


Semi-Annual Report

Aug 2016 Fiscal Period



<Notice>

We invite you to view the webcast by President and CFO Yoji Tatsumi of GLP Japan Advisors Inc. (the asset manager) on the results for the August 2016 fiscal period.
He will also appear in the IR section *Asazai Kyo no Issha of Asaichi Market Square Asazai* on Radio Nikkei 1.

Webcast of results		Access available from this QR code 
GLP J-REIT (Presentation of results for the August 2016 fiscal period)		
Date and time	7 p.m. to 8 p.m., November 29 (Tue), 2016	
Presenter	Yoji Tatsumi, President and CFO, GLP Japan Advisors Inc.	



IR section <i>Asazai Kyo no Issha of Asaichi Market Square Asazai</i> , Radio Nikkei 1	
Date and time	8:40 a.m. to 9:00 a.m., December 14 (Wed), 2016
Presenter	Yoji Tatsumi, President and CFO, GLP Japan Advisors Inc.

*The two above-mentioned programs will be broadcast in Japanese only.



9th Fiscal Period
(from March 1 to August 31, 2016)

GLP J-REIT

1-5-2, Higashi-Shimbashi, Minato-ku, Tokyo 105-7104, Japan <http://www.glpjreit.com/english/>

Dividend per unit (Aug. 2016 actual)

2,321 yen

(including an optimal payable distribution of 297 yen)

Dividend per unit (Feb. 2017 forecast)

2,479 yen

(including an optimal payable distribution of 306 yen)

Total assets (acquisition price base)

442.8 bn yen

(Note) as of Sep 1, 2016

Occupancy (as of Aug 31, 2016)

99.2%

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To Our Unitholders

On behalf of GLP J-REIT, I am pleased to present the financial results of the ninth fiscal period ended August 2016.

In terms of portfolio management, GLP J-REIT achieved strong performance through finely-tuned services that met customers' needs, including maintained or increased rent for all rent contracts that expired during the ninth period on the back of growing demand for modern logistics facilities for the eighth consecutive fiscal periods since its listing. During the ninth period, we conducted no acquisition and sale of our properties.

In terms of finance, GLP J-REIT repaid 2,300 million yen of bank borrowings on May 25, 2016, using cash on hand and proceeds received as the consumption tax refund for the fiscal period ended February 29, 2016. In addition, on June 30, 2016, GLP J-REIT renewed the commitment line agreement of 6,000 million yen, and ensured flexible and stable financing for future acquisitions, repayments of borrowings, redemptions of investment corporation bonds and refund of security deposits.

In the ninth period, we experienced an increase in expenses as we began to record real estate tax for the six properties acquired in 2015 as expenses (117 million yen), as well as a decrease in operating revenue due to the lack of gain on sale of assets (80 million yen) posted in the eighth period. This entailed a 68 yen decrease^(Note 1) in dividend per unit; however, these adverse effects were reduced to a minimum due to the above measures.

As a result, the ninth period ended with operating revenues of 12,278 million yen, ordinary income of 5,252 million yen, and net income of 5,250 million yen. Reflecting the above performance, the total dividend for the ninth period is 2,321 yen per unit, comprised of a dividend of 2,024 yen per unit and an optimal payable distribution per unit of 297 yen.

Furthermore, in September 2016, which is in the tenth period (ending February 2017), GLP J-REIT raised 29,922 million yen through its fourth offering subsequent to its IPO. Together with new borrowings, the proceeds were used to acquire five properties for 58,210 million yen^(Note 2) from the GLP Group^(Note 3). As a result, GLP J-REIT's portfolio value after the acquisition grew by 112% since its listing, to 442,854 million yen^(Note 2) for 63 properties, making it one of the largest portfolios as a logistics REIT^(Note 4). Due to the above acquisition, we expect income from property leasing to increase, leading to our operating revenue forecast of 14,015 million yen and dividend per unit of 2,479 yen for the tenth period.

Adjusted EPU (stabilized EPU after adjustment), following the above offering and new acquisitions, grew 32.0% since its listing, while NAV (Net Asset Value) per unit increased 62.9% from the end of the second fiscal period ended February 2013, which immediately followed its listing, thereby enhancing our unitholders' value, which is our primary goal.

GLP J-REIT is determined to maximize investor value through its best-in-class asset management services, recognized both in Japan and around the world, harnessing GLP's extensive experience in operating logistics facilities.

I thank you for your ongoing support.

Yoji Tatsumi

Executive Director, GLP J-REIT
President and CFO, GLP Japan Advisors Inc.

(Note 1) Based on the amount of the gain on sale of assets (80 million yen) posted in the eighth period minus non-deductible consumption taxes and other expenses related to the sale.

(Note 2) Based on acquisition price.

(Note 3) Global Logistics Properties Limited ("GLP"), the parent company of GLP J-REIT's sponsor, and its group companies are hereinafter collectively referred to as the "GLP Group."

(Note 4) "Logistics REIT" in this document refers to a Japanese listed investment corporation that owns 95% or more of logistics facilities on an acquisition price basis. As of the date of this document, Japan Logistics Fund, Inc., Nippon Prologis REIT, Inc., LaSalle LOGIPORT REIT, Mitsui Fudosan Logistics Park Inc., and GLP J-REIT fall under this category. The same applies hereafter.



Yoji Tatsumi
Executive Director
GLP J-REIT



Overview of GLP

Investment in Modern Logistics Facilities

- Top-tier asset size** among logistics J-REITs **442.8** bn yen^(Note 1)
- Industry-leading sponsor** **Largest logistics AUM in Japan**
- Largest sponsor pipeline** among logistics J-REITs **3.2** mm sqm^(Note 2)
- Robust internal growth** Avg. occupancy since IPO^(Note 3) **99%** Most recent rent increase^(Note 4) **11%**
- Financial Soundness** JCR credit rating **AA** (Stable)

(Note 1) "Asset size" is based on the acquisition price as of September 1, 2016.

(Note 2) "Sponsor pipeline" is the total gross floor area for "Right-of-First-Look" properties as well as properties owned by JV funds as of the end of June 2016. However, the properties newly acquired as of September 1, 2016 is excluded.

(Note 3) "Avg. occupancy since IPO" is the weighted average occupancy calculated by dividing the total leased area for each property by the total leasable area at the end of every month during the term since the IPO to August 2016, and rounded off to the nearest whole number.

(Note 4) Average rent growth of leases signed with increased rent for the February 2016 (8th) and August 2016 (9th) fiscal period, rounded off to the nearest whole number.

Investment Target

Our investment is intended to focus on "modern logistics facilities," which we define as large-scale, highly functional leasable logistics facilities. This policy is strategically developed based on our market analysis, which tells us that demand for modern logistics facilities is expected to increase, reflecting the growth of Japanese 3PL business^(Note) as well as the e-commerce market, while such facilities remaining scarce.

Large scale	Gross floor area: 10,000 sqm or more	High functionality	(For more than 50% of the gross floor area) Floor-to-ceiling height: 5.5 meters or more Floor load tolerance: 1.5 tons/sqm or more
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(Note) Third-party logistics ("3PL") operators provide partial or complete supply chain management services for corporate clients. Typically, 3PL companies provide unified services for operational, storage and transportation processes that can be adjusted and customized to fit the needs of individual clients in response to relevant market trends, including regarding user demand and delivery service requests.

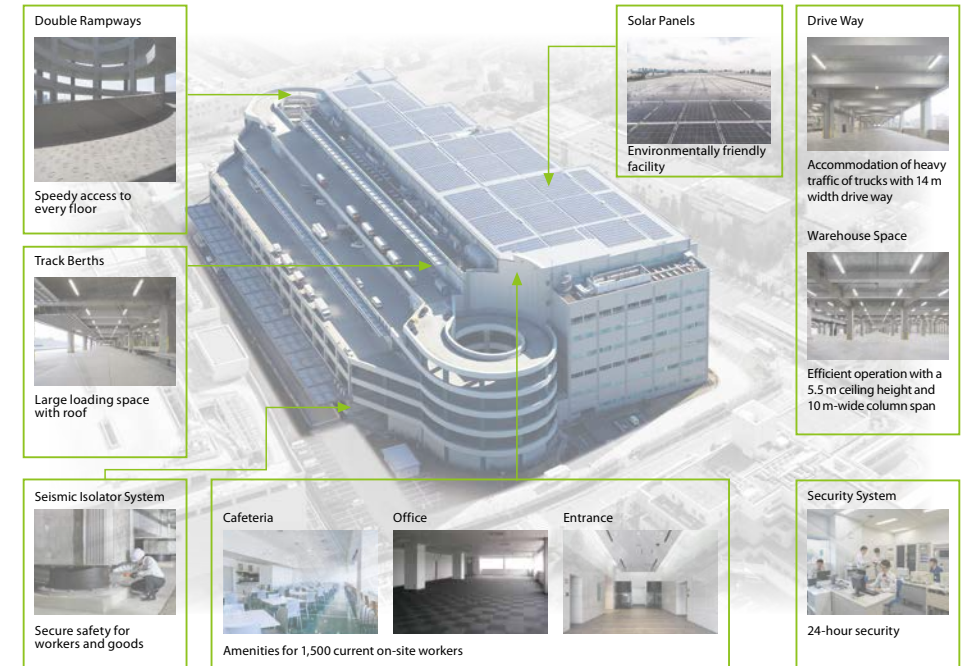
Investment Areas

We plan to invest primarily in logistics facilities located near airports and trading ports, along main traffic routes connecting major consumption districts, and around logistics hubs in production or consumption areas. Location selection is intended to ensure geographical diversification of the portfolio in consideration of local characteristics such as population distribution, overall production trends, and logistics dynamics within the region.

Investment percentage by location (based on acquisition price)

Location	Investment percentage
Tokyo metropolitan area	50-70%
Greater Osaka area	20-40%
Others	5-20%

State-of-the-art Modern Logistics Facility (Example: GLP Tokyo II)

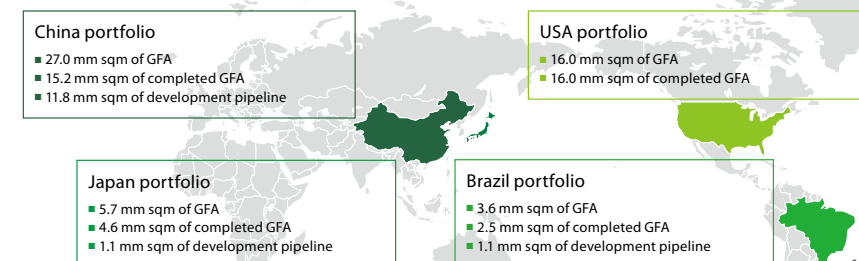


Utilization of the GLP Group's Value Chain

The GLP Group provides a variety of logistics facility-related solutions, ranging from acquisition, development, investment, operation and leasing to property management and consulting, utilizing experience developed through its portfolio management in Japan, China, Brazil and the USA, thereby building an efficient value chain within the group. In addition, the asset management company and the GLP Group entered a Right-of-First-Look Agreement between the asset management company and the GLP for 17 properties (gross floor area of 0.9 mm square meters^(Note)), which will serve as a tool for expanding our asset portfolio.

(Note) As of end of June 2016. However, excludes properties acquired as of September 1, 2016.

GLP Group's global operation (as of June 30, 2016)



Source: GLP

Enhancement of Unitholders' Value

GLP J-REIT acquired five properties in September 2016 using funds from its fourth follow-on offering subsequent to its IPO (29,922 million yen) as well as borrowings.

Quality Portfolio Mainly Consisting of GLP Group-developed Properties

Acquisition price **58.2** bn yen Avg. NOI yield^(Note 1) **4.9**% WALE^(Note 2) **11.0** years Avg. building age^(Note 3) **3.4** years Occupancy rate (Contracted)^(Note 4) **100**%

(Note 1) "NOI yield" indicates the percentage of NOI to the acquisition price based on NOI evaluated by the direct capitalization method in the appraisal report ("average NOI yield" represents the percentage weight-averaged by acquisition price).

(Note 2) "WALE" represents the remaining period until lease expiry weight-averaged by leased area as of the end of July 1, 2016, based on lease contracts effective as of the same date.

(Note 3) "Average building age" is the period from the registered date of completion of the main building of the acquired properties, in principle, as of July 1, 2016 to the same date, weight-averaged by acquisition price.

(Note 4) "Occupancy rate (Contracted)" is the percentage of contractually agreed leased area, including areas for which prospective tenants have concluded lease agreements to move in, as of July 1, 2016, to the leasable floor area of the acquired properties as of the same date.

GLP Atsugi II

RoFL GLP Dev't.

Location Tokyo metropolitan
Acquisition price 21,100 mm yen
NOI yield 4.7%
Leasable floor area 74,176 m²



GLP-MFLP Ichikawa Shiohama

JV Fund GLP Dev't.



Location Tokyo metropolitan
Acquisition price 15,500 mm yen (Co-ownership: 50%)
NOI yield 4.6%
Leasable floor area 101,626 m² (50,813 m²)

GLP Yoshimi

JV Fund GLP Dev't.



Location Tokyo metropolitan
Acquisition price 11,200 mm yen
NOI yield 5.2%
Leasable floor area 62,362 m²

GLP Tomiya IV

RoFL GLP Dev't. Acq.



Location Greater Sendai
Acquisition price 5,940 mm yen
NOI yield 5.6%
Leasable floor area 32,562 m²

GLP Fukaehama

RoFL Acq.



Location Greater Osaka
Acquisition price 4,470 mm yen
NOI yield 5.2%
Leasable floor area 19,386 m²

(Note 1) "GLP Dev't" in the above images means that the property was developed by the GLP Group, consisting of: 1) properties that were developed by the GLP Group; 2) properties that were developed by operators from whom institutional investors that indirectly held a large amount of GLP shares acquired indirectly and that were later acquired by the GLP Group; and 3) properties developed through GLP funds etc. "Acquisition" means that the property was acquired by the GLP Group from outside the group. The annex of GLP Tomiya IV was developed after the GLP Group acquired the property from outside the group.

(Note 2) For "RoFL properties" and "JV Fund properties," see Notes 2 and 3 on page 7.

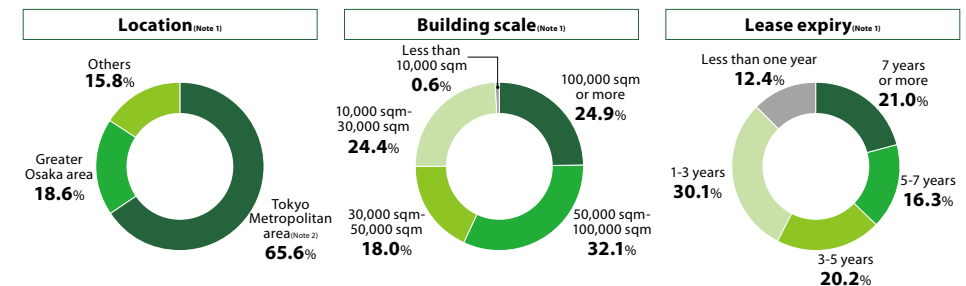
Portfolio Enhancement through Acquisitions

	Feb-end 2016	New properties	After the acquisition of new properties
# of properties	58 properties	5 properties	63 properties
Acquisition price	384.6 bn yen	58.2 bn yen	442.8 bn yen
Avg. NOI yield	5.6%	4.9%	5.5%
WALE	4.5 years	11.0 years	5.0 years
Avg. building age	13.3 years	3.4 years	12.3 years
Occupancy rate ^(Note 2)	99.1%	99.6%	99.2%

(Note 1) "After the acquisition of new properties" represents the status of the portfolio after the acquisition of new properties as of September 1, 2016, using July 1, 2016 as the base date.

(Note 2) "Occupancy rate" is the percentage of total leased area of the buildings as of the base date to the total leasable floor area of the acquired properties as of the same date.

Overview of Portfolio after the Acquisition of New Properties



(Note 1) "Location" and "Building scale" are based on acquisition price, while "Lease expiry" is based on leased area pursuant to lease contracts effective as of July 1, 2016.

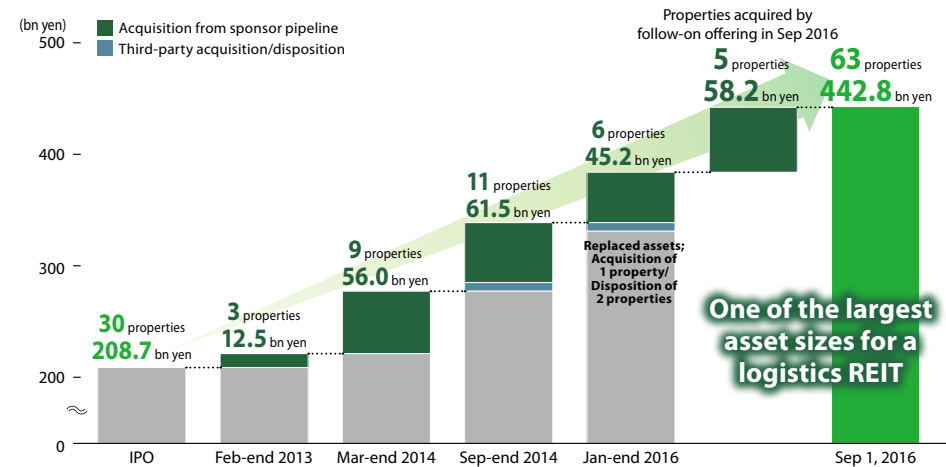
(Note 2) "Tokyo Metropolitan area" represents Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Tochigi, Gunma and Yamanashi prefectures, "Greater Osaka area" represents Osaka, Hyogo, Kyoto, Shiga, Nara and Wakayama prefectures, and "Others" represents areas other than the above. The same applies hereafter.

* Amounts are rounded down, and percentages are rounded to the first decimal place.

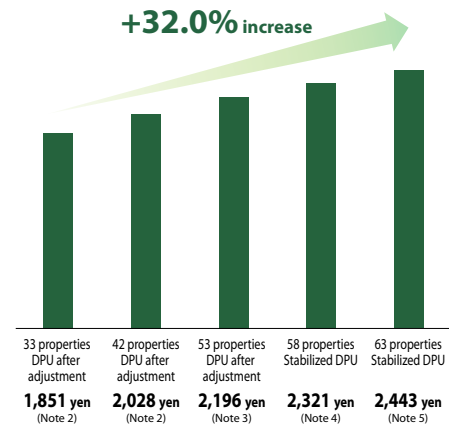
Enhancement of Unitholders' Value

Due to the acquisition of properties in September 2016, GLP J-REIT's asset size reached 442.8 billion yen, representing a 112.2% growth since listing. The accretive finance resulted in an increase in net asset value (NAV) and dividend per unit, thereby increasing unitholders' value.

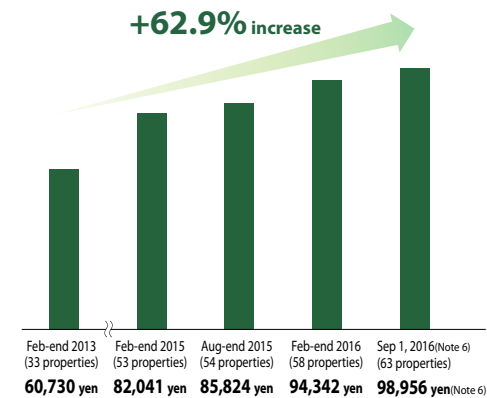
Steady Expansion of the Portfolio



Growth of Dividend per Unit (Note 1)



Achievement of an Increase in NAV per Unit



(Note 1) Stabilized DPU including OPD.
 (Note 2) Adjusted DPU described in "Amendment of Forecast for the Fiscal Period Ending February 28, 2014 and Announcement of Forecast for the Fiscal Period Ending August 31, 2014" dated September 3, 2013.
 (Note 3) Adjusted DPU described in "Amendment of Forecast for the Fiscal Period Ending February 29, 2016 and Announcement of Forecast for the Fiscal Period Ending August 31, 2016" dated August 10, 2015.
 (Note 4) Finalized DPU for the Aug 2016 fiscal period described in "Summary of Financial Results (REIT) for the 9th Fiscal Period Ending August 31, 2016" dated October 13, 2016.
 (Note 5) Forecast DPU for the Aug 2017 fiscal period described in "Summary of Financial Results (REIT) for the 9th Fiscal Period Ending August 31, 2016" dated October 13, 2016.
 (Note 6) Based on GLP J-REIT's Aug-end 2016 fiscal period financial results, unrealized gains for 5 newly acquired properties on September 1, 2016, and IPOs and third offerings implemented in September 2016.

GLP J-REIT will promote a strong external growth strategy, centered around the 17 properties (880,000 square meters) with right-of-first-look (RoFL) owned and operated by the GLP Group (RoFL properties), and the 26 properties (2.35 million square meters) owned by GLP funds (JV Fund properties).

Largest Sponsor Pipeline among Logistics J-REITs



(Note 1) As of June 30, 2016, however, excluding new properties acquired as of September 1, 2016.
 (Note 2) "RoFL" refers to right-of-first-look, which is a contractual right that obliges the sponsor to provide information about sales of properties of GLP Group to GLP J-REIT and undergo exclusive good faith negotiations with GLP J-REIT before negotiating with other parties. The sponsor has no obligation to sell any properties subject to GLP J-REIT's right-of-first-look.
 (Note 3) "JV Fund" refers to GLP Japan Income Partners I, a joint venture established in December 2011 with GLP Group (33.3%), China Investment Corporation (50.0%) and CBRE Global Investment Partners (16.7%) holding equity interest, and GLP Japan Development Venture and GLP Japan Development Venture II, two joint ventures established by GLP Group (50.0%) and CPPIB (Canada Pension Plan Investment Board) (50.0%) in September 2011 and in February 2016, respectively.

Financial Highlights

Financials

	Aug 2016 (from March 1, 2016 to August 31, 2016)	Feb 2017 (forecast) (from September 1, 2016 to February 28, 2017)
Operating revenue (mm yen)	12,278	14,015
Operating income (mm yen)	6,328	7,388
Ordinary income (mm yen)	5,252	6,201
Net income (mm yen)	5,250	6,200
No. of properties at fiscal end	58	63

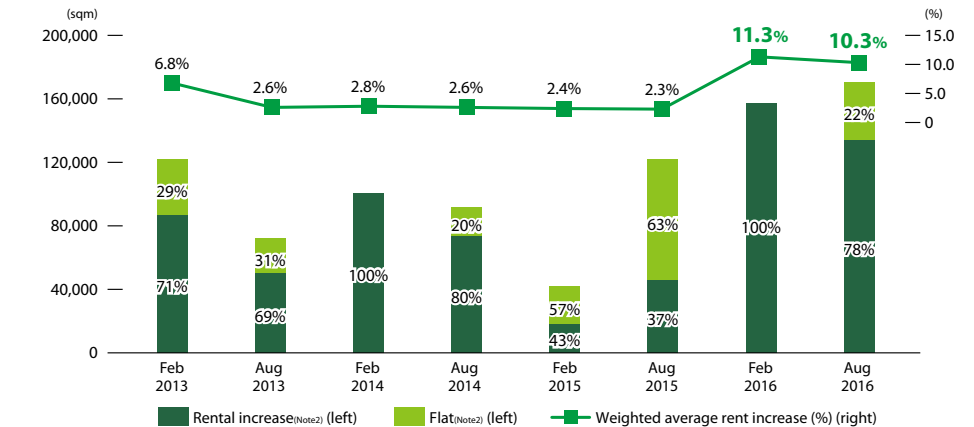
Dividend per Unit (yen)

	Aug 2016 (from March 1, 2016 to August 31, 2016)	Feb 2017 (forecast) (from September 1, 2016 to February 28, 2017)
Dividend per unit (total) (yen)	2,321	2,479
Dividend per unit (excl. OPD) (yen)	2,024	2,173
Optimal payable distribution per unit (yen)	297	306

Portfolio Management

GLP J-REIT's portfolio maintained high occupancy as it achieved an average occupancy rate of 99% since listing. Also, we have achieved rental growth by fully leveraging the GLP Group's capabilities in asset and property management.

