

The Link Real Estate Investment Trust

Investor Presentation

September 2011



Disclaimer

- This document has been prepared by The Link Management Limited in its capacity as the Manager (the “Manager”) of The Link Real Estate Investment Trust (“The Link REIT”) solely for use at the presentations held in this meeting and may not be reproduced or redistributed to any other person or the press or other media. Neither this document nor any copy may be taken or transmitted into or distributed, directly or indirectly, in the United States or to any U.S. person (within the meaning of Regulation S under the United States Securities Act of 1933, as amended). Neither this document nor any copy may be taken or transmitted into or distributed or redistributed in Canada or to the resident thereof. The distribution of this document in other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe any such restrictions. By attending this presentation, you are deemed to agree to be bound by the foregoing restrictions and represent that you have understood and accepted the terms of this disclaimer. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.
- All information and data are provided for information purposes only. All opinions expressed by The Link REIT herein are based on information available as of the date hereof and are subject to change without notice.
- The information contained in this document is not intended to provide, and you may not rely on this document as providing, a complete or comprehensive analysis of The Link REIT’s financial or trading position or prospects. The past performance of The Link REIT is not necessary indicative of the future performance of The Link REIT and nothing contained in this document is, or shall be relied on, as a promise or forecast as to the future.
- This document may contain forward-looking statements. Investors are cautioned that the actual results may differ materially from those set forth in any forward-looking statements herein. The slides forming part of this document have been prepared solely as a support for oral discussion about background information of The Link REIT. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or suitability of any information or opinion contained herein. None of the Manager, The Link REIT, or any of its Directors, officers, employees, agents or advisors shall be in any way responsible for the contents hereof, nor shall they be liable for any loss arising from use of the information contained in this presentation or otherwise arising in connection therewith.
- This document does not constitute an offer or invitation to purchase or subscribe for any units of The Link REIT and neither any part of it shall form basis of or be relied upon in connection with any contract, commitment or investment decision whatsoever. No action has been taken or will be taken by the Manager or The Link REIT or any of its Directors, officers, employees, agents or advisors, to register this document as an offering document or otherwise to permit public distribution of this document.

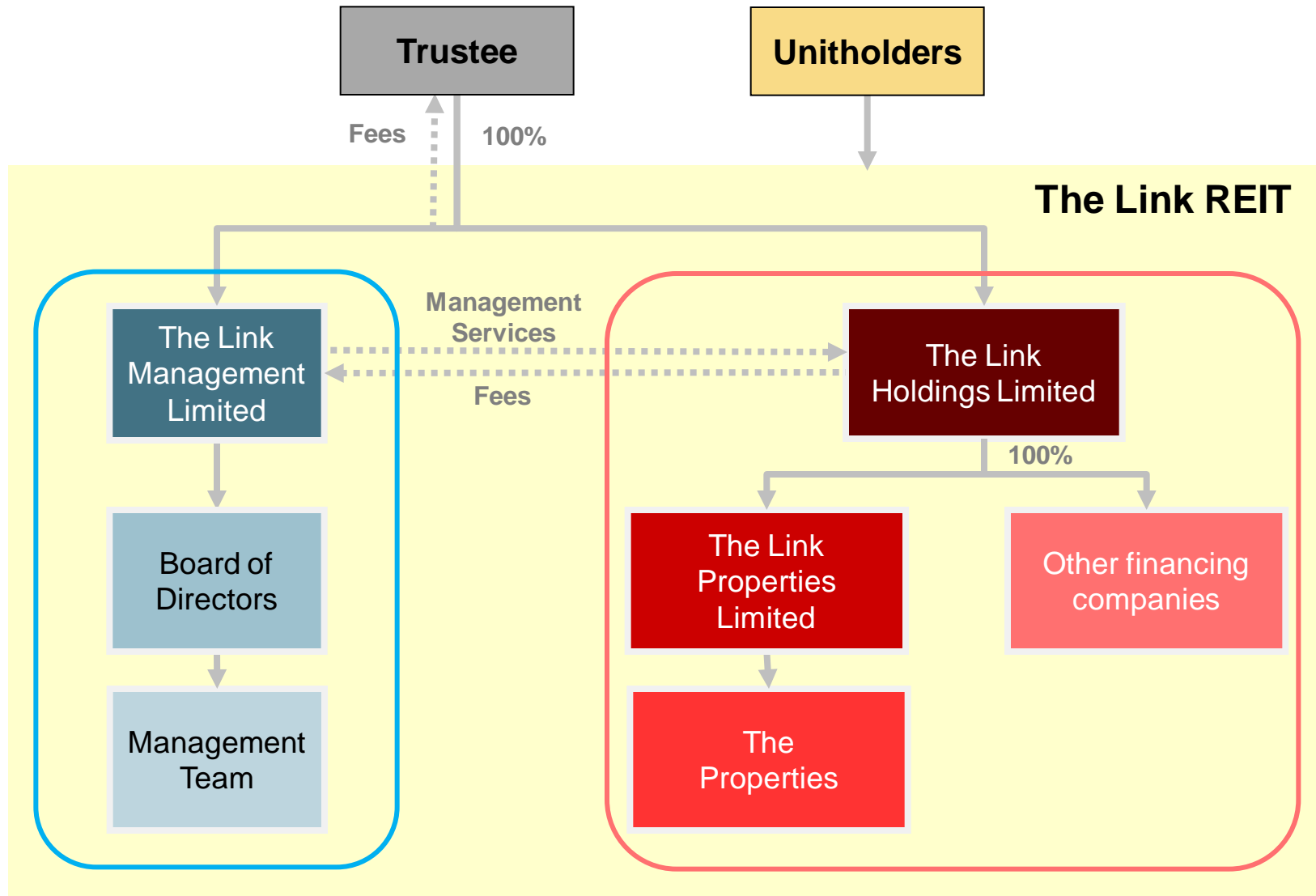
Introduction of The Link REIT

Profile of The Link REIT

- Formed from a divestment of assets by the Hong Kong Housing Authority with an initial portfolio of 180 assets in Hong Kong
- Listed on the Stock Exchange of Hong Kong on 25 November 2005
- Hong Kong's **first and largest REIT**
- **100% publicly held** by institutions and private investors
- Approximately **11M sq ft (IFA)** of retail space and **80,000** car park spaces located
- Retail facilities located at suburban housing estates, on the doorstep of the **majority of Hong Kong population**

