	Hong Kong
June 2010	Post Final Results Roadshow	Goldman Sachs	Hong Kong
June 2010	Post Final Results Roadshow	DBS Vickers	Singapore
June 2010	7th Nomura Asia Equity Forum	Nomura	Singapore
June 2010	Post Final Results Roadshow	UBS	Sydney
June 2010	Real Estate Investment World 2010	Terrapinn	Singapore
June 2010	J.P. Morgan's 14th Annual Asia Pacific Conference 2010	JPMorgan	New York
July 2010	Citi Hong Kong/China Mini Conference	Citi	Hong Kong
August 2010	Daiwa Asia REIT Day	Daiwa	Hong Kong/Tokyo
September 2010	Hong Kong/China Property Day 2010	UBS	Hong Kong
September 2010	Asia Pacific Corporate Access Day	Standard Chartered	Singapore

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.

# Long Term Incentive Plan

A long-term incentive plan (the "LTI Plan") was approved by the Unitholders on 23 July 2007 pursuant to which equity incentives in the form of Restricted Unit Awards, Unit Options and Conditional Cash Awards (each individually referred to as an "Award" and collectively as "Awards") may be granted to the Directors and key employees of the Manager.

Further details with respect to the terms and conditions of the LTI Plan are set out on pages 70 to 75 of The Link REIT's 2010 annual report.

Since the launch of the LTI Plan, no Unit Options have been granted. Set out below are the details of the movements in the outstanding Restricted Unit Awards and Conditional Cash Awards during the six months ended 30 September 2010 and the balances as at the beginning and end of the period:

## Restricted Unit Awards

Name (Position)	Date of grant	Vesting period	Outstanding at 1 Apr 2010 <sup>1</sup>	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period <sup>3</sup>	Outstanding at 30 Sep 2010 <sup>1</sup>
Nicholas Robert SALLNOW-SMITH (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	294,000	-	(61,212) <sup>2</sup>	-	(232,788)	-
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	93,000	-	(93,000) <sup>2</sup>	-	-	-
	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
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
Ian Keith GRIFFITHS (Non-Executive Director)	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	25,000	-	(25,000) <sup>2</sup>	-	-	-
	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
Michael Ian ARNOLD (Independent Non-Executive Director)	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	-	(21,224) <sup>2</sup>	-	(82,276)	-
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	33,000	-	(33,000) <sup>2</sup>	-	-	-
	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

## Long Term Incentive Plan *(continued)*

Name <i>(Position)</i>	Date of grant	Vesting period	Outstanding at 1 Apr 2010 <sup>1</sup>	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period <sup>2</sup>	Outstanding at 30 Sep 2010 <sup>1</sup>
Anthony CHOW Wing Kin <i>(Independent Non-Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	–	(17,533) <sup>2</sup>	–	(67,967)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	–	(30,500) <sup>2</sup>	–	–	–
	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
Patrick FUNG Yuk Bun <i>(Independent Non-Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	103,500	–	(21,224) <sup>2</sup>	–	(82,276)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	33,000	–	(33,000) <sup>2</sup>	–	–	–
	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
Stanley KO Kam Chuen <i>(Independent Non-Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	78,000	–	(15,995) <sup>2</sup>	–	(62,005)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	–	(30,500) <sup>2</sup>	–	–	–
	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
Richard WONG Yue Chim <i>(Independent Non-Executive Director)</i>	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	30,500	–	(30,500) <sup>2</sup>	–	–	–
	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

## Long Term Incentive Plan *(continued)*

Name <i>(Position)</i>	Date of grant	Vesting period	Outstanding at 1 Apr 2010 <sup>1</sup>	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period <sup>3</sup>	Outstanding at 30 Sep 2010 <sup>1</sup>
Allan ZEMAN <i>(Independent Non-Executive Director)</i>	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	85,500	–	(17,533) <sup>2</sup>	–	(67,967)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2010	27,500	–	(27,500) <sup>2</sup>	–	–	–
	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
Ian David Murray ROBINS <sup>5</sup> <i>(Former Executive Director)</i>	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) <sup>2</sup>	–	–	–
	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)	–

## Long Term Incentive Plan *(continued)*

Name <i>(Position)</i>	Date of grant	Vesting period	Outstanding at 1 Apr 2010 <sup>1</sup>	Granted during the period	Vested during the period	Cancelled during the period	Lapsed during the period <sup>3</sup>	Outstanding at 30 Sep 2010 <sup>1</sup>
Other participants in aggregate	24 Jul 2007	24 Jul 2007 to 23 Jul 2010	2,529,241	–	(515,584) <sup>2</sup>	–	(2,013,657)	–
	5 May 2008	5 May 2008 to 4 May 2010	552,026	–	(131,478) <sup>2</sup>	–	(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) <sup>2</sup>	–	(9,000)	–
	13 Feb 2009	13 Feb 2009 to 30 Jun 2011	423,500	–	–	–	(79,500)	344,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2011	420,000	–	–	–	(39,000)	381,000
	24 Sep 2009	24 Sep 2009 to 30 Jun 2012	420,000	–	–	–	(39,000)	381,000
<b>Total</b>			14,069,262	–	(1,792,783)	–	(9,461,484)	2,814,995

### Notes:

- The figures stated above are the maximum number of units that may be vested under the respective Restricted Unit Awards. The number of units that will finally vest with and issued to each of the participants may range from zero to such maximum number depending on whether, and the extent to which, the relevant vesting conditions are met.
- The weighted average closing price of the units of The Link REIT on the business days immediately before the dates on which the Restricted Unit Awards were vested during the period was HK\$19.99 per unit.
- The figures stated above represent the maximum number of units lapsed during the period.
- Upon vesting of the Restricted Unit Awards, each of the participants will be entitled to receive a Conditional Cash Award representing a cash amount equal to the aggregate of the distributions per unit 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) with such participant. Based on the maximum number of units to be issued in respect of each of the Restricted Unit Awards stated above, the aggregate weighted average value carried by each of the Conditional Cash Awards at the period end was HK\$1.3317 per unit.
- The Restricted Unit Awards granted to Mr Ian David Murray ROBINS lapsed upon his resignation from the Manager.

Based on the maximum number of units to be issued upon vesting of 2,814,995 units and the last traded price of The Link REIT's units on the Hong Kong Stock Exchange at period end of HK\$23 per unit, the aggregate value of the units as at 30 September 2010 would be approximately HK\$64.7 million.

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

# Disclosure of Interests and Holdings of Connected Persons

## Holdings of Substantial Unitholders

The Link REIT has a disclosure of interests regime whereby certain provisions of Part XV of the SFO are incorporated into the Trust Deed of The Link REIT and are applicable to The Link REIT as if it were a company with its shares listed on the Hong Kong Stock Exchange. Pursuant to the Third Schedule to the Trust Deed, any person who is interested in 5% or more of the units of The Link REIT in issue will have a notifiable interest and a duty of disclosure in respect of any acquisition of, cessation of or change 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 30 September 2010 were as follows:

Persons having 5% or more interests	Capacity in which interests disclosed were held	Number of units in Long Position (L)/ Short Position (S)/ Lending Pool (LP)	Approximate percentage of total units in issue <sup>4</sup> (%)
Blackrock, Inc. <sup>1</sup>	Corporations controlled by substantial Unitholder	(L) 150,291,529 (S) 553,719	6.77 0.02
Commonwealth Bank of Australia <sup>2</sup>	Corporations controlled by substantial Unitholder	(L) 155,065,759	6.99
Franklin Mutual Advisers, LLC <sup>3</sup>	Investment Manager	(L) 175,279,840	7.90
The Bank of New York Mellon Corporation	Corporation controlled by substantial Unitholder	(L) 192,339,363 (LP) 188,069,637	8.67 8.48

