

## SUMMARY OF FINANCIAL RESULTS (REIT) For the 3rd Fiscal Period Ended August 31, 2013

<Under Japanese GAAP>

October 16, 2013

Name of REIT Issuer: GLP J-REIT Stock Exchange Listing: TSE  
 Securities Code: 3281 URL <http://www.glpjreit.com/>  
 Representative: Masato Miki, Executive Director  
 Name of Asset Manager: GLP Japan Advisors Inc.  
 Representative: Masato Miki, President & CEO  
 Contact: Yoji Tatsumi, Head of Finance and Administration Division  
 TEL: +81-3-3289-9630

Scheduled date to file securities report: November 28, 2013

Scheduled date to commence distribution payments: November 19, 2013

Supplementary materials for financial results:  Yes • No (Japanese / English)

Holding of financial results briefing session:  Yes • No (for institutional investors and analysts, in both Japanese and English)

(Amounts are rounded down to the nearest million yen)

### 1. Financial Results for the Fiscal Period Ended August 31, 2013 (from March 1, 2013 to August 31, 2013)

#### (1) Operating Results

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Period ended August 31, 2013	7,272	[225.1]	4,301	[223.8]	3,547	[289.5]	3,546	[290.7]
February 28, 2013	2,236	[-]	1,328	[-]	910	[-]	907	[-]

	Net income (loss) per unit		Return on unitholders' equity		Ordinary income to total assets		Ordinary income to operating revenues	
	Yen	%	Yen	%	Yen	%	Yen	%
Period ended August 31, 2013	1,929	3.2		3.2		1.5		48.8
February 28, 2013	1,720	1.7		1.7		0.8		40.7
	[501]							

(Note 1) The accounting period of GLP J-REIT for the fiscal period ended February 28, 2013 consists of 243 days from July 1, 2012 to February 28, 2013; however, the actual period for asset management consists of 56 days from January 4, 2013 to February 28, 2013.

(Note 2) For the fiscal period ended February 28, 2013, net income per unit which is calculated based on day-weighted average number of investment units (1,811,167 units) assuming that the fiscal period started on January 4, 2013, the actual start date of asset management, is also provided in square brackets.

#### (2) Distributions

	Distributions (excluding OPD*)		Optimal payable distribution (OPD)		Distributions (including OPD)		Payout ratio	Distributions to net assets
	Per Unit	Total	Per Unit	Total	Per Unit	Total		
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen		
Period ended August 31, 2013	1,930	3,546	259	475	2,189	4,022	100.0	3.2
February 28, 2013	447	821	84	154	531	975	90.5	0.9

\* "OPD" stands for "Optimal Payable Distribution" that means distributions in excess of retained earnings.

(Note 1) For the purpose of calculating distributions (excluding OPD) per unit for the fiscal period ended February 28, 2013, the amount of deficit carried forward from the previous fiscal period (85 million yen) is deducted from the net income for the period.

(Note 2) Payout ratio for the period ended February 28, 2013 was calculated as follows since new investment units were issued

during the period:

Payout ratio = Total distributions (excluding OPD) ÷ Net income (loss) × 100

(Note 3) Payout ratio and distributions to net assets ratio are calculated on the basis of excluding OPD.

(Note 4) Retained earnings decreased at a rate of 0.004 and 0.002 for the periods ended August 31, 2013 and February 28, 2013, respectively, due to OPD (refund of investment). These rates are calculated based on Article 23, Paragraph 1 (3) of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Period ended	Millions of yen	Millions of yen	%	Yen
August 31, 2013	233,875	110,894	47.4	60,344
February 28, 2013	231,353	108,323	46.8	58,945

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2013	9,963	(133)	(1,120)	11,469
February 28, 2013	(1,443)	(217,347)	221,528	2,760

2. Earnings Forecast for the Fiscal Period Ending February 28, 2014 (from September 1, 2013 to February 28, 2014) and for the Fiscal Period Ending August 31, 2014 (from March 1, 2014 to August 31, 2014)

[Percentages indicate period-on-period changes]

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Yen	Yen	Yen
February 28, 2014	8,063[10.9]	4,836[12.5]	4,020[13.3]	4,019[13.3]	1,916	251	2,167
August 31, 2014	9,093[12.8]	4,782[(1.1)]	3,745[(6.8)]	3,744[(6.8)]	1,784	282	2,066

(Reference) Estimated net income per unit: for the fiscal period ending February 28, 2014 1,951 yen  
for the fiscal period ending August 31, 2014 1,785 yen

3. Other

(1) Changes in accounting policies, changes in accounting estimates and retroactive restatement

- (a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (b) Changes in accounting policies due to other reasons: None
- (c) Changes in accounting estimates: None
- (d) Retroactive restatement: None

(2) Number of investment units issued and outstanding

- (a) Number of investment units issued and outstanding, including treasury units:  
As of August 31, 2013 1,837,700 Units As of February 28, 2013 1,837,700 Units
- (b) Number of treasury units:  
As of August 31, 2013 0 Units As of February 28, 2013 0 Units

(Note) Please refer notes to "Per Unit Information" on page 37 for the number of investment units used as the basis for calculating the net income per unit.

\* The Status of Statutory Audit

At the time of disclosure of this report of financial results, the audit procedures for the accompanying financial statements under the Financial Instruments and Exchange Act are in process.

\* Appropriate use of the forecast of financial results and other special matters

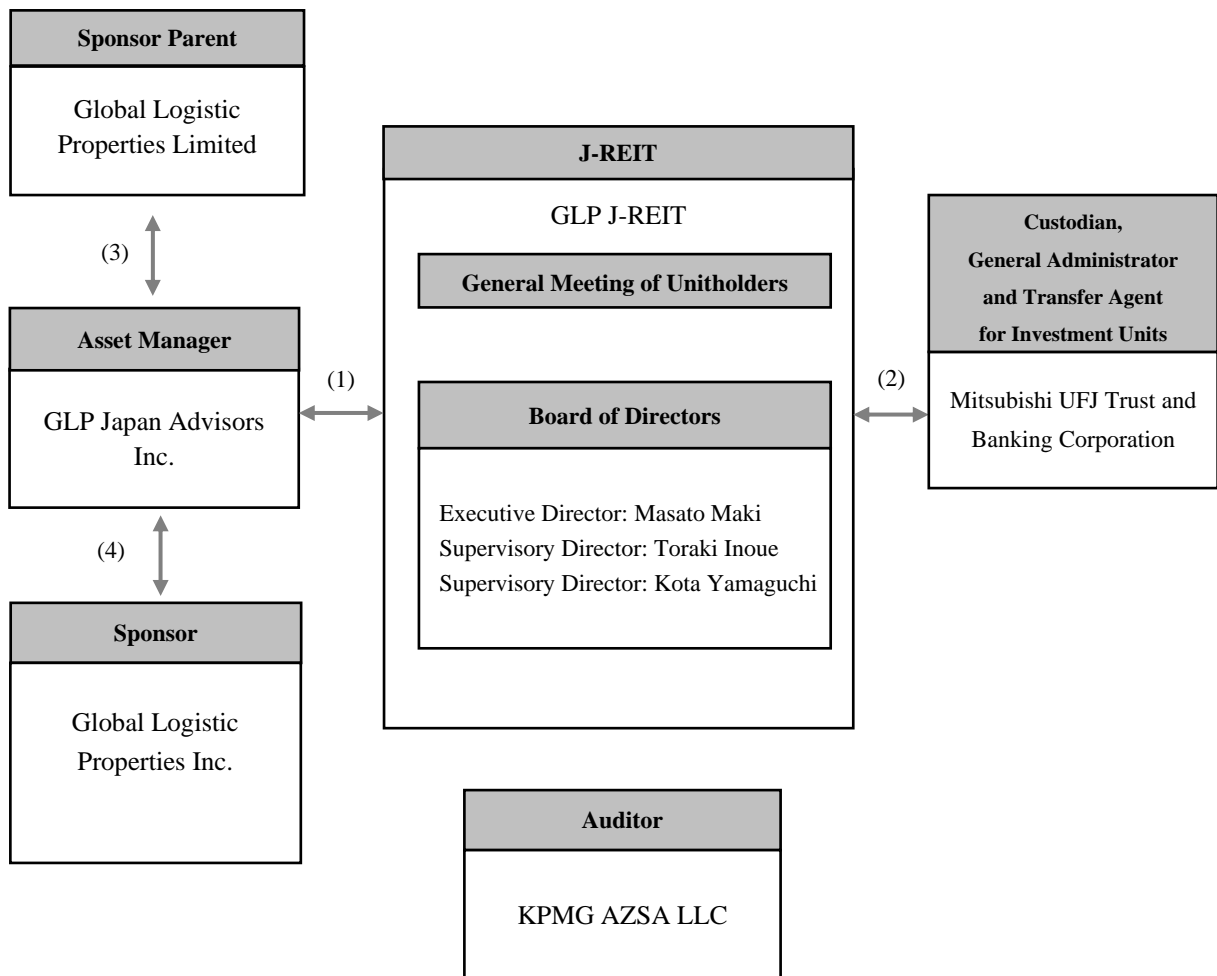
The forward-looking statements in this material are based on the information currently available to us and certain assumptions we believe reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements do not guarantee the amount of future distributions and distributions in excess of earnings. Please refer to “Assumptions for Earnings Forecasts for the Fiscal Period Ending February 28, 2014 (from September 1, 2013 to February 28, 2014) and for the Fiscal Period Ending August 31, 2014 (from March 1, 2014 to August 31, 2014)” on page 11-13 for assumptions regarding the forward-looking statements.

In addition, GLP J-REIT executed an 8-for-1 unit split on October 31, 2012. Net assets per unit and net income per unit for the period ended February 28, 2013 were calculated based on the assumption that the unit split was executed on September 16, 2011.

This is an English language translation of the original Japanese announcement of the financial statements (“*Kessan Tanshin*”). This translation is provided for information purpose only. Should there be any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

## 1. Structure and Formation of Investment Corporation

Disclosures regarding the names of the investment corporation and its related corporations in the structure, its operational roles and outline of related business are omitted since no significant change has been made after the most recent Securities Registration Statement submitted on September 3, 2013. The administrative operations related to the offering of new investment units, which were entrusted to the domestic underwriter by the underwriting contract and to the international underwriters by the International Purchase Agreement, have been completed. The structure and formation of GLP J-REIT as of the date of this document are as follows:



Type of contracts
(1) Asset Management Agreement
(2) Asset Custody Agreement /General Administration Agreement /Transfer Agency Agreement
(3) Right-of-First-Look Agreement
(4) Sponsor Support Agreement

## 2. Management Policy and Operating Conditions

### (1) Management Policy

Disclosure is omitted, as there are no significant changes from the investment policy, investment targets and distribution policy described in the most recent Securities Registration Statement submitted on September 3, 2013.

### (2) Operating Conditions

[Overview of the 3rd Fiscal Period]

#### (i) Brief Background of GLP J-REIT

GLP J-REIT is a real estate investment corporation (J-REIT) specializing in logistics facilities, primarily investing in modern logistics facilities. GLP J-REIT was founded on September 16, 2011 in accordance with the Act on Investment Trusts and Investment Corporations (hereinafter the “Investment Trust Act”) with GLP Japan Advisors Inc. as the founder and initial capital of 100 million yen (200 investment units). Registration to the Kanto Local Finance Bureau under Article 187 of the Investment Trust Act was completed on October 3, 2011. Subsequently, GLP J-REIT issued new investment units through third-party allocations of 20 units on December 14, 2011 and 180 units on June 22, 2012, and issued 2,800 units through a unit split on October 31, 2012. Moreover, GLP J-REIT issued new investment units through a public offering for 1,747,100 units, with proceeds paid in by December 20, 2012 as the payment date, and had its units listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange on December 21, 2012 (securities code: 3281). With a further issuance of 87,400 new investment units through a third-party allocation conducted on January 21, 2013, the number of investment units issued and outstanding as of the end of the current fiscal period totaled 1,837,700 units.