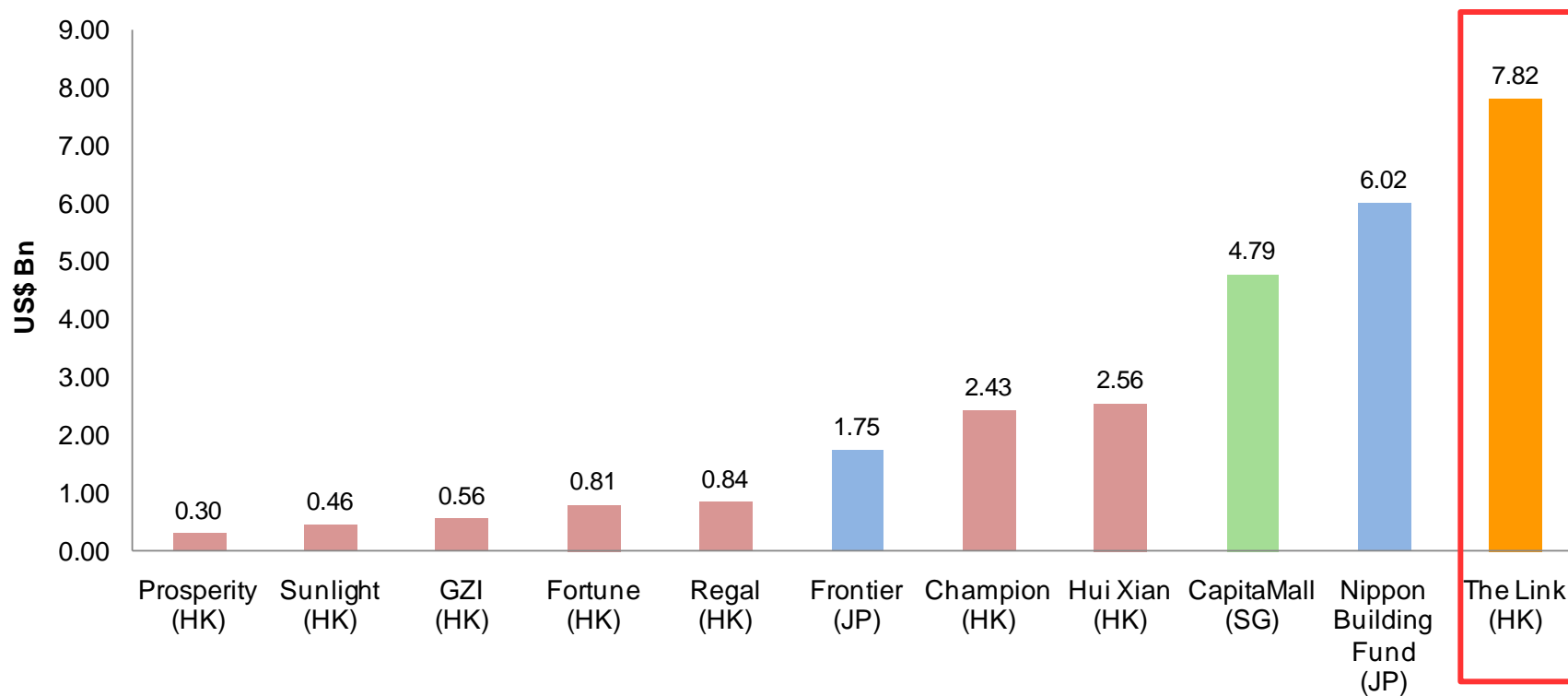


Unique internally-managed REIT structure



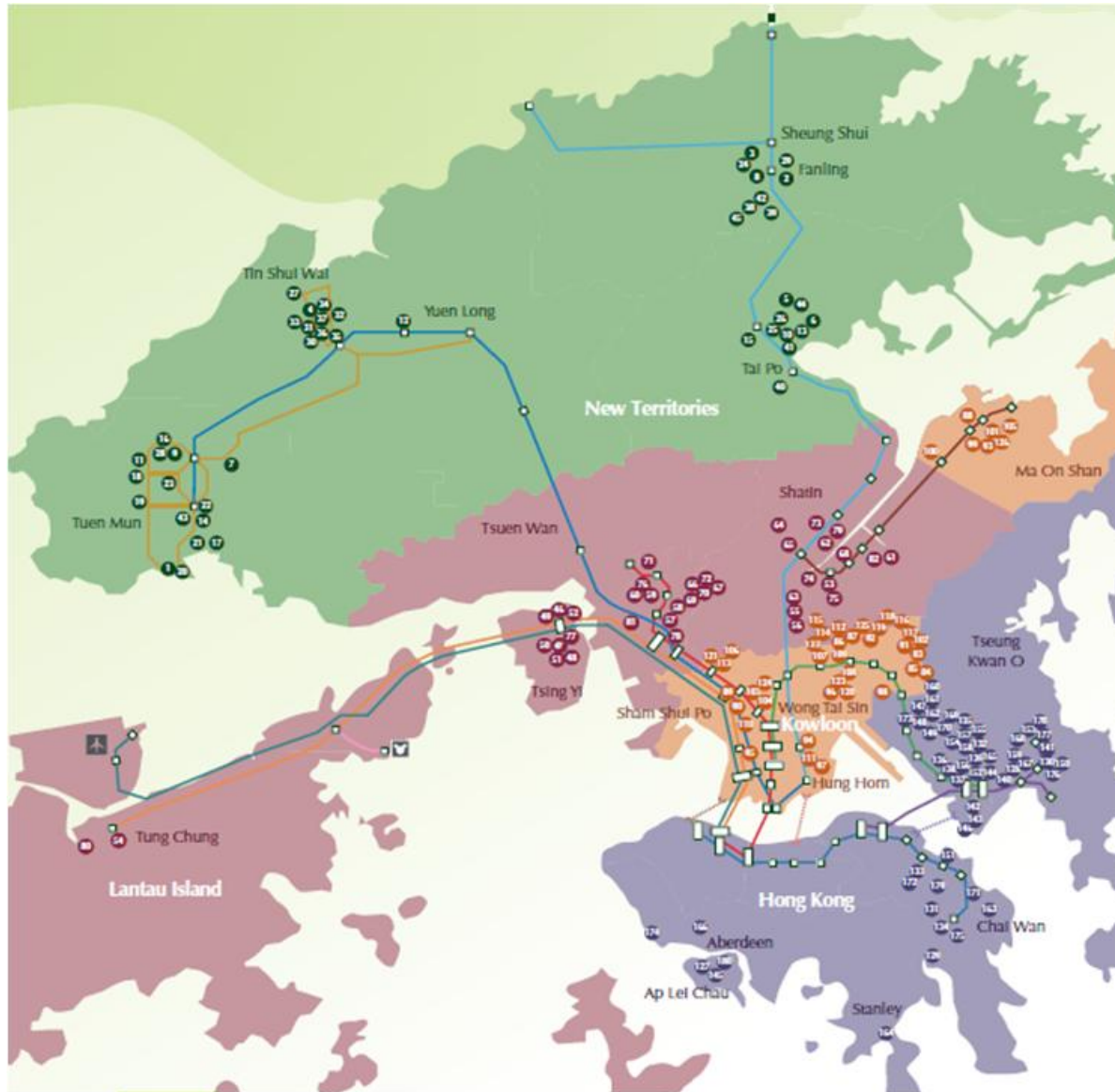
Largest REIT in Asia

Market Capitalisation



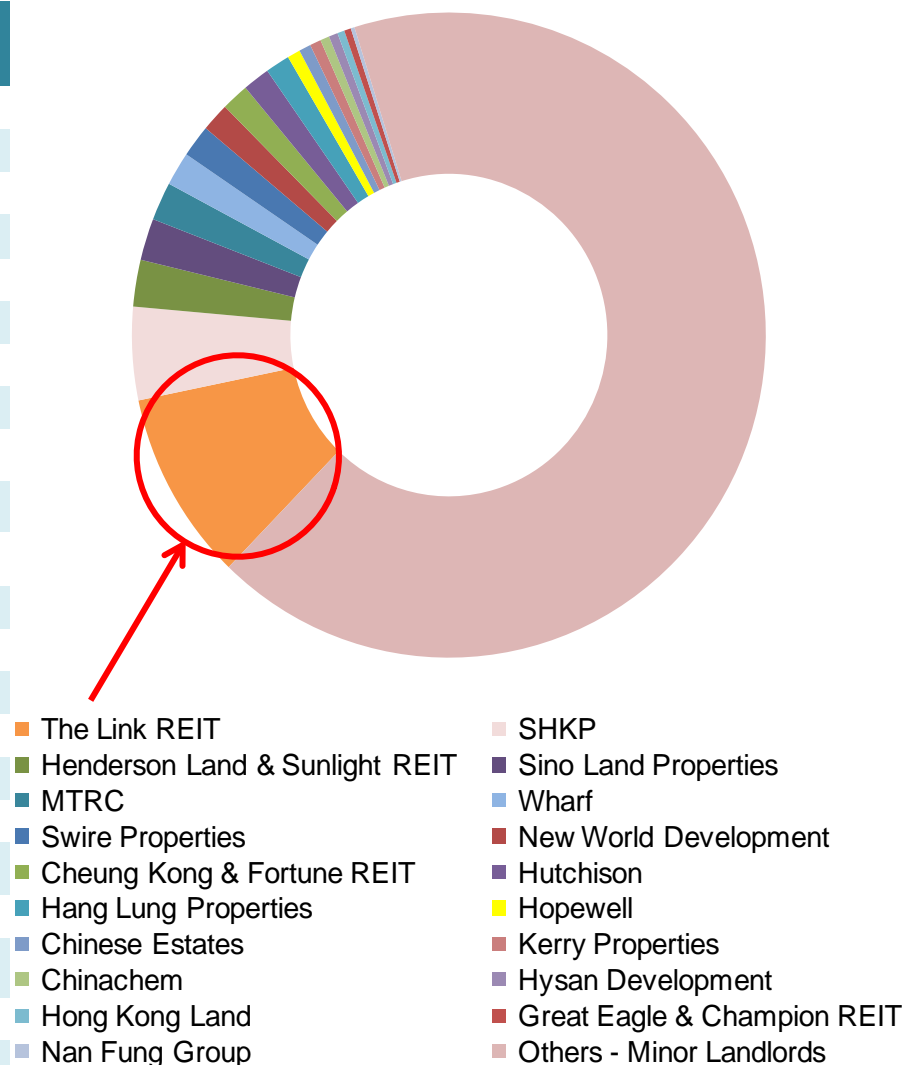
Source: Pricing as of August 30 2011

Diversified portfolio at the doorstep of the majority of Hong Kong population



Largest market share of retail facilities

	IFA ('000 sq.ft)	%
The Link REIT	11,020	9.5%
SHKP	5,391	4.7%
Henderson Land & Sunlight REIT	2,707	2.3%
Sino Land Properties	2,425	2.1%
MTRC	2,224	1.9%
Wharf	1,959	1.7%
Swire Properties	1,871	1.6%
New World Development	1,657	1.4%
Cheung Kong & Fortune REIT	1,613	1.4%
Hutchison	1,594	1.4%
Hang Lung Properties	1,436	1.2%
Hopewell	761	0.7%
Chinese Estates	701	0.6%
Kerry Properties	657	0.6%
Chinachem	538	0.5%
Hysan Development	528	0.5%
Hong Kong Land	420	0.4%
Great Eagle & Champion REIT	399	0.3%
Nan Fung Group	222	0.2%
Sub-Total - Major Landlords	38,121	33.0%
Others - Minor Landlords	77,530	67.0%
Total	115,651	100.0%



Note: Property companies' IFAs are estimates based on published GFA data

Source: Company data, Link REIT as of July, 2011

Financial review

Five years of consistent growth

Growth in both DPU & NAV

2007

DPU: HK67.43 cents

NAV per unit: HK\$12.98

2011

DPU: HK110.45 cents

- YoY growth: +13.4%
- 2007-11 CAGR: 13.1%

NAV per unit*: HK\$24.63

- YoY growth: +31.9%
- 2007-11 CAGR: 17.4%

Credit rating

- Moody's: A2
- S&P: A

Compound average annualised total return of The Link units reached **21.3%****

Note:

* Comparative figures have been restated as a result of the early adoption of the amendments to the Hong Kong Accounting Standard 12 "Deferred Tax: Recovery of Underlying Assets"

** A combination of capital appreciation and distributions paid out since listing to the end of March 2011

Financial highlights for FY 2011

Continue to deliver consistent growth

	Year ended 31 Mar 2011	YoY Growth
Revenue	HK\$5,353 M	↑ 7.3%
Net property income	HK\$3,644 M	↑ 9.5%
Distributable income	HK\$2,458 M	↑ 15.2%
Distribution per unit	HK 110.45 cents	↑ 13.4%
Distribution payout ratio		100%

Key performance drivers

- Average monthly unit rent increased by 7.2% to HK\$ **32.8** psf
- Strong composite reversion rate at **21.4%**
- Contribution from AEIs increased to **37.4%**
- Retention rate steady at **74.1%**
- Overall occupancy improved to **91.5%**
- NPI margin improved to **68.1%**

Financial review - Revenue

Revenue analysis

	Year ended 31 Mar 2011 HK\$'M	Year ended 31 Mar 2010 HK\$'M	YoY %	Percentage contribution year ended 31 Mar 2011 %
Rental income :				
Shops	3,179	2,911	9.2	59.4
Markets	546	522	4.6	10.2
Others	290	266	9.0	5.4
Gross revenue from car parks :	1,044	1,005	3.9	19.5
Expense recovery and other miscellaneous income :				
Property related income	294	286	2.8	5.5
	5,353	4,990	7.3	100.0

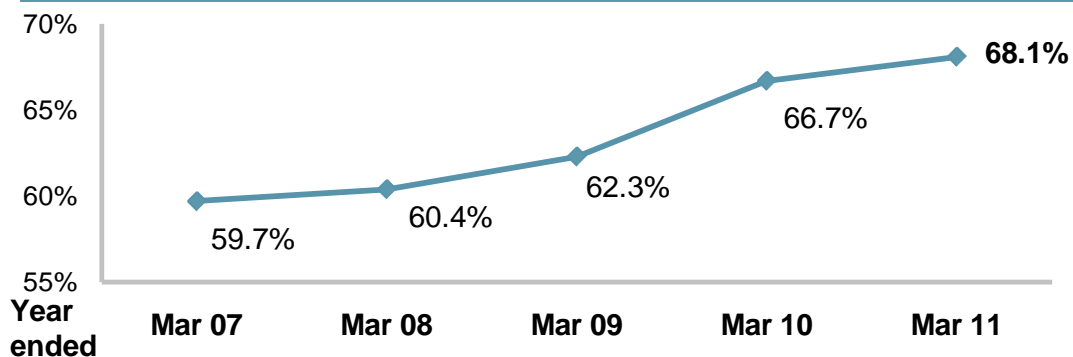
- Rental growth driven mainly by retail shops up 9.2% YoY to HK\$3,179M
- Others include mainly mall merchandizing revenue which recorded strong continuous growth to HK\$115 M, up 26.4% YoY
- Car park income edged up 3.9% to HK\$1,044 M mainly driven by increase in hourly car parking

Financial review - Expenses

Expense analysis

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

NPI margin improvement



- Change to direct management in Nov 2009 resulted in:
 - lower property managers' fees
 - higher direct staff cost
 - catch-up on R&M
- External factors:
 - higher Government rent & rates after all title transfer and higher rental income
 - 2nd consecutive year of electricity tariff increase
- Mitigating measures:
 - better R&M planning
 - more efficient staff deployment
 - energy saving initiatives
- Target to continue improvements in NPI margin ratio

Financial position

Financial position summary

HK\$M	As at 31 Mar 11	As at 31 Mar 10 (restated)
Current Assets	1,045	1,076
Non Current Assets	67,709	54,148
Total Assets	68,754	55,224
Current Liabilities	4,577	1,807
Non Current Liabilities	9,202	12,272
Total Liabilities	13,779	14,079
Net Assets Attributable to Unitholders	54,975	41,145
Units in Issue ('000)	2,232,285	2,202,043
Net Asset Value Per Unit	\$24.63	\$18.68

- Total value of investment properties increased 25.2% to HK\$67.3B
- NAV per unit up 31.8% to HK\$24.63

Note: Comparative figures have been restated as a result of the early adoption of the amendments to the Hong Kong Accounting Standard 12 "Deferred Tax: Recovery of Underlying Assets".

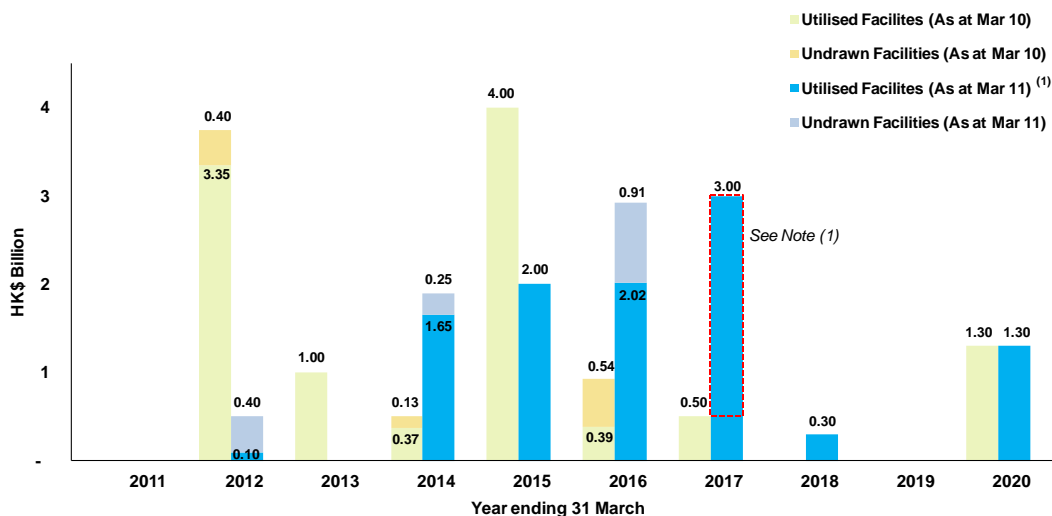
Capital management – Conservative position

Debt highlights

As at	31 Mar 11	31 Mar 10 (restated)
Debt (face value) (HK\$'B)	10.37	10.91
Gearing (debt : total assets) (%)	15.1	19.7
Average outstanding life of debt facilities (years)	4.3 ^	3.9
Proportion of fixed rate debt (after swaps) (%)	60	69
Average outstanding life of fixed rate debt/ swaps (years)	3.7	3.8
Effective interest rate (%)	3.72	4.30

^ Included the new HK\$2.5 B club loan mandated in Mar 2011 and signed in Apr 11.

Maturity profile of committed facilities for 31 Mar 2010 vs 31 Mar 2011 (after refinancing)



Note: ⁽¹⁾ Utilised facilities have included the new HK\$2.5B 5-year club loan mandated in March 2011 and signed in April 2011 to be drawn to refinance loans due in 2011/12 financial year

Available liquidity as at 31 Mar 2011

	HK\$'M
➤ Standby committed facilities	1,560
➤ Cash on hand	854
➤ Total liquidity	2,414