### Notes:

- Subsequent to period end and up to the date of this report, Blackrock Inc. ("Blackrock") notified the Hong Kong Stock Exchange and the Manager that as at 4 October 2010, 5 October 2010, 13 October 2010, 14 October 2010 and 9 November 2010 (being the respective dates of relevant events in the notifications received), the long position interests held by Blackrock through its controlled corporations were changed to 145,871,529 units, 145,907,529 units, 146,275,029 units, 146,782,585 units and 146,920,585 units, respectively; whereas its short position interests as of the said dates were changed to 1,307,219 units, 1,313,219 units, 1,306,719 units, 2,463,275 units and 1,772,275 units, respectively.
- Subsequent to period end and up to the date of this report, Commonwealth Bank of Australia ("CBA") notified the Hong Kong Stock Exchange and the Manager that as at 26 October 2010 (being the date of relevant event in the notification received), the long position interests held by CBA through its controlled corporations were decreased to 154,310,114 units.
- Subsequent to period end and up to the date of this report, Franklin Mutual Advisers, LLC ("Franklin") notified the Hong Kong Stock Exchange and the Manager that as at 15 October 2010 (being the date of relevant event in the notification received), the long position interests held by Franklin in the capacity as "Investment Manager" were decreased to 152,245,599 units.
- The approximate percentages stated above were calculated based on 2,217,446,050 units of The Link REIT in issue as at 30 September 2010.

## 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 of The Link REIT as at 30 September 2010 were as follows:

Name of Director	Number of Units				Interest in underlying units <sup>3</sup>	Total	Approximate percentage of units in issue <sup>4</sup> (%)
	Personal Interest <sup>2</sup>	Family Interest	Corporate Interest	Other Interest			
<b>Current Directors</b>							
<b>Chairman (also an Independent Non-Executive Director)</b>							
Nicholas Robert SALLNOW-SMITH	154,212	–	–	–	239,000	393,212	0.0177
<b>Executive Directors</b>							
George Kwok Lung HONGCHOY	–	–	–	–	383,515	383,515	0.0173
Andy CHEUNG Lee Ming	–	–	–	–	–	–	–
<b>Non-Executive Director</b>							
Ian Keith GRIFFITHS	25,000	–	–	–	64,000	89,000	0.0040
<b>Independent Non-Executive Directors</b>							
Michael Ian ARNOLD	54,224	–	–	–	85,000	139,224	0.0063
William CHAN Chak Cheung	–	–	–	–	–	–	–
Anthony CHOW Wing Kin	48,033	–	–	–	78,500	126,533	0.0057
Patrick FUNG Yuk Bun	54,224	–	–	–	85,000	139,224	0.0063
Stanley KO Kam Chuen	46,495	–	–	–	78,500	124,995	0.0056
David Charles WATT	–	–	–	–	–	–	–
Richard WONG Yue Chim	30,500	–	–	–	78,500	109,000	0.0049
Allan ZEMAN	45,033	–	–	–	70,500	115,533	0.0052
<b>Former Director</b>							
Ian David Murray ROBINS <sup>1</sup>	273,500	–	–	–	–	273,500	0.0123

Notes:

1. Mr Ian David Murray ROBINS resigned as an Executive Director of the Manager with effect from 17 May 2010. His interest in number of units stated above represents his holdings as at 17 May 2010.
2. The Directors' interests in units stated above are long position interests. There is no short position interest held by any Director.
3. 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 terms and conditions of the LTI Plan. Please refer to pages 32 to 35 of this report for further details of the LTI Plan.
4. The approximate percentages stated above were calculated based on 2,217,446,050 units of The Link REIT in issue as at 30 September 2010.

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 30 September 2010.

## Holdings of Connected Persons

Upon making reasonable enquiry and according to the information available to the Manager, the following persons, being connected persons to The Link REIT (as defined under the REIT Code), held units of The Link REIT set out below as at 30 September 2010:

Name	Number of Units	Approximate percentage <sup>3</sup> (%)
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries <sup>1</sup>	4,883,643	0.2202
Wing Hang Bank, Limited <sup>2</sup>	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 unitholding held by The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries in The Link REIT as at 30 September 2010 decreased by 1,532,032 units as compared to that as 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 30 September 2010, 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 0.0407%) and 25,000 units (approximately 0.0011%) in The Link REIT, respectively. Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Board of the Manager, is an INED of Dah Sing Financial Holdings Limited and Dah Sing Financial Holdings Limited is a connected person to The Link REIT.
4. The approximate percentages stated above were calculated based on 2,217,446,050 units of The Link REIT in issue as at 30 September 2010.

# Connected Party Transactions

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

## Waivers from Strict Compliance

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

## Connected Persons

The following table sets out the names of connected persons, as defined under the REIT Code, who had entered into transactions with The Link REIT or its subsidiaries during the period under review:

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 (the "Knight Frank Group")	Principal Valuer of The Link REIT and associates of the Principal Valuer
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (excluding the Trustee and its proprietary subsidiaries) (the "HSBC Group")	Trustee's associates
Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)")	Associate of Professor Richard WONG Yue Chim, Director of the Manager
Wing Hang Bank, Limited	Associate of Dr Patrick FUNG Yuk Bun, Director of the Manager
Aedas Limited and its subsidiaries (the "Aedas Group")	Associates of Mr Ian Keith GRIFFITHS, Director of the Manager
Hong Kong Securities Institute	Associate of Mr George Kwok Lung HONGCHOY, Director of the Manager
Dah Sing Bank, Limited ("Dah Sing Bank")	Associate of Mr Nicholas Robert SALLNOW-SMITH, Chairman of the Manager
Business Environment Council Limited	Associate of Mr Michael Ian ARNOLD, Director of the Manager

### Income

The following table sets out the income derived from connected party transactions during the period under review:

Name of Connected Person	Nature of the Transaction	Income Derived HK\$'M
Dah Sing Bank	Tenancy contracts/Licences <sup>1</sup>	2.3 <sup>2</sup>
HSBC Group	Tenancy contracts/Licences <sup>1</sup>	9.2 <sup>2</sup>
ICBC (Asia)	Tenancy contracts/Licences <sup>1</sup>	2.5 <sup>2</sup>
	Interest income	0.2

Notes:

1. For shops, ATMs and showcases at various locations.
2. Amounts excluding deposit received.

## Expenses

The following table sets out the expenses incurred on connected party transactions during the period under review:

Name of Connected Person	Nature of the Transaction	Expenses Incurred HK\$'M
The Link Management Limited	Management fee	187.2 <sup>1</sup>
HSBC Institutional Trust Services (Asia) Limited	Trustee fee	2.2 <sup>2</sup>
Dah Sing Bank	Interest expenses and financing charges	0.4
	Arrangement fees and bank charges	0.1
Knight Frank Group	Valuation fee	0.9
	Leasing agency and other consultation fees	7.3
HSBC Group	Interest expenses and financing charges	37.8
	Arrangement fees and bank charges	1.7
	Staff benefits and insurance consultation fees	2.6
ICBC (Asia)	Interest expenses and financing charges	0.6
	Arrangement fees and bank charges	1.1
Wing Hang Bank, Limited	Interest expenses and financing charges	0.3
	Arrangement fees and bank charges	1.0
Aedas Group	Architectural and renovation consultation fees	1.6

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.

