



2014/2015 Annual Results Presentation Press Conference

10 June 2015

Key Achievements

A fruitful year

2014

Jul / Dec  **Disposal** of nine non-core properties for HK\$2,956M

Sep  **Acquisition of Lions Rise Mall** for HK\$1,380M

Dec  Completed HK\$477M **repositioning of H.A.N.D.S**, our flagship shopping centre in Tuen Mun

Dec  Became a constituent stock of the **Hang Seng Index**

2015

Jan  Expanded investment mandate to include **property development**

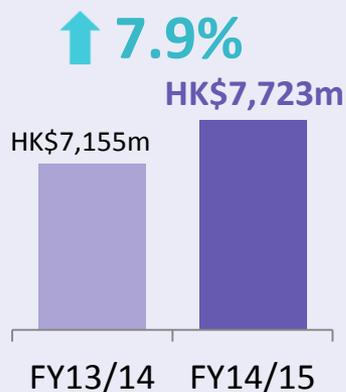
Jan  **Acquisition of commercial development land** for HK\$5,860M via joint venture

Mar  **First acquisition in Mainland China** – Beijing EC Mall for RMB2,500M

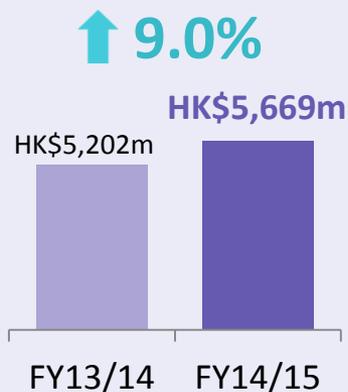
