

The Link Real Estate Investment Trust

Corporate Presentation

March 2013





Overview of The Link REIT



Profile of The Link REIT

- **First REIT** listed on the Stock Exchange of Hong Kong on **25 November 2005**
- **100% free float publicly held** by institutions and private investors
- Consisting of **182** properties with an IFA of approx. **11M sq ft** of retail facilities and approx. **80,000** car parking spaces
- Retail facilities located at housing estates, at the doorstep of the **majority of Hong Kong population**
- Formed from a divestment of assets by the Hong Kong Housing Authority with an initial portfolio of 180 assets in Hong Kong

Lok Fu Plaza



Sheung Tak Shopping Centre



Chung Fu Plaza



Sau Mau Ping Shopping Centre



Tsz Wan Shan Shopping Centre



Hau Tak Shopping Centre



Wong Tai Sin Plaza

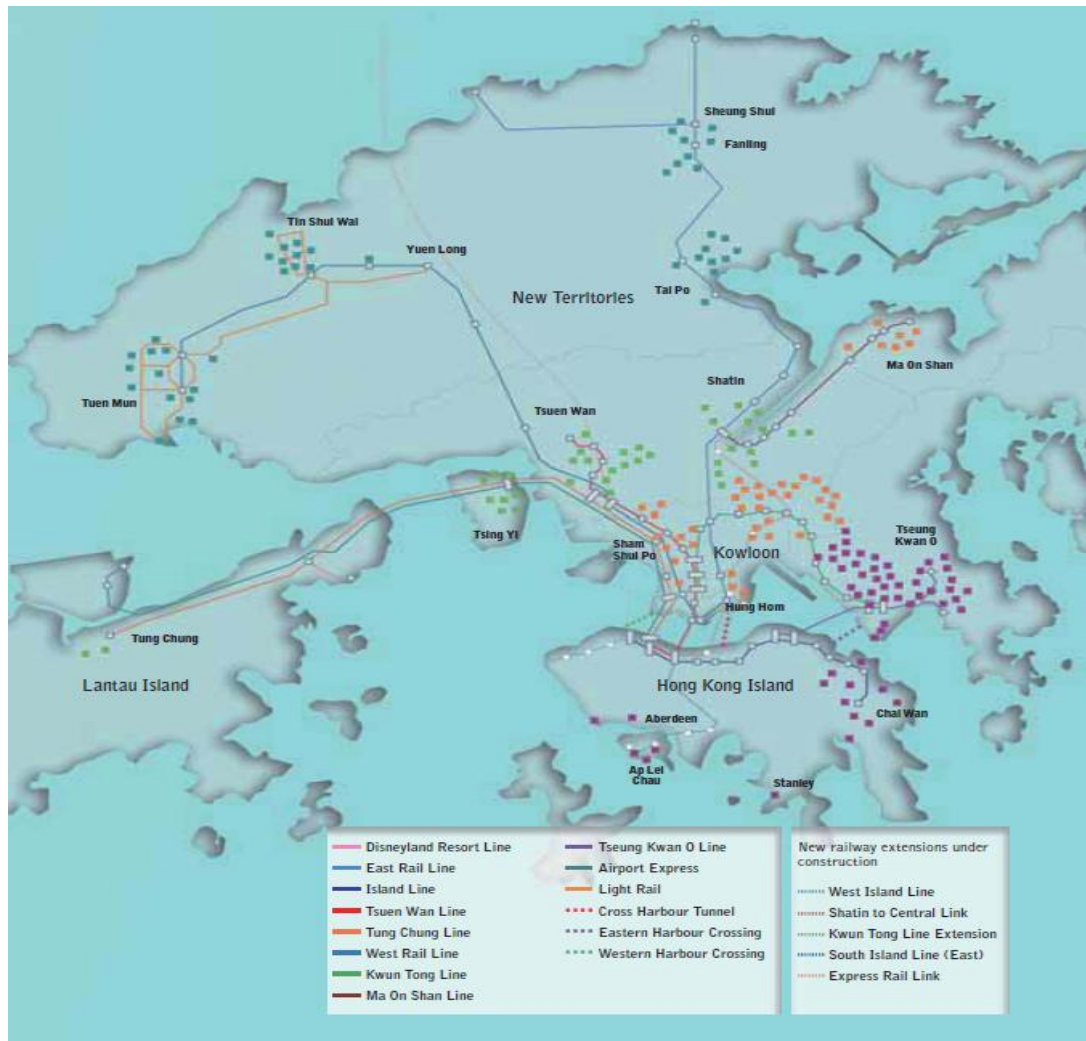


Cheung Fat Plaza



Diversified Portfolio Spreading Over Most Areas of Hong Kong

The Link's portfolio represents approx. 9% of Hong Kong retail facilities*

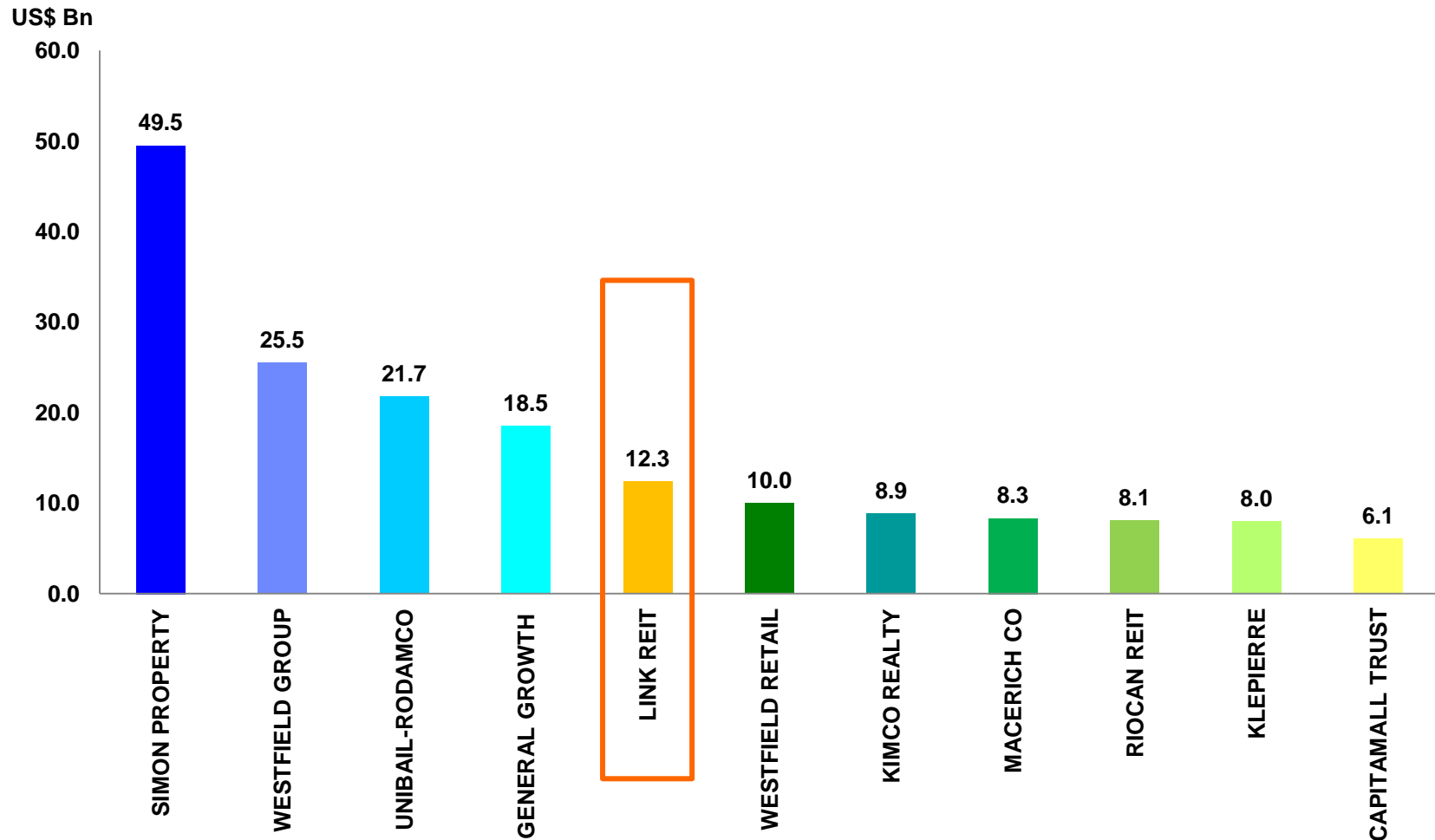


Note :* By floor area



One of the Largest Retail REITs in the World by Market Capitalisation

The Link is the largest REIT in Asia

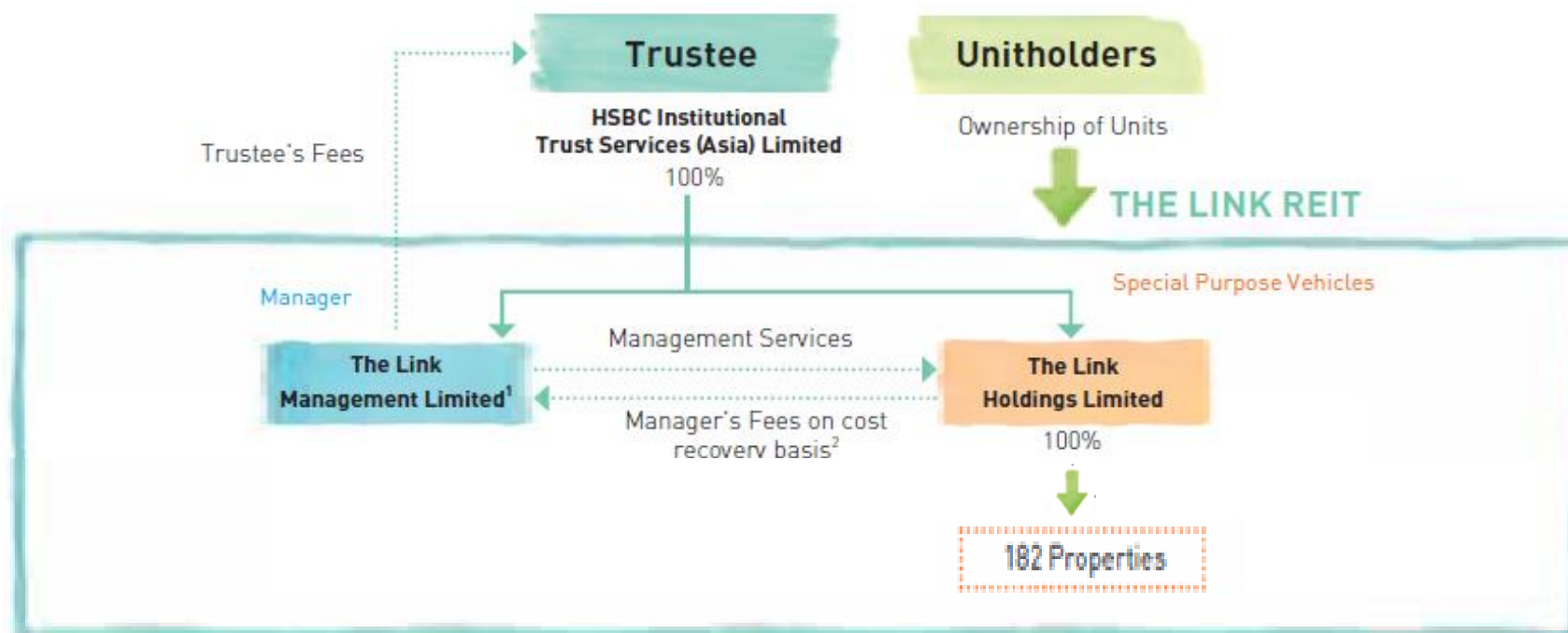


Note : Selected major retail REITs in the world; market capitalisation data from Bloomberg as at 25 Feb 2013