Rental Growth in 8 Successive Periods^(Note 1)



(Note 1) Excludes automatic rent increases and tenant replacement after vacancy periods.
(Note 2) Based on leased area.

Strong Leasing Track Record

For leases that were renewed in and after the August 2016 fiscal period, GLP J-REIT secured rental growth by taking advantage of its high location competitiveness and reviewing affordable rent levels that were set in the past.

GLP Maishima II

Case 1: Lease renewal in Osaka area

Property name	GLP Maishima II
Type	BTS
Applicable leased area	56,511 sqm
Current lease expiry	Feb 2017

- Realized substantial growth in the Osaka area
- 17.5% rental growth, 5-year lease renewal

GLP Koshigaya II

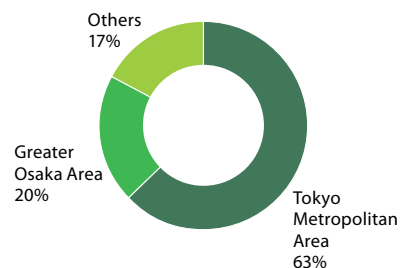
Case 2: Tenant replacement in Tokyo Metropolitan area

Property name	GLP Koshigaya II
Type	Multi
Applicable leased area	19,500 sqm
Current lease expiry	Feb 2017

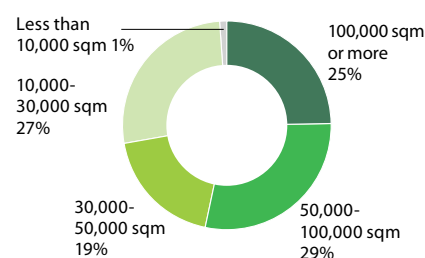
- Realized substantial growth through the replacement of tenants
- 10%+ rental growth for downtime of 1.8 months

Portfolio Data (Note 1)

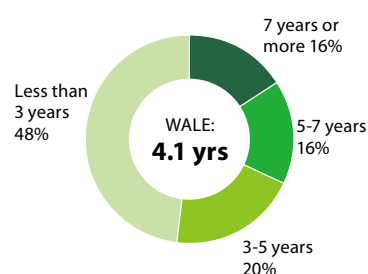
Location



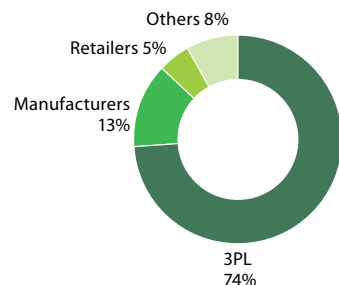
Building scale



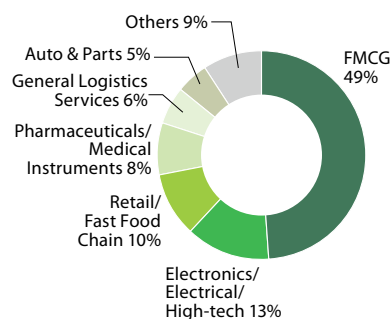
Lease expiry



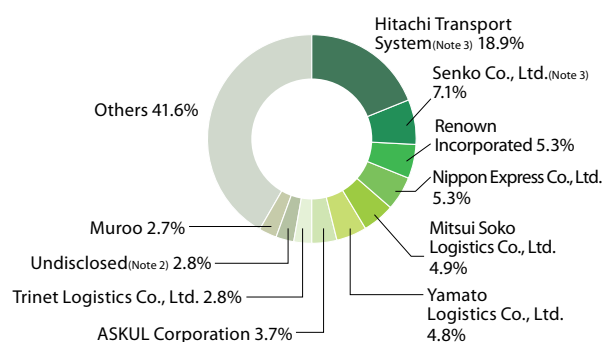
Tenant industry



End-user industry



Top 10 tenants



(Note 1) The above data is as of August 31, 2016 (based on 58 properties). Data for location and building scale is based on acquisition price. Other data is based on leased area excluding vacant area.

(Note 2) We have not obtained permission to disclose the name of the tenant group, an international courier and third-party logistics provider.

(Note 3) Hitachi Transport System and Senko include group companies.

Debt Information

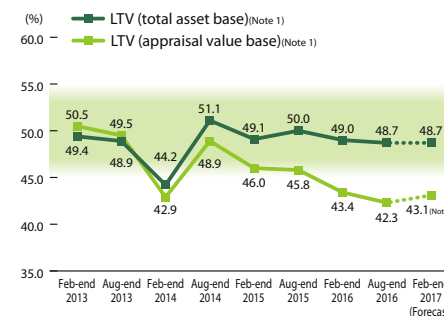
Details of Interest Bearing Debt (Note)

Credit rating by JCR **AA (Stable)** AA credit rating or above **12/56** listed J-REITs

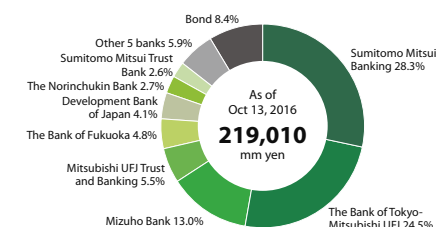
Avg. Debt term **6.5 yrs** Avg. interest rate **0.8%** Fixed-interest ratio **84.6%** LTV **48.7%**
Avg. Debt maturity **4.5 yrs**

(Note) As of October 13, 2016, "AA credit rating or above" represents the number of stocks listed in Japan that have received AA or above credit ratings from either Japan Credit Rating Agency, Ltd. or Rating and Investment Information, Inc. as of September 30, 2016. "LTV" indicates forecast figures for the end of the February 2017 fiscal period.

Well-managed LTV



Stable and Diversified Financing



(Note 1) "LTV (total asset base)" is the ratio of interest-bearing debts to total assets at each points. "LTV (appraisal value base)" is the ratio of interest-bearing debts to total appraisal value at each points.

(Note 2) Appraisal (assumed) as of Feb-end 2017 is calculated based on appraisal values as of Aug-end 2016 for 58 properties held as of Aug-end 2016, Mar-end 2016 for GLP MLFP Ichikawa Shiohama (which is included among new properties acquired on September 1, 2016), and Jun-end 2016 for other new property acquisitions. Furthermore, the such interest-bearing debts are calculated reflecting the scheduled early repayment of borrowings by Feb-end, 2017.

Optimal Payable Distribution

Our basic management policies include "optimal payable distribution" (OPD), which refers to profit distribution in excess of retained earnings implemented under our scheme that takes advantage of characteristics specific to the logistics facilities accounting, as a way of seeking efficient capital allocation.

In addition to ordinary profit distributions from retained earnings, it is our policy to implement optimal payable distribution on a continuous basis in accordance with the following principles:

- The amount of the optimal payable distribution (return of capital corresponding to distribution due to a decrease in investment (distribution from unitholders' capital other than distribution of allowance for temporary difference adjustment. The same applies hereafter) under tax laws) made for any given fiscal period will be determined by GLP J-REIT. The amount will not exceed that of depreciation expenses posted for the immediately prior fiscal period less the amount of capital expenditure for the same period.
- The implementation and amount of the above optimal payable distribution will be determined in consideration of the amount of capital expenditure and the financial condition (especially as measured by the LTV benchmark) of GLP J-REIT, among other relevant factors. If it is deemed inappropriate to make such optimal payable distribution for reasons including but not limited to the macroeconomic environment and real estate market conditions as well as the condition of our portfolio and financials, such optimal payable distribution will not be executed.

Sustainability Practices

GLP J-REIT provides high quality services and environmental friendly functions in the logistics facilities that it manages in order to maintain and improve customers' convenience and satisfaction.

Going forward, GLP J-REIT will continuously and actively make efforts to contribute to realizing a sustainable society through its investment and asset management of logistics properties.

■ Properties that Have Received Sustainability or Environmental Certificates

DBJ Green Building Certification^(Note 1) (9 properties) —

CASBEE_(Note 2) (4 properties)

CASBEE Kobe Class A



CASBEE for New Construction Class A



CASBEE Saitama Class A



(Note 1) DBJ Green Building Certification System is a system to certify excellent buildings that meet the various stakeholders' social requirements, such as environmental design, security or disaster prevention based on the scoring model originally developed by DBJ. This system aims to promote the expansion of "Green Buildings" that are friendly to the environment.

(Note 2) "CASBEE (Comprehensive Assessment System for Built Environmental Efficiency)" is an evaluation system that ranks buildings and structures in terms of their environmental performance. In addition to each building's ability to reduce its environmental impact across a variety of areas including energy and resource conservation as well as recycling, this system comprehensively evaluates the environmental performance of each building and structure including its aesthetic appeal.

(Note 3) Acquired on September 1, 2016

BELS Assessment_(Note) (6 properties)

(Note) BELS (Building Energy-efficiency Labeling System) is a public system to evaluate the energy-saving performance of non-residential buildings, the evaluation standards of which were stipulated by the Ministry of Land, Infrastructure and Transportation in April 2014.

■ Environmental Friendly Items



■ Environmental, Social & Governance Policy

GLP J-REIT together with its asset management company, GLP Japan Advisors Inc., shares the sustainability objectives, and continues to embed sustainability into our business. For details, please see the website of the asset management company.

■ Service Improvement

- Develop tenant programs
- Conduct customer satisfaction surveys
- Consider tenants' BCP

■ Participation in the GRESB Survey^(Note)

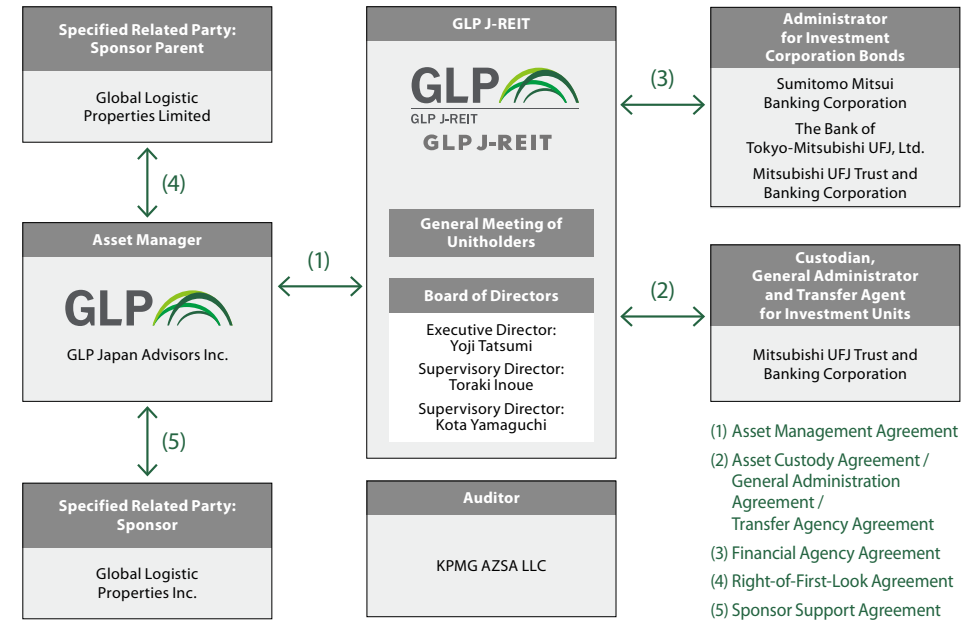
Received "Green Star," the highest rating in the 2016 GRESB survey in two consecutive years (GRESB rating: 4 stars)



(Note) GRESB is an industry-driven organization widely regarded as a global standard for real estate sustainability. Its benchmark is used by leading global institutional investors to evaluate their investment portfolios.

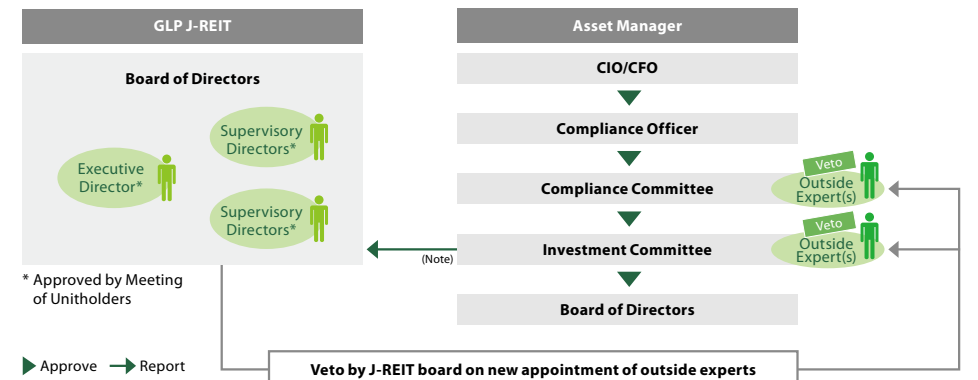
Overview GLP J-REIT

■ Structure of GLP J-REIT



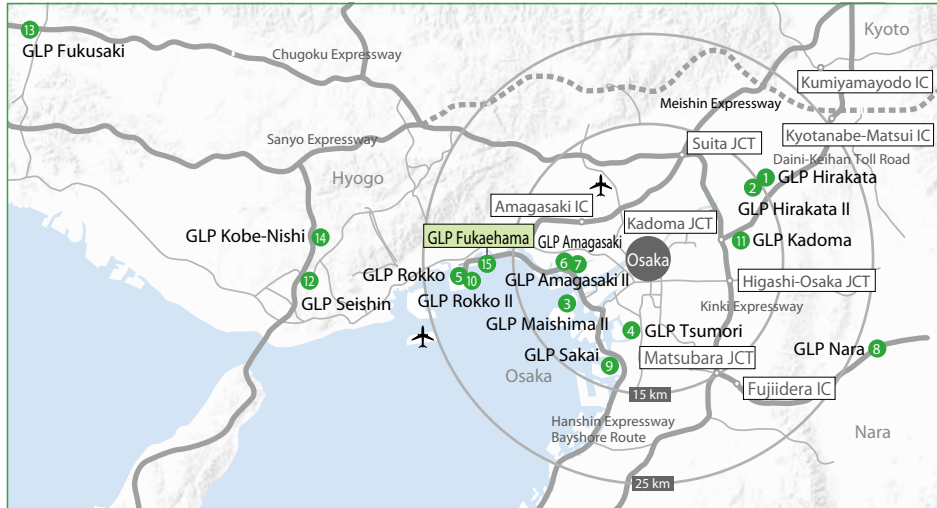
(Note) Global Logistic Properties Holdings Limited, GLP Singapore Pte. Ltd. and GLP J-REIT Master Lease Godo Kaisha, is each regarded as "Specified Related Party" as defined in the Financial Instruments and Exchange Act (the "Act"): since (i) Global Logistic Properties Holdings Limited and GLP Singapore Pte. Ltd. are the indirect holding companies of GLP Japan Advisors, Inc. and (ii) GLP J-REIT Master Lease Godo Kaisha is conducting or has conducted transactions specified under Article 29-3 Paragraph 3, Item 4 (Real Estate Lending Transactions) of Order for Enforcement of the Act and thus is considered as an "interested party" of GLP Japan Advisors Inc.

■ Governance Structure for Related Party Transactions

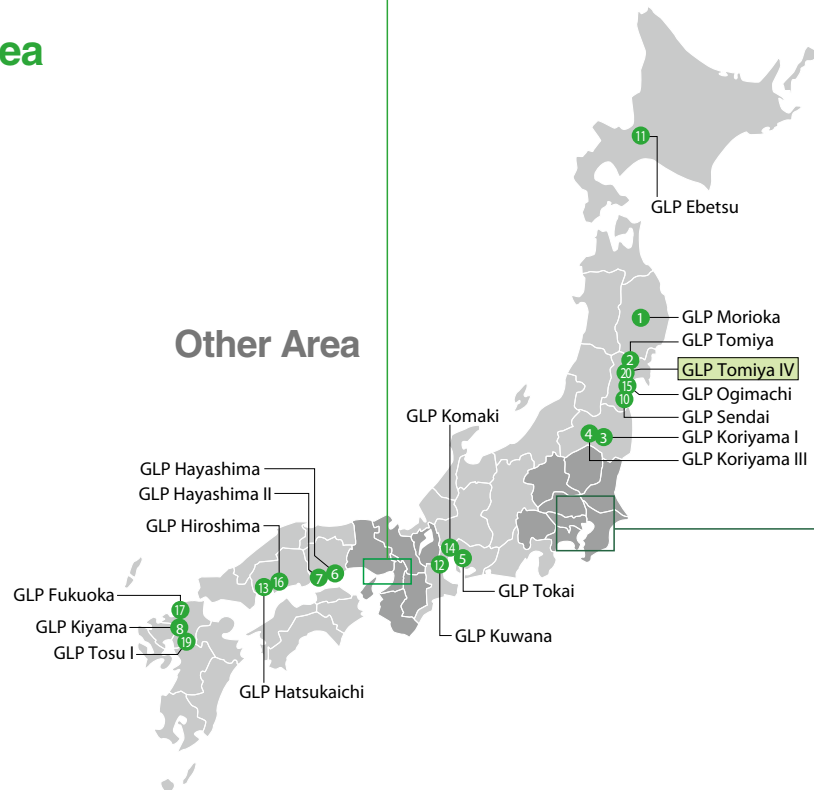


(Note) Approval of the J-REIT board is necessary for transactions that require the consent of J-REIT based on the resolution of the J-REIT board, and reporting to the board is necessary for other cases.

Portfolio Map



Greater Osaka Area



Tokyo Metropolitan Area



●: Properties owned by GLP J-REIT/ Properties acquired on Sep 1, 2016
(58 properties) (5 properties)

Overview of Portfolio in Tokyo Metropolitan Area



1 GLP Tokyo Ota, Tokyo



18 GLP Urayasu III Urayasu, Chiba



2 GLP Higashi-Ogishima Kawasaki, Kanagawa



3 GLP Akishima Akishima, Tokyo



5 GLP Narashino II Narashino, Chiba



4 GLP Tomisato Tomisato, Chiba



17 GLP Sodegaura Sodegaura, Chiba



16 GLP Funabashi III Funabashi, Chiba



8 GLP Fukaya Fukaya, Saitama



6 GLP Funabashi Funabashi, Chiba



9 GLP Sugito II Kita-katsushika, Saitama

Overview of Portfolio in Tokyo Metropolitan Area



10 GLP Iwatsuki Saitama, Saitama



11 GLP Kasukabe Kasukabe, Saitama



12 GLP Koshigaya II Koshigaya, Saitama



27 GLP Matsudo Matsudo, Chiba



7 GLP Kazo Kazo, Saitama



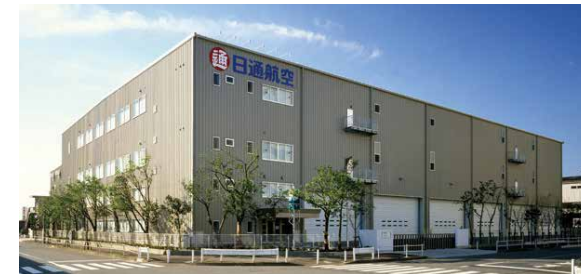
20 GLP Tatsumi IIb Koto, Tokyo



21 GLP Tokyo II Koto, Tokyo



25 GLP Narita II Sambu, Chiba



14 GLP Tatsumi Koto, Tokyo



19 GLP Tatsumi IIa Koto, Tokyo



13 GLP Misato II Misato, Saitama

Overview of Portfolio in Tokyo Metropolitan Area



29 GLP Atsugi II Aiko, Kanagawa



28 GLP-MFLP Ichikawa Shiohama Ichikawa, Chiba



30 GLP Yoshimi Hiki, Saitama



24 GLP Narashino Narashino, Chiba



15 GLP Hamura Hamura, Tokyo



22 GLP Okegawa Okegawa, Saitama



26 GLP Sugito Kita-Katsushika, Saitama



23 GLP Shinkiba Koto, Tokyo

Overview of Portfolio in Greater Osaka Area



1 GLP Hirakata Hirakata, Osaka



2 GLP Hirakata II Hirakata, Osaka



6 GLP Amagasaki Amagasaki, Hyogo



4 GLP Tsumori Osaka, Osaka



11 GLP Kadoma Kadoma, Osaka



9 GLP Sakai Sakai, Osaka



8 GLP Nara Yamato, Nara



3 GLP Maishima II Osaka, Osaka



13 GLP Fukusaki Kanzaki, Hyogo



10 GLP Rokko II Kobe, Hyogo

Overview of Portfolio in Greater **Osaka** Area



15 GLP Fukaeahama Kobe, Hyogo



12 GLP Seishin Kobe, Hyogo



5 GLP Rokko Kobe, Hyogo



14 GLP Kobe-Nishi Kobe, Hyogo



7 GLP Amagasaki II Amagasaki, Hyogo

Overview of Portfolio in **Other** Area



1 GLP Morioka Shiwa, Iwate



2 GLP Tomiya Tomiya, Miyagi



3 GLP Koriyama I Koriyama, Fukushima



4 GLP Koriyama III Koriyama, Fukushima



5 GLP Tokai Tokai, Aichi



6 GLP Hayashima Tsukubo, Okayama

Overview of Portfolio in Other Area



New property

20 GLP Tomiya IV Tomiya, Miyagi



8 GLP Kiyama Miyaki, Saga



12 GLP Kuwana Kuwana, Mie



13 GLP Hatsukaichi Hatsukaichi, Hiroshima



19 GLP Tosu I Tosu, Saga



10 GLP Sendai Sendai, Miyagi



16 GLP Hiroshima Hiroshima, Hiroshima



7 GLP Hayashima II Tsukubo, Okayama



14 GLP Komaki Komaki, Aichi



17 GLP Fukuoka Fukuoka, Fukuoka



11 GLP Ebetsu Ebetsu, Hokkaido



15 GLP Ogimachi Sendai, Miyagi

ASSET MANAGEMENT REPORT

[Overview of Asset Management]

1. Trends in Key Indicators

		5th Period	6th Period	7th Period	8th Period	9th Period
		Mar. 1, 2014 to Aug. 31, 2014	Sept. 1, 2014 to Feb. 28, 2015	Mar. 1, 2015 to Aug. 31, 2015	Sept. 1, 2015 to Feb. 29, 2016	Mar. 1, 2016 to Aug. 31, 2016
Operating revenues	Million yen	9,322	10,991	11,075	12,332	12,278
Of which, Property-related revenues	Million yen	9,322	10,991	11,075	12,252	12,278
Operating expenses	Million yen	4,410	5,189	5,341	5,821	5,949
Of which, Property-related expenses	Million yen	3,438	4,051	4,148	4,474	4,605
Operating income	Million yen	4,911	5,801	5,733	6,510	6,328
Ordinary income	Million yen	3,973	4,695	4,649	5,360	5,252
Net income	Million yen	3,971	4,695	4,648	5,360	5,250
Total assets	Million yen	293,223	347,501	353,068	390,197	387,848
[Period-on-period changes]	%	[14.5]	[18.5]	[1.6]	[10.5]	[(0.6)]
Total net assets	Million yen	133,388	165,737	164,991	187,382	186,494
[Period-on-period changes]	%	[(0.5)]	[24.3]	[(0.4)]	[13.6]	[(0.5)]
Unitholders' capital, net (Note 3)	Million yen	129,415	161,040	160,342	182,020	181,242
Number of investment units issued and outstanding	Unit	2,097,700	2,390,731	2,390,731	2,593,784	2,593,784
Net assets per unit	Yen	63,588	69,324	69,013	72,243	71,900
Distributions	Million yen	4,564	5,393	5,355	6,139	6,020
Of which, Distributions of earnings	Million yen	3,970	4,695	4,647	5,361	5,249
Of which, Distributions in excess of retained earnings	Million yen	593	698	707	778	770
Distributions per unit	Yen	2,176	2,256	2,240	2,367	2,321
Of which, Distributions of earnings per unit	Yen	1,893	1,964	1,944	2,067	2,024
Of which, Distributions in excess of retained earnings per unit	Yen	283	292	296	300	297
Ordinary income to total assets (Note 4)	%	1.4	1.5	1.3	1.4	1.4
[Annualized ordinary income to total assets]	%	[2.9]	[3.0]	[2.6]	[2.9]	[2.7]
Return on unitholders' equity (Note 4)	%	3.0	3.1	2.8	3.0	2.8
[Annualized return on unitholders' equity]	%	[5.9]	[6.3]	[5.6]	[6.1]	[5.6]
Unitholders' equity to total assets (Note 4)	%	45.5	47.7	46.7	48.0	48.1
[Period-on-period changes]	%	[(6.8)]	[2.2]	[(1.0)]	[1.3]	[0.1]
Payout ratio (Note 4)	%	100.0	100.0	100.0	100.0	100.0
【Other Information】						
Number of operating days		184	181	184	182	184
Number of investment properties		44	53	54	58	58
Occupancy ratio	%	99.9	98.6	99.0	99.1	99.2
Depreciation expense	Million yen	1,985	2,329	2,361	2,601	2,572
Capital expenditures	Million yen	342	655	404	557	569
Rental NOI (Net Operating Income) (Note 4)	Million yen	7,869	9,274	9,287	10,379	10,245
FFO (Funds from Operation) (Note 4)	Million yen	5,957	7,029	7,009	7,882	7,823
FFO per unit (Note 4)	Yen	2,840	2,940	2,931	3,038	3,016
Total distributions / FFO ratio (Note 4)	%	76.6	76.7	76.4	77.9	76.9
Debt service coverage ratio (Note 4)		6.8	7.1	6.8	7.4	7.3
The ratio of interest bearing liabilities to total assets	%	51.1	49.1	50.0	49.0	48.7

(Note 1) Operating revenues and expenses are stated net of consumption taxes.

