



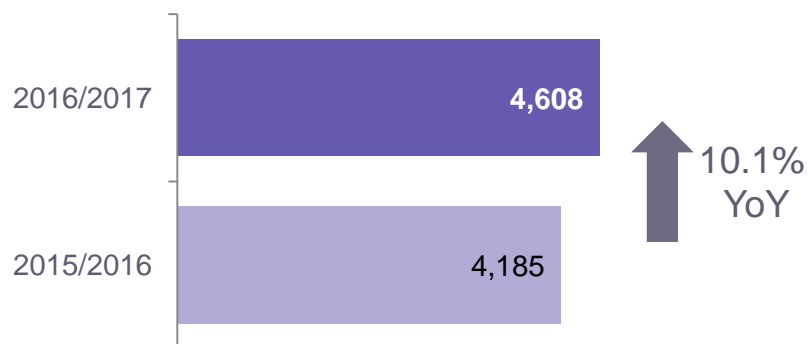
**2016/2017  
Interim Results  
Presentation**

**9 November 2016**

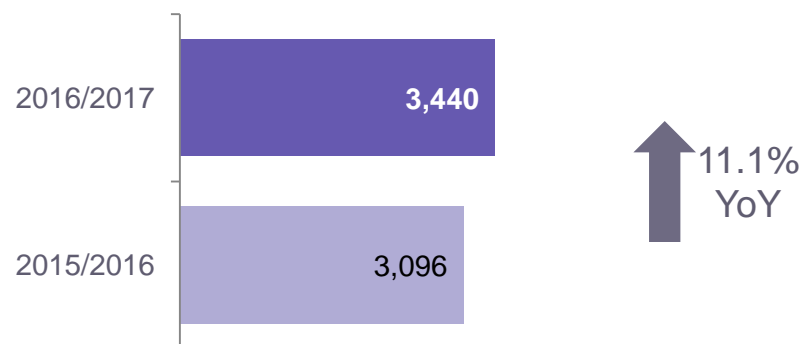
# Robust Financial Results

For the period ended 30 September 2016

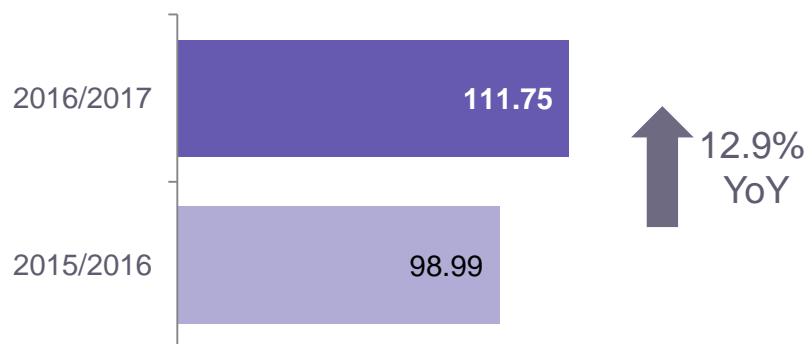
## Revenue (HK\$'M)



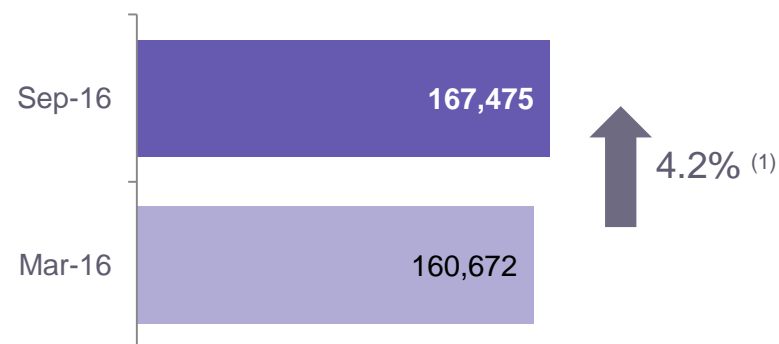
## Net Property Income (HK\$'M)



## Distribution per unit (HK cents)



## Valuation (HK\$'M)



Note:

(1) Comparison is based on 31 Mar 2016 figure.

# We Link People to a Brighter Future

## Our business growth drivers

## What we care about

## What we do



  
Asset/Brand

  
Staff

  
Tenant

  
Corporate Governance

  
Economy

  
Community

  
Environment

**1** Building a more productive and higher quality portfolio

**2** Maintaining a prudent and flexible capital structure

**3** Developing a strong management team

**4** Helping our tenants and communities grow while delighting shoppers

# Delivering Sustainable Long-term Values

## Maintaining high productivity

**95.9%**

Occupancy in Hong Kong



**98.3%**

Occupancy in Mainland China



**+3.8%**

Tenant gross sales growth



**12.0%**

Rent-to-sales ratio



## Continuously improving portfolio quality

**48**

Asset enhancement projects completed to date

**17**

Fresh markets upgraded to date <sup>(2)</sup>

**6**

Assets acquired in Hong Kong and Mainland China

**1**

Commercial development project

**23**

Assets disposed to date

## Contributing to the community

**HK\$38.1M**

Invested in community through Link Together Initiatives since 2013



**27.1%**

Reduction in energy consumption since 2010



**16,000+**

Tenant Academy participants to date



Notes:

(1) All figures as at 30 Sep 2016 and represent Hong Kong portfolio (unless stated otherwise).

(2) Includes 11 fresh markets refurbished by third party market operators.

# Financial Review

# Solid Financial Results

## Supported by New Investments

	6 months ended 30 Sep 2016 HK\$'M	6 months ended 30 Sep 2015 HK\$'M	Change
<b>Revenue <sup>(1)</sup></b>	<b>4,608</b>	4,185	↑10.1%
Property operating expenses	(1,168)	(1,089)	↑7.3%
<b>Net property income <sup>(2)</sup></b>	<b>3,440</b>	3,096	↑11.1%
<b>Total distributable income</b>	<b>2,452</b>	2,206	↑11.2%
Discretionary distribution <sup>(3)</sup>	42	24	↑75.0%
<b>Total distributable amount</b>	<b>2,494</b>	2,230	↑11.8%
<b>Distribution Per Unit (HK cents)</b>	<b>111.75</b>	98.99	↑12.9%
Total distributable amount as a percentage of total distributable income (%) <sup>(3)</sup>	<b>102%</b>	101%	↑1ppt

Notes:

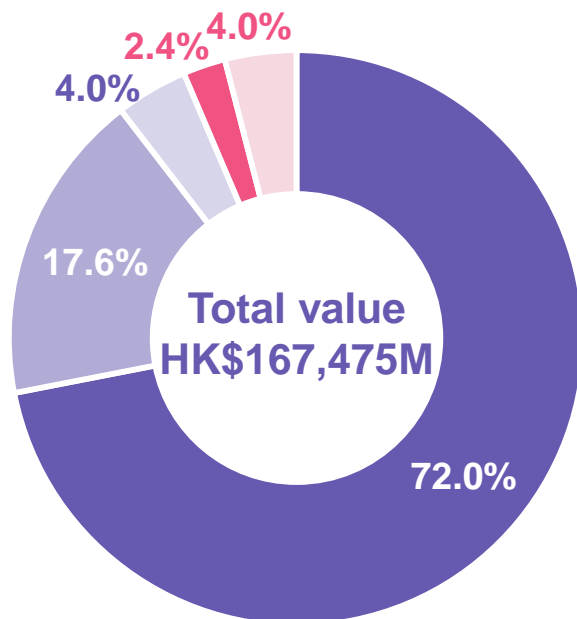
(1) Includes revenue of HK\$289M (2015: HK\$129M) from Mainland China portfolio.

(2) Includes net property income of HK\$232M (2015: HK\$95M) from Mainland China portfolio.

(3) Discretionary distribution was related to adjustment for depreciation charge on investment properties under China Accounting Standards during the period, which resulted in a payout ratio of 102% (2015: 101%).

# Continuous Value Creation By Enhancing Portfolio Quality

## Portfolio mix <sup>(1)</sup>



**HK\$58.20**  
NAV per unit

## Valuation <sup>(1)</sup>

Hong Kong	Sep-16 HK\$'M	Mar-16 HK\$'M	Change
● Retail	120,479	114,492	↑5.2%
● Car Park	29,490	28,888	↑2.1%
● Office <sup>(2)</sup>	6,780	6,300	↑7.6%
Mainland China	Sep-16 RMB'M	Mar-16 RMB'M	Change
● Retail <sup>(3)</sup>	3,450	3,430	↑0.6%
● Office <sup>(3)</sup>	5,780	5,730	↑0.9%

## Capitalisation rate <sup>(1)</sup>

	Hong Kong	Mainland China
Retail	4.53%	4.50% - 5.00%
Car Park	4.79%	-
Office	-	4.00%
Overall	4.58%	

Notes:

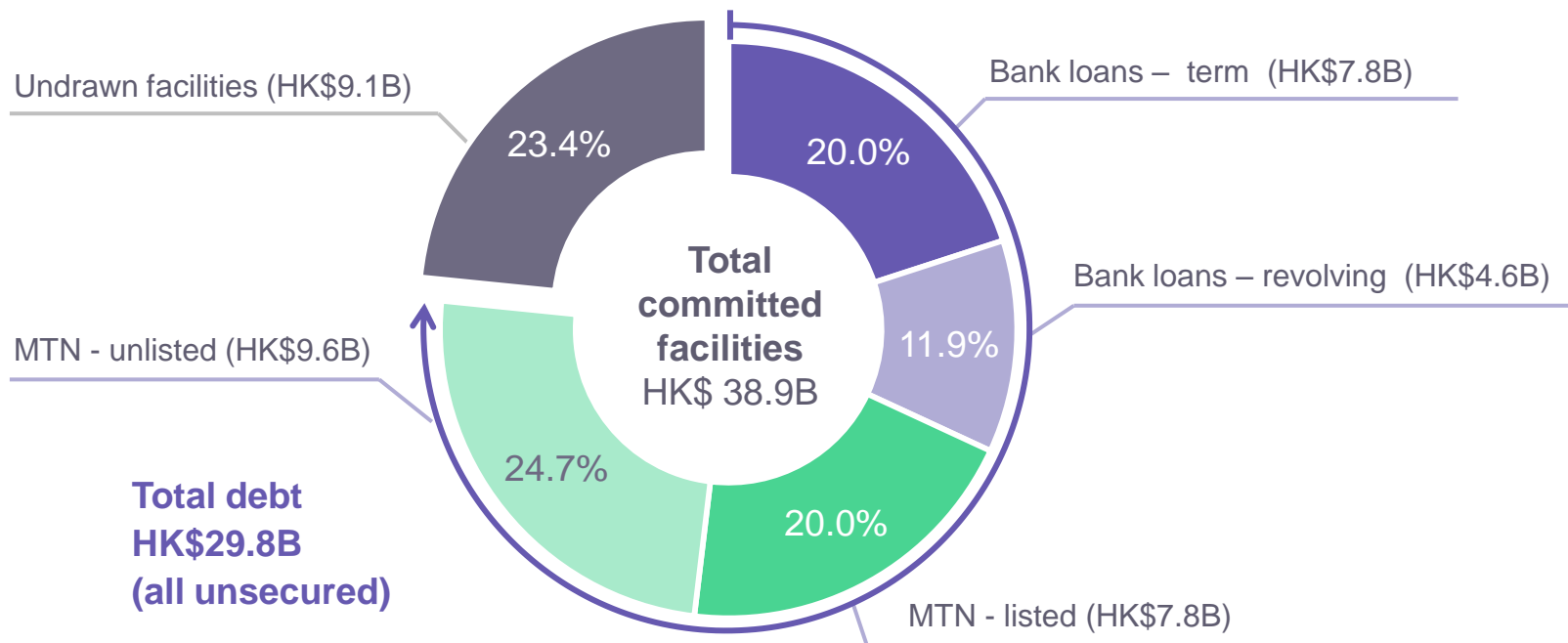
(1) As at 30 Sep 2016.