The Only Internally-Managed REIT in Asia

The Manager is stapled together as part of the REIT



Better alignment of interests between the Manager and the Unitholders



Delivering Sustainable Growth

Focused on delivering total return growth

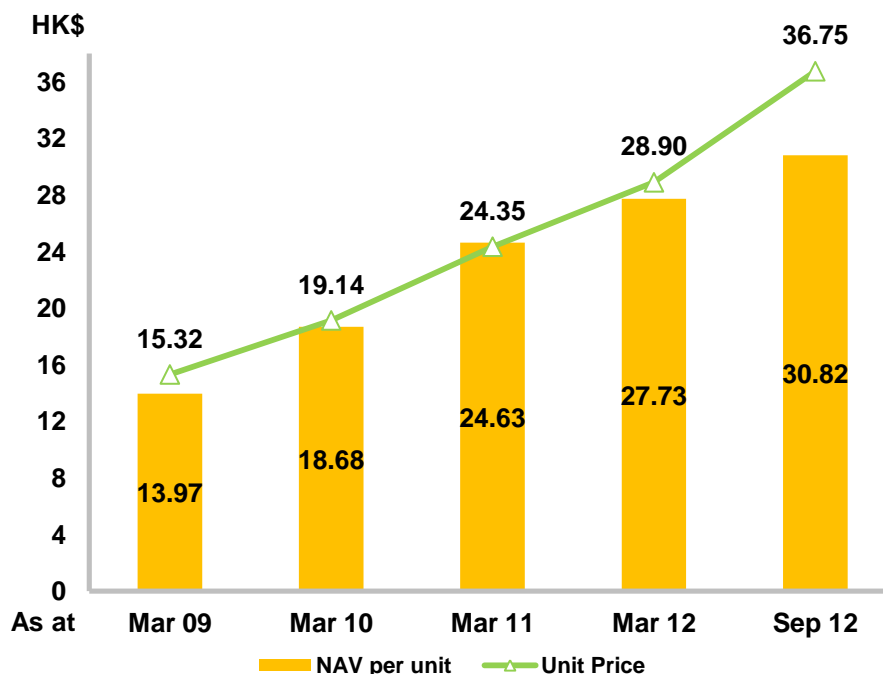
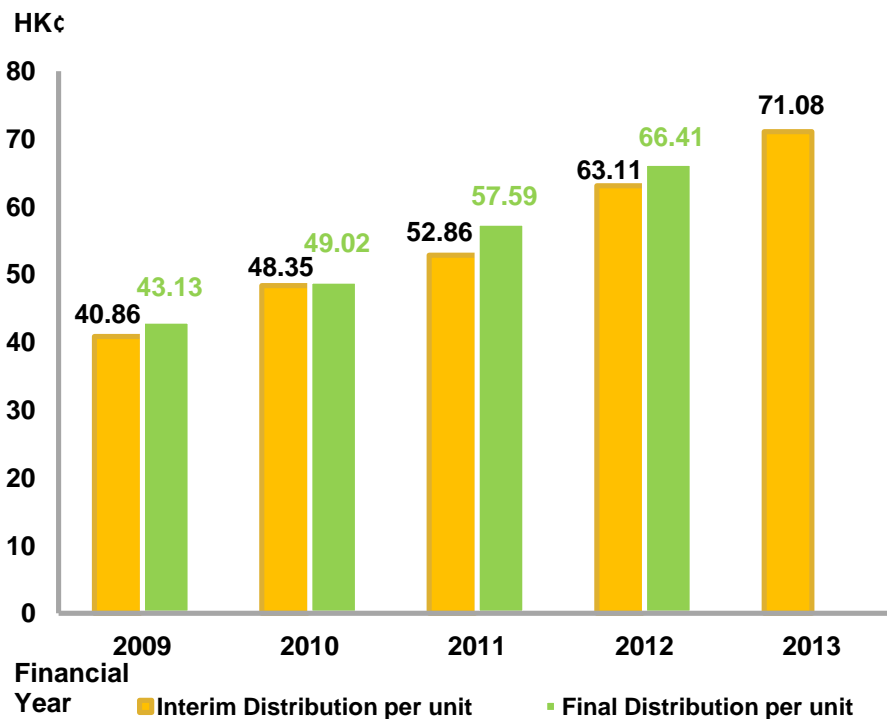
Yield



Capital Gain

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

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



Compound average annualised total return from IPO reached **23.3%***

Note:
* A combination of capital appreciation and distributions paid out since listing to the end of September 2012





Investment Thesis



Our Investment Thesis

- Robust retail sales growth in Hong Kong
- Focus on resilient daily necessities to provide stable growth
- Internal management structure without fee leakage
- Active asset management with limited outsourcing to build in-house expertise
- Sustainable NPI growth to support capitalisation rate compression
- Strong financial strength to support growth capacity
- Steady pipeline of asset enhancement projects
- Expanding investment mandate to capture more opportunities
- Commitment to multi-faceted sustainability framework



Business Model of The Link REIT



Continuous growth supported by three drivers



Active Capital Management

Strong Financial Position

As at	30 Sep 12	31 Mar 12
Debt	HK\$13.06B	HK\$12.60B
Gearing ⁽¹⁾	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%

Credit ratings

S&P	A/Stable	Affirmed on 11 Dec 2012
Moody's	A2/Stable	Affirmed on 18 Sep 2012

■ Available liquidity as at 30 Sep 2012

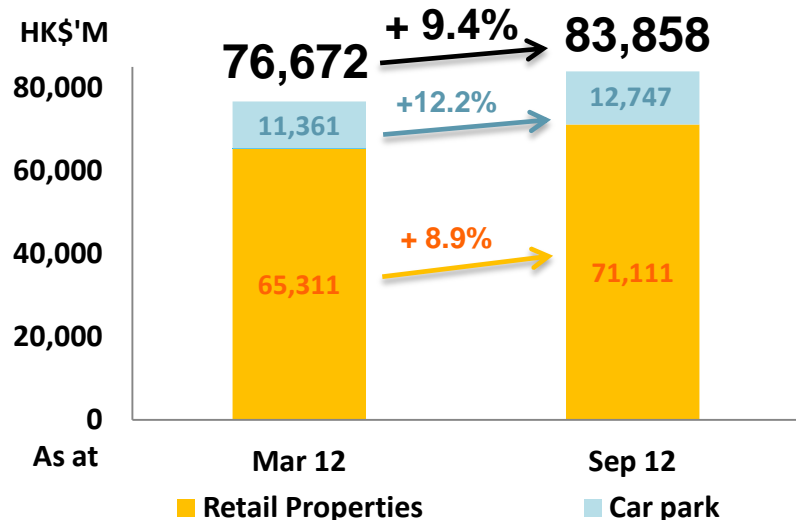
	HK\$'B
➢ Standby facilities	3.06
➢ Cash on hand	2.72
➢ Total liquidity	<u>5.78</u>

- Gearing decreasing with valuation uplift
- Continuing efforts to further extend maturity, lower effective interest rate and diversify funding sources
- Increased liquidity to prepare for potential acquisition
- AEI capital expenditure largely funded by distribution reinvestment by Unitholders



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%



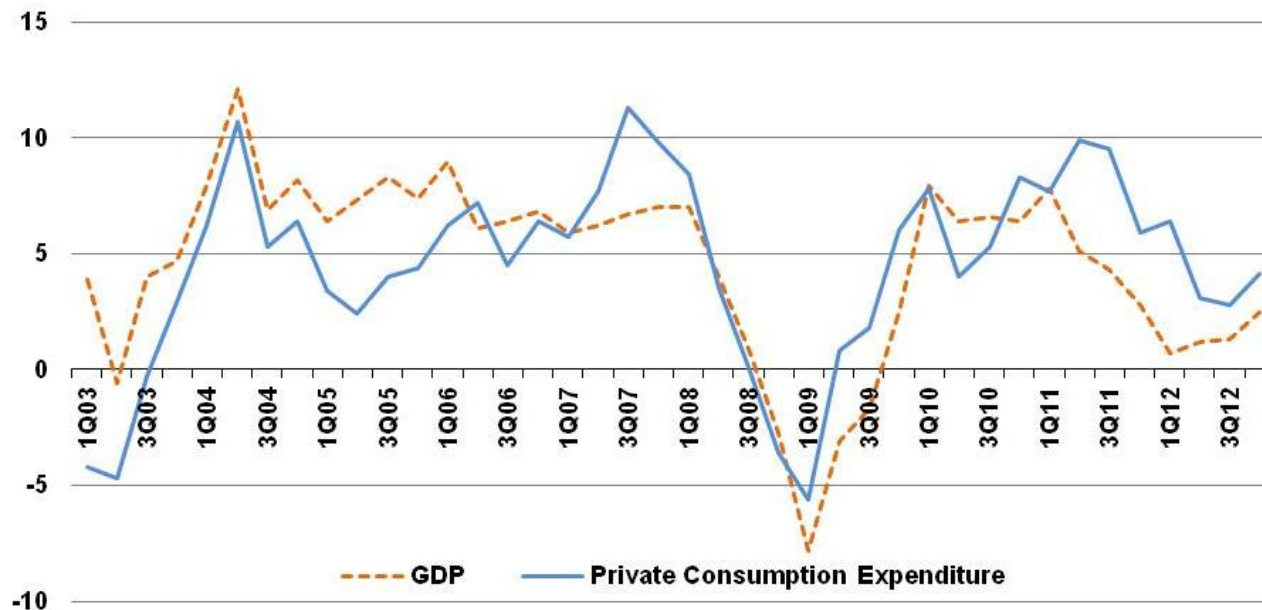


Overview of Hong Kong Economy



Hong Kong Gross Domestic Product and Private Consumption Expenditure

YoY% Change



	GDP Growth (YoY)	PCE Growth (YoY)
1Q12	+0.7%	+6.4%
2Q12	+1.2%	+3.1%
3Q12	+1.3%	+2.8%
4Q12	+2.5%	+4.1%
2012	+1.2%	+4.0%
2013F	+3.0%	+2.7%

Consistent growth in private consumption in line with GDP



Unemployment Rate



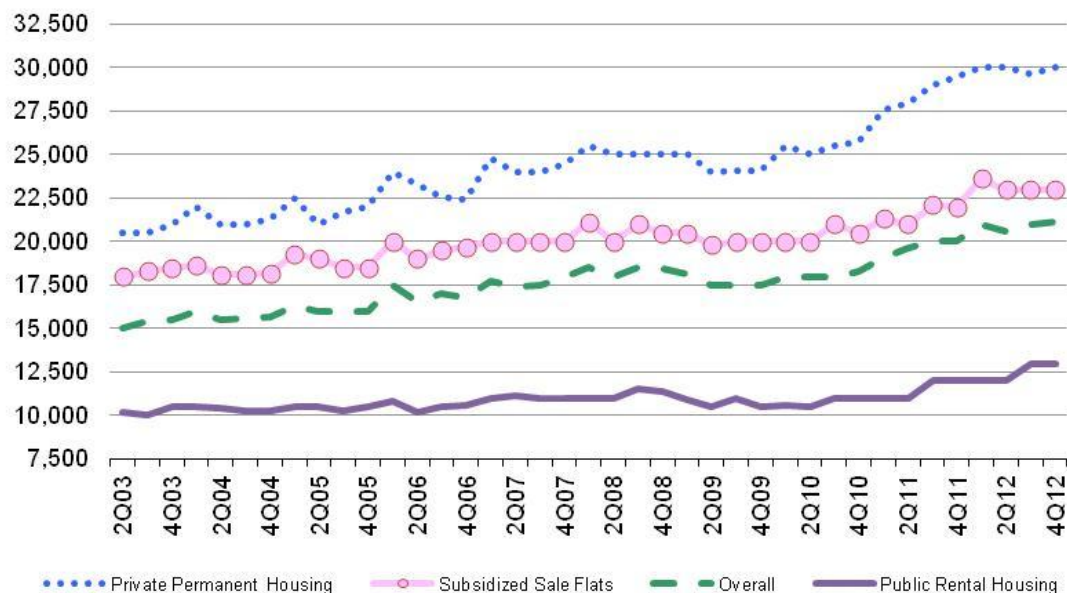
Last 3 Mths	Unemployment Rate
Nov 12	3.4%
Dec 12	3.3%
Jan 13	3.4%
2013F	3.1%