(Note 2) Any fraction is rounded down for monetary amounts unless otherwise stated. Ratios are rounded to the first decimal places.

(Note 3) It represents the amount of unitholders' capital, net of distributions in excess of retained earnings deducted from the total unitholders' capital amount.

(Note 4) The following formulas are used for the calculation.

Ordinary income to total assets	$\text{Ordinary income} / [(\text{Total assets at beginning of period} + \text{Total assets at end of period}) / 2] \times 100$
Return on unitholders' equity	$\text{Net income} / [(\text{Net assets at beginning of period} + \text{Net assets at end of period}) / 2] \times 100$
Unitholders' equity to total assets	$\text{Net assets at end of period} / \text{Total assets at end of period} \times 100$
Payout ratio	Distributions per unit (excluding OPD**) / Net income per unit x 100 (Any fraction is rounded down to the first decimal place.) For the 6th and 8th Periods, the following formula is used due to the issuance of new units during the period. $\text{Total distributions (excluding OPD**)} / \text{Net income} \times 100$
Rental NOI (Net Operating Income)	$\text{Property-related revenues} - \text{Property-related expenses} + \text{Depreciation expenses} + \text{Loss on disposal of property and equipment}$
FFO (Funds From Operation)	$\text{Net income} + \text{Depreciation expenses} + \text{Loss on disposal of property and equipment} - \text{Gain on sale of properties}$
FFO per unit	$\text{FFO} / \text{Number of investment units issued and outstanding}$
Total distributions / FFO ratio	$\text{Total distributions (including OPD**)} / \text{FFO} \times 100$
Debt service coverage ratio	$(\text{Net income} + \text{Interest expenses} + \text{Interest expenses on investment corporation bonds}) / (\text{Interest expenses} + \text{Interest expenses on investment corporation bonds})$

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

2. Performance Review for the 9th Period

(1) Brief Background of GLP J-REIT

GLP J-REIT is a real estate investment corporation (J-REIT) specializing in logistics facilities, and it primarily invests in modern logistics facilities. GLP J-REIT was founded in accordance with the Act on Investment Trusts and Investment Corporations (hereinafter the “Investment Trust Act”) with GLP Japan Advisors Inc. as the founder. It had its units listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange on December 21, 2012 (securities code: 3281).

Since starting its operation as a listed J-REIT with 30 properties (total acquisition price of 208,731 million yen) as at January 2013, GLP J-REIT has been steadily expanding its assets through continuous acquisition of properties. As of the end of the current fiscal period, GLP J-REIT owns 58 properties (total acquisition price of 384,644 million yen).

(2) Investment Environment and Business Performance

During the current fiscal period, the Japanese economy as a whole is on a moderate recovery, as shown primarily in strong consumer spending backed by a steady improvement in employment and personal income. However, some weakness can be seen due to the impact of ongoing yen appreciation and low stock prices, as well as the impact on export and production resulting from the economic slowdown in China and other emerging countries.

In the real estate investment market, the favorable financing environment led to active acquisitions and public unit offering by J-REIT. Investments by private funds and foreign investors also continue to be active. Due to the recent increase in the number of players in the logistics property market, logistics properties became recognized as attractive real estate investments and became easy to resell. This increase was reflected in recent IPOs by several J-REITs specializing in logistics facilities. In the leasing market for logistics facilities, while there was a continuous increase in the supply of large-scale facilities, newly-supplied spaces have steadily been taken up. In some facilities, all spaces have been taken up prior to the completion of construction. The leasing business is growing in concurrence with the expansion of the third-party logistics (3PL) business, the e-commerce market and others.

Under these conditions, GLP J-REIT did not acquire or sell properties in the current fiscal period, but provided services which satisfy the needs of its existing tenants. Taking advantage of relatively lower rents, GLP J-REIT actively sought to increase rents in an environment of strong demand for modern logistics facilities. Thus, all lease agreements, including (i) lease agreements newly entered-into on the day following the last day of the previous lease period or (ii) lease agreements modified for rent during lease periods (excluding automatic rent increases based on the provision of rent revisions), have been concluded with equal or higher rents for the eight consecutive fiscal periods since its listing on the Tokyo Stock Exchange.

As a result of these operations, GLP J-REIT owns 58 properties with a total acquisition price of 384,644 million yen and total leasable area of 1,911,557.33 m² as of the end of the current fiscal period. The occupancy rate across the entire portfolio remained stable at the high level of 99.2% as of the end of the current fiscal period. Furthermore, the appraisal value of the entire portfolio reached 446,333 million yen with an unrealized gain of 71,544 million yen and the unrealized gain ratio (Note) of 19.1%.

(Note) Unrealized gain ratio = Unrealized gain (Appraisal value at the fiscal period end – Book value) / Book value.

(3) Overview of Financing

As a policy, GLP J-REIT flexibly operates with a target Loan-To-Value ratio (hereinafter “LTV”) of 45% to 55%, with an upper limit set at 60%. Operating under stable financial conditions, GLP J-REIT strives to lengthen debt maturity and reduce borrowing costs under the current favorable financing environment.

In the current fiscal period, GLP J-REIT repaid 2,300 million yen of bank borrowings on May 25, 2016, using cash on hand and proceeds received as the consumption tax refund for the fiscal period ended February 29, 2016. In addition, on June 30, 2016, GLP J-REIT renewed the commitment line agreement of 6,000 million yen, and ensured flexible and stable financing for future acquisitions, repayments of borrowings, redemptions of investment corporation bonds and refund of security deposits.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 188,830 million yen (outstanding loans 170,330 million yen, outstanding investment corporation bonds 18,500 million yen), and the ratio of interest-bearing liabilities to total assets (LTV) was 48.7 %.

GLP J-REIT was assigned the following credit ratings 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
	Bond rating (Note)	AA	—

(Note) It is the rating for the 1st to the 6th Unsecured Investment Corporation Bonds.

(4) Overview of Financial Results and Cash Distribution

As a result of these management efforts, GLP J-REIT reported total operating revenues of 12,278 million yen, operating income of 6,328 million yen, ordinary income of 5,252 million yen and net income of 5,250 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 decided to distribute 5,249,818,816 yen. This cash distribution is eligible for the special tax treatment on investment corporations (Section 67.15 of the Special Taxation Measures Act) and represents the multiple of the number of investment units issued and outstanding (2,593,784 units) from unappropriated retained earnings. Accordingly, distribution per unit for the current fiscal period was 2,024 yen.

In addition, GLP J-REIT intends to distribute funds in excess of the amount of retained earnings (Optimal Payable Distribution (hereinafter “OPD”)) for 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 770,353,848 yen, an amount almost equivalent to 30% of depreciation (2,572 million yen) for the current fiscal period, as a refund of investment categorized as a distribution from unitholders’ capital for tax purposes. As a result, the amount of OPD per unit was 297 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 operating 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 569 million yen of capital expenditure for the current fiscal period from 2,572 million yen of depreciation expenses for the period is 2,003 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) in the amount equal to approximately 30% of depreciation

expenses for the operating 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 and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 58 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the short-term emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports, is 461 million yen.

3. 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) (Million 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)
September 26, 2013	Public offering	249,955	2,087,655	22,179	129,527	(Note 9)
October 16, 2013	Issuance of new units through allocation to a third party	10,045	2,097,700	891	130,418	(Note 10)
November 19, 2013	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(475)	129,942	(Note 11)
May 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(526)	129,415	(Note 12)
September 1, 2014	Public offering	281,709	2,379,409	30,973	160,389	(Note 13)
September 24, 2014	Issuance of new units through allocation to a third party	11,322	2,390,731	1,244	161,633	(Note 14)
November 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(593)	161,040	(Note 15)
May 19, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(698)	160,342	(Note 16)

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
September 1, 2015	Public offering	197,594	2,588,325	21,784	182,126	(Note 17)
September 25, 2015	Issuance of new units through allocation to a third party	5,459	2,593,784	601	182,728	(Note 18)
November 17, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(707)	182,020	(Note 19)
May 17, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(778)	181,242	(Note 20)

(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 58,491 yen or the offer price of 60,500 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 issue 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.

(Note 9) 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 88,735 yen or the offer price of 91,942 yen per unit.

(Note 10) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 88,735 yen.

(Note 11) At the Board of Directors’ Meeting held on October 16, 2013, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 259 yen per unit for the 3rd Fiscal Period (the period ended August 31, 2013). The payment of distributions was commenced on November 19, 2013.

(Note 12) At the Board of Directors’ Meeting held on April 15, 2014, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 251 yen per unit for the 4th Fiscal Period (the period ended February 28, 2014). The payment of distributions was commenced on May 19, 2014.

(Note 13) 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 109,947 yen or the offer price of 113,827 yen per unit.

(Note 14) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 109,947 yen.

(Note 15) At the Board of Directors’ Meeting held on October 15, 2014, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 283 yen per unit for the 5th Fiscal Period (the period ended August 31, 2014). The payment of distributions was commenced on November 19, 2014.

(Note 16) At the Board of Directors’ Meeting held on April 14, 2015, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 292 yen per unit for the 6th Fiscal Period (the period ended February 28, 2015). The payment of distributions was commenced on May 19, 2015.

(Note 17) 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 110,247 yen or the offer price of 114,174 yen per unit.

(Note 18) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 110,247 yen.

(Note 19) At the Board of Directors' Meeting held on October 14, 2015, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 296 yen per unit for the 7th Fiscal Period (the period ended August 31, 2015). The payment of distributions was commenced on November 17, 2015.

(Note 20) At the Board of Directors' Meeting held on April 13, 2016, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 300 yen per unit for the 8th Fiscal Period (the period ended February 29, 2016). The payment of distributions was commenced on May 17, 2016.

[Changes in Unit Price at TSE]

The highest and lowest closing prices of the investment units listed on J-REIT section of the Tokyo Stock Exchange for each period are as follows:

(Unit: Yen)

Fiscal Period	5th Period	6th Period	7th Period	8th Period	9th Period
For the period ended	August 31, 2014	February 28, 2015	August 31, 2015	February 29, 2016	August 31, 2016
Highest	125,600	140,100	131,000	124,800	133,000
Lowest	99,100	116,300	111,500	103,300	120,500

4. Distributions

Actual amount of distributions is as follows:

(Unit: Thousand yen, unless otherwise stated)

	5th Period Mar. 1, 2014 to Aug. 31, 2014	6th Period Sept. 1, 2014 to Feb. 28, 2015	7th Period Mar. 1, 2015 to Aug. 31, 2015	8th Period Sept. 1, 2015 to Feb. 29, 2016	9th Period Mar. 1, 2016 to Aug. 31, 2016
Unappropriated retained earnings	3,972,883	4,697,068	4,649,872	5,362,512	5,251,989
Retained earnings carried forward	1,937	1,672	2,291	1,160	2,170
Total distributions	4,564,595	5,393,489	5,355,237	6,139,486	6,020,172
[Distributions per unit]	[2,176 yen]	[2,256 yen]	[2,240 yen]	[2,367 yen]	[2,321 yen]
Of which, distributions of earnings	3,970,946	4,695,395	4,647,581	5,361,351	5,249,818
[Distributions of earnings per unit]	[1,893 yen]	[1,964 yen]	[1,944 yen]	[2,067 yen]	[2,024 yen]
Of which, total refund of investments	593,649	698,093	707,656	778,135	770,353
[Total refund of investments per unit]	[283 yen]	[292 yen]	[296 yen]	[300 yen]	[297 yen]
Of total refund of investments, total distributions from Reserve for Temporary difference Adjustments	—	—	—	—	—
[Of total refund of investments per unit, distributions from Reserve for Temporary Difference Adjustments per unit]	[— yen]	[— yen]	[— yen]	[— yen]	[— yen]
Of total refund of investments, total distributions from the unitholders' capital for tax purposes	593,649	698,093	707,656	778,135	770,353
[Of total refund of investments per unit, total distributions from the unitholders' capital for tax purposes per unit]	[283 yen]	[292 yen]	[296 yen]	[300 yen]	[297 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 operating 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 569 million yen of capital expenditure for the current fiscal period from 2,572 million yen of depreciation expenses for the period is 2,003 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) in the amount equal to approximately 30% of depreciation expenses for the operating 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 and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 58 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the short-term emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports, is 461 million yen.

5. Future Management Policy and Matters to be Addressed

(1) Operational Environment in Next Fiscal Period

The Japanese economy is expected to continue a moderate recovery thanks to the effectiveness of various governmental policy measures, including the BOJ's "qualitative and quantitative monetary easing policy with a negative interest rate" and continuous improvements in employment and personal income.

However, it will be necessary to give attention not only to uncertainties in overseas economies, including Brexit, the effects of monetary policy in the U.S., and the economic slowdowns in resource-rich countries and emerging Asian countries including China, but also to the effects of fluctuations in interest rates and capital markets in Japan.

Regarding the leasable logistics facilities market, the number of market players in the Tokyo metropolitan area and Osaka area has been on the increase under the current favorable financing environment, so competition in bidding will continue to be fierce. In the leasing market, it is assumed that vacancy rates might present a temporary rise in certain markets due to a continuous increase in the new supply of modern logistics facilities. On the other hand, not only is the tenant companies' demand for leasing strong, but also new demand from mail-order firms and retailers has been increasing. Thus, the supply-demand condition is expected to remain sound in the mid-to-long term. In addition, it is foreseen that such solid demand will contribute to a certain degree of increase in rents for properties in favorable locations or with relatively lower rents.

With respect to the financing environment, financial institutions are likely to maintain their current positive lending policies. The increase in fund inflows to the J-REIT market is expected to continue due to its relatively higher rate of return under the BOJ's negative interest-rate policy.

(2) Future Management Policy and Matters to be Addressed

Under these circumstances, GLP J-REIT is committed to implementing the following measures to advance 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 negotiate for higher rents for lease agreements subject to renewal, giving consideration to market rents, upon the expirations of lease periods. At the same time, GLP J-REIT will seek to enhance the value of existing assets through appropriate maintenance of such assets and capital expenditures.

In its external growth strategy, GLP J-REIT will take advantage of 17 RoFL properties (Note 1) (floor area: approximately 880 thousand m²) (Note 2) that GLP Group owns as a specific and flexible pipeline. Furthermore, GLP J-REIT will seek future opportunities to acquire some of the 26 properties (floor area: approximately 2,350 thousand m²) (Note 2) held by a joint venture formed by GLP Group with a third party. In addition, GLP J-REIT will pursue further expansion of its portfolio by continuously collecting information about prospective properties to acquire from third parties and considering utilizing the Optimal Takeout Arrangement ("OTA") (Note 3) as the bridge scheme.

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 an optimal balance of financing methods and financing costs.

- (Note 1) Logistics properties held and managed by Global Logistic Properties Limited, the Sponsor of GLP J-REIT, and its group companies (collectively, “GLP Group”) are expected to be a valuable pipeline for the future external growth of GLP J-REIT. Based on such basic understanding, the Asset Manager of GLP J-REIT entered into a Right-of-First-Look agreement with GLP Group in order to acquire logistics properties held by GLP Group on a stable and continuous basis. Properties subject to the agreement, under which the Asset Manager obtains preferential information on acquisition, are referred to as the “RoFL properties.”
- (Note 2) The floor area as of June 30, 2016. The figure does not include the floor area of properties newly acquired on September 1, 2016 as stated in below-mentioned “6. Significant Subsequent Events, (2) Acquisition of assets.”
- (Note 3) Please refer to (Note 4) on p. 44 “3. Summary of Portfolio Properties” for the OTA Assets.

6. Significant Subsequent Events

(1) Issuance of new investment units

At the Board of Directors’ Meetings held on August 16, 2016 and August 24, 2016, GLP J-REIT resolved to issue the following new investment units. The proceeds from new investment units through a public offering were fully collected on September 1, 2016 while the proceeds from new investment units through a third-party allocation were fully collected on September 27, 2016.

[Issuance of new investment units through a public offering]

Number of new investment units issued:	247,507 units (117,861 units for domestic market, 129,646 units for international market)
Issue price (offer price):	119,357 yen per unit
Total amount issued (total offering amount):	29,541,692,999 yen
Amount to be paid in (issue amount):	115,398 yen per unit
Total amount to be paid in (total issue amount):	28,561,812,786 yen
Payment date:	September 1, 2016
Initial date of distribution calculation:	September 1, 2016

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

Number of new investment units issued:	11,787 units
Amount to be paid in (issue amount):	115,398 yen per unit
Total amount to be paid in (total issue amount):	1,360,196,226 yen
Payment date:	September 27, 2016
Initial date of distribution calculation:	September 1, 2016
Underwriter:	Nomura Securities Co., Ltd.

[Purpose of funding]

The funds raised through the public offering were appropriated for the acquisition of beneficiary rights of real estate in trust stated below in “(2) Acquisition of assets.” The funds raised through the third-party allocation were kept as cash on hand, of which 1,230 million yen was appropriated to repay a portion of a long-term loan on October 7, 2016, before its original repayment date of February 28, 2017.

(2) Acquisition of assets

GLP J-REIT acquired the beneficiary rights of real estate in trust of five properties described below (with the total acquisition price of 58,210 million yen). The acquisition price (the purchase price under the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust) does not include other acquisition related costs such as direct expenses for acquisition, property-related taxes and consumption taxes.

Property name	Acquisition date	Location	Seller	Acquisition price (Million yen)
GLP-MFLP Ichikawa Shiohama	September 1, 2016	Ichikawa, Chiba	Ichikawa-Shiohama Special Purpose Company	15,500
GLP Atsugi II	September 1, 2016	Aiko, Kanagawa	Atsugi Two Logistic Special Purpose Company	21,100
GLP Yoshimi	September 1, 2016	Hiki, Saitama	Yoshimi Logistic Special Purpose Company	11,200
GLP Fukaehama	September 1, 2016	Kobe, Hyogo	Fukaehama Logistic Special Purpose Company	4,470
GLP Tomiya IV	September 1, 2016	Tomiya, Miyagi	Azeria Two Special Purpose Company	5,940
Total	—	—	—	58,210

(3) Additional borrowings

GLP J-REIT obtained bank loans to acquire specified asset and related costs as stated in “(2) Acquisition of assets” above and to refinance bank loans.

Lender	Loan amount (Million yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Citibank Japan Ltd., The Bank of Fukuoka, Ltd., and The 77 Bank, Ltd.	1,940	JBA yen 3month TIBOR + 0.175%	September 1, 2016	September 2, 2019	Lump-sum repayment on repayment date	Unsecured not guaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., and The 77 Bank, Ltd.	3,150	JBA yen 3month TIBOR + 0.19%		September 1, 2020		
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., Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited, Aozora Bank, Ltd., Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Limited and The 77 Bank, Ltd.	8,150	0.44048%		March 1, 2024		

Lender	Loan amount (Million 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, The Bank of Fukuoka, Ltd., Development Bank of Japan Inc., Resona Bank, Limited, Aozora Bank, Ltd., Shinsei Bank, Limited and Sumitomo Mitsui Trust Bank, Limited	9,190	0.57053%	September 1, 2016	March 3, 2025	Lump-sum repayment on repayment date	Unsecured not guaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,500	JBA yen 1month TIBOR + 0.1%		June 30, 2017		
Sumitomo Mitsui Banking Corporation	4,500	JBA yen 1month TIBOR + 0.15%		October 31, 2017		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,780	0.29%		September 1, 2023		
Sumitomo Mitsui Banking Corporation	4,100	JBA yen 3month TIBOR + 0.255%		September 1, 2024		
Total	38,310	—	—	—	—	—

(Note) Of the total loan proceeds of 38,310 million yen, 6,900 million yen was used to make an early repayment of long-term loans payable with the original repayment date of September 2, 2016. The early repayment of 6,900 million yen was made on September 1, 2016.

[Profile of GLP J-REIT]

1. Status of Unitholders' Capital

	5th Period As of August 31, 2014	6th Period As of February 28, 2015	7th Period As of August 31, 2015	8th Period As of February 29, 2016	9th Period As of August 31, 2016
Number of investment units authorized (Units)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Number of investment units issued and outstanding (Units)	2,097,700	2,390,731	2,390,731	2,593,784	2,593,784
Unitholders' capital, net (Million yen) (Note)	129,415	161,040	160,342	182,020	181,242
Number of unitholders	12,389	15,509	15,182	15,914	14,313

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

2. Matters Concerning Investment Units

The following is a list of major unitholders as of August 31, 2016.

Name	Location	Number of units held (Units)	Ratio to total number of units issued and outstanding (%) (Note)
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11, Harumi, Chuo-ku, Tokyo	435,327	16.78
GLP Capital Japan 2 Private Limited	Shiodome City Center, 1-5-2, Higashi-Shimbashi, Minato-ku, Tokyo	386,240	14.89
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3, Hamamatsucho, Minato-ku, Tokyo	216,928	8.36
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	Office Tower Z, Harumi Island Triton Square, 1-8-12 Harumi, Chuo-ku, Tokyo	179,240	6.91
Nomura Bank (Luxembourg) S.A.	1-3-2, Marunouchi, Chiyoda-ku, Tokyo Standing proxy: Sumitomo Mitsui Banking Corporation	158,101	6.09
JP Morgan Chase Bank 385628	Building A, Shinagawa Intercity, 2-15-1, Konan, Minato-ku, Tokyo Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	83,230	3.20
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2, Otemachi, Chiyoda-ku, Tokyo	66,711	2.57
Goldman Sachs International	Roppongi Hills Mori Tower, 6-10-1 Roppongi, Minato-ku, Tokyo Standing proxy: Goldman Sachs Japan Co., Ltd.	31,475	1.21
State Street Bank –West Pension Fund Clients – Exempt 505233	Building A, Shinagawa Intercity, 2-15-1, Konan, Minato-ku, Tokyo Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	25,875	0.99
State Street Bank and Trust Company	3-11-1, Nihonbashi, Chuo-ku, Tokyo Standing proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch, Custody Department	23,545	0.90
Total		1,606,672	61.94

(Note) “Ratio to total number of units issued and outstanding” is rounded down to the second decimal place.