Key Achievements

Financial highlights

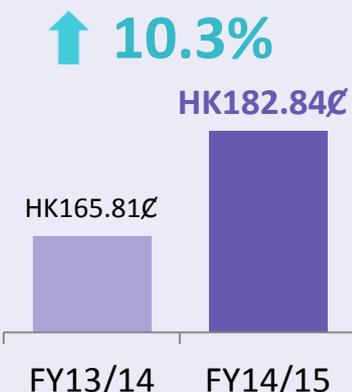
REVENUE



NET PROPERTY INCOME



DISTRIBUTION PER UNIT



OCCUPANCY RATE

↑ 0.4 pts

94.8%

AVERAGE UNIT RENT

↑ 7.8%

HK\$45.4 psf

NET ASSET VALUE PER UNIT

↑ 23.6%

HK\$51.53

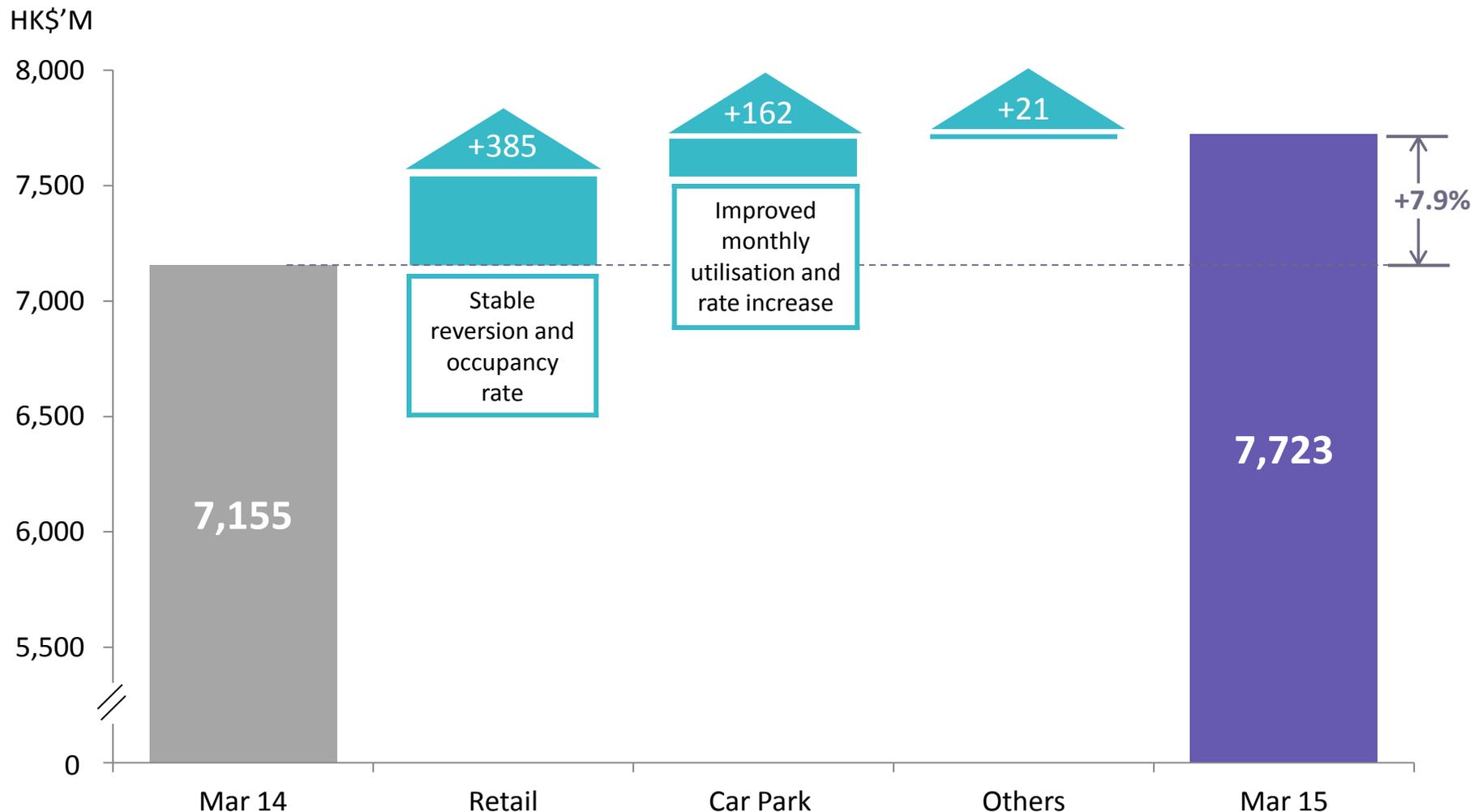
Note: (1) Variances represent percentage change year-on-year.

The image features a minimalist design with three main grey shapes. A horizontal bar on the left contains the text 'FINANCIAL PERFORMANCE'. To its right is a shape with a rounded top and a pointed bottom. Below these is a large parallelogram tilted at an angle. All elements are rendered in a uniform grey color against a white background.