Unemployment rate at near historic low supporting income growth



Household Income by Types

Median Monthly Household Income (including bonus)
HK\$

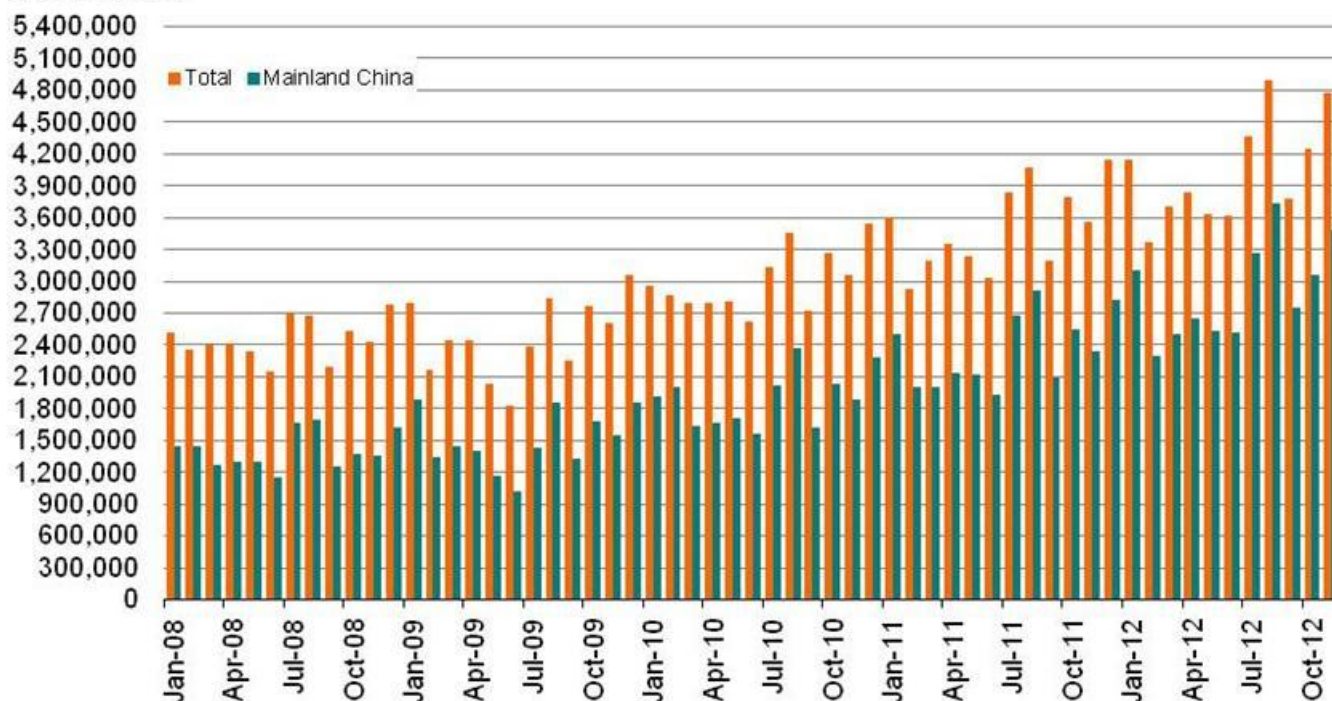


4Q12	YoY	As % of total HK household
Public Rental Housing	8.3%	30.6%
Subsidized Home Ownership Housing	4.5%	15.8%
Private Permanent Housing	1.7%	53.6%
Overall	5.5%	100.0%

Household income recorded healthy growth in the last 4Qs;
Supported by introduction of minimum wage in May 2011 and further
increase in May 2013

Tourist Arrivals

No. of Visitors



	Tourist Arrivals (YoY)
2009	+0.3%
2010	+21.8%
2011	+16.4%
2012	+16.0%
2013F	+13.0%

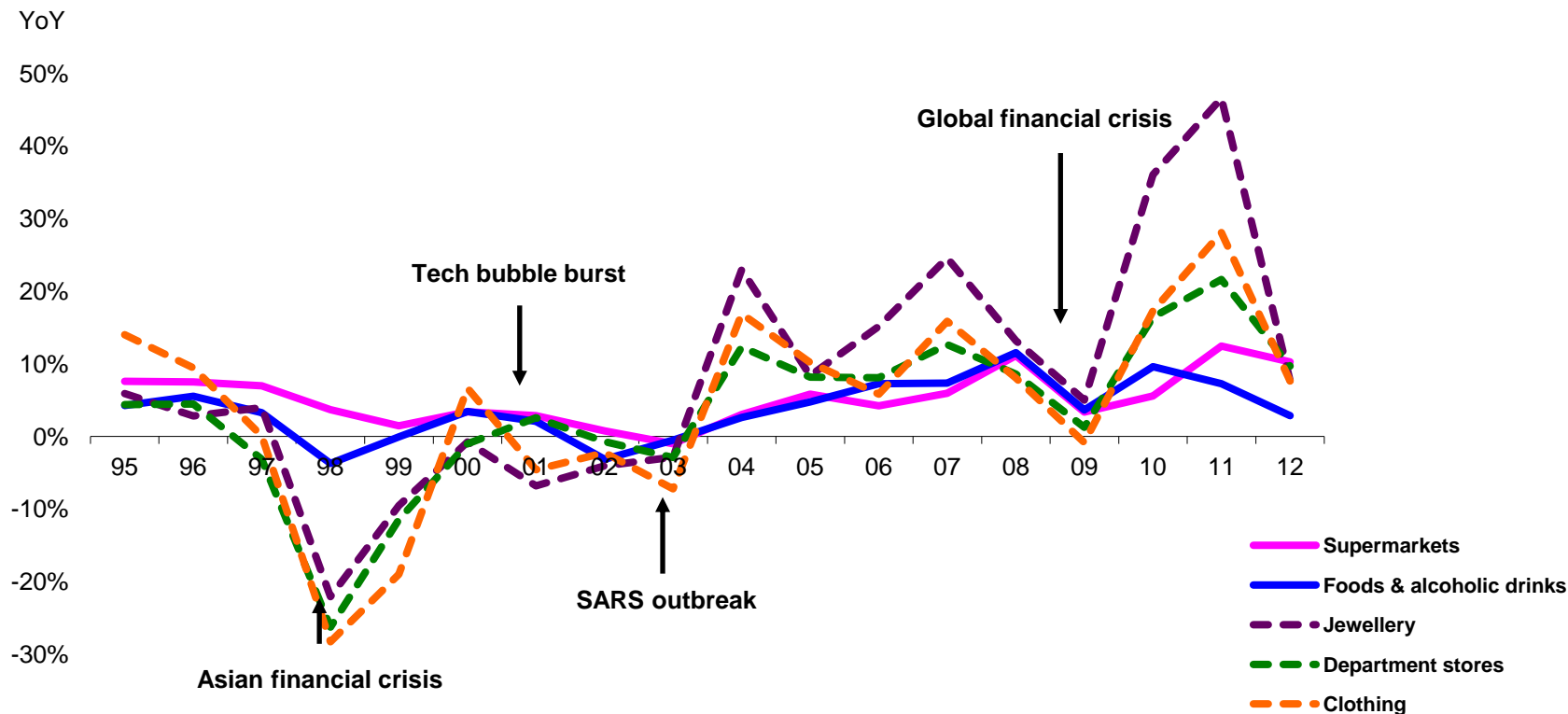
- 2012 saw a record 48.6 million tourist arrivals (+16% yoy), growth driven by Mainland tourists which grew by 24% yoy, and Individual Visit Scheme accounted for 66% of Mainland tourists
- Same day visitors increased from 52% in 2011 to 57% in 2012

Visitor arrivals maintain steady growth



Hong Kong Retail Market: Performance of Key Retail Trades

Growth Rate of Retail Sales Value



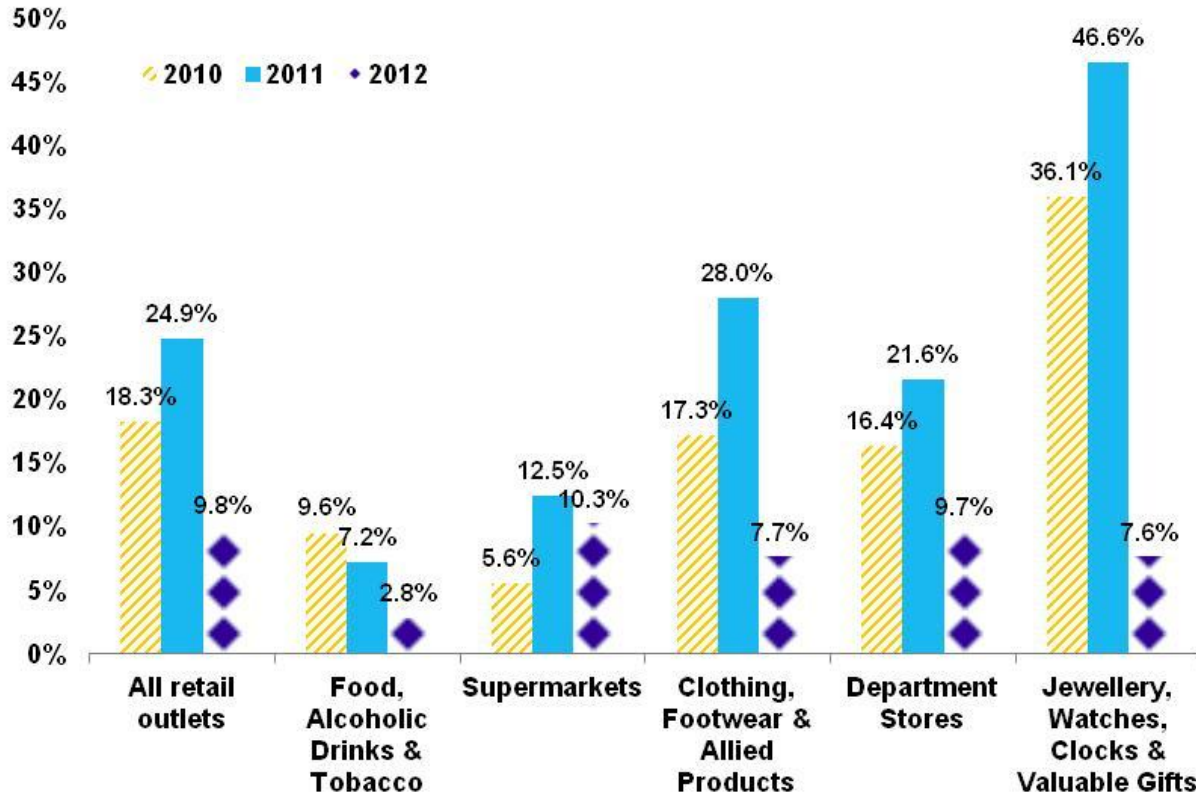
Daily necessities resilient over long term