(Note) GLP J-REIT made the issuances of new investment units through a public offering on September 26, 2013 and through a third-party allocation on October 16, 2013. Please refer to “[Outlook of Next Fiscal Period] (iii) Significant Subsequent Events (a) Issuance of new investment units” below for further details.

#### (ii) Investment Environment and Business Performance

During the current fiscal period, the Japanese economy showed signs of recovery thanks to various policy measures by the new government. Certain aspects of the economy are observed to be moving towards sustainable recovery, including a trend of high stock prices and weak yen and an improvement in corporate profits.

In the J-REIT market, the favorable financing environment gave rise to a number of asset acquisitions and capital increases through public offerings.

In the leasing market for logistics facilities, demand for large-scale logistics facilities remained solid against the backdrop of the expansion of the third-party logistics (3PL) business and the e-commerce market, with the vacancy rate continuing to stay at a low level nationwide.

Under these conditions, GLP J-REIT performed sound management of its 33 portfolio properties. By providing detailed services to meet customers’ needs in an environment of strong demand for logistics facilities, GLP J-REIT successfully increased rents in renewed lease contracts with some customers whose lease period was expiring.

Thus, GLP J-REIT owns 33 properties with a total acquisition price of 221,311 million yen and a total leasable area of 1,178,461.83m<sup>2</sup> as of the end of the current fiscal period. The occupancy rate of the entire portfolio continued to remain stable, and at the end of the current fiscal period, it was at the high level of 99.9%.

(iii) Overview of Financing

GLP J-REIT maintains a target Loan-To-Value ratio (hereinafter “LTV”) of 45% to 55% and operates with a stable financial condition.

No new financing was made during the current fiscal period.

Outstanding loans as of the end of the current fiscal period totaled 114,400 million yen, and the ratio of interest-bearing liabilities to total assets (LTV) was 48.9%.

Furthermore, GLP J-REIT has been assigned the following credit rating as of the end of the current fiscal period.

Credit Rating Agency	Type	Rating	Outlook
JCR (Japan Credit Rating Agency, Ltd.)	Long-term issuer rating	AA-	Stable

(iv) Overview of Financial Results and Cash Distribution

As a result of these management efforts, GLP J-REIT posted operating revenues of 7,272 million yen, operating income of 4,301 million yen, ordinary income of 3,547 million yen and net income of 3,546 million yen for the current fiscal period.

As for cash distribution for the current fiscal period, in accordance with the distribution policy set forth in its Articles of Incorporation, GLP J-REIT determined to distribute 3,546,761,000 yen, which represents the integral multiple of the number of investment units issued and outstanding (1,837,700 units) from unappropriated retained earnings that is eligible for the special tax treatment on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation). Accordingly, distribution per unit for the fiscal period was 1,930 yen.

In addition, GLP J-REIT intends to distribute funds in excess of the amount of retained earnings (Optimal Payable Distribution (hereinafter “OPD”)) each fiscal period on a continuous basis, in accordance with the distribution policy set forth in the Articles of Incorporation (Note). Based on this, GLP J-REIT decided to distribute 475,964,300 yen, an amount almost equivalent to 30% of depreciation (1,588 million yen) for the current fiscal period, as a refund of investment. As a result, the amount of OPD per unit was 259 yen.

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings that do not exceed the amount obtained by deducting capital expenditure for the accounting period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 217 million yen of capital expenditure for the current fiscal period from 1,588 million yen of depreciation expense for the period is 1,371 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution in an amount equal to approximately 30% of depreciation expenses for the accounting period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal term based on its long-term repair plan.

With respect to all 33 properties held as of August 31, 2013, the six-month period average of the total amount of the emergency short-term repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set out in the Engineering Report dated September 19, 2012 for each property prepared by PROPERTY RISK SOLUTION Corporation, is 306 million yen.

[Outlook of Next Fiscal Period]

(i) Operational Environment in Next Fiscal Period

The Japanese economy is expected to continue to recover, owing to the effectiveness of various policy measures by the government and the export recovery.

As for transactions of leasable logistics facilities, proactive deals are continuing to take place, including participation of new players, due to the growing interest among investors. However, as the supply of such facilities is scarce compared with other asset types, securing acquisition sources has become a vital issue. In the leasing market, the sense of scarcity for modern logistics facilities has continued to cause the vacancy rate to drop, and an increase in rents is expected to accompany the growing leasing demand.

With regard to the financing environment, financial institutions are expected to maintain their current positive lending attitude, and a persistent capital inflow into the J-REIT market is anticipated.

(ii) Future Management Policy and Issues To Be Addressed

Under these circumstances, GLP J-REIT is committed to implementing the following measures in pursuit of growth over the medium to long term.

In its internal growth strategy, while enjoying the stable cash flows that characterize its portfolio of assets, GLP J-REIT will work on renewing lease contracts with upwardly revised rents, giving consideration to market rents, upon the expiration of lease period.

As for external growth strategy, the Asset Manager of GLP J-REIT has entered into a right-of-first-look agreement with Global Logistics Properties Limited, which is the sponsor parent, and its group companies (hereinafter "GLP Group"), allowing GLP J-REIT to preferentially obtain information regarding the sale of logistics facilities with regard to the 33 properties wholly owned by the GLP Group (as of the date of this document). While taking advantage of this agreement as a valuable pipeline, GLP J-REIT will also investigate other acquisition methods, including acquisitions from third parties, as it pursues further expansion of its portfolio size.

In terms of financial strategy, GLP J-REIT will examine such financing activities as extending debt maturities through refinancing, issuing investment corporation bonds and raising funds through public offerings, while closely monitoring the trends in the financing environment. By doing so, GLP J-REIT

will work to achieve the optimal balance of financing methods and financing costs.

(Note) On October 1, 2013, GLP J-REIT acquired 7 properties (total acquisition price: 27,500 million yen) by means other than the aforementioned right-of-first-look agreement. In addition, on March 3, 2014, GLP J-REIT will acquire 2 properties (total acquisition price: 28,500 million yen) under the right-of-first-look agreement. Please refer to “(iii) Significant Subsequent Events (b) Acquisitions of Assets” below for further details.

(iii) Significant Subsequent Events

(a) Issuance of new investment units

At the Board of Directors’ Meeting held on September 3 and September 18, 2013, GLP J-REIT resolved to issue new investment units as follows. The payments for new investment units through a public offering and through a third-party allocation were completed on September 26, 2013 and October 16, 2013, respectively.

[Issuance of new investment units through a public offering]

Number of new investment units to be issued:	249,955 units (100,455 units for domestic market, 149,500 units for international market)
Issue price (Offer price):	91,942 yen per unit
Total amount issued (total offering amount):	22,981,362,610 yen
Amount to be paid in (issue amount):	88,735 yen per unit
Total amount to be paid in (total issue amount):	22,179,756,925 yen
Payment date	September 26, 2013
Initial date for calculating distribution:	September 1, 2013

[Issuance of new investment units through a third-party allocation]

Number of new investment units issued:	10,045 units
Amount to be paid in (issue amount):	88,735 yen per unit
Total amount to be paid in (total issue amount):	891,343,075 yen
Payment date	October 16, 2013
Initial date of calculating distribution:	September 1, 2013
Underwriter:	Nomura Securities Co., Ltd.

[Purpose of funding]

The funds procured through the public offering were appropriated for the acquisition of beneficiary rights of real estate in trust stated below in (b). The funds procured through the third-party allocation will be appropriated to repay a part of short-term loans.

(b) Acquisitions of Assets

GLP J-REIT acquired beneficiary rights of real estate in trust of seven properties stated below (with a total acquisition price of 27,500 million yen) on October 1, 2013. The acquisition price (the sales and purchase price in the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust) excludes related costs for the acquisition such as related expenses for acquisition,



property-related taxes and consumption taxes.

Property Name	Location	Seller	Acquisition Price (Millions of yen)
GLP Hamura	Hamura, Tokyo	Light Year Special Purpose Company	7,660
GLP Funabashi III	Funabashi, Chiba	Light Year Special Purpose Company	3,050
GLP Sodegaura	Sodegaura, Chiba	Light Year Special Purpose Company	6,150
GLP Rokko II	Kobe, Hyogo	Light Year Special Purpose Company	3,430
GLP Ebetsu	Ebetsu, Hokkaido	Light Year Special Purpose Company	1,580
GLP Kuwana	Kuwana, Mie	Light Year Special Purpose Company	3,650
GLP Hatsukaichi	Hatsukaichi, Hiroshima	Light Year Special Purpose Company	1,980
Total	-	-	27,500

On September 3, 2013, GLP J-REIT has entered into the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust with sellers of beneficiary rights of the following two properties (with a total acquisition price of 28,500 million yen) with the scheduled acquisition date of March 3, 2014 (Note).

Property Name	Location	Seller	Acquisition Price (Millions of yen)
GLP Urayasu III	Urayasu, Chiba	Urayasu 3 Logistics Specific Purpose Company	18,200
GLP Komaki	Komaki, Aichi	Komaki Logistics Specific Purpose Company	10,300
Total	-	-	28,500

(Note) The said Sales and Purchase Agreement prescribes that if the Agreement is terminated by the nonfulfillment of conditions exclusively due to grounds attributable to GLP J-REIT, GLP J-REIT shall indemnify or reimburse the seller for any damage caused by the termination or in relation to the termination. However, it is prescribed that the Agreement shall be automatically terminated without any compensation for costs and damages or any other liability imposed upon GLP J-REIT, if GLP J-REIT could not procure funds for the acquisition before the date of ownership transfer due to grounds not attributable to GLP J-REIT.

(c) Borrowing of Funds

GLP J-REIT entered into the following Loan Agreements on September 27, 2013, in order to procure funds on the assumption that GLP J-REIT would acquire beneficiary rights of real estate in trust of two properties: GLP Urayasu III and GLP Komaki as stated above in (b).

Lender	Amount (Millions of yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral

Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., The Bank of Fukuoka, Ltd., The Norinchukin Bank, Resona Bank, Limited., Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, Aozora Bank, Ltd., and The 77 Bank, Ltd.	7,380	JBA yen 3month TIBOR plus 0.35%	March 3, 2014	End of February 2017	Lump-sum repayment on repayment date	Unsecured
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., The Bank of Fukuoka, Ltd., The Norinchukin Bank and Resona Bank, Limited.	12,300	JBA yen 3month TIBOR plus 0.45%		End of February 2019		
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation and Development Bank of Japan Inc.	6,100	JBA yen 3month TIBOR plus 0.55%		End of February 2021		
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., and Development Bank of Japan Inc.	3,140	JBA yen 3month TIBOR plus 0.70%		End of February 2024		
<b>Total</b>	<b>28,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(iv) Earnings Forecast

GLP J-REIT has made the following earnings forecast for the fiscal period ending February 28, 2014 (from September 1, 2013 to February 28, 2014) and the fiscal period ending August 31, 2014 (from March 1, 2014 to August 31, 2014). For the assumptions of the forecast, please refer to “Assumptions Underlying Earnings Forecast for Fiscal Period Ending February 28, 2014 (from September 1, 2013 to February 28, 2014) and Fiscal Period Ending August 31, 2014 (from March 1, 2014 to August 31, 2014)” below.

[Percentages indicate period-on-period changes]

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Yen	Yen	Yen
February 28, 2014	8,063[10.9]	4,836 [12.5]	4,020 [13.3]	4,019 [13.3]	1,916	251	2,167
August 31, 2014	9,093[12.8]	4,782 [(1.1)]	3,745 [(6.8)]	3,744 [(6.8)]	1,784	282	2,066

(Note) The forecast figures are the current figures calculated based on certain assumptions, and the actual net income, distribution per unit, OPD per unit and other figures may vary due to changes in circumstances surrounding GLP J-REIT. In addition, the forecast is not a guarantee of the amount of distributions or OPD.