(2) Hong Kong office is under development and is valued using residual method.

(3) Due to a decline in RMB against HKD, values of Mainland China retail and office properties were slightly decreased to HK\$4,009 million (31 Mar 2016: HK\$4,116 million) and HK\$6,717 million (31 Mar 2016: HK\$6,876 million), respectively.

# Strong Capital Base Through Prudent Capital Management Strategy

## Diverse funding base



Committed debt  
maturity  
**5.1 years**

Credit ratings  
**A/Stable**  
**A2/Stable**

Gearing ratio  
**17.6%**

Fixed rate debt/  
total debt  
**60.1%**

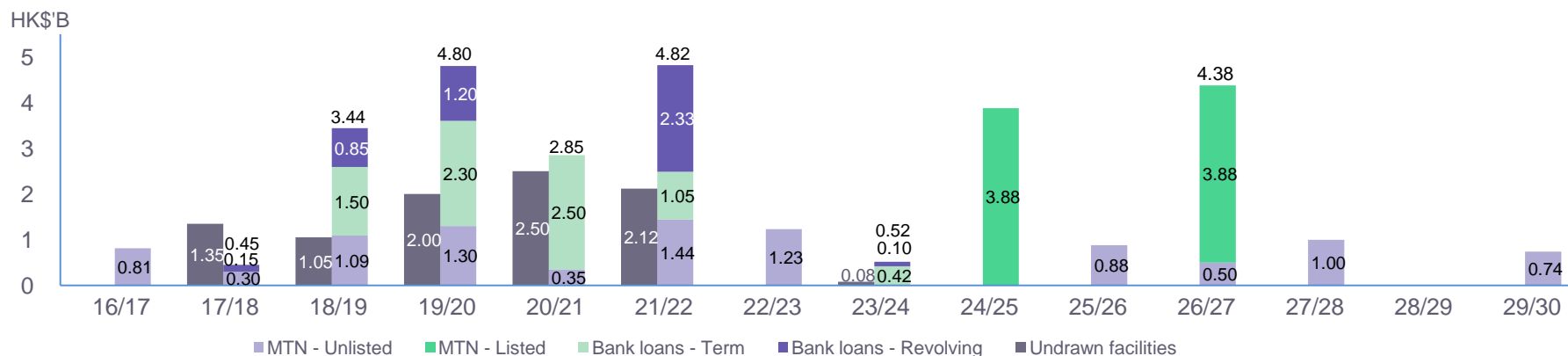
Effective  
interest rate  
**2.53%**

Note:

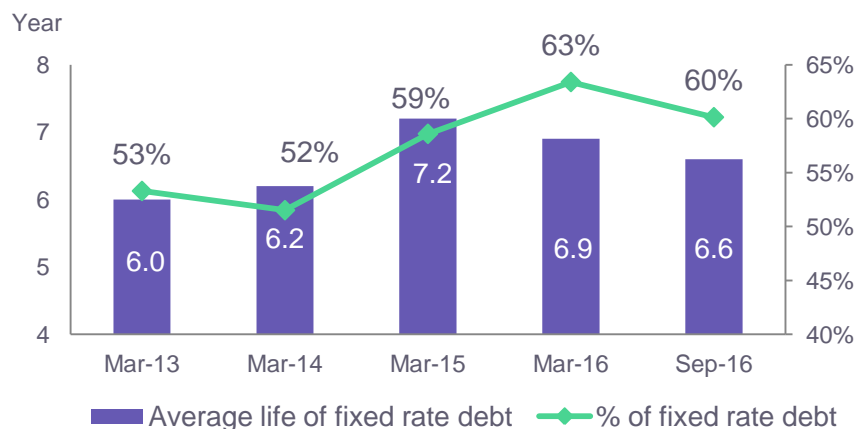
(1) All figures as at 30 Sep 2016.

# Active Financing Activities To Strengthen Capital Base

## Extending maturity with longer tenor debt <sup>(1)</sup>



## Maintained fixed rate debt portion at ~60%



## Green bond issuance in July 2016

- US\$500 million for 10 years at coupon rate of 2.875%
- First green bond issued by:
  - **Hong Kong business enterprise**
  - **Asia property company**
- Proceeds to be used to fund eligible green projects

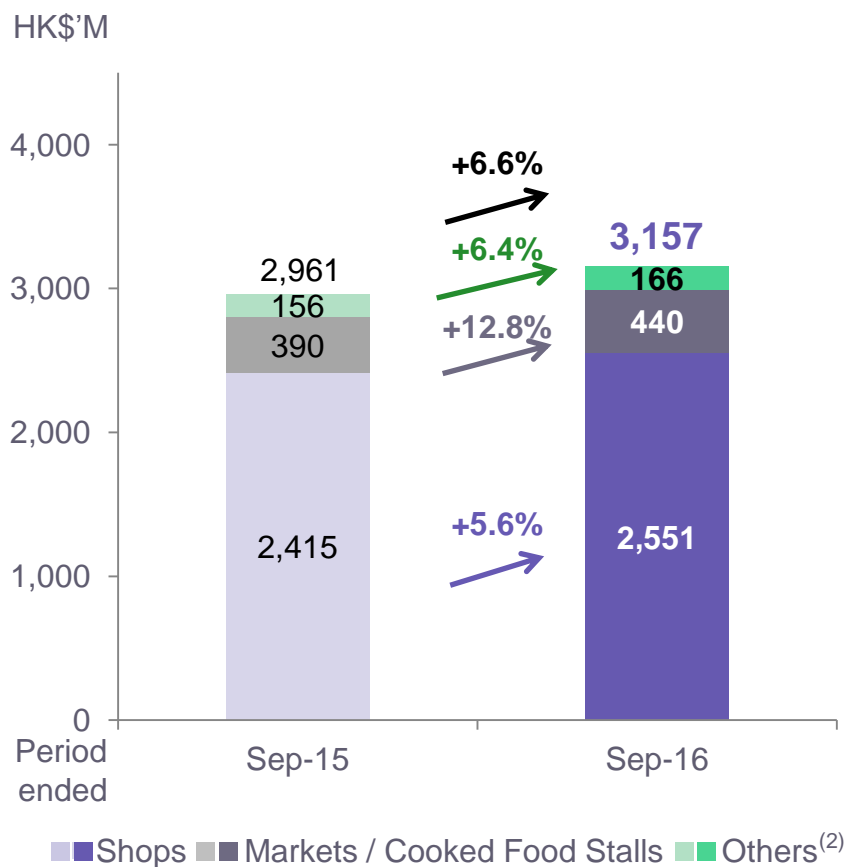
Note:

(1) All amounts are at face value as at 30 Sep 2016.

# Hong Kong Portfolio

# Resilient Retail Portfolio Drives Performance

## Retail rentals (1)



	Period ended 30 Sep 2016	Period ended 30 Sep 2015	Change
Reversion rate (%)	<b>21.0</b>	23.6	↓2.6ppts

	As at 30 Sep 2016	As at 31 Mar 2016	Change
Occupancy (%)	<b>95.9</b>	96.0	↓0.1ppts
Average unit rent (HK\$ psf)	<b>52.5</b>	50.0	↑5.0%

Notes:

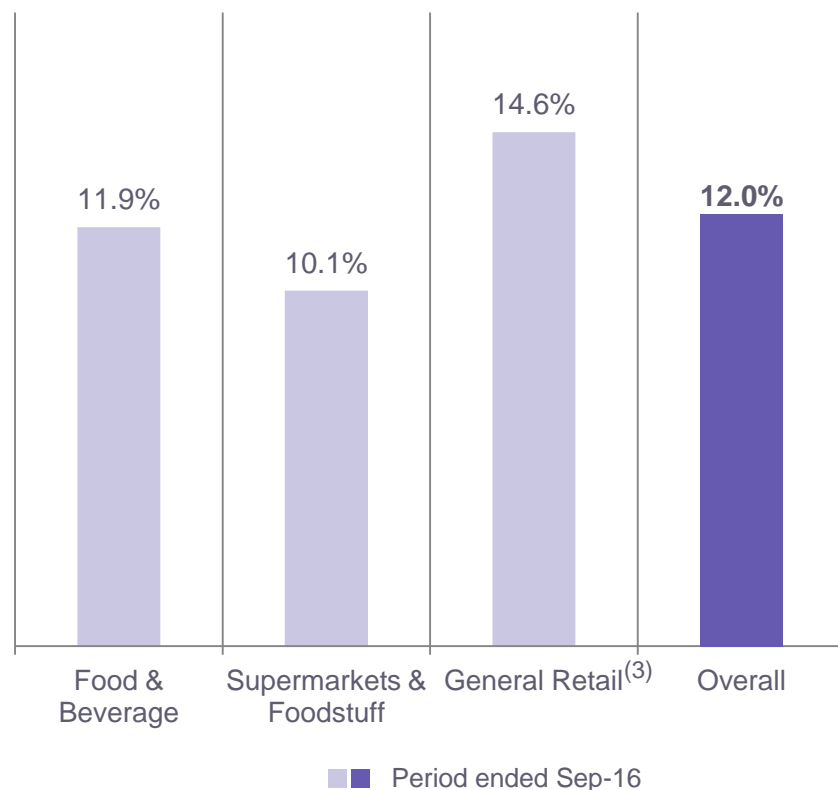
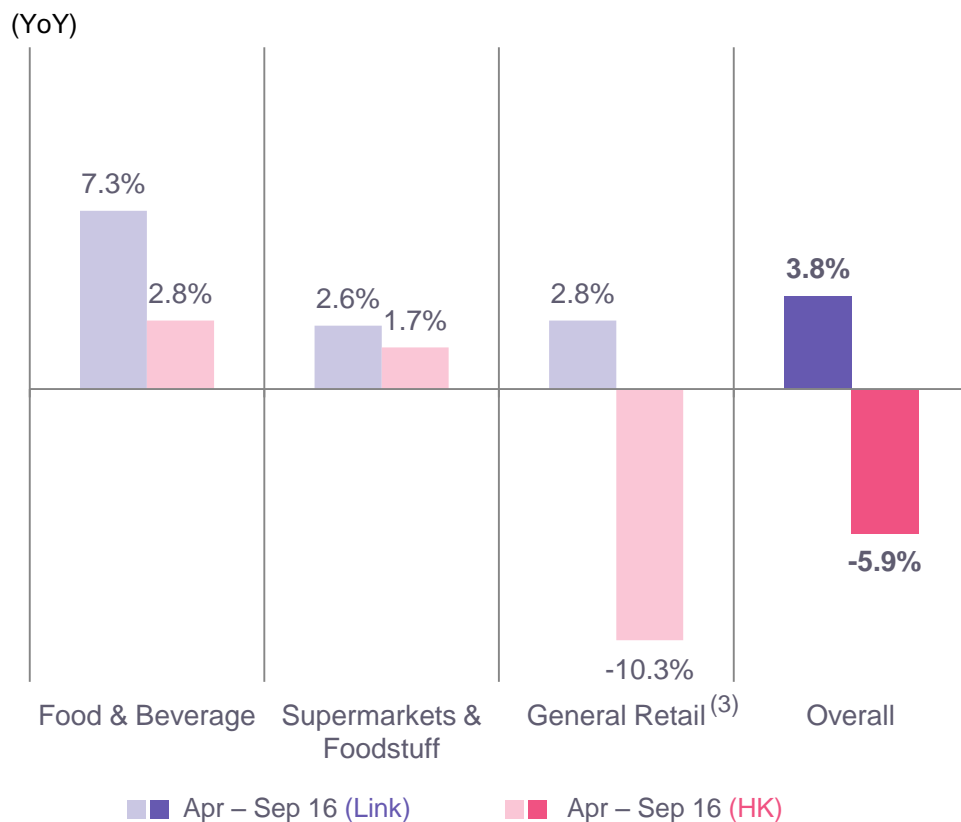
(1) Rental from shops includes base and turnover rents.