Hong Kong Retail Sales of Selected Categories

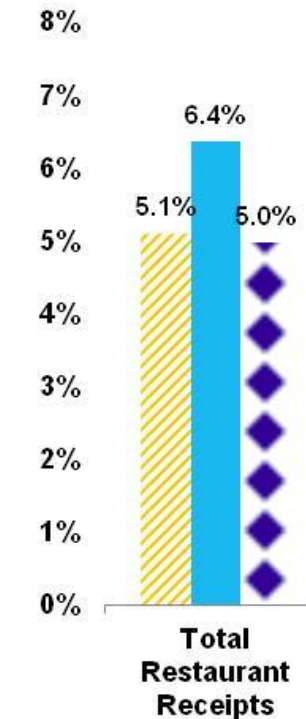
Growth Rate of Retail Sales Value

YoY% Change



Total Restaurant Receipts

YoY% Change



Steady growth of daily necessities retail sales continued in 2012





Asset Management

❖ Leasing strategy

- ✓ Maintain strong reversion
- ✓ Improve occupancy
- ✓ Enhance trade mix

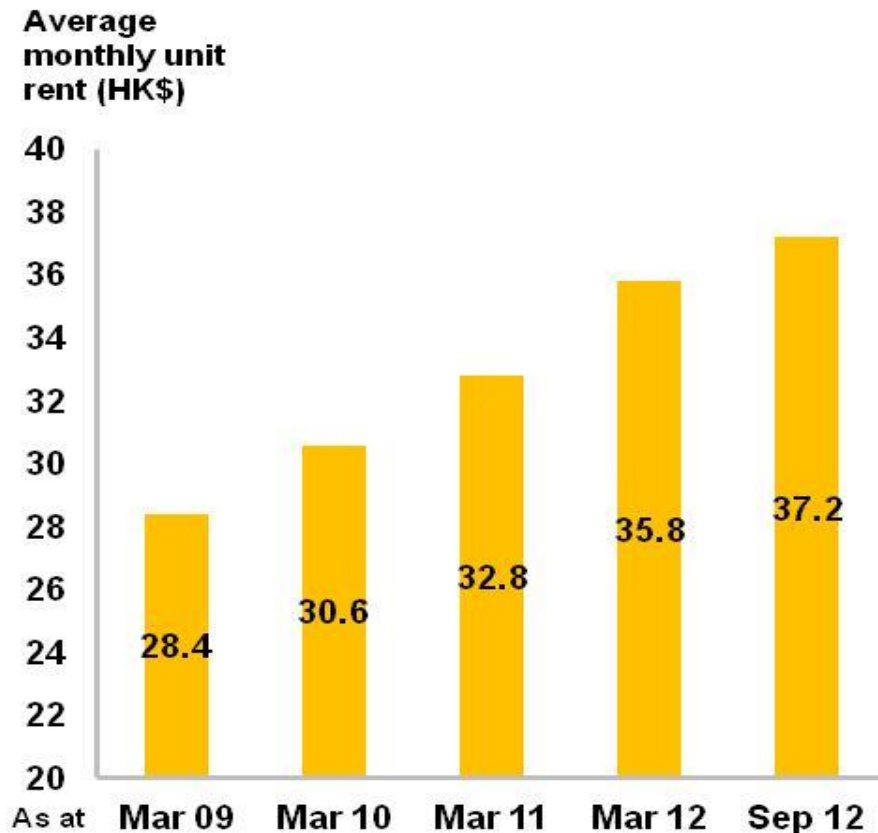
❖ Property management strategy

- ✓ Improve service quality
- ✓ Cost control
- ✓ Energy savings
- ✓ Improve operating margins



Asset Management: Continuous Growth in Our Retail Properties

Consistent Growth in Unit Rent

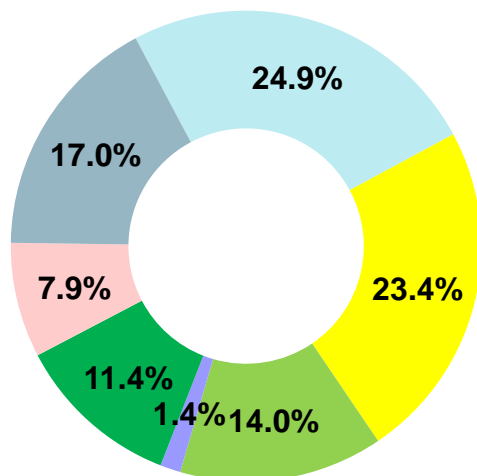


- Unit rent increased by **3.9%** HoH or **8.8%** YoY
- Occupancy cost to sales stable supported by better shopping environment and improvement in tenants' sales
- Successful leasing strategy and growing demand from tenants supported rental reversion



Asset Management: Our Stable Trade Mix

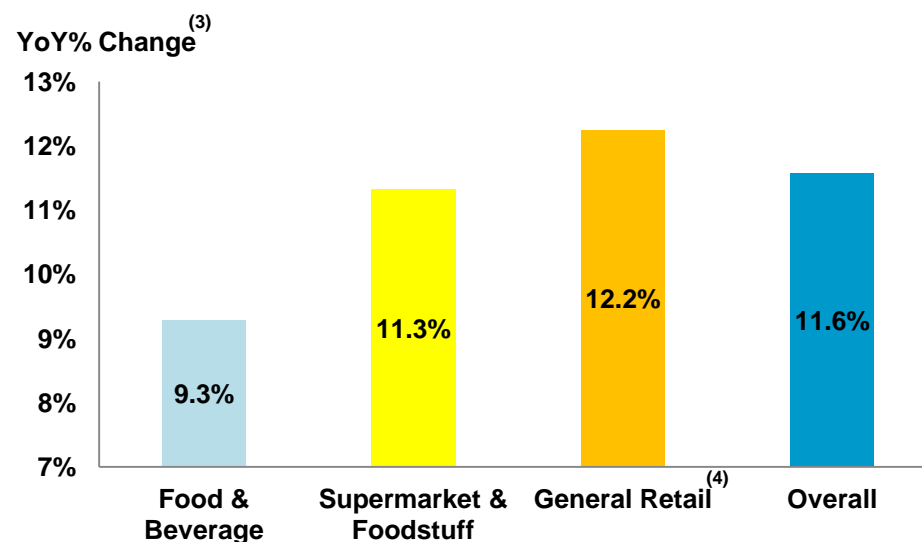
Focus on Daily Necessities



Retail Trade Mix⁽¹⁾

- Food and Beverage
- Supermarket and Foodstuff
- Markets/Cooked Food Stalls
- Education/Welfare, Office and Ancillary
- Services
- Personal Care, Medicine, Optical, Books and Stationery
- Others⁽²⁾

Solid Growth in Tenants' Sales



Tenant sales benefited by increased household income

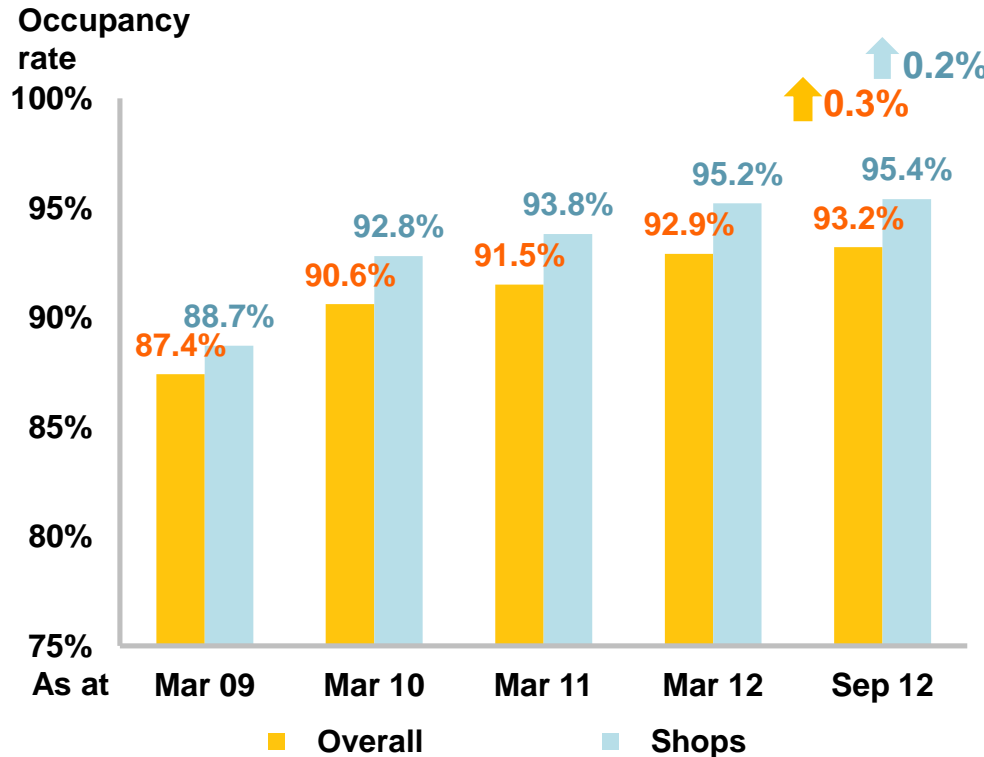
Notes:

- (1) Percentage figure as at 30 September 2012.
- (2) Including clothing, department store, electrical and household products, leisure and entertainment and valuable goods.
- (3) Percentage figure represents year-on-year change in tenants average monthly sales per square foot for the six months ended 30 September 2012.
- (4) 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 Management: Increasing Demand in Retail Space

Improving Occupancy



- Continuing improvement in occupancy across the portfolio
- Higher demand for our portfolio space due to better property conditions and service quality
- Extending varieties by adding new tenants while existing tenants increase number of shop units



Asset Management: Retail Portfolio Analytics

Diversified Portfolio in Size and Positioning

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

Notes:

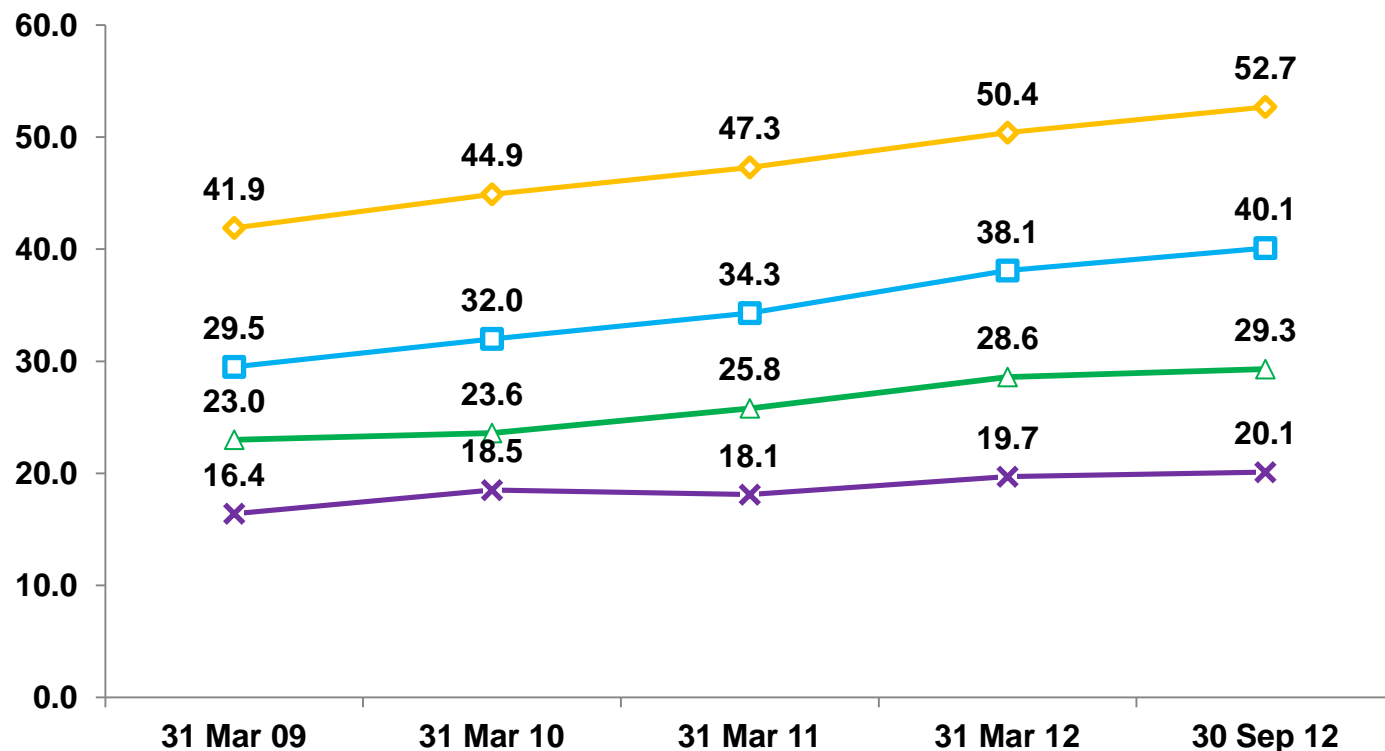
(1) Properties ranked by retail valuation as at 30 September 2012



Retail Portfolio Review

Average Monthly Unit Rent per Leased IFA

HK\$ psf



Properties ranked
by valuation / revenue
contribution ⁽¹⁾

- ◇— 1-10
- 11-50
- △— 51-100
- ×— Remaining properties

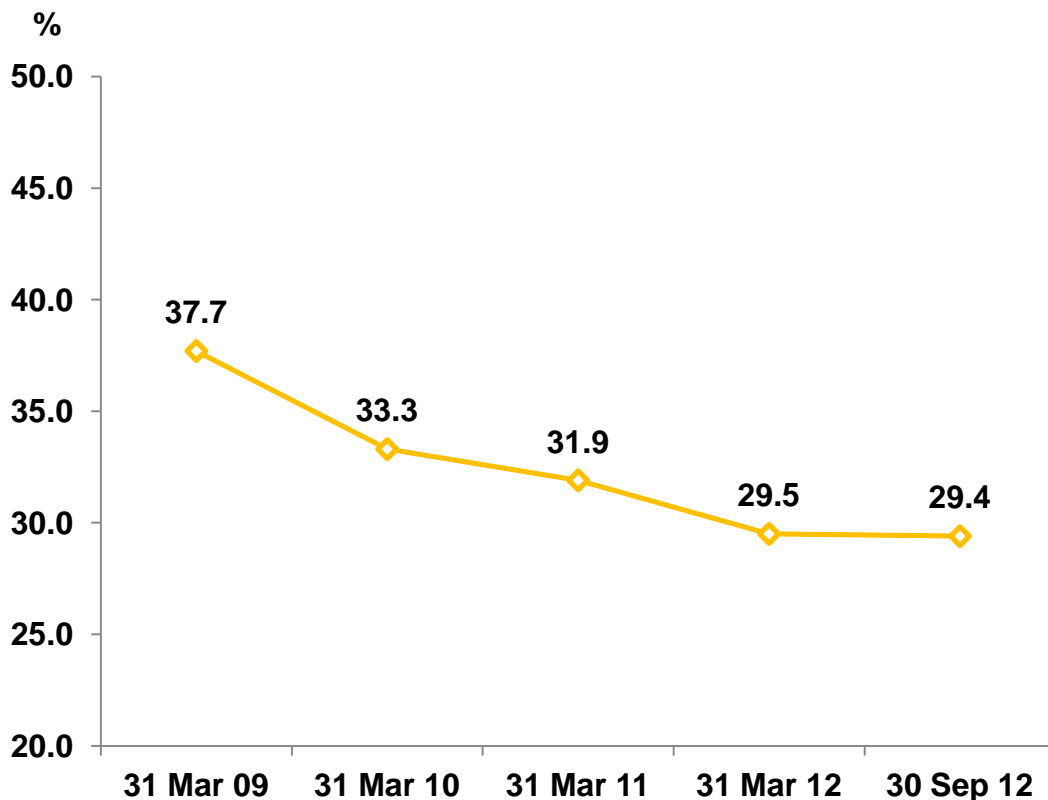
Note:

(1) Ranked by revenue contribution for the year ended 31 March 2009 & 2010 and ranked by valuation for the year ended 31 March 2011 & 2012 and for the period ended 30 September 2012.



Asset Management: Diligent Cost Control

Expense to Income Ratio



- Active expense control in light of rising utility tariffs and wage levels
- Increased investments in energy savings which lowered electricity use by 16 million kwh in FY2012
- Revised housekeeping contracts which contributed to lower property management costs, especially in security and cleaning



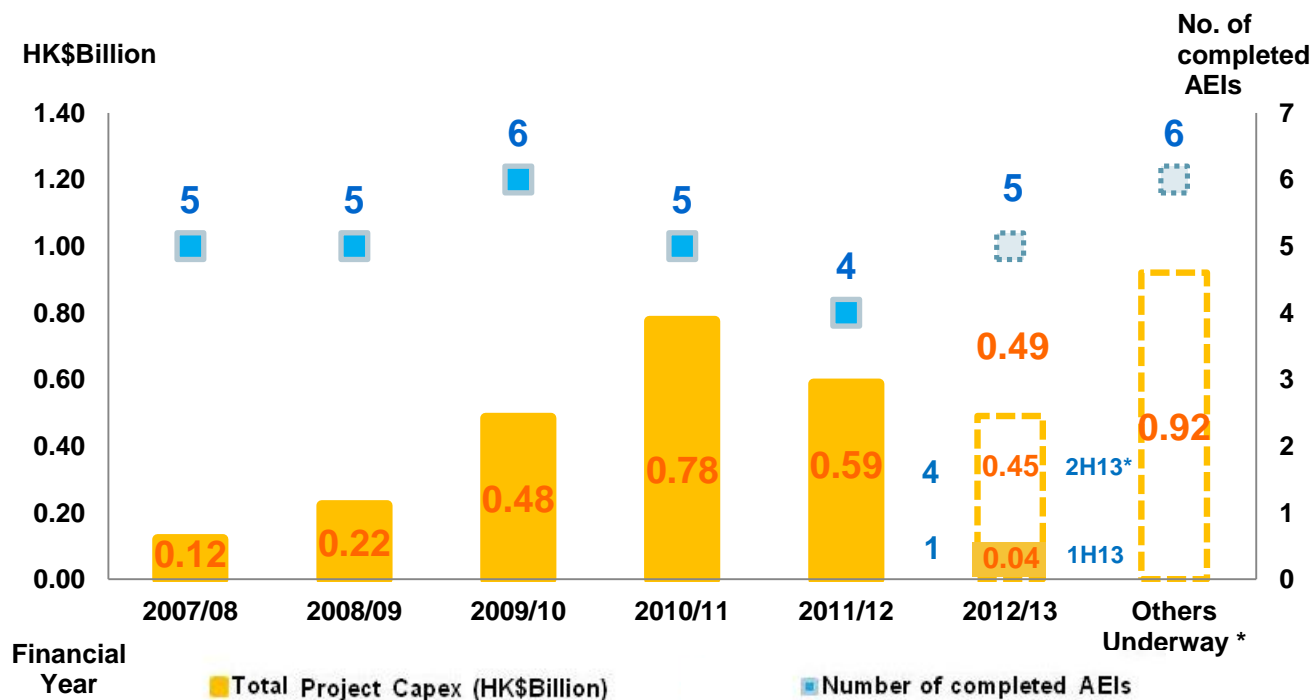
Asset Enhancement Initiatives

- ❖ **Rejuvenate shopping centres**
 - ✓ Enhance environment
 - ✓ Improve traffic/circulation
- ❖ **Reposition shopping centres**
 - ✓ Introduce variety/choices
 - ✓ Tailor trade/tenant mix to local shopper demand



Asset Enhancement Initiatives (“AEIs”)

26 Completed AEIs with a Total Capex of HK\$2.2B



Note: As at 30 September 2012

* Estimated project Capex to be completed

Target 15% ROI consistently exceeded



Asset Enhancement Initiatives (Cont'd)

Visible Pipeline of Asset Enhancement Projects

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 upgrades as part of AEIs
- Increasing AEI investment with 4 new projects since 1 April 2012

Notes: (As at 30 September 2012)

(1) AEIs beyond top 50

(2) AEIs include fresh market upgrade

(3) New projects commenced since 1 April 2012



Asset Enhancement : Completed Project – Lok Fu Plaza

Lok Fu Plaza

Year Built	Between 1983 and 1991
IFA (sq ft)	388,000
CAPEX	HK\$426M
Year of AEI Completion	FY 2010/11
ROI	12.7%

AEI work scope

- Provision of a new medical centre
- Upgrades to interior finishes and external façade
- Construction of a new atrium
- Improvements to the lavatory facilities, including disabled provisions and a baby-care room
- Introduction of an anchor department store, UNY



Asset Enhancement : Completed Project – Lok Fu Plaza



before

- The Link's flagship plaza
- Improved layout, access and tenant mix



after

Asset Enhancement: Fresh Market Project – Tai Yuen Market

Tai Yuen Commercial Centre

Year Built	1980
IFA (sq ft)	136,000
CAPEX	HK\$120M
Year of AEI Completion	FY 2011/12
ROI	12.2%

AEI work scope

- New layouts with wider aisles and irregular circulation patterns
- New stall design: higher bulkheads, reduced partitioning, back-of-house access
- New facade
- Addition of air-conditioning, new drainage system, new M&E systems
- Refurbishment of public recreational areas on roof podium and shop fronts
- Installation of composting station to recycle market waste
- Specific features such as cooking studio, ATM



Tai Yuen Market



Asset Enhancement: Fresh Market Project – Tai Yuen Market



Tai Yuen Market

- Pioneer fresh market AEI project



Completed AEIs Offering a Sustainable Business Platform

Broader Shopping Choices, More Vibrant Community

Wong Tai Sin Plaza (1)

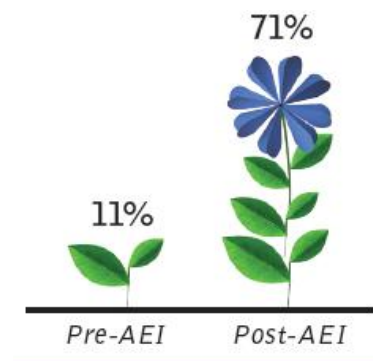
Before AEI



After AEI



Customer Satisfaction Level (2)



Wo Che Plaza (1)

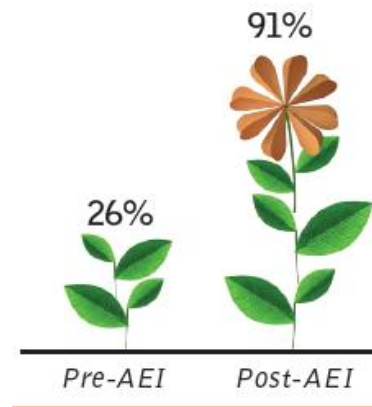
Before AEI



After AEI



Customer Satisfaction Level (2)