**Assumptions Underlying Earnings Forecasts for the 4th Fiscal Period Ending February 28, 2014 (from September 1, 2013 to February 28, 2014) and for the 5th Fiscal Period Ending August 31, 2014 (from March 1, 2014 to August 31, 2014)**

Item	Assumption
Accounting period	The 4th Fiscal Period: from September 1, 2013 to February 28, 2014 (181 days) The 5th Fiscal Period: from March 1, 2014 to August 31, 2014 (184 days)
Portfolio assets	<ul style="list-style-type: none"> <li>• It is assumed that the portfolio assets will consist of 42 properties in total as follows: (i) the trust beneficiary interests of 33 properties held by GLP J-REIT as of the end of the 3rd Fiscal Period (hereinafter “33 existing properties”), (ii) new beneficiary rights of real estate in trust of seven properties acquired on October 1, 2013; that is, GLP Hamura, GLP Funabashi III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana and GLP Hatsukaichi (hereinafter “the seven properties acquired”) and (iii) new beneficiary rights of real estate in trust of two properties, GLP Urayasu III and GLP Komaki (hereinafter “the two properties to be acquired”), to be acquired on March 3, 2014. The forecast also assumes that there will be no changes in portfolio assets (acquisition of new assets, sales of assets, etc.) after these acquisitions until August 31, 2014. In practice, however, changes may arise such as acquisitions of new assets or sales of assets other than those properties stated above.</li> </ul>
Number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>• It is assumed that the number of investment units issued and outstanding will be 2,097,700 units, which is the number as of the date of this document.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>• The outstanding interest bearing debts of GLP J-REIT as of the date of this document are 114,400 million yen.</li> <li>• The forecast assumes that 980 million yen of short-term loans payable will be repaid at the end of November 2013 by using cash on hand and proceeds from the issuance of new investment units through a third-party allocation.</li> <li>• After the aforementioned repayment, it is assumed that the remaining balance of 17,420 million yen in short-term loans payable which will be due on January 4, 2014, will be refinanced for the same amount.</li> <li>• It is assumed that GLP J-REIT will borrow 28,920 million yen in total on March 3, 2014 from Qualified Institutional Investor as prescribed in Article 2, Paragraph 3, Item 1 of the Financial Instruments and Exchange Act.</li> <li>• The forecast assumes that 1,800 million yen of long-term loans payable will be repaid at the end of August 2014 by using cash on hand as well as an amount of consumption taxes which were paid during the 4th Fiscal Period and were scheduled to be refunded during the 5th Fiscal Period.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>• Concerning operating revenues, the forecast assumes that there is no delinquent of unpaid rent by tenants.</li> </ul>

Operating expenses	<ul style="list-style-type: none"> <li>• With respect to taxes on property and equipment (fixed asset tax, city planning tax and depreciable asset tax on real estate, etc. hereinafter “property-related taxes”) held by GLP J-REIT, of the tax amount assessed and determined, the amount corresponding to the relevant accounting period is recognized as rental expenses. However, if real estate or other assets is newly acquired and an adjusted amount of property-related taxes for the year to which the accounting period belongs (the “amount equivalent to property-related taxes”) arises between GLP J-REIT and the transferor, the relevant adjusted amount is included in the cost of acquisition of the real estate, etc. Accordingly, for the 33 existing properties and the seven properties acquired, no amount will be recognized as a tax expense for the 4th Fiscal Period and it is assumed that 742 million yen will be accounted for as property-related taxes for the 5th Fiscal Period. In addition, for the two properties to be acquired, no amount will be recognized as a tax expense for the 5th Fiscal Period and the fiscal period ending February 2015 (6th Fiscal Period), and recognition of expenses will start from the fiscal period ending August 2015 (7th Fiscal Period). The total amounts of property-related taxes included in the acquisition costs of the seven properties acquired and the two properties to be acquired are assumed to be 47 million yen and 128 million yen, respectively.</li> <li>• Repair and maintenance are expected to be 20 million yen for the 4th Fiscal Period and 21 million yen for the 5th Fiscal Period.</li> <li>• Property and facility management fees are expected to be 288 million yen for the 4th Fiscal Period and 326 million yen for the 5th Fiscal Period.</li> <li>• Depreciation is expected to be 1,759 million yen for the 4th Fiscal Period and 1,972 million yen for the 5th Fiscal Period.</li> <li>• With respect to expenses other than depreciation, of rental expenses which are the main operating expenses, such expenses are calculated by reflecting the expense changing factors to the past actual expenses.</li> <li>• Actual amounts of repair and maintenance of each accounting period may be significantly different from the estimated amounts due to the following reasons: repair and maintenance (1) may arise urgently due to property damages occurred by unpredictable incidents; (2) generally varies significantly by fiscal period and (3) may not arise regularly.</li> <li>• Depreciation is calculated using the straight-line method inclusive of incidental expenses and additional capital expenditure in the future.</li> </ul>
NOI (Net Operating Income) from leasing	<ul style="list-style-type: none"> <li>• NOI (the amount calculated by deducting property-related expenses, excluding depreciation, from operating revenues) are expected to be 7,503 million yen for the 4th Fiscal Period and 7,715 million yen for the 5th Fiscal Period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• Interest expenses and other finance-related expenses are expected to be 714 million yen for the 4th Fiscal Period and 961 million yen for the 5th Fiscal Period.</li> <li>• Investment unit issuance expenses were amortized monthly for three years from occurrence, and amortization expenses are expected to be 75 million yen for each of the 4th Fiscal Period and the 5th Fiscal Period.</li> <li>• In addition, one-time expenses for issuance of investment units are expected to be 25 million yen for the 4th Fiscal Period.</li> </ul>
Distributions per unit (excluding OPD)	<ul style="list-style-type: none"> <li>• Distribution per unit is calculated in accordance with the distribution policy provided in the Articles of Incorporation of GLP J-REIT.</li> <li>• Distributions per unit (excluding OPD) may change due to various factors including changes in portfolio assets, changes in rental revenues in connection with changes in tenants, unexpected repair, changes in interest rates and additional issuance of investment units.</li> </ul>
Optimal payable distribution (OPD) per unit	<ul style="list-style-type: none"> <li>• Optimal payable distribution per unit is calculated in accordance with the policy on cash distributions in excess of retained earnings provided in the Management Guidelines which are the internal rules of the Asset Manager and is calculated by assuming distribution of approximately 30% of respective depreciation arising in the 4th Fiscal Period and the 5th Fiscal Period.</li> <li>• Depreciation may vary from the current expected amount due to change in portfolio assets, the amount of incidental expenses incurred and the amount of capital expenditure. Therefore, the total amount of optimal payable distribution calculated on the basis of depreciation may also vary due to these and other various factors. In addition, in order to maintain the value of assets held by GLP J-REIT, in the event that GLP J-REIT is to pay out OPD, GLP J-REIT sets the maximum as the amount of depreciation less capital expenditure incurred in the accounting period in which the concerned depreciation was recognized. Therefore, when emergency capital expenditure arises from unforeseen factors causing building damage and other, the amount of OPD per unit may</li> </ul>

	<p>decrease. Moreover, when the appraisal LTV provided below exceeds 60%, GLP J-REIT will not pay out OPD.</p> <ul style="list-style-type: none"> <li>• Appraisal LTV (%) = <math>A/B \times 100</math> (%)  A= Interest-bearing liabilities balance (including investment corporation bonds balance and short-term investment corporation bonds balance) at the end of the period + Deposit release amount at the end of the period  B= Total amount of appraisal value or research price of portfolio assets at the end of period + Cash and deposits balance at the end of period – Scheduled total amount of distributions of earnings – Scheduled total amount of OPD</li> <li>• Furthermore, the scheduled total amount of distributions of earnings and scheduled total amount of OPD are the figures of the most recent fiscal period.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• The forecast assumes that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of Tokyo Stock Exchange, Inc., rules of The Investment Trusts Association, Japan, (“JITA”), etc. that will impact the forecast figures above.</li> <li>• The forecast assumes that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.</li> </ul>

(3) Investment Risks

Disclosure is omitted since the significant investment risks are mostly consistent to those disclosed in the most recent Securities Registration Statement submitted on September 3, 2013.

### 3. Financial Statements

#### (1) Balance Sheets

	(Unit: Thousand yen)	
	Prior Period As of February 28, 2013	Current Period As of August 31, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	710,652	8,110,467
Cash and deposits in trust	2,049,745	3,359,219
Operating accounts receivable	29,582	40,255
Prepaid expenses	354,239	306,792
Deferred tax assets	143	8
Consumption taxes receivable	4,606,628	—
Other current assets	—	78
Total current assets	7,750,992	11,816,821
Noncurrent assets		
Property and equipment		
Buildings in trust	90,360,351	90,558,574
Accumulated depreciation	(482,557)	(1,969,518)
Buildings in trust, net	89,877,794	88,589,055
Structures in trust	1,929,388	1,938,748
Accumulated depreciation	(29,128)	(120,227)
Structures in trust, net	1,900,260	1,818,520
Machinery and equipment in trust	51,909	51,909
Accumulated depreciation	(1,368)	(5,546)
Machinery and equipment in trust, net	50,541	46,363
Tools, furniture and fixtures in trust	72,595	81,573
Accumulated depreciation	(1,949)	(8,001)
Tools, furniture and fixtures in trust, net	70,646	73,571
Land in trust	130,525,023	130,525,506
Construction in progress	—	19,641
Total property and equipment, net	222,424,265	221,072,659
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	871,156	732,526
Security deposits	10,000	10,000
Total investments and other assets	882,756	744,126
Total noncurrent assets	223,307,022	221,816,786
Deferred assets		
Investment unit issuance expenses	295,637	241,885
Total deferred assets	295,637	241,885
<b>Total Assets</b>	<b>231,353,652</b>	<b>233,875,492</b>

(Unit: Thousand yen)		
	Prior Period As of February 28, 2013	Current Period As of August 31, 2013
<b>Liabilities</b>		
<b>Current liabilities</b>		
Operating accounts payable	102,595	112,242
Short-term loans payable	18,400,000	18,400,000
Accounts payable	533,675	859,878
Accrued expenses	5,400	8,513
Income taxes payable	2,701	594
Consumption taxes payable	—	282,961
Advances received	1,237,595	1,167,271
Deposits received	1,302,913	682,167
Current portion of tenant leasehold and security deposits	—	60,988
<b>Total current liabilities</b>	<b>21,584,882</b>	<b>21,574,619</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	96,000,000	96,000,000
Tenant leasehold and security deposits	5,266,920	5,228,159
Tenant leasehold and security deposits in trust	178,019	178,019
<b>Total noncurrent liabilities</b>	<b>101,444,939</b>	<b>101,406,178</b>
<b>Total Liabilities</b>	<b>123,029,822</b>	<b>122,980,797</b>
<b>Net Assets</b>		
<b>Unitholders' equity</b>		
Unitholders' capital	107,501,739	107,501,739
Deduction from unitholders' capital	—	(154,366)
Unitholders' capital, net	107,501,739	107,347,372
<b>Retained earnings</b>		
Unappropriated retained earnings	822,090	3,547,322
<b>Total retained earnings</b>	<b>822,090</b>	<b>3,547,322</b>
<b>Total unitholders' equity</b>	<b>108,323,829</b>	<b>110,894,695</b>
<b>Total Net Assets *1</b>	<b>108,323,829</b>	<b>110,894,695</b>
<b>Total Liabilities and Net Assets</b>	<b>231,353,652</b>	<b>233,875,492</b>