(2) Others including education/welfare and ancillary and mall merchandising.

# Link Tenants Outperforming the Market

**Tenants sales growth <sup>(1)</sup> supported by continuous efforts in tenant mix refinement**

**Stable rent-to-sales ratio <sup>(2)</sup> implies rent is still within tenants' affordable range**



Notes:

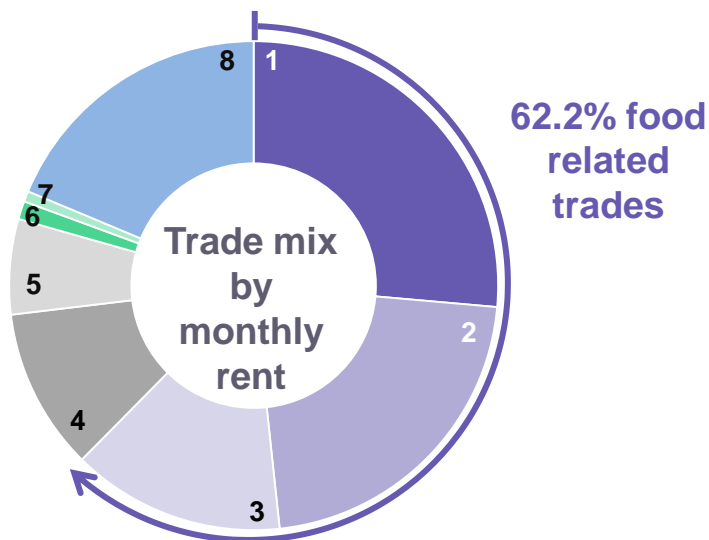
(1) Percentage figures represent year-on-year change in tenants' average monthly sales per square foot of the respective periods.

(2) A ratio of base rent plus management fee to tenants' gross sales.

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

# Link Remains as the Preferred Choice For Retailers

## Non-discretionary trade mix



	Sep-16
1. Food and beverage	26.2%
2. Supermarket and foodstuff	20.9%
3. Markets/ Cooked food stalls	15.1%
4. Services	10.7%
5. Personal care/ Medicine	6.5%
6. Education/ Welfare and ancillary	1.2%
7. Valuable goods (jewellery, watches and clocks)	0.8%
8. Others <sup>(1)</sup>	18.6%

## Regeneration of tenant mix with new tenants



## Continuous expansion by tenants



Sep-14: 2 shops  
Sep-16: 6 shops



Sep-14: 0 shops  
Sep-16: 3 shops



Sep-14: 17 shops  
Sep-16: 20 shops



Sep-14: 0 shops  
Sep-16: 7 shops

Note:

(1) Including clothing, department store, electrical and household products, optical, books and stationery, newspaper, leisure and entertainment.

# Improving Portfolio Quality Through Asset Enhancements

## Projects completed in 1H 2016/2017

### Butterfly Plaza (incl. fresh market)



**CAPEX: HK\$286M**  
**ROI: 15.1%**

### Lei Tung Commercial Centre



**CAPEX: HK\$62M**  
**ROI: 20.3%**

### Tin Chak Shopping Centre



**CAPEX: HK\$20M**  
**ROI: 23.1%**

### Sau Mau Ping Shopping Centre



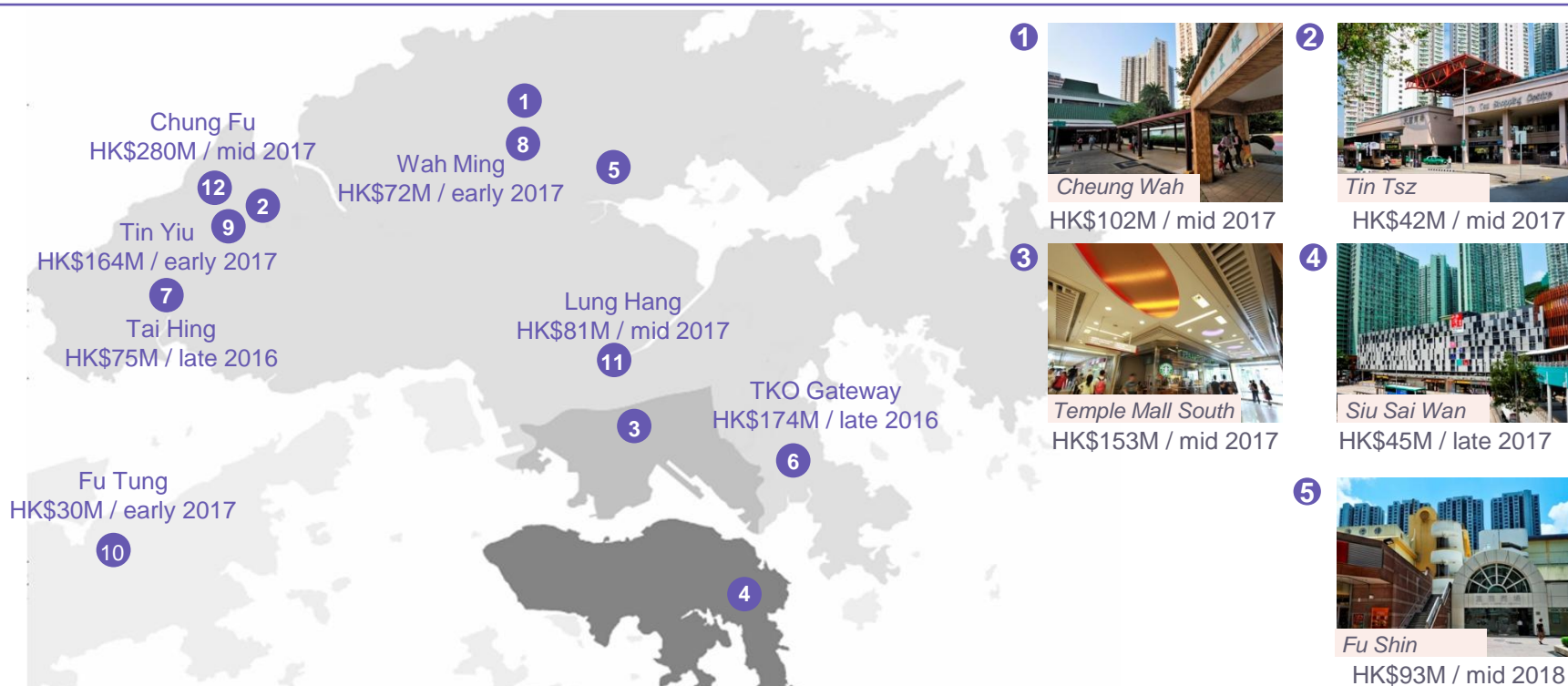
**CAPEX: HK\$59M**  
**ROI: 28.9%**

Note:

(1) Estimated return on investment ("ROI") is calculated based on projected annualised net property income post-project minus net property income pre-project divided by estimated project capital expenditures and loss of rental.

# Continuous Asset Enhancement Pipeline to 2022

## Projects underway <sup>(1)</sup>



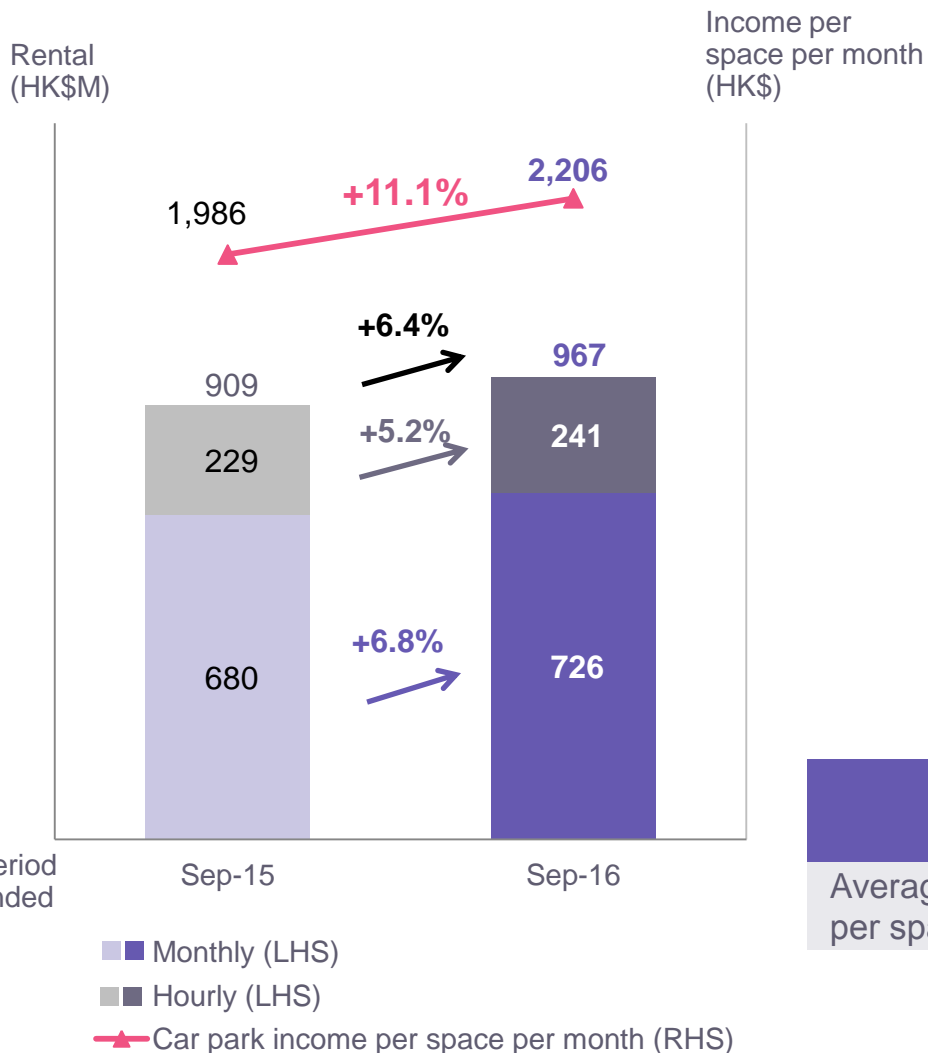
## Pipeline extending to 2022

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Projects underway	12 (HK\$1,311M)					
Projects to commence		9 (HK\$686M)				
Others under planning			>16 (>HK\$1,100M)			

Note:

(1) Estimated costs/ target completion dates as at 30 Sep 2016.