3. Matters Concerning Directors and Auditors

Names of Directors and Independent Auditor for the current period

Title	Name	Other concurrent title	Total amount of fees paid during the Period (Thousand yen)
Executive Director (Notes 1 and 2)	Masato Miki (Note 3)	— (Note 4)	—
	Yoji Tatsumi (Note 3)	President and CFO, GLP Japan Advisors Inc. (Note 4)	—
Supervisory Director (Note 2)	Toraki Inoue	Representative CPA, Toraki Inoue CPA Firm President, Accounting Advisory Co., Ltd.	1,980
	Kota Yamaguchi	Partner, Kimura Takushima & Yamaguchi Law Firm Outside Director, Heiwa Corporation	1,980
Independent Auditor	KPMG AZSA LLC	—	13,000

(Note 1) Masato Miki owns 1,367 investment units of GLP J-REIT under his own name. Yoji Tatsumi owns 82 investment units of GLP J-REIT under his own name.

(Note 2) Executive Directors and Supervisory Directors may be an officer of entities other than the above; however, any of such entities including the above has no interest with GLP J-REIT.

(Note 3) Masato Miki resigned as Executive Director of GLP J-REIT effective May 31, 2016. Yoji Tatsumi was appointed as Executive Director of GLP J-REIT effective June 1, 2016.

(Note 4) Masato Miki resigned as President and CEO of GLP Japan Advisors Inc. effective May 24, 2016. Yoji Tatsumi was appointed as President of GLP Japan Advisors Inc. effective May 24, 2016.

Policy on dismissal and non-reappointment of Independent Auditor

The dismissal and non-reappointment of Independent Auditor is to be resolved by the Board of Directors' meeting of GLP J-REIT after comprehensively considering various circumstances.

4. Asset Management Company, Custodian and General Administrators

The asset management company, the custodian and administrators as of the current period end are as follows:

Operational role	Company name
Asset Management Company	GLP Japan Advisors Inc.
Custodian, General Administrator, Transfer Agent for Investment Units	Mitsubishi UFJ Trust and Banking Corporation
Administrator for Investment Corporation Bonds	Sumitomo Mitsui Banking Corporation
Administrator for Investment Corporation Bonds	The Bank of Tokyo Mitsubishi UFJ, Ltd.
Administrator for Investment Corporation Bonds	Mitsubishi UFJ Trust and Banking Corporation

[Status on Investment Properties]

1. Investment Status

Type of asset	Use of asset	Area (Note 1)	8th Period As of February 29, 2016		9th Period As of August 31, 2016	
			Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)	Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Logistics facility	Tokyo Metropolitan area	238,686	61.2	237,652	61.3
		Greater Osaka area	75,657	19.4	75,163	19.4
		Other	62,449	16.0	61,972	16.0
Subtotal			376,792	96.6	374,788	96.6
Deposits and other assets			13,405	3.4	13,059	3.4
Total assets (Note 5)			390,197 [376,792]	100.0 [96.6]	387,848 [374,788]	100.0 [96.6]

(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 the above.

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

(Note 3) “Ratio to total assets” is rounded to the first decimal place.

(Note 4) The amount of “Property and equipment in trust” does not include the amount of construction in progress.

(Note 5) The total assets above are stated at the book value. In addition, the figures in square brackets represent the holding properties portion to total assets.

2. Major Properties Owned

The major components of assets (the 10 largest properties by book value) as of the current period end are as follows:

Name of properties	Book value (Million yen)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy ratio (%) (Note 3)	Ratio to total rental revenues (%) (Note 3)	Primary use
GLP Tokyo II	35,604	79,073.21	79,073.21	100.0	8.3	Logistics facility
GLP Amagasaki	23,567	110,224.41	110,224.41	100.0	6.7	Logistics facility
GLP Tokyo	22,062	56,105.95	56,105.95	100.0	5.7	Logistics facility
GLP Sugito II	18,111	101,272.40	100,162.57	98.9	5.4	Logistics facility
GLP Urayasu III	17,873	64,198.11	64,198.11	100.0	(Note 4)	Logistics facility
GLP Narashino II	14,894	101,623.59	101,623.59	100.0	(Note 4)	Logistics facility
GLP Misato II	14,220	59,208.59	59,208.59	100.0	(Note 4)	Logistics facility
GLP Shinkiba	11,586	18,341.73	18,341.73	100.0	(Note 4)	Logistics facility
GLP Kazo	10,826	76,532.71	76,532.71	100.0	(Note 4)	Logistics facility
GLP Komaki	10,072	52,709.97	52,709.97	100.0	(Note 4)	Logistics facility
Total	178,819	719,290.68	718,180.85	99.8	46.4	

(Note 1) “Leasable area” is the area of property or property in trust that is available for lease in accordance with relevant lease agreements or architectural drawings. The figures are rounded down to the second decimal place. Leasable area may change upon renewal of agreements.

(Note 2) “Leased area” is the total area leased to building tenants in accordance with the relevant lease agreements of each property or property in trust. The figures are rounded down to the second decimal place. When a 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 3) “Occupancy ratio” and “Ratio to total rental revenues” are rounded to the first decimal place.

(Note 4) Not disclosed because the tenants’ consent is not obtained.

3. Summary of Portfolio Properties

The following table summarizes the investment properties and OTA Assets (Note 4) held by GLP J-REIT as of the current period end.

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Tokyo	2-1-2, Tokai, Ota-ku, Tokyo	Beneficiary right of real estate in trust	56,105.95	27,900	22,062
GLP Higashi-Ogishima	23-9, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		34,582.00	6,370	5,001
GLP Akishima	4-13-41, Mihori-cho, Akishima, Tokyo 4-13-42, Mihori-cho, Akishima, Tokyo		27,356.63	8,840	7,047
GLP Tomisato	3-1, Misawa, Tomisato, Chiba		27,042.59	5,590	4,744
GLP Narashino II	3-6-3, Akanehama, Narashino, Chiba		101,623.59	19,600	14,894
GLP Funabashi	1-1389-2, Kaijincho-minami, Funabashi, Chiba		10,465.03	1,840	1,907
GLP Kazo	1-5-1, Minamishinozaki, Kazo, Saitama		76,532.71	13,800	10,826
GLP Fukaya	1900-2, Mizugahara, Orinokuchi, Fukaya, Saitama		19,706.00	2,780	2,296
GLP Sugito II	398-2, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		101,272.40	23,300	18,111
GLP Iwatsuki	2-9-10, Kokaba, Iwatsuki-ku, Saitama, Saitama		31,839.99	8,330	6,664
GLP Kasukabe	1155, Anzai, Suikaku, Kasukabe, Saitama		18,460.73	5,060	4,012
GLP Koshigaya II	2-2-1, Ryutsu-Danchi, Koshigaya, Saitama		43,537.47	11,500	9,475
GLP Misato II	3-2-1, Lala-city, Shinmisato, Misato, Saitama		59,208.59	18,200	14,220
GLP Tatsumi	3-11-10, Tatsumi, Koto-ku, Tokyo		12,925.58	6,190	4,881
GLP Hamura	4-9-8, Shinmeidai, Hamura, Tokyo		40,277.93	8,860	7,544
GLP Funabashi III	2-15-1, Nishiura, Funabashi, Chiba		18,281.84	3,950	3,075
GLP Sodegaura	385-18, Shiinomori, Sodegaura, Chiba		45,582.06	7,730	5,943
GLP Urayasu III	15-27, Chidori, Urayasu, Chiba		64,198.11	20,200	17,873
GLP Tatsumi IIa	3-8-10, Tatsumi, Koto-ku, Tokyo		17,108.52	7,920	6,688
GLP Tatsumi IIb	3-7-7, Tatsumi, Koto-ku, Tokyo		3,359.00	1,140	1,061
GLP Tokyo II	3-4-11 Shinsuna, Koto-ku, Tokyo		79,073.21	38,900	35,604
GLP Okegawa	2-6 Akabori, Okegawa, Saitama		17,062.92	2,630	2,394
GLP Shinkiba	1-10-9, Shinkiba, Koto-ku, Tokyo		18,341.73	12,400	11,586
GLP Narashino	2-6-6, Shibazono, Narashino, Chiba		23,548.03	5,530	5,304
GLP Narita II	1033-1, Yamada, Shibayama-machi, Sambu, Chiba		20,927.35	3,870	3,696
GLP Sugito	398-13, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		58,918.12	9,460	8,278
GLP Matsudo	520-1, Kamihongo, Matsudo, Chiba		14,904.60	2,750	2,453
GLP Hirakata	3-2-27, Minami-nakaburi, Hirakata, Osaka 3-2-7, Minami-nakaburi, Hirakata, Osaka		29,829.56	6,140	4,656
GLP Hirakata II	3-3-1, Minami-nakaburi, Hirakata, Osaka		43,283.01	8,770	7,652
GLP Maishima II	2-1-92, Hokuokoryokuchi, Konohana-ku, Osaka, Osaka		56,511.10	11,100	8,364
GLP Tsumori	2-1-30, Minami-tsumori, Nishinari-ku, Osaka, Osaka		16,080.14	2,250	2,016
GLP Rokko	3-10, Koyochi-higashi, Higashinada-ku, Kobe, Hyogo		39,339.00	5,710	5,061
GLP Amagasaki	231-2, Nishimukojima-cho, Amagasaki, Hyogo		110,224.41	27,100	23,567
GLP Amagasaki II	16, Nishitakas-cho, Amagasaki, Hyogo		12,342.95	2,240	1,996
GLP Nara	6-4, Imago-cho, Yamatokoriyama, Nara		19,545.35	2,920	2,231
GLP Sakai	1-63, Chikkouyawatamachi, Sakai-ku, Sakai, Osaka		10,372.10	2,210	1,900
GLP Rokko II	4-15-1 Koyochihigashi, Higashinada-ku, Kobe, Hyogo		20,407.30	4,210	3,290
GLP Kadoma	4-2-1 Shinomiya, Kadoma, Osaka		12,211.73	3,060	2,448
GLP Seishin	2-5-1 Yasakadai, Suma-ku, Kobe, Hyogo		9,533.88	1,610	1,451
GLP Fukusaki	1714-14 Saiji, Fukusaki-cho, Kanzaki-gun, Hyogo		24,167.83	4,080	3,493
GLP Kobe-Nishi	7-1-1, Mitsugaoka, Nishi-ku, Kobe, Hyogo		35,417.31	7,450	7,032

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Morioka	59, Urata, Sakuramachi, Shiwa-cho, Shiwa, Iwate	Beneficiary right of real estate in trust	10,253.80	873	804
GLP Tomiya	9-1-2, Narita, Tomiya, Miyagi (Note 5)		20,466.98	3,190	2,668
GLP Koriyama I	3-2-2, Oroshi, Kikuta-cho, Koriyama, Fukushima		24,335.96	4,480	3,848
GLP Koriyama III	5-12, Mukaihara, Horinouchi, Kikuta-machi, Koriyama, Fukushima		27,671.52	2,700	2,605
GLP Tokai	2-47, Asayama, Tokai, Aichi		32,343.31	7,500	5,988
GLP Hayashima	823, Yao, Hayashima-cho, Tsukubo, Okayama		13,574.58	1,340	1,211
GLP Hayashima II	4507-40, Hayashima, Hayashima-cho, Tsukubo, Okayama		14,447.48	2,670	2,301
GLP Kiyama	2950-1, Urata, Sonobe, Kiyama-cho, Miyaki, Saga		23,455.96	5,490	4,389
GLP Sendai	2-5-2 Sendaikou Kita, Miyagino-ku, Sendai, Miyagi		37,256.23	6,240	5,363
GLP Ebetsu	69-3 Kakuyama, Ebetsu, Hokkaido		18,489.25	2,040	1,502
GLP Kuwana	3646-1 Kanegaya, Mizono, Tado-cho, Kuwana, Mie		20,402.12	4,360	3,497
GLP Hatsukaichi	14-2 Mokuzaikokita, Hatsukaichi, Hiroshima		10,981.89	2,400	1,908
GLP Komaki	1-31 Shinkoki, Komaki, Aichi		52,709.97	12,200	10,072
GLP Ogimachi	1-8-5 Ogimachi, Miyagino-ku, Sendai, Miyagi		13,155.28	1,580	1,518
GLP Hiroshima	2-7-11 Kusatsukou, Nishi-ku, Hiroshima, Hiroshima 2-7-4 Kusatsukou, Nishi-ku, Hiroshima, Hiroshima		21,003.04	4,020	3,682
GLP Fukuoka	1-10-1 Itaduke, Hakata-ku, Fukuoka, Fukuoka		14,641.22	1,660	1,504
GLP Tosu I	1715, Hirata, Hatazaki-machi, Tosu, Saga	74,860.38	10,100	9,105	
Total			1,911,557.33	446,333	374,788

OTA Assets (Note 4)					
GLP Noda-Yoshiharu	722-2 Tameshita, Yoshiharu, Noda, Chiba	Beneficiary right of real estate in trust	26,631.40	5,040	—

(Note 1) “Location” represents the indication of residential address. If no indication of residential address exists, the location of the building (one of those if there are multiple buildings) shown on the registry is stated.

(Note 2) “Leasable area” is the area of property or property in trust that is available for lease in accordance with relevant lease agreements or architectural drawings. The figures are rounded down to the second decimal place. The leasable area may be changed upon renewal of lease agreements.

(Note 3) “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 Trusts Association, Japan. Concerning the OTA assets, the appraisal value as of August 31, 2016 is stated.

(Note 4) On July 14, 2015, GLP J-REIT entered into a forward commitment contract concerning acquisition of GLP Noda-Yoshiharu held by a third party. Under the contract, it is agreed in cooperation with the Mitsubishi UFJ Lease & Finance (“MUFJ L&F”) Group that the asset will be temporarily owned by MUL Property Co., Ltd., a real estate-related company and a wholly-owned subsidiary of MUFJ L&F, and that GLP J-REIT will acquire the asset on the date designated by GLP J-REIT during the scheduled period from July 14, 2016 to July 13, 2020. The purpose of this scheme is to reduce the acquisition price of the asset. The acquisition price of GLP Noda-Yoshiharu will be determined between 4,170 million yen and 4,650 million yen, the reduction in value proportional to the length of the seller’s ownership period, as agreed upon in advance by GLP J-REIT and the seller, MUL Property Co., Ltd. The final acquisition price will be determined by adjusting the difference between (i) planned outlays, including repairs and maintenance costs, and capital expenditures as agreed upon in advance by both parties and (ii) actual expenses incurred cumulatively over the period from the contract date to the acquisition date under the forward commitment contract. GLP J-REIT refers to the scheme as “Optimal Takeout Agreement (OTA)” and the assets subject to the OTA as “OTA Assets”.

(Note 5) Tomiya was reorganized as a city on October 10, 2016.

The trend of property-related business of GLP J-REIT is as follows.

Name of property	8th Period From September 1, 2015 To February 29, 2016				9th Period From March 1, 2016 To August 31, 2016			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Tokyo	5	100.0	702	5.7	5	100.0	701	5.7
GLP Higashi-Ogishima	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Akishima	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
GLP Tomisato	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Narashino II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Funabashi	—	—	2	0.0	—	—	3	0.0
GLP Kazo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukaya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sugito II	4	98.9	657	5.4	4	98.9	660	5.4
GLP Iwatsuki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kasukabe	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koshigaya II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Misato II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tatsumi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hamura	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Funabashi III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sodegaura	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Urayasu III	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tatsumi Ila	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tatsumi Iib	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tokyo II	6	100.0	1,028	8.4	6	100.0	1,021	8.3
GLP Okegawa	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Shinkiba	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Narashino	3	100.0	160	1.3	3	100.0	162	1.3
GLP Narita II	3	100.0	139	1.1	3	100.0	138	1.1
GLP Sugito	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Matsudo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hirakata	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hirakata II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Maishima II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tsumori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Amagasaki	7	100.0	818	6.7	7	100.0	823	6.7
GLP Amagasaki II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Nara	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sakai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kadoma	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Seishin	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukusaki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kobe-Nishi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	8th Period From September 1, 2015 To February 29, 2016				9th Period From March 1, 2016 To August 31, 2016			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Morioka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tomiya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama III	4	78.0	100	0.8	4	83.3	107	0.9
GLP Tokai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hayashima	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hayashima II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kiyama	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tosu III (Note 4)	–	–	(Note 3)	(Note 3)	–	–	–	–
GLP Sendai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Ebetsu	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kuwana	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hatsukaichi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Komaki	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Ogimachi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hiroshima	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Fukuoka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Chikushino (Note 4)	–	–	(Note 3)	(Note 3)	–	–	–	–
GLP Tosu I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total	90	99.1	12,252	100.0	90	99.2	12,278	100.0

(Note 1) “Number of tenants” represents the total number of building tenants stated on the lease agreement of each property or property in trust.

(Note 2) “Occupancy ratio” and “Ratio to total rental revenues” are rounded to the first decimal place.

(Note 3) Not disclosed because the tenants’ consent is not obtained.

(Note 4) On January 27, 2016, GLP J-REIT sold GLP Tosu III and GLP Chikushino to a third party.

4. Specified Transaction

As of the current period end, the contract amount and fair value of the outstanding transaction under the specified transaction account of GLP J-REIT are as follows.

	Type	Contract amount (Million yen) (Note 1)		Fair value (Million yen) (Note 2)
			Due after one year	
OTC	Interest rate swaps: Receive floating/ Pay fix	134,430	134,430	(2,963)
Total		134,430	134,430	(2,963)

(Note 1) The contract amount of interest rate swaps is based on its notional principal.

(Note 2) Fair value is the amount measured by the counterparty of the transaction based on data such as market rates.

(Note 3) For the financial reporting purpose, the transaction is not measured at fair value but accounted for under special treatment for interest rate swaps based on “Accounting Standards for Financial Instruments” under Japanese GAAP.

5. Investments and Other Assets

(1) Investment securities – Equity securities

Name of stock	Number of share	Acquisition cost (Thousand yen)		Fair value (Thousand yen)		Unrealized gain/loss (Thousand yen)	Remarks
		Per share	Total	Per share	Total		
Okayama General Distribution Center Co., Ltd.	16 shares	100	1,600	100	1,600	—	(Note)

(Note) The book value is used as its fair value for the unlisted equity securities.

(2) Details of other specified assets

Beneficiary rights of real estate in trust held by GLP J-REIT are disclosed in aforementioned “3. Summary of Portfolio Properties.” GLP J-REIT has no other specified assets.

[Capital Expenditure for Properties Owned]

1. 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 the end of the current fiscal period. Estimated construction cost includes the amounts to be expensed for accounting purpose.

Property name	Location	Purpose	Planned period	Estimated construction cost (Million yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Tomiya	Tomiya, Miyagi	Fire compartmentalization of the first floor	From June 2016 to September 2016	122	—	—
GLP Koriyama III	Koriyama, Fukushima	Roof waterproofing renovation work, building No.1	From May 2016 to October 2016	65	—	—
GLP Sendai	Sendai Miyagi	Renovation of West-side exterior walls	From October 2016 to December 2016	44	—	—
GLP Shinkiba	Koto-ku, Tokyo	Renovation of East-side exterior walls	From June 2016 to September 2016	33	—	—
GLP Rokko	Kobe, Hyogo	Replacement of a cooling tower and other heat source equipment - Phase I	From March 2017 to April 2017	22	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls - Phase IV	From October 2016 to December 2016	20	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls - Phase V	From March 2017 to April 2017	20	—	—

2. 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 569 million yen. The total construction cost amounted to 670 million yen, including repair and maintenance of 101 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Misato II	Misato, Saitama	Installation of air conditioners on the first, second, third floors	From April 2016 to June 2016	86
GLP Funabashi III	Funabashi, Chiba	Renovation of North-side exterior walls	From April 2016 to July 2016	52
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of air-cooled chillers	From April 2016 to June 2016	35
GLP Nara	Yamatokoriyama, Nara	Unevenness adjustment of main aisle, the first floor of warehouse	From January 2016 to March 2016	20
Other	—	—	—	375
Total				569

3. Funds Reserved for Long-Term Repair Plans

Based on the long-term repair plan established for each property, GLP J-REIT accounted for the following reserves from the operating cash flows to be appropriated for the large-scale engineering works in the mid- to long-term future.

(Unit: Million yen)

Operating period	5th Period Mar. 1, 2014 to Aug. 31, 2014	6th Period Sept. 1, 2014 to Feb. 28, 2015	7th Period Mar. 1, 2015 to Aug. 31, 2015	8th Period Sept. 1, 2015 to Feb. 29, 2016	9th Period Mar. 1, 2016 to Aug. 31, 2016
Balance brought forward from the previous period	—	—	—	—	—
Amount reserved during the period	—	—	—	—	—
Amount used during the period	—	—	—	—	—
Balance to be carried forward to the next period	—	—	—	—	—

(Note 1) GLP J-REIT intends not to account for reserves if the estimated amount of capital expenditure of the following period does not exceed the amount equivalent to 70% of the estimated depreciation expenses for the same period. GLP J-REIT estimates the amount of capital expenditure for the 10th period (for the period ending February 2017) to be 870 million yen, which does not exceed 2,037 million yen, the amount equivalent to 70% of 2,911 million yen, which is the estimated depreciation expenses for the same period.

(Note 2) 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 operating 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 569 million yen of capital expenditure for the current fiscal period from 2,572 million yen of depreciation expenses for the period is 2,003 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) in the amount equal to approximately 30% of depreciation expenses for the operating 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 and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 58 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the short-term emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports, is 461 million yen. Please refer to the "Summary of Engineering Due Diligence Report" below for the short-term emergency repair and maintenance expenses and the mid-to-long term repair and maintenance expenses for each asset.

(Reference) Summary of Engineering Due Diligence Report

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair and maintenance expenses (Thousand yen) (Note 1)	Mid-to-Long term repair and maintenance expenses (Thousand yen) (Note2)
Tokyo-1	GLP Tokyo	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	September 19, 2012	—	219,100
Tokyo-2	GLP Higashi-Ogishima			—	561,650
Tokyo-3	GLP Akishima			—	168,950
Tokyo-4	GLP Tomisato			—	75,700
Tokyo-5	GLP Narashino II			—	1,292,600
Tokyo-6	GLP Funabashi			—	240,050
Tokyo-7	GLP Kazo			—	303,800
Tokyo-8	GLP Fukaya			—	410,950
Tokyo-9	GLP Sugito II			—	365,100
Tokyo-10	GLP Iwatsuki			—	50,120
Tokyo-11	GLP Kasukabe			—	170,650
Tokyo-12	GLP Koshigaya II			—	136,530
Tokyo-13	GLP Misato II			—	78,600
Tokyo-14	GLP Tatsumi			—	43,100
Tokyo-15	GLP Hamura		August 20, 2013	—	55,940
Tokyo-16	GLP Funabashi III			—	125,360
Tokyo-17	GLP Sodegaura			—	60,000
Tokyo-18	GLP Urayasu III		March 20, 2014	—	289,550
Tokyo-19	GLP Tatsumi Ila			—	86,120
Tokyo-20	GLP Tatsumi I Ib		July 25, 2014	—	93,183
Tokyo-21	GLP Tokyo II			—	333,550
Tokyo-22	GLP Okegawa		July 27, 2015	—	209,530
Tokyo-23	GLP Shinkiba			—	243,980
Tokyo-24	GLP Narashino		Tokio Marine & Nichido Risk Consulting Co., Ltd.	—	230,950
Tokyo-25	GLP Narita II		July 27, 2015	—	149,872
Tokyo-26	GLP Sugito			—	266,119
Tokyo-27	GLP Matsudo		December 14, 2015	—	142,870
Osaka-1	GLP Hirakata	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	September 19, 2012	—	315,300
Osaka-2	GLP Hirakata II			—	305,900
Osaka-3	GLP Maishima II			—	152,100
Osaka-4	GLP Tsumori			—	142,750
Osaka-5	GLP Rokko			—	476,400
Osaka-6	GLP Amagasaki			—	307,700
Osaka-7	GLP Amagasaki II			—	142,500
Osaka-8	GLP Nara			—	102,910
Osaka-9	GLP Sakai			—	42,200
Osaka-10	GLP Rokko II		August 20, 2013	—	296,150
Osaka-11	GLP Kadoma		July 25, 2014	—	114,160
Osaka-12	GLP Seishin			—	186,900
Osaka-13	GLP Fukusaki		January 28, 2015	—	137,800
Osaka-14	GLP Kobe-Nishi			—	57,340
Other-1	GLP Morioka		September 19, 2012	—	59,600
Other-2	GLP Tomiya			—	61,800
Other-3	GLP Koriyama I			—	28,650
Other-4	GLP Koriyama III			—	350,300
Other-5	GLP Tokai			—	123,880
Other-6	GLP Hayashima			—	126,880
Other-7	GLP Hayashima II			—	33,150
Other-8	GLP Kiyama			—	95,190
Other-10	GLP Sendai			—	159,450

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair and maintenance expenses (Thousand yen) (Note 1)	Mid-to-Long term repair and maintenance expenses (Thousand yen) (Note2)
Other-11	GLP Ebetsu	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	August 20, 2013	—	47,690
Other-12	GLP Kuwana			—	51,170
Other-13	GLP Hatsukaichi			—	33,980
Other-14	GLP Komaki			—	115,500
Other-15	GLP Ogimachi		July 25, 2014	—	110,170
Other-16	GLP Hiroshima			—	198,660
Other-17	GLP Fukuoka			—	134,110
Other-19	GLP Tosu I	Tokio Marine & Nichido Risk Consulting Co., Ltd.	July 27, 2015	—	165,694
Total				—	11,079,908

(Note 1) “Short-term emergency repair and maintenance expenses” represents the repair costs deemed to be required within one year from the date of the report.