**(2) Statements of Operations**

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From July 1, 2012 To February 28, 2013	From March 1, 2013 To August 31, 2013
Operating revenues		
Rental revenues *1	2,170,336	7,038,883
Other rental revenues *1	66,620	233,860
Total operating revenues	2,236,957	7,272,743
Operating expenses		
Rental expenses *1	665,590	2,124,755
Asset management fee	209,385	754,275
Asset custody fee	1,121	4,113
Administrative service fees	3,910	11,190
Directors' remuneration	2,660	3,720
Audit fee	14,100	15,000
Taxes and dues	208	80
Other operating expenses	11,851	58,551
Total operating expenses	908,827	2,971,685
Operating income	1,328,129	4,301,058
Non-operating income		
Interest income	2,230	1,265
Interest on refund of consumption taxes	17	5,426
Total non-operating income	2,247	6,692
Non-operating expenses		
Interest expense	156,177	534,039
Borrowing related expenses	66,510	167,956
Amortization of investment unit issuance expenses	26,876	53,752
Offering costs associated with the issuance of investment units	168,482	1,909
Others, net	1,486	2,499
Total non-operating expenses	419,533	760,157
Ordinary income	910,844	3,547,592
Income before income taxes	910,844	3,547,592
Income taxes-current	3,154	773
Income taxes-deferred	(143)	135
Total income taxes	3,010	908
Net income	907,833	3,546,683
Accumulated earnings (deficit) brought forward	(85,743)	638
Unappropriated retained earnings	822,090	3,547,322



**(3) Statements of Changes in Net Assets**

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From July 1, 2012 To February 28, 2013	From March 1, 2013 To August 31, 2013
<b>Unitholders' equity</b>		
Unitholders' capital		
Balance at the beginning of the period	200,000	107,501,739
Changes of items during the period		
Issuance of new investment units	107,301,739	—
Total changes of items during the period	107,301,739	—
Balance at the end of the period *1	107,501,739	107,501,739
Deduction from unitholders' capital		
Balance at the beginning of the period	—	—
Changes of items during the period		
Distributions in excess of retained earnings	—	(154,366)
Total changes of items during the period	—	(154,366)
Balance at the end of the period	—	(154,366)
Unitholders' capital, net		
Balance at the beginning of the period	200,000	107,501,739
Changes of items during the period		
Issuance of new investment units	107,301,739	—
Distributions in excess of retained earnings	—	(154,366)
Total changes of items during the period	107,301,739	(154,366)
Balance at the end of the period	107,501,739	107,347,372
Retained earnings		
Unappropriated retained earnings (undisposed loss)		
Balance at the beginning of the period	(85,743)	822,090
Changes of items during the period		
Distributions of earnings	—	(821,451)
Net income (loss)	907,833	3,546,683
Total changes of items during the period	907,833	2,725,231
Balance at the end of the period	822,090	3,547,322
Total retained earnings		
Balance at the beginning of the period	(85,743)	822,090
Changes of items during the period		
Distributions of earnings	—	(821,451)
Net income	907,833	3,546,683
Total changes of items during the period	907,833	2,725,231
Balance at the end of the period	822,090	3,547,322

*(Continued)*

*(Continued)*

Total unitholders' equity		
Balance at the beginning of the period	114,256	108,323,829
Changes of items during the period		
Issuance of new investment units	107,301,739	—
Distributions in excess of retained earnings	—	(154,366)
Distributions of earnings	—	(821,451)
Net income	907,833	3,546,683
Total changes of items during the period	<u>108,209,573</u>	<u>2,570,865</u>
Balance at the end of the period	<u>108,323,829</u>	<u>110,894,695</u>
Total Net Assets		
Balance at the beginning of the period	114,256	108,323,829
Changes of items during the period		
Issuance of new investment units	107,301,739	—
Distributions in excess of retained earnings	—	(154,366)
Distributions of earnings	—	(821,451)
Net income	907,833	3,546,683
Total changes of items during the period	<u>108,209,573</u>	<u>2,570,865</u>
Balance at the end of the period	<u>108,323,829</u>	<u>110,894,695</u>

**(4) Statements of Distributions**

(Unit: Yen)		
	Prior Period	Current Period
	From July 1, 2012	From March 1, 2013
	To February 28, 2013	To August 31, 2013
I Unappropriated retained earnings	822,090,380	3,547,322,366
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	154,366,800	475,964,300
III Distributions	975,818,700	4,022,725,300
(Distributions per unit)	(531)	(2,189)
Of which, distributions of earnings	821,451,900	3,546,761,000
(Of which, distributions of earnings per unit)	(447)	(1,930)
Of which, distributions in excess of retained earnings	154,366,800	475,964,300
(Of which, distributions in excess of retained earnings	(84)	(259)
per unit)		
IV Retained earnings carried forward	638,480	561,366

Calculation method of distribution amount

In accordance with Section 34.1 of the bylaws set forth by GLP J-REIT for distributions of cash dividends, the amount of the distributions shall be limited to the amount of net income but more than 90% of income available for dividends defined in Section 67.15 of the Special Taxation Measures Act.

Accordingly, GLP J-REIT declared a distribution amount of 821,451,900 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

In accordance with Section 34.1 of the bylaws set forth by GLP J-REIT for distributions of cash dividends, the amount of the distributions shall be limited to the amount of net income but more than 90% of income available for dividends defined in Section 67.15 of the Special Taxation Measures Act.

Accordingly, GLP J-REIT declared a distribution amount of 3,546,761,000 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

*(Continued)*

*(Continued)*

*(Continued)*

Furthermore, based on the distribution policy as defined in Section 34.2 of its bylaws, GLP J-REIT will make an Optimal Payable Distribution (the “OPD”), which represents a distribution of funds in excess of retained earnings, as a refund of its investment, in each fiscal period on a continuing basis.

Thus, GLP J-REIT declared the OPD of 154,366,800 yen, as a refund of investment, which was determined as follows: (1) the amount not exceeding the upper limit of 455,298,884 yen calculated by deducting capital expenditure of 59,704,000 yen from depreciation expense of 515,002,884 yen and (2) approximately 30% of the depreciation expense of 515,002,884 yen for the period.

*(Continued)*

Furthermore, based on the distribution policy as defined in Section 34.2 of its bylaws, GLP J-REIT will make an Optimal Payable Distribution (the “OPD”), which represents a distribution of funds in excess of retained earnings, as a refund of its investment, in each fiscal period on a continuing basis.

Thus, GLP J-REIT declared the OPD of 475,964,300 yen, as a refund of investment, which was determined as follows: (1) the amount not exceeding the upper limit of 1,371,248,002 yen calculated by deducting capital expenditure of 217,043,896 yen from depreciation expense of 1,588,291,898 yen, and (2) approximately 30% of the depreciation expense of 1,588,291,898 yen for the period.

(Note) For the time being, GLP J-REIT intends to make an OPD distribution in an amount approximated to be 30% of the depreciation expense for the accounting period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal term based on the long-term repair plan of GLP J-REIT.

**(5) Statements of Cash Flows**

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From July 1, 2012	From March 1, 2013
	To February 28, 2013	To August 31, 2013
Operating activities:		
Income before income taxes	910,844	3,547,592
Depreciation	515,002	1,588,291
Amortization of investment unit issuance expenses	26,876	53,752
Interest income	(2,230)	(1,265)
Interest expense	156,177	534,039
Decrease (increase) in operating accounts receivable	(29,582)	(10,672)
Decrease (increase) in prepaid expenses	(348,989)	47,446
Decrease (increase) in consumption taxes receivable	(4,602,169)	4,606,628
Decrease (increase) in other current assets	1	—
Decrease (increase) in long-term prepaid expenses	(871,156)	138,630
Increase (decrease) in operating accounts payable	102,595	9,646
Increase (decrease) in accounts payable	308,323	390,095
Increase (decrease) in accrued expenses	(144)	—
Increase (decrease) in consumption taxes payables	—	282,961
Increase (decrease) in advances received	1,237,595	(70,324)
Increase (decrease) in deposits received	1,302,913	(620,746)
Sub Total	(1,293,940)	10,496,077
Interest received	2,230	1,265
Interest paid	(150,777)	(530,925)
Income taxes paid	(670)	(2,958)
Net cash provided by (used in) operating activities	(1,443,158)	9,963,459
Investing activities:		
Purchase of property and equipment in trust	(222,790,376)	(156,198)
Proceeds from tenant leasehold and security deposits	5,269,585	30,300
Proceeds from tenant leasehold and security deposits in trust	178,019	—
Repayments of tenant leasehold and security deposits	(2,664)	(8,073)
Purchase of investment securities	(1,600)	—
Net cash provided by (used in) investing activities	(217,347,036)	(133,971)
Financing activities:		
Increase in short-term loans payable	18,400,000	—
Proceeds from long-term loans payable	96,000,000	—
Proceeds from issuance of investment units	107,128,217	—
Payments for investment unit issuance expenses	—	(148,991)
Payments of distributions of earnings	—	(817,377)
Payments of distributions in excess of retained earnings	—	(153,828)
Net cash provided by (used in) financing activities	221,528,217	(1,120,197)
Net increase (decrease) in cash and cash equivalents	2,738,023	8,709,289
Cash and cash equivalents at beginning of period	22,374	2,760,397
Cash and cash equivalents at end of period *1	2,760,397	11,469,687

**(6) Notes Concerning Going Concern Assumption**

None

**(7) Notes Concerning Significant Accounting Policies**

1. Basis and method of valuation of assets	Securities Available-for-sale securities with no readily determinable market price are stated at cost. Cost of securities sold is determined by the moving-average method.								
2. Depreciation of noncurrent assets	Property and equipment including trust assets Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows: <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">Buildings</td> <td>2 to 55 years</td> </tr> <tr> <td>Structures</td> <td>2 to 57 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>6 to 12 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td>2 to 15 years</td> </tr> </table>	Buildings	2 to 55 years	Structures	2 to 57 years	Machinery and equipment	6 to 12 years	Tools, furniture and fixtures	2 to 15 years
Buildings	2 to 55 years								
Structures	2 to 57 years								
Machinery and equipment	6 to 12 years								
Tools, furniture and fixtures	2 to 15 years								
3. Accounting treatment for deferred assets	Investment unit issuance expenses are amortized over three years using the straight-line method.								
4. Revenue and expense recognition	Taxes on property and equipment With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period is accounted for as rental expenses. Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related tax are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 1,287,785 thousand yen for the period ended February 28, 2013.								
5. Hedge accounting	GLP J-REIT enters into derivative transactions in order to hedge against risks defined in its Articles of Incorporation in compliance with their general risk management policy. GLP J-REIT uses interest rate swaps for the purpose of hedging its risk exposure associated with interests on variable rate loans payable. Where deferral accounting is generally adopted for hedge transactions, GLP J-REIT applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense or income, respectively. The hedge effectiveness for interest rate swaps is omitted since all interest rate swaps of GLP J-REIT meet the specific matching criteria for the special accounting treatment.								

<p>6. Cash and cash equivalents as stated in the Statements of Cash Flows</p>	<p>Cash and cash equivalents consist of cash on hand and cash in trust, readily-available bank deposits, readily-available bank deposits in trust and short-term investments that are liquid and realizable with a maturity of three months or less when purchased and that are subject to an insignificant risk of changes in value.</p>
<p>7. Other significant matters which constitute the basis for preparation of financial statements</p>	<p>(1) Accounting treatment of beneficiary right of real estate in trust</p> <p>As to beneficiary rights of real estate in trust, all accounts of assets and liabilities for assets in trust as well as the related income generated and expenses incurred are recorded in the relevant balance sheets and income statement accounts.</p> <p>Of which, the following significant trust assets are shown separately on the balance sheets.</p> <p>(a) Cash and deposits in trust</p> <p>(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust</p> <p>(c) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment for consumption taxes</p> <p>Consumption taxes withheld and paid are not included in the accompanying statements of operations.</p>

**(8) Change in presentation**

**(Statements of Operations)**

For the period ended August 31, 2013, interest on refund of consumption taxes and other is reported as a separate line item as materiality increased, although it was previously included in “Other” under non-operating income. Accordingly, the retroactive reclassification was made to the statement of operations for the prior period.

