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For Immediate Release

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### **Notice Concerning Borrowing of Funds and Signing of Interest Rate Swap Agreement**

GLP J-REIT (“GLP J-REIT”) announces the borrowing of funds and the signing of interest rate swap agreement as follows.

#### 1. Borrowing of funds

##### (1) Content of borrowing (“New Borrowings”)

Lender	Loan amount	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 1)	5,500 million yen	Base rate plus 0.15% (Note 3)	Feb. 28, 2018	Borrowing based on the respective term loan agreement dated Feb. 26, 2018 with the lenders shown to the left as lenders	Feb. 28, 2019	Lump-sum repayment on repayment date	Unsecured Not guaranteed
Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 2)	1,140 million yen	Base rate plus 0.15% (Note 3)	Mar. 1, 2018		Feb. 28, 2019		
	3,170 million yen	Base rate plus 0.175% (Note 4) (Note 5)			Sep. 1, 2021		
	10,130 million yen	Base rate plus 0.195% (Note 4) (Note 5)			Feb. 28, 2023		
	6,000 million yen	Base rate plus 0.205% (Note 4) (Note 5)			Feb. 29, 2024		
	3,170 million yen	Base rate plus 0.25% (Note 4) (Note 5)			Feb. 27, 2026		
	3,160 million yen	Base rate plus 0.375% (Note 4) (Note 5)			Feb. 29, 2028		

(Note 1) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank, N.A., Tokyo Branch, The Bank of Fukuoka, Ltd., Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited and The 77 Bank, Ltd.

(Note 2) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank, N.A., Tokyo Branch, Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited and Shinsei Bank, Limited.

(Note 3) The first interest payment date shall be the end of March 2018, and will be on the last day of every month thereafter as well as on the repayment date (if such day does not fall on a business day, the interest payment date or repayment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be

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on the business day immediately preceding the original date.)

The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the JBA one-month Japanese Yen TIBOR published by Ippan Shadan Hojin JBA TIBOR Administration ("JBATA") two business days prior to the interest payment date immediately preceding the respective interest payment date (however, for the first calculation period, the applicable date is the drawdown date); provided, however, that in cases where the calculation period is less than one month, the base rate shall be the base rate corresponding to the relevant period calculated based on the method provided in the loan agreement.

For the JBA one-month Japanese Yen TIBOR as the base rate, please check the JBATA's website (<http://www.jbatibor.or.jp>).

- (Note 4) The first interest payment date shall be the end of June 2018, and will be on the last day of March, June, September and December thereafter as well as on the repayment date (if such day does not fall on a business day, the interest payment date or repayment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)

The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the JBA three-month Japanese Yen TIBOR published by the JBATA two business days prior to the interest payment date immediately preceding the respective interest payment date (however, for the first calculation period, the applicable date is the drawdown date); provided, however, that in cases where the calculation period is less than three months, the base rate shall be the base rate corresponding to the relevant period calculated based on the method provided in the loan agreement.

For the JBA three-month Japanese Yen TIBOR as the base rate, please check the JBATA's website (<http://www.jbatibor.or.jp>).

- (Note 5) The interest rate will be converted into a fixed rate through an interest rate swap agreement. For details, please refer to "2. Signing of interest rate swap agreement" below.

## (2) Reason for New Borrowings

GLP J-REIT decided to make New Borrowings in the amount of 32,270 million yen for the purpose to refinance of the borrowings (in the amount of 5,500 million yen) due on February 28, 2018 ("Existing Borrowings"), and to use toward the payment of part of the purchase price for the trust beneficiary interests of the four real estate properties mentioned in the "Notice of Signing of Sales and Purchase Contract concerning Acquisition of Assets" dated August 29, 2017 and "Notice of Determination of Scheduled Acquisition Date and Planned Acquisition Price Concerning the Acquisition of Assets as well as Lease Contract with New Tenants (GLP Urayasu, GLP Funabashi II, GLP Misato and GLP Maishima I)" dated February 5, 2018, and of the trust beneficiary interests of the two real estate properties mentioned in the "Notice of Acquisition of Assets and Lease Contract with New Tenants (Real Estate Trust Beneficiary Interests and Solar Panel Trust Beneficiary Interests)" dated February 5, 2018, as well as related expenses.