Strong credit ratings

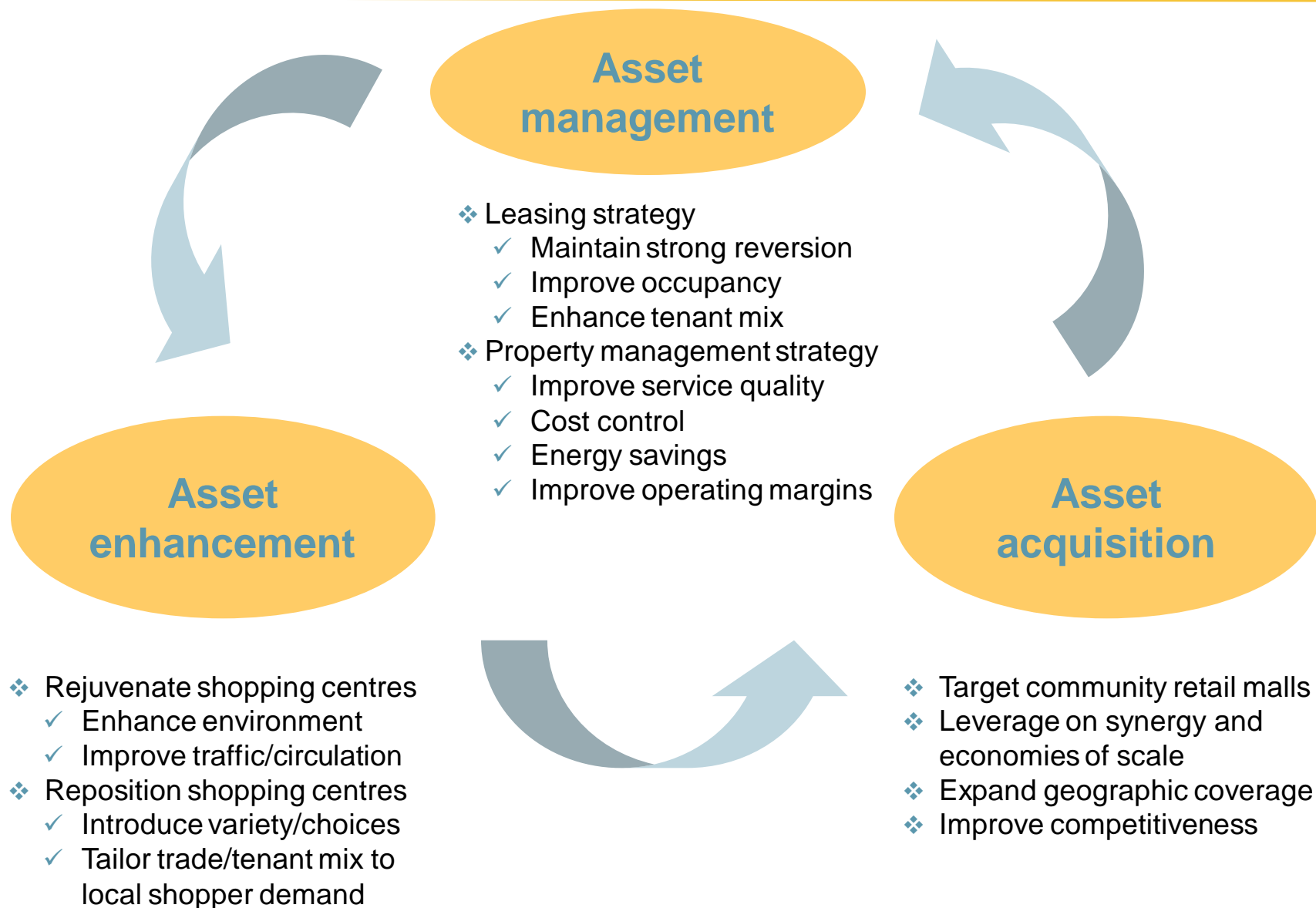
- Moody's Investors Services: Upgraded from A3 to A2 with stable outlook (24 Sep 2010)
- Standard and Poor's: A grade and stable outlook (7 Dec 2010)

Debt

- Good mix of medium to long term debt
- No major refinancing within the next 18 months

Key growth drivers for The Link REIT

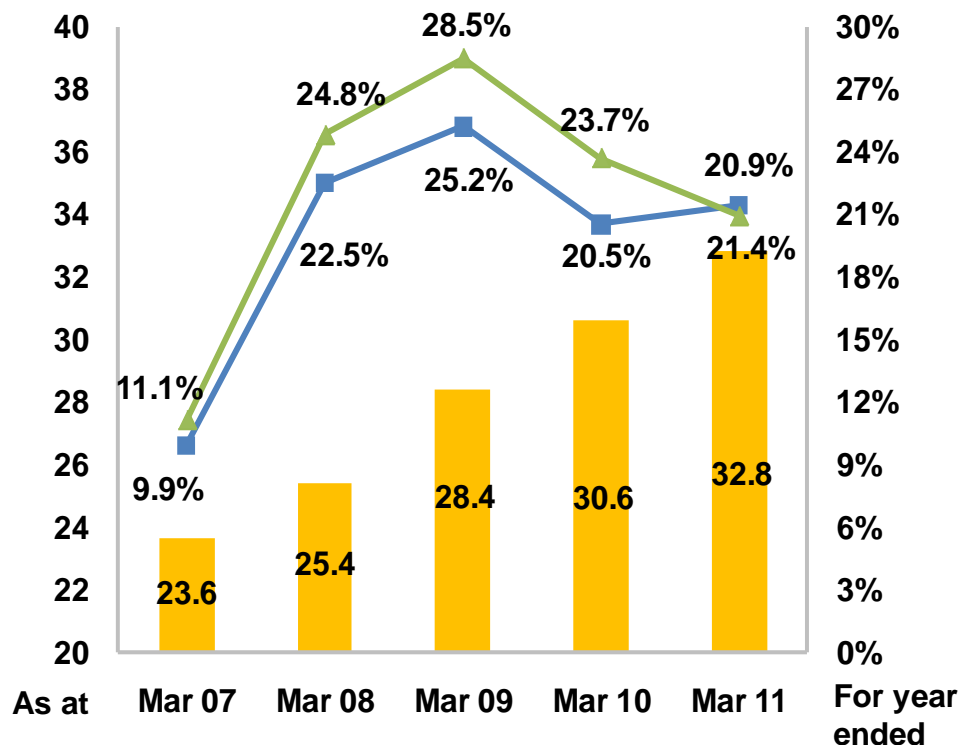
Key growth drivers



Asset management: Growth in unit rent

Average
monthly unit
rent (HK\$)

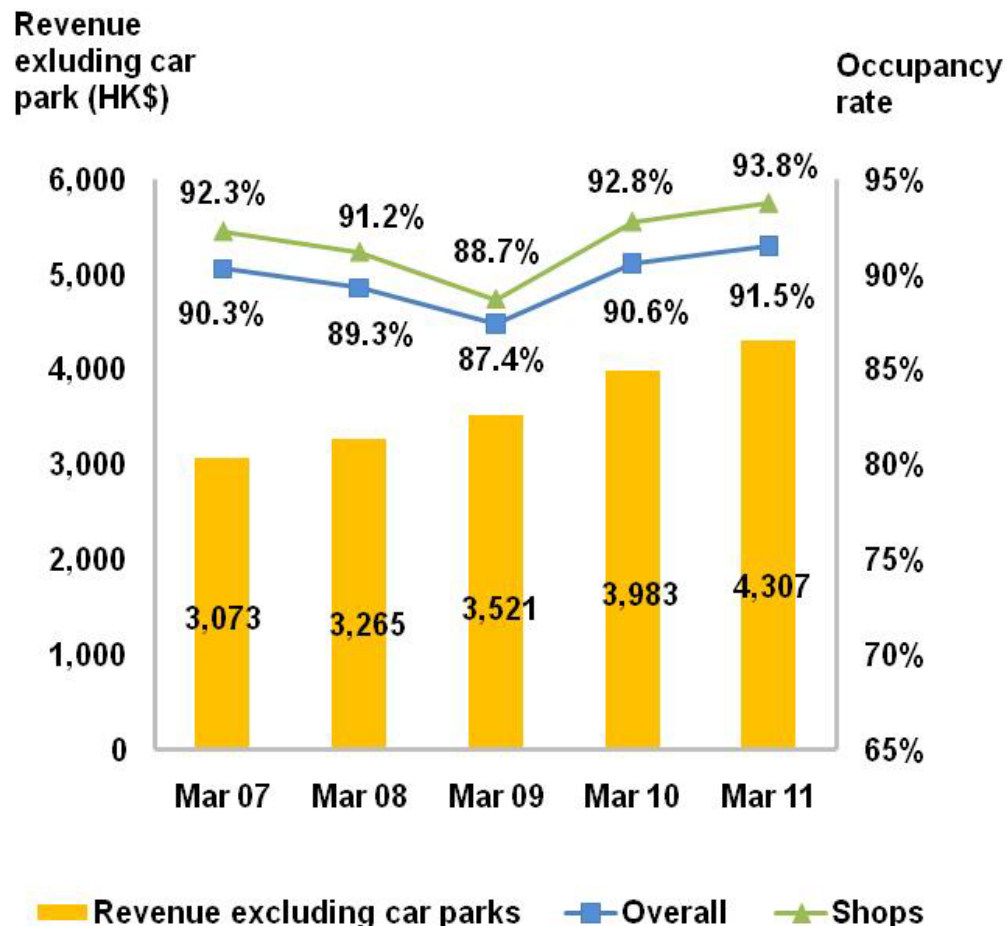
Composite
reversion rate



- Unit rent steadily increasing since IPO
- Reversion rate for shops is showing a slight decline amidst higher unit rent
- Improved tenant mix and enhanced property management services support strong reversion
- Strong retail sales growth continues to drive demand for retail space