# Car Park Performance Remains Resilient











## Key growth drivers



	As at 30 Sep 2016	As at 31 Mar 2016	Change
Average valuation per space (HK\$'000)	409	384	↑6.5%

# Disciplined Cost Control

## Property operating expenses

	Sep-16 (HK\$'M)	Sep-15 (HK\$'M)	Change
 Property manager's fees, security & cleaning	279	285	↓2.1%
 Staff costs	215	182	↑18.1%
 Repair & maintenance	117	109	↑7.3%
 Utilities	180	173	↑4.0%
 Government rents & rates	147	129	↑14.0%
 Promotion & marketing	49	48	↑2.1%
 Estate common area costs	53	62	↓14.5%
 Other property operating expenses	71	67	↑6.0%
<b>Total</b>	<b>1,111</b>	<b>1,055</b>	<b>↑5.3%</b>

Higher accrual for long-term incentive provisions

Increased number of air-conditioned assets

Mainly due to property revenue growth

**Hong Kong portfolio  
NPI margin  
74.3%**

# Enhance Portfolio Quality and Recycle Capital Through Asset Disposal

## Rationale

- Part of the strategy for capital recycling and to enhance portfolio quality
- Disposals included a range of assets by size (HK\$33M – HK\$746M) and by type (both retail and car parks)

## Use of proceeds

- For debt repayment and general working capital
- Unit buyback to neutralise loss in DPU
- For new investments to expand and upgrade portfolio

## Disposal criteria

Relatively smaller assets

Lack of synergy

Limited AE potential

	No. of disposed properties	Total area (sq. ft.)	Total transacted price (HK\$M)	Premium to valuation	Holding period IRR <sup>(4)</sup>
FY2014/2015	9	308,992	2,956	33% <sup>(1)</sup>	14% - 30%
FY2015/2016	5	181,055	1,716	30% <sup>(2)</sup>	15% - 23%
FY2016/2017	9	329,152	3,652	19% <sup>(3)</sup>	13% - 22%
<b>Total</b>	<b>23</b>	<b>819,199</b>	<b>8,324</b>		

Notes:

(1) Compared to valuation as at 31 Mar 2014.

(2) Compared to valuation as at 30 Sep 2015.

(3) Compared to valuation as at 31 Mar 2016.

(4) Property level unleveraged IRR from IPO to disposal.

# Asset Disposals Announced in October 2016



- On 28 October 2016, Link announced the tendering of 5 properties for disposal, representing about 1.68% of total gross asset value <sup>(1)</sup>
- Expected date of tender close is 15 December 2016

Property	Valuation <sup>(1)</sup> (HK\$'M)
Cheung Hong Commercial Centre	992.0
On Yam Shopping Centre	394.0
Shek Wai Kok Commercial Centre	575.2
Sui Wo Court Commercial Centre	507.0
Sun Tin Wai Commercial Centre	274.8

Note:

(1) Valuation as at 31 Mar 2016.

# Mainland China Portfolio

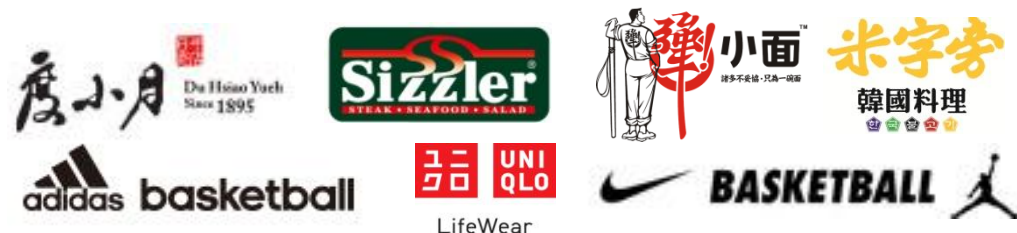
# EC Mall in Beijing

## High Occupancy and Strong Reversion

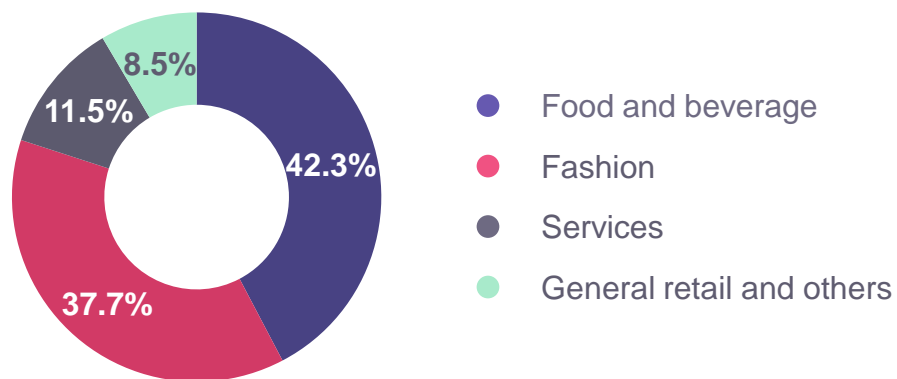


Occupancy <sup>(1)</sup>	99.0%
Reversion <sup>(2)</sup>	43.9%

### Selected tenants



### Trade Mix (by leased area) <sup>(1)</sup>



### Lease expiry profile <sup>(1)</sup>

	As % of total area	As % of monthly rent
2016/2017	6.5%	14.7%
2017/2018	20.8%	27.4%
2018/2019 and beyond	71.7%	57.9%
Vacancy	1.0%	-

Notes:

(1) As at 30 Sep 2016.

(2) For the period ended 30 Sep 2016.

# Corporate Avenue 1 & 2 in Shanghai

## Excellent Quality Asset with Stable Performance



Office occupancy <sup>(1)</sup>

98.4%

Office reversion <sup>(2)</sup>

8.3%

### Selected tenants



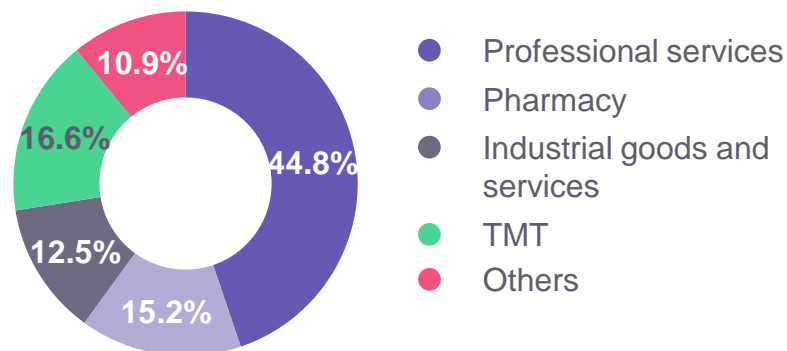
Disney



BANG & OLUFSEN



### Office tenant mix (by leased area) <sup>(1)</sup>



### Office lease expiry profile <sup>(1)</sup>

	As % of total area	As % of monthly rent
2016/2017	27.4%	27.4%
2017/2018	15.5%	18.4%
2018/2019 and beyond	55.5%	54.2%
Vacancy	1.6%	-

Notes:

(1) As at 30 Sep 2016.

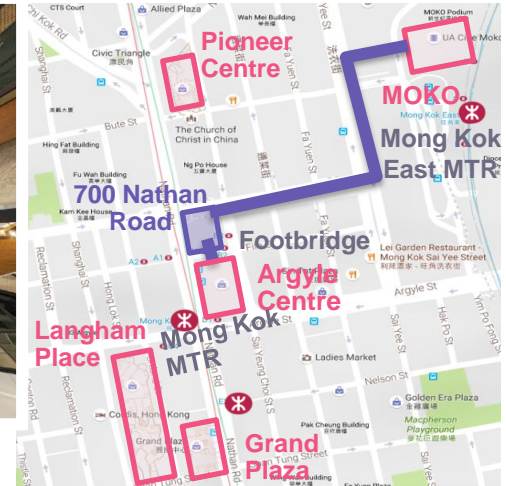
(2) For the period ended 30 Sep 2016.

# New Initiatives & Investment Update

# 700 Nathan Road

## Young and Vibrant Commercial Complex

Artist rendering



### Target trade mix

- **Tower (approx 170,600 sq. ft.)**  
Semi-retail/services such as medical clinics, education, sport & fitness and beauty etc
- **Retail podium (approx 114,200 sq. ft.)**  
General retail targeting a broad range of shoppers

### Latest updates:

- Finalised design; starting construction work; conducting preliminary leasing discussions

### Timing:

- Scheduled to start operation around the end of 2017

# 77 Hoi Bun Road

## Best-in-class Commercial Development

### Project features:

- Twin towers with connected floors of about 45,000 sq. ft. floor plate and a three-level retail podium

### Latest updates:

- Approx. HK\$600M savings from lower contracted construction costs; total project cost is revised to HK\$9.9B
- Starting construction of main structure; received LEED Platinum pre-certification

### Timing:

- Scheduled to be completed in 2019



**Total area: 883,681 sq. ft.**  
(Office: 797,998 sq.ft./ Retail: 85,682 sq.ft.)  
Joint development by Link (60%) and Nan Fung (40%)

# Asset Management Model to Enhance Value



## Asset Management team

- Currently manages 20+ Link's largest and strategically most important properties in Hong Kong and Mainland China
- Expanding the team to prepare for broader coverage
- Manage operations, drive customer focus, enhance efficiency and create value for each cluster
- Understand both tenants' and customers' needs to develop long-term asset plans

## Asset Management in Hong Kong

<b>No. of clusters</b>	5 <sup>(1)</sup>
<b>No. of assets<sup>(2)</sup> per cluster</b>	3-5
<b>Total area per cluster</b>	Approx 500-740k sq. ft.
<b>% of Hong Kong portfolio under Asset Management Model</b>	~35.8% by total valuation <sup>(3)</sup>

Notes:

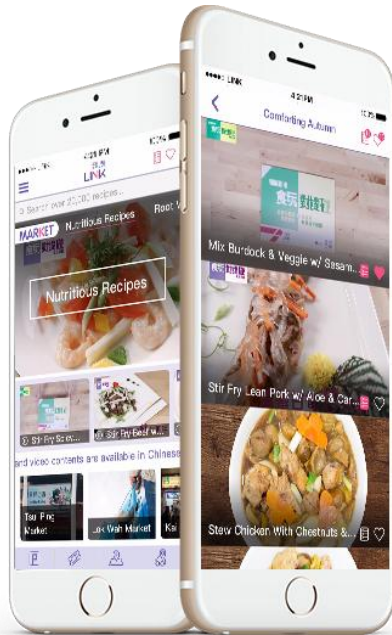
(1) 5 clusters in Tseung Kwan O, Kowloon East, Central Kowloon, Tuen Mun and Tin Shui Wai.

(2) Comprises of Destination and Community Shopping Centres.

(3) Valuation as at 30 Sep 2016.

# Park & Dine App

## Extending Functions to Create More Opportunities



**101,000+ <sup>(1)</sup>**  
downloads since  
launch in early 2016

### PARK

- Doubled “**Find My Car**” coverage to 32 car parks

### ACCESS

- Expanded “**LINKwifi**” to 47 shopping centres\*
- Introduced “**in app e-directory**” at Temple Mall

### DINE

- Expanded “**E-Queuing**” covering 15 shopping centres



### COOK

- >20,000 recipe search
- Food purchase and delivery service
- Nearest market recommendation



\* Target to expand to 108 properties by Q2 2017.

