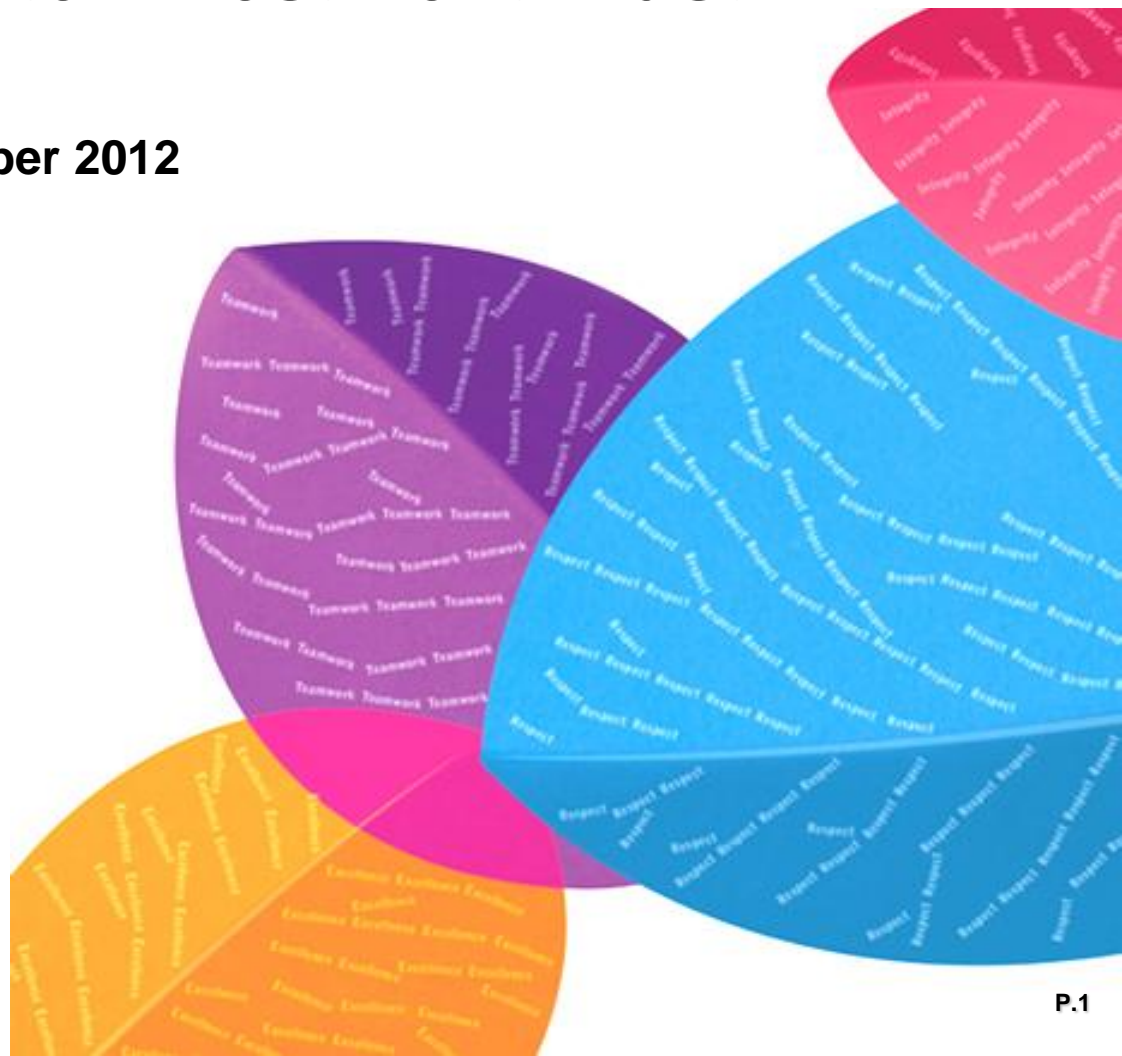


The Link Real Estate Investment Trust

Six Months Ended 30 September 2012

Interim Results Presentation

7 November 2012



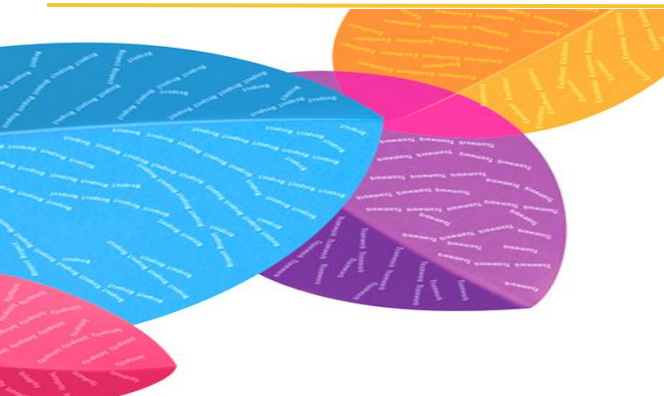
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- 1. Results Overview**
- 2. Financial Review**
- 3. Business Review**
- 4. Building Stronger Relations with Community**
- 5. Strategy and Outlook**
- 6. Corporate Timetable**
- 7. Additional Financial and Operational Information**





Results Overview



Results Overview

Growth Momentum Continues

Total revenue	HK\$ 3,197 M	↑ 10.7%
Net property income	HK\$ 2,256 M	↑ 10.5%
Interim distribution per unit – 100% payout	HK 71.08 cents	↑ 12.6%

Steady Operating Performance

Average monthly unit rent ⁽¹⁾	HK\$ 37.2 psf	↑ 3.9%
Occupancy rate		↑ to 93.2%
Reversion rate (on average 3-year lease)		25.9%
Retention rate		80.3%
Tenants' gross sales		↑ 11.6%
Net property income margin		70.6%
Electricity consumption savings		9.7 million kWh

Solid Financial Position

Net asset value per unit ⁽¹⁾	HK\$ 30.82	↑ 11.1%
Gearing ratio		↓ to 14.9%
Strong credit ratings		A (S&P) / A2 (Moody's)
Available liquidity ⁽²⁾		HK\$ 5.78 B

Notes:

(1) These comparisons are based on 31 March 2012 figures while others are based on period ended 30 September 2011 figures