Thus, the amount of 17 thousand yen included in “Other” under non-operating income for the prior period was reclassified and reported as interest on refund of consumption taxes.

**(9) Notes to Financial Statements**

**(Notes to Balance Sheets)**

Prior Period (As of February 28, 2013)

- \*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.

Current Period (As of August 31, 2013)

- \*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.

**(Notes to Statements of Operations)**

\*1. Revenues and expenses generated from the property leasing activities:

(Unit: Thousand yen)

	Prior Period From July 1, 2012 To February 28, 2013	Current Period From March 1, 2013 To August 31, 2013
<b>A. Property-related revenues</b>		
Rental revenues:		
Rental revenues	2,102,434	6,824,818
Common area charges	67,902	214,064
Total	2,170,336	7,038,883
Other revenues related to property leasing		
Utility charges	51,519	179,423
Parking lots	7,797	26,106
Others	7,303	28,330
Total	66,620	233,860
Total property-related revenues	2,236,957	7,272,743
<b>B. Property-related expenses</b>		
Rental expenses:		
Property and facility management fees	84,929	270,311
Utilities	52,489	207,035
Repairs and maintenance	3,004	15,444
Casualty insurance	4,189	13,470
Depreciation	515,002	1,588,291
Others	5,974	30,202
Total property-related expenses	665,590	2,124,755
C. Operating income from property leasing (A—B)	1,571,366	5,147,988

**(Notes to Statements of Changes in Net Assets)**

\*1. Number of investment units authorized and number of investment units issued and outstanding

	Prior Period From July 1, 2012 To February 28, 2013	Current Period From March 1, 2013 To August 31, 2013
Number of investment units authorized	16,000,000 units	16,000,000 units
Number of investment units issued and outstanding	1,837,700 units	1,837,700 units



**(Notes to Statements of Cash Flows)**

- \*1. Reconciliation of cash and cash equivalents in Statements of Cash Flows to accounts and amounts in the accompanying balance sheets

(Unit: Thousand yen)		
	Prior Period	Current Period
	From July 1, 2012	From March 1, 2013
	To February 28, 2013	To August 31, 2013
Cash and deposits	710,652	8,110,467
Cash and deposits in trust	2,049,745	3,359,219
Cash and cash equivalents	2,760,397	11,469,687

**(Leases)**

Operating lease transactions (As Lessor)

Future minimum rental revenues

(Unit: Thousand yen)		
	Prior Period	Current Period
	As of February 28, 2013	As of August 31, 2013
Due within one year	12,877,715	13,400,480
Due after one year	48,412,197	46,831,865
Total	61,289,912	60,232,345

**(Financial Instruments)**

1. Status of financial instruments

(1) Policy for financial instruments

GLP J-REIT procures funds for acquisition of assets through issuance of new investment units, bank loans and issuance of investment corporation bonds.

GLP J-REIT enters into derivative transactions solely for the purpose of reducing interest rate and other risks. GLP J-REIT does not use derivative transactions for speculative purposes.

GLP J-REIT generally invests surplus funds in deposits considering the safety and liquidity of the investment although surplus funds could be invested in securities and monetary claims as a matter of policy.

(2) Financial instruments, their risks and risk management system

Deposits are used for investment of GLP J-REIT's surplus funds. These deposits are exposed to credit risk, such as bankruptcy of the depository financial institution. GLP J-REIT limits credit risk by using only short-term deposits in financial institutions with high credit ratings.

Bank loans are mainly made to procure funds for acquisition of properties. GLP J-REIT mitigates the liquidity risk exposure upon repayment and redemption of loans by diversifying the maturities and lending institutions, and manages such liquidity risk by preparing and monitoring the forecasted cash flows.

Certain loans are floating rate and exposed to the risk of rising interest rates. GLP J-REIT mitigates such risk by maintaining a prudent loan-to-value ratio and stabilizing its financial costs with the use of derivative transactions (interest rate swaps) as a hedge. All interest rate swaps meet the specific matching criteria to qualify for the special accounting treatment, thus the hedge effectiveness test is omitted. Derivative transactions are executed and managed under the Management Guidelines of the Asset Manager.

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust are deposits received from

tenants. GLP J-REIT is obligated to repay the deposits upon the tenant's termination of the leased property, thus exposed to liquidity risk. GLP J-REIT generally minimizes and manages such risk by holding sufficient funds to make the repayments and monitoring its cash flows.

(3) Supplemental explanation regarding fair values of financial instruments

The fair value of financial instruments is based on observable market prices, if available. When there is no available observable market price, the fair value is reasonably estimated. Since various factors are considered in estimating the fair value, different assumptions and factors could result in a range of fair values.

2. Estimated fair value of financial instruments

Prior Period (As of February 28, 2013)

Book value, fair value and difference between the values as of February 28, 2013 are as follows. Financial instruments for which fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	710,652	710,652	—
(2) Cash and deposits in trust	2,049,745	2,049,745	—
Total assets	2,760,397	2,760,397	—
(1) Short-term loans payable	18,400,000	18,400,000	—
(2) Long-term loans payable	96,000,000	96,657,739	657,739
Total Liabilities	114,400,000	115,057,739	657,739
Derivatives transactions	—	—	—

Current Period (As of August 31, 2013)

Book value, fair value and difference between the values as of August 31, 2013 are as follows. Financial instruments for which fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	8,110,467	8,110,467	—
(2) Cash and deposits in trust	3,359,219	3,359,219	—
Total assets	11,469,687	11,469,687	—
(1) Short-term loans payable	18,400,000	18,400,000	—
(2) Long-term loans payable	96,000,000	96,148,873	148,873
Total liabilities	114,400,000	114,548,873	148,873
Derivative transactions	—	—	—

(Note 1) Methods to estimate fair value of financial instruments

Assets:

(1) Cash and deposits (2) Cash and deposits in trust

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value; therefore, the book value is used as the fair value.

Liabilities:

(1) Short-term loans payable

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value; therefore, the book value is used as the fair value.

(2) Long-term loans payable

With respect to long-term loans payable, interest rates of floating-rate loans are periodically adjusted or renewed by contract. Thus, the book value of these instruments is deemed a reasonable approximation of the fair value, and the book value is, therefore, used as the fair value. The fair value of fixed-rate loans is measured by discounting the total principle and interest amount at the current rates that are reasonably estimated to be applicable if GLP J-REIT enters into new similar loans. The fair value of interest rate swaps under the special accounting treatment is included in long-term loans payable and designated as a hedged item.

Derivative transactions:

Please refer to “(Derivative Transactions)” described below.

(Note 2) Financial instruments for which fair value is difficult to estimate are as follows:

(Unit: Thousand yen)

Account name	Prior Period As of February 28, 2013	Current Period As of August 31, 2013
Tenant leasehold and security deposits	5,266,920	5,228,159
Tenant leasehold and security deposits in trust	178,019	178,019
Total	5,444,939	5,406,178

Regarding tenant leasehold and security deposits and tenant leasehold and security deposits in trust, no observable market prices are available and the timing of repayments is not reliably estimated. Thus, it is impracticable to reasonably estimate their future cash flows and very difficult to estimate their fair value. Therefore, their fair values are not disclosed.

(Note 3) Redemption schedule for monetary claims are as follows:

Prior Period (As of February 28, 2013)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	710,652
Cash and deposits in trust	2,049,745
Total	2,760,397

Current Period (As of August 31, 2013)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	8,110,467
Cash and deposits in trust	3,359,219
Total	11,469,687

(Note 4) Redemption schedule for long-term loans payable and other interest-bearing debts

Prior Period (As of February 28, 2013)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Long-term loans payable	—	20,600,000	23,800,000	—	24,300,000	27,300,000
Total	—	20,600,000	23,800,000	—	24,300,000	27,300,000

Current Period (As of August 31, 2013)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Long-term loans payable	—	20,600,000	23,800,000	—	24,300,000	27,300,000
Total	—	20,600,000	23,800,000	—	24,300,000	27,300,000

**(Investment Securities)**

Prior Period (As of February 28, 2013) and Current Period (As of August 31, 2013)

None

**(Derivative Transactions)**

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of February 28, 2013) and Current Period (As of August 31, 2013)

None

2. Derivative transactions for which hedge accounting is applied

The contract and notional amount as of the balance sheet date by hedge accounting method is as follows:

Prior Period (As of February 28, 2013)

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ pay fix	Long-term loans payable	72,150,000	72,150,000	(Note 1)	(Note 2)

(Note 1) Interest rate swaps under special accounting treatment are accounted for as the integral component of long-term loans payable designated as hedged items. Thus, their fair value is included in that of long-term loans payable disclosed in aforementioned “(Financial Instruments), 2. Estimated fair value of financial instruments, (2) Long-term loans payable.”

(Note 2) Fair value is measured by the counterparty of the relevant transaction based on market rates.

Current Period (As of August 31, 2013)

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ pay fix	Long-term loans payable	72,150,000	72,150,000	(Note 1)	(Note 2)

(Note 1) Interest rate swaps under special accounting treatment are accounted for as the integral component of long-term loans payable designated as hedged items. Thus, their fair value is included in that of long-term loans payable disclosed in aforementioned “(Financial Instruments, 2. Estimated fair value of financial instruments, (2) Long-term loans payable.”

(Note 2) Fair value is measured by the counterparty of the relevant transaction based on market rates.

**(Retirement Benefit Plans)**

Prior Period (As of February 28, 2013) and Current Period (As of August 31, 2013)

None

**(Equity in Income)**

Prior Period (As of February 28, 2013) and Current Period (As of August 31, 2013)

No affiliate exists, thus, none to report.

**(Asset Retirement Obligation)**

Prior Period (As of February 28, 2013) and Current Period (As of August 31, 2013)

None

**(Deferred Tax Accounting)**

1. Significant components of deferred tax assets and liabilities

(Unit: Thousand yen)

	Prior Period As of February 28, 2013	Current Period As of August 31, 2013
Deferred tax assets		
Enterprise tax payable	143	8
Total	143	8
Net deferred tax assets	143	8

2. Reconciliation between Japanese statutory tax rate and the actual income tax rate with respect to pre-tax income reflected in the accompanying statement of operations for each period is as follows.