Note:

(1) AEI completed in 2009/10

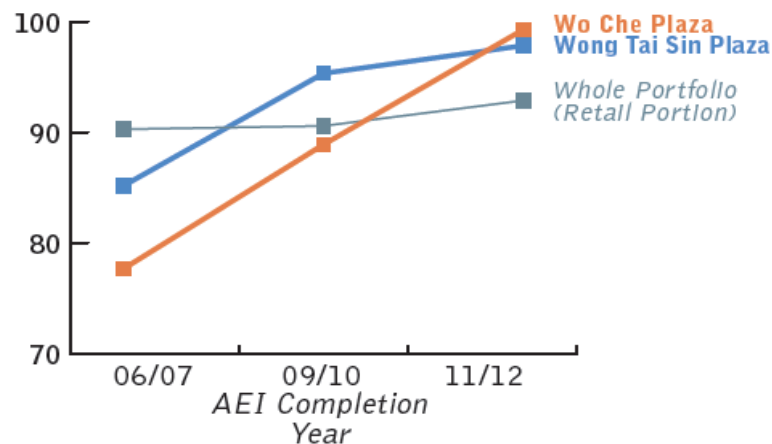
(2) Based on surveys conducted by independent consultants



Persistent Performance after Completion of AEIs

Thriving Business Environment for Tenants

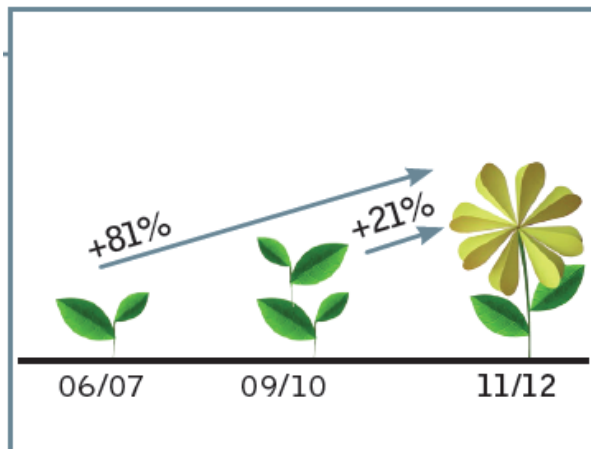
Occupancy Rate (%)



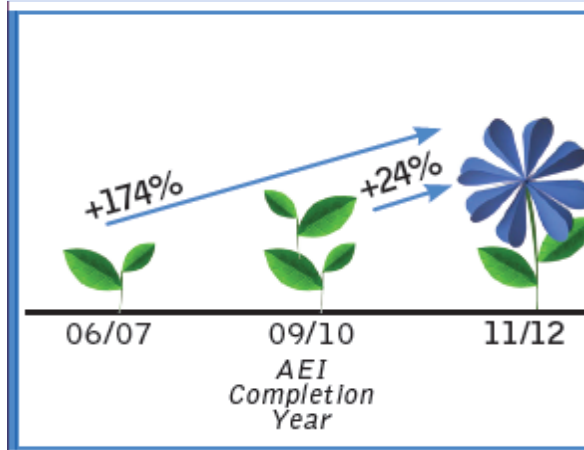
- Strong demand from shoppers and tenants supports high occupancy post AEI
- Continuing tenant support into second lease cycle

Sustainable Growth in Net Property Income

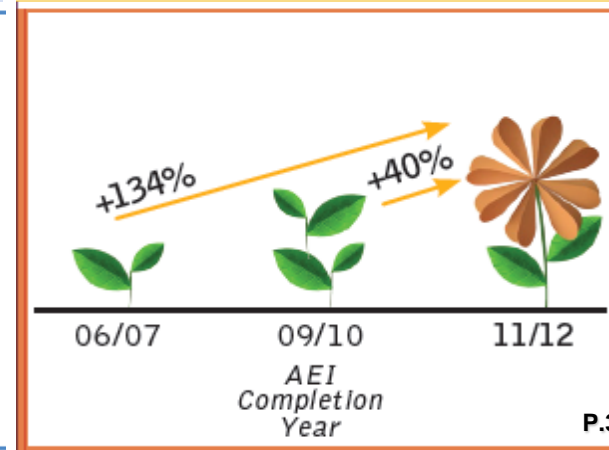
Whole Portfolio



Wong Tai Sin Plaza



Wo Che Plaza





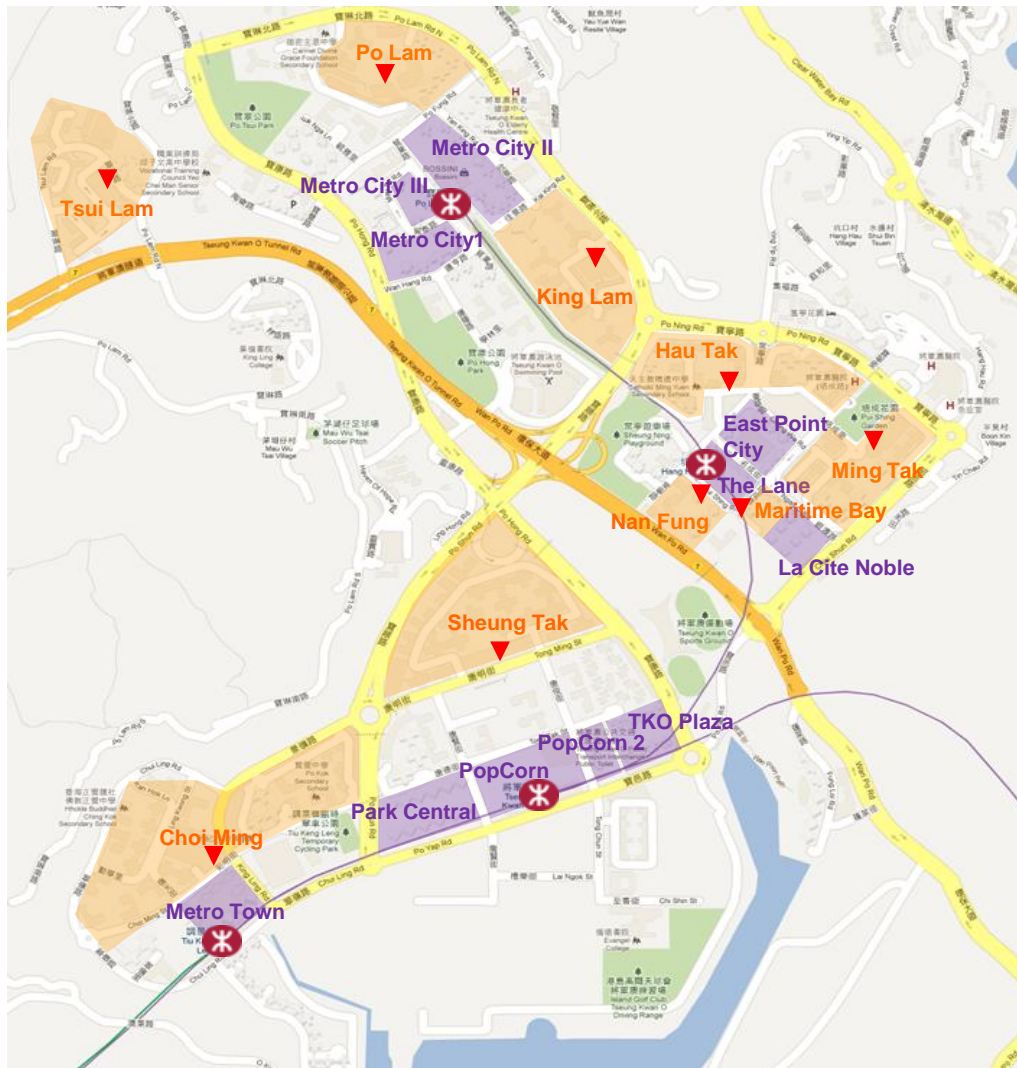
Asset Acquisition

- ❖ Target non-discretionary retail centres
- ❖ Leverage on synergy and economies of scale
- ❖ Expand geographic coverage
- ❖ Improve competitiveness



Asset Acquisition: Two Assets Acquired in 2011

Completed acquisition of two assets in Hang Hau in Tseung Kwan O district



	Nan Fung Plaza	Maritime Bay
Acquisition Date	Jun 2011	Dec 2011
Consideration	HK\$1,170 M	HK\$577.6 M
Valuation at acquisition	HK\$1,130 M (Jun 2011)	HK\$580 M (Dec 2011)
Valuation as at 31 Mar 2012	HK\$1,223 M	HK\$597 M
Increase over valuation at time of acquisition	↑ 8.2 %	↑ 2.9 %

Nan Fung Plaza



Maritime Bay



The Link's properties
 Other competitors



Asset Acquisition: Expanded Investment Scope

Expansion of investment scope passed at July 2012 AGM

Old Investment Scope

Properties substantially used for :

- Retail
- Car park



Expanded Investment Scope

- All classes of sustainable-income producing properties (except residential, hotel and serviced apartments)
- Including standalone assets, comprehensive mixed-use (predominantly retail-based) properties in Hong Kong

Enhanced flexibility and competitiveness to wider investment opportunities
Maintain prudent investment strategy within strict corporate governance



Asset Acquisition: Capacity to Growth

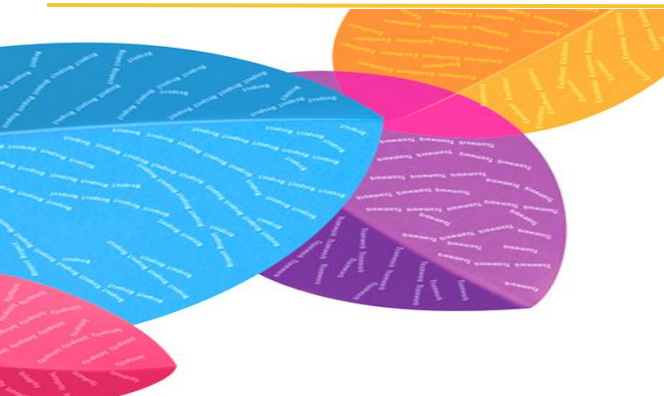
- Current gearing level: 14.9% ⁽¹⁾ (maximum gearing under HK REIT Code: 45%)
- Available Liquidity: HK\$5.78B ⁽¹⁾
- Strong credit ratings (A/Stable and A2/Stable from S&P and Moody's)
- Example of recent funding cost in Feb 2013: HK\$500 million 15-year unsecured notes at a fixed rate of 3.10% per annum were issued under the Guaranteed Euro MTN Programme

Our financial strength and favourable market conditions are conducive to further accretive inorganic growth

Note:

(1) As at 30 September 2012.