## Lease Transactions

The Link REIT, through its subsidiaries, has during the period entered into tenancy contracts and/or licences with Dah Sing Bank, the HSBC Group and ICBC (Asia) for lease of retail shops and/or space for the installation of ATMs and showcases at various properties of The Link REIT.

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

Name of Tenant	Nature of the Transaction	Material Terms	Annual Income <sup>1</sup> HK\$'M	Rental Deposit Received as at 30 September 2010 HK\$'M
Dah Sing Bank	Tenancy for shops 1101-1102 at Lok Fu Plaza	Term of 3 years and expires on 07/03/2013	1.8	0.5
	Tenancy for shop 201 and Unit No. 3 on Level 2 of Wah Ming Shopping Centre	Term of 3 years and expires on 30/04/2013	1.2	0.2
Hang Seng Bank Limited <sup>2</sup>	Tenancy for shop G202 at Lok Fu Plaza	Term of 3 years and expires on 31/10/2013	2.0	0.5
ICBC (Asia)	Tenancy for shops F18 & F19 A-C at Oi Man Shopping Centre	Term of 1 year and expires on 31/08/2011	1.0	0.3
	Tenancy for shop No. 216 at Tai Wo Plaza	Term of 3 years and expires on 15/09/2012	1.4	0.1
The Hongkong and Shanghai Banking Corporation Limited	Tenancy for shops L202–L206 at Lok Fu Plaza	Term of 3 years and expires on 21/08/2011	2.1	Nil <sup>3</sup>

Notes:

- The annual income stated above refers to the base rent income that would have been received for a 12-month period starting from the beginning of the financial year ending on 31 March 2011.
- Hang Seng Bank Limited is a subsidiary of The Hongkong and Shanghai Banking Corporation Limited and therefore a connected person to The Link REIT.
- Other form of security is provided in lieu of cash deposit.

### Banking and Financial Services in the Ordinary Course of Business

The Link REIT and its subsidiaries have engaged the HSBC Group, ICBC (Asia) and Wing Hang Bank, Limited to provide ordinary course of banking and financial services during the period under review. The HSBC Group has 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 are maintained with the HSBC Group, ICBC (Asia) and Wing Hang Bank, Limited for deposits and rent collection purpose.

The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Dah Sing Bank are 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 loan were HK\$305.5 million, HK\$94 million and HK\$117.5 million respectively as at 30 September 2010.

The Link Finance Limited concluded a HK\$3 billion club loan facility in March 2009 with lenders which, among others, included The Hongkong and Shanghai Banking Corporation Limited, ICBC (Asia) and Wing Hang Bank, Limited. The loan was fully prepaid as at 30 September 2010.

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 30 September 2010.

### Deposits

As at 30 September 2010, subsidiaries of The Link REIT placed deposits with The Hongkong and Shanghai Banking Corporation Limited and ICBC (Asia) of approximately HK\$65 million and HK\$55 million respectively.

### Other Banking Transactions

The Link Finance Limited maintained interest rate swap contracts with The Hongkong and Shanghai Banking Corporation Limited during the period 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 30 September 2010.

### Confirmation by the Manager

The Manager confirms that all the above transactions were entered into at arm's length on normal commercial terms and in the ordinary course of business of The Link REIT.

## Progress Report on the Title Transfer of the Properties

The conveyance of legal title of List 2 Properties had been completed by 31 August 2010 and the legal title of all List 1 Properties and List 2 Properties (as defined in the offering circular of The Link REIT dated 14 November 2005) has been transferred to The Link Properties Limited by the HKHA. Full legal title of the 180 properties is now held by The Link REIT. A full list of the 180 properties shall be reported in the annual report of The Link REIT.

# Auditor's Review Report

## **REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF THE LINK MANAGEMENT LIMITED (as "Manager" of THE LINK REAL ESTATE INVESTMENT TRUST)**

### Introduction

We have been instructed by the Manager to review the interim financial information of The Link Real Estate Investment Trust ("The Link REIT") and its subsidiaries (together, the "Group") set out on pages 46 to 71, which comprise the condensed consolidated statement of financial position as at 30 September 2010, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and net assets attributable to Unitholders, the condensed consolidated statement of cash flows and the consolidated statement of distributions for the six-month period then ended and other explanatory notes. The Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Manager are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Scope of Review

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

### Conclusion

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

#### **PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 10 November 2010

# Condensed Consolidated Income Statement

For the six months ended 30 September 2010

	Note	Six months ended 30 September 2010 (Unaudited) HK\$'M	Six months ended 30 September 2009 (Unaudited) HK\$'M
<b>Revenues</b>	4	<b>2,621</b>	2,438
Property operating expenses	6	<b>(856)</b>	(821)
Net property income		<b>1,765</b>	1,617
General and administrative expenses		<b>(80)</b>	(50)
Change in fair values of investment properties		<b>3,259</b>	3,946
<b>Operating profit</b>	7	<b>4,944</b>	5,513
Interest income		<b>1</b>	4
Finance costs on interest bearing liabilities	8	<b>(271)</b>	(266)
Profit before taxation and transactions with Unitholders		<b>4,674</b>	5,251
Taxation	10	<b>(774)</b>	(871)
<b>Profit for the period, before transactions with Unitholders</b> (Note (i))	11	<b>3,900</b>	4,380
Distributions paid to Unitholders (Note (ii))		<b>(1,079)</b>	(935)
		<b>2,821</b>	3,445
Represented by:			
Change in net assets attributable to Unitholders, excluding issue of new units		<b>2,779</b>	3,580
Amount arising from cash flow hedging reserve movement	21	<b>42</b>	(135)
		<b>2,821</b>	3,445

The notes on pages 52 to 71 are an integral part of these condensed consolidated interim financial information.

Notes:

- (i) Earnings per unit, based upon profit after taxation and before transactions with Unitholders and the weighted average number of units in issue, is set out in Note 11 to the condensed consolidated interim financial information.
- (ii) This represents the final distribution of HK\$1,079 million for the year ended 31 March 2010 (2009: HK\$935 million) paid during the period.
- (iii) Total Distributable Income for the six months ended 30 September 2010 is determined in the consolidated statement of distributions. The interim distribution declared in respect of this financial period as set out in the consolidated statement of distributions will be paid to Unitholders on or about 20 January 2011.

# Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2010

	Note	Before transactions with Unitholders (Unaudited) HK\$'M	Transactions with Unitholders (Note (i)) (Unaudited) HK\$'M	After transactions with Unitholders (Unaudited) HK\$'M
<b>Six months ended 30 September 2010</b>				
Profit for the period		3,900	(3,858)	42
Other comprehensive loss				
Cash flow hedging reserve		(42)	–	(42)
Total comprehensive income for the period	(ii)	3,858	(3,858)	–
<b>Six months ended 30 September 2009</b>				
Profit for the period		4,380	(4,515)	(135)
Other comprehensive income				
Cash flow hedging reserve		135	–	135
Total comprehensive income for the period	(ii)	4,515	(4,515)	–

The notes on pages 52 to 71 are an integral part of these condensed consolidated interim financial information.

Notes:

- (i) Transactions with Unitholders comprise the distributions to Unitholders of HK\$1,079 million (2009: HK\$935 million) and change in net assets attributable to Unitholders, excluding issue of new units, of HK\$2,779 million (2009: HK\$3,580 million).
- (ii) In accordance with the Trust Deed, The Link Real Estate Investment Trust is required to distribute to Unitholders not less than 90% of Total Distributable Income for each financial period. 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 issue of new units, are finance costs. Accordingly, the total comprehensive income, after the transactions with Unitholders, is zero.