(Unit: %)

	Prior Period	Current Period
	As of February 28, 2013	As of August 31, 2013
Statutory effective tax rate	36.59	36.59
(Adjustments)		
Distributions deductible for tax purposes	(33.00)	(36.58)
Valuation allowance	(3.39)	—
Other	0.13	0.02
Actual tax rate	0.33	0.03

**(Related Party Transactions)**

1. Transactions and account balances with the parent company and major unitholders

Prior Period (From July 1, 2012 to February 28, 2013)

None

Current Period (From March 1, 2013 to August 31, 2013)

None

2. Transactions and account balances with affiliates

Prior Period (From July 1, 2012 to February 28, 2013)

None

Current Period (From March 1, 2013 to August 31, 2013)

None

3. Transactions and account balances with companies under common control

Prior Period (From July 1, 2012 to February 28, 2013)

Classification	Name of the company	Location	Stated capital (Thousands of yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousands of yen)	Account title	Balance (Thousands of yen)
Subsidiary of other related company	Tokyo Logistic Special Purpose Company	Minato-ku, Tokyo	1,772,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	22,700,000	—	—
							Receipt of deposit	114,641	Deposits received	114,641
							Acceptance of tenant leasehold and security deposit	267,201	—	—
	Cosmos Special Purpose Company	Minato-ku, Tokyo	1,746,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	13,313,000	—	—
							Receipt of deposit	113,648	Deposits received	113,648
							Acceptance of tenant leasehold and security deposit	252,751	—	—
	Akishima Logistic Special Purpose Company	Minato-ku, Tokyo	314,400	Real estate	—	—	Purchase of beneficiary right of real estate in trust	7,160,000	—	—
							Receipt of deposit	40,043	Deposits received	40,043
							Acceptance of tenant leasehold and security deposit	293,166	—	—
	Tomisato Logistic Special Purpose	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	4,990,000	—	—
							Receipt of deposit	29,372	Deposits	29,372

Company								received		
							Acceptance of tenant leasehold and security deposit	88,365	—	—
Narashino2 Logistic Special Purpose Company	Minato-ku, Tokyo	4,650,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	15,220,000	—	—	
						Receipt of deposit	143,773	Deposits received	115,036	
						Acceptance of tenant leasehold and security deposit	455,574	—	—	
Funabashi Logistic Special Purpose Company	Minato-ku, Tokyo	416,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	1,720,000	—	—	
						Receipt of deposit	19,700	Deposits received	19,700	
Kazo Logistic Special Purpose Company	Minato-ku, Tokyo	478,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	11,500,000	—	—	
						Receipt of deposit	58,487	Deposits received	58,487	
						Acceptance of tenant leasehold and security deposit	158,768	—	—	
Sugito 2 Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	19,000,000	—	—	
						Receipt of deposit	101,994	Deposits received	101,994	
						Acceptance of tenant leasehold and security deposit	390,223	—	—	
Iwatsuki Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	6,940,000	—	—	
						Receipt of deposit	38,751	Deposits received	38,751	
						Acceptance of tenant leasehold and security deposit	104,019	—	—	
Kasukabe Logistic Special Purpose Company	Minato-ku, Tokyo	1,116,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	4,240,000	—	—	
						Receipt of deposit	13,238	Deposits received	13,238	
						Acceptance of tenant leasehold and security deposit	600,000	—	—	
Koshigaya 2 Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	9,780,000	—	—	
						Receipt of deposit	57,110	Deposits received	45,660	
						Acceptance of tenant leasehold and security deposit	280,380	—	—	
Misato 2 Logistic Special Purpose Company	Minato-ku, Tokyo	225,900	Real estate	—	—	Purchase of beneficiary right of real estate in trust	14,600,000	—	—	
						Receipt of deposit	81,682	Deposits received	65,294	
						Acceptance of tenant leasehold and security deposit	210,505	—	—	
Tatsumi Logistic Special Purpose Company	Minato-ku, Tokyo	1,323,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	4,960,000	—	—	
						Receipt of deposit	22,405	Deposits received	22,405	
						Acceptance of tenant leasehold and security deposit	138,414	—	—	
Hirakata Logistic Special Purpose Company	Minato-ku, Tokyo	1,372,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	4,750,000	—	—	
						Receipt of deposit	35,705	Deposits received	35,705	
						Acceptance of tenant leasehold and security deposit	165,195	—	—	
Hirakata 2 Logistic Special Purpose Company	Minato-ku, Tokyo	2,378,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	7,940,000	—	—	
						Receipt of deposit	58,773	Deposits received	58,773	
						Acceptance of tenant leasehold and security deposit	254,788	—	—	
Maishima 2 Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	8,970,000	—	—	
						Receipt of deposit	79,877	Deposits received	63,842	
						Acceptance of tenant leasehold and security deposit	135,270	—	—	
Tsumori Logistic Special Purpose	Minato-ku, Tokyo	90,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	1,990,000	—	—	

Company						Receipt of deposit	20,827	Deposits received	20,827
Amagasaki Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	24,500,000	—	—
						Receipt of deposit	183,671	Deposits received	146,835
						Acceptance of tenant leasehold and security deposit	554,750	—	—
Amagasaki 2 Logistic Special Purpose Company	Minato-ku, Tokyo	666,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	2,040,000	—	—
						Receipt of deposit	10,941	Deposits received	10,941
						Acceptance of tenant leasehold and security deposit	72,000	—	—
Azalea Special Purpose Company	Minato-ku, Tokyo	35,525,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	5,838,000	—	—
						Receipt of deposit	36,426	Deposits received	36,426
						Acceptance of tenant leasehold and security deposit	120,869	—	—
Sakai Logistic Special Purpose Company	Minato-ku, Tokyo	745,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	2,000,000	—	—
						Receipt of deposit	13,694	Deposits received	13,694
						Acceptance of tenant leasehold and security deposit	133,944	—	—
Tomiya Logistic Special Purpose Company	Minato-ku, Tokyo	100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	2,820,000	—	—
						Receipt of deposit	13,761	Deposits received	13,761
						Acceptance of tenant leasehold and security deposit	45,000	—	—
Koriyama 1 Logistic Special Purpose Company	Minato-ku, Tokyo	100,700	Real estate	—	—	Purchase of beneficiary right of real estate in trust	4,100,000	—	—
						Receipt of deposit	26,017	Deposits received	20,787
						Acceptance of tenant leasehold and security deposit	139,020	—	—
Tokai Logistic Special Purpose Company	Minato-ku, Tokyo	43,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	6,210,000	—	—
						Receipt of deposit	45,805	Deposits received	36,615
						Acceptance of tenant leasehold and security deposit	186,720	—	—
Hayashima Logistic Special Purpose Company	Minato-ku, Tokyo	100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	1,190,000	—	—
						Receipt of deposit	7,986	Deposits received	7,986
						Acceptance of tenant leasehold and security deposit	48,000	—	—
Hayashima 2 Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	2,460,000	—	—
						Receipt of deposit	16,748	Deposits received	13,384
						Acceptance of tenant leasehold and security deposit	81,660	—	—
Kiyama Logistic Special Purpose Company	Minato-ku, Tokyo	100,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	4,760,000	—	—
						Receipt of deposit	29,509	Deposits received	23,545
						Acceptance of tenant leasehold and security deposit	76,941	—	—
Sendai Logistic Special Purpose Company	Minato-ku, Tokyo	816,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	5,620,000	—	—
						Receipt of deposit	21,511	Deposits received	21,511
						Acceptance of tenant leasehold and security deposit	194,066	—	—
Global Logistics Properties Inc. (Note 1)	Minato-ku, Tokyo	100,000	Investment advisory/agency	—	Entrustment of property management Patent license	Property management fee	45,073	Operating accounts payable	47,326
						Royalty fee (Note 3)	2,900	—	—



	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Note 3)	209,385	Accounts payable	219,854
--	-------------------------	------------------	---------	------------------	---	--	-------------------------------	---------	------------------	---------

(Note 1) Effective April 1, 2013, Global Logistic Properties Inc. has changed its Japanese trade name from GL Properties KK to Global Logistic Properties KK.

(Note 2) Consumption taxes are not included in the transaction amount but included in the related balance at the end of the period.

(Note 3) Decisions relating to the terms and conditions of transactions:

- (a) The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT.
- (b) The royalty fee was mutually agreed after negotiation between both parties, based on the initial formula proposed by Global Logistic Properties Inc.
- (c) Other transactions are determined based on market conditions.

Current Period (From March 1, 2013 to August 31, 2013)

classification	Name of the company	Location	Stated capital (Thousands of yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousands of yen)	Account title	Balance (Thousands of yen)
Subsidiary of other related company	Global Logistics Properties Inc.	Minato-ku, Tokyo	100,000	Investment advisory/ agency	—	Entrustment of property management Patent license	Property management fee	144,127	Operating accounts payable	25,421
							Royalty fee (Note 2)	7,500	—	—
							Agent commission	9,423	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Note 2)	754,275	Accounts payable	681,775
GLP Solar Special Purpose Company	Minato-ku, Tokyo	160,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	39	Advances received	649	

(Note 1) Consumption taxes are not included in the transaction amount but included in the related balance at the end of the period.

(Note 2) Decisions relating to the terms and conditions of transactions:

- (a) The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT.
- (b) The royalty fee was determined based on a mutual agreement after negotiation between both parties, using the initial formula proposed by Global Logistic Properties Inc.
- (c) The rental income from rooftop leasing was determined based on a mutual agreement after negotiation between both parties, using the initial formula proposed by GLP Solar Special Purpose Company.
- (d) Other transactions are determined based on market conditions.

4. Transactions and account balances with Board of Directors and individual unitholders

Prior Period (From July 1, 2012 to February 28, 2013)

None

Current Period (From March 1, 2013 to August 31, 2013)

None

**(Investment and Rental Properties)**

Property and equipment consists of leasable logistics facilities for the purpose of earning rental revenues. The following tables summarize the book value, including changes during the fiscal periods and fair value of these rental properties.

(Unit: Thousand yen)

	Prior Period From July 1, 2012 To February 28, 2013	Current Period From March 1, 2013 To August 31, 2013
Book value		
Balance at the beginning of the period	—	222,424,265
Change during the period	222,424,265	(1,371,248)
Balance at the end of the period	222,424,265	221,053,017
Fair value at the end of the period	226,681,000	231,226,000

(Note 1) The amount on the balance sheets is based on the acquisition cost less the accumulated amount of depreciation.

(Note 2) The major increase for the prior period was primarily due to the acquisition of the following 33 properties in the total amount of 222,879,564 thousand yen: GLP Tokyo, GLP Higashi-Ogishima, GLP Akishima, GLP Tomisato, GLP Narashino II, GLP Funabashi, GLP Kazo, GLP Fukaya, GLP Sugito II, GLP Iwatsuki, GLP Kasukabe, GLP Koshigaya II, GLP Misato II, GLP Tatsumi, GLP Hirakata, GLP Hirakata II, GLP Maishima II, GLP Tsumori, GLP Rokko, GLP Amagasaki, GLP Amagasaki II, GLP Nara, GLP Sakai, GLP Morioka, GLP Tomiya, GLP Koriyama I, GLP Koriyama III, GLP Tokai, GLP Hayashima, GLP Hayashima II, GLP Kiyama, GLP Tosu III and GLP Sendai, where the major decrease for the prior period was due to depreciation of 515,002 thousand yen. The major decrease for the current period is due to depreciation of 1,588,291 thousand yen.

(Note 3) The fair value of investment and rental properties was determined based on third-party appraisals or research price.

Income and loss in connection with investment and rental properties are disclosed in “Notes to Statements of Operations.”

**(Segment and Related Information)**

(Segment Information)

1. Overview of operating and reportable segments

Operating segments are a component of GLP J-REIT for which separate financial information is available and whose operating results are regularly evaluated by the Board of Directors to make decisions about how resources are allocated and assess their performance. Consequently, each property is considered an operating segment. However, when properties share similar economic characteristic and meet other specific conditions, they may be aggregated for purposes of reporting segment information. Therefore, properties with multiple tenants have been aggregated and presented as “Multi-tenant Property” reportable segment, whereas a build-to-suit (“BTS”) properties developed for a single tenant or a property with a single tenant have been aggregated and presented as “BTS Property” reportable segment.

GLP J-REIT’s properties were classified to each segment as follows:

Multi-tenant property : GLP Tokyo, GLP Sugito II, GLP Koshigaya II, GLP Misato II, GLP Amagasaki and GLP Koriyama III

BTS property: GLP Higashi-Ogishima, GLP Akishima, GLP Tomisato, GLP Narashino II, GLP Funabashi, GLP Kazo, GLP Fukaya, GLP Iwatsuki, GLP Kasukabe, GLP Tatsumi, GLP Hirakata, GLP Hirakata II, GLP Maishima II, GLP Tsumori, GLP Rokko, GLP Amagasaki II, GLP Nara, GLP Sakai, GLP Morioka, GLP Tomiya, GLP Koriyama I,

GLP Tokai, GLP Hayashima, GLP Hayashima II, GLP Kiyama, GLP Tosu III and  
GLP Sendai

2. Basis of measurement for the amounts of segment income, segment assets and other items for each reportable segment  
The accounting policies of each reportable segment are consistent to those disclosed in “Notes Concerning Significant Accounting Policies.” Segment income is measured on the basis of operating income, excluding certain corporate expenses (see reconciling items below). Segment assets are measured on the basis of total assets, excluding certain assets (see reconciling items below).