## (3) Amount, use and schedule of expenditure of funds to be procured

- (a) Amount of funds to be procured  
32,270 million yen in total
- (b) Specific use of funds to be procured  
(i) The repayment of the Existing Borrowings (in the amount of 5,500 million yen), and (ii) Part of funds for the acquisition of six properties in the form of real estate trust beneficiary interests, as well as related expenses, as described above
- (c) Schedule of expenditure  
(i) February 28, 2018  
(ii) March 1, 2018

## (4) Status of loans, etc. after New Borrowings

(Unit: million yen)

	Before drawdown	After drawdown	Increase (Decrease)
Short-term loans (Note)	8,000	27,540	19,540
Long-term loans (Note)	178,390	185,620	7,230
Total loans	186,390	213,160	26,770
Investment corporation bonds	27,500	27,500	—
Total of loans and investment corporation bonds	213,890	240,660	26,770
Other interest-bearing liabilities	—	—	—
Total interest-bearing liabilities	213,890	240,660	26,770

- (Note) Short-term loans refer to loans with a period of one year or less until the repayment date as of February 26, 2018 for before drawdown, and as of March 1, 2018 for after drawdown, and Long-term loans refer to loans with a period of more than one year until the repayment date as of February 26, 2018 for before drawdown, and as of March 1, 2018 for after drawdown.

## 2. Signing of interest rate swap agreement

### (1) Reason for signing the interest rate swap agreement

GLP J-REIT signed the interest rate swap agreement to hedge the risks of interest rate fluctuations by converting the interest rate payable into a fixed rate for part of New Borrowings.

### (2) Details of the interest rate swap agreement

Counterparty	Notional principal	Interest rate	Commencement date	Termination date	Interest payment date
Sumitomo Mitsui Trust Bank, Limited	3,170 million yen (Note 1)	Fixed interest rate payable: 0.1182 % Floating interest rate receivable: JBA 3-month yen TIBOR	Mar. 1, 2018	Sep. 1, 2021	The last day of each of March, June, September and December of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)
Sumitomo Mitsui Trust Bank, Limited	10,130 million yen (Note 2)	Fixed interest rate payable: 0.14745% Floating interest rate receivable: JBA 3-month yen TIBOR	Mar. 1, 2018	Feb. 28, 2023	The last day of each of March, June, September and December of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)
Nomura Securities Co.,Ltd.	6,000 million yen (Note 3)	Fixed interest rate payable: 0.178 % Floating interest rate receivable: JBA 3-month yen TIBOR	Mar. 1, 2018	Feb. 29, 2024	The last day of each of March, June, September and December of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)
Sumitomo Mitsui Trust Bank, Limited	3,170 million yen (Note 4)	Fixed interest rate payable: 0.2484% Floating interest rate receivable: JBA 3-month yen TIBOR	Mar. 1, 2018	Feb. 27, 2026	The last day of each of March, June, September and December of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)
Nomura Securities Co.,Ltd.	3,160 million yen (Note 5)	Fixed interest rate payable: 0.335% Floating interest rate receivable: JBA 3-month yen TIBOR	Mar. 1, 2018	Feb. 29, 2028	The last day of each of March, June, September and December of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)

(Note 1) The swap agreement is related to the loan of 3,170 million yen, which scheduled repayment date is September 1, 2021. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.2932 % for the loan by this interest rate swap agreement.

(Note 2) The swap agreement is related to the loan of 10,130 million yen, which scheduled repayment date is February 28, 2023. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.34245% for the loan by this interest rate swap agreement.

(Note 3) The swap agreement is related to the loan of 6,000 million yen, which scheduled repayment date is February 29, 2024. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.383 % for the loan by this interest rate swap agreement.

(Note 4) The swap agreement is related to the loan of 3,170 million yen, which scheduled repayment date is February 27, 2026. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.4984 % for the loan by this interest rate swap agreement.

(Note 5) The swap agreement is related to the loan of 3,160 million yen, which scheduled repayment date is February 29, 2028. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.71 % for the loan by this interest rate swap agreement.

## 3. Other matters necessary for investors' appropriate understanding/judgment of the concerned information

With respect to the risks associated with repayment, etc. of New Borrowings, the content of "Investment Risks" stated in the securities registration statement submitted on February 5, 2018 has not changed.

\*GLP J-REIT website address: <http://www.glpjreit.com/english/>