# Consolidated Statement of Distributions

For the six months ended 30 September 2010

	Note	Six months ended 30 September 2010 (Unaudited) HK\$'M	Six months ended 30 September 2009 (Unaudited) HK\$'M
<b>Profit for the period, before transactions with Unitholders</b>		<b>3,900</b>	4,380
Adjustments:			
Change in fair values of investment properties		<b>(3,259)</b>	(3,946)
Deferred taxation on change in fair values of investment properties	10	<b>538</b>	651
Other non-cash income		<b>(7)</b>	(30)
<b>Total Distributable Income (Note (i))</b>		<b>1,172</b>	1,055
Interim distribution for the period, to be paid to the Unitholders (Note (ii))		<b>1,172</b>	1,055
As a percentage of Total Distributable Income		<b>100%</b>	100%
Units in issue as at 30 September	20	<b>2,217,446,050</b>	2,180,865,373
<b>Distribution per unit to Unitholders for the period (Note (iii))</b>		<b>HK52.86 cents</b>	HK48.35 cents

The notes on pages 52 to 71 are an integral part of these condensed consolidated interim financial information.

Notes:

- (i) Under the terms of the Trust Deed, the Total Distributable Income is the consolidated profit after taxation attributable to Unitholders (equivalent to profit for the period, before transactions with Unitholders) adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the condensed consolidated income statement for the relevant period.
- (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 period shall be no less than 90% of Total Distributable Income, plus at its discretion, any other additional amount that the Manager determines is distributable. The Manager intends to distribute 100% of Total Distributable Income as the distribution for the six months ended 30 September 2010. The interim distribution will be paid to Unitholders on or about 20 January 2011.
- (iii) The interim distribution per unit of HK52.86 cents for the six months ended 30 September 2010 is 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 is 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.

# Condensed Consolidated Statement of Financial Position

As at 30 September 2010

	Note	30 September 2010 (Unaudited) HK\$'M	31 March 2010 (Audited) HK\$'M
<b>Non-current assets</b>			
Goodwill		3,988	3,988
Investment properties	12	57,337	53,781
Property, plant and equipment	13	74	86
Derivative financial instruments	19	73	–
		<b>61,472</b>	57,855
<b>Current assets</b>			
Trade and other receivables	14	155	162
Deposits and prepayments		33	38
Short-term bank deposits	15	–	243
Cash and cash equivalents	15	907	633
		<b>1,095</b>	1,076
<b>Total assets</b>			
		<b>62,567</b>	58,931
<b>Current liabilities</b>			
Trade payables, receipts in advance and accruals	16	888	993
Security deposits		695	630
Provision for taxation		249	145
Current portion of long-term incentive plan payable	17	23	39
Interest bearing liabilities	18	249	–
		<b>2,104</b>	1,807
<b>Net current liabilities</b>			
		<b>1,009</b>	731
<b>Total assets less current liabilities</b>			
		<b>60,463</b>	57,124
<b>Non-current liabilities, excluding net assets attributable to Unitholders</b>			
Long-term incentive plan payable	17	13	26
Interest bearing liabilities	18	10,476	10,867
Derivative financial instruments	19	553	513
Deferred tax liabilities		7,894	7,274
		<b>18,936</b>	18,680
<b>Total liabilities, excluding net assets attributable to Unitholders</b>			
		<b>21,040</b>	20,487
<b>Net assets attributable to Unitholders</b>			
Units in issue	20	2,217,446,050	2,202,043,479
Net assets per unit attributable to Unitholders		<b>HK\$18.73</b>	HK\$17.46

The notes on pages 52 to 71 are an integral part of these condensed consolidated interim financial information.

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

**Nicholas Robert SALLNOW-SMITH**  
Chairman  
10 November 2010

**George Kwok Lung HONGCHOY**  
Chief Executive Officer  
10 November 2010

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

For the six months ended 30 September 2010

	Note	Total reserves (Unaudited) HK\$'M	Net assets attributable to Unitholders (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
Net assets attributable to Unitholders at 1 April 2010		–	38,444	38,444
Issuance of units				
– under distribution reinvestment scheme		–	268	268
– under long-term incentive plan		–	36	36
Profit for the period ended 30 September 2010, before transactions with Unitholders		–	3,900	3,900
Distributions paid to Unitholders 2010 final distribution		–	(1,079)	(1,079)
Change in fair values of cash flow hedges	21	(218)	–	(218)
Amount transferred to the condensed consolidated income statement	21	176	–	176
Amount arising from cash flow hedging reserve movement	21	42	(42)	–
Change in net assets attributable to Unitholders for the period ended 30 September 2010, excluding issue of new units		–	2,779	2,779
Net assets attributable to Unitholders at 30 September 2010		–	41,527	41,527
Net assets attributable to Unitholders at 1 April 2009		–	29,201	29,201
Issuance of units under distribution reinvestment scheme		–	235	235
Profit for the period ended 30 September 2009, before transactions with Unitholders		–	4,380	4,380
Distributions paid to Unitholders 2009 final distribution		–	(935)	(935)
Change in fair values of cash flow hedges		(22)	–	(22)
Amount transferred to the condensed consolidated income statement		157	–	157
Amount arising from cash flow hedging reserve movement		(135)	135	–
Change in net assets attributable to Unitholders for the period ended 30 September 2009, excluding issue of new units		–	3,580	3,580
Net assets attributable to Unitholders at 30 September 2009		–	33,016	33,016

The notes on pages 52 to 71 are an integral part of these condensed consolidated interim financial information.

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2010

	Note	Six months ended 30 September 2010 (Unaudited) HK\$'M	Six months ended 30 September 2009 (Unaudited) HK\$'M
<b>Operating activities</b>			
<b>Net cash generated from operating activities</b>		<b>1,627</b>	1,456
<b>Investing activities</b>			
Additions to investment properties	12	(297)	(370)
Additions to property, plant and equipment	13	(3)	(4)
Proceeds from disposal of property, plant and equipment		1	–
Interest income received		1	5
Decrease in short-term bank deposits with original maturity of more than three months		243	185
<b>Net cash used in investing activities</b>		<b>(55)</b>	(184)
<b>Financing activities</b>			
Proceeds from issuance of interest bearing liabilities, net of transaction costs		2,492	6,559
Repayment of interest bearing liabilities		(2,730)	(7,100)
Interest expenses paid on interest bearing liabilities		(249)	(268)
Distributions paid to Unitholders		(811)	(700)
<b>Net cash used in financing activities</b>		<b>(1,298)</b>	(1,509)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>274</b>	(237)
Cash and cash equivalents at 1 April		633	508
<b>Cash and cash equivalents at 30 September</b>		<b>907</b>	271

The notes on pages 52 to 71 are an integral part of these condensed consolidated interim financial information.

## 1 Corporate information

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

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

## 2 Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 September 2010 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2010.

## 3 Accounting policies

The accounting policies adopted are consistent with those set out in the audited consolidated financial statements for the year ended 31 March 2010, except for the adoption of the following new standards, amendments and interpretations issued by the HKICPA which became effective for the six months ended 30 September 2010.

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
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 results and financial position of the Group.

### 3 Accounting policies (continued)

The following new standards, amendments and interpretations have been published but are not yet effective for the Group's accounting period beginning on 1 April 2010 and have not been early adopted.

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

<sup>1</sup> effective for accounting periods beginning on or after 1 July 2010

<sup>2</sup> effective for accounting periods beginning on or after 1 July 2011

<sup>3</sup> effective for accounting periods beginning on or after 1 January 2013

<sup>4</sup> effective for accounting periods beginning on or after 1 January 2011

<sup>5</sup> 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 Hong Kong Financial Reporting Standards ("HKFRSs") upon initial application. So far, the Manager has concluded that while the adoption of the new or revised HKFRSs may result in new or amended disclosures, these are unlikely to have a significant impact on the Group's results of operations and financial position.