(2) Cash and undrawn facilities





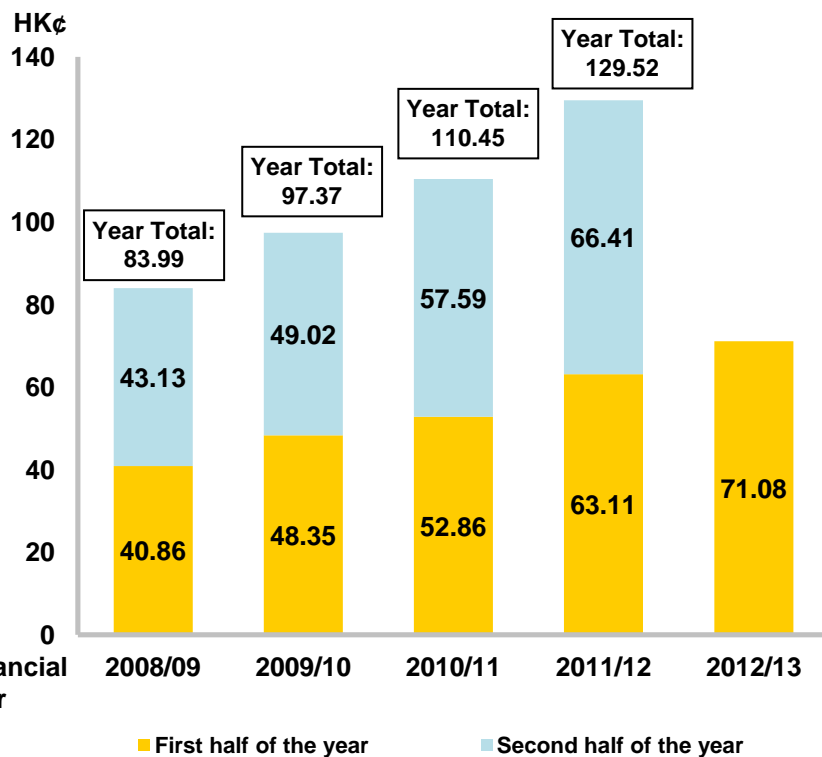
Financial Review



Financial Highlights

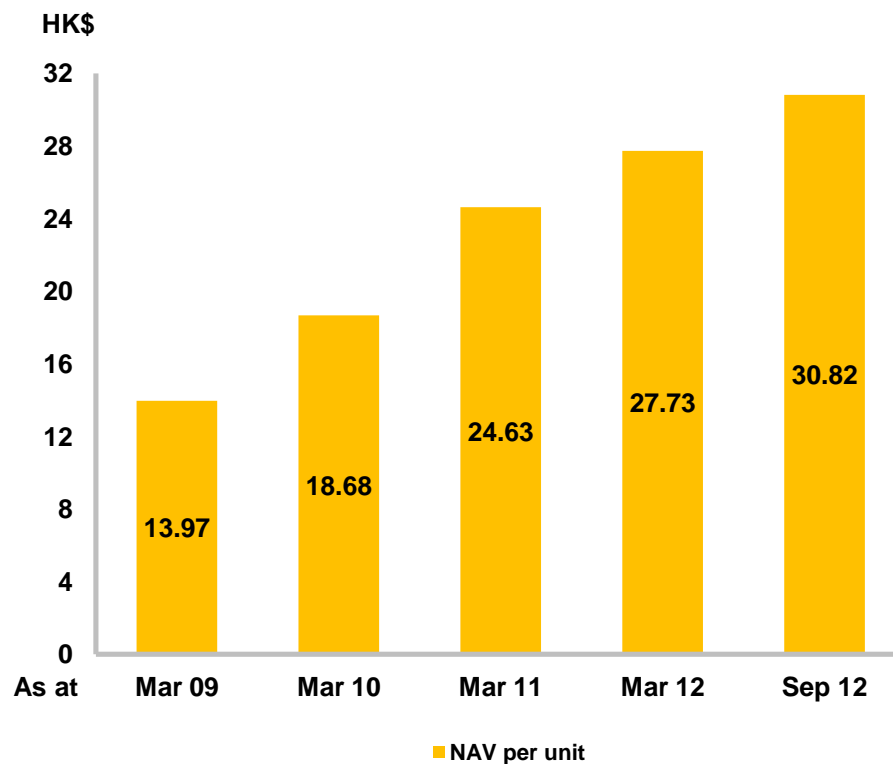
DPU Growth

DPU up 12.6% YoY to HK **71.08** cents



NAV Per Unit

NAV per unit up 11.1% from Mar 12 to HK\$ **30.82**



Financial Review - Revenue

Revenue Analysis

	6 months ended 30 Sep 2012 HK\$'M	6 months ended 30 Sep 2011 HK\$'M	YoY %	Percentage contribution 6 months ended 30 Sep 2012 %
Retail rentals:				
Shops ⁽¹⁾	1,950	1,730	12.7	61.0
Markets / Cooked Food Stalls	317	309	2.6	9.9
Education / Welfare / Office / Ancillary	64	63	1.6	2.0
Mall Merchandising	69	60	15.0	2.2
Car parks rentals:				
Monthly	476	424	12.3	14.9
Hourly	163	145	12.4	5.1
Expenses recovery and other miscellaneous revenue:				
Property related revenue ⁽²⁾	158	156	1.3	4.9
	3,197	2,887	10.7	100.0

Note:

(1) Rentals from shops include base and turnover rents

(2) Including other revenue from retail properties of HK\$157 M (six months ended 2011:HK\$155 M) and car park portfolio of HK\$1 M (six months ended 2011:HK\$1 M)

■ Retail rentals up **11.0%** driven by higher occupancy and strong retail shops leasing performance

■ Popular mall merchandising stalls provide varieties and delivered good rental growth

■ Car park rentals up **12.3%** supported by continued high demand across portfolio and result of parking incentive schemes



Financial Review - Expenses

Expenses Analysis

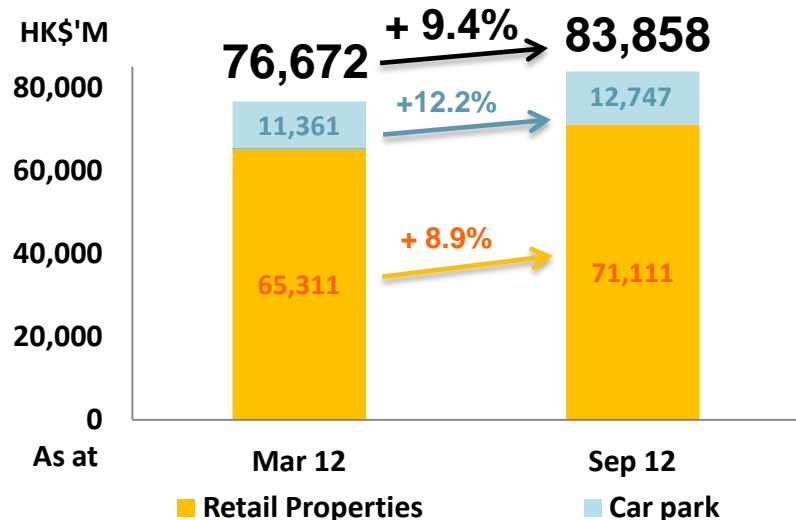
	6 months ended 30 Sep 2012 HK\$'M	6 months ended 30 Sep 2011 HK\$'M	YoY %
Property managers' fees, security and cleaning	244	251	(2.8)
Staff costs	156	129	20.9
Government rent and rates	92	87	5.7
Repair and maintenance	103	103	-
Utilities	183	182	0.5
Promotion and marketing expenses	42	39	7.7
Estate common area costs	57	51	11.8
Other property operating expenses	64	4	1,500.0
Total property operating expenses	941	846	11.2

- Increased staff level to further enhance management strength and service quality
- Utilities expenses held steady against increased tariff due to effective energy saving initiatives
- Additional expenses for more focused promotion and marketing programmes
- NPI margin further improved to **70.6%**



Financial Position – Valuation Increased

Valuation Drivers



- Value of retail properties up **8.9%** driven by higher rentals and lower cap rates of selected properties to reflect their growth potential
- Increasing usage of car parks drove value up by **12.2%** on lower cap rates
- Overall weighted average cap rate contracted by **27bps** to **5.84%** reflecting the improved performance of portfolio

Weighted Average Capitalisation Rate

As at	30 Sep 12	31 Mar 12
Retail	5.62%	5.87%
Car Park	7.21%	7.62%
Overall	5.84%	6.11%



Capital Management – Strong Financial Position

Debt Highlights

As at	30 Sep 12	31 Mar 12
Debt	HK\$13.06B	HK\$12.60B
Gearing	14.9%	15.9%
Average outstanding life of debt facilities	4.2 yrs	4.3 yrs
Proportion of liabilities at fixed rate (after swaps)	55%	57%
Average outstanding life of fixed rate debt/swaps	5.5 yrs	5.0 yrs
Effective interest rate	3.22%	3.35%

■ Available Liquidity as at 30 Sep 2012

	HK\$'B
➢ Standby facilities	3.06
➢ Cash on hand	2.72
➢ Total liquidity	<u>5.78</u>