(Note 2) “Mid-to-Long term repair and maintenance expenses” represents the total repair costs deemed to be required within 12 years from the date of the report.

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[Expenses and Liabilities]

1. Status of Expenses related to Asset Management

(Unit: Thousand yen)

	8th Period From September 1, 2015 To February 29, 2016	9th Period From March 1, 2016 To August 31, 2016
Asset management fee	1,219,077	1,236,138
Asset custody fee	5,637	6,054
Administrative service fees	19,230	20,126
Directors' remuneration	3,960	3,960
Audit fee	13,500	13,000
Taxes and dues	14,455	115
Other operating expenses	71,480	64,384
Total	1,347,341	1,343,779

(Note) In addition to the amount shown, the amount of asset management fee capitalized as part of acquisition cost was 126,050 thousand yen for the 8th Period. Asset management fees for properties sold, which were included in the calculation of gain or loss on sales, were 10,500 thousand yen for the 8th Period.

2. Status of Borrowings

The following summarizes the outstanding loans payable by financial institutions as of the current period end.

Category	Name of financial institution	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
Long-term loans payable	Sumitomo Mitsui Banking Corporation	January 4, 2013	6,400	6,400	1.13% (Note 4)	January 4, 2018	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		5,900	5,900					
	Mizuho Bank, Ltd.		4,000	4,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,800	1,800					
	Citibank Japan Ltd.		1,800	1,800					
	The Bank of Fukuoka, Ltd.		1,800	1,800					
	The Norinchukin Bank		1,300	1,300					
	Resona Bank, Limited		1,300	1,300					
	Sumitomo Mitsui Banking Corporation	January 4, 2013	5,000	5,000	1.41% (Note 4)	January 4, 2020	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		4,600	4,600					
	Mizuho Bank, Ltd.		4,000	4,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,800	1,800					
	The Bank of Fukuoka, Ltd.		900	900					
	Development Bank of Japan Inc.		4,500	4,500					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 1, 2013	3,250	3,250	1.03%	January 31, 2020	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 1, 2013	3,250	3,250	1.30% (Note 4)	February 1, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 6, 2014	1,200	1,200	0.34%	December 20, 2016	Lump-sum	(Note 6)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	January 6, 2014	1,150	1,150	0.34%	December 20, 2016	Lump-sum	(Note 6)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 6, 2014	1,150	1,150	0.34%	December 20, 2016	Lump-sum	(Note 6)	Unsecured not guaranteed

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	January 6, 2014	1,800	1,800	1.20% (Note 4)	December 20, 2021	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		500	500					
	Mizuho Bank, Ltd.		900	900					
	Mitsubishi UFJ Trust and Banking Corporation		800	800					
	The Bank of Fukuoka, Ltd.		550	550					
	Resona Bank, Limited		450	450					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	934	623	0.43%	February 28, 2017 (Note 5)	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		934	623					
	Mizuho Bank, Ltd.		934	623					
	Mitsubishi UFJ Trust and Banking Corporation		934	623					
	Citibank Japan Ltd.		701	467					
	The Bank of Fukuoka, Ltd.		701	467					
	The Norinchukin Bank		467	311					
	Resona Bank, Limited		467	311					
	Sumitomo Mitsui Trust Bank, Limited		205	137					
	Shinsei Bank, Limited		205	137					
	Aozora Bank, Ltd.		205	137					
	The 77 Bank, Ltd.		205	137					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	3,720	3,720	0.76% (Note 4)	February 28, 2019	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		3,230	3,230					
	Mizuho Bank, Ltd.		2,550	2,550					
	Mitsubishi UFJ Trust and Banking Corporation		500	500					
	Citibank Japan Ltd.		700	700					
	The Bank of Fukuoka, Ltd.		700	700					
	The Norinchukin Bank		450	450					
	Resona Bank, Limited		450	450					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	2,000	2,000	1.09% (Note 4)	February 26, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,900	1,900					
	Mizuho Bank, Ltd.		1,250	1,250					
	Mitsubishi UFJ Trust and Banking Corporation		500	500					
	Development Bank of Japan Inc.		450	450					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	1,470	1,470	1.56% (Note 4)	February 29, 2024	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,170	1,170					
	Development Bank of Japan Inc.		500	500					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 3, 2014	3,800	3,800	0.92%	February 26, 2021	Lump-sum	(Note 6)	Unsecured not guaranteed

	Category		Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution									
Long-term loans payable	Sumitomo Mitsui Banking Corporation		June 30, 2014	1,500	1,500	0.23%	February 28, 2017	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.			1,200	1,200					
	Citibank Japan Ltd.			200	200					
	Development Bank of Japan Inc.			500	500					
	The Norinchukin Bank			500	500					
	Sumitomo Mitsui Trust Bank, Limited			800	800					
	Sumitomo Mitsui Banking Corporation		June 30, 2014	500	500	1.48% (Note 4)	June 30, 2026	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.			500	500					
	Mizuho Bank, Ltd.		September 2, 2014	480	480	0.22%	September 2, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed
	Mitsubishi UFJ Trust and Banking Corporation			410	410					
	Citibank Japan Ltd.			640	640					
	The Bank of Fukuoka, Ltd.			370	370					
	The Norinchukin Bank			300	300					
	Resona Bank, Limited			380	380					
	Sumitomo Mitsui Trust Bank, Limited			340	340					
	Shinsei Bank, Limited			260	260					
	Aozora Bank, Ltd.			260	260					
	The 77 Bank, Ltd.			260	260					
	Sumitomo Mitsui Banking Corporation		September 2, 2014	3,890	3,890	0.86% (Note 4)	September 2, 2022	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.			3,470	3,470					
	Mizuho Bank, Ltd.			2,830	2,830					
	Mitsubishi UFJ Trust and Banking Corporation			970	970					
	The Bank of Fukuoka, Ltd.			610	610					
	Development Bank of Japan Inc.			650	650					
	The Norinchukin Bank			350	350					
	Resona Bank, Limited			270	270					
Sumitomo Mitsui Trust Bank, Limited		560		560						
Sumitomo Mitsui Banking Corporation		September 2, 2014	1,530	1,530	1.85% (Note 4)	September 2, 2027	Lump-sum	(Note 7)	Unsecured not guaranteed	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.			1,170	1,170						
Sumitomo Mitsui Banking Corporation		January 5, 2015	4,500	4,500	0.20%	December 20, 2016	Lump-sum	(Note 6)	Unsecured not guaranteed	
The Bank of Fukuoka, Ltd.			500	500						
Development Bank of Japan Inc.		January 5, 2015	1,250	1,250	0.31%	December 20, 2018	Lump-sum	(Note 6)	Unsecured not guaranteed	
Sumitomo Mitsui Trust Bank, Limited			1,250	1,250						
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		May 1, 2015	800	800	0.29%	February 28, 2019	Lump-sum	(Note 7)	Unsecured not guaranteed	
Sumitomo Mitsui Banking Corporation		May 1, 2015	2,700	2,700	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed	
Mizuho Bank, Ltd.		May 1, 2015	700	700	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed	
The Norinchukin Bank		May 1, 2015	400	400	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		September 1, 2015	3,200	3,200	0.15%	September 2, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed	

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	September 1, 2015	2,922	2,922	0.61% (Note 4)	February 28, 2022	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,348	2,348					
	Mizuho Bank, Ltd.		1,640	1,640					
	Mitsubishi UFJ Trust and Banking Corporation		680	680					
	Citibank Japan Ltd.		320	320					
	The Bank of Fukuoka, Ltd.		480	480					
	Development Bank of Japan Inc.		320	320					
	The Norinchukin Bank		320	320					
	Resona Bank, Limited		320	320					
	Sumitomo Mitsui Trust Bank, Limited		440	440					
	Shinsei Bank, Limited		130	130					
	The 77 Bank, Ltd.		130	130					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 1, 2015	1,300	1,300	0.96% (Note 4)	September 1, 2025	Lump-sum	(Note 7)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	January 4, 2016	3,000	3,000	(0.01)% (Note 4)	February 28, 2019	Lump-sum	(Note 6)	Unsecured not guaranteed
	Citibank Japan Ltd.		500	500					
	The Bank of Fukuoka, Ltd.		1,800	1,800					
	The Bank of Fukuoka, Ltd.	January 4, 2016	1,400	1,400	0.35% (Note 4)	February 26, 2021	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Norinchukin Bank		1,400	1,400					
	Mitsubishi UFJ Trust and Banking Corporation	January 4, 2016	1,900	1,900	0.61% (Note 4)	February 29, 2024	Lump-sum	(Note 6)	Unsecured not guaranteed
	Resona Bank, Limited		1,400	1,400					
	Mizuho Bank, Ltd.	January 4, 2016	1,500	1,500	0.93% (Note 4)	February 27, 2026	Lump-sum	(Note 6)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2016	5,600	5,600	1.22% (Note 4)	December 21, 2026	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		5,100	5,100					
	Sumitomo Mitsui Banking Corporation	January 4, 2016	500	500	1.31% (Note 4)	December 20, 2027	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		400	400					
	Sumitomo Mitsui Banking Corporation	January 4, 2016	600	600	1.57% (Note 4)	December 20, 2028	Lump-sum	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		400	400					
	Sumitomo Mitsui Banking Corporation	January 15, 2016	980	980	0.42% (Note 4)	January 14, 2022	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	January 15, 2016	850	850	0.42%	January 14, 2022	Lump-sum	(Note 7)	Unsecured not guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	January 15, 2016	610	610	0.42% (Note 4)	January 14, 2022	Lump-sum	(Note 7)	Unsecured not guaranteed
	Subtotal		172,630	170,330					
	Total		172,630	170,330					

(Note 1) “Long term loans payable” include the current portion of long term loans payable as of each period end.

(Note 2) “Average rate” represents the weighted average interest rate during the fiscal period and is rounded to the second decimal place.

(Note 3) When the repayment date falls on a day other than a business day, it shall be the next business day.

(Note 4) GLP J-REIT uses interest rate swaps to hedge the interest rate risk exposure. The rate stated above is the effective rate of interest after interest rate swaps.

(Note 5) Of outstanding loan balance of 6,900 million yen at beginning of the period, 2,300 million yen was repaid on May 25, 2016 before its repayment date.

(Note 6) The fund was used to make repayments of bank borrowing.

(Note 7) The fund was used to acquire properties or beneficiary rights of real estate in trust.

3. Status of Investment Corporation Bonds

The following summarizes the status of investment corporation bonds issued as of the current period end.

Description	Issued date	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Interest rate (Note 1)	Maturity date	Maturity method	Use	Remarks
GLP J-REIT 1st Unsecured Bonds	February 27, 2014	6,000	6,000	0.47%	February 27, 2019	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 2nd Unsecured Bonds	July 30, 2014	2,000	2,000	0.98%	July 30, 2024	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 3rd Unsecured Bonds	December 26, 2014	4,500	4,500	0.51%	December 25, 2020	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	1,500	1,500	0.68%	December 26, 2022	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	3,000	3,000	1.17%	December 25, 2026	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	1,500	1,500	0.89%	June 30, 2025	Lump-sum	(Note 2)	(Note 3)
Total		18,500	18,500					

(Note 1) "Interest rate" is rounded to the second decimal place.

(Note 2) The fund was used to make repayment of bank borrowing.

(Note 3) The bond is subject to the special pari passu clause among specified investment corporation bonds.

4. Status of Short-Term Investment Corporation Bonds

None

5. Status of Subscription Rights to New Investment Units

None

[Acquisition and Disposition]

1. Acquisition and Disposition of Real Estate Properties & Asset-Backed Securities and Infrastructure & Infrastructure Related Assets

None

2. Acquisition and Disposition of Other Assets

Other assets except real estate properties & asset-backed securities and infrastructure & infrastructure related assets mentioned above mostly consist of cash and deposits and cash and deposits in trust.

3. Appraisal Values of Specific Assets

(1) Real Estate Properties

None

(2) Other

None

4. Transactions with Interested Parties

(1) Transactions

None

(2) Amounts of fees paid

	Total fees (A) (Thousand yen)	Name of interested parties and major shareholders and the amount of transactions		(B)/(A) (%)
		Paid to	Amount paid (B) (Thousand yen)	
Property management fee	222,120	Global Logistic Properties Inc.	222,120	100.0
Royalty fee	7,500	Global Logistic Properties Inc.	7,500	100.0
Leasing commission	92,751	Global Logistic Properties Inc.	92,751	100.0

(Note) The term “interested parties” refers to interested parties of Asset Management Company (Asset Manager) as stipulated by Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations and Article 26, Paragraph 1, Item 27 of the Regulations Concerning Investment Reports of Investment Trusts and Investment Corporations issued by The Investment Trust Association, Japan.

5. Status on Transactions with Asset Manager in connection with Concurrent Business conducted by the Asset Manager

No item to report since GLP Japan Advisors Inc., the Asset Manager of GLP J-REIT, does not concurrently engaged in any of the Type I Financial Instruments Business, Type II Financial Instruments Business, Building Lots and Buildings Transaction Business or Real Estate Specified Joint Business.

[Accounting]

1. Status on Assets, Liabilities, Principals, and Income and Losses

Please refer to the “Balance Sheets,” “Statements of Income,” “Statements of Changes in Net Assets,” “Notes to Financial Statements” and “Statements of Distributions” presented later in this report.

2. Change in Calculation of Depreciation

None

3. Change in Valuation of Real Estate Properties and Infrastructure Assets

None

4. Status of Beneficiary Certificates of Investment Trust Established by Self

None

[Other information]

1. Notice

The following summarizes an overview of major contracts that the Board of Directors of GLP J-REIT approved to conclude or modify for the current period.

Date of approval	Item	Summary
May 31, 2016	Conclusion of Memorandum of Amendments to the Asset Management Agreement	At the General Unitholders Meeting held on May 24, 2016, partial amendment to the Articles of Incorporation was approved. Accordingly, GLP J-REIT approved to conclude the Memorandum of amendments to the Asset Management Agreement relating to merger fees (newly established) with effective date of May 24, 2016.
August 16, 2016	Conclusion of Underwriting Agreement and other with regard to new investment units	With regard to the issuance of new investment units, GLP J-REIT approved to conclude the following agreements with effective date of August 24, 2016. (1) Underwriting Agreement, relating to the issuance of new investment units through a domestic public offering, concluded among GLP Japan Advisors Inc., Nomura Securities Co., Ltd., Citigroup Global Markets Japan Inc., Goldman Sachs Japan Co., Ltd., SMBC Nikko Securities Inc., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co., Ltd. (2) Memorandum concluded with Nomura Securities Co., Ltd., relating to the issuance of new investment units through a third party allotment in connection with the domestic public offering. (3) International Purchase Agreement, relating to an international public offering, concluded among GLP Japan Advisors Inc., Nomura International plc., Goldman Sachs International, Citigroup Global Markets Limited, and J.P. Morgan Securities plc.

2. Other

In this report, any fraction is rounded down for monetary amounts and rounded off for ratios unless otherwise stated.

[Disclosure regarding investments in real estate holding companies in foreign countries]

None

[Disclosure regarding properties held by above mentioned real estate holding companies in foreign countries]

None

SUPPLEMENTAL INFORMATION

[The information provided in this section is based on the status as of August 31, 2016, unless otherwise stated.]

Diversification of Portfolio

The following summarizes the diversification of properties in trust.

a. By Geographical Area

Area	Total floor space (m ²) (Note 1)	Ratio (%) (Note 2)	Acquisition cost (Million yen)	Ratio (%) (Note 2)
Tokyo Metropolitan area	1,154,388.96	55.5	242,726	63.1
Greater Osaka area	478,268.22	23.0	77,880	20.2
Other	447,168.89	21.5	64,038	16.6
Total	2,079,826.08	100.0	384,644	100.0

(Note 1) “Total floor space” is based on the floor space stated on any of the followings: certificate of completion of the major building, notice of verification of building construction or application for verification of building construction.

(Note 2) “Ratio” is rounded to the first decimal place. Thus, the totals shown do not necessarily agree with the sums of the individual ratios.

b. By Building Age

Building age (Note 1)	Number of properties	Total floor space (m ²) (Note 2)	Ratio (%) (Note 3)	Acquisition cost (Million yen)	Ratio (%) (Note 3)
20 years or more	21	491,868.90	23.6	71,378	18.6
15 years or more but less than 20 years	5	130,775.10	6.3	23,936	6.2
10 years or more but less than 15 years	14	600,140.73	28.9	145,680	37.9
5 years or more but less than 10 years	17	820,605.35	39.5	136,500	35.5
Less than 5 years	1	36,436.00	1.8	7,150	1.9
Total	58	2,079,826.08	100.0	384,644	100.0

(Note 1) As a general rule, “Building age” shows the period of years from a completion date of new construction of major building stated on real estate register to August 31, 2016.

(Note 2) “Total floor space” is based on the floor space stated on any of the followings: certificate of completion of the major building, notice of verification of building construction or application for verification of building construction.

(Note 3) “Ratio” is rounded to the first decimal place. Thus, the totals shown do not necessarily agree with the sums of the individual ratios.

c. By Total Floor Space

Total floor space (m ²) (Note 1)	Number of properties	Total floor space (m ²) (Note 1)	Ratio (%) (Note 2)	Acquisition cost (Million yen)	Ratio (%) (Note 2)
100,000 m ² or more	4	473,661.93	22.8	94,820	24.7
50,000 m ² or more but less than 100,000 m ²	9	577,534.06	27.8	109,950	28.6
30,000 m ² or more but less than 50,000 m ²	12	442,152.80	21.3	73,800	19.2
10,000 m ² or more but less than 30,000 m ²	31	573,714.69	27.6	103,548	26.9
Less than 10,000 m ²	2	12,762.59	0.6	2,526	0.7
Total	58	2,079,826.08	100.0	384,644	100.0

(Note 1) “Total floor space” is based on the floor space stated on any of the followings: certificate of completion of the major building, notice of verification of building construction or application for verification of building construction.

(Note 2) “Ratio” is rounded to the first decimal place. Thus, the totals shown do not necessarily agree with the sums of the individual ratios.

d. By Remaining Lease Period

Lease period (Remaining period) (Note 1)	Leased area (m ²) (Note 2)	Ratio (%) (Note 3)	Annual contracted rent (Million yen) (Note 4)	Ratio (%) (Note 3)
7 years or more	300,777.40	15.9	4,171	17.4
5 years or more but less than 7 years	302,680.88	16.0	3,463	14.5
3 years or more but less than 5 years	378,861.43	20.0	4,225	17.6
1 year or more but less than 3 years	642,877.57	33.9	8,829	36.9
Less than 1 year	270,157.96	14.3	3,269	13.6
Total	1,895,355.25	100.0	23,959	100.0

(Note 1) “Lease period” represents the remaining lease period subsequent to August 31, 2016 based on the lease agreement of each property or property in trust as of August 31, 2016.

(Note 2) “Leased area” represents the total leased area by remaining lease period, based on the relevant lease agreement of each property or property in trust as of August 31, 2016, and is rounded down to the second decimal place.

(Note 3) “Ratio” is rounded to the first decimal place. Thus, the totals shown do not necessarily agree with the sums of the individual ratios.

(Note 4) “Annual contracted rent” represents the total of individual rents annualized and classified by remaining lease period. It is calculated by multiplying the monthly contracted rent for building (including CAM but excluding consumption taxes. If the property or property in trust has multiple tenants, the total of all monthly rents.) indicated in the relevant lease agreement(s) of each property or property in trust as of August 31, 2016 by 12, rounded down to the nearest one million yen.