### 4 Revenues

Revenues recognised during the period comprise:

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Rental income from retail properties	<b>1,967</b>	1,800
Gross rental revenue from car parks	<b>510</b>	497
	<b>2,477</b>	2,297
Other revenues		
Air conditioning service fees	<b>136</b>	130
Other property related income	<b>8</b>	11
	<b>144</b>	141
Total revenues	<b>2,621</b>	2,438

Lease arrangements with tenants provide for base monthly rental charges and recovery of certain outgoings. Additional rents based on business turnover amount to HK\$38 million (2009: HK\$32 million) and have been included in the rental income.

## 5 Segment information

	Retail properties HK\$'M	Car parks HK\$'M	Head office HK\$'M	Total HK\$'M
<b>For the six months ended 30 September 2010 (Unaudited)</b>				
Revenues	2,111	510	–	2,621
Segment results	1,472	293	(80)	1,685
Change in fair values of investment properties	2,738	521	–	3,259
Interest income				1
Finance costs on interest bearing liabilities				(271)
Profit before taxation and transactions with Unitholders				4,674
Taxation				(774)
Profit for the period, before transactions with Unitholders				3,900
Capital expenditure	286	11	3	300
Depreciation	–	–	(9)	(9)
<b>As at 30 September 2010 (Unaudited)</b>				
Segment assets	48,481	9,023	95	57,599
Goodwill				3,988
Derivative financial instruments				73
Cash and cash equivalents				907
Total assets				62,567
Segment liabilities	1,216	175	192	1,583
Provision for taxation				249
Long-term incentive plan payable				36
Interest bearing liabilities				10,725
Derivative financial instruments				553
Deferred tax liabilities				7,894
Total liabilities, excluding net assets attributable to Unitholders				21,040
Net assets attributable to Unitholders				41,527

5 Segment information *(continued)*

	Retail properties HK\$'M	Car parks HK\$'M	Head office HK\$'M	Total HK\$'M
For the six months ended 30 September 2009 (Unaudited)				
Revenues	1,941	497	–	2,438
Segment results	1,333	284	(50)	1,567
Change in fair values of investment properties	3,765	181	–	3,946
Interest income				4
Finance costs on interest bearing liabilities				(266)
Profit before taxation and transactions with Unitholders				5,251
Taxation				(871)
Profit for the period, before transactions with Unitholders				4,380
Capital expenditure	364	6	4	374
Depreciation	–	–	(8)	(8)
As at 31 March 2010 (Audited)				
Segment assets	45,459	8,495	113	54,067
Goodwill				3,988
Short-term bank deposits				243
Cash and cash equivalents				633
Total assets				58,931
Segment liabilities	1,176	227	220	1,623
Provision for taxation				145
Long-term incentive plan payable				65
Interest bearing liabilities				10,867
Derivative financial instruments				513
Deferred tax liabilities				7,274
Total liabilities, excluding net assets attributable to Unitholders				20,487
Net assets attributable to Unitholders				38,444

## 6 Property operating expenses

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Property managers' fees, security and cleaning	212	264
Staff costs (Note 9)	123	68
Government rent and rates	78	59
Repair and maintenance	116	102
Utilities	182	175
Promotion and marketing expenses	39	34
Estate common area costs	49	47
Other property operating expenses	57	72
	<b>856</b>	<b>821</b>

## 7 Operating profit before finance costs, taxation and transactions with Unitholders

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Operating profit before finance costs, taxation and transactions with Unitholders is stated after charging:		
Staff costs (Note 9)	174	99
Depreciation of property, plant and equipment	9	8
Strategic partner fee	–	4
Trustee's fee	2	2
Valuation fee	1	1
Auditor's remuneration	2	1
Bank charges	2	2
Operating lease charges	6	3
Other legal and professional fees	6	5
Commission to property agents	–	1

**8 Finance costs on interest bearing liabilities**

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Interest expenses on interest bearing liabilities wholly repayable within five years	<b>58</b>	99
Interest expenses on interest bearing liabilities wholly repayable beyond five years	<b>43</b>	8
Other borrowing costs (Note)	<b>185</b>	163
	<b>286</b>	270
Less: capitalised under investment properties	<b>(15)</b>	(4)
	<b>271</b>	266

Note: Other borrowing costs include HK\$176 million net interest losses on interest rate swaps designated as cash flow hedges, HK\$15 million net interest gains on interest rate swaps designated as fair value hedges and various banking and financing charges.

**9 Staff costs**

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Wages and salaries	<b>143</b>	73
Contributions to mandatory provident fund scheme	<b>4</b>	2
Long-term incentive plan awards (Note 17)	<b>27</b>	24
	<b>174</b>	99

## 9 Staff costs (continued)

Staff costs can be further analysed as below:

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Included under property operating expenses (Note 6)	<b>123</b>	68
Included under general and administrative expenses	<b>51</b>	31
	<b>174</b>	99

## 10 Taxation

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

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

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Current taxation	<b>154</b>	143
Deferred taxation		
– Change in fair values of investment properties	<b>538</b>	651
– Other temporary differences	<b>82</b>	77
Taxation	<b>774</b>	871

## 11 Earnings per unit based upon profit after taxation and before transactions with Unitholders

	<b>Six months ended 30 September 2010 (Unaudited)</b>	Six months ended 30 September 2009 (Unaudited)
Profit after taxation and before transactions with Unitholders	<b>HK\$3,900 million</b>	HK\$4,380 million
Weighted average number of units for the period for calculating basic earnings per unit	<b>2,207,118,833</b>	2,170,288,912
Adjustment for dilutive contingently issuable units under long-term incentive plan	<b>2,059,471</b>	2,669,638
Weighted average number of units for the period for calculating diluted earnings per unit	<b>2,209,178,304</b>	2,172,958,550
Earnings per unit based on profit after taxation and before transactions with Unitholders, basic and diluted	<b>HK\$1.77</b>	HK\$2.02

## 12 Investment properties

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

	Retail properties (Unaudited) HK\$'M	Car parks (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
At 1 April 2010	45,315	8,466	53,781
Additions	286	11	297
Change in fair values	2,738	521	3,259
At 30 September 2010	<b>48,339</b>	<b>8,998</b>	<b>57,337</b>

(b) Government leases

The properties included as investment properties on the condensed 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 30 September 2010, legal title for all 180 (31 March 2010: 153) properties has been granted to the Group. The remaining lease periods of those government leases range from 33 to 50 years.

(c) Fair values

The investment properties were revalued on an open market value basis as at 31 March and 30 September 2010 by Knight Frank Petty Limited, an independent firm of professional qualified valuers.

(d) Security for the Group's loan facilities

As at 30 September 2010, certain of the Group's investment properties, amounted in value to approximately HK\$5.9 billion (31 March 2010: HK\$5.5 billion), were pledged to secure the loan with The Hong Kong Mortgage Corporation Limited ("HKMC"). No property was pledged to secure any bank loan or medium term note.