## Link Together Initiatives

- In 2016/2017, HK\$10.2 million has been earmarked for 5 community service projects and 49 local neighbourhood projects
- Number of recipients of Link scholarship will increase from 100 in 2015/2016 to 200 in 2016/2017



## Link Tenant Academy

- Support tenants through quarterly seminars and workshops
- Topics ranging from shop design, customer service to latest industry trends
- 16,000+ participants to date



# Outlook and Strategy

# Remain Confident Amidst Weakening Macro Conditions

## Hong Kong

Slower but positive GDP growth

**+1.7%** (2Q16, YoY)

Softened retail sales value growth for non-discretionary trades

**+0.9%** (3Q16, YoY)

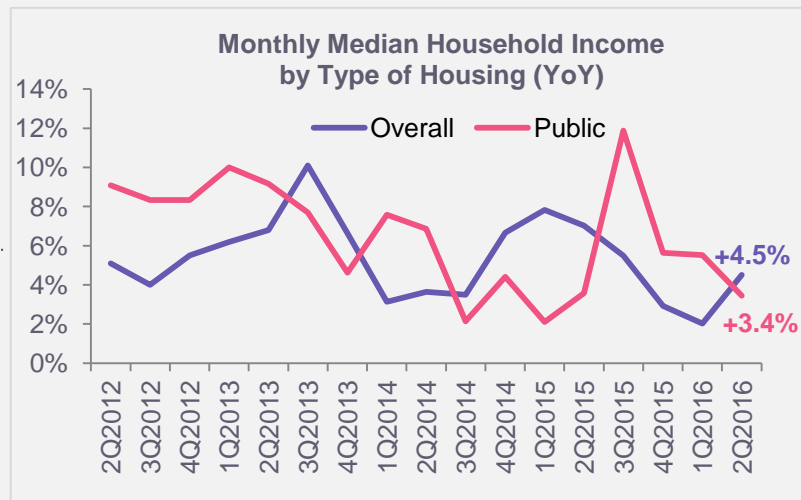
Source: HK Census & Statistics Department

Continuously low unemployment rate

**3.4%** (3Q16)

Steady growth in monthly median household income for public housing

**+3.4%** (2Q16, YoY)



## Mainland China

Moderate GDP growth

**+6.7%** (3Q16, YoY)

Source: National Bureau of Statistics

Increasing per capita disposable income of urban households in Beijing

**+8.4%** (1Q-3Q16, YoY)

Source: Beijing Statistical Information Net

Stable retail sales growth in Beijing

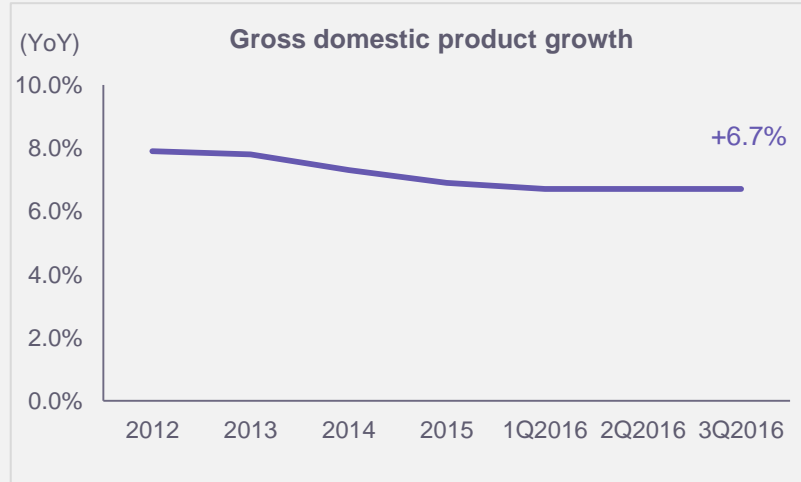
**+4.8%** (1Q-3Q16, YoY)

Source: Beijing Statistical Information Net

Improving Shanghai CBD office rental index

**+4.7%** (3Q16, YoY)

Source: JLL



# Focus on Strategic Priorities and Execution

1

## Building a More Productive and Higher Quality Portfolio

- Enhance quality through improving management and innovation
- Target stable NPI and DPU growth

2

## Maintaining a Prudent and Flexible Capital Structure

- Maintain optimal credit ratings
- Increase capital efficiency

3

## Developing a Strong Management Team

- Attract and develop talent
- Promote diversity and inclusiveness

4

## Helping our Tenants and Communities Grow while Delighting Shoppers

- Provide a platform to grow with tenants
- Extend the reach and impact of Link Together Initiatives

# Investor Information

## Interim Distribution Calendar

Distribution period	April 2016 – September 2016
Last day of trading on a “cum” basis	21 November 2016
Ex Distribution date	22 November 2016
Distribution book close	24 November – 28 November 2016 (both days inclusive)
Record date for entitlement to cash distribution <sup>(1)</sup>	28 November 2016
Payment of cash distribution <sup>(1)</sup>	2 December 2016

Note:

(1) There is no scrip alternative for this distribution.



Q&A's

# Appendix

# Additional Data 1: Income Statement Summary

	6 months ended 30 Sep 2016 HK\$'M	6 months ended 30 Sep 2015 HK\$'M	YoY %
Revenue <sup>(1)</sup>	4,608	4,185	10.1
Property operating expenses	(1,168)	(1,089)	7.3
Net property income	3,440	3,096	11.1
General and administrative expenses	(157)	(163)	(3.7)
Interest income	2	4	(50.0)
Finance costs on interest bearing liabilities	(275)	(216)	27.3
Gain on disposal of investment properties	586	-	N/A
Profit before taxation, change in fair values of investment properties and transactions with Unitholders	3,596	2,721	32.2
Change in fair values of investment properties	2,978	5,785	(48.5)
Taxation	(517)	(466)	10.9
Non-controlling interest	(104)	(31)	235.5
<b>Profit for the period, before transactions with Unitholders attributable to Unitholders</b>	<b>5,953</b>	<b>8,009</b>	<b>(25.7)</b>

Note:

(1) Revenue recognised during the period comprise retail and commercial properties rentals of HK\$3,439M, car parks rentals of HK\$967M and other revenues of HK\$202M.

## Additional Data 2: Distribution Statement Summary

	6 months ended 30 Sep 2016 HK\$'M	6 months ended 30 Sep 2015 HK\$'M	YoY %
Profit for the period, before transactions with Unitholders	5,953	8,009	(25.7)
Change in fair values of investment properties attributable to Unitholders	(2,874)	(5,754)	(50.1)
Deferred taxation on change in fair values of investment properties attributable to Unitholders	8	17	(52.9)
Other non-cash income	(36)	(42)	(14.3)
Depreciation charge on investment properties under China Accounting Standards	(42)	(24)	75.0
Gain on disposal of investment properties, net of transaction costs	(557)	-	N/A
Total distributable income	2,452	2,206	11.2
Discretionary distribution <sup>(1)</sup>	42	24	75.0
<b>Total distributable amount</b>	<b>2,494</b>	<b>2,230</b>	<b>11.8</b>
<b>Distribution per unit (HK cents)</b>	<b>111.75</b>	<b>98.99</b>	<b>12.9</b>

Note:

(1) Discretionary distribution was related to adjustment for depreciation charge on investment properties under China Accounting Standards during the period.

# Additional Data 3:

## Financial Position & Investment Properties

### Financial Position Summary

HK\$'M	As at 30 Sep 2016	As at 31 Mar 2016	As at 30 Sep 2015
Total Assets	169,299	163,452	157,405
Total Liabilities	39,270	36,011	35,209
Non-controlling interest	158	54	31
<b>Net Assets Attributable to Unitholders</b>	<b>129,871</b>	<b>127,387</b>	<b>122,165</b>
Units in Issue (M)	2,231.3	2,243.1	2,252.5
<b>Net Asset Value Per Unit</b>	<b>\$58.20</b>	<b>\$56.79</b>	<b>\$54.24</b>

### Fair Value of Investment Properties

HK\$'M	As at 30 Sep 2016	As at 31 Mar 2016	As at 30 Sep 2015
At beginning of period / year	160,672	138,383	138,383
Acquisition	6,414 <sup>(1)</sup>	10,974 <sup>(2)</sup>	10,974
Exchange adjustments	(348)	(225)	(49)
Additions	818	1,594	658
Disposals	(3,059)	(1,317)	-
Change in fair values of investment properties	2,978	11,263	5,785
	167,475	160,672	155,751
Reclassify to "Investment properties held for sale"	-	(3,060)	(1,317)
At end of period / year	167,475	157,612	154,434

Notes:

(1) Including acquisition consideration of HK\$5,910 million and related transaction costs for 700 Nathan Road in Mong Kok.

(2) Represents acquisitions of EC Mall in Beijing and Corporate Avenue 1 & 2 in Shanghai.

## Additional Data 4: Valuation

	As at 30 Sep 2016	As at 31 Mar 2016	As at 30 Sep 2015
Retail properties	120,479	114,492	111,355
Car parks	29,490	28,888	27,250
Property under development	6,780	6,300	6,050
Properties in Mainland China	10,726	10,992	11,096
<b>Total</b>	<b>167,475</b>	<b>160,672</b>	<b>155,751</b>

### Income Capitalisation Approach – Capitalisation Rate

#### Hong Kong

Retail properties	3.40-5.20%	3.40 – 5.20%	3.40 – 5.20%
Retail properties: weighted average	4.53%	4.54%	4.56%
Car parks	3.80 – 6.00%	3.80 – 6.00%	3.80 – 6.00%
Car parks: weighted average	4.79%	4.78%	4.77%
Overall weighted average	4.58%	4.59%	4.60%

#### Mainland China<sup>(1)</sup>

Retail properties	4.50 – 5.00%	4.50 – 5.00%	4.50 – 5.00%
Office properties	4.00%	4.00%	4.00%

### DCF Approach – Discount Rate

#### Hong Kong

	7.50%	7.50%	7.50%
<b>Mainland China <sup>(1)</sup></b>			
Retail properties	8.00 – 9.00%	8.00 – 9.00%	8.00 – 9.00%
Office properties	7.50%	7.50%	7.50%

Independent valuer: CBRE

Note:

(1) Acquisitions of EC Mall in Beijing and Corporate Avenue 1 & 2 in Shanghai were completed on 1 April 2015 and 31 August 2015, respectively.

# Additional Data 5:

## HK Portfolio - Revenue Analysis

	6 months ended 30 Sep 2016 HK\$'M	6 months ended 30 Sep 2015 HK\$'M	YoY %	Percentage contribution 6 months ended 30 Sep 2016 %
<b>Retail rentals:</b>				
Shops <sup>(1)</sup>	2,551	2,415	5.6	59.1
Markets / Cooked Food Stalls	440	390	12.8	10.2
Education / Welfare and Ancillary	74	72	2.8	1.7
Mall Merchandising	92	84	9.5	2.1
<b>Car park rentals:</b>				
Monthly	726	680	6.8	16.8
Hourly	241	229	5.2	5.6
<b>Expenses recovery and other miscellaneous revenue:</b>				
Property related revenue <sup>(2)</sup>	195	186	4.8	4.5
<b>Total</b>	<b>4,319</b>	<b>4,056</b>	<b>6.5</b>	<b>100.0</b>

Notes:

(1) Rental from shops includes turnover rent of HK\$65 million (2015: HK\$67 million).

(2) Including other revenue from retail properties of HK\$193 million (2015:HK\$183 million) and car park portfolio of HK\$2 million. (2015:HK\$3 million).

## Additional Data 6: HK Portfolio - Expenses Analysis

	6 months ended 30 Sep 2016 HK\$'M	6 months ended 30 Sep 2015 HK\$'M	YoY %	Percentage contribution 6 months ended 31 Mar 2016 %
Property managers' fees, security and cleaning	279	285	(2.1)	25.1
Staff costs	215	182	18.1	19.4
Repair and maintenance	117	109	7.3	10.5
Utilities	180	173	4.0	16.2
Government rent and rates	147	129	14.0	13.2
Promotion and marketing expenses	49	48	2.1	4.4
Estate common area costs	53	62	(14.5)	4.8
Other property operating expenses	71	67	6.0	6.4
<b>Total property expenses</b>	<b>1,111</b>	<b>1,055</b>	<b>5.3</b>	<b>100.0</b>

# Additional Data 7:

## HK Retail Portfolio by Shopping Centre Categories

	No. of properties	Total area ('000 sq. ft.)	Valuation (HK\$'M)	Retail rentals (HK\$'M)	Average monthly unit rent (HK\$ psf)		Occupancy rate (%)	
		As at 30 Sep 2016	As at 30 Sep 2016	6 months ended 30 Sep 2016	As at 30 Sep 2016	As at 30 Sep 2015	As at 30 Sep 2016	As at 30 Sep 2015
Destination	6	1,184	21,522	526	71.8	66.7	96.9	98.4
Community	38	4,184	59,564	1,629	63.1	58.2	96.6	95.6
Neighbourhood	86	4,385	33,277	971	36.5	34.2	95.0	93.8
700 Nathan Road <sup>(1)</sup>	1	N/A	6,116	13	N/A	-	N/A	-
9 properties disposed in May 2016	-	-	-	18	-	27.1	-	93.8
Overall	131	9,753	120,479	3,157	52.5	47.4	95.9	95.1

Note:

(1) The acquisition of 700 Nathan Road was completed on 15 Apr 2016. As at 30 Sep 2016, the tower portion and retail podium were vacant in preparation for renovation; only several street shops were leased which will expire before the end of 2016.