- Total debt stood at HK\$13 B
- Gearing decreased after valuation uplift
- Efforts in capital management further extended maturity and lower effective interest rate
- Increased liquidity to prepare for potential acquisition

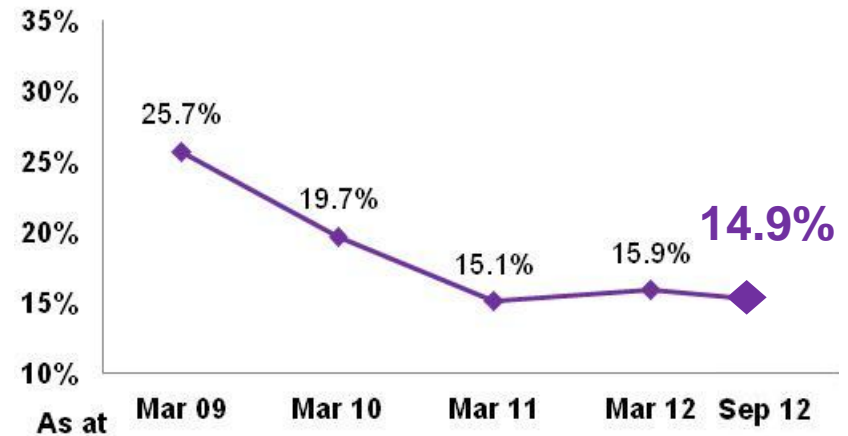


Capital Management – Strong Financial Position (Cont'd)

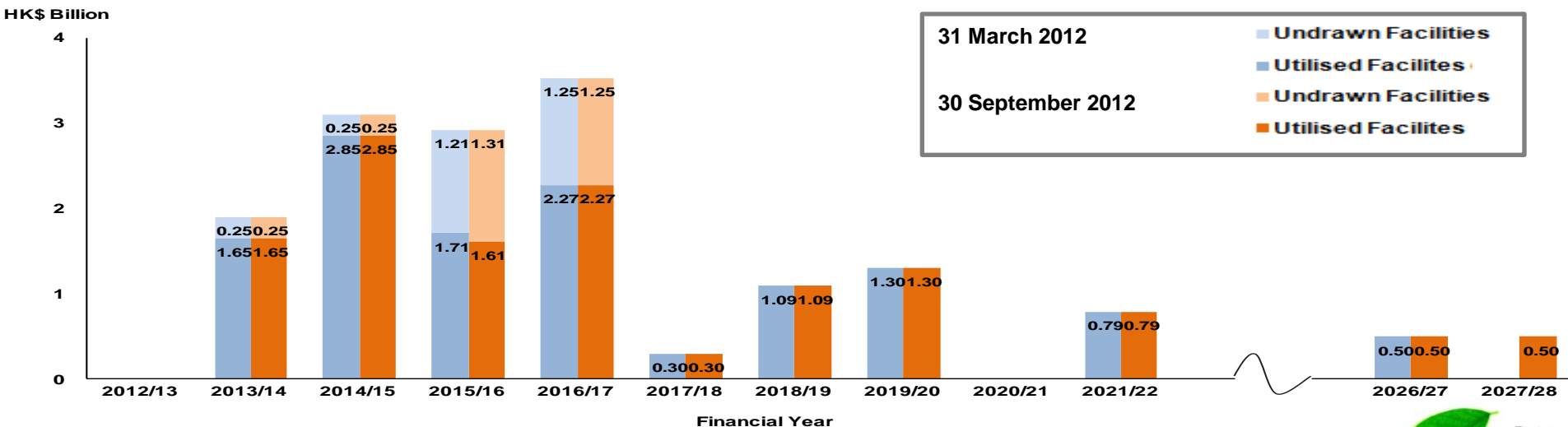
Key Transaction

- HK\$500 million 15-year unsecured notes at a fixed rate of 3.55% per annum were issued under the Guaranteed Euro MTN Programme