FINANCIAL
PERFORMANCE

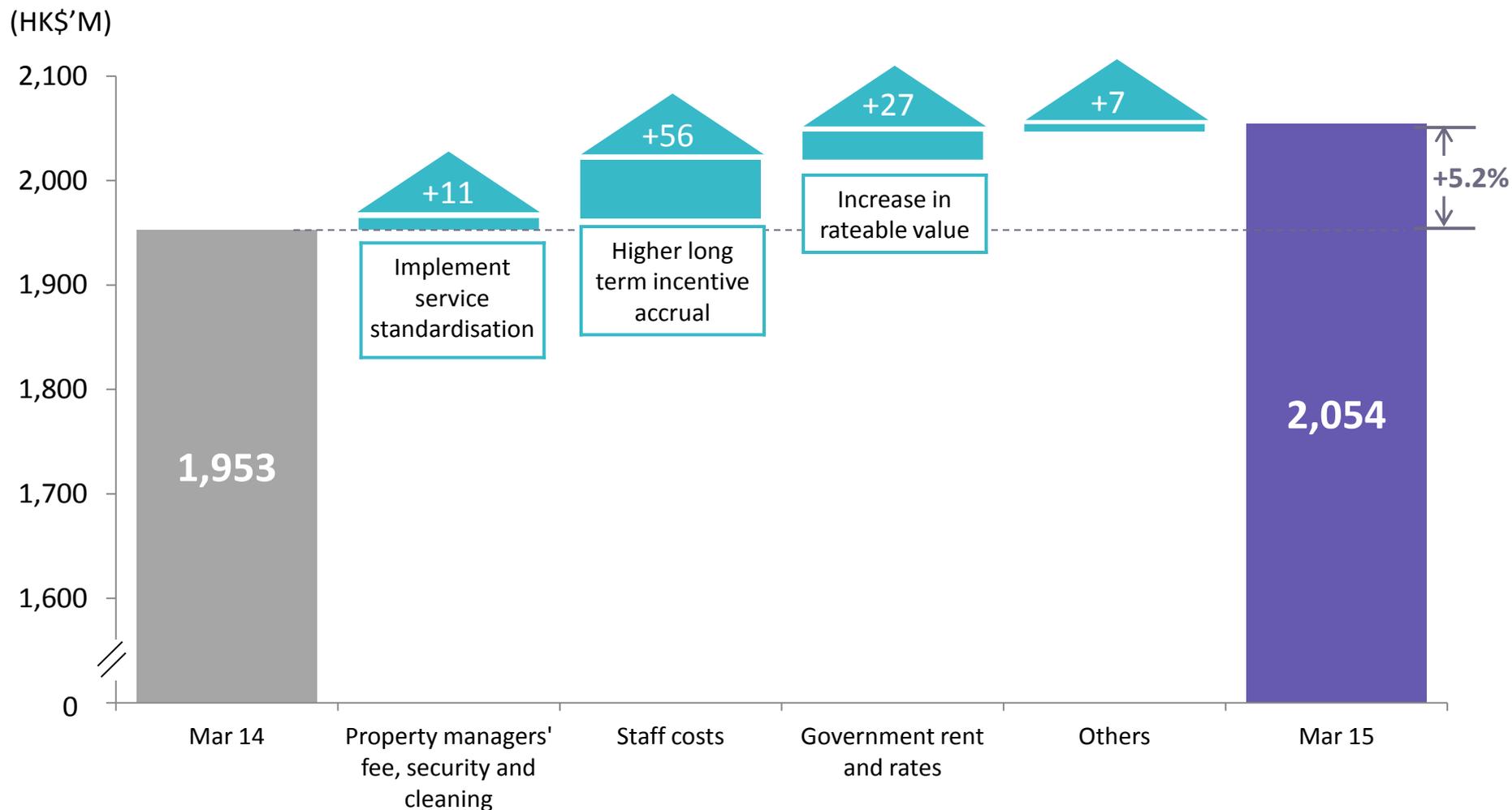
Revenue Analysis

Continuous growth in retail and car park revenues



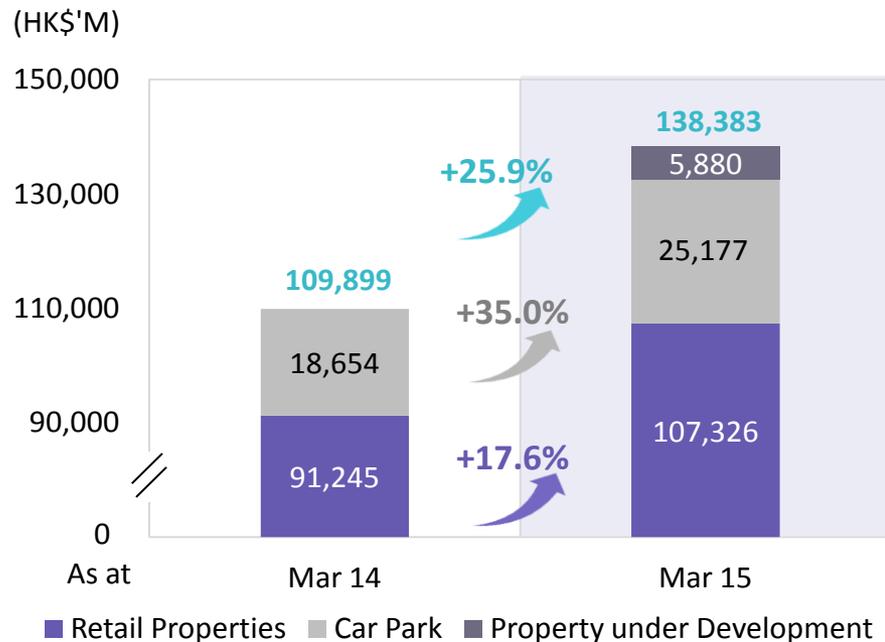
Property Expense Analysis

Continue to maintain discipline in cost control



Property Valuation

Cap rate compression to reflect market transactions

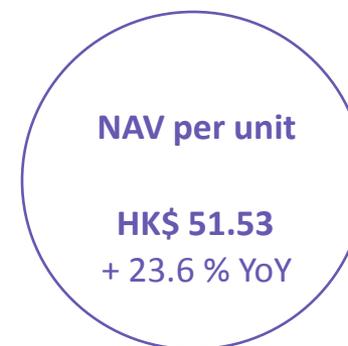


- Robust car park performance and lower cap rates supported value increase
- Average valuation per space of HK\$330K

Retail property value increase contributed by:

- Increase in net property income
- Lowered cap rates for smaller assets with better performance

	Weighted average capitalisation rate		
	31 Mar 2015	31 Mar 2014	Change
Retail	4.57%	5.09%	↓0.52ppts
Car Park	4.78%	6.16%	↓1.38ppts
Overall	4.61%	5.27%	↓0.66ppts



The image features a minimalist design with three main grey shapes. A horizontal bar on the left contains the text 'OPERATIONS UPDATE'. To its right is a shape with a rounded top and a pointed bottom. Below these is a large parallelogram tilted at an angle. All elements are rendered in a uniform grey color against a white background.