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Summary of Portfolio Properties

Area	Property number	Name of property	Location	Construction date (Note 1)	Annual contracted rent (Million yen) (Note 2)	Tenant leasehold and security deposit (Million yen) (Note 3)	Land area (m ²)
Tokyo Metropolitan area, total	Tokyo-1	GLP Tokyo	Ota-ku, Tokyo	November 17, 2003	1,292	269	14,879.68
	Tokyo-2	GLP Higashi-Ogishima	Kawasaki, Kanagawa	August 27, 1987	(Note 4)	(Note 4)	25,313.64
	Tokyo-3	GLP Akishima	Akishima, Tokyo	February 10, 2001	(Note 4)	(Note 4)	30,939.95
	Tokyo-4	GLP Tomisato	Tomisato, Chiba	July 3, 2007	(Note 4)	(Note 4)	39,398.15
	Tokyo-5	GLP Narashino II	Narashino, Chiba	August 26, 1991	(Note 4)	(Note 4)	55,185.00
	Tokyo-6	GLP Funabashi	Funabashi, Chiba	April 14, 1990	—	—	5,804.04
	Tokyo-7	GLP Kazo	Kazo, Saitama	March 11, 2005	(Note 4)	(Note 4)	38,278.86
	Tokyo-8	GLP Fukaya	Fukaya, Saitama	January 23, 1991	(Note 4)	(Note 4)	31,666.62
	Tokyo-9	GLP Sugito II	Kita-katsushika, Saitama	January 18, 2007	1,245	379	53,792.06
	Tokyo-10	GLP Iwatsuki	Saitama, Saitama	August 5, 2008	(Note 4)	(Note 4)	17,277.60
	Tokyo-11	GLP Kasukabe	Kasukabe, Saitama	July 15, 2004	(Note 4)	(Note 4)	18,269.08
	Tokyo-12	GLP Koshigaya II	Koshigaya, Saitama	July 28, 2006	(Note 4)	(Note 4)	16,056.14
	Tokyo-13	GLP Misato II	Misato, Saitama	September 19, 2008	(Note 4)	(Note 4)	30,614.09
	Tokyo-14	GLP Tatsumi	Koto-ku, Tokyo	September 8, 2003	(Note 4)	(Note 4)	6,500.01
	Tokyo-15	GLP Hamura	Hamura, Tokyo	January 13, 2009	(Note 4)	(Note 4)	26,712.92
	Tokyo-16	GLP Funabashi III	Funabashi, Chiba	January 24, 2001	(Note 4)	(Note 4)	9,224.00
	Tokyo-17	GLP Sodegaura	Sodegaura, Chiba	June 15, 2007	(Note 4)	(Note 4)	32,524.00
	Tokyo-18	GLP Urayasu III	Urayasu, Chiba	March 6, 2006	(Note 4)	(Note 4)	33,654.00
	Tokyo-19	GLP Tatsumi IIa	Koto-ku, Tokyo	August 28, 1986	(Note 4)	(Note 4)	6,384.51
	Tokyo-20	GLP Tatsumi IIb	Koto-ku, Tokyo	April 30, 1990	(Note 4)	(Note 4)	961.01
	Tokyo-21	GLP Tokyo II	Koto-ku, Tokyo	April 20, 2006	1,966	367	31,998.97
	Tokyo-22	GLP Okegawa	Okegawa, Saitama	July 31, 1993	(Note 4)	(Note 4)	9,913.68
	Tokyo-23	GLP Shinkiba	Koto-ku, Tokyo	August 29, 2002	(Note 4)	(Note 4)	11,224.54
	Tokyo-24	GLP Narashino	Narashino, Chiba	September 26, 1989	313	43	14,047.00
	Tokyo-25	GLP Narita II	Sambu, Chiba	February 25, 2005	254	67	33,112.83
	Tokyo-26	GLP Sugito	Kita-Katsushika, Saitama	July 4, 2005	(Note 4)	(Note 4)	48,237.80
	Tokyo-27	GLP Matsudo	Matsudo, Chiba	April 5, 1999	(Note 4)	(Note 4)	12,088.34
Tokyo Metropolitan area, total					14,470	4,541	654,058.52
Greater Osaka area, total	Osaka-1	GLP Hirakata	Hirakata, Osaka	September 20, 1985	(Note 4)	(Note 4)	25,290.30
	Osaka-2	GLP Hirakata II	Hirakata, Osaka	December 11, 2000	(Note 4)	(Note 4)	31,131.17
	Osaka-3	GLP Maishima II	Osaka, Osaka	October 15, 2006	(Note 4)	(Note 4)	24,783.06
	Osaka-4	GLP Tsumori	Osaka, Osaka	October 14, 1981	(Note 4)	(Note 4)	9,021.75
	Osaka-5	GLP Rokko	Kobe, Hyogo	March 4, 1991	(Note 4)	(Note 4)	24,969.30
	Osaka-6	GLP Amagasaki	Amagasaki, Hyogo	December 8, 2006	1,505	589	59,078.60
	Osaka-7	GLP Amagasaki II	Amagasaki, Hyogo	February 12, 1992	(Note 4)	(Note 4)	4,310.06
	Osaka-8	GLP Nara	Yamatokoriyama, Nara	November 22, 1969	(Note 4)	(Note 4)	13,420.77
	Osaka-9	GLP Sakai	Sakai, Osaka	September 18, 2007	(Note 4)	(Note 4)	10,000.03
	Osaka-10	GLP Rokko II	Kobe, Hyogo	March 25, 2000	(Note 4)	(Note 4)	18,212.00
	Osaka-11	GLP Kadoma	Kadoma, Osaka	January 29, 1980	(Note 4)	(Note 4)	8,436.79
	Osaka-12	GLP Seishin	Kobe, Hyogo	December 19, 1995	(Note 4)	(Note 4)	5,489.57
	Osaka-13	GLP Fukusaki	Kanzaki, Hyogo	July 20, 2004	(Note 4)	(Note 4)	40,466.90
	Osaka-14	GLP Kobe-Nishi	Kobe, Hyogo	January 8, 2015	(Note 4)	(Note 4)	20,999.95
Greater Osaka area, total					5,106	1,920	295,610.25
Other	Other-1	GLP Morioka	Shiwa, Iwate	August 27, 1980	(Note 4)	(Note 4)	10,244.70
	Other-2	GLP Tomiya	Tomiya, Miyagi	April 5, 2006	(Note 4)	(Note 4)	19,525.08
	Other-3	GLP Koriyama I	Koriyama, Fukushima	August 21, 2008	(Note 4)	(Note 4)	18,626.32
	Other-4	GLP Koriyama III	Koriyama, Fukushima	February 17, 1993	201	55	22,862.07
	Other-5	GLP Tokai	Tokai, Aichi	July 14, 2004	(Note 4)	(Note 4)	18,987.22
	Other-6	GLP Hayashima	Tsukubo, Okayama	November 28, 1989	(Note 4)	(Note 4)	12,808.41
	Other-7	GLP Hayashima II	Tsukubo, Okayama	December 7, 2007	(Note 4)	(Note 4)	14,675.59
	Other-8	GLP Kiyama	Miyaki, Saga	November 5, 2008	(Note 4)	(Note 4)	73,225.00
	Other-10	GLP Sendai	Sendai, Miyagi	January 4, 2007	(Note 4)	(Note 4)	19,276.01

Other-11	GLP Ebetsu	Ebetsu, Hokkaido	January 20, 2009	(Note 4)	(Note 4)	35,111.40
Other-12	GLP Kuwana	Kuwana, Mie	September 4, 2006	(Note 4)	(Note 4)	46,811.76
Other-13	GLP Hatsukaichi	Hatsukaichi, Hiroshima	July 10, 2006	(Note 4)	(Note 4)	18,452.00
Other-14	GLP Komaki	Komaki, Aichi	February 15, 2008	(Note 4)	(Note 4)	27,640.00
Other-15	GLP Ogimachi	Sendai, Miyagi	August 9, 1974	(Note 4)	(Note 4)	10,354.95
Other-16	GLP Hiroshima	Hiroshima, Hiroshima	February 1, 1989	(Note 4)	(Note 4)	15,603.94
Other-17	GLP Fukuoka	Fukuoka, Fukuoka	January 14, 1988	(Note 4)	(Note 4)	7,527.47
Other-19	GLP Tosu I	Tosu, Saga	January 31, 2008	(Note 4)	(Note 4)	51,843.52
Other, total				4,382	1,501	423,575.44
Total portfolio				23,959	7,963	1,373,244.21

(Note 1) "Construction date" generally represents the date of construction of the main building as described in the property registry. For properties with several main buildings, the construction date of the oldest building is listed. When the date of construction is not stated in the registry, the delivery date of the inspection certificate is shown.

(Note 2) "Annual contracted rent" represents the amount annualized by multiplying the monthly contracted rent (including CAM but excluding consumption taxes, if the property or property in trust has multiple tenants, the total of all monthly rents) as indicated in the relevant lease agreement(s) of each property or property in trust as of August 31, 2016 by 12. Any fraction less than one million yen is rounded down. Accordingly, the sum of annual contracted rent of each property or property in trust may not equal to each subtotal or total of portfolio.

(Note 3) "Tenant leasehold and security deposit" represents total balance of leasehold and security deposit amount stated on the lease agreement of each property or property in trust as of August 31, 2016, rounded down to the nearest million yen. Accordingly, the sum of leasehold and security deposits of each property or property in trust may not equal to each subtotal or total of portfolio.

(Note 4) Not disclosed because the tenants' consent is not obtained.

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Valuation and Appraisal

Property number	Name of property	Appraiser (Note 2)	Date of valuation	Appraisal value (Million yen) (Note 1)	Indicated value				
					Direct Capitalization method		Discount Cash Flow method		
					Value (Million yen)	Cap rate (%)	Value (Million yen)	Discount rate (%)	Yield (%)
Tokyo-1	GLP Tokyo	Morii Appraisal & ICI	August 31, 2016	27,900	28,400	3.9	27,400	3.7	4.1
Tokyo-2	GLP Higashi-Ogishima	Morii Appraisal & ICI	August 31, 2016	6,370	6,480	4.3	6,250	4.1	4.5
Tokyo-3	GLP Akishima	Morii Appraisal & ICI	August 31, 2016	8,840	8,990	4.5	8,680	4.3	4.7
Tokyo-4	GLP Tomisato	Tanizawa Sogo Appraisal	August 31, 2016	5,590	5,620	4.9	5,580	1y 4.9% 2-10y 5.0%	5.1
Tokyo-5	GLP Narashino II	Tanizawa Sogo Appraisal	August 31, 2016	19,600	19,700	4.9	19,500	1-4y 4.6% 5-10y 4.8%	4.9
Tokyo-6	GLP Funabashi	Tanizawa Sogo Appraisal	August 31, 2016	1,840	1,890	4.8	1,820	1-3y 4.7% 4-7y 4.8% 8y- 4.9%	5.0
Tokyo-7	GLP Kazo	Tanizawa Sogo Appraisal	August 31, 2016	13,800	14,400	4.8	13,600	1-5y 4.7% 6-10y 4.9%	5.0
Tokyo-8	GLP Fukaya	Tanizawa Sogo Appraisal	August 31, 2016	2,780	2,830	5.0	2,760	1y 4.9% 2-6y 5.0% 7-11y 5.1%	5.2
Tokyo-9	GLP Sugito II	Morii Appraisal & ICI	August 31, 2016	23,300	23,600	4.4	22,900	4.2	4.6
Tokyo-10	GLP Iwatsuki	Morii Appraisal & ICI	August 31, 2016	8,330	8,480	4.4	8,180	4.2	4.6
Tokyo-11	GLP Kasukabe	Morii Appraisal & ICI	August 31, 2016	5,060	5,150	4.6	4,960	4.4	4.8
Tokyo-12	GLP Koshigaya II	Morii Appraisal & ICI	August 31, 2016	11,500	12,000	4.3	11,300	4.1	4.5
Tokyo-13	GLP Misato II	Morii Appraisal & ICI	August 31, 2016	18,200	18,500	4.3	17,800	4.1	4.5
Tokyo-14	GLP Tatsumi	Morii Appraisal & ICI	August 31, 2016	6,190	6,300	4.0	6,070	3.8	4.2
Tokyo-15	GLP Hamura	Tanizawa Sogo Appraisal	August 31, 2016	8,860	8,990	4.7	8,800	1-2y 4.6% 3-10y 4.7%	4.9
Tokyo-16	GLP Funabashi III	Morii Appraisal & ICI	August 31, 2016	3,950	4,020	4.4	3,880	4.2	4.6
Tokyo-17	GLP Sodegaura	Morii Appraisal & ICI	August 31, 2016	7,730	7,840	4.9	7,610	4.7	5.1
Tokyo-18	GLP Urayasu III	Tanizawa Sogo Appraisal	August 31, 2016	20,200	20,300	4.2	20,100	1y 4.1% 2-10y 4.2%	4.3
Tokyo-19	GLP Tatsumi Ila	Morii Appraisal & ICI	August 31, 2016	7,920	8,070	4.0	7,770	3.8	4.2
Tokyo-20	GLP Tatsumi Iib	Morii Appraisal & ICI	August 31, 2016	1,140	1,140	4.8	1,140	4.6	5.0
Tokyo-21	GLP Tokyo II	Japan Real Estate Institute	August 31, 2016	38,900	39,600	4.1	38,200	3.9	4.3
Tokyo-22	GLP Okegawa	Tanizawa Sogo Appraisal	August 31, 2016	2,630	2,610	5.0	2,640	1-3y 4.9% 4-10y 5.1%	5.2
Tokyo-23	GLP Shinkiba	Tanizawa Sogo Appraisal	August 31, 2016	12,400	12,700	4.1	12,200	1y 4.0% 2-6y 4.1% 7-10y 4.2%	4.3
Tokyo-24	GLP Narashino	Tanizawa Sogo Appraisal	August 31, 2016	5,530	5,610	4.7	5,490	1y 4.6% 2-10y 4.8%	4.9
Tokyo-25	GLP Narita II	Tanizawa Sogo Appraisal	August 31, 2016	3,870	3,970	4.9	3,830	1-2y 4.8% 3y- 5.0%	5.1
Tokyo-26	GLP Sugito	Morii Appraisal & ICI	August 31, 2016	9,460	9,910	4.5	9,270	4.3	4.7
Tokyo-27	GLP Matsudo	Morii Appraisal & ICI	August 31, 2016	2,750	2,800	4.8	2,700	4.6	5.0
Osaka-1	GLP Hirakata	Japan Real Estate Institute	August 31, 2016	6,140	6,180	5.1	6,090	4.7	5.4
Osaka-2	GLP Hirakata II	Japan Real Estate Institute	August 31, 2016	8,770	8,870	4.8	8,670	4.6	5.0
Osaka-3	GLP Maishima II	Japan Real Estate Institute	August 31, 2016	11,100	11,200	5.0	11,000	4.5	5.2
Osaka-4	GLP Tsumori	Japan Real Estate Institute	August 31, 2016	2,250	2,280	5.4	2,220	5.1	5.7
Osaka-5	GLP Rokko	Japan Real Estate Institute	August 31, 2016	5,710	5,720	5.3	5,690	4.9	5.5
Osaka-6	GLP Amagasaki	Japan Real Estate Institute	August 31, 2016	27,100	27,500	4.6	26,700	4.4	4.8
Osaka-7	GLP Amagasaki II	Japan Real Estate Institute	August 31, 2016	2,240	2,280	5.2	2,200	4.9	5.6
Osaka-8	GLP Nara	Morii Appraisal & ICI	August 31, 2016	2,920	2,950	5.7	2,880	5.5	5.9
Osaka-9	GLP Sakai	Japan Real Estate Institute	August 31, 2016	2,210	2,240	5.2	2,170	5.0	5.5
Osaka-10	GLP Rokko II	Tanizawa Sogo Appraisal	August 31, 2016	4,210	4,270	5.1	4,190	1-5y 5.1% 6-10y 5.3%	5.3
Osaka-11	GLP Kadoma	Japan Real Estate Institute	August 31, 2016	3,060	3,060	5.0	3,050	4.6	5.1
Osaka-12	GLP Seishin	Japan Real Estate Institute	August 31, 2016	1,610	1,630	5.2	1,580	5.0	5.5
Osaka-13	GLP Fukusaki	Japan Real Estate Institute	August 31, 2016	4,080	4,140	5.2	4,020	4.8	5.6
Osaka-14	GLP Kobe-Nishi	Japan Real Estate Institute	August 31, 2016	7,450	7,520	4.9	7,380	4.8	5.4
Other-1	GLP Morioka	Tanizawa Sogo Appraisal	August 31, 2016	873	891	6.3	865	6.1	6.5
Other-2	GLP Tomiya	Tanizawa Sogo Appraisal	August 31, 2016	3,190	3,260	5.5	3,160	1-3y 5.2% 4-10y 5.4%	5.7
Other-3	GLP Koriyama I	Tanizawa Sogo Appraisal	August 31, 2016	4,480	4,560	5.6	4,450	1-2y 5.4% 3-10y 5.5%	5.8

Property number	Name of property	Appraiser (Note 2)	Date of valuation	Appraisal value (Million yen) (Note 1)	Indicated value				
					Direct Capitalization method		Discount Cash Flow method		
					Value (Million yen)	Cap rate (%)	Value (Million yen)	Discount rate (%)	Yield (%)
Other-4	GLP Koriyama III	Tanizawa Sogo Appraisal	August 31, 2016	2,700	2,660	5.6	2,710	1-4y 5.3% 5-8y 5.4% 9-10y 5.5%	5.8
Other-5	GLP Tokai	Morii Appraisal & ICI	August 31, 2016	7,500	7,620	4.7	7,370	4.5	4.9
Other-6	GLP Hayashima	Japan Real Estate Institute	August 31, 2016	1,340	1,350	5.9	1,320	5.7	6.1
Other-7	GLP Hayashima II	Japan Real Estate Institute	August 31, 2016	2,670	2,690	5.4	2,640	5.2	5.6
Other-8	GLP Kiyama	Japan Real Estate Institute	August 31, 2016	5,490	5,530	5.1	5,450	4.5	5.5
Other-10	GLP Sendai	Tanizawa Sogo Appraisal	August 31, 2016	6,240	6,360	5.3	6,190	5.2	5.5
Other-11	GLP Ebetsu	Morii Appraisal & ICI	August 31, 2016	2,040	2,070	5.5	2,010	5.3	5.7
Other-12	GLP Kuwana	Tanizawa Sogo Appraisal	August 31, 2016	4,360	4,410	5.5	4,340	1-6y 5.5% 7-10y 5.7%	5.7
Other-13	GLP Hatsukaichi	Tanizawa Sogo Appraisal	August 31, 2016	2,400	2,410	5.5	2,390	1-6y 5.5% 7-10y 5.7%	5.7
Other-14	GLP Komaki	Morii Appraisal & ICI	August 31, 2016	12,200	12,400	4.6	12,000	4.4	4.8
Other-15	GLP Ogimachi	Tanizawa Sogo Appraisal	August 31, 2016	1,580	1,590	6.1	1,580	1-3y 5.5% 4-10y 5.7%	6.0
Other-16	GLP Hiroshima	Japan Real Estate Institute	August 31, 2016	4,020	4,080	5.6	3,950	5.4	5.9
Other-17	GLP Fukuoka	Japan Real Estate Institute	August 31, 2016	1,660	1,680	5.3	1,640	4.9	5.7
Other-19	GLP Tosu I	Japan Real Estate Institute	August 31, 2016	10,100	10,200	4.8	9,930	4.3	5.2
OTA Assets									
TBD	GLP Noda-Yoshiharu	Tanizawa Sogo Appraisal	August 31, 2016	5,040	5,030	5.2	5,050	1-9y 4.8% 10y 5.0%	5.1

(Note 1) “Appraisal value” represents the appraisal value or research price as set forth on the relevant review 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 Trusts Association, Japan. As for OTA Assets, it represents the research price of the property as of August 31, 2016.

Summary of Engineering Reviews and Seismic Risk Assessment

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair and maintenance costs (Thousand yen) (Notes 1 and 2)	Mid- to Long-term repair and maintenance costs (Thousand yen) (Notes 1 and 3)	PML (%) (Note 1)
Tokyo-1	GLP Tokyo	Deloitte Tohmatsu Property Risk Solution Co., Ltd	September 19, 2012	—	219,100	8.5
Tokyo-2	GLP Higashi-Ogishima			—	561,650	11.4
Tokyo-3	GLP Akishima			—	168,950	11.7
Tokyo-4	GLP Tomisato			—	75,700	7.9
Tokyo-5	GLP Narashino II			—	1,292,600	11.6
Tokyo-6	GLP Funabashi			—	240,050	13.2
Tokyo-7	GLP Kazo			—	303,800	12.9
Tokyo-8	GLP Fukaya			—	410,950	4.9
Tokyo-9	GLP Sugito II			—	365,100	9.3
Tokyo-10	GLP Iwatsuki			—	50,120	14.8
Tokyo-11	GLP Kasukabe			—	170,650	14.8
Tokyo-12	GLP Koshigaya II			—	136,530	8.8
Tokyo-13	GLP Misato II			—	78,600	11.7
Tokyo-14	GLP Tatsumi			—	43,100	14.7
Tokyo-15	GLP Hamura		August 20, 2013	—	55,940	12.5
Tokyo-16	GLP Funabashi III			—	125,360	11.3
Tokyo-17	GLP Sodegaura			—	60,000	9.3
Tokyo-18	GLP Urayasu III			—	289,550	12.0
Tokyo-19	GLP Tatsumi IIa		March 20, 2014	—	86,120	14.0
Tokyo-20	GLP Tatsumi IIb			—	93,183	14.9
Tokyo-21	GLP Tokyo II		July 25, 2014	—	333,550	1.7
Tokyo-22	GLP Okegawa			—	209,530	14.8
Tokyo-23	GLP Shinkiba		July 27, 2015	—	243,980	14.9
Tokyo-24	GLP Narashino			—	230,950	11.4
Tokyo-25	GLP Narita II	Tokio Marine & Nichido Risk Consulting Co., Ltd.	July 27, 2015	—	149,872	13.5
Tokyo-26	GLP Sugito			—	266,119	9.3
Tokyo-27	GLP Matsudo		December 14, 2015	—	142,870	10.9
Osaka-1	GLP Hirakata	Deloitte Tohmatsu Property Risk Solution Co., Ltd	September 19, 2012	—	315,300	9.5
Osaka-2	GLP Hirakata II			—	305,900	14.8
Osaka-3	GLP Maishima II			—	152,100	10.7
Osaka-4	GLP Tsumori			—	142,750	16.8
Osaka-5	GLP Rokko			—	476,400	12.7
Osaka-6	GLP Amagasaki			—	307,700	13.1
Osaka-7	GLP Amagasaki II			—	142,500	10.9
Osaka-8	GLP Nara			—	102,910	26.4
Osaka-9	GLP Sakai			—	42,200	13.1
Osaka-10	GLP Rokko II		August 20, 2013	—	296,150	8.5
Osaka-11	GLP Kadoma		July 25, 2014	—	114,160	16.9
Osaka-12	GLP Seishin			—	186,900	11.1
Osaka-13	GLP Fukusaki			—	137,800	6.6
Osaka-14	GLP Kobe-Nishi		January 28, 2015	—	57,340	6.2
Other-1	GLP Morioka		September 19, 2012	—	59,600	13.9
Other-2	GLP Tomiya			—	61,800	12.5
Other-3	GLP Koriyama I			—	28,650	9.4
Other-4	GLP Koriyama III			—	350,300	8.8
Other-5	GLP Tokai			—	123,880	14.8
Other-6	GLP Hayashima			—	126,880	8.8
Other-7	GLP Hayashima II			—	33,150	6.6
Other-8	GLP Kiyama			—	95,190	7.8
Other-9	GLP Sendai			—	159,450	11.1
Other-10	GLP Sendai			—	159,450	11.1

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair and maintenance costs (Thousand yen) (Notes 1 and 2)	Mid- to Long-term repair and maintenance costs (Thousand yen) (Notes 1 and 3)	PML (%) (Note 1)
Other-11	GLP Ebetsu	Deloitte Tohmatsu Property Risk Solution Co., Ltd	August 20, 2013	—	47,690	9.5
Other-12	GLP Kuwana			—	51,170	10.5
Other-13	GLP Hatsukaichi			—	33,980	9.6
Other-14	GLP Komaki			—	115,500	5.2
Other-15	GLP Ogimachi		July 25, 2014	—	110,170	16.3
Other-16	GLP Hiroshima			—	198,660	8.3
Other-17	GLP Fukuoka			—	134,110	8.5
Other-19	GLP Tosu I	Tokio Marine & Nichido Risk Consulting Co., Ltd.	July 27, 2015	—	165,694	10.0
Portfolio PML (Note 4)						2.4

OTA Assets						
<i>TBD</i>	GLP Noda-Yoshiharu	Deloitte Tohmatsu Property Risk Solution Co., Ltd	July 1, 2015	—	62,226	11.8

(Note 1) “Short-term emergency repair and maintenance costs,” “Mid- to Long-term repair and maintenance costs” and “PML” per property are based on “Engineering Due Diligence Report.”

(Note 2) “Short-term emergency repair and maintenance costs” represents the repair costs deemed to be required within one year from the date of the report.

(Note 3) “Mid- to Long-term repair and maintenance costs” represents the repair costs deemed to be required within 12 years from the date of the report.

(Note 4) Probable Maximum Loss (“PML”) of the entire portfolio is calculated based on the “Portfolio Seismic Risk Assessment Review” dated on January 19, 2016, and rounded to the first decimal place.

Information on Major Properties — None

Information on Major Tenants

There is no major tenant that occupies 10% or more of the total leased area of GLP J-REIT’s entire property portfolio.