Gearing Ratio



Maturity Profile of Committed Facilities



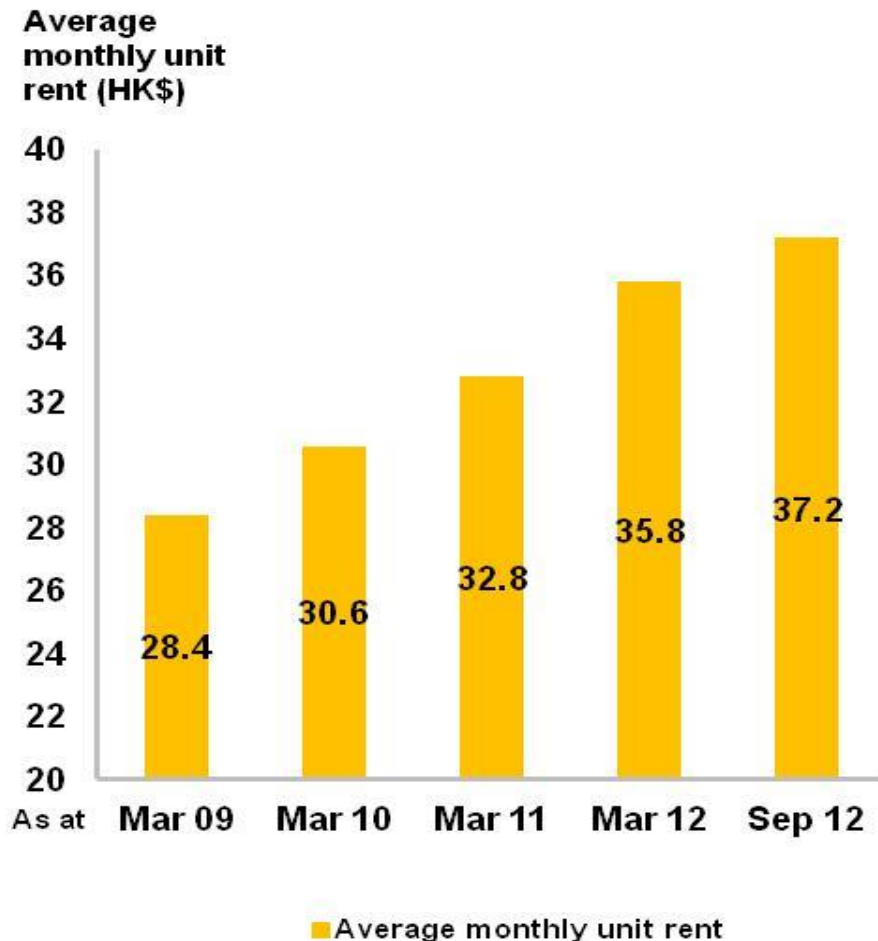


Business Review



Continuous Growth in Our Retail Properties

Consistent Growth in Unit Rent

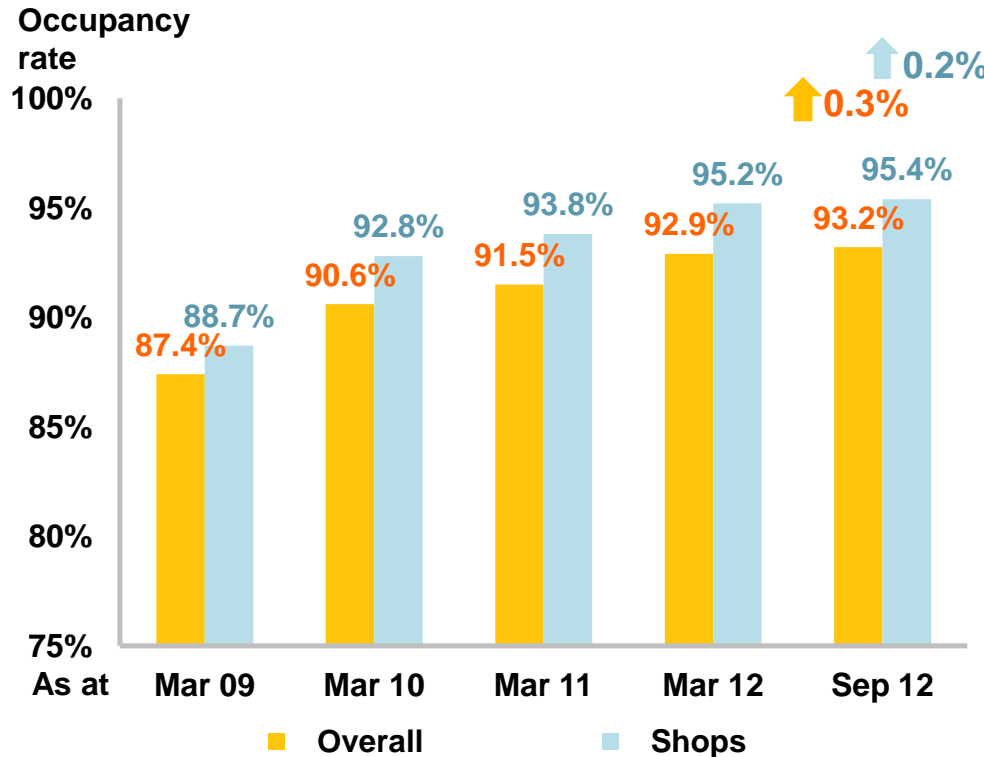


- Unit rent increased by **3.9%** HoH supported by better shopping environment and improvement in tenants' sales
- Successful leasing strategy and growing demand from tenants supported rental reversion



Increasing Demand in Retail Space

Improving Occupancy

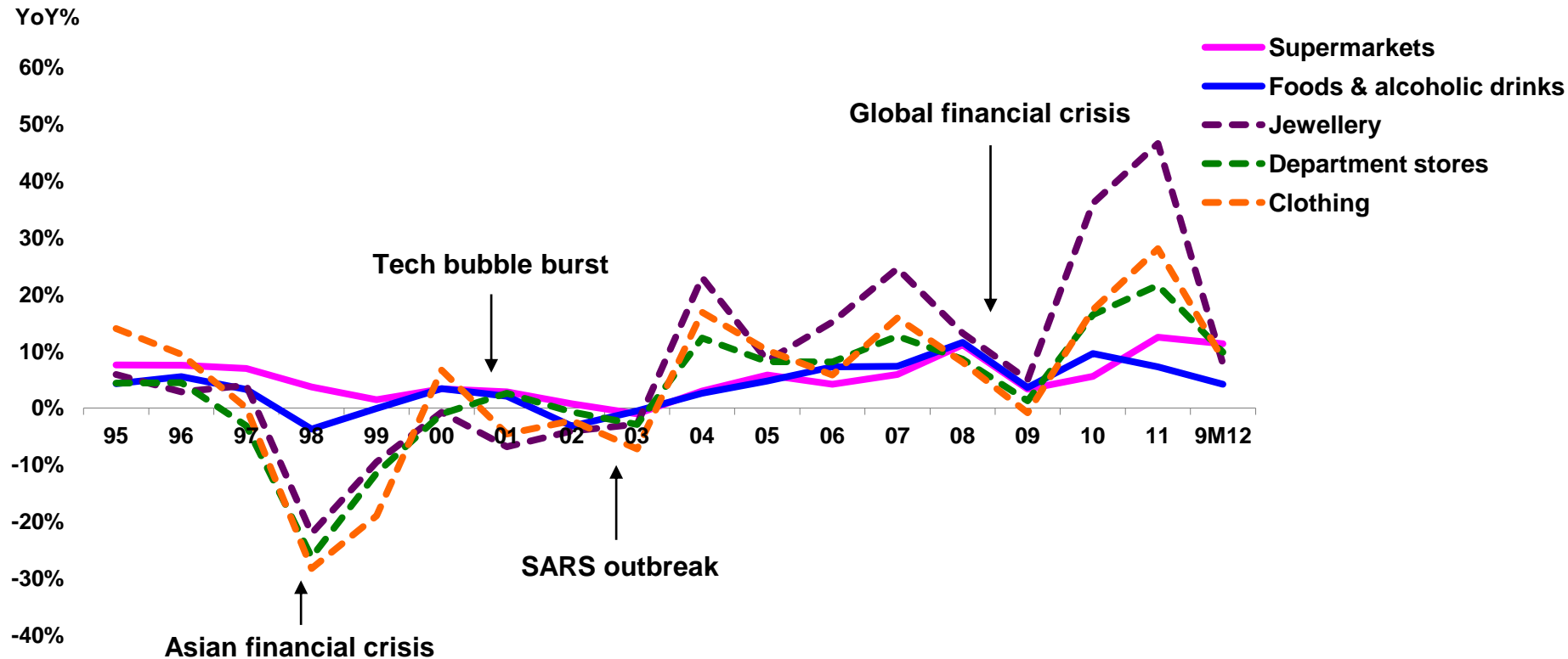


- Higher demand for our portfolio space due to better property conditions and service quality
- Consistent improvement in occupancy across the portfolio