OPERATIONS
UPDATE

New tenants introduced to portfolio



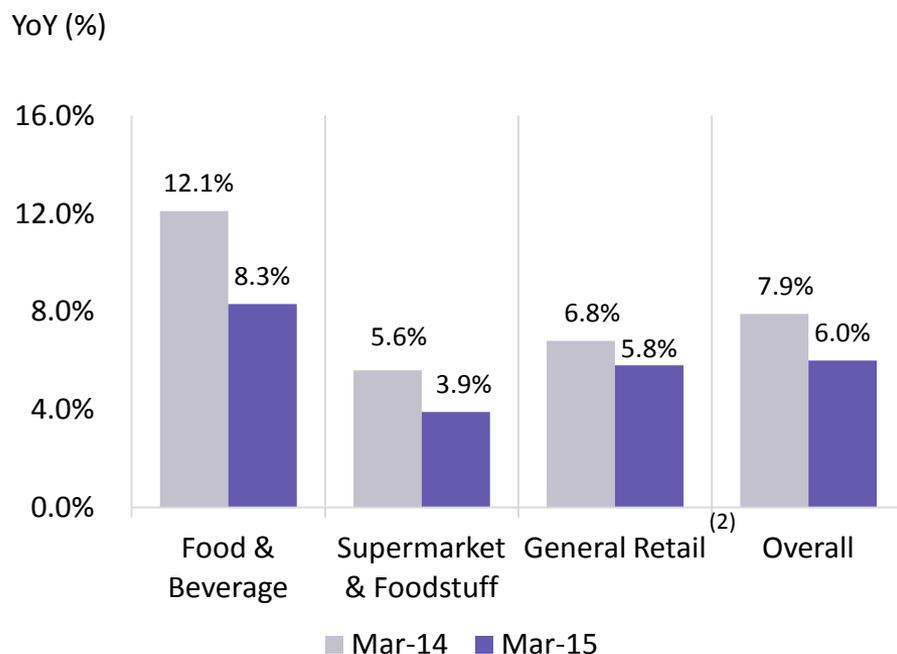
LifeWear



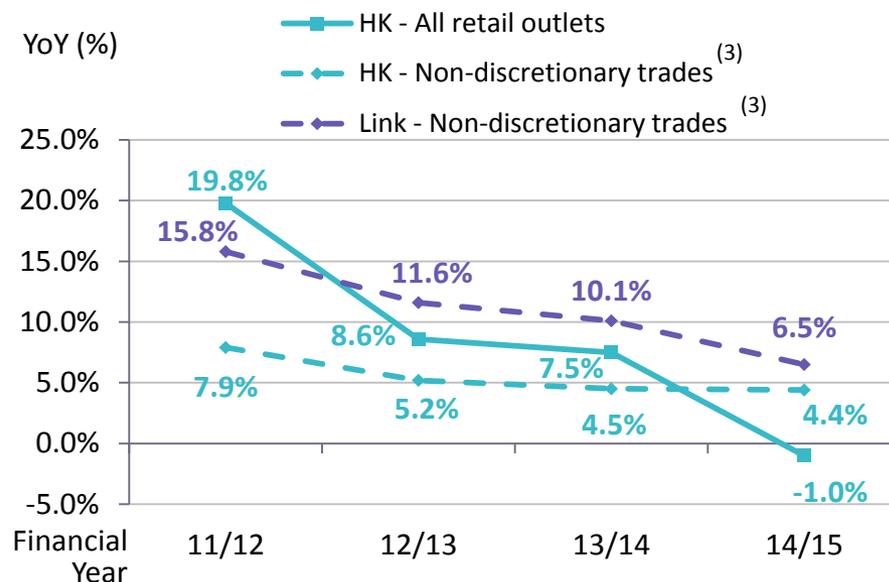
Existing tenants expanding their businesses



Link's Tenant Gross Sales ⁽¹⁾



Link's Portfolio vs Overall Hong Kong ⁽¹⁾



- Notes: (1) Percentage figures represent year-on-year change in tenants' average monthly sales per square foot of the respective years.
 (2) Including services, personal care, medicine, optical, books and stationery, clothing, department store, electrical and household products, leisure and entertainment, and valuable goods.
 (3) Non-discretionary trades include food & beverage, supermarket and foodstuff.

Asset Enhancement

Continuous pipeline extending to 2020

Completed Projects in FY14/15

Hoi Fu, Mong Kok
 Capex: HK\$39M / mid 14
 ROI ⁽¹⁾: 19.1%



Mei Lam, Shatin
 Capex: HK\$87M / late 14
 ROI ⁽¹⁾: 17.8%



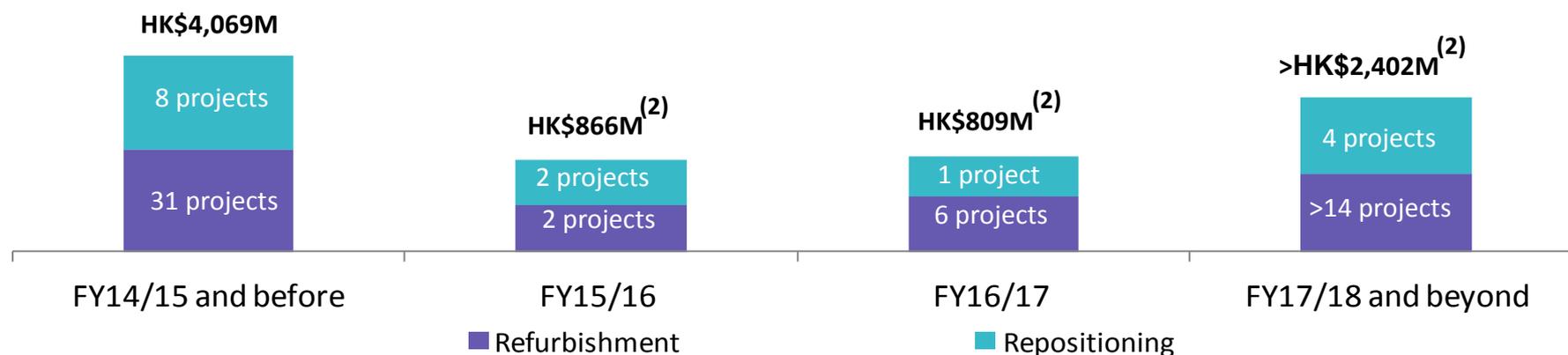
Un Chau, Cheung Sha Wan
 Capex: HK\$64M / late 14
 ROI ⁽¹⁾: 21.5%