Long-Term Loans Payable

	Category	Balance at beginning of the period (Thousand yen)	Increase (Thousand yen)	Decrease (Thousand yen)	Balance at end of the period (Thousand yen)	Average rate (Note 2)	Repayment date (Note 3)	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	6,400,000	—	—	6,400,000	1.13% (Note 4)	January 4, 2018	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,900,000	—	—	5,900,000				
	Mizuho Bank, Ltd.	4,000,000	—	—	4,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,800,000	—	—	1,800,000				
	Citibank Japan Ltd.	1,800,000	—	—	1,800,000				
	The Bank of Fukuoka, Ltd.	1,800,000	—	—	1,800,000				
	The Norinchukin Bank	1,300,000	—	—	1,300,000				
	Resona Bank, Limited	1,300,000	—	—	1,300,000	1.41% (Note 4)	January 4, 2020	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	5,000,000	—	—	5,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,600,000	—	—	4,600,000				
	Mizuho Bank, Ltd.	4,000,000	—	—	4,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,800,000	—	—	1,800,000				
	The Bank of Fukuoka, Ltd.	900,000	—	—	900,000				
	Development Bank of Japan Inc.	4,500,000	—	—	4,500,000	1.03%	January 31, 2020	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,250,000	—	—	3,250,000				
	Sumitomo Mitsui Banking Corporation	3,250,000	—	—	3,250,000	1.30% (Note 4)	February 1, 2021	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,200,000	—	—	1,200,000	0.34%	December 20, 2016	(Note 6)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	1,150,000	—	—	1,150,000	0.34%	December 20, 2016	(Note 6)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,150,000	—	—	1,150,000	0.34%	December 20, 2016	(Note 6)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,800,000	—	—	1,800,000	1.20% (Note 4)	December 20, 2021	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	—	—	500,000				
	Mizuho Bank, Ltd.	900,000	—	—	900,000				
	Mitsubishi UFJ Trust and Banking Corporation	800,000	—	—	800,000				
	The Bank of Fukuoka, Ltd.	550,000	—	—	550,000				
	Resona Bank, Limited	450,000	—	—	450,000				
	Sumitomo Mitsui Banking Corporation	934,959	—	311,653	623,306	0.43%	February 28, 2017 (Note 5)	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	934,959	—	311,653	623,306				
	Mizuho Bank, Ltd.	934,959	—	311,653	623,306				
	Mitsubishi UFJ Trust and Banking Corporation	934,959	—	311,653	623,306				
	Citibank Japan Ltd.	701,219	—	233,739	467,479				
	The Bank of Fukuoka, Ltd.	701,219	—	233,739	467,479				
	The Norinchukin Bank	467,479	—	155,826	311,653				
	Resona Bank, Limited	467,479	—	155,826	311,653				
	Sumitomo Mitsui Trust Bank, Limited	205,691	—	68,563	137,127				
	Shinsei Bank, Limited	205,691	—	68,563	137,127				
	Aozora Bank, Ltd.	205,691	—	68,563	137,127				
	The 77 Bank, Ltd.	205,691	—	68,563	137,127				

	Category	Balance at beginning of the period (Thousand yen)	Increase (Thousand yen)	Decrease (Thousand yen)	Balance at end of the period (Thousand yen)	Average rate (Note 2)	Repayment date (Note 3)	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	3,720,000	—	—	3,720,000	0.76% (Note 4)	February 28, 2019	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,230,000	—	—	3,230,000				
	Mizuho Bank, Ltd.	2,550,000	—	—	2,550,000				
	Mitsubishi UFJ Trust and Banking Corporation	500,000	—	—	500,000				
	Citibank Japan Ltd.	700,000	—	—	700,000				
	The Bank of Fukuoka, Ltd.	700,000	—	—	700,000				
	The Norinchukin Bank	450,000	—	—	450,000				
	Resona Bank, Limited	450,000	—	—	450,000				
	Sumitomo Mitsui Banking Corporation	2,000,000	—	—	2,000,000	1.09% (Note 4)	February 26, 2021	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,900,000	—	—	1,900,000				
	Mizuho Bank, Ltd.	1,250,000	—	—	1,250,000				
	Mitsubishi UFJ Trust and Banking Corporation	500,000	—	—	500,000				
	Development Bank of Japan Inc.	450,000	—	—	450,000	1.56% (Note 4)	February 29, 2024	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,470,000	—	—	1,470,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,170,000	—	—	1,170,000				
	Development Bank of Japan Inc.	500,000	—	—	500,000	0.92%	February 26, 2021	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,800,000	—	—	3,800,000				
	Sumitomo Mitsui Banking Corporation	1,500,000	—	—	1,500,000	0.23%	February 28, 2017	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,200,000	—	—	1,200,000				
	Citibank Japan Ltd.	200,000	—	—	200,000				
	Development Bank of Japan Inc.	500,000	—	—	500,000				
	The Norinchukin Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	800,000	—	—	800,000				
	Sumitomo Mitsui Banking Corporation	500,000	—	—	500,000	1.48% (Note 4)	June 30, 2026	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	—	—	500,000				
	Mizuho Bank, Ltd.	480,000	—	—	480,000	0.22%	September 2, 2016	(Note 7)	Unsecured not guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	410,000	—	—	410,000				
	Citibank Japan Ltd.	640,000	—	—	640,000				
	The Bank of Fukuoka, Ltd.	370,000	—	—	370,000				
	The Norinchukin Bank	300,000	—	—	300,000				
	Resona Bank, Limited	380,000	—	—	380,000				
	Sumitomo Mitsui Trust Bank, Limited	340,000	—	—	340,000				
	Shinsei Bank, Limited	260,000	—	—	260,000				
	Aozora Bank, Ltd.	260,000	—	—	260,000				
	The 77 Bank, Ltd.	260,000	—	—	260,000				
	Sumitomo Mitsui Banking Corporation	3,890,000	—	—	3,890,000	0.86% (Note 4)	September 2, 2022	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,470,000	—	—	3,470,000				
	Mizuho Bank, Ltd.	2,830,000	—	—	2,830,000				
	Mitsubishi UFJ Trust and Banking Corporation	970,000	—	—	970,000				
	The Bank of Fukuoka, Ltd.	610,000	—	—	610,000				
	Development Bank of Japan Inc.	650,000	—	—	650,000				
	The Norinchukin Bank	350,000	—	—	350,000				
	Resona Bank, Limited	270,000	—	—	270,000				
	Sumitomo Mitsui Trust Bank, Limited	560,000	—	—	560,000	1.85% (Note 4)	September 2, 2027	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,530,000	—	—	1,530,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,170,000	—	—	1,170,000				

	Category	Balance at beginning of the period (Thousand yen)	Increase (Thousand yen)	Decrease (Thousand yen)	Balance at end of the period (Thousand yen)	Average rate (Note 2)	Repayment date (Note 3)	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	4,500,000	—	—	4,500,000	0.20%	December 20, 2016	(Note 6)	Unsecured not guaranteed
	The Bank of Fukuoka, Ltd.	500,000	—	—	500,000				
	Development Bank of Japan Inc.	1,250,000	—	—	1,250,000	0.31%	December 20, 2018	(Note 6)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,250,000	—	—	1,250,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	800,000	—	—	800,000	0.29%	February 28, 2019	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	2,700,000	—	—	2,700,000	0.52% (Note 4)	April 30, 2021	(Note 7)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	700,000	—	—	700,000	0.52% (Note 4)	April 30, 2021	(Note 7)	Unsecured not guaranteed
	The Norinchukin Bank	400,000	—	—	400,000	0.52% (Note 4)	April 30, 2021	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,200,000	—	—	3,200,000	0.15%	September 2, 2016	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	2,922,000	—	—	2,922,000	0.61% (Note 4)	February 28, 2022	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,348,000	—	—	2,348,000				
	Mizuho Bank, Ltd.	1,640,000	—	—	1,640,000				
	Mitsubishi UFJ Trust and Banking Corporation	680,000	—	—	680,000				
	Citibank Japan Ltd.	320,000	—	—	320,000				
	The Bank of Fukuoka, Ltd.	480,000	—	—	480,000				
	Development Bank of Japan Inc.	320,000	—	—	320,000				
	The Norinchukin Bank	320,000	—	—	320,000				
	Resona Bank, Limited	320,000	—	—	320,000				
	Sumitomo Mitsui Trust Bank, Limited	440,000	—	—	440,000				
	Shinsei Bank, Limited	130,000	—	—	130,000				
	The 77 Bank, Ltd.	130,000	—	—	130,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,300,000	—	—	1,300,000	0.96% (Note 4)	September 1, 2025	(Note 7)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000	(0.01)% (Note 4)	February 28, 2019	(Note 6)	Unsecured not guaranteed
	Citibank Japan Ltd.	500,000	—	—	500,000				
	The Bank of Fukuoka, Ltd.	1,800,000	—	—	1,800,000	0.35% (Note 4)	February 26, 2021	(Note 6)	Unsecured not guaranteed
	The Bank of Fukuoka, Ltd.	1,400,000	—	—	1,400,000				
	The Norinchukin Bank	1,400,000	—	—	1,400,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,900,000	—	—	1,900,000	0.61% (Note 4)	February 29, 2024	(Note 6)	Unsecured not guaranteed
	Resona Bank, Limited	1,400,000	—	—	1,400,000	0.93% (Note 4)	February 27, 2026	(Note 6)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	1,500,000	—	—	1,500,000				
	Sumitomo Mitsui Banking Corporation	5,600,000	—	—	5,600,000	1.22% (Note 4)	December 21, 2026	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,100,000	—	—	5,100,000				
	Sumitomo Mitsui Banking Corporation	500,000	—	—	500,000	1.31% (Note 4)	December 20, 2027	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	400,000	—	—	400,000				
	Sumitomo Mitsui Banking Corporation	600,000	—	—	600,000	1.57% (Note 4)	December 20, 2028	(Note 6)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	400,000	—	—	400,000				
	Sumitomo Mitsui Banking Corporation	980,000	—	—	980,000	0.42% (Note 4)	January 14, 2022	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	850,000	—	—	850,000	0.42%	January 14, 2022	(Note 7)	Unsecured not guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	610,000	—	—	610,000	0.42% (Note 4)	January 14, 2022	(Note 7)	Unsecured not guaranteed
	Subtotal	172,630,000	—	2,300,000	170,330,000				
	Total	172,630,000	—	2,300,000	170,330,000				

(Note 1) “Long term loans payable” include the current portion of long term loans payable as of each period end.

(Note 2) “Average rate” represents the weighted average interest rate during the fiscal period and is rounded to the second decimal place.

- (Note 3) When the repayment date falls on a day other than a business day, it shall be the next business day.
- (Note 4) GLP J-REIT uses interest rate swaps to hedge the interest rate risk exposure. The rate stated above is the effective rate of interest after interest rate swaps.
- (Note 5) Of outstanding loan balance of 6,900 million yen at beginning of the period, 2,300 million yen was repaid on May 25, 2016 before its original repayment date.
- (Note 6) The fund was used to make repayment of bank borrowings.
- (Note 7) The fund was used to acquire properties or beneficiary rights of real estate in trust.
- (Note 8) The repayment schedule for long-term loans payable excluding the current portion within five years after the balance sheet date is as follows:

(Unit: Thousand yen)

	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years
Long-term loans payable	24,300,000	20,900,000	24,050,000	19,750,000

Investment Corporation Bonds

(Unit: Thousand yen)

Description	Issued date	Balance at beginning of the period	Decrease during the period	Balance at end of the period	Interest rate (Note 1)	Maturity date	Use	Collateral
GLP J-REIT 1st Unsecured Bond	February 27, 2014	6,000,000	—	6,000,000	0.47%	February 27, 2019	(Note 2)	Unsecured (Notes 3, 4)
GLP J-REIT 2nd Unsecured Bond	July 30, 2014	2,000,000	—	2,000,000	0.98%	July 30, 2024	(Note 2)	Unsecured (Notes 3, 4)
GLP J-REIT 3rd Unsecured Bonds	December 26, 2014	4,500,000	—	4,500,000	0.51%	December 25, 2020	(Note 2)	Unsecured (Notes 3, 4)
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	1,500,000	—	1,500,000	0.68%	December 26, 2022	(Note 2)	Unsecured (Notes 3, 4)
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	3,000,000	—	3,000,000	1.17%	December 25, 2026	(Note 2)	Unsecured (Notes 3, 4)
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	1,500,000	—	1,500,000	0.89%	June 30, 2025	(Note 2)	Unsecured (Notes 3, 4)
Total		18,500,000	—	18,500,000				

- (Note 1) The interest rate is rounded to the second decimal place.
- (Note 2) The fund was used to repay bank borrowings.
- (Note 3) The bond is subject to the special *pari passu* clause among specified investment corporation bonds.
- (Note 4) The redemption schedule for investment corporation bonds within five years after the balance sheet date is as follows:

(Unit: Thousand yen)

	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
Investment corporation bonds	—	—	6,000,000	—	4,500,000

Property and Equipment

(Unit: Thousand yen)

Class of assets		Balance at beginning of the period	Increase	Decrease	Balance at end of the period	Accumulated depreciation		Net book value	Note
							Depreciation for the period		
Property and equipment	Buildings in trust	151,491,368	513,394	5,319	151,999,444	14,614,647	2,404,419	137,384,796	(Note)
	Structures in trust	3,741,652	50,326	—	3,791,978	901,442	153,110	2,890,536	(Note)
	Machinery and equipment in trust	53,679	176	—	53,855	30,867	4,256	22,988	(Note)
	Tools, furniture and fixtures in trust	143,533	5,124	—	148,658	62,935	10,880	85,722	(Note)
	Land in trust	234,404,917	—	—	234,404,917	—	—	234,404,917	
	Construction in progress	65,998	68,659	—	134,658	—	—	134,658	
	Subtotal	389,901,150	637,681	5,319	390,533,512	15,609,892	2,572,667	374,923,620	
	Total	389,901,150	637,681	5,319	390,533,512	15,609,892	2,572,667	374,923,620	

(Note) “Increase” was primarily due to capital expenditure.

“Decrease” was primarily due to retirement of property and equipment.

Information on Other Specified Assets — None



Independent Auditor's Report

To the Board of Directors of
GLP J-REIT:

We have audited the accompanying financial statements of GLP J-REIT (a Japanese Real Estate Investment Trust), which comprise the balance sheets as at August 31, 2016 and February 29, 2016, and the statements of income and retained earnings, statements of changes in net assets and statements of cash flows for the six-month periods ended August 31, 2016 and February 29, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GLP J-REIT as at August 31, 2016 and February 29, 2016, and their financial performance and cash flows for the six-month periods ended August 31, 2016 and February 29, 2016 in accordance with accounting principles generally accepted in Japan.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 16 to the financial statements that describes GLP J-REIT's subsequent issuance of new investment units, subsequent acquisitions of trust beneficiary rights of five properties and the execution of additional borrowings.

KPMG AZSA LLC

November 29, 2016
Tokyo, Japan

KPMG AZSA LLC, a limited liability audit corporation incorporated under the Japanese Certified Public Accountants Law and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

GLP J-REIT

Balance Sheets

As of August 31, 2016 and February 29, 2016

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	¥ 10,455,996	¥ 10,535,582
Operating accounts receivable	817,921	299,990
Prepaid expenses	352,598	390,251
Deferred tax assets (Note 12)	42	—
Consumption taxes receivable	—	598,811
Other current assets	455	134
Total current assets	11,627,013	11,824,771
Property and equipment, net (Note 5):		
Land in trust	234,404,917	234,404,917
Buildings in trust	151,999,444	151,491,368
Structures in trust	3,791,978	3,741,652
Machinery and equipment in trust	53,855	53,679
Tools, furniture and fixtures in trust	148,658	143,533
Construction in progress	134,658	65,998
	390,533,512	389,901,150
Accumulated depreciation	(15,609,892)	(13,042,544)
Total property and equipment, net	374,923,620	376,858,606
Investments and other assets:		
Investment securities	1,600	1,600
Long-term prepaid expenses	1,113,238	1,271,286
Security deposit	10,000	10,000
Investment unit issuance expenses	94,606	145,623
Investment corporation bond issuance costs	78,186	86,092
Total investments and other assets	1,297,630	1,514,601
Total Assets	¥ 387,848,264	¥ 390,197,979

The accompanying notes are an integral part of these financial statements.

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
Liabilities		
Current liabilities:		
Operating accounts payable	¥ 248,412	¥ 140,047
Current portion of long-term loans payable (Notes 3, 4 and 10)	24,700,000	27,000,000
Accounts payable	1,465,438	1,419,435
Accrued expenses	26,424	25,410
Income taxes payable	1,421	605
Consumption taxes payable	708,840	—
Advances received	2,109,848	2,037,581
Current portion of tenant leasehold and security deposits	164,540	199,290
Current portion of tenant leasehold and security deposits in trust	100,000	100,000
Total current liabilities	29,524,925	30,922,371
Noncurrent liabilities:		
Investment corporation bonds (Notes 3 and 11)	18,500,000	18,500,000
Long-term loans payable (Notes 3, 4 and 10)	145,630,000	145,630,000
Tenant leasehold and security deposits (Note 3)	7,521,015	7,584,626
Tenant leasehold and security deposits in trust (Note 3)	178,019	178,019
Total noncurrent liabilities	171,829,034	171,892,645
Total Liabilities	201,353,960	202,815,016
Net Assets (Note 9)		
Unitholders' equity:		
Unitholders' capital, net (Note 9)	181,242,315	182,020,450
Units authorized:		
16,000,000 units as of August 31, 2016 and February 29, 2016		
Units issued and outstanding:		
2,593,784 units as of August 31, 2016 and February 29, 2016		
Unappropriated retained earnings	5,251,989	5,362,512
Total unitholders' equity	186,494,304	187,382,962
Total Net Assets	186,494,304	187,382,962
Total Liabilities and Net Assets	¥387,848,264	¥ 390,197,979

The accompanying notes are an integral part of these financial statements.

GLP J-REIT
Statements of Income and Retained Earnings
For the six-month periods ended August 31, 2016 and February 29, 2016

	<i>Thousands of yen</i>	
	For the six-month periods ended	
	August 31, 2016	February 29, 2016
Operating revenues:		
Rental revenues (Note 7)	¥11,844,509	¥11,810,418
Other rental revenues	433,536	441,909
Gain on sales of property and equipment (Note 6)	—	80,154
Total operating revenues	12,278,046	12,332,482
Operating expenses:		
Rental expenses (Notes 5 and 7)	4,605,581	4,474,628
Asset management fee	1,236,138	1,219,077
Asset custody fee	6,054	5,637
Administrative service fees	20,126	19,230
Directors' remuneration	3,960	3,960
Audit fee	13,000	13,500
Taxes and dues	115	14,455
Other operating expenses	64,384	71,480
Total operating expenses	5,949,360	5,821,970
Operating income	6,328,685	6,510,512
Non-operating income (expenses):		
Interest income	46	880
Reversal of distributions payable	2,994	—
Interest on refund of consumption taxes	907	—
Interest expense	(762,122)	(770,388)
Borrowing related expenses	(192,077)	(208,451)
Amortization of investment unit issuance expenses	(51,017)	(77,893)
Offering costs associated with the issuance of investment units	(1,089)	(20,845)
Amortization of investment corporation bond issuance costs	(7,906)	(7,906)
Interest expenses on investment corporation bonds	(65,214)	(64,207)
Others, net	(992)	(843)
Total non-operating expenses, net	(1,076,471)	(1,149,656)
Income before income taxes	5,252,214	5,360,856
Income taxes (Note 12):		
-Current	1,428	605
-Deferred	(42)	30
Total income taxes	1,386	635
Net income	¥ 5,250,828	¥ 5,360,221
Accumulated earnings brought forward	1,160	2,291
Unappropriated retained earnings	¥ 5,251,989	¥ 5,362,512

	For the six-month periods ended	
	August 31, 2016	February 29, 2016
Earnings per unit (Note 13):		
Net income per unit	2,024 yen	2,067 yen
Weighted average number of units outstanding	2,593,784 units	2,593,064 units

The accompanying notes are an integral part of these financial statements.

GLP J-REIT
Statements of Changes in Net Assets
For the six-month periods ended August 31, 2016 and February 29, 2016

	<i>Thousands of yen</i>			
	Number of units	Unitholders' capital, net	Retained earnings	Total net assets
Balance as of August 31, 2015 (Note 9)	2,390,731	¥160,342,122	¥4,649,872	¥164,991,994
Issuance of new units on September 1, 2015	197,594	21,784,145	—	21,784,145
Issuance of new units on September 25, 2015	5,459	601,838	—	601,838
Distributions in excess of retained earnings	—	(707,656)	—	(707,656)
Distributions of earnings	—	—	(4,647,581)	(4,647,581)
Net income	—	—	5,360,221	5,360,221
Balance as of February 29, 2016 (Note 9)	2,593,784	¥182,020,450	¥5,362,512	¥187,382,962
Distributions in excess of retained earnings	—	(778,135)	—	(778,135)
Distributions of earnings	—	—	(5,361,351)	(5,361,351)
Net income	—	—	5,250,828	5,250,828
Balance as of August 31, 2016 (Note 9)	2,593,784	¥181,242,315	¥5,251,989	¥186,494,304

The accompanying notes are an integral part of these financial statements.

GLP J-REIT

Statements of Cash Flows

For the six-month periods ended August 31, 2016 and February 29, 2016

	<i>Thousands of yen</i>	
	For the six-month periods ended	
	August 31, 2016	February 29, 2016
Operating activities:		
Income before income taxes	¥ 5,252,214	¥ 5,360,856
Depreciation (Notes 5 and 9)	2,572,667	2,601,733
Amortization of investment corporation bond issuance costs	7,906	7,906
Amortization of investment unit issuance expenses	51,017	77,893
Interest income	(46)	(880)
Reversal of distributions payable	(2,994)	—
Interest expense	827,337	834,595
Loss on disposal of property and equipment	—	474
Decrease (increase) in operating accounts receivable	(517,931)	(43,599)
Decrease (increase) in prepaid expenses	37,653	(52,452)
Decrease (increase) in consumption taxes receivable	598,811	(598,811)
Decrease (increase) in other current assets	(321)	—
Decrease (increase) in long-term prepaid expenses	158,048	(298,659)
Increase (decrease) in operating accounts payable	108,364	(87,943)
Increase (decrease) in accounts payable	53,937	125,980
Increase (decrease) in consumption taxes payable	708,840	(280,136)
Increase (decrease) in advances received	72,267	96,226
Decrease in property and equipment in trust due to sales (Note 6)	—	1,951,576
Subtotal	9,927,771	9,694,761
Interest received	46	880
Interest paid	(826,323)	(834,196)
Income taxes paid	(612)	(1,208)
Net cash provided by (used in) operating activities	9,100,882	8,860,236
Investing activities:		
Purchase of property and equipment	(70,318)	(81)
Purchase of property and equipment in trust	(572,191)	(41,322,239)
Proceeds from tenant leasehold and security deposits	270,846	619,153
Repayments of tenant leasehold and security deposits	(369,208)	(269,580)
Net cash provided by (used in) investing activities	(740,871)	(40,972,747)
Financing activities:		
Repayments of short-term loans payable	—	(1,700,000)
Proceeds from long-term loans payable	—	42,490,000
Repayments of long-term loans payable	(2,300,000)	(26,240,000)
Proceeds from issuance of investment units	—	22,295,056
Payment of distributions of earnings	(5,361,727)	(4,646,775)
Payment of distributions in excess of retained earnings	(777,870)	(706,980)
Net cash provided by (used in) financing activities	(8,439,597)	31,491,300
Net increase (decrease) in cash and cash equivalents	(79,586)	(621,211)
Cash and cash equivalents at beginning of period	10,535,582	11,156,794
Cash and cash equivalents at end of period (Note 3)	¥ 10,455,996	¥ 10,535,582

The accompanying notes are an integral part of these financial statements.

GLP J-REIT
Notes to Financial Statements
For the six-month periods ended August 31, 2016 and February 29, 2016

1. Organization and Basis of Presentation

1) Organization

GLP J-REIT, a Japanese real estate investment corporation, was established on September 16, 2011 under the Act on Investment Trusts and Investment Corporations of Japan (hereinafter the “Investment Trust Act of Japan”) with Global Logistic Properties Limited (hereinafter “GLP”) acting as a sponsor. GLP J-REIT was formed to invest primarily in logistic properties in Japan. GLP J-REIT is externally managed by a licensed asset management company, GLP Japan Advisors Inc. (hereinafter “Asset Manager”).

Since its initial public offering on December 20, 2012, GLP J-REIT has, on a number of occasions, issued units through public offering or through allocation to a third party. Those units are listed on the J-REIT section of the Tokyo Stock Exchange. During the period ended February 29, 2016, GLP J-REIT raised 21,784,145 thousand yen by issuing 197,594 new units through a public offering on September 1, 2015 and 601,838 thousand yen by issuing 5,459 new units through allocation to a third party on September 25, 2015.