■ Average monthly unit rent ■ Overall ▲ Shops

Asset management: Improving occupancy

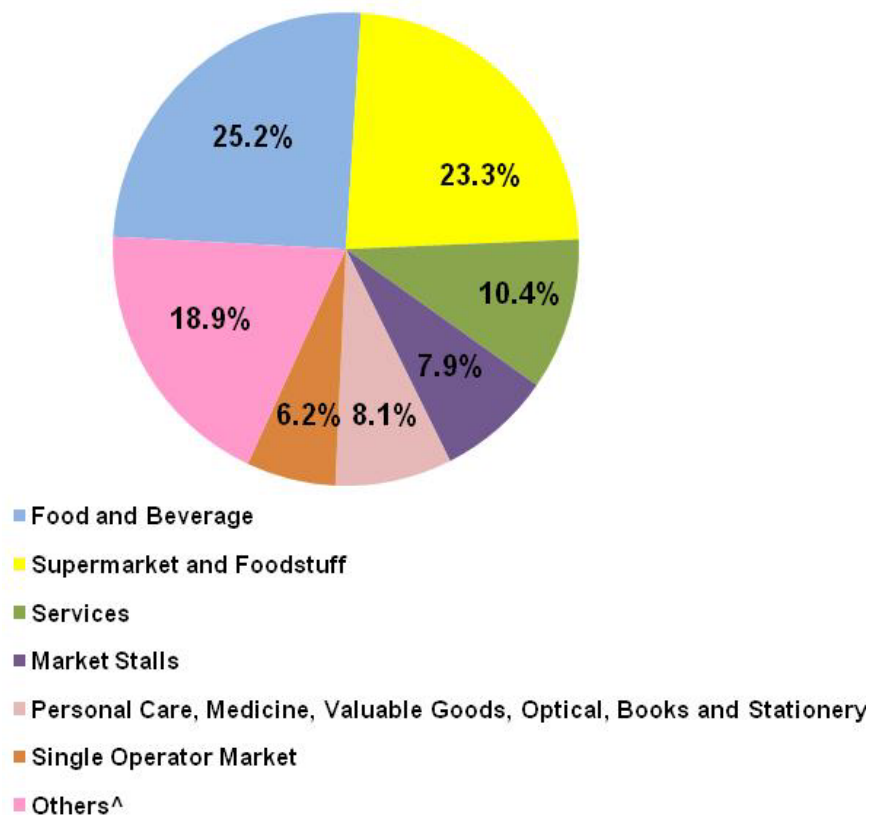


- Overall occupancy steadily improving to 91.5% supporting rental growth
- Retail shops occupancy continued to show healthy improvement driven by better property condition
- Seek alternative use of space to fill difficult part of portfolio

Asset management: Stable trade mix

Retail trade mix - Focus on staples and daily needs

Retail trade mix by monthly rent

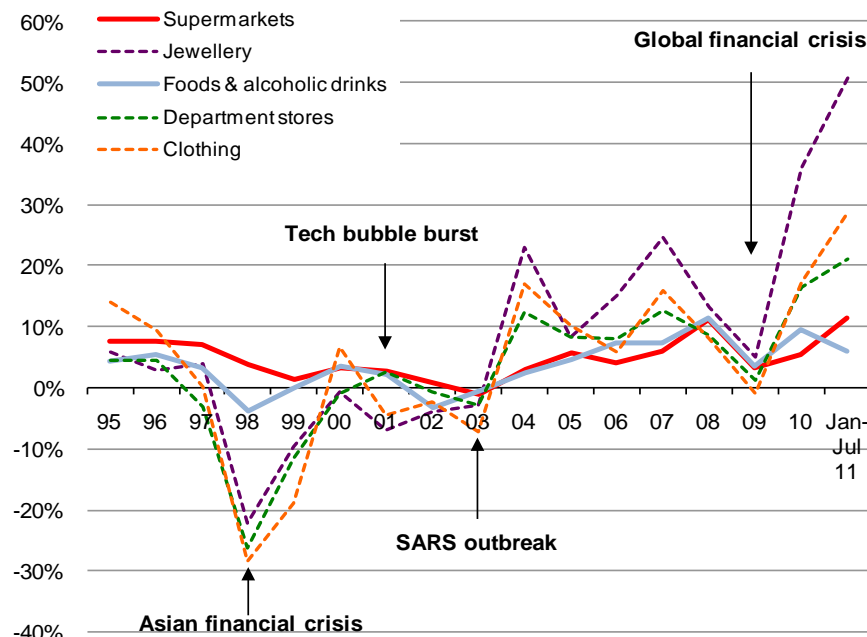


Notes: As at 31 March 2011

^ Includes Department Store, Clothing, Footwear & Allied Products, Electrical & Household Products, Leisure & Entertainment, Single Operator Shopping Centre, Cooked Food, Education/Welfare, HD Office, Ancillary, etc.

Market performance

YoY change of retail sales value



Source:

Census and Statistics Department; latest data as of end of August 2011

Asset management: Continuing investments in our portfolio

Energy saving initiatives



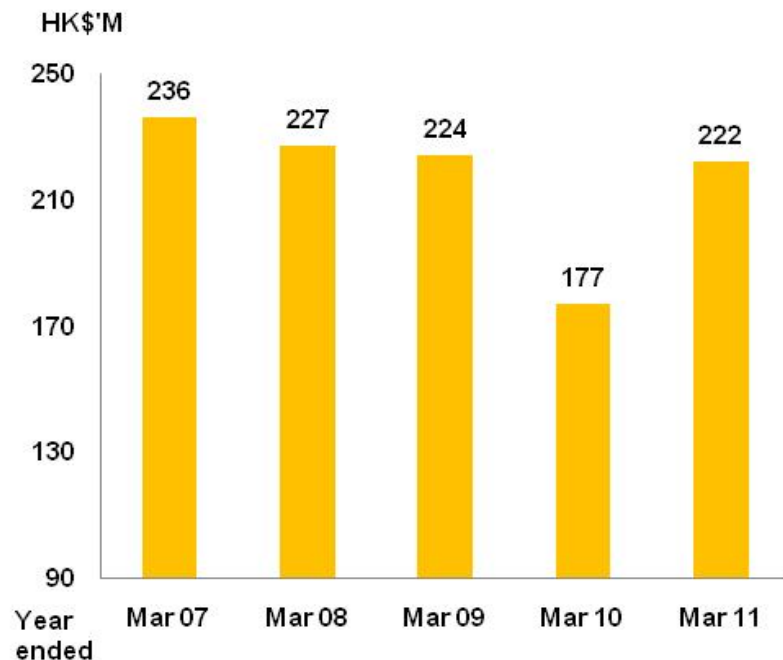
- Chiller retrofit project started in 2006
 - 21 chillers have been retrofitted at different centres during the year
 - A total of 66 chillers have been retrofitted as at 31 Mar 2011
- Improved lighting systems
 - De-lamping, replacement of exit signs with LED lights, installation of T5 fluorescent lamps or LED lamps
 - Total of 15 car parks and 6 shopping centres were included in the programme
- Other energy saving projects
 - Applying solar films to skylights
 - Installing doors at entrances
 - Installing variable speed drives for air handling units
- Work process improvements by Property Management Team



Asset management: Continuing investments in our portfolio

Repair and maintenance cost

- Improved property condition → better shopping environment



Barrier free access

- Budget of HK\$200M
- Roll out in 3 phases, target completion in 2016



Asset enhancement: AEI update

Status of AEIs

	Number of shopping centres	Capex HK\$'M
Completed since IPO	21	1,603
Underway	6	780
Pending Statutory Approval	6	497
Others Under Planning ⁽¹⁾	>20	>1,500
Total ⁽¹⁾	>53	>4,380

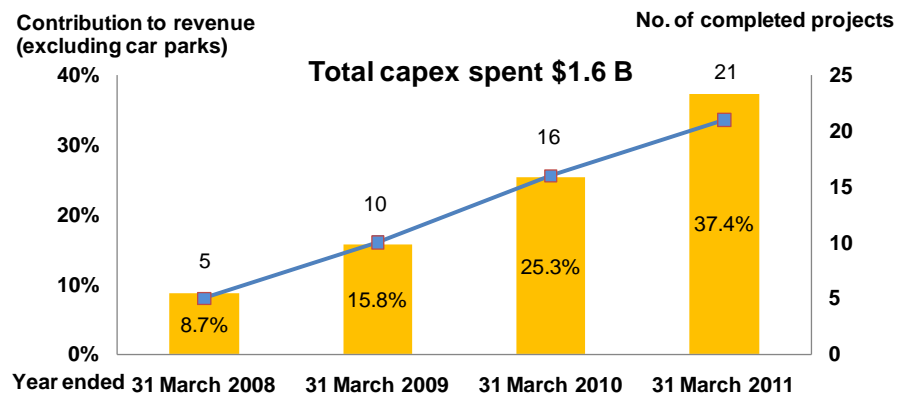
Note: ⁽¹⁾ Estimates as at end of May 2011

• 5 projects completed in 2010/11: Siu Sai Wan, Chung Fu, Tak Tin, Lok Fu, Chuk Yuen

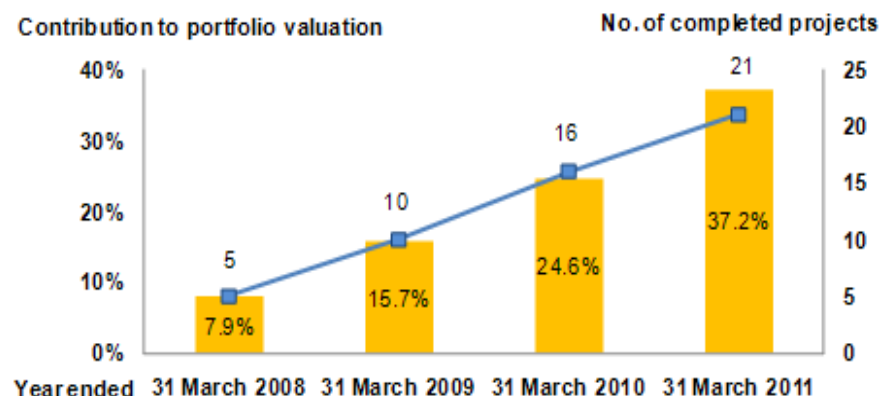
• Ongoing: Tai Yuen, Choi Yuen, Stanley, Leung King;
• Added: Tin Shui & Sheung Tak