### 13 Property, plant and equipment

	Leasehold improvements (Unaudited) HK\$'M	Motor vehicles (Unaudited) HK\$'M	Equipment (Unaudited) HK\$'M	Total (Unaudited) HK\$'M
At 1 April 2010	40	2	44	86
Additions	2	1	–	3
Disposals/adjustments	–	(1)	(5)	(6)
Depreciation charge for the period	(4)	–	(5)	(9)
At 30 September 2010	<b>38</b>	<b>2</b>	<b>34</b>	<b>74</b>
At 30 September 2010				
Cost	<b>55</b>	<b>4</b>	<b>75</b>	<b>134</b>
Accumulated depreciation	<b>(17)</b>	<b>(2)</b>	<b>(41)</b>	<b>(60)</b>
Net book value	<b>38</b>	<b>2</b>	<b>34</b>	<b>74</b>

### 14 Trade and other receivables

	30 September 2010 (Unaudited) HK\$'M	31 March 2010 (Audited) HK\$'M
Trade receivables	55	67
Less: provision for impairment of trade receivables	(4)	(4)
Trade receivables – net	51	63
Other receivables	104	99
	<b>155</b>	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.

**14 Trade and other receivables** (continued)

The ageing analysis of trade receivables is as follows:

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
0 – 30 days	49	58
31 – 90 days	3	5
Over 90 days	3	4
	<b>55</b>	67

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

**15 Cash and cash equivalents and short-term bank deposits**

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
Cash in hand	1	1
Cash at bank	73	33
Short-term bank deposits with original maturity of less than three months	833	599
Cash and cash equivalents	<b>907</b>	633
Short-term bank deposits with original maturity of more than three months	–	243
	<b>907</b>	876

Cash and cash equivalents are denominated in Hong Kong Dollars. Short-term bank deposits at the reporting date mature approximately 10 days (31 March 2010: 34 days) from the reporting date. The effective interest rate at the reporting date was 0.42% (31 March 2010: 0.20%) per annum.

**16 Trade payables, receipts in advance and accruals**

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
Trade payables	59	49
Receipts in advance	108	107
Accruals	721	837
	<b>888</b>	993

The ageing analysis of trade payables is as follows:

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
0 – 30 days	53	32
31 – 90 days	5	15
Over 90 days	1	2
	<b>59</b>	49

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

**17 Long-term incentive plan payable**

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
Long-term incentive plan payable	<b>36</b>	65
Less: current portion of long-term incentive plan payable	<b>(23)</b>	(39)
Non-current portion of long-term incentive plan payable	<b>13</b>	26

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

Under the Plan, the Manager may grant three types of awards, the Restricted Unit Awards ("RUA"), Unit Options and Conditional Cash Awards ("CCA") (collectively the "Awards") to 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 period, no RUA nor CCA was granted.

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, life of the Awards and distribution pay-out rate. The change in fair value of the outstanding Awards was charged to the condensed consolidated income statement. In the event that the vesting conditions are not met, the amount previously accrued will be written back accordingly.

During the period, the Group issued 1,792,783 units in accordance with the vesting conditions under the Plan.

**17 Long-term incentive plan payable** *(continued)*

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

Date of grant	Vesting period	Outstanding as at 1 April 2010	Granted during the period	Vested during the period <sup>(i)</sup>	Lapsed during the period	Outstanding as at 30 September 2010	Maximum to be issued on vesting date <sup>(ii)</sup>
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) <sup>(iii)</sup>	(4,500)	–	–
	13 February 2009 to 30 June 2011	500,000	–	–	(176,500)	323,500	647,000
24 September 2009	24 September 2009 to 30 June 2011	497,250	–	–	(127,000)	370,250	740,500
	24 September 2009 to 30 June 2012	497,250	–	–	(127,000)	370,250	740,500
Subtotal		5,554,573	–	(1,297,283)	(2,818,475)	1,438,815	2,814,995
Additional units vested over 100% of the RUA granted		–	–	(495,500) <sup>(iii)</sup>	–	–	–
Total		5,554,573	–	(1,792,783)	(2,818,475)	1,438,815	2,814,995

Notes:

- (i) RUA vesting percentages during the period 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.

## 18 Interest bearing liabilities

	30 September 2010 (Unaudited) HK\$'M	31 March 2010 (Audited) HK\$'M
Syndicated loan (Note (i))	2,348	3,097
HKMC loan (secured)	4,000	4,000
Medium term notes (Note (ii))	2,166	1,788
Other borrowings (Note (iii))	2,211	1,982
	<b>10,725</b>	10,867
Less: current portion of interest bearing liabilities	<b>(249)</b>	–
Non-current portion of interest bearing liabilities	<b>10,476</b>	10,867

Interest bearing liabilities are repayable as follows:

	30 September 2010 (Unaudited) HK\$'M	31 March 2010 (Audited) HK\$'M
<b>Due in the first year</b>		
Other borrowing	249	–
<b>Due in the second year</b>		
Syndicated loan	2,348	3,097
Other borrowings	–	248
	<b>2,348</b>	3,345
<b>Due in the third year</b>		
Other borrowings	647	688
<b>Due in the fourth year</b>		
HKMC loan (secured)	4,000	–
Other borrowings	–	369
	<b>4,000</b>	369
<b>Due in the fifth year</b>		
HKMC loan (secured)	–	4,000
Other borrowings	1,315	–
	<b>1,315</b>	4,000
<b>Due beyond the fifth year</b>		
Medium term notes	2,166	1,788
Other borrowings	–	677
	<b>2,166</b>	2,465
	<b>10,725</b>	10,867

## 18 Interest bearing liabilities (continued)

Notes:

- (i) During the period the Group prepaid HK\$750 million of the syndicated loan. The undrawn portion of the facility amounted to HK\$400 million as at 30 September 2010 (31 March 2010: HK\$400 million).
- (ii) During the period the Group issued HK\$300 million of 7-year unsecured notes at a fixed rate of 3.4125% per annum under the Guaranteed Euro Medium Term Note Programme.
- (iii) The undrawn portion of the bilateral loan facilities amounted to HK\$850 million as at 30 September 2010 (31 March 2010: HK\$670 million).
- (iv) Except for a bank loan of HK\$249 million (31 March 2010: HK\$248 million) which is denominated in United States Dollars and a bank loan of HK\$397 million (31 March 2010: Nil) which is denominated in New Zealand Dollars, all the other interest bearing liabilities are denominated in Hong Kong Dollars.
- (v) The effective interest rate of the interest bearing liabilities (including interest rate swaps) at the reporting date was 4.08% (31 March 2010: 4.30%). The carrying amounts of the interest bearing liabilities approximate their fair values.

## 19 Derivative financial instruments

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
<b>Derivative assets</b>		
Designated as fair value hedge – interest rate swaps	<b>73</b>	–
<b>Derivative liabilities</b>		
Designated as cash flow hedge – interest rate swaps	<b>(551)</b>	(509)
Designated as fair value hedge		
– interest rate swaps	–	(4)
– cross currency swaps	<b>(2)</b>	–
	<b>(553)</b>	(513)
	<b>(480)</b>	(513)

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 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 condensed consolidated income statement. A net amount of HK\$42 million has been debited to the hedging reserve during the period (2009: HK\$135 million has been credited to the hedging reserve) as further set out in Note 21.

As at 30 September 2010, the derivative financial instruments qualifying as cash flow hedges have, in effect, provided the Group with an average fixed interest rate period of 3.2 years on HK\$6.1 billion borrowings (31 March 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 30 September 2010 were HK\$6.1 billion (31 March 2010: HK\$6.75 billion) and 4.48% (31 March 2010: 4.54%) respectively. The notional principal amount of the outstanding cross currency swap contracts as at 30 September 2010 was HK\$650 million (31 March 2010: HK\$250 million).

Gains and losses on interest rate swap contracts recognised in the hedging reserve (Note 21) as at 30 September 2010 will be released to the condensed consolidated income statement.