Hong Kong Retail Market: Performance of Key Retail Trades

Year-on-Year Change of Retail Sales Value



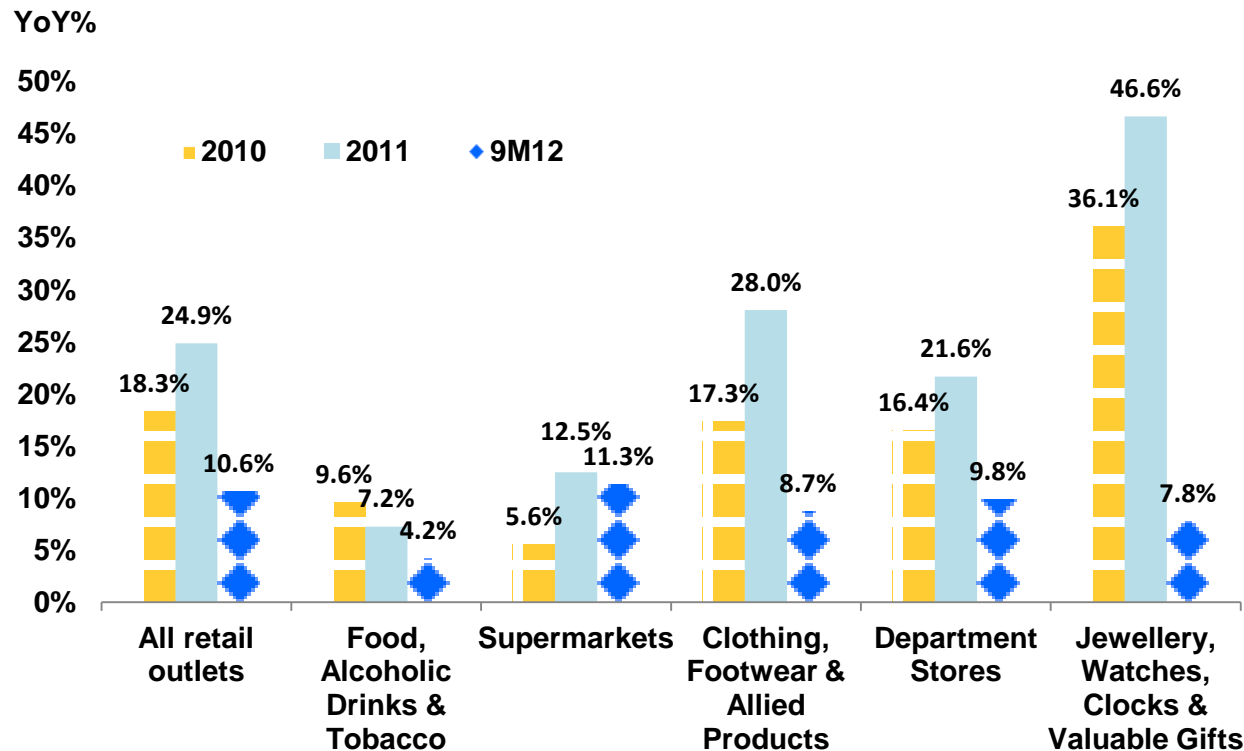
Source: Census & Statistics Department

Daily necessities resilient over long term



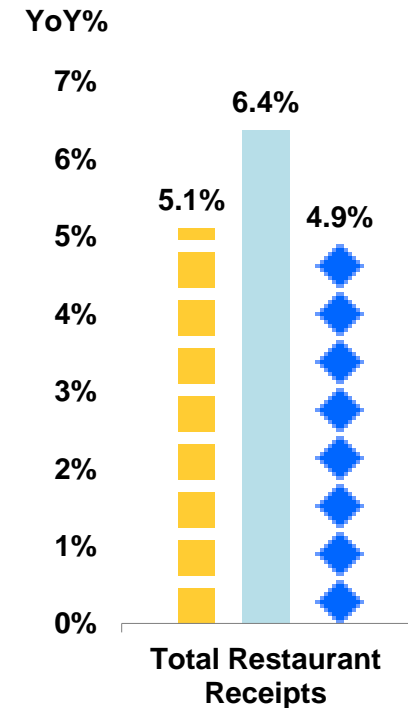
Hong Kong Retail Sales of Selected Categories

Growth Rate of Retail Sales Value



Source: Census & Statistics Department

Total Restaurant Receipts



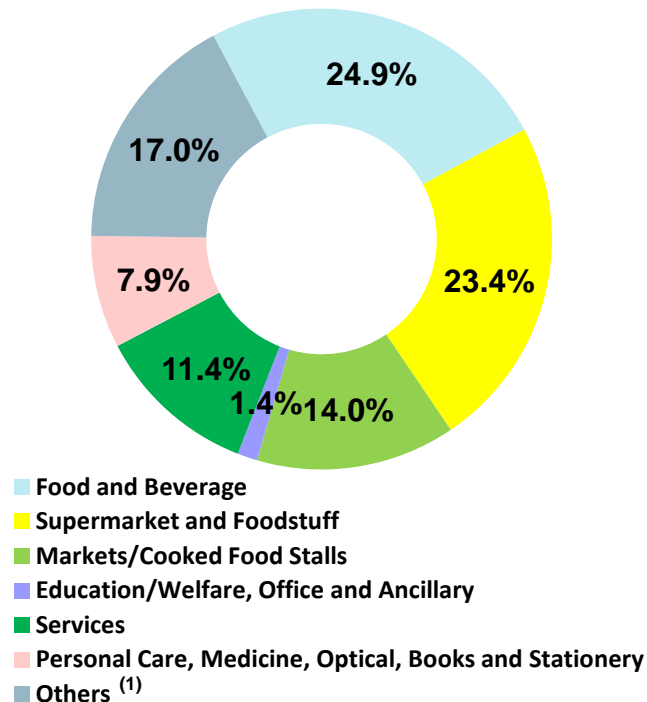
Steady growth of daily necessities continued in 2012



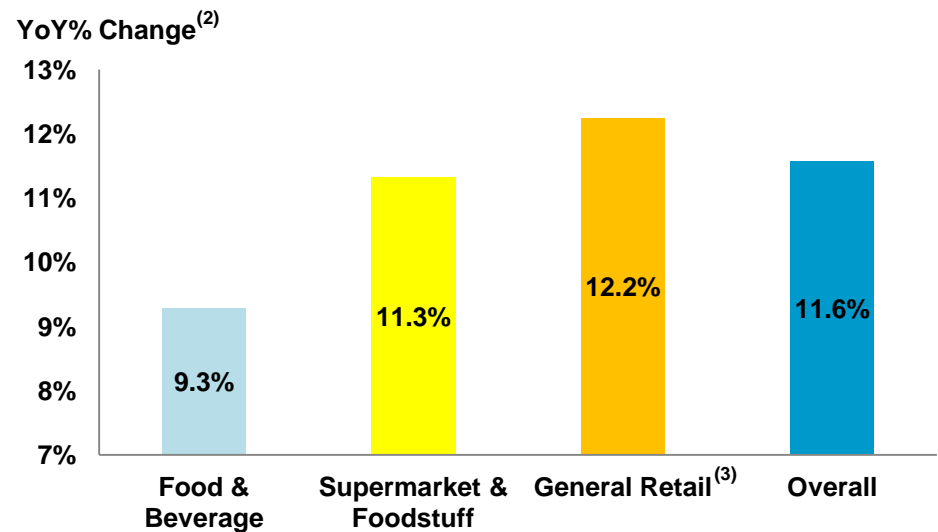
Our Stable Trade Mix

Retail Trade Mix – Focus on Daily Necessities

Retail Trade Mix by Monthly Rent



Solid Growth in Tenants' Sales



Notes: As at 30 September 2012

(1) Including clothing, department store, electrical and household products, leisure and entertainment and valuable goods.

(2) Percentage figure represents year-on-year change in tenants average monthly sales per square foot for the period.

(3) Including services, personal care, medicine, optical, books and stationery and others including clothing, department store, electrical and household products, leisure and entertainment and valuable goods.



Asset Enhancement Initiatives

Status of AElS

	Number of projects	Total project Capex HK\$'M
Completed since IPO	26	2,237
Underway	10	1,370
Pending Statutory Approval	3	328
Others Under Planning	>11	>900
Total	>50	>4,835

AEI completion during
1H2012/13: **Sun Chui**
ROI ⁽¹⁾: **17.7%**
CAPEX: **HK\$42M**

Ongoing projects:
**Leung King, Wah Sum,
Yiu On, Oi Man,
Sheung Tak, Chung Fu**

Recently commenced
projects:
**Choi Wan, Sha Kok,
Yau Oi, On Ting**

Note:

⁽¹⁾ Estimated return on investment is calculated based on projected net property income after AEI, minus net property income before AEI, divided by AEI capital expenditures and loss of rental.



Asset Enhancement Initiatives (Cont'd)

Approved Asset Enhancement Projects Underway

Projects	Total Estimated Project Capex HK\$'M	Target Completion Date
Leung King Plaza	243	Nov 2012
Wah Sum Shopping Centre ⁽¹⁾	56	Dec 2012
Yiu On Shopping Centre ⁽¹⁾	34	Dec 2012
Oi Man Shopping Centre ⁽²⁾	117	early 2013
Sheung Tak Shopping Centre	86	mid 2013
Chung Fu Plaza (Phase II Project)	166	mid 2013
Choi Wan Commercial Complex ⁽³⁾	214	late 2013
Sha Kok Commercial Centre ^{(2) (3)}	115	mid 2014
Yau Oi Commercial Centre ^{(2) (3)}	339	late 2014
On Ting Commercial Complex ⁽³⁾ }		
Total	1,370	

- Extending AEI to “Beyond Top 50” properties
- Rolling out more fresh market upgrade as part of AEIs
- Increasing AEI investment with 4 new projects since 1 April 2012

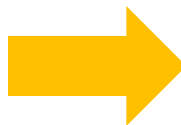
Notes:

- (1) AEIs beyond top 50
 (2) AEIs include fresh market upgrade
 (3) New projects commenced since 1 April 2012



Asset Enhancement Initiatives (Cont'd)

AEI at Sun Chui Shopping Centre completed during 1H2012/13



Asset Enhancement Initiatives (Cont'd)

AEI Projects Underway

 Leung King Plaza

Better layout & circulation



Asset Enhancement Initiatives (Cont'd)

AEI Projects Underway

Oi Man Shopping Centre



Upgrade fresh market



New bowling centre



Completed AEIs Offering a Sustainable Business Platform

Broader Shopping Choices, More Vibrant Community

Wong Tai Sin Plaza

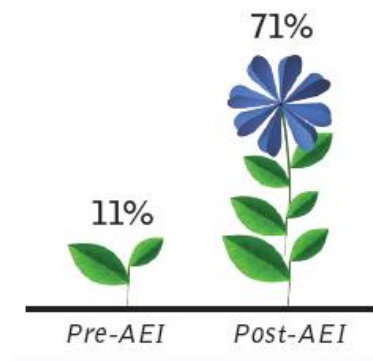
Before AEI



After AEI



Customer Satisfaction Level ⁽¹⁾



Wo Che Plaza

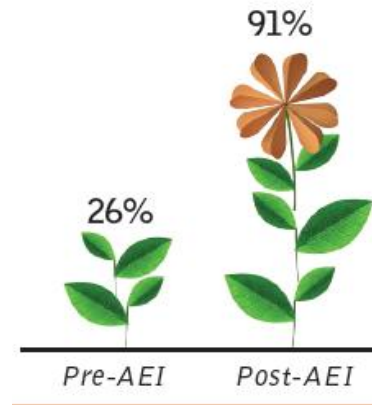
Before AEI



After AEI



Customer Satisfaction Level ⁽¹⁾



Note:

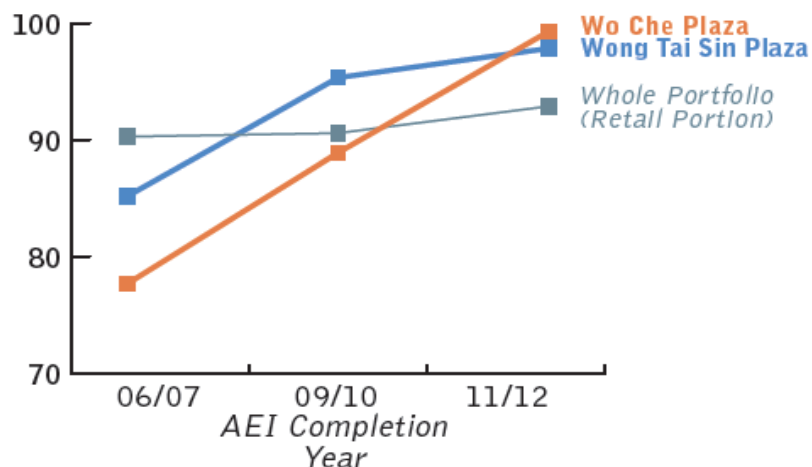
(1) Based on surveys conducted by independent consultants



Persistent Performance after Completion of AEIs

Thriving Business Environment for Tenants

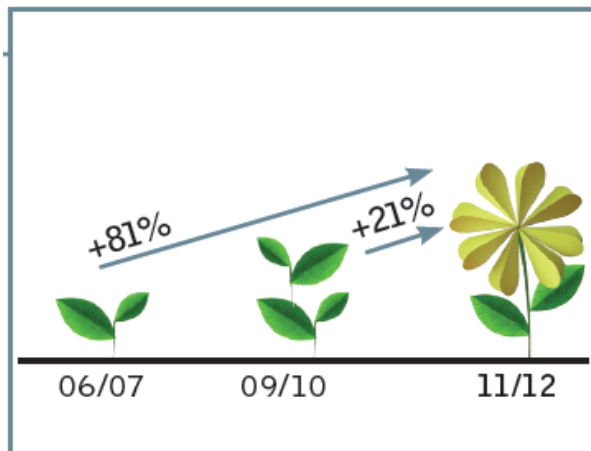
Occupancy Rate (%)



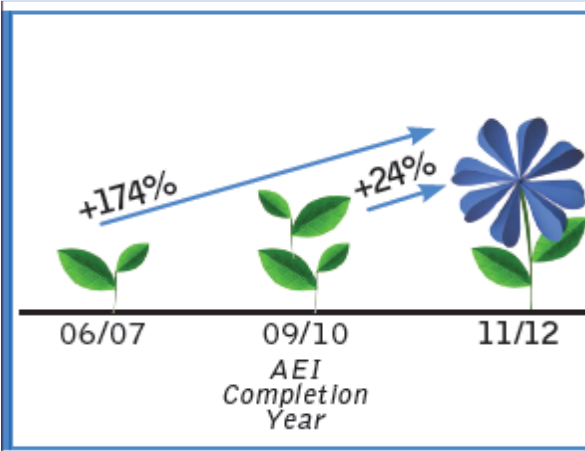
■ Strong demand from shoppers and tenants supports high occupancy post AEI

Sustainable Growth in Net Property Income

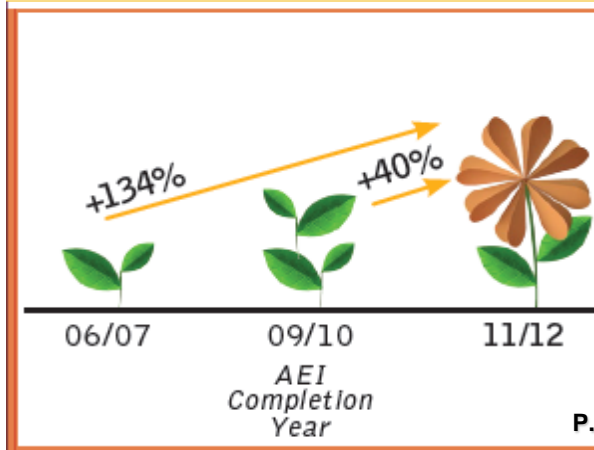
Whole Portfolio



Wong Tai Sin Plaza



Wo Che Plaza





Building Stronger Relationship with Community



Building Our Relationship with the Community

Care for our Community

■ New Charity & Community Engagement Programme

- ✓ Focus on the elderly and disadvantaged living in our communities
- ✓ Provide education, training and development of children and youth services in our communities
- ✓ Not exceeding 0.25% of NPI (approximately HK\$10M)



Care for our Staff

■ Employee Unit Purchase Plan

- ✓ Cultivate a sense of ownership and loyalty
- ✓ Sharing of corporate achievements
- ✓ Retain competent staff



EUPP
Employee Unit Purchase Plan
企業員工購股計劃



Building Our Relationship with the Community (Cont'd)

Support to our Tenants

- **The Link Tenant Academy**
 - ✓ Sharing of business knowledge
 - ✓ Succession of family business
 - ✓ Expand to include market tenants
- **Mystery Shopper Programme**
 - ✓ Promote staff engagement and awareness of high-quality service culture



Cater to our Teenagers

- **The Link Community Sports Academy**
 - ✓ Provide free sports classes for children
 - ✓ Offer foundation coach training courses specially for senior secondary school students



Strengthening Tenants' Relationship

Festive Programme



Mid-Autumn Festival - Project Moon



Halloween Haunted Circus
Lok Fu Plaza

Target Segment Focus



Chinese Restaurant Wine Pairing Dinner
Nan Fung Plaza



Grand Opening & Book Launch
Tai Yuen Market

Strategic Partnership



Winewalk 2012, Stanley Plaza



Lok Fu Plaza 1st Anniversary Programme
featuring UNY



Key Milestones of the Period



First Asian REIT to
be a signatory of the
United Nations
Environment
Programme Finance
Initiative

