

The following statements are by way of a general guide to investors only and do not constitute tax advice. Investors are therefore advised to consult their professional advisers concerning possible taxation or other consequences of purchase, holding, selling or otherwise disposing of the Units under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Investors should note that the following statements on taxation are based on advice received by the Manager regarding the law and practice in force at the date of this document. As is the case with any investment, these can be no guarantee that the tax position prevailing at the time an investment is made in The Link REIT will continue indefinitely.

The Link REIT

Profits tax

The Link REIT, as a collective investment scheme constituted as a unit trust and authorised under section 104 of the SFO, is exempt from Hong Kong profits tax but the Manager, HoldCo, PropCo and FinanceCo will individually be subject to Hong Kong profits tax. Distributions made by The Link REIT to Unitholders are not subject to any withholding tax in Hong Kong.

HoldCo is chargeable to Hong Kong profits tax in respect of the profits arising in or derived from Hong Kong if it is regarded as carrying on a trade, profession or business in Hong Kong. Dividend income derived by HoldCo from PropCo and FinanceCo is exempt from Hong Kong profits tax.

PropCo is chargeable to Hong Kong profits tax in respect of the profits derived from the letting of Properties situated in Hong Kong at the current profits tax rate of 17.5%. PropCo is not chargeable to Hong Kong profits tax on any capital gains derived from the disposal of Properties (other than those Properties held for trading purposes, if any) as Hong Kong does not impose tax on capital gains.

FinanceCo is chargeable to Hong Kong profits tax in respect of the profits arising in or derived from Hong Kong at the current profits tax rate of 17.5%.

The Manager is chargeable to Hong Kong profits tax in respect of the profits derived from the provision of management services to The Link REIT and/or PropCo at the current profits tax rate of 17.5%.

Stamp duty

No Hong Kong stamp duty is payable by The Link REIT on the issue of new Units.

No stamp duty is payable on the acquisition by PropCo of the Properties as the Property Agreement and the legal title assignments pursuant thereto are instruments which are exempt from Hong Kong stamp duty under the Stamp Duty Ordinance.

In the event that the Manager and/or PropCo decide to acquire a new property in Hong Kong or dispose of any Property, such acquisition or disposal will attract Hong Kong stamp duty. Depending on the purchase price, Hong Kong stamp duty will be charged at up to 3.75% of the higher of the consideration or value of the Property.

Investors

Profits tax

It is understood that, under the Inland Revenue Department's current practice, Hong Kong profits tax will not be payable by any investor on the distributions made by The Link REIT. Unitholders should take advice from their own professional advisers as to their particular tax position.

Hong Kong profits tax will not be payable by any investor (other than an investor carrying on a trade, profession or business in Hong Kong and holding the Units for trading purposes) on any capital gains made on the sale or other disposal of the Units.

Stamp duty

No Hong Kong stamp duty is payable by an investor in relation to the issue of Units to him or her by The Link REIT.

The sale and purchase of Units by an investor will attract Hong Kong stamp duty at the current rate of 0.2% of the price of the Units being sold or purchased, whether or not the sale or purchase is on or off the Stock Exchange. The investor selling the Units and the purchaser will each be liable for one-half of the amount of Hong Kong stamp duty payable upon such transfer. In addition, a fixed duty of HK\$5 is currently payable on any instrument of transfer of Units.

Estate duty

Units will form part of the Hong Kong estate of a deceased investor for the purpose of Hong Kong estate duty.

The Legislative Council passed the Revenue (Abolition of Estate Duty) Bill 2005 on 2 November 2005 and the relevant ordinance will commence operation three months from its publication in the gazette. The Hong Kong estate of an investor who passes away on or after the commencement date of such ordinance will not be subject to estate duty. However, the estate duty chargeable in respect of deaths occurring on or after 15 July 2005 but before the commencement date of such ordinance would be reduced with retrospective effect to a nominal duty of HK\$100 for estates of assessed value exceeding HK\$7.5 million.