

The Link Management Limited 領匯管理有限公司

Manager of The Link REIT

CB(1)1643/05-06(01)

Paul M.F. Cheng JP

Chairman

鄭明訓

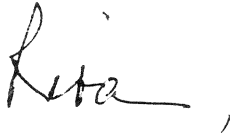
主席

The Honourable Mrs Rita Fan Hsu Lai-tai, GBS, JP  
President, The Legislative Council,  
Legislative Council Building,  
8 Jackson Road, Central,  
Hong Kong.

*By fax and despatch*

30 May 2006

Dear



### Legislative Council Panel Meetings

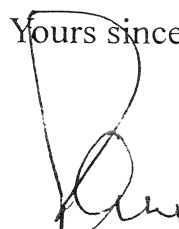
You will be aware that the Link Management Limited ( LML ) has been asked by the Panel on Housing to attend its meetings to discuss matters relating to LML's rent-setting mechanism, policy on single market operator, policy on contracting out services to outside contractors, etc. The Panel on Manpower has also requested LML's attendance at its meeting to discuss employment issues relating to workers employed by LML's property management contractors.

As the matters to be discussed relate to LML's corporate policies and operational strategies which are commercially sensitive matters, the Board had concluded at its recent meeting that I should write to you. We were very surprised that the Panel on Housing at its meeting on 11 May, 2006 decided to issue an ultimatum to LML to attend its meeting , and that should LML still fail to attend, it would seek to exercise the power under the Legislative Council ( Powers and Privileges ) Ordinance to order LML to attend.

LML is licensed by the Securities and Futures Commission (SFC) and is subject to the regulatory provisions under the SFC Ordinance, The Listing rules and the REIT Code. As the matters to be discussed are commercially sensitive and given the strict rules concerning the disclosure of price sensitive information, the Board is very concerned that Panel members' questions and management responses at a public hearing could be misconstrued and potentially lead to negative market sentiments and the performance of The Link REIT's unit price thus affecting investors' confidence, both locally and internationally. Legco members no doubt would not wish to see Hong Kong's reputation as a leading international financial centre be adversely affected.

The Board is also very concerned that the motion passed by the Panel on Housing, if taken forward, would set an undesirable precedent and have further and wider implications for the business sector as that may well be seen as an attempt to use a public process to interfere in the operation of a commercial enterprise. However, the Board understands the legacy issues and wishes to avoid any escalation of the matter and for the Legislative Council to consider invoking its powers to issue a summon for LML to attend. Having considered all the potential implications, the Board decided that the Chief Executive Officer would attend the Joint Panel on Housing and Manpower meeting on 5 June 2006 but we hope Panel members would understand the commercial constraints he must abide by in responding to their questions.

Yours sincerely,



(Paul CHENG Ming-fun)  
Chairman, Board of Directors