First Hong Kong
REIT to participate in
the United Nations
Global Compact

Endorsed Manifesto
for Energy Efficiency
in Buildings of World
Business Council for
Sustainable
Development



Key Awards and Recognition

Finance Related



The Asset Triple A
Investment Awards 2012
Property Investor of The Year



REITs, Asia Pacific category,
AsianInvestor Investment
Performance Awards 2012

Corporate



Asia's Best Companies 2012



BRONZE

HKMA Quality Award 2012

Social and Community Related



Caring Company 2007-2012

Green Related



BCI Asia FuturArc Green
Leadership Award 2012



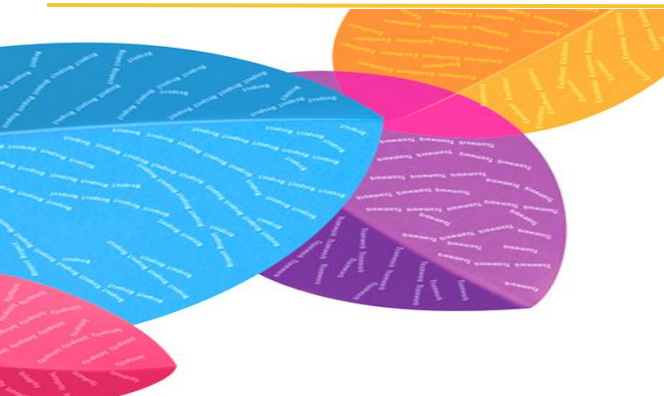
BEAM Platinum Standard for
Stanley Plaza



Green Building Award 2012



U Green Awards

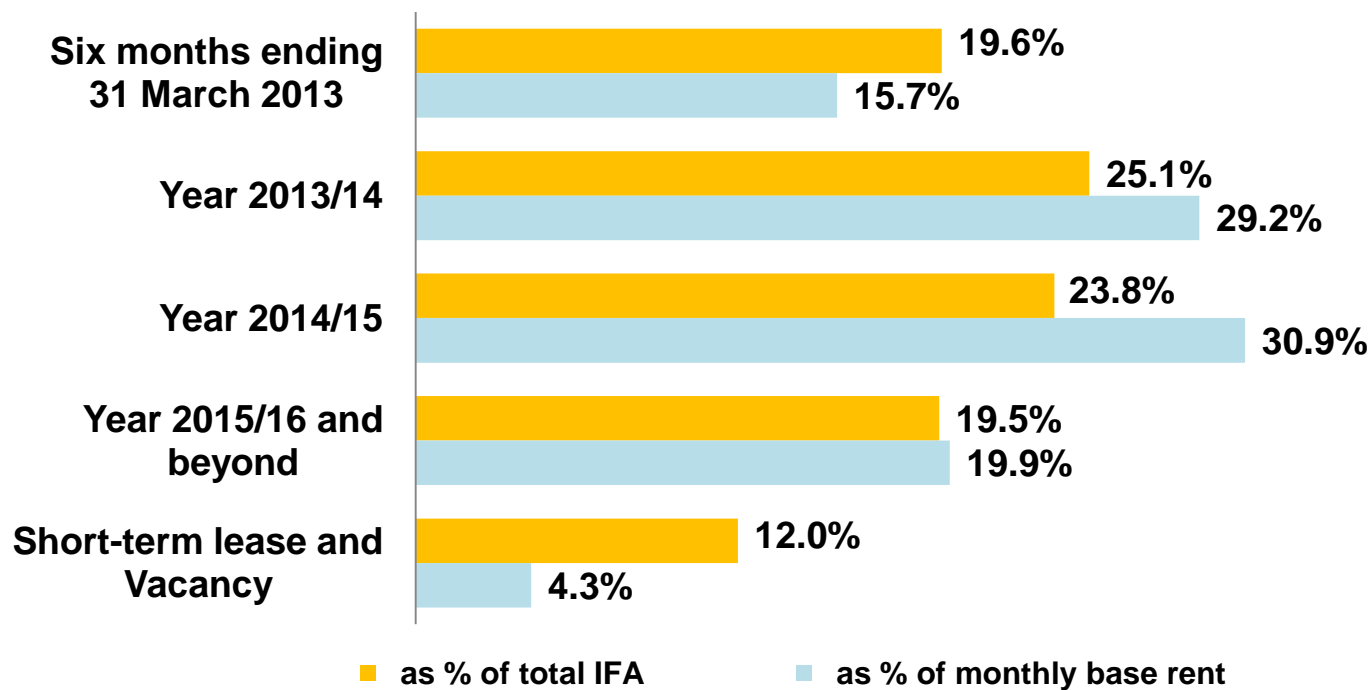


Strategy and Outlook



Overall Expiry Profile

Lease Expiry Profile



Strategy and Outlook

Asset Management

- Introduce better quality tenants and expand product offerings
- Continue to enhance service quality and keep cost under control

Asset Enhancement

- Improve property standard and generate satisfactory investment return
- Produce higher quality portfolio to deliver sustainable growth

Asset Acquisition

- Expanded investment scope to provide more flexibility
- Continue to seek opportunity to expand market coverage
- Leverage on financial strength

Outlook

- Uncertain global market conditions could affect local economy
- Local rental market continued to grow but at slower rate
- Steady performance of tenants reflects resilient nature of portfolio





Corporate Timetable



Corporate Timetable

Distribution	
■ Distribution period	Apr 2012 – Sep 2012
■ Last day of trading on a “cum” basis	19 Nov 2012
■ Ex. Distribution date	20 Nov 2012
■ Distribution book close	22 – 26 Nov 2012 (both days inclusive)
■ Distribution Reinvestment Plan	
□ Announcement of details	On or about 26 Nov 2012
□ Despatch of election documents	On or about 6 Dec 2012
■ Payment of distribution	On or about 11 Jan 2013

- To date, The Link REIT has paid out 100% of distributable income. Participation in distribution reinvestment plan, where units are issued based on prevailing market price, is at the sole discretion of Unitholders.





Questions & Answers



Additional Financial and Operational Information for six months ended 30 September 2012



Additional Data 1:

Financial and Operational Highlights

Income Statement Summary

	6 months ended 30 Sep 2012 HK\$'M	6 months ended 30 Sep 2011 HK\$'M	YoY %
Revenues	3,197	2,887	10.7
Property operating expenses	(941)	(846)	11.2
Net property income	2,256	2,041	10.5
General and administrative expenses	(104)	(147)	(29.3)
Interest income	22	11	100.0
Finance costs on interest bearing liabilities	(228)	(197)	15.7
Profit before taxation, change in fair values of investment properties and transactions with Unitholders	1,946	1,708	13.9
Change in fair values of investment properties	6,787	3,272	107.4
Taxation	(317)	(288)	10.1
Profit for the period, before transactions with Unitholders	8,416	4,692	79.4

Distribution Statement Summary

	6 months ended 30 Sep 2012 HK\$'M	6 months ended 30 Sep 2011 HK\$'M	YoY %
Profit for the period, before transactions with Unitholders	8,416	4,692	79.4
Change in fair values of investment properties	(6,787)	(3,272)	107.4
Other non-cash income	(5)	-	N/A
Total distributable income	1,624	1,420	14.4
Distribution per unit (HK cents)	71.08	63.11	12.6



Additional Data 2: Financial Position & Investment Properties

Financial Position Summary

HK\$'M	As at 30 Sep 12	As at 31 Mar 12
Total Assets	87,469	79,225
Total Liabilities	17,075	16,490
Net Assets Attributable to Unitholders	70,394	62,735
Units in Issue (M)	2,284.4	2,262.4
Net Asset Value Per Unit	\$30.82	\$27.73