## 20 Units in issue

	Number of units
At 1 April 2010	2,202,043,479
Units issued under distribution reinvestment scheme	13,609,788
Units issued under long-term incentive plan	1,792,783
At 30 September 2010	<b>2,217,446,050</b>

Last traded price of the units as at 30 September 2010 was HK\$23.00 (31 March 2010: HK\$19.14) per unit. Based on 2,217,446,050 units in issue as at 30 September 2010 (31 March 2010: 2,202,043,479 units), market capitalisation was HK\$51,001 million (31 March 2010: HK\$42,147 million).

## 21 Reserves

	Hedging reserve (Unaudited) HK\$'M	Earnings retained for cash flow hedge adjustments (Unaudited) HK\$'M	Total reserves (Unaudited) HK\$'M
At 1 April 2010	(509)	509	–
Cash flow hedges:			
– Change in fair values	(218)	–	(218)
– Amount transferred to the condensed consolidated income statement (Note)	176	–	176
	(42)	–	(42)
Amount arising from cash flow hedging reserve movement	–	42	42
At 30 September 2010	<b>(551)</b>	<b>551</b>	<b>–</b>

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

## 22 Capital commitments

	30 September 2010 (Unaudited) HK\$'M	31 March 2010 (Audited) HK\$'M
Improvement projects to existing investment properties		
Authorised but not contracted for	373	778
Contracted but not provided for	745	476
	<b>1,118</b>	1,254

## 23 Connected party transactions and significant related party transactions and balances

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

### (a) Nature of relationship with connected/related parties

The table set forth below summarises the names of the connected/related parties, as defined in the REIT Code/ HKAS 24 (Revised) "Related Party Disclosures", and nature of their relationships with The Link REIT as at 30 September 2010:

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

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

## 23 Connected party transactions and significant related party transactions and balances

(continued)

### (b) Transactions with connected/related parties

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

	Six months ended 30 September 2010 (Unaudited) HK\$'M	Six months ended 30 September 2009 (Unaudited) HK\$'M
Trustee fee paid and payable to the Trustee (Note (ii))	(2)	(2)
Transactions with the Principal Valuer (Note (iii))		
Valuation fee	(1)	(1)
Leasing and other consultancy fees	(5)	(1)
Leasing agency fee paid and payable to Knight Frank Hong Kong Limited (Note (iii))	(2)	(2)
Transactions with the HSBC Group (Note (iii))		
Interest expense and various financing charges to the HSBC Group on interest bearing liabilities and interest rate swaps	(39)	(41)
Staff expense to the HSBC Group on medical/group life insurance and insurance brokerage fee	(3)	(2)
Rental income from the HSBC Group on leasing of retail units	9	9
Transactions with ICBC (Asia) (Note (iii))		
Interest expense and various financing charges to ICBC (Asia) on interest bearing liabilities	(2)	(2)
Rental income from ICBC (Asia) on leasing of retail units	3	2
Transactions with Wing Hang Bank (Note (iii))		
Interest expense and various financing charges to Wing Hang Bank on interest bearing liabilities	(1)	(1)
Architectural/renovation consultancy services fees paid and payable to the Aedas Group (Note (iii))	(2)	(2)
Transactions with Dah Sing Bank (Note (iii))		
Interest expense and various financing charges to Dah Sing Bank on interest bearing liabilities	(1)	–
Rental income from Dah Sing Bank on leasing of retail units	2	–

## 23 Connected party transactions and significant related party transactions and balances

*(continued)*

### (b) Transactions with connected/related parties *(continued)*

Notes:

- (i) All connected party transactions were carried out in accordance with the terms of the relevant agreements governing the transactions and in the ordinary course of business.
- (ii) The Trustee is entitled to receive an annual trustee's fee (calculated and paid monthly) at a rate of 0.008% per annum of the latest property value as determined in the latest annual valuation report of an independent property valuer recommended by the Manager and appointed by the Trustee for and on behalf of The Link REIT from time to time, subject to a minimum of HK\$150,000 per month.
- (iii) The transactions were entered into at arm's length on normal commercial terms.

### (c) Balances with related parties

Balances with related parties are set out below:

	<b>30 September 2010 (Unaudited) HK\$'M</b>	31 March 2010 (Audited) HK\$'M
Interest bearing liabilities with the HSBC Group	<b>(806)</b>	(443)
Interest rate swaps with the HSBC Group	<b>(190)</b>	(171)
Security deposits from the HSBC Group	<b>(1)</b>	(1)
Short-term bank deposits and savings placed with the HSBC Group	<b>65</b>	202
Net interest payable to the HSBC Group	<b>(6)</b>	(7)
Interest bearing liabilities with Wing Hang Bank	<b>–</b>	(62)

### (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:

	<b>Six months ended 30 September 2010 (Unaudited) HK\$'M</b>	Six months ended 30 September 2009 (Unaudited) HK\$'M
Fees	<b>4</b>	3
Basic salaries, allowances and other benefits	<b>20</b>	21
Long-term incentive plan awards	<b>15</b>	19
	<b>39</b>	43

## 24 Approval of the condensed consolidated interim financial information

The condensed consolidated interim financial information was authorised for issue by the Board on 10 November 2010.

## Five Years Performance Summary

### FINANCIAL DATA

	Six months ended 30 September 2010 (Unaudited) HK\$'M	Six months ended 30 September 2009 (Unaudited) HK\$'M	Six months ended 30 September 2008 (Unaudited) HK\$'M	Six months ended 30 September 2007 (Unaudited) HK\$'M	Six months ended 30 September 2006 (Unaudited) HK\$'M
<b>Condensed consolidated income statement</b>					
Revenues	2,621	2,438	2,203	2,056	1,956
Property operating expenses	(856)	(821)	(854)	(813)	(792)
Net property income	1,765	1,617	1,349	1,243	1,164
General and administrative expenses	(80)	(50)	(56)	(47)	(41)
Change in fair values of investment properties	3,259	3,946	(464)	2,655	707
Operating profit	4,944	5,513	829	3,851	1,830
Interest income	1	4	24	39	28
Finance costs on interest bearing liabilities	(271)	(266)	(253)	(310)	(292)
Profit before taxation and transactions with Unitholders	4,674	5,251	600	3,580	1,566
Taxation	(774)	(871)	244	(602)	(274)
Profit for the period, before transactions with Unitholders	3,900	4,380	844	2,978	1,292
Distributions paid to Unitholders	(1,079)	(935)	(826)	(739)	(467)
	2,821	3,445	18	2,239	825
Represented by:					
Change in net assets attributable to Unitholders, excluding issue of new units	2,779	3,580	(8)	2,283	825
Amount arising from cash flow hedging reserve movement	42	(135)	26	(44)	–
	2,821	3,445	18	2,239	825
<b>Consolidated statement of distributions</b>					
Profit for the period	3,900	4,380	844	2,978	1,292
Adjustments:					
Change in fair values of investment properties	(3,259)	(3,946)	464	(2,655)	(707)
Deferred taxation on change in fair values of investment properties	538	651	(77)	465	124
Deferred taxation on change in tax rate	–	–	(341)	–	–
Other non-cash income	(7)	(30)	(6)	(12)	(7)
Total distributable income	1,172	1,055	884	776	702
<b>Distribution per unit (HK cents)</b>					
Interim DPU	52.86	48.35	40.86	36.11	32.81