# Additional Data 8:

## HK Portfolio - Retail Trade Mix by Monthly Base Rent

	As at 30 Sep 2016 %	As at 30 Sep 2015 %
Food and Beverage	26.2	25.5
Supermarket and Foodstuff	20.9	22.7
Markets / Cooked Food Stalls	15.1	14.0
Services	10.7	10.9
Personal Care/ Medicine	6.5	8.2
Education / Welfare and Ancillary	1.2	1.3
Valuable Goods (Jewellery, Watches and Clocks)	0.8	0.7
Others <sup>(1)</sup>	18.6	16.7
<b>Total</b>	<b>100.0</b>	100.0

Note:

(1) Including clothing, department store, electrical and household products, optical, books and stationery, newspaper, leisure and entertainment.

# Additional Data 9:

## HK Portfolio - Portfolio Metrics

	As at 30 Sep 2016	As at 31 Mar 2016	Change
<b>Average monthly unit rent (psf pm)</b>			
■ Shops	HK\$ 52.6	HK\$ 50.6	4.0%
■ Overall (ex Self use office)	HK\$ 52.5	HK\$ 50.0	5.0%
<b>Occupancy rate</b>			
■ Shops	97.1%	97.1%	-
■ Markets/Cooked Food Stalls	89.4%	89.1% <sup>(1)</sup>	0.3ppts
■ Education/Welfare and Ancillary	91.3%	92.4%	(1.1)pts
■ Overall	95.9%	96.0%	(0.1)pts
	6 months ended 30 Sep 2016	6 months ended 30 Sep 2015	YoY Change
<b>Composite reversion rate</b>			
■ Shops	21.2%	29.5%	(8.3)ppts
■ Markets/Cooked Food Stalls	17.8%	1.1% <sup>(1)</sup>	16.7ppts
■ Education/Welfare and Ancillary	19.1%	18.7%	0.4ppts
■ Overall	21.0%	23.6%	(2.6)ppts
<b>Net property income margin</b>	74.3%	74.0%	0.3ppts
<b>Car park income per space per month</b>	HK\$ 2,206	HK\$ 1,986	11.1%

Note:

(1) Despite a slower increase in reversion due to partnership with experienced fresh market operators, improvements in occupancy and cost savings have been observed.

## Additional Data 10: HK Portfolio - Lease Expiry Profile

As at 30 September 2016	As % of total area %	As % of monthly rent %
FY2016/2017	14.8	16.6
FY2017/2018	26.5	29.9
FY2018/2019	27.2	25.3
FY2019/2020	10.6	10.3
FY2020/2021 and beyond	13.0	13.8
Short-term Lease and Vacancy	7.9	4.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

# Additional Data 11:

## Key Credit Metrics by Rating Agencies

	As at 30 Sep 2016 <sup>(3)</sup>	As at 31 Mar 2016 <sup>(4)</sup>	S&P (A / Stable)	Moody's (A2 / Stable)
Total debt / total assets	<b>17.6%</b>	16.5%	N/A	< 30%
Debt / debt and equity <sup>(1)</sup>	<b>18.7%</b>	17.5%	< 35%	N/A
FFO <sup>(2)</sup> / debt (annualised)	<b>16.8%</b>	17.8%	> 15%	N/A
EBITDA interest coverage	<b>8.6 x</b>	10.0 x	N/A	> 5.0x
Total debt / EBITDA (annualised)	<b>4.5 x</b>	4.4 x	N/A	< 5.5x

### Notes:

(1) Equity is equal to net assets attributable to Unitholders.

(2) Funds from operations is calculated by net cash generated from operating activities with adjustments for operating lease expense, interest expenses and income.

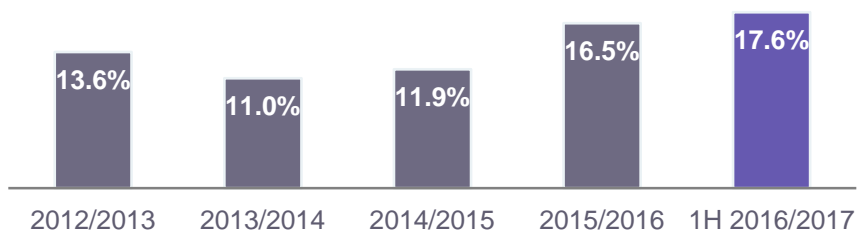
(3) Preliminary figures to be confirmed by rating agencies.

(4) Figures based on reports of rating agencies.

# Additional Data 12: Credit Profile – Strong Credit Metrics

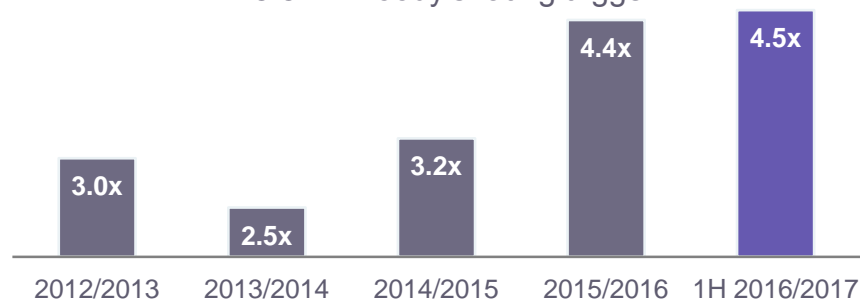
Total Debt <sup>(1)</sup> / Total Asset

>30% – Moody's rating trigger



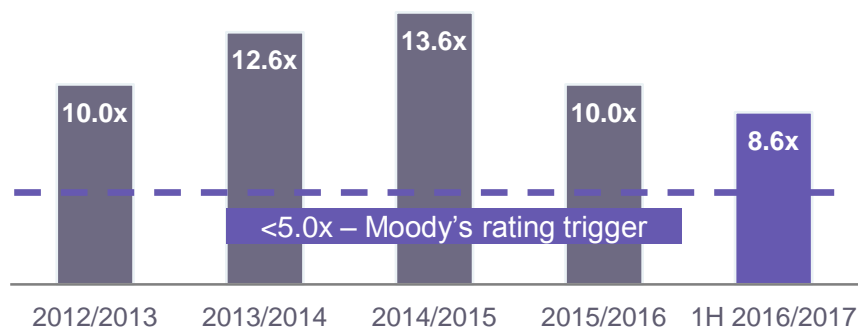
Total Debt / EBITDA

>5.5x – Moody's rating trigger



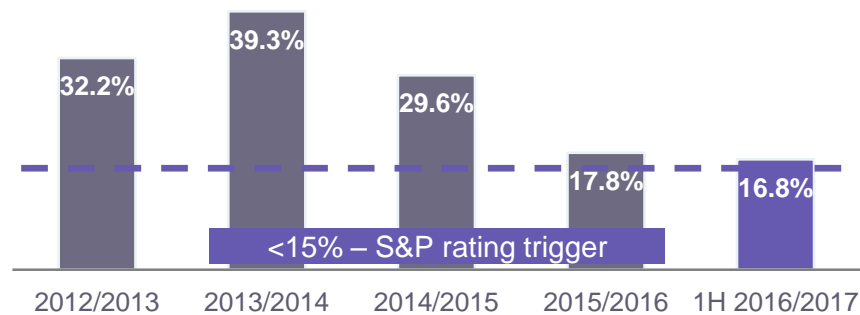
EBITDA Interest Coverage

<5.0x – Moody's rating trigger



Funds from Operations <sup>(2)</sup> / Total Debt

<15% – S&P rating trigger

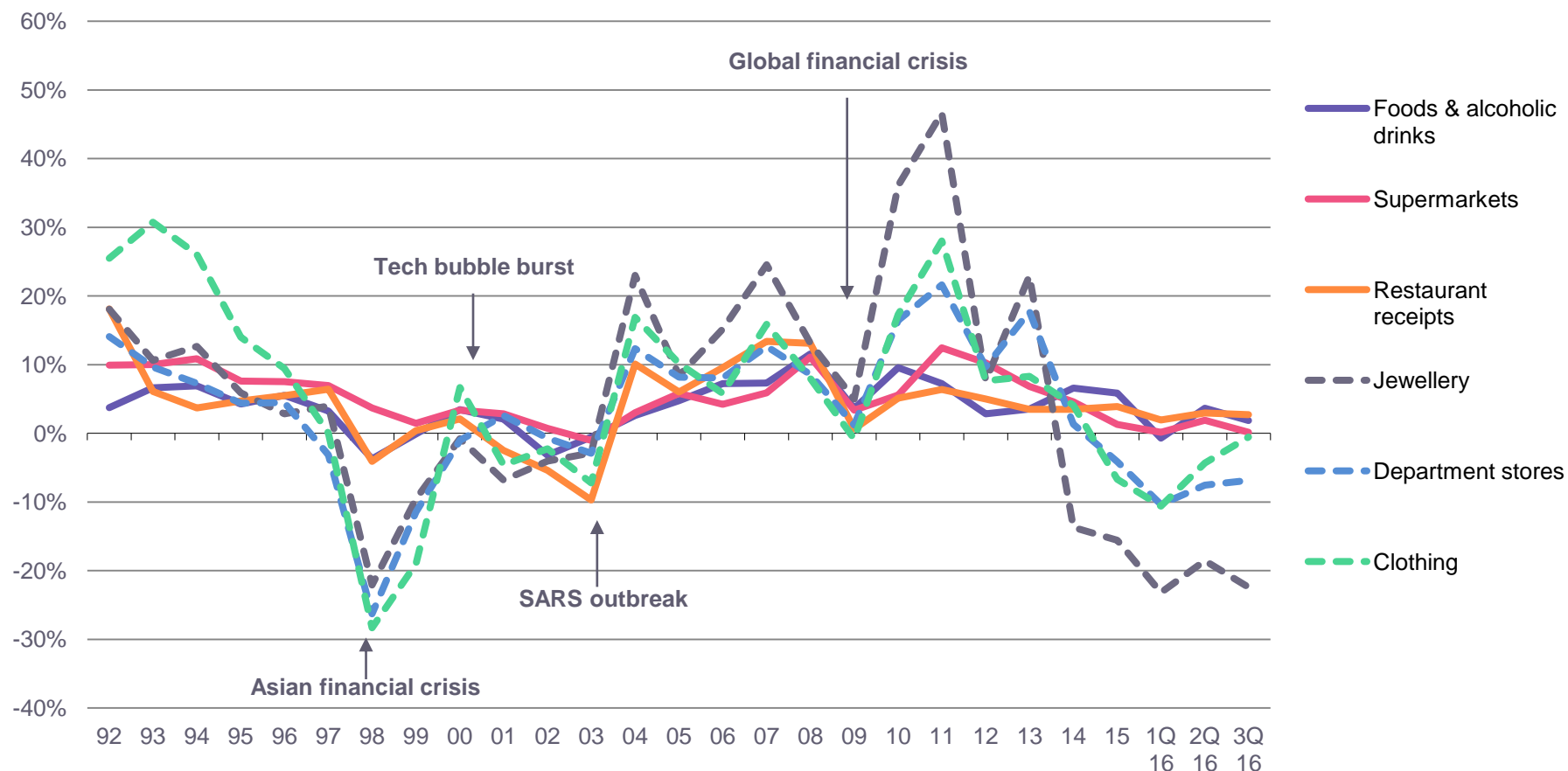


Notes:  
(1) Total Debt is calculated as Short Term Borrowings + Long Term Borrowings.