3. Information about segment income, segment assets and other items

Prior Period (As of February 28, 2013)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	962,286	1,274,670	—	2,236,957
Segment income	654,790	916,576	(243,236)	1,328,129
Segment assets	94,568,743	129,959,203	6,825,706	231,353,652
Other items				
Depreciation	192,431	322,570	—	515,002
Increase in property and equipment	93,750,840	129,188,428	—	222,939,268

(Note 1) Operating revenues are exclusively earned from external parties.

(Note 2) Reconciling items to segment income of 243,236 thousand yen consist of corporate expenses of 243,236 thousand yen that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors’ remuneration and other expenses.

Reconciling items to segment assets in the amount of 6,825,706 thousand yen include current assets of 5,648,912 thousand yen, investments and other assets of 881,156 thousand yen, and deferred assets of 295,637 thousand yen.

Current Period (As of August 31, 2013)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount financial statements
Operating revenues (Note1)	3,062,992	4,209,751	—	7,272,743
Segment income	2,068,178	3,079,809	(846,930)	4,301,058
Segment assets	94,480,166	129,983,208	9,412,118	233,875,492
Other items				
Depreciation	578,062	1,010,229	—	1,588,291
Increase in property and equipment	44,135	172,908	19,641	236,685

(Note 1) Operating revenues are exclusively earned from external parties.

(Note 2) Reconciling items to segment income of 846,930 thousand yen consist of corporate expenses of 846,930 thousand yen that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors’ remuneration and other expenses.

Reconciling items to segment assets in the amount of 9,412,118 thousand yen include current assets of 8,408,064 thousand

yen, property and equipment of 19,641 thousand yen, investments and other assets of 742,526 thousand yen and deferred assets of 241,885 thousand yen.

Reconciling items to increase in property and equipment under other items in the amount of 19,641 thousand yen consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress of 19,641 thousand yen.

**(Related Information)**

Prior Period (From July 1, 2012 to February 28, 2013)

1. Revenue information by product and service

The services consist of rental income from Multi-tenant and BTS rental business.

2. Information by geographic area

(1) Operating revenues

Disclosure of this information has been omitted as operating revenues earned from external customers in Japan have exceeded 90% of operating revenues on the accompanying statement of operations.

(2) Property and equipment

Disclosure of this information has been omitted as the amount of property and equipment in Japan has exceeded 90% of the amount of total property and equipment on the accompanying balance sheet.

3. Information on major tenants

A major customer accounting for 10% or more of total operating revenues is as follows. When each property or property in trust is leased through a master lease agreement, the amount of total revenues earned from end-tenants is stated.

(Unit: Thousand yen)

Name of customer	Operating revenues	Relevant segment
Hitachi Transport System, Ltd.	277,420	BTS rental business

Current Period (From March 1, 2013 to August 31, 2013)

1. Revenue information by product and service

Disclosure of this information has been omitted as operating revenues earned from external customers for a single product and service have exceeded 90% of operating revenues on the Statement of Income.

2. Information by geographic area

(1) Operating revenues

Disclosure of this information has been omitted as operating revenues earned from external customers in Japan have exceeded 90% of operating revenues on the accompanying statement of operations.

(2) Property and equipment

Disclosure of this information has been omitted as the amount of property and equipment in Japan has exceeded 90% of the amount of total property and equipment on the accompanying balance sheet.

3. Information by major tenants

A major customer accounting for 10% or more of total operating revenues is as follows. When each property or property in trust is leased through a master lease agreement, the amount of total revenues earned from end-tenants is stated.

(Unit: Thousand yen)

Name of customer	Operating revenues	Relevant segment
Hitachi Transport System, Ltd.	874,578	BTS rental business

**(Per Unit Information)**

	Prior Period From July 1, 2012 To February 28, 2013	Current Period From March 1, 2013 To August 31, 2013
Net assets per unit	58,945 yen	60,344 yen
Net income per unit	1,720 yen	1,929 yen

(Note 1) GLP J-REIT executed an 8-for-1 unit split on October 31, 2012. Net assets per unit and net income or loss per unit are calculated based on the assumption that the unit split was executed on September 16, 2011.

(Note 2) Net income per unit is calculated by dividing net income for the period by the weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated as there are no diluted units.

(Note3) The basis for calculating the net income or loss per unit is as follows:

	Prior Period From July 1, 2012 To February 28, 2013	Current Period From March 1, 2013 To August 31, 2013
Net income	907,833 thousand yen	3,546,683 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	907,833 thousand yen	3,546,683 thousand yen
Average number of investment units during the period	527,696 units	1,837,700 units

**(Significant Subsequent Events)**

1. Issuance of new investment units

At the Board of Directors' Meeting held on September 3 and September 18, 2013, GLP J-REIT resolved to issue new investment units as follows. The payments for new investment units through a public offering and through a third-party allocation were completed on September 26, 2013 and October 16, 2013, respectively.

[Issuance of new investment units through a public offering]

Number of new investment units to be issued:	249,955 units (100,455 units for domestic market, 149,500 units for international market)
Issue price (Offer price):	91,942 yen per unit
Total amount issued (total offering amount):	22,981,362,610 yen
Amount to be paid in (issue amount):	88,735 yen per unit
Total amount to be paid in (total issue amount):	22,179,756,925 yen
Payment date	September 26, 2013
Initial date for calculating distribution:	September 1, 2013

[Issuance of new investment units through a third-party allocation]

Number of new investment units issued:	10,045 units
Amount to be paid in (issue amount):	88,735 yen per unit
Total amount to be paid in (total issue amount):	891,343,075 yen
Payment date	October 16, 2013

Initial date of calculating distribution: September 1, 2013  
Underwriter: Nomura Securities Co., Ltd.

[Purpose of funding]

The funds procured through the public offering were appropriated for the acquisition of beneficiary rights of real estate in trust stated below in 2. The funds procured through the third-party allocation will be appropriated to repay a part of short-term loans.

2. Acquisitions of Assets

GLP J-REIT acquired beneficiary rights of real estate in trust of seven properties stated below (with a total acquisition price of 27,500 million yen) on October 1, 2013. The acquisition price (the sales and purchase price in the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust) excludes related costs for the acquisition such as related expenses for acquisition, property-related taxes and consumption taxes.

Property Name	Location	Seller	Acquisition Price (Millions of yen)
GLP Hamura	Hamura, Tokyo	Light Year Special Purpose Company	7,660
GLP Funabashi III	Funabashi, Chiba	Light Year Special Purpose Company	3,050
GLP Sodegaura	Sodegaura, Chiba	Light Year Special Purpose Company	6,150
GLP Rokko II	Kobe, Hyogo	Light Year Special Purpose Company	3,430
GLP Ebetsu	Ebetsu, Hokkaido	Light Year Special Purpose Company	1,580
GLP Kuwana	Kuwana, Mie	Light Year Special Purpose Company	3,650
GLP Hatsukaichi	Hatsukaichi, Hiroshima	Light Year Special Purpose Company	1,980
Total	-	-	27,500

On September 3, 2013, GLP J-REIT has entered into the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust with sellers of beneficiary rights of the following two properties (with a total acquisition price of 28,500 million yen) with the scheduled acquisition date of March 3, 2014 (Note).

Property Name	Location	Seller	Acquisition Price (Millions of yen)
GLP Urayasu III	Urayasu, Chiba	Urayasu 3 Logistics Special Purpose Company	18,200
GLP Komaki	Komaki, Aichi	Komaki Logistics Special Purpose Company	10,300
Total	-	-	28,500

(Note) The said Sales and Purchase Agreement prescribes that if the Agreement is terminated by the nonfulfillment of conditions exclusively due to grounds attributable to GLP J-REIT, GLP J-REIT shall indemnify or reimburse the seller for any damage caused by the termination or in relation to the termination. However, it is prescribed that the Agreement shall be automatically terminated without any compensation for costs and damages or any other liability imposed upon GLP J-REIT, if GLP J-REIT could not procure funds for the acquisition before the date of ownership transfer due to grounds not attributable to GLP J-REIT.

3. Borrowing of Funds

GLP J-REIT entered into the following Loan Agreements on September 27, 2013, in order to procure funds on the assumption that GLP J-REIT would acquire beneficiary rights of real estate in trust of two properties: GLP Urayasu III and GLP Komaki as stated above in (b).

Lender	Amount (Millions of yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., The Bank of Fukuoka, Ltd., The Norinchukin Bank, Resona Bank, Limited., Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, Aozora Bank, Ltd., and The 77 Bank, Ltd.	7,380	JBA yen 3month TIBOR plus 0.35%	March 3, 2014	End of February 2017	Lump-sum repayment on repayment date	Unsecured
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., The Bank of Fukuoka, Ltd., The Norinchukin Bank and Resona Bank, Limited.	12,300	JBA yen 3month TIBOR plus 0.45%		End of February 2019		
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation and Development Bank of Japan Inc.	6,100	JBA yen 3month TIBOR plus 0.55%		End of February 2021		
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., and Development Bank of Japan Inc.	3,140	JBA yen 3month TIBOR plus 0.70%		End of February 2024		
Total	28,920	-	-	-	-	-

**(10) Changes in Number of Investment Units Issued and Outstanding**

Changes in number of investment units issued and outstanding and net unitholders' capital from the date of establishment to the end of current period are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Millions of yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
September 16, 2011	Establishment through private placement	200	200	100	100	(Note 2)
December 14, 2011	Issuance of new units through allocation to a third party	20	220	10	110	(Note 3)
June 22, 2012	Issuance of new units through allocation to a third party	180	400	90	200	(Note 4)
October 31, 2012	Unit split	2,800	3,200	—	200	(Note 5)
December 20, 2012	Public offering	1,747,100	1,750,300	102,189	102,389	(Note 6)
January 21, 2013	Issuance of new units through allocation to a third party	87,400	1,837,700	5,112	107,501	(Note 7)
May 22, 2013	Distributions in excess of retained earnings (a refund of investment)	—	1,837,700	(154)	107,347	(Note 8)

(Note 1) "Unitholders' capital, net" represents the amount of unitholders' capital, net of distributions in excess of retained earnings deducted from total unitholders' capital.

(Note 2) At establishment of GLP J-REIT, new units were issued at the issue price of 500,000 yen per unit.

(Note 3) In order to obtain necessary operating funds, GLP J-REIT issued new investment units through a third party allocation at 500,000 yen per unit.

(Note 4) In order to obtain necessary operating funds, GLP J-REIT issued new investment units through a third party allocation at 500,000 yen per unit.

(Note 5) GLP J-REIT executed an 8-for-1 unit split.

(Note 6) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 60,500 yen or the offer price of 58,491 yen per unit.

(Note 7) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the offer price of 58,491 yen.

(Note 8) At the Board of Directors' Meeting held on April 16, 2013, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 84 yen per unit for the 2nd fiscal period (the period ended February 28, 2013). The payment of distributions was commenced on May 22, 2013.

**4. Changes in Directors**

Changes in directors are disclosed on a timely basis, when the contents for disclosure are determined.



## 5. Reference Information

### (1) Investment Status

Type of asset	Area (Note 1)	Prior Period As of February 28, 2013		Current Period August 31, 2013	
		Total amount held (Millions of yen) (Note 2)	As a ratio to total assets (%) (Note 3)	Total amount held (Millions of yen) (Note 2)	As a ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Tokyo metropolitan area	130,751	56.5	130,022	55.6
	Greater Osaka area	60,116	26.0	59,729	25.5
	Other	31,556	13.6	31,300	13.4
Sub Total		222,424	96.1	221,053	94.5
Deposits and other assets		8,929	3.9	12,822	5.5
Total assets (Note 5) (Note 6)		231,353 [222,424]	100.0 [96.1]	233,875 [221,053]	100.0 [94.5]

	Amount (Millions of yen)	As a ratio to total assets (%) (Note 3)	Amount (Millions of yen)	As a ratio to total assets (%) (Note 3)
Total liabilities (Note 5)	123,029	53.2	122,980	52.6
Total net assets (Note 5)	108,323	46.8	110,894	47.4

(Note 1) "Tokyo metropolitan area" includes Tokyo, Kanagawa, Saitama, Chiba, Ibaraki, Tochigi, Gunma, and Yamanashi prefectures. "Greater Osaka area" includes Osaka, Hyogo, Kyoto, Shiga, Nara and Wakayama prefectures. "Other" includes areas other than above.