• District strategy identified AEIs beyond top 50 properties

Contribution to revenue (ex. car parks)



Contribution to portfolio valuation



Asset enhancement: AEs completed in 2010/11

Return on investment of AEs completed during 2010/11

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

Extensive AEI works and extended construction period affected ROI

Strong regional centre with more potential

Transformed & upgraded to modern community centre with added varieties

Note:

(1) $ROI = (projected\ NPI\ post\ AEI - NPI\ pre\ AEI) \div AEI\ Capex$

(2) AEI work at Lok Fu Plaza commenced in August 2006 and was completed in December 2010

Asset enhancement: Selected AEIs completed in 2010/11

Lok Fu Plaza

Chung Fu



Before



Before



After



After

Asset enhancement: Selected AEIs completed in 2010/11

Chuk Yuen



Before



After

Tak Tin



Before



After

Asset enhancement: AEs currently underway

Approved asset enhancement projects underway ⁽¹⁾

Projects	Total estimated project capex (HK\$'M)	Target completion date
Choi Yuen Plaza	162	mid 2011
Stanley Plaza	214	late 2011
Tai Yuen Market	95	late 2011
Tin Shui Shopping Centre ⁽²⁾	66	early 2012
Leung King Shopping Centre	200	mid 2012
Sheung Tak Shopping Centre ⁽²⁾	43	early 2013
Total	780	

Notes:

⁽¹⁾ Projects which have secured all internal and necessary statutory approvals

⁽²⁾ Projects newly approved between 30 September 2010 and end of May 2011

Choi Yuen



Stanley

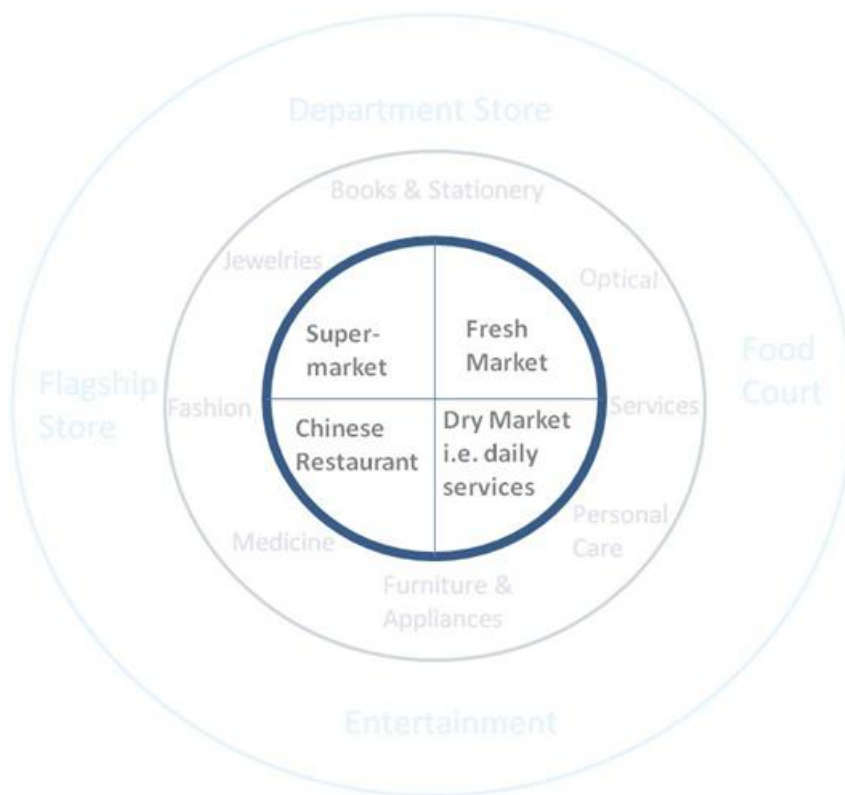


Tai Yuen



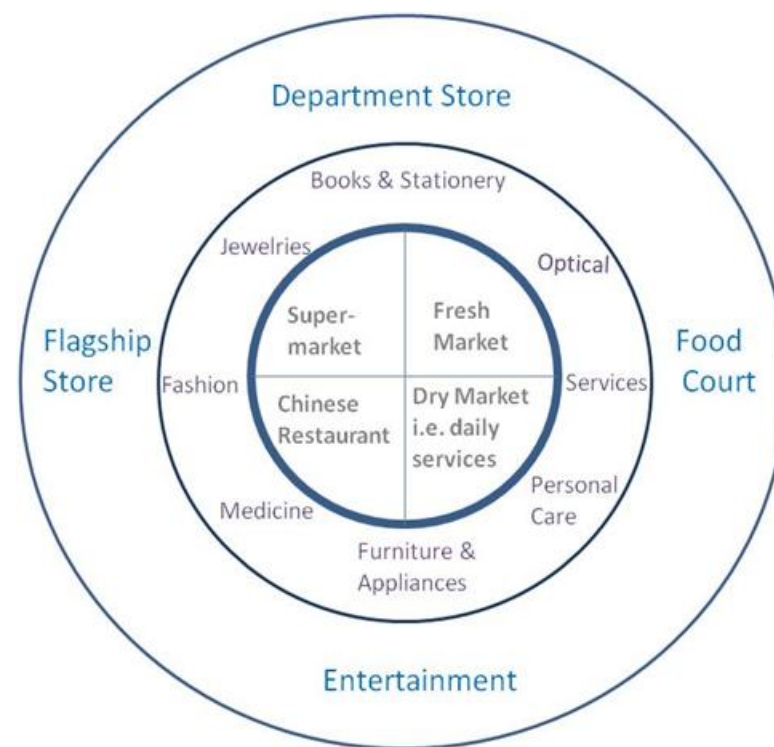
Asset enhancement: Trade mix analysis

Local community centres



- Core trade mix is our strength

Regional centres



- Expanding to the outer layer

Asset enhancement: Diversify tenant mix

New
tenants
offer
variety



Large
tenants
provide
daily
necessities



Asset enhancement: Diversify tenant mix

Strong customer traffic for wide range of products

\$1 chicken promotion at Wong Tai Sin Plaza

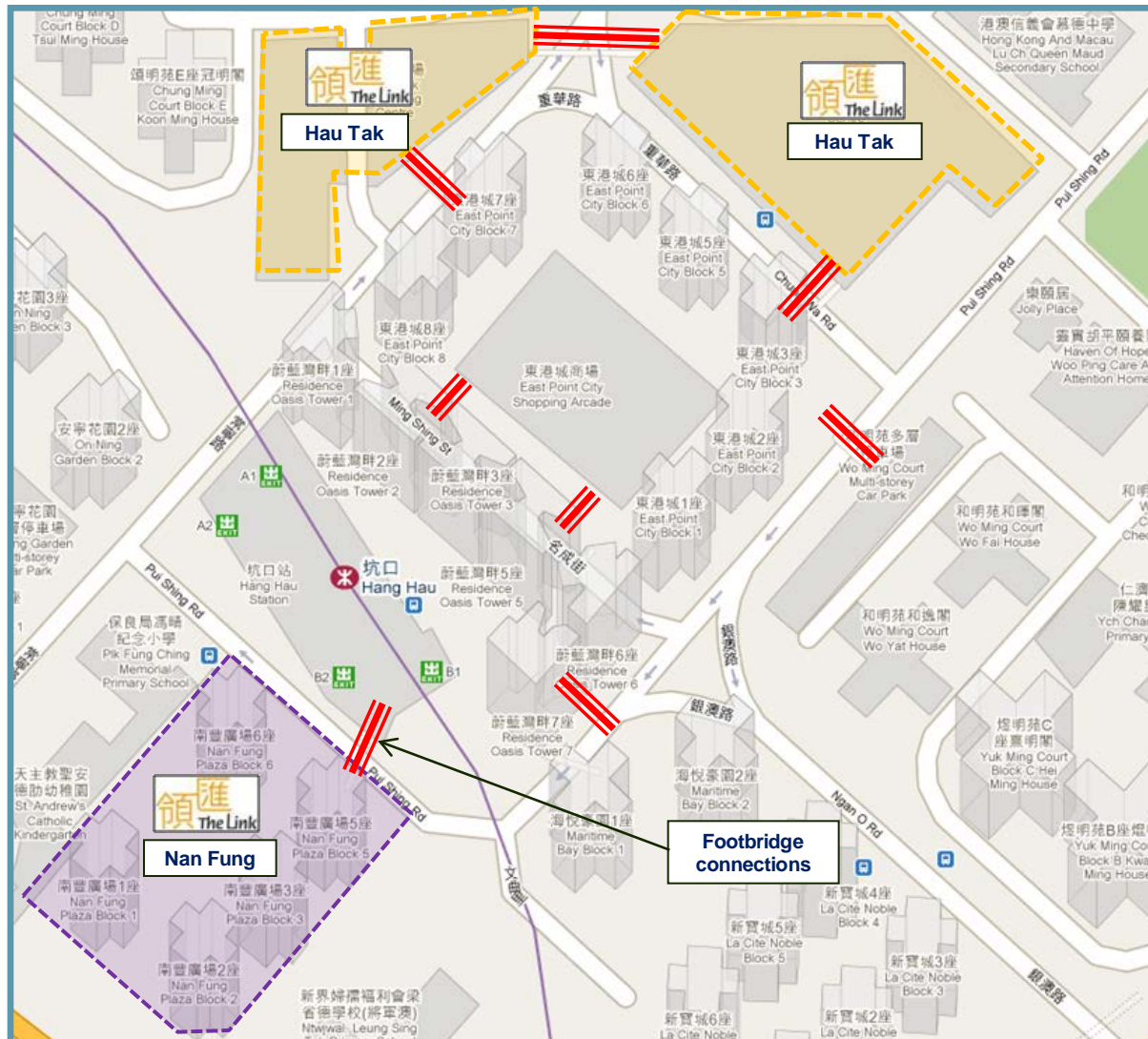


iPad launch day at Lok Fu Plaza



Asset acquisition: First transaction since IPO

■ Acquisition of Nan Fung Plaza completed in July 2011



Nan Fung Plaza

Size: 176,000 sq ft (GFA)

No. of shops: 200 (approx.)