H.A.N.D.S, Tuen Mun
 Capex: HK\$477M / late 14
 ROI ⁽¹⁾: 15.3%



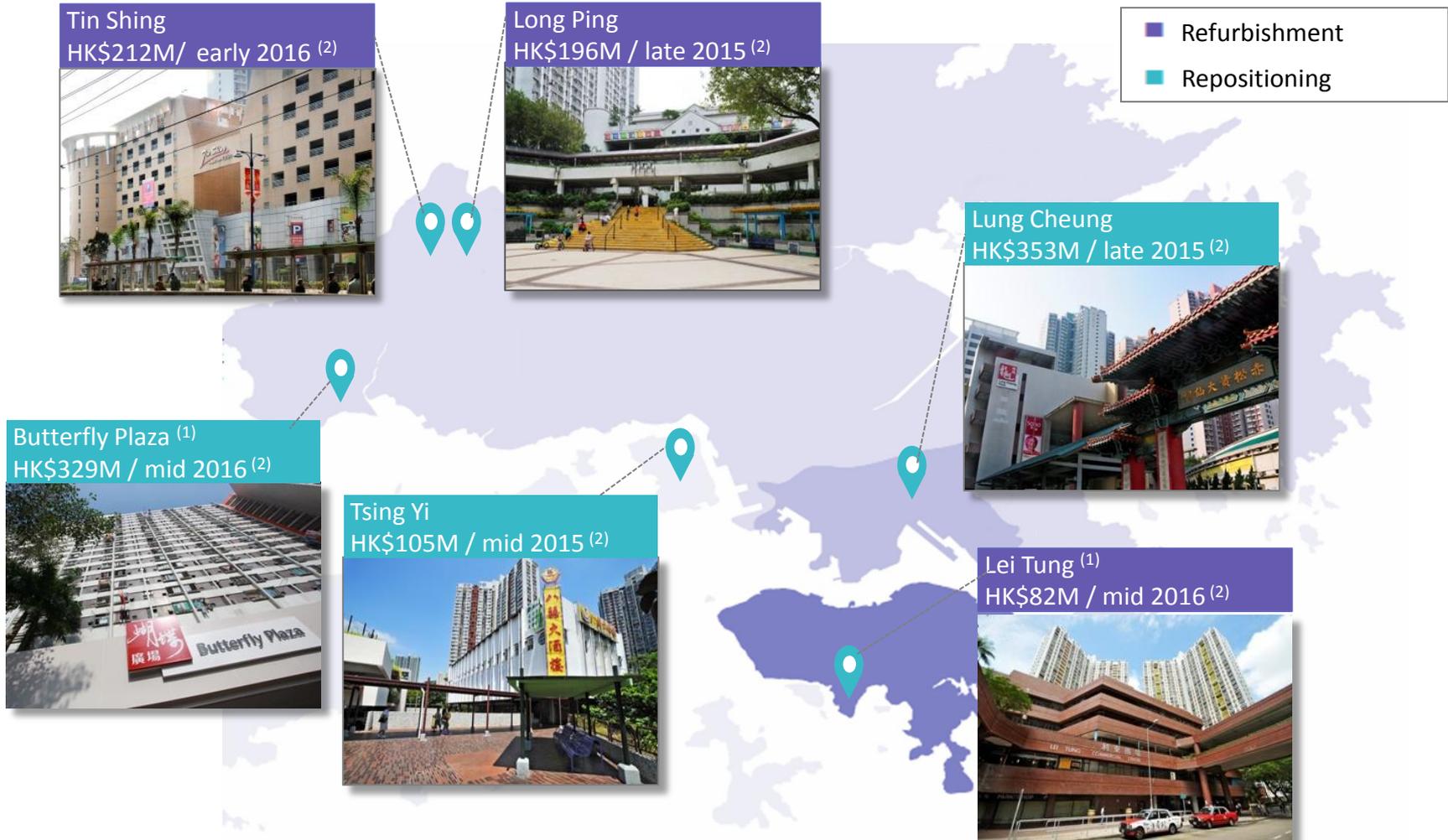
Project Pipeline



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

(2) Estimated figures as at 31 March 2015.

Asset Enhancement Projects underway to enhance portfolio value



Notes: (1) Newly commenced projects
(2) Estimated total capex / target completion date as at 31 March 2015



- Integrate Lung Cheung and Wong Tai Sin as “one-mall”
- Unify identity and rebrand as **Temple Mall**
- Improve accessibility and enhance efficiency
- Reduce duplication in trades and enrich tenant mix to provide more choices for shoppers



Before



After

Hong Kong



Lions Rise Mall (2)

- Immediately income-generating
- Synergy with existing portfolio
- Potential uplift in occupancy
- Catch up with market rent

**Consideration
HK\$1,380M**

**Occupancy
84% → 90+% (1)**

**Rental income
increased 16%
since acquisition**

**Property value
RMB 2,500M**

**Occupancy
99%**

**1/3 total leasable
area expiring
in 2015 & 2016**

- Immediately income-generating
- Strategic location
- Well-recognised market position
- Strong management team

Mainland China



Beijing EC Mall (3)

Note: (1) Figure as at 31 March 2015.

(2) Acquisition was completed on 18 September 2014.

(3) Acquisition was completed on 1 April 2015.

Property Development

Design, build and hold for long-term income growth

Location	Commercial property development site in Kowloon East
Development	Grade-A office with retail element and car park
Max. GFA	884,000 sq. ft.
Expected completion date	June 2020