FINANCIAL DATA *(continued)*

		As at 30 September 2010 (Unaudited)	As at 31 March 2010 (Audited)	As at 31 March 2009 (Audited)	As at 31 March 2008 (Audited)	As at 31 March 2007 (Audited)
<b>Assets and liabilities</b>						
Investment properties	HK\$'M	57,337	53,781	43,255	44,307	39,557
Other non-current assets	HK\$'M	4,135	4,074	4,053	4,034	4,040
Current assets	HK\$'M	1,095	1,076	1,372	2,007	1,638
Total assets	HK\$'M	62,567	58,931	48,680	50,348	45,235
Current liabilities	HK\$'M	2,104	1,807	1,689	3,481	1,056
Non-current liabilities	HK\$'M	18,936	18,680	17,790	16,309	17,390
Total liabilities, excluding net assets attributable to Unitholders	HK\$'M	21,040	20,487	19,479	19,790	18,446
Net assets attributable to Unitholders	HK\$'M	41,527	38,444	29,201	30,558	26,789
Interest bearing liabilities to total assets	%	17.1	18.4	23.7	24.2	26.9
Total liabilities to total assets	%	33.6	34.8	40.0	39.3	40.8
<b>Valuation</b>						
Valuation of investment properties	HK\$'M	57,337	53,781	43,255	44,307	39,557
Valuation weighted average capitalisation rate	%	6.71	6.73	7.42	6.95	N/A
Net assets per unit attributable to Unitholders	HK\$	18.73	17.46	13.47	14.16	12.53
Market price per unit	HK\$	23.00	19.14	15.32	17.26	18.80
Market capitalisation	HK\$'M	51,001	42,147	33,199	37,259	40,184
Units in issue		2,217,446,050	2,202,043,479	2,167,040,427	2,158,677,767	2,137,454,000

## PORTFOLIO DATA

		Six months ended 30 September 2010 (Unaudited)	Six months ended 30 September 2009 (Unaudited)	Six months ended 30 September 2008 (Unaudited)	Six months ended 30 September 2007 (Unaudited)	Six months ended 30 September 2006 (Unaudited)
Average monthly unit rent at period end	HK\$ psf	31.7	29.7	26.8	24.4	23.0
Average monthly unit rent excluding Self use office, Education/Welfare, HD Office and Ancillary at period end	HK\$ psf	34.1	32.1	29.3	26.6	25.4
Composite reversion rate						
Shops	%	22.2	25.3	30.2	15.4	5.4
Overall	%	22.7	22.0	25.7	13.7	4.9
Occupancy rate at period end	%	90.9	90.6	87.6	90.5	92.3
Net property income margin	%	67.3	66.3	61.2	60.5	59.5
Retention rate	%	74.6 <sup>(i)</sup>	69.5 <sup>(i)</sup>	76.3	73.2	91.4
Number of turnover rent leases (excluding ancillary) at period end		3,794	2,754	1,403	692	407
Car park income per space per month	HK\$	1,067	1,042	1,015	955	913
Car park utilisation rate at period end	%	72.6	72.4	70.3	71.6	72.7

Note:

- (i) includes tenants who relocated within the same property.

## PERFORMANCE DATA

Net assets attributable to Unitholders at period end	HK\$'M	41,527	33,016	30,645	29,259	24,540
Net assets per unit attributable to Unitholders at period end	HK\$	18.73	15.14	14.16	13.62	11.48
The highest premium of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	4.82	3.26	5.64	5.58	5.97
The highest discount of the traded price to net assets per unit attributable to Unitholders (Note (i))	HK\$	(0.19)	(1.06)	N/A	N/A	N/A
Market price per unit at period end	HK\$	23.00	17.06	16.02	17.10	16.22
Net yield per unit (Note (ii))	%	2.3	2.8	2.6	2.1	2.0
Net yield (annualised) per unit (Note (ii))	%	4.6	5.7	5.1	4.2	4.0
Net yield (annualised) per unit on listing price of HK\$10.30 per unit	%	10.3	9.4	7.9	7.0	6.4

Notes:

- (i) The highest premium and discount are calculated based on the highest and lowest traded prices of HK\$23.55 (2009: HK\$18.40) and HK\$18.54 (2009: HK\$14.08) respectively on The Stock Exchange of Hong Kong Limited during the period. During previous periods, the lowest traded prices were higher than the net asset values as at respective period end dates. Accordingly, no discount of the traded price to net asset value was presented at previous period end dates.
- (ii) Net yield per unit is calculated based on distribution per unit for the period ended 30 September 2010 of HK\$2.86 cents (2009: HK\$2.35 cents) over the last traded price as at 30 September 2010 of HK\$23.00 (2009: HK\$17.06).

## Unit Listing

The Link REIT's units are listed on the Hong Kong Stock Exchange. Details of units in issue as at period end are set out in Note 20 to the condensed consolidated interim financial information in this report.

The stock code is 823.

## Investor Calendar

Interim results announcement for the six months ended 30 September 2010	10 November 2010
Ex-distribution date	1 December 2010
Five trading days to determine scrip price	1 December to 7 December 2010 (both dates inclusive)
Closure of register of Unitholders (for interim distribution)*	3 December to 7 December 2010 (both dates inclusive)
Record date for the interim distribution	7 December 2010
Despatch of distribution reinvestment scheme documents	On or about 15 December 2010
Closure of scrip distribution election period^	3 January 2011
Interim distribution payment date	On or about 20 January 2011
Final results announcement for the year ending 31 March 2011	On or before 30 June 2011

\* For the purpose of the interim distribution, the register of Unitholders will be closed for the period from 3 December 2010 to 7 December 2010 (both dates inclusive), during which no transfer of units of The Link REIT can be registered. To qualify for the interim distribution, all transfers, accompanied by the relevant unit certificates, must be lodged with The Link REIT's unit registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 pm on 2 December 2010.

^ A distribution reinvestment scheme is available to the Unitholders who may elect to receive the interim distribution in respect of the six months ended 30 September 2010 wholly in the form of cash or new units of The Link REIT, or a combination of both. An announcement giving further information of the distribution reinvestment scheme will be released on or about 7 December 2010 and a circular containing the details together with the relevant election form or entitlement advice will be sent to the Unitholders on or about 15 December 2010. Election form for scrip distribution must be lodged with The Link REIT's unit registrar, Computershare Hong Kong Investor Services Limited, at the address shown above not later than 4:30 pm on 3 January 2011.

## Investor Information

Corporate press releases, financial reports and other investor information on The Link REIT are available online at its website at [www.thelinkreit.com](http://www.thelinkreit.com).

## Investor Relations Contact

Please direct enquiries to:

Investor Relations

Address: 33/F, One Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong  
Telephone: (852) 2175 1800  
Facsimile: (852) 2175 1900  
Email: [ir@thelinkreit.com](mailto:ir@thelinkreit.com)

## Corporate Communications Department Contact

Corporate Communications Department

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## Website Address

<a href="http://www.thelinkreit.com">www.thelinkreit.com</a>	(Corporate and Customer website)
<a href="http://www.thelinkfunacademy.com">www.thelinkfunacademy.com</a>	(The Link Fun Academy website)
<a href="http://www.lokfuplaza.com">www.lokfuplaza.com</a>	(Lok Fu Plaza website)
<a href="http://www.stanleyplaza.com.hk">www.stanleyplaza.com.hk</a>	(Stanley Plaza website)

## 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

## 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

Knight Frank Petty 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

## Registered Office of the Manager

Room 1201–1202, 12th Floor,  
9 Queen's Road Central, Hong Kong

## Head Office of the Manager

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

## Unit Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor, Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong  
Telephone: (852) 2862 8555

The Link Real Estate Investment Trust  
[www.thelinkreit.com](http://www.thelinkreit.com)