Developer: Nan Fung Group

Consideration: HK\$1,170M

Description: Completed in 1999, commercial podium connected to MTR station via a footbridge

Completion of AEI: 2007/08

Asset acquisition: Rationale for acquiring Nan Fung Plaza

1 Synergy value with The Link's existing portfolio

- Opportunity to create marriage value with Hau Tak Shopping Centre
- Increase to over 50% market share of retail space in Hang Hau District

2 Expand exposure to large catchment of middle-high income group

- Hang Hau District in Tseung Kwan O is a relatively affluent suburban area
- Capture shoppers from Sai Kung District – Clear Water Bay Region

3 Quality asset with high occupancy

- High-quality retail asset producing steady income
- Attractive estimated net yield at 4.3% based on committed monthly rental of \$4.21M at the time of acquisition

4 Financial impact of acquisition

- Yield accretive acquisition
- Funded by internal resources and existing debt facilities
- No material impact on financial position
- Pro-forma gearing as at 31 March 2011 increased from 15.1% to 16.6%

Strategy and outlook

Management priorities

Financial

- Drive business objectives to extract organic growth from existing portfolio
- Implement diligent cost control measures to stabilise staff and R&M expenses and to mitigate impact due to changes in cost structure (minimum wages and higher project material costs)
- Continue to seek accretive acquisition opportunities in the Hong Kong retail sector

Operational

- Continue to roll-out AEI projects and improve property standards to better serve the community
- Develop longer term plan on corporate sustainability initiatives
- Establish appropriate service standards for different categories of properties for better service quality

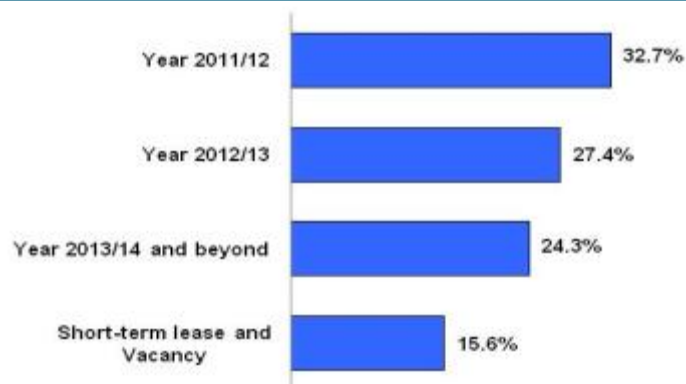
Economic outlook

	2010	1H2011	2011F	2012F	2013F
Real GDP growth	7.0%	6.3%	5.2%	4.8%	4.7%
Private Consumption	6.2%	8.6%	5.8%	4.6%	3.8%
Consumer prices	2.4%	4.5%	5.0%	3.4%	2.9%
Unemployment rate	4.3%	3.5%	3.3%	3.2%	2.8%
Retail sales value	18.3%	24.4%	19.0%*	13.3%*	N/A

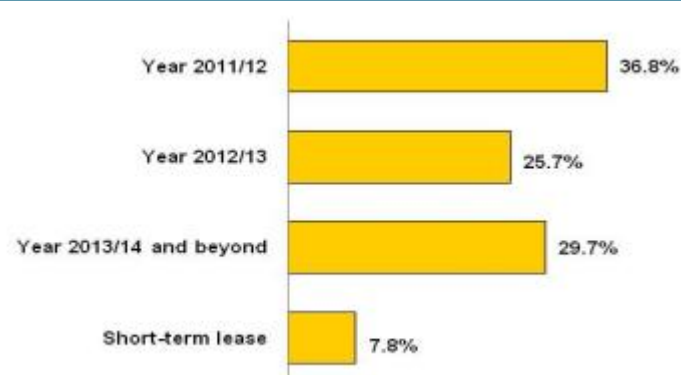
Figures as of end of August 2011

Source: Census & Statistics Department ; forecast by Economist Intelligence Unit and Hang Seng Bank (*)

Lease expiry profile by total IFA



Lease expiry profile by monthly base rent



- Leases accounting for 33% IFA and 37% monthly base rent of the retail properties expiring in FY11/12
- Demand for retail space remains strong and expects to achieve reasonable rental reversion
- Managing leases actively for a more evenly-spread expiry profile to mitigate market risks

Corporate governance and management awards



The Hong Kong Institute of Directors
Directors of the Year 2010
Listed Companies (SEHK – Non-HSI
Constituent) - Board



U Green Awards 2010
Distinguished Green Contribution
Award



The Chamber of Hong Kong Listed Companies
Hong Kong Corporate Governance
Excellence Awards 2010



The Hong Kong Council of Social Service
Caring Company



Asian Institute of Management
The Asian CSR Awards for
Environmental Excellence



The Chinese University of Hong Kong and Ming Pao
Hong Kong Esteemed Brand Award



**Hong Kong Brand Development Council and
The Chinese Manufacturers' Association of Hong Kong**
Hong Kong Top Service Brand Awards 2010

Aligning vision and strengthening culture

Vision, Mission and Values

- Link's **V**ision, **M**ission and **V**alues statements together with a set of “Management Standards”



**Additional
financial and operational information
for year ended 31 March 2011**

Financial review - Revenue

Revenue Analysis

	Year ended 31 Mar 2011 (HK\$'M)	Year ended 31 Mar 2010 (HK\$'M)	YoY %	Percentage contribution year ended 31 Mar 2011 %
Rental income :				
Shops – Base rent	3,095	2,841	8.9	57.8
Shops – Turnover rent	84	70	20.0	1.6
Markets	546	522	4.6	10.2
Cooked Food Stalls	54	50	8.0	1.0
Education / Welfare	45	45	0	0.8
HD Office	5	10	(50.0)	0.1
Ancillary	71	70	1.4	1.3
Mall Merchandising	115	91	26.4	2.2
Gross revenue from car parks :				
Monthly	778	769	1.2	14.5
Hourly	266	236	12.7	5.0
Expenses recovery and other miscellaneous income :				
Property related income	294	286	2.8	5.5
	5,353	4,990	7.3	100.0

Financial and operational highlights

Income statement summary

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

Distribution statement summary

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

Note: Comparative figures have been restated as a result of the early adoption of the amendments to the Hong Kong Accounting Standard 12 "Deferred Tax: Recovery of Underlying Assets".

Portfolio metrics

Positive portfolio metrics

	Year ended 31 Mar 2011	Year ended 31 Mar 2010	YoY %
Average unit rent (psf pm) at year end			
■ Shops	HK\$ 32.6	HK\$ 30.3	↑ 7.6 %
■ Overall (ex. self-use office)	HK\$ 32.8	HK\$ 30.6	↑ 7.2 %
Composite reversion rate*			
■ Shops	20.9 %	23.7 %	↓ 2.8 %
■ Overall	21.4 %	20.5 %	↑ 0.9 %
Occupancy rate at year end			
■ Development centres^	87.4 %	93.1 %	↓ 5.7 %
■ Stable centres^	92.1 %	90.1 %	↑ 2.0 %
■ Overall	91.5 %	90.6 %	↑ 0.9 %
Retention rate			
■ Shops	74.6 %	66.8 %	↑ 7.8 %
■ Overall	74.1 %	71.4 %	↑ 2.7 %
Revenue contribution (excluding car parks) from completed AEI properties	37.4 %	25.3 %	↑ 12.1 %
Net property income margin	68.1 %	66.7 %	↑ 1.4 %
Car park income per space per month	HK\$1,095	HK\$ 1,054	↑ 3.9 %

Remarks: * Composite reversion rate is the percentage change in per sq ft average base rent plus management fee between old and new leases based on like-for-like space