(2) Funds from Operations is calculated by net cash generated from operating activities with adjustments for operating lease expense and interest.

# Additional Data 13: HK Retail Sales Value & Restaurant Receipts

Year-on-Year Change of Retail Sales Value & Restaurant Receipts



Source: Census & Statistics Department

# Additional Data 14: District Revitalisation will Re-energise Mong Kok

## Existing/completed revitalisation

URA 600-626  
Shanghai Street  
Project  
(Preservation of  
heritage buildings )


URA Sai Yee Street/  
Fa Yuen Street Project  
(Residential/specialty  
sports-related retail)


MacPherson Place  
(Residential,  
playground and  
stadium)

Langham Place  
(Retail/office)



## Future improvement/ revitalisation plans

 Greening and Streetscape  
Improvement

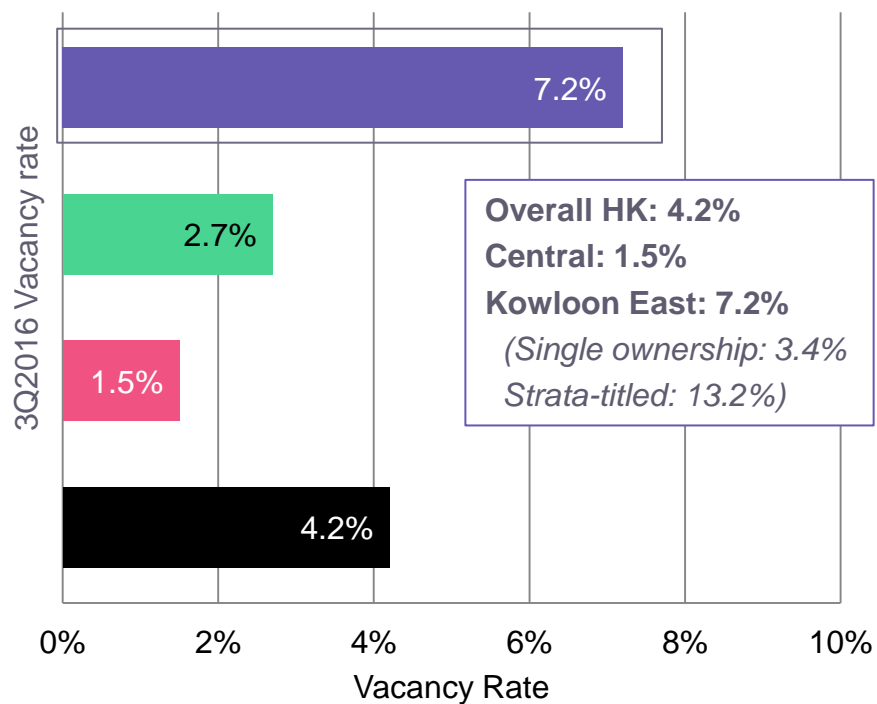
 Mong Kok Footbridge  
Identity Project  
(Improve physical  
appearance of the  
footbridge)

 Sai Yee Street  
Redevelopment Project  
(Government offices to be  
relocated in 2017-2018 with  
demolition works to be  
completed by 2019)

 Mong Kok Footbridge  
Extension  
(Under construction)

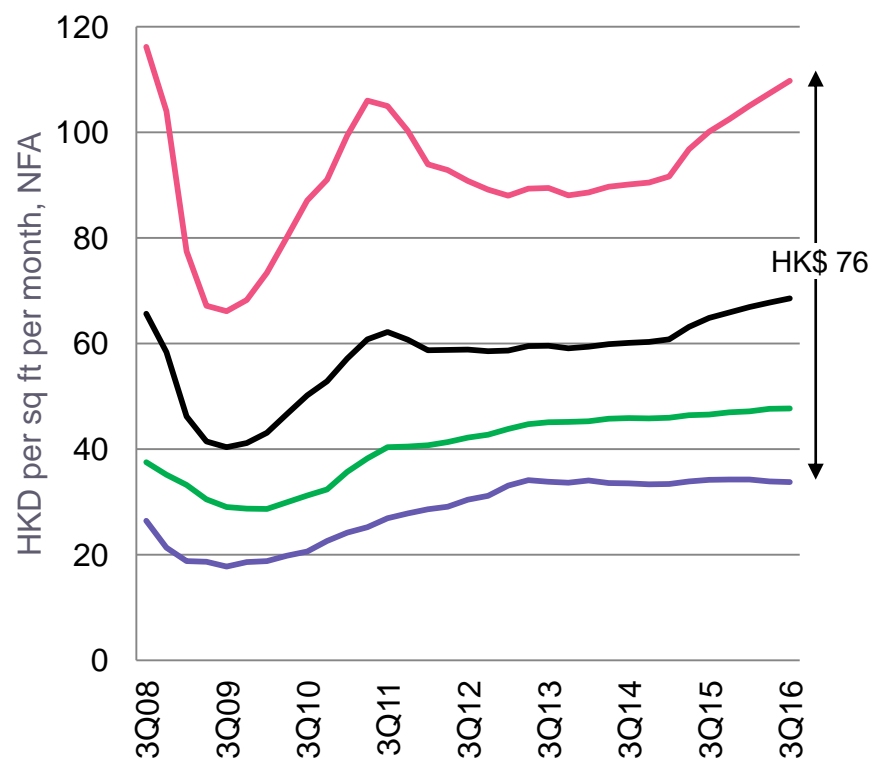
# Additional Data 15: Kowloon East Market Update

## Low Kowloon East single-owned office vacancy rate



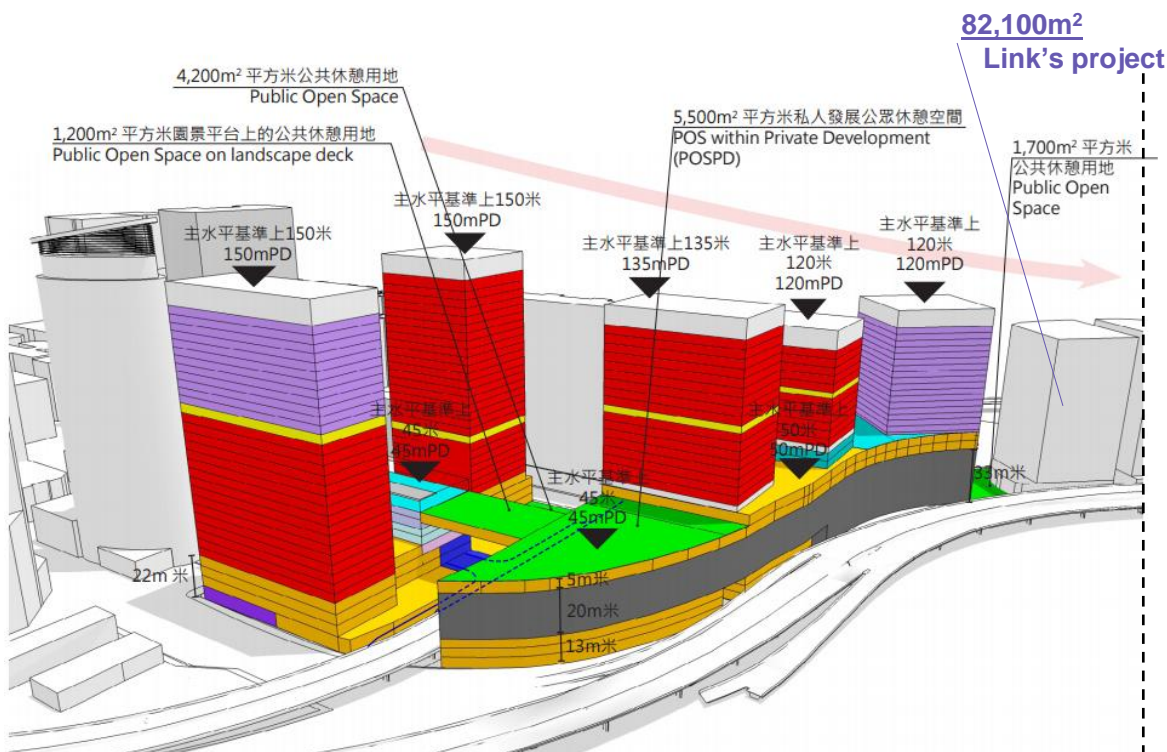
■ Kowloon East ■ Hong Kong East ■ Central ■ Overall

## Rental gap between Central and Kowloon East



— Overall — Central — Hong Kong East — Kowloon East

# Additional Data 16: Kowloon East Action Area Preliminary Outline Development Plan



82,100m<sup>2</sup>  
Link's project

Land use	GFA (sqm)	%
Office	287,500	58%
Retail / F&B / Entertainment	117,200	23%
Hotel	74,400	15%
Others (1)	20,200	4%
<b>Total</b>	<b>499,300</b>	

Note:

(1) Including SME Business Showcase Space and Support Centre, CC&T Use / Urban Farming / Food Workshop and Transport Facility (excluding Environmentally Friendly Linkage System) .

辦公室 Office

零售/餐飲/娛樂 Retail / F&B / Entertainment

酒店 Hotel

交通設施 Transport Facilities

城市耕種 / 食物工作坊 (室內)  
Urban Farm / Workshop (indoor)

城市耕種 / 天台綠化 (室外)  
Urban Farm / Roof-top Greening (outdoor)