Estimated Total Development Costs	HK\$10.5 Billion
JV structure	The Link – 60% Nan Fung Development – 40%



Asset Disposal

Streamline portfolio and recycle capital

Disposal Criteria

- Relatively smaller assets
- Lack of synergy
- Limited enhancement potential

Properties Disposed	9
Total Consideration	HK\$2,956 million
Premium to Valuation as at 31 March 2014	33%

Recycle Capital for:

- New investment to expand portfolio
- Unit buyback
- Working capital to support operations

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BUSINESS STRATEGY
AND
OUTLOOK

Expanded Business Model

Adding building blocks to secure long-term growth trajectory



Market Overview



Hong Kong

- Stable economic growth
- Mild slowdown in tourist growth
- Domestic consumption continue to grow



Tier-1 Megacities in Mainland China

- Rising household income and urbanisation
- Government focus on quality of growth
- Stimulus measures to drive domestic consumption

Outlook

Resilient portfolio
delivers steady income growth

.....

Contain expenses
to track inflation

.....

Sustain
steady DPU growth

.....

Selective acquisitions
to create long-term value

.....

Maintain strong
capital structure

Final Distribution

Ex Distribution date	23 June 2015
Distribution book close	25 June – 29 June 2015 (both days inclusive)
Record date for entitlement to cash distribution ⁽¹⁾	29 June 2015
Payment of cash distribution ⁽¹⁾	7 July 2015

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



Q&A's



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