(Note 2) Total amount held is the carrying value (for property and equipment or property and equipment in trust, the book value after deducting depreciation).

(Note 3) The ratio to total assets is rounded off to the first decimal place.

(Note 4) The amounts of construction in progress are not included in the amounts of property and equipment in trust.

(Note 5) The book value is stated for total assets, total liabilities and total net assets.

(Note 6) The figures in square brackets represent the holding properties portion to total assets.

(2) Portfolio Overview

The following table summarizes the beneficiary rights of real estate in trust or the real estate properties in trust held by GLP J-REIT at the fiscal period end. Each figure in this table is the information as of August 31, 2013 unless otherwise stated.

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	22,670	23,000	10.3	56,105.95	56,105.95	100.0	5
Tokyo-2	GLP Higashi-Ogishima	4,980	5,015	5,350	2.3	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,160	7,183	7,440	3.2	27,356.63	27,356.63	100.0	3
Tokyo-4	GLP Tomisato	4,990	4,973	5,140	2.3	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	15,228	18,200	6.9	104,543.59	104,543.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,745	1,810	0.8	12,017.00	12,017.00	100.0	1
Tokyo-7	GLP Kazo	11,500	11,424	12,400	5.2	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,402	2,580	1.1	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	18,923	19,500	8.6	101,262.00	100,354.73	99.1	4
Tokyo-10	GLP Iwatsuki	6,940	6,932	7,020	3.1	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	4,215	4,250	1.9	18,460.72	18,460.72	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,765	9,960	4.4	43,537.47	43,537.47	100.0	2
Tokyo-13	GLP Misato II	14,600	14,574	15,100	6.6	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,966	5,150	2.2	12,925.58	12,925.58	100.0	1
Osaka-1	GLP Hirakata	4,750	4,772	4,970	2.1	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,948	8,070	3.6	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	8,970	8,913	9,900	4.1	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,031	2,070	0.9	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	5,171	5,340	2.3	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,500	24,456	24,900	11.1	110,314.00	110,314.00	100.0	6
Osaka-7	GLP Amagasaki II	2,040	2,049	2,080	0.9	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,384	2,600	1.1	19,545.35	19,545.35	100.0	1
Osaka-9	GLP Sakai	2,000	2,001	2,050	0.9	10,372.10	10,372.10	100.0	1
Other-1	GLP Morioka	808	813	839	0.4	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	2,820	2,808	2,820	1.3	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	4,062	4,170	1.9	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,635	2,660	1.2	27,671.50	27,671.50	100.0	4
Other-5	GLP Tokai	6,210	6,197	6,480	2.8	32,343.30	32,343.30	100.0	1
Other-6	GLP Hayashima	1,190	1,208	1,260	0.5	13,574.58	13,574.58	100.0	1
Other-7	GLP Hayashima II	2,460	2,446	2,500	1.1	14,447.48	14,447.48	100.0	1

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Other-8	GLP Kiyama	4,760	4,719	4,980	2.2	23,455.96	23,455.96	100.0	1
Other-9	GLP Tosu III	793	814	847	0.4	11,918.00	11,918.00	100.0	1
Other-10	GLP Sendai	5,620	5,594	5,790	2.5	37,256.23	37,256.23	100.0	1
Total portfolio		221,311	221,053	231,226	100.0	1,178,461.83	1,177,554.56	99.9	53

“Tokyo” refers to Tokyo metropolitan area and “Osaka” refers to Greater Osaka area.

(Note 1) “Acquisition price” represents the purchase price of each property or beneficiary right in trust as set forth on the relevant purchase agreement and does not include expenses such as consumption taxes.

(Note 2) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trust Association.

(Note 3) “Share” is the ratio of the acquisition price of each property or property in trust to total acquisition price, and rounded off to the first decimal place.

(Note 4) “Leasable area” is the area of property or property in trust that is available for lease in accordance with the relevant lease agreement or architectural drawing, and rounded down to the second decimal place.

(Note 5) “Leased area” is the total area of property or property in trust that is leased in accordance with the relevant lease agreement, and rounded down to the second decimal place. When the property or property in trust is leased through a master lease agreement, the leased area represents the total space actually leased based on the lease agreement concluded with end-tenants.

(Note 6) “Occupancy ratio” is rounded off to the first decimal place.

(Note 7) “Number of tenants” is the total number of building tenants stated on the lease agreement of each property or property in trust.

### (3) Capital Expenditure for Properties Owned

#### (a) Future plan for capital expenditure

The following table summarizes the major capital expenditure plan in connection with scheduled renovation and others for properties owned as of August 31, 2013. Estimated construction cost includes the amounts to be expensed for accounting purpose.

Property name	Location	Purpose	Planned period	Estimated construction cost (Millions of yen)		
				Total amount	Paid during the period	Total amount paid
GLP Narashino II	Narashino, Chiba	Renewal of central monitor system	From August 2013 to December 2013	275	—	—
GLP Narashino II	Narashino, Chiba	Repair of control board of fire extinguishing system	From June 2014 to August 2014	60	—	—
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Renewal of water cooled chillers	From April 2014 to June 2014	35	—	—
GLP Narashino II	Narashino, Chiba	Repair of evacuation lights	From October 2013 to November 2013	24	—	—
GLP Tokyo	Ohta-ku, Tokyo	Renewal of electronic locking system	From November 2013 to December 2013	23	—	—

(b) Capital expenditure incurred for the period

The following table summarizes the major constructions to holding properties that resulted in capital expenditure for the current period. Capital expenditure for the current period was 217 million yen. The total construction cost amounted to 232 million yen, including repair and maintenance of 15 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Millions of yen)
GLP Narashino II	Narashino, Chiba	Repair of exterior wall	From June 2013 to August 2013	34
GLP Narashino II	Narashino, Chiba	Renewal of fire extinguishing system	From July 2013 to August 2013	9
GLP Tsumori	Osaka-shi, Osaka	Repair of elevator	From March 2013 to May 2013	9
Other	—	—	—	162
Total				217

(4) Overview of Property Leasing and Status of Operating Income

The 3rd Period (From March 1, 2013 to August 31, 2013)

(Unit in amount: Thousand yen)

Property number	Tokyo-1	Tokyo-2	Tokyo-3	Tokyo-4	Tokyo-5	Tokyo-6	Tokyo-7
Property name	GLP Tokyo	GLP Higashi-Ogishima	GLP Akishima	GLP Tomisato	GLP Narashino II	GLP Funabashi	GLP Kazo
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	702,576	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
(2)Property-related expenses	107,421						
Taxes and dues	-						
Property and facility management fees	39,634						
Utilities	59,522						
Repair and maintenance	2,507						
Casualty insurance	818						
Others	4,939						
(3)NOI((1)-(2))	595,154	180,826	215,261	152,206	461,297	63,139	354,325
(4)Depreciation	119,058	35,868	28,039	38,876	133,132	9,072	104,412
(5)Operating income from property leasing ((3)-(4))	476,096	144,957	187,222	113,330	328,165	54,066	249,913
(6)Capital expenditure	4,868	13,367	6,200	886	62,990	12,929	682
(7)NCF((3)-(6))	590,286	167,459	209,061	151,320	398,307	50,210	353,643

Property number	Tokyo-8	Tokyo-9	Tokyo-10	Tokyo-11	Tokyo-12	Tokyo-13	Tokyo-14
Property name	GLP Fukaya	GLP Sugito II	GLP Iwatsuki	GLP Kasukabe	GLP Koshigaya II	GLP Misato II	GLP Tatsumi
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	(Note)	655,043	(Note)	(Note)	(Note)	(Note)	(Note)
(2)Property-related expenses		96,085					
Taxes and dues		—					
Property and facility management fees		45,198					
Utilities		41,217					
Repair and maintenance		996					
Casualty insurance		1,282					
Others		7,389					
(3)NOI((1)-(2))	90,948	558,958	203,403	124,784	276,823	413,094	135,510
(4)Depreciation	26,874	144,539	45,214	36,039	53,921	76,455	16,590
(5)Operating income from property leasing ((3)-(4))	64,073	414,418	158,188	88,745	222,902	336,638	118,920
(6)Capital expenditure	16,316	7,707	420	1,370	6,463	5,693	-
(7)NCF((3)-(6))	74,632	551,250	202,983	123,414	270,360	407,401	135,510

Property number	Osaka-1	Osaka-2	Osaka-3	Osaka-4	Osaka-5	Osaka-6	Osaka-7
Property name	GLP Hirakata	GLP Hirakata II	GLP Maishima II	GLP Tsumori	GLP Rokko	GLP Amagasaki	GLP Amagasaki II
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	(Note)	(Note)	(Note)	(Note)	(Note)	804,827	(Note)
(2)Property-related expenses						116,520	
Taxes and dues						—	
Property and facility management fees						48,369	
Utilities						61,513	
Repair and maintenance						1,968	
Casualty insurance						1,385	
Others						3,283	
(3)NOI((1)-(2))	161,543	250,524	266,595	73,939	185,088	688,306	69,385
(4)Depreciation	23,491	54,222	94,864	7,293	28,555	161,549	11,785
(5)Operating income from property leasing ((3)-(4))	138,051	196,301	171,731	66,646	156,532	526,756	57,599
(6)Capital expenditure	3,940	2,289	541	18,844	1,806	9,750	5,650
(7)NCF((3)-(6))	157,603	248,235	266,054	55,095	183,282	678,555	63,735

Property number	Osaka-8	Osaka-9	Other-1	Other-2	Other-3	Other-4	Other-5
Property name	GLP Nara	GLP Sakai	GLP Morioka	GLP Tomiya	GLP Koriyama I	GLP Koriyama III	GLP Tokai
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues						131,653	
(2)Property-related expenses						17,749	
Taxes and dues						—	
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	7,630	(Note)
Utilities						9,107	
Repair and maintenance						301	
Casualty insurance						295	
Others						413	
(3)NOI((1)-(2))	87,673	64,998	31,239	88,268	133,913	113,904	192,319
(4)Depreciation	34,103	17,085	11,916	23,932	48,818	22,537	40,461
(5)Operating income from property leasing ((3)-(4))	53,570	47,913	19,322	64,335	85,094	91,366	151,857
(6)Capital expenditure	3,656	-	2,633	726	1,420	9,653	-
(7)NCF((3)-(6))	84,017	64,998	28,606	87,541	132,493	104,250	192,319

Property number	Other-6	Other-7	Other-8	Other-9	Other-10
Property name	GLP Hayashima	GLP Hayashima II	GLP Kiyama	GLP Tosu III	GLP Sendai
Operating dates	184	184	184	184	184
(1)Property-related revenues					
(2)Property-related expenses					
Taxes and dues					
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities					
Repair and maintenance					
Casualty insurance					
Others					
(3)NOI((1)-(2))	45,476	78,761	150,624	37,957	190,024
(4)Depreciation	6,123	24,235	55,286	6,942	46,989
(5)Operating income from property leasing ((3)-(4))	39,353	54,526	95,337	31,015	143,035
(6)Capital expenditure	7,180	-	3,759	1,476	3,826
(7)NCF((3)-(6))	38,296	78,761	146,864	36,481	186,198

(Note) Disclosure is omitted as the tenant's permission has not been obtained.