Fair Values of Investment Properties

	6 months ended 30 Sep 2012 HK\$'M	Year ended 31 Mar 2012 HK\$'M	Increase/ (Decrease)
At beginning of period / year	76,672	67,318	N/A
Acquisitions	-	1,710	N/A
Additions	399	964	N/A
Change in fair values of investment properties	6,787	6,680	N/A
At end of period / year	83,858	76,672	9.4%



Additional Data 3: Valuation

Valuation Drivers

	As at 30 Sep 2012	As at 31 Mar 2012	As at 30 Sep 2011
Retail properties (HK\$'M)	71,111	65,311	61,573
Car parks (HK\$'M)	12,747	11,361	10,523
Total (HK\$'M)	83,858	76,672	72,096

Income Capitalisation Approach – Capitalisation Rate

Retail properties	5.00 – 7.00%	5.00 – 7.00%	5.00 – 7.00%
Retail properties: weighted average	5.62%	5.87%	5.88%
Car parks	5.25 – 8.75%	5.50 – 9.25%	5.50 – 9.25%
Car parks: weighted average	7.21%	7.62%	7.62%
Overall weighted average	5.84%	6.11%	6.11%

DCF Approach

Discount rate	8.00%	8.00%	8.00%
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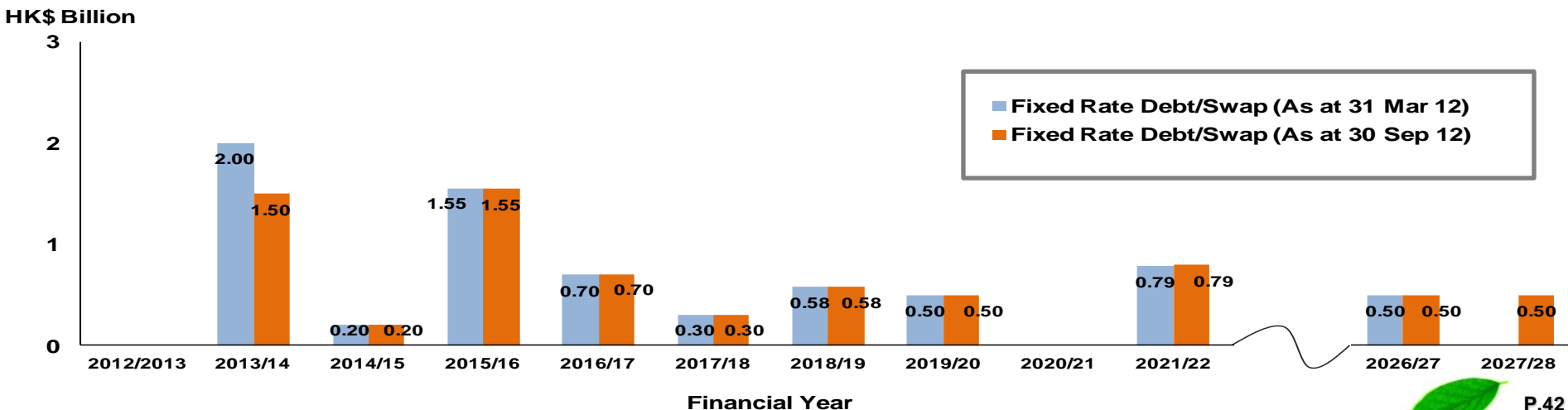
Additional Data 4: Capital Management

Committed Debt Facilities ⁽¹⁾

As at 30 Sep 12 (HK\$'B)	Fixed Rate Debt ⁽²⁾	Floating Rate Debt ⁽²⁾	Utilised Facilities	Undrawn Facilities	Total Facilities
HKMC Loan ⁽³⁾	2.75	1.25	4.00	-	4.00
2011 Club Loan	0.70	0.55	1.25	1.25	2.50
Bilateral Loans	0.20	1.91	2.11	1.81	3.92
Medium Term Notes	3.47	2.03	5.50	-	5.50
Total	7.12	5.74	12.86	3.06	15.92
Percentage	55%	45%	81%	19%	100%

Notes : ⁽¹⁾ All amounts are at face value. ⁽²⁾ After interest rate swaps. ⁽³⁾ Loan from The Hong Kong Mortgage Corporation Limited ("HKMC")

Fixed Rate Debt / Swap Maturity Profile



Additional Data 5:

Capital Management – Strong Credit Metrics

Key Credit Metrics by Rating Agencies				
	As at 30 Sep 12 ⁽³⁾	As at 31 Mar 12 ⁽⁴⁾	S&P (A / Stable)	Moody's (A2 / Stable)
Total debt / total assets	14.9%	16.0%	N/A	< 30%
Total debt / total capital ⁽¹⁾	15.6%	16.7%	< 35%	N/A
FFO ⁽²⁾ : total debt (annualised)	26.7%	25.2%	> 15%	N/A
EBITDA interest coverage	9.1	8.6	N/A	> 3.5x
Total debt / EBITDA (annualised)	3.0	3.2	N/A	< 5.0x

Note:

- (1) Total capital is calculated by total debt add net assets attributable to Unitholders
- (2) Funds from operations is calculated by net property income less administrative expenses, and net financing charges and add depreciation
- (3) Ratios are yet to be confirmed by rating agencies
- (4) Ratios are based on reports or formula provided by rating agencies



Additional Data 6: Portfolio Metrics

Positive Portfolio Metrics			
	6 months ended 30 Sep 2012	6 months ended 30 Sep 2011	YoY %
Average monthly unit rent (psf pm) at period end			
■ Shops	HK\$ 37.5	HK\$ 34.2	9.6 %
■ Overall (ex Self use office)	HK\$ 37.2	HK\$ 34.2	8.8 %
Composite reversion rate			
■ Shops	27.9 %	22.7 %	5.2 %
■ Overall	25.9 %	21.5 %	4.4 %
Occupancy rate at period end			
■ Shops	95.4 %	94.6 %	0.8 %
■ Overall	93.2 %	92.1 %	1.1 %
Retention rate			
■ Shops	79.5 %	79.1 %	0.4 %
■ Overall	80.3 %	79.3 %	1.0 %
Net property income margin	70.6 %	70.7 %	(0.1 %)
Car park income per space per month	HK\$ 1,338	HK\$ 1,193	12.2 %



Additional Data 7: Retail Portfolio Analytics

Portfolio Segmentation				
Retail properties ⁽¹⁾	Retail properties valuation HK\$'M	Retail revenue HK\$'M	Average monthly unit rent per leased IFA HK\$ psf	Occupancy rate %
1-10	19,663	660	52.7	97.7
11-50	32,954	1,175	40.1	93.4
51-100	15,307	592	29.3	91.8
101-153	3,187	130	20.1	88.5
Total	71,111	2,557	37.2	93.2

Note:

⁽¹⁾ Properties ranked by retail valuation as at 30 September 2012



Additional Data 8: Car Park Review

Car Park Performance Indicators		
	6 months ended 30 Sep 2012	6 months ended 30 Sep 2011
Car park space allocation – monthly (%)	87.0	87.0
Car park space allocation – hourly (%)	13.0	13.0
Gross receipts by monthly users (%)	74.5	74.5
Gross receipts by hourly users (%)	25.5	25.5
Utilisation of car park space (%)	81.1	78.3
Car park income per space per month (HK\$)	1,338	1,193
NPI margin (%)	64.5	59.8 ⁽¹⁾
Number of electric vehicle charging stations	55	46

Note:

⁽¹⁾ Excluding the write-back of the car park waiver fees provision



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