科技初創共用工作空間 IT Startup Co-working Space

文化及創意 Cultural and Creative

中小企業展示空間和中小企業支援中心 SME Business Showcase Space & SME Support Centre

環保連接系統車廠 EFLS Depot

公共休憩用地 Public Open Space

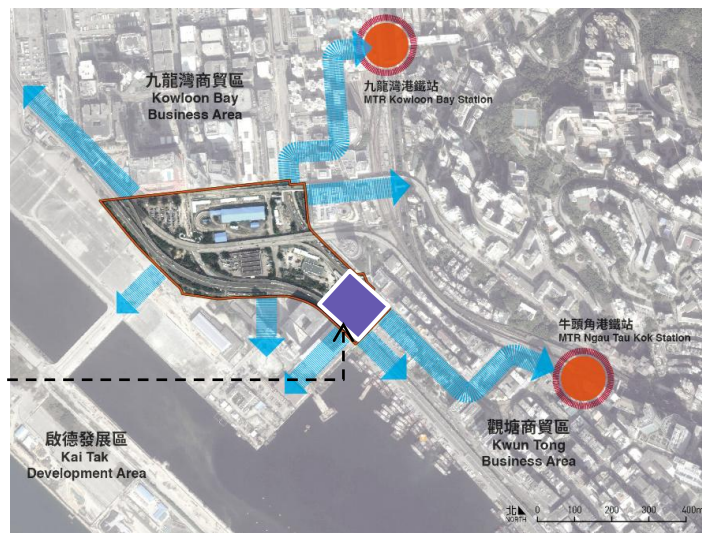
避火層 Refuge Floor

轉換層 Transfer Plate

天台機電設施層 Rooftop M&E Structures

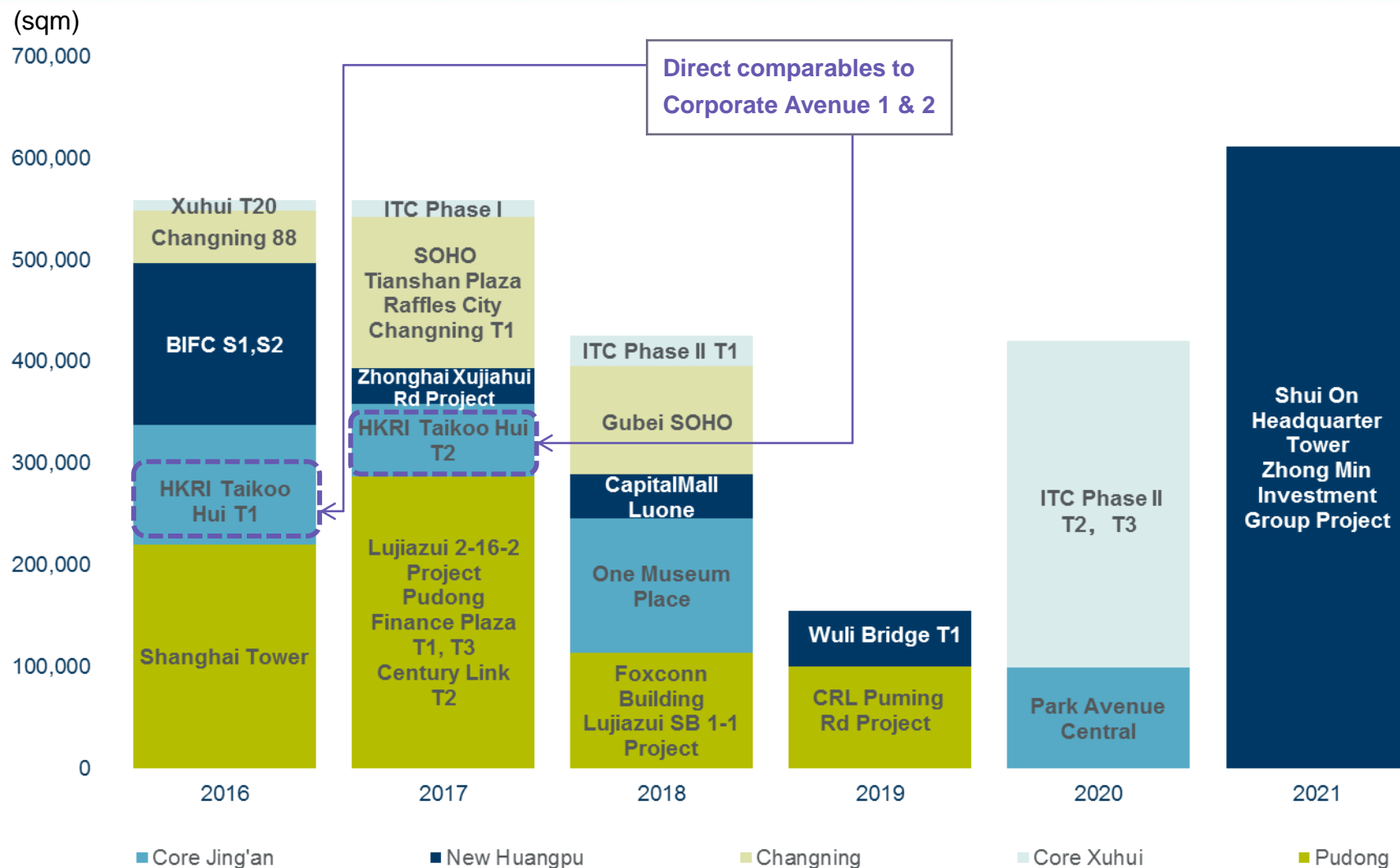
連接高架車輛通道與地下停車場的車輛斜道 Vehicular Ramp from Elevated Vehicular Access to Underground Carpark

高架車輛通道 Elevated Vehicular Access

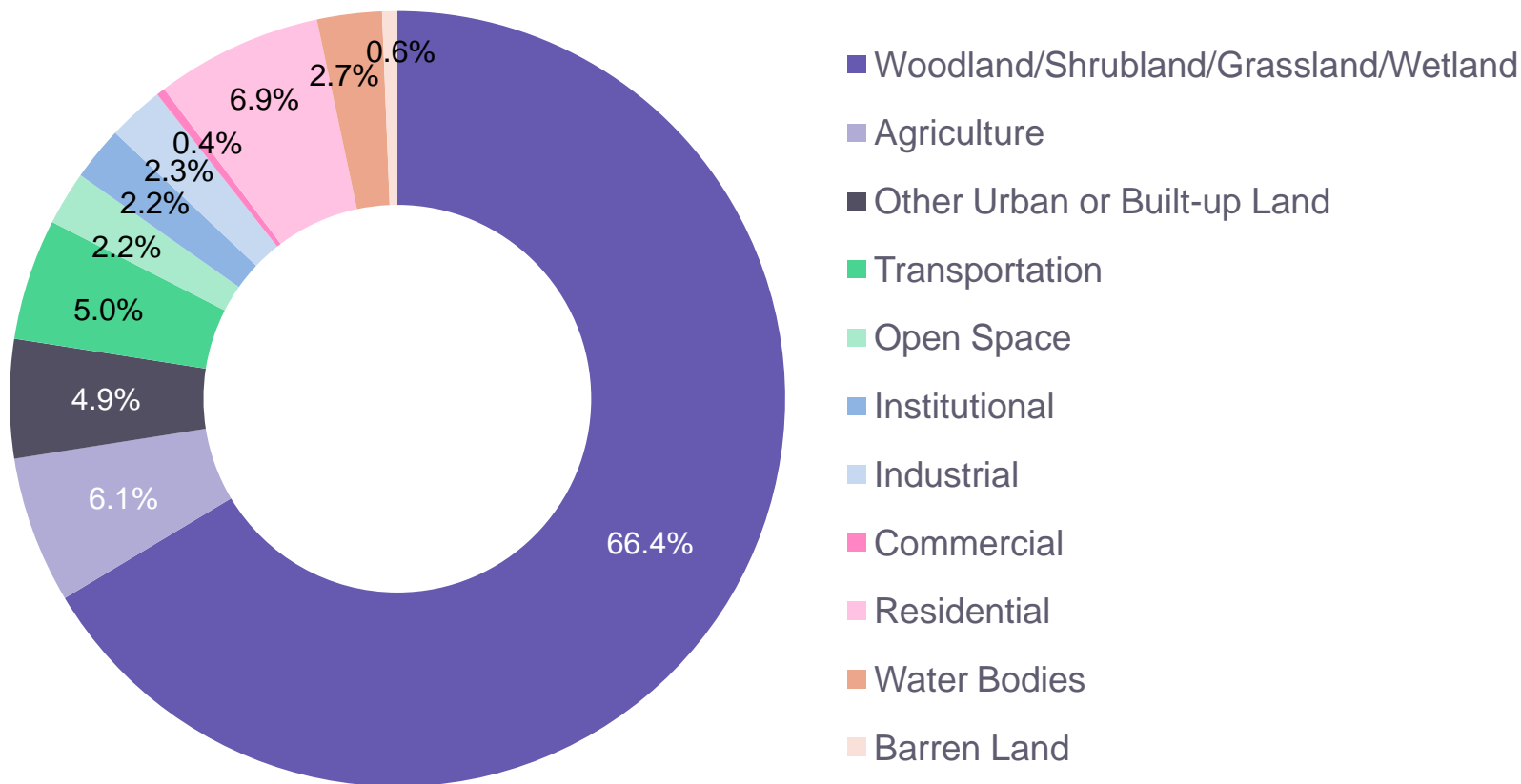


Source: Energizing Kowloon East Office

# Additional Data 17: Office Supply in Shanghai Core CBDs

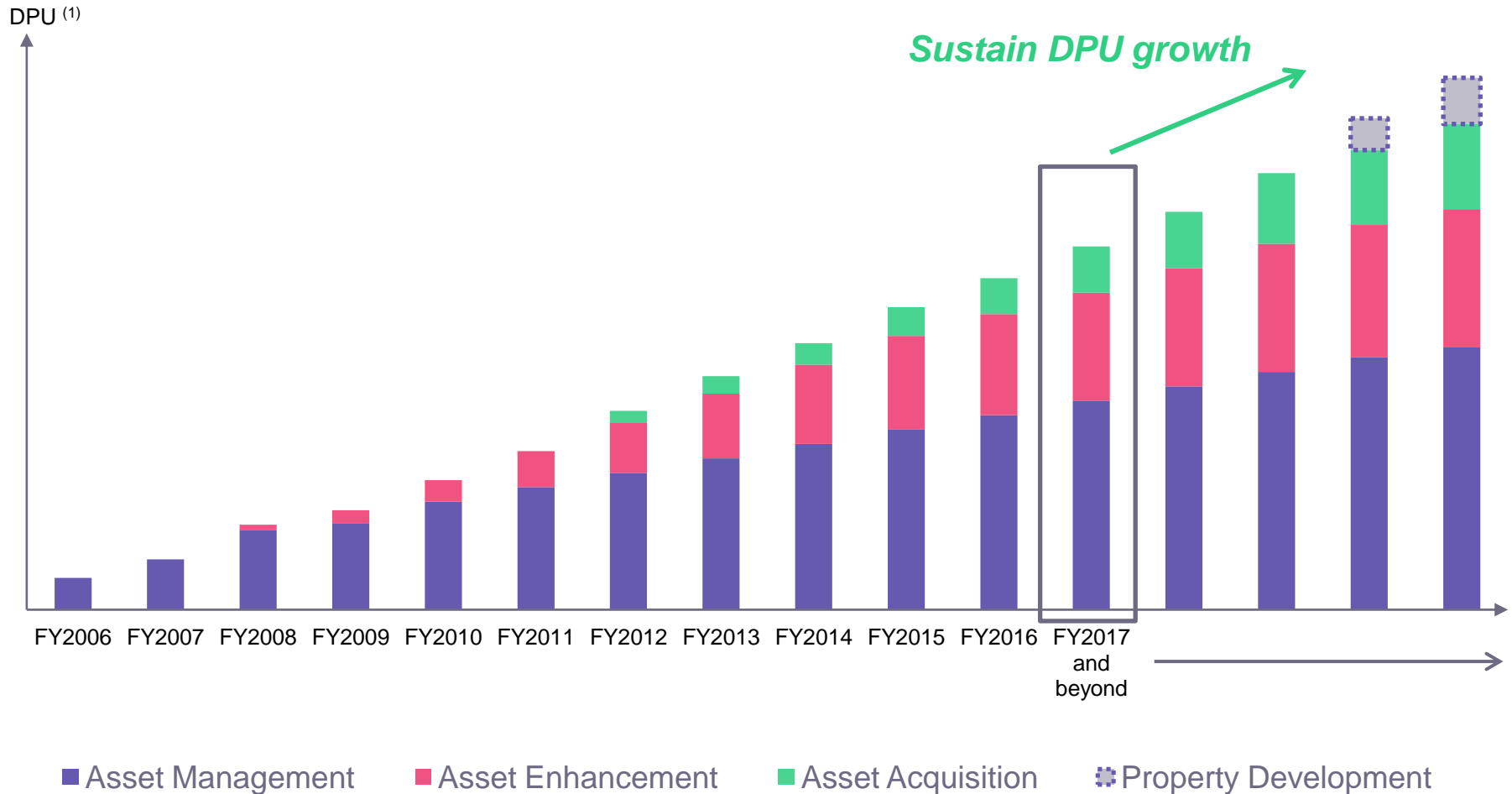


## Additional Data 18: Land Utilisation in Hong Kong 2015



**Very limited land for commercial use in Hong Kong**

# Additional Data 19: Each growth driver adding to DPU growth



Note:  
(1) For illustration purpose only, not to scale.

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