Building on a Sustainable Platform



The Link REIT's Sustainability Framework

Our Vision, Mission and Values underlie the seven areas of sustainability



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
- ✓ 54% eligible staff have participated



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



Building Support to Our Community

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 classes for children at our sports facilities
 - ✓ Offer foundation coach training courses specially for senior secondary school students



Strengthening Tenants' Relationship

Festive Programmes



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 Partnerships



Winewalk 2012, Stanley Plaza



Lok Fu Plaza 1st Anniversary Programme
featuring UNY



Dedication to Sustainability

Further Commitments Made in the Period



World Business Council for
Sustainable Development

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

First Asia REIT to
support the UN Global
Compact's core values
in human rights,
labour standards, the
environment and anti-
corruption

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



Directors of the Year
Awards 2011

Social and Community Related



Caring Company 2007-2012

Green Related



BCI Asia FuturArc Green
Leadership Award 2012



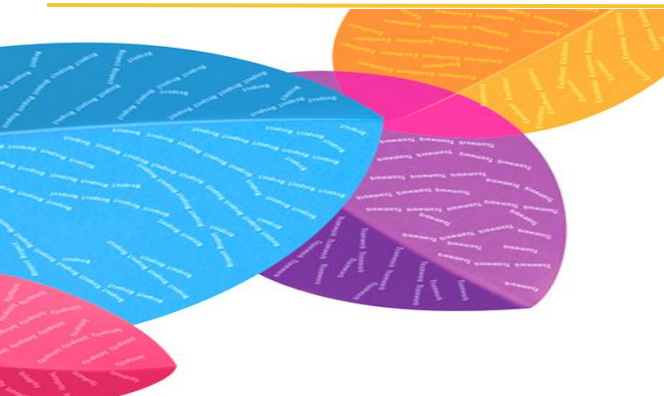
BEAM Platinum Standard for
Stanley Plaza



Green Building Award 2012



U Green Awards



Strategy and Outlook



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

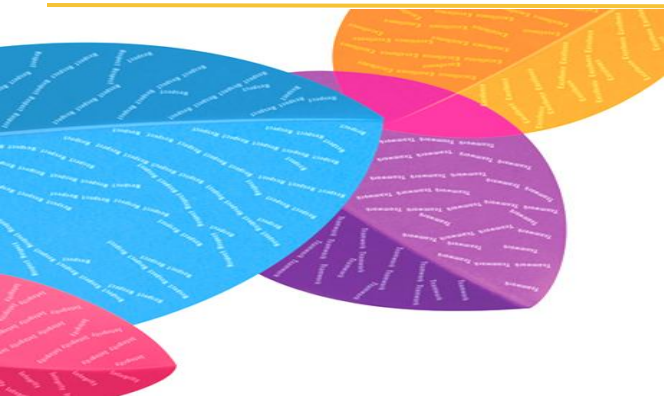
Asset Acquisition

- 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





Appendix A: Our Vision, Mission, Values (“VMV”)



Aligning Vision and Strengthening Culture

To build a business with long term sustainable growth





Appendix B: Five Year Performance Summary



Five Year Performance Summary

Consolidated Income Statement

	Year ended 31 March 2012 HK\$'M	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	Year ended 31 March 2009 HK\$'M	Year ended 31 March 2008 HK\$'M
Revenues	5,932	5,353	4,990	4,503	4,199
Property operating expenses	(1,747)	(1,709)	(1,662)	(1,698)	(1,662)
Net property income	4,185	3,644	3,328	2,805	2,537
General and administrative expenses	(269)	(176)	(120)	(134)	(102)
Change in fair values of investment properties	6,680	12,812	9,809	(1,865)	4,265
Operating profit	10,596	16,280	13,017	806	6,700
Interest income	33	4	6	37	78
Finance costs on interest bearing liabilities	(431)	(501)	(583)	(511)	(604)
Profit before taxation and transactions with Unitholders	10,198	15,783	12,440	332	6,174
Taxation	(596)	(503)	(458)	(330)	(288)
Profit for the year, before transactions with Unitholders	9,602	15,280	11,982	2	5,886
Distributions paid to Unitholders	(2,706)	(2,251)	(1,990)	(1,710)	(1,515)
	6,896	13,029	9,992	(1,708)	4,371



Five Year Performance Summary (Cont'd)

Consolidated Statement of Distributions

	Year ended 31 March 2012 HK\$'M	Year ended 31 March 2011 HK\$'M	Year ended 31 March 2010 HK\$'M	Year ended 31 March 2009 HK\$'M	Year ended 31 March 2008 HK\$'M
Profit for the year	9,602	15,280	11,982	2	5,886
Adjustments:					
- Change in fair values of investment properties	(6,680)	(12,812)	(9,809)	1,865	(4,265)
- Deferred taxation on change in tax rate	-	-	-	(29)	-
- Other non-cash income	-	(10)	(39)	(19)	(19)
Total distributable income	2,922	2,458	2,134	1,819	1,602
Distribution per unit (HK cents)					
Interim DPU	63.11	52.86	48.35	40.86	36.11
Final DPU	66.41	57.59	49.02	43.13	38.29
Total DPU	129.52	110.45	97.37	83.99	74.40



Five Year Performance Summary (Cont'd)

Asset and Liabilities

		Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008
Assets and liabilities						
Investment properties	HK\$'M	76,672	67,318	53,781	43,255	44,307
Other non-current assets	HK\$'M	598	391	367	346	330
Current assets	HK\$'M	1,955	1,045	1,076	1,372	2,007
Total assets	HK\$'M	79,225	68,754	55,224	44,973	46,644
Current liabilities	HK\$'M	2,245	4,577	1,807	1,689	3,481
Non-current liabilities	HK\$'M	14,245	9,202	12,272	13,001	10,903
Total liabilities, excluding net assets attributable to Unitholders	HK\$'M	16,490	13,779	14,079	14,690	14,384
Net assets attributable to Unitholders	HK\$'M	62,735	54,975	41,145	30,283	32,260
Interest bearing liabilities to total assets	%	15.9	15.1	19.7	25.7	26.1
Total liabilities to total assets	%	20.8	20.0	25.5	32.7	30.8



Five Year Performance Summary (Cont'd)

Valuation						
		Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008
Valuation of investment properties	HK\$'M	76,672	67,318	53,781	43,255	44,307
Valuation weighted average capitalisation rate	%	6.11	6.16	6.73	7.42	6.95
Net assets per unit attributable to Unitholders	HK\$	27.73	24.63	18.68	13.97	14.94
Closing price per unit	HK\$	28.90	24.35	19.14	15.32	17.26
Market capitalisation	HK\$'M	65,383	54,356	42,147	33,199	37,259
Premium/(discount) of unit price to net assets per unit attributable to Unitholders	%	4.2	(1.1)	2.5	9.7	15.5
Units in issue		2,262,372,930	2,232,284,540	2,202,043,479	2,167,040,427	2,158,677,767



Five Year Performance Summary (Cont'd)

Operational Data						
		Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008
Average monthly unit rent at year end	HK\$ psf	35.8	32.8	30.6	28.4	25.4
Average monthly unit rent excluding Self use office, Education/Welfare, Office and Ancillary at year end	HK\$ psf	38.5	35.3	33.0	30.9	27.7
Composite reversion rate						
- Shops	%	23.4	20.9	23.7	28.5	24.8
- Overall	%	21.7	21.4	20.5	25.2	22.5
Occupancy rate at year end	%	92.9	91.5	90.6	87.4	89.3
Net property income margin	%	70.5	68.1	66.7	62.3	60.4
Retention rate	%	79.2⁽ⁱ⁾	74.1 ⁽ⁱ⁾	71.4 ⁽ⁱ⁾	72.9	71.9
Number of turnover rent leases (excluding ancillary) at year end		4,806	4,258	3,206	1,996	907
Car park income per space per month	HK\$	1,222	1,095	1,054	1,029	979
Car park utilisation rate at year end	%	79.6	75.0	71.8	71.3	71.2

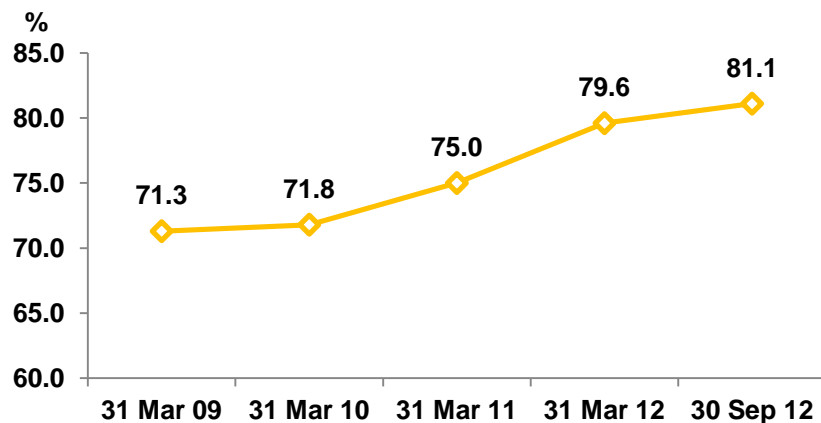
Note:

(i) Includes tenants who relocated within the same property.

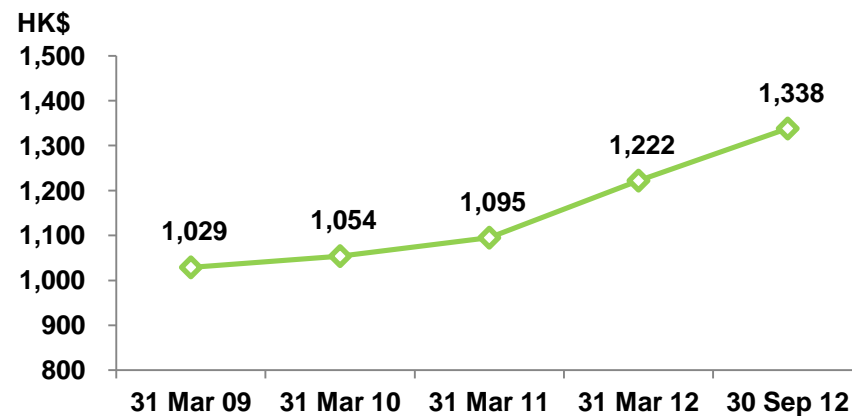


Car Park Portfolio Review

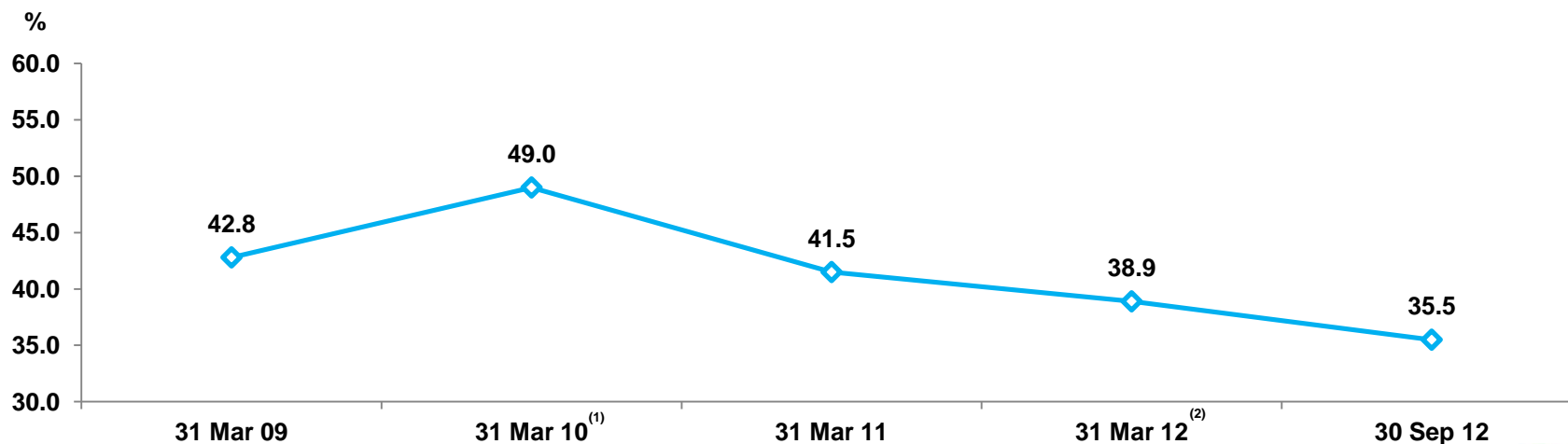
Utilisation of Car Park Space



Car Park Income per Space per Month



Expense to Income Ratio



Notes:

(1) Including a provision made for payment of car park waiver fees

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





Appendix C: Interim Results for Six Months Ended 30 September 2012



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



Expenses

Expense 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%**



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 %



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



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%

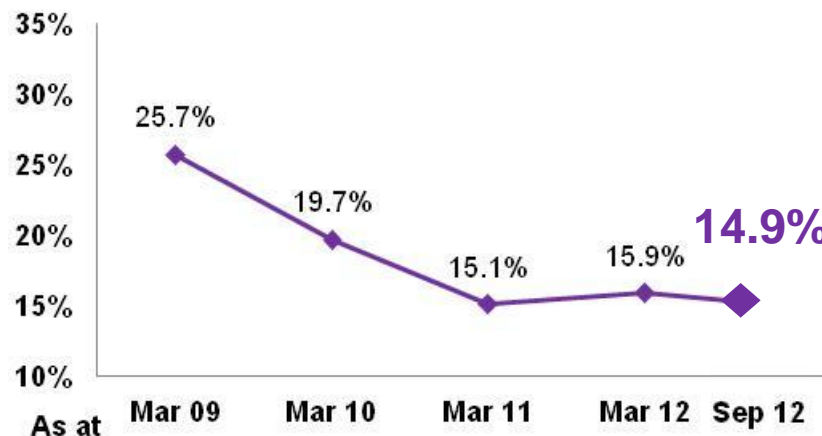


Capital Management – Strong Financial Position

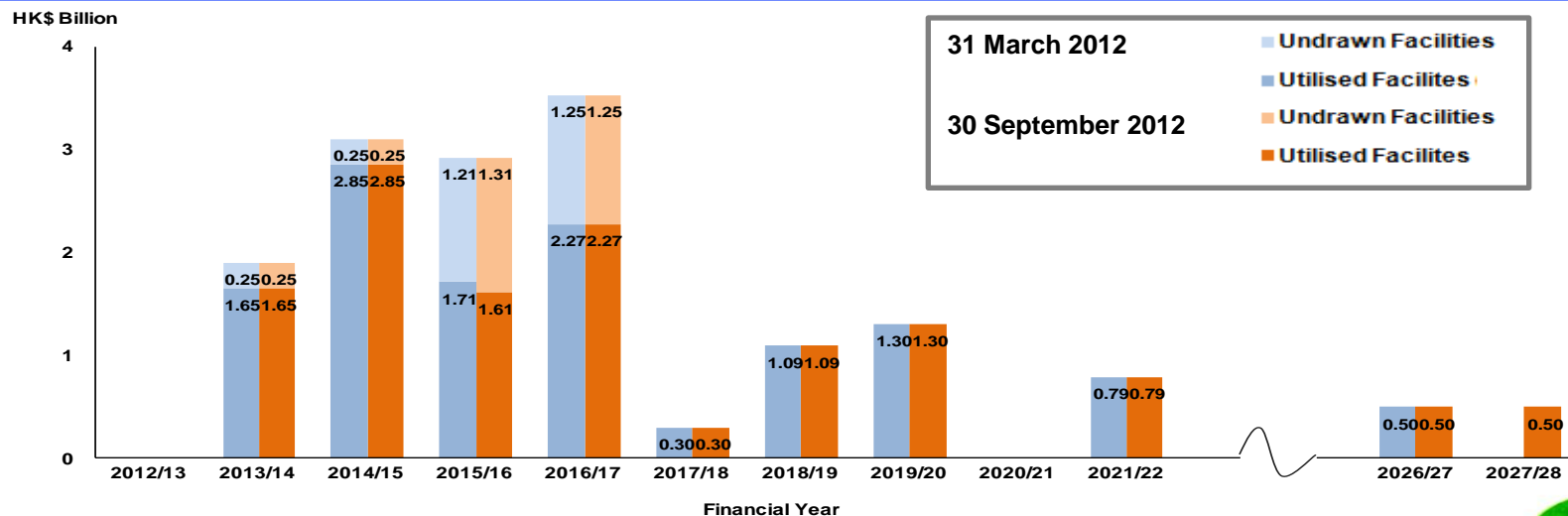
Key Transaction

- 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



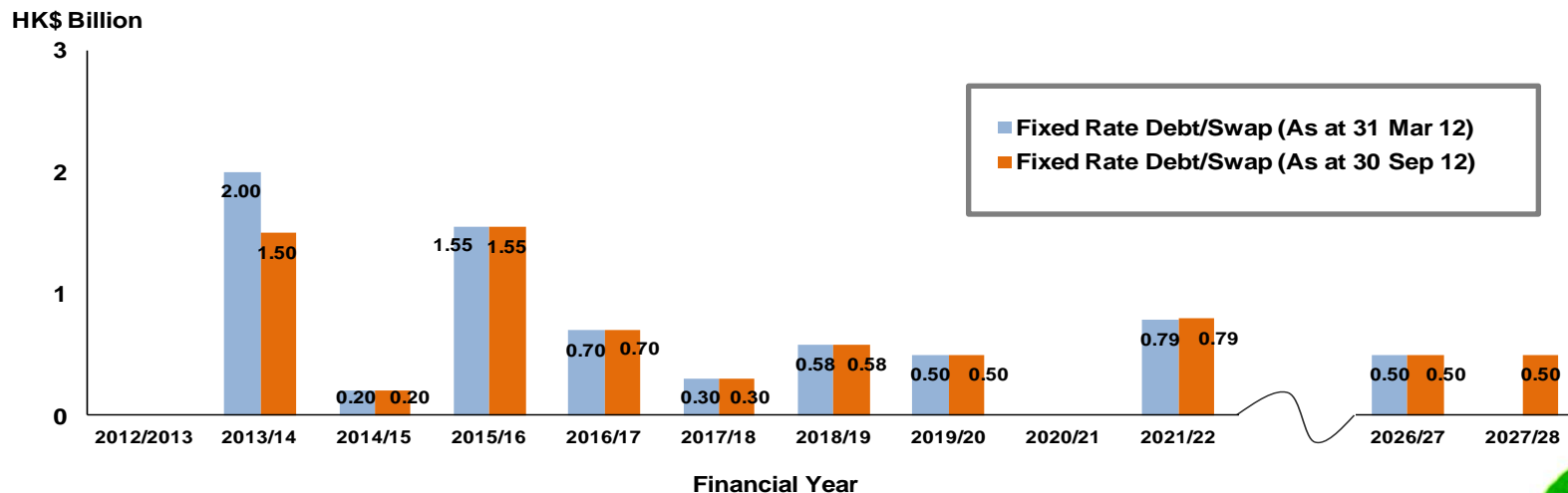
Capital Management

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



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



Distribution Reinvestment Scheme

Period End	Distribution Date	DRP take up %	Issue Price	Cash Retained (HK\$M)
31-Mar-07	Aug-07	25.40%	\$17.09	\$187.7
30-Sep-07	Jan-08	22.20%	\$16.84	\$172.5
31-Mar-08	Aug-08	11.60%	\$18.49	\$95.8
30-Sep-08	Jan-09	5.10%	\$14.12	\$44.9
31-Mar-09	Aug-09	25.10%	\$16.98	\$234.8
30-Sep-09	Jan-10	38.70%	\$19.27	\$408.1
31-Mar-10	Aug-10	24.90%	\$19.74	\$268.7
30-Sep-10	Jan-11	30.40%	\$24.04	\$356.2
31-Mar-11	Jul-11	32.60%	\$26.51	\$419.6
30-Sep-11	Jan-12	24.90%	\$27.86	\$353.6
31-Mar-12	Aug-12	41.90%	\$31.18	\$629.7
30-Sep-12	Jan-13	9.37%	\$41.56	\$152.1
				\$3,323.7

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

Independent Valuation by JLL

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 - range	5.00 – 7.00%	5.00 – 7.00%	5.00 – 7.00%
Weighted average	5.62%	5.87%	5.88%
Car parks - range	5.25 – 8.75%	5.50 – 9.25%	5.50 – 9.25%
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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Note: Valuation based on combination of two approaches



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
– hourly (%)	13.0	13.0
Gross receipts		
– monthly users (%)	74.5	74.5
– hourly users (%)	25.5	25.5
Utilisation of car park space (%)	81.1	78.3
Income per space per month (HK\$)	1,338	1,193
Expense to income ratio (%)	35.5	40.2 ⁽¹⁾
Number of electric vehicle charging stations	55	46

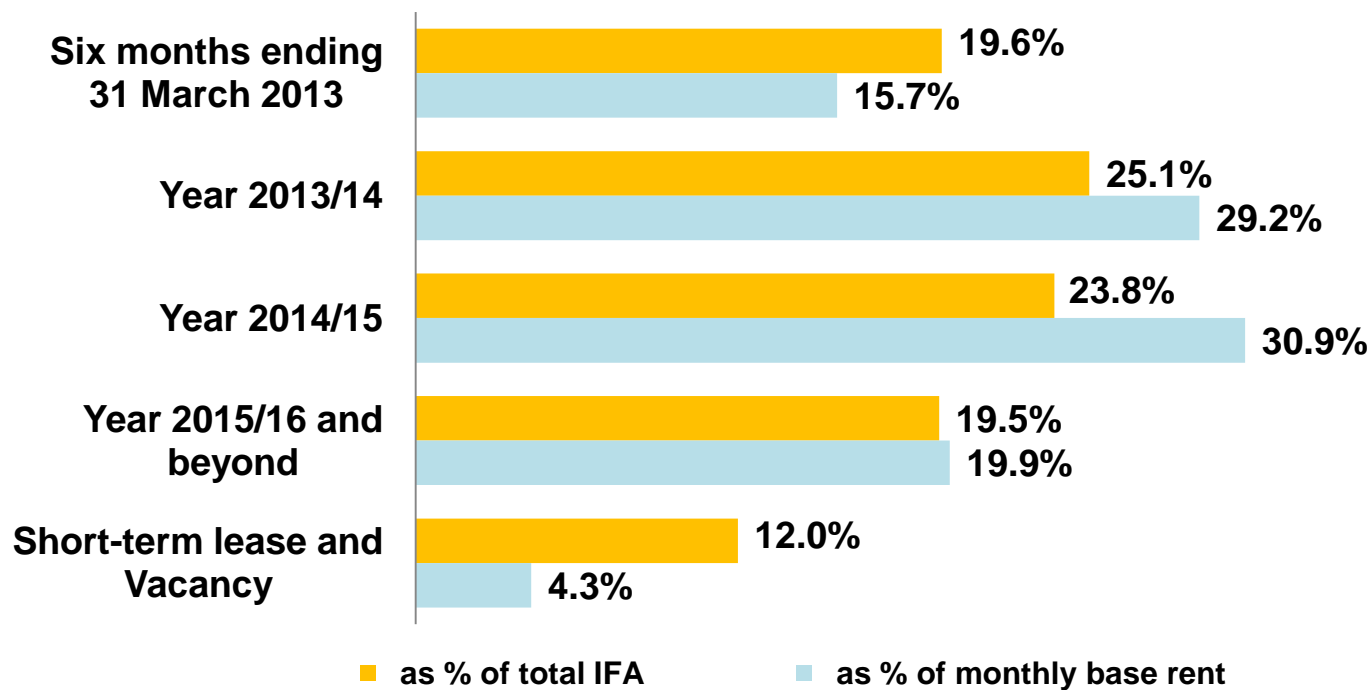
Note:

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



Overall Expiry Profile

Lease Expiry Profile



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