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

Stable centres are properties that are not classified as development centres

Portfolio metrics

Portfolio analytics

As at 31 Mar 2011	<u>Development centres</u>			<u>Stable centres</u>		
	Total IFA	Average monthly unit rent per leased IFA	Occupancy rate	Total IFA	Average monthly unit rent per leased IFA	Occupancy rate
Category	'000 sq ft	HK\$ psf	%	'000 sq ft	HK\$ psf	%
Shops	1,386	43.2	87.0	7,497	30.8	95.0
Markets	125	73.2	87.1	718	66.2	80.4
Cooked Food Stalls	4	41.8	100.0	139	38.6	83.4
Education / Welfare	40	4.7	100.0	841	4.5	93.3
HD Office	-	-	-	167	13.4	14.5
Ancillary	1	234.4	94.8	6	139.7	99.3
Total excluding self-use office	1,556	44.5	87.4	9,368	30.9	92.1
Self-use office	15			128		
Total including self-use office	1,571			9,496		
Total excluding self-use office, education / welfare, HD office and ancillary	1,515	45.7	87.1	8,354	33.5	93.6

Car park review

Car park performance indicators

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

Proactive capital management

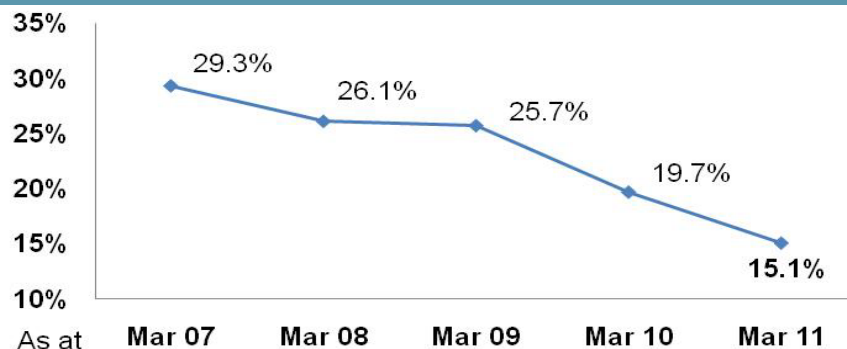
Key transactions

Apr 2010	Issued HK\$300 M 7-year notes under MTN program at 3.4125%
Apr 2010 to Jul 2010	Fully prepaid the HK\$3B club loan maturing in 2012/13
May 2010 to Sep 2010	Arranged new HK\$1.4 B bilateral loans with all-in cost of HIBOR+ 45 bps to 78 bps
Sep 2010	Prepaid HK\$750 M syndicated loan maturing in 2011/12 and closed out HK\$650 M designated swap
Jan 2011	Even out maturity of the HKMC loan Renewal of MTN programme
Mar 2011	Closed out HK\$1B swap
Apr 2011	Signed a new HK\$2.5 B 5-year club loan with all-in cost of HIBOR + 85bps

Objectives

- Lengthen and even out maturity profile to reduce market risk
- Retain sufficient liquidity for capex and acquisition
- Manage interest rate exposure through hedges
- Maintain conservative position for more flexibility

Gearing ratio



Note: Comparative figures have been restated as a result of the early adoption of the amendments to the Hong Kong Accounting Standard 12 "Deferred Tax: Recovery of Underlying Assets".

Capital management

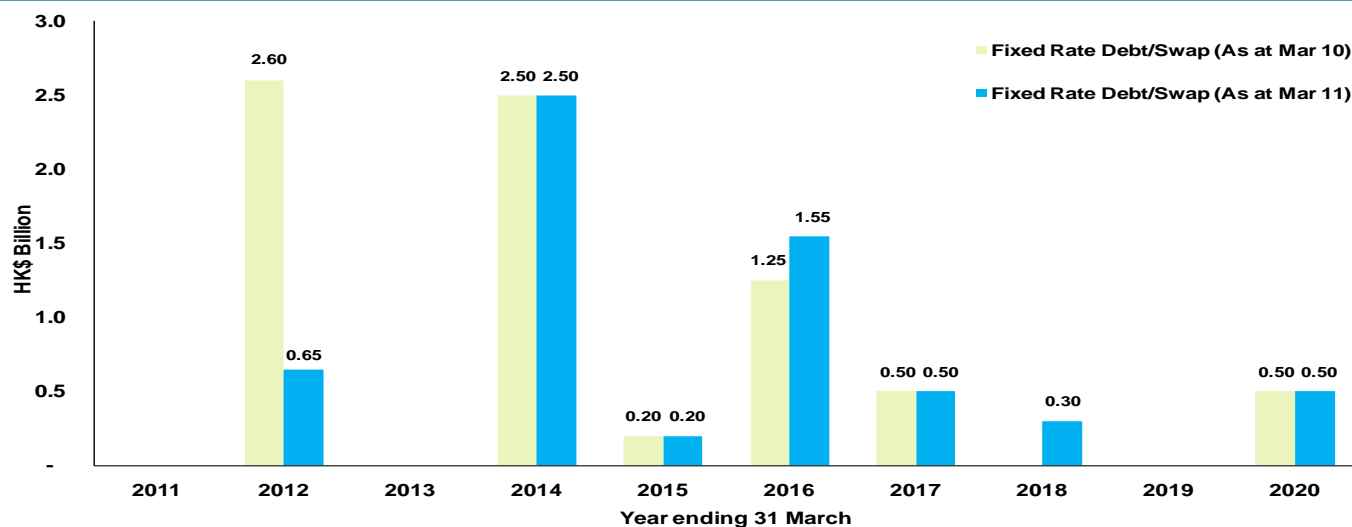
Committed debt facilities^

As at 31 March11 (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	1.35	1.00	2.35	0.40	2.75
Bilateral Loans	-	1.92	1.92	1.16	3.08
Medium Term Notes	1.10	1.00	2.10	-	2.10
Total	6.20	4.17	10.37	1.56	11.93
Percentage	60%	40%	87%	13%	100%

^ all amounts are at face value

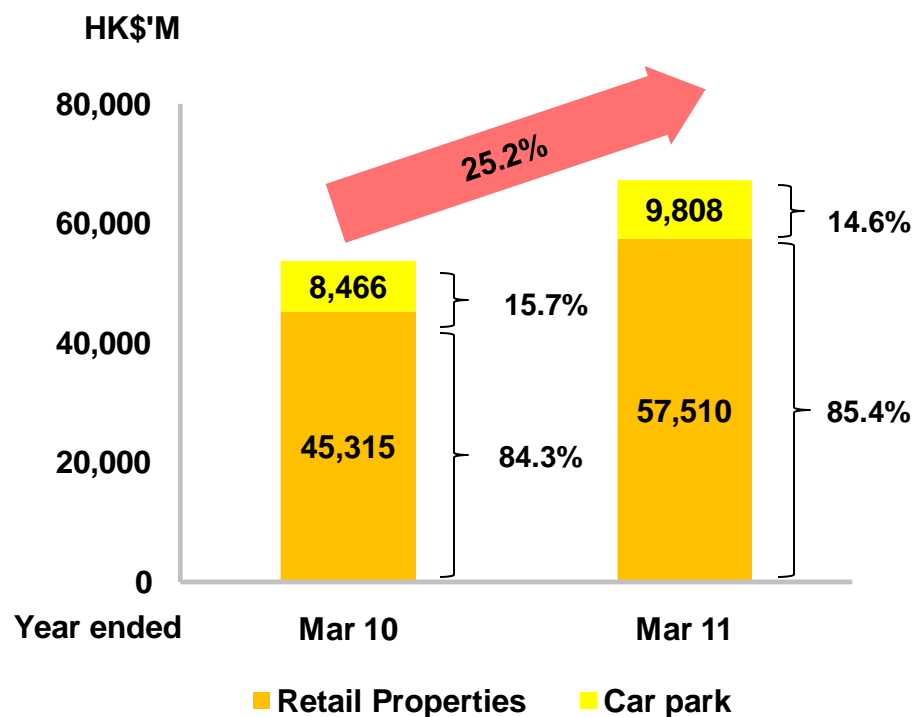
* after interest rate swaps

Fixed rate debt / swap maturity profile



Financial position – Valuation increased

Valuation drivers



- Valuation undertaken by Jones Lang LaSalle based on DCF and income capitalisation approaches with equal weighting
- Overall cap rate compression averaging 57 bps YoY
- Uplift in valuation largely coming from retail properties, driven by higher rental income and cap rate compression
- Retail cap rate compressed by about 54 bps YoY reflecting improved quality of property and positive retail outlook
- Completed AEs typically enjoy lower cap rates

Valuation drivers

	As at 31 Mar 2011 ⁽¹⁾	As at 30 Sep 2010 ⁽²⁾	As at 31 Mar 2010 ⁽²⁾
Retail properties (HK\$'M)	57,510	48,339	45,315
Car parks (HK\$'M)	9,808	8,998	8,466
Total (HK\$'M)	67,318	57,337	53,781

Income Capitalisation

Approach – Cap Rate

Retail properties	5.00 – 7.00%	5.46 – 7.56%	5.50 – 7.56%
Retail properties: weighted average	5.92%	6.44%	6.46%
Car parks	5.50 – 9.25%	6.00 – 10.00%	6.00 – 10.00%
Car parks: weighted average	7.63%	8.46%	8.47%
Overall weighted average	6.16%	6.71%	6.73%

DCF Approach

Discount rate	8.00%	8.00 – 11.40%	8.00 – 11.40%
---------------	-------	---------------	---------------

Notes :

⁽¹⁾ Valuation performed by Jones Lang LaSalle Limited

⁽²⁾ Valuation performed by Knight Frank Petty Limited

Portfolio segmentation

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

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

Thank You