As of August 31, 2016, GLP J-REIT held beneficiary rights of real estate in trust with respect to 58 properties located in the Tokyo metropolitan area, the greater Osaka area and other areas.

2) Basis of presentation

The accompanying financial statements have been prepared in accordance with the provisions set forth in the Investment Trust Act of Japan and the Japanese Financial Instruments and Exchange Act and related accounting regulations, and in conformity with accounting principles generally accepted in Japan (hereinafter “Japanese GAAP”), which are different in certain respects as to application and disclosure requirements from the International Financial Reporting Standards.

The accompanying financial statements have been reformatted and translated into English from the financial statements of GLP J-REIT prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Act. In preparing these financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the prior period’s financial statements to conform to the classifications used in the current period.

GLP J-REIT does not prepare consolidated financial statements as it has no subsidiaries.

As permitted by the regulations under the Financial Instruments and Exchange Act of Japan, amounts of less than one thousand yen have been omitted. As a result, the totals shown in the accompanying financial statements do not

necessarily agree with the sums of the individual amounts.

The fiscal period of GLP J-REIT represents two six-month accounting periods: each period is from September 1 to February 28/29 of the following year and from March 1 to August 31.

2. Summary of Significant Accounting Policies

1) Cash and cash equivalents

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.

The balance of cash and cash equivalents as of August 31, 2016 and February 29, 2016 included 5,264,572 thousand yen and 5,549,044 thousand yen of cash and deposits in trust, respectively.

2) Property and equipment

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:

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) 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 are 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 taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 77,001 thousand yen for the six-month periods ended February 29, 2016.

4) Investment 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.

5) Investment unit issuance expenses

Investment unit issuance expenses are amortized over three years using the straight-line method.

6) 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 floating 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.

The hedge effectiveness test 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 as permitted under the Japanese GAAP.

7) Beneficiary rights of real estate in trust

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 sheet and statement of income accounts.

8) Consumption taxes

Consumption taxes withheld and paid are not included in the accompanying statements of income.

9) Capitalized borrowing related expenses

Capitalized borrowing related expenses are amortized over the borrowing period on a straight-line basis and the amount amortized is included in borrowing related expenses.

10) Investment corporation bond issuance costs

Investment corporation bond issuance costs are amortized over the respective terms of the bonds using the straight-line method.

3. Financial Instruments

1) Detailed information on financial instruments

(a) Policy for financial instruments

GLP J-REIT procures funds for acquisition of assets or repayment of debts 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.

(b) 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 and investment corporation bonds are mainly made to procure funds for acquisition of properties and refinancing of bank loans or investment corporation bonds upon their maturities. GLP J-REIT mitigates the liquidity risk exposure upon repayment and redemption of loans by diversifying the maturities and lending institutions and concluding a commitment line agreement, 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, and is 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.

(c) 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

Book value, fair value and differences between the values as of August 31, 2016 and February 29, 2016 are as follows. Financial instruments for which the fair value is difficult to estimate are excluded from the following table (see*2 below).

<i>Thousands of yen</i>			
As of August 31, 2016			
	Book value	Fair value	Difference
(1) Cash and cash equivalents:			
Cash and deposits	¥ 5,191,423	¥ 5,191,423	¥ —
Cash and deposits in trust	5,264,572	5,264,572	—
Total assets	¥ 10,455,996	¥ 10,455,996	¥ —
(1) Current portion of long-term loans payable	¥ 24,700,000	¥ 24,700,000	¥ —
(2) Investment corporation bonds	18,500,000	18,985,000	485,000
(3) Long-term loans payable	145,630,000	148,784,085	3,154,085
Total liabilities	¥188,830,000	¥192,469,085	¥ 3,639,085
Derivative transactions	¥ —	¥ —	¥ —

<i>Thousands of yen</i>			
As of February 29, 2016			
	Book value	Fair value	Difference
(1) Cash and cash equivalents:			
Cash and deposits	¥ 4,986,538	¥ 4,986,538	¥ —
Cash and deposits in trust	5,549,044	5,549,044	—
Total assets	¥ 10,535,582	¥ 10,535,582	¥ —
(1) Current portion of long-term loans payable	¥ 27,000,000	¥ 27,000,000	¥ —
(2) Investment corporation bonds	18,500,000	18,983,350	483,350
(3) Long-term loans payable	145,630,000	149,239,818	3,609,818
Total liabilities	¥ 191,130,000	¥195,223,168	¥ 4,093,168
Derivative transactions	¥ —	¥ —	¥ —

Notes:

***1 Methods to estimate fair value of financial instruments**

Assets:

(1) Cash and cash equivalents

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) Current portion of long-term loans payable and (3) 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 principal 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 designated as a hedged item.

(2) Investment corporation bonds

The reference value published by the Japan Securities Dealers Association is used as the fair value.

Derivative transactions:

Please refer to Note 4, "Derivative Transactions."

*2 Financial instruments for which the fair value is difficult to estimate are as follows:

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
Tenant leasehold and security deposits	¥7,521,015	¥7,584,626
Tenant leasehold and security deposits in trust	178,019	178,019
Total	¥7,699,034	¥7,762,645

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 difficult to estimate their fair value. Therefore, their fair values are not disclosed.

*3 Redemption schedules for monetary claims are as follows:

	<i>Thousands of yen</i>					
	As of August 31, 2016					
	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
Cash and cash equivalents:						
Cash and deposits	¥ 5,191,423	¥ —	¥ —	¥ —	¥ —	¥ —
Cash and deposits in trust	5,264,572	—	—	—	—	—
Total	¥10,455,996	¥ —	¥ —	¥ —	¥ —	¥ —

	<i>Thousands of yen</i>					
	As of February 29, 2016					
	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
Cash and cash equivalents:						
Cash and deposits	¥ 4,986,538	¥ —	¥ —	¥ —	¥ —	¥ —
Cash and deposits in trust	5,549,044	—	—	—	—	—
Total	¥10,535,582	¥ —	¥ —	¥ —	¥ —	¥ —

*4 Redemption schedules for investment corporation bonds and long-term loans payable are as follows:

<i>Thousands of yen</i>						
As of August 31, 2016						
	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
Investment corporation bonds	¥ —	¥ —	¥ 6,000,000	¥ —	¥ 4,500,000	¥ 8,000,000
Long-term loans payable	24,700,000	24,300,000	20,900,000	24,050,000	19,750,000	56,630,000
Total	¥24,700,000	¥24,300,000	¥26,900,000	¥24,050,000	¥24,250,000	¥64,630,000

<i>Thousands of yen</i>						
As of February 29, 2016						
	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
Investment corporation bonds	¥ —	¥ —	¥ 6,000,000	¥ —	¥ 4,500,000	¥ 8,000,000
Long-term loans payable	27,000,000	24,300,000	20,900,000	24,050,000	15,950,000	60,430,000
Total	¥27,000,000	¥24,300,000	¥26,900,000	¥24,050,000	¥20,450,000	¥68,430,000

4. Derivative Transactions

For the six-month periods ended August 31, 2016 and February 29, 2016, GLP J-REIT only utilized interest rate swaps which qualified for hedge accounting and met the specific matching criteria, as described below.

Hedge accounting method:	Special accounting treatment for interest rate swaps
Type of derivative transaction:	Interest rate swaps, receive floating/ pay fix
Primary hedged item:	Long-term loans payable

<i>Thousands of yen</i>							
As of							
August 31, 2016				February 29, 2016			
Contract amount	Fair value		Fair value measurement method	Contract amount	Fair value		Fair value measurement method
Total	Due after one year	Fair value		Total	Due after one year	Fair value	
¥134,430,000	¥ 134,430,000	(*1)	(*2)	¥134,430,000	¥ 134,430,000	(*1)	(*2)

Notes:

- *1 Interest rate swaps under the special accounting treatment, are accounted for as an 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 Note “3. Financial Instruments, 2) Estimated fair value of financial instruments, (3) Long-term loans payable.”
- *2 Fair value is measured by the counterparty of the relevant transaction based on market rates.

5. Investment and Rental Properties

Property and equipment consists of leasable logistic facilities for the purpose of earning rental revenues. The

following table summarizes the book value, including changes during the fiscal periods and fair value of these rental properties.

	<i>Thousands of yen</i>	
	For the six-month periods ended	
	August 31, 2016	February 29, 2016
Book value		
Balance at the beginning of the period	¥376,792,607	¥340,033,378
Change during the period	(2,003,645)	36,759,229
Balance at the end of the period	¥374,788,962	¥376,792,607
Fair value at the end of the period	¥446,333,000	¥440,252,000

The fair value of investment and rental properties was determined based on third-party appraisals or research prices.

The change in book value for the six-month period ended August 31, 2016 primarily consisted of the decrease due to depreciation of 2,572,667 thousand yen and the increase due to capital expenditure.

The change in book value for the six-month period ended February 29, 2016 primarily consisted of the decrease due to the sales of GLP Tosu III and GLP Chikushino in the total amount of 1,951,576 thousand yen and depreciation of 2,601,733 thousand yen and the increase due to the acquisition of the following six properties in the total amount of 40,755,176 thousand yen: GLP Shinkiba, GLP Narashino, GLP Narita II, GLP Sugito, GLP Matsudo and GLP Tosu I.

6. Gain on Sales of Property and Equipment

No investment properties were sold during the fiscal period ended August 31, 2016.

On January 27, 2016, GLP J-REIT sold two beneficiary rights of real estate in trust, GLP Tosu III and GLP Chikushino, to a third party and recognized a gain of sales. The details are summarized as follows:

	<i>Thousands of yen</i>
Sales proceeds	¥ 2,100,000
Costs of sale of properties	1,951,576
Other sales expenses	68,269
Gain on sales of property and equipment	¥ 80,154

Sales price of each property is not disclosed since counter parties' consent is not obtained.

7. Property-related Revenues and Expenses

The following table summarizes the revenues and expenses generated from the property leasing activities for the six-month periods ended August 31, 2016 and February 29, 2016.

<i>Thousands of yen</i>		
For the six-month periods ended		
	August 31, 2016	February 29, 2016
A. Property-related revenues		
Rental revenues:		
Rental revenues	¥11,467,842	¥11,444,192
Common area charges	376,667	366,225
Total	11,844,509	11,810,418
Other revenues related to property leasing		
Utility charges	297,520	294,394
Parking lots	31,980	32,646
Others	104,035	114,869
Total	433,536	441,909
Total property-related revenues	¥12,278,046	¥12,252,328
B. Property-related expenses		
Rental expenses:		
Taxes and dues	¥ 1,066,095	¥ 959,379
Property and facility management fees	431,350	434,379
Utilities	279,110	287,081
Repairs and maintenance	101,600	70,330
Casualty insurance	23,798	23,967
Depreciation	2,572,667	2,601,733
Loss on disposal of property and equipment	—	474
Others	130,957	97,281
Total property-related expenses	¥ 4,605,581	¥ 4,474,628
C. Operating income from property leasing (A – B)	¥ 7,672,465	¥ 7,777,699

8. Leases

The future minimum rental revenues from tenants subsequent to each fiscal period end under non-cancelable operating leases of properties are as follows.

<i>Thousands of yen</i>		
As of		
	August 31, 2016	February 29, 2016
Due within one year	¥21,410,371	¥21,329,917
Due after one year	63,324,664	71,599,048
Total	¥84,735,036	¥92,928,966

9. Net Assets

1) Stated capital

GLP J-REIT issues only non-par value units in accordance with the Act on Investment Trusts and Investment Corporations of Japan and all issue amounts of new units are designated as stated capital. GLP J-REIT maintains at least 50,000 thousand yen as the minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations.

2) Unitholders' capital, net

Unitholders' capital, net as of August 31, 2016 and February 29, 2016 consists of the following items:

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
Unitholders' capital - accumulated paid-in amount	¥185,176,702	¥162,790,718
Issuance of new investment units	–	22,385,984
Deduction from unitholders' capital - accumulated distribution in excess of retained earnings	(3,934,387)	(3,156,252)
Unitholders' capital, net	¥181,242,315	¥182,020,450

3) Distributions

Distributions related to the period but declared after the balance sheet date are summarized as follows:

	<i>Yen</i>			
	For the six-month periods ended			
	August 31, 2016		February 29, 2016	
	Total	Per unit	Total	Per unit
I Unappropriated retained earnings	¥5,251,989,174		¥5,362,512,271	
II Distributions in excess of retained earnings				
Deduction from unitholders' capital	770,353,848		778,135,200	
	6,022,343,022		6,140,647,471	
III Distributions				
Distributions of earnings	5,249,818,816	¥2,024	5,361,351,528	¥2,067
Distributions in excess of retained earnings	770,353,848	297	778,135,200	300
Total Distributions	6,020,172,664	¥2,321	6,139,486,728	¥2,367
IV Retained earnings carried forward	¥ 2,170,358		¥ 1,160,743	

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 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 5,249,818,816 yen and 5,361,351,528 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of August 31, 2016 and February 29, 2016, respectively.

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, in each fiscal period on a continuing basis. Accordingly, GLP J-REIT intends to distribute funds in excess of retained

earnings, which do not exceed the amount calculated by deducting the amount of capital expenditures for the accounting period immediately preceding the period in which the OPD is made from the depreciation expense for the corresponding period. For the six-month periods ended August 31, 2016 and February 29, 2016, the amount of capital expenditures was 569,022,003 yen and 557,837,703 yen, and the depreciation expense was 2,572,667,315 yen and 2,601,733,878 yen, respectively. Thus, the maximum amount available for the OPD amounted to 2,003,645,312 yen and 2,043,896,175 yen for the six-month periods ended August 31, 2016 and February 29, 2016, respectively.

Thus, GLP J-REIT declared an OPD amounting to 770,353,848 yen and 778,135,200 yen as a refund of its investment categorized as a distribution from unitholders' capital for tax purposes for the six-month periods ended August 31, 2016 and February 29, 2016, respectively. The amounts of OPD approximated 30% of the depreciation expense of 2,572,667,315 yen and 2,601,733,878 yen for the six-month periods ended August 31, 2016 and February 29, 2016, respectively.

10. Long-Term Loans Payable

Long-term loans payable consisted of bank borrowings under loan agreements. The following table summarizes the long-term loans payable as of August 31, 2016 and February 29, 2016.

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
0.34% unsecured long-term loans due 2016	¥ 3,500,000	¥ 3,500,000
0.22% unsecured long-term loans due 2016	3,700,000	3,700,000
0.20% unsecured long-term loans due 2016	5,000,000	5,000,000
0.15% unsecured long-term loans due 2016	3,200,000	3,200,000
0.43% unsecured long-term loans due 2017	4,600,000	6,900,000
0.23% unsecured long-term loans due 2017	4,700,000	4,700,000
1.13% unsecured long-term loans due 2018 (*1)	24,300,000	24,300,000
0.31% unsecured long-term loans due 2018	2,500,000	2,500,000
0.76% unsecured long-term loans due 2019 (*1)	12,300,000	12,300,000
0.29% unsecured long-term loans due 2019	800,000	800,000
(0.01)% unsecured long-term loans due 2019 (*1)	5,300,000	5,300,000
1.41% unsecured long-term loans due 2020 (*1)	20,800,000	20,800,000
1.03% unsecured long-term loans due 2020	3,250,000	3,250,000
1.30% unsecured long-term loans due 2021 (*1)	3,250,000	3,250,000
1.20% unsecured long-term loans due 2021 (*1)	5,000,000	5,000,000
1.09% unsecured long-term loans due 2021 (*1)	6,100,000	6,100,000
0.92% unsecured long-term loans due 2021	3,800,000	3,800,000
0.52% unsecured long-term loans due 2021 (*1)	3,800,000	3,800,000
0.35% unsecured long-term loans due 2021 (*1)	2,800,000	2,800,000
0.86% unsecured long-term loans due 2022 (*1)	13,600,000	13,600,000
0.61% unsecured long-term loans due 2022 (*1)	10,050,000	10,050,000
0.42% unsecured long-term loans due 2022 (*1)	1,590,000	1,590,000
0.42% unsecured long-term loans due 2022	850,000	850,000
1.56% unsecured long-term loans due 2024 (*1)	3,140,000	3,140,000
0.61% unsecured long-term loans due 2024 (*1)	3,300,000	3,300,000
0.96% unsecured long-term loans due 2025 (*1)	1,300,000	1,300,000

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
1.48% unsecured long-term loans due 2026 (*1)	1,000,000	1,000,000
0.93% unsecured long-term loans due 2026 (*1)	1,500,000	1,500,000
1.22% unsecured long-term loans due 2026 (*1)	10,700,000	10,700,000
1.85% unsecured long-term loans due 2027 (*1)	2,700,000	2,700,000
1.31% unsecured long-term loans due 2027 (*1)	900,000	900,000
1.57% unsecured long-term loans due 2028 (*1)	1,000,000	1,000,000
Less: current portion	(24,700,000)	(27,000,000)
Total long-term loans payable, less current portion	¥ 145,630,000	¥ 145,630,000

Note:

- *1 GLP J-REIT uses interest rate swaps to hedge their interest rate risk exposure. The stated interest rate includes the effect of the interest rate swap.

The stated interest rate is the weighted average interest rate during the period ended August 31, 2016 and is rounded to the second decimal place.

The redemption schedules for long-term loans payable subsequent to August 31, 2016 and February 29, 2016 are disclosed in Note 3, "Financial Instruments."

GLP J-REIT entered into a commitment line agreement with two financial institutions in order to secure flexible and stable financing. As of August 31, 2016 and February 29, 2016, the status of the commitment line agreement is as follows:

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
Total amount of commitment line agreement	¥6,000,000	¥6,000,000
Balance executed as loans	—	—
Unused line of credit	¥6,000,000	¥6,000,000

11. Investment Corporation Bonds

GLP J-REIT issued six series of unsecured investment corporation bonds with special *pari passu* conditions among specified investment corporation bonds to refinance bank borrowings. Each bond would be repaid on a lump-sum basis at each contractual maturity date. The following summarizes the status of investment corporation bonds as of August 31, 2016 and February 29, 2016.

Description	Issued date	Maturity date	Interest rate	<i>Thousands of yen</i>	
				As of	
				August 31, 2016	February 29, 2016
GLP J-REIT 1st Unsecured Bonds	February 27, 2014	February 27, 2019	0.47%	¥ 6,000,000	¥ 6,000,000
GLP J-REIT 2nd Unsecured Bonds	July 30, 2014	July 30, 2024	0.98%	2,000,000	2,000,000
GLP J-REIT 3rd Unsecured Bonds	December 26, 2014	December 25, 2020	0.51%	4,500,000	4,500,000
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	December 26, 2022	0.68%	1,500,000	1,500,000
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	December 25, 2026	1.17%	3,000,000	3,000,000
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	June 30, 2025	0.89%	1,500,000	1,500,000
Total				¥18,500,000	¥18,500,000

The stated interest rate is rounded to the second decimal place.

12. Income Taxes

GLP J-REIT is subject to Japanese corporate income taxes on its taxable income. The tax effects of temporary differences that give rise to a significant portion of the deferred tax assets and liabilities as of August 31, 2016 and February 29, 2016 were as follows.

	<i>Thousands of yen</i>	
	As of	
	August 31, 2016	February 29, 2016
Deferred tax assets		
Enterprise tax payable	¥ 42	¥ –
Total	42	–
Net deferred tax assets	¥ 42	¥ –

Reconciliations between the Japanese statutory tax rate and the actual income tax rate with respect to pre-tax income reflected in the accompanying statement of income for the six-month periods ended August 31, 2016 and February 29, 2016 are as follows.

	%	
	For the six-month periods ended	
	August 31, 2016	February 29, 2016
Statutory effective tax rate	32.31	32.31
(Adjustments)		
Distributions deductible for tax purposes	(32.30)	(32.31)
Other	0.02	0.01
Actual tax rate	0.03	0.01

GLP J-REIT has a policy of making cash distributions of earnings in excess of 90% of distributable income as

defined in the Special Taxation Measures Act for the fiscal period to qualify for conditions as set forth in the Special Taxation Measures Act to achieve a deduction of cash distributions for income tax purposes. Based on this policy, GLP J-REIT treated the cash distributions of earnings as a tax deductible distribution as defined in the Special Taxation Measures Act.

13. Per Unit Information

The following table summarizes per unit information for the six-month periods ended and as of August 31, 2016 and February 29, 2016.

	For the six-month periods ended	
	August 31, 2016	February 29, 2016
Net income per unit:		
Basic net income per unit	2,024 yen	2,067 yen
Weighted average number of units outstanding	2,593,784 units	2,593,064 units
	As of	
	August 31, 2016	February 29, 2016
Net assets per unit	71,900 yen	72,243 yen

Diluted earnings per unit and related information are not disclosed as no dilutive securities were outstanding.

14. Transactions with Related Parties

- 1) Transactions and account balances with the parent company and major corporate unitholders

(For the six-month period ended August 31, 2016 and February 29, 2016)

None

- 2) Transactions and account balances with affiliates

(For the six-month period ended August 31, 2016 and February 29, 2016)

None

- 3) Transactions and account balances with companies under common control and others

(For the six-month period ended August 31, 2016)

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 at the end of the period (Thousands of yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	¥100,000	Investment advisory/ agency	—	Entrustment of property management Patent license	Property management fee	¥222,120	Operating accounts payable	¥40,517
							Royalty fee (*2)	7,500	—	—
							Leasing commission	92,751	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	110,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (*2)	1,236,138	Accounts payable	1,143,834
	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,410,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (*2)	40,199	Advances received	7,235
	GLP J-REIT Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	20,366	Operating accounts receivable	3,675

Notes:

- *1 Consumption taxes are not included in the transaction amount but included in the related balance at the end of the period.
- *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 mutually agreed after negotiation between both parties, based on the initial formula proposed by Global Logistic Properties Inc.
 - (c) The rental income from rooftop leasing was mutually agreed after negotiation between both parties, based on the initial formula proposed by GLP Solar Special Purpose Company.
 - (d) Other transactions are determined based on market conditions.

(For the six-month period ended February 29, 2016)

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 at the end of the period (Thousands of yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	¥100,000	Investment advisory/ agency	—	Entrustment of property management Patent license	Property management fee	¥224,693	Operating accounts payable	¥40,520
							Royalty fee (*2)	7,500	—	—
							Leasing commission	59,201	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (*2, 3)	1,355,627	Accounts payable	1,145,482
	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,410,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (*2)	40,199	Advances received	7,235
	Shinkiba Logistic Special Purpose Company (*4)	Minato-ku, Tokyo	960,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	11,540,000	—	—
	Narashino Logistic Special Purpose Company (*5)	Minato-ku, Tokyo	1,228,850	Real estate	—	—	Purchase of beneficiary right of real estate in trust	5,320,000	—	—
							Receipt of deposits	2,907	—	—
							Acceptance of security deposits	43,625	—	—
	Narita Two Logistic Special Purpose Company (*6)	Minato-ku, Tokyo	123,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	3,700,000	—	—
							Receipt of deposits	2,913	—	—
							Acceptance of security deposits	67,058	—	—
	Sugito Logistic Special Purpose Company (*7)	Minato-ku, Tokyo	670,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	8,310,000	—	—
							Receipt of deposits	6,068	—	—
							Acceptance of security deposits	113,755	—	—
	Tosu One Logistic Special Purpose Company (*8)	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	9,220,000	—	—
							Receipt of deposits	10,646	—	—
							Acceptance of security deposits	140,312	—	—
	GLP J-REIT Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	20,156	Operating accounts receivable	2,481

Notes:

- *1 Consumption taxes are not included in the transaction amount but included in the related balance at the end of the period.
- *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 mutually agreed after negotiation between both parties, based on the initial formula proposed by Global Logistic Properties Inc.
 - (c) The rental income from rooftop leasing was mutually agreed after negotiation between both parties, based on the initial formula proposed by GLP Solar Special Purpose Company.
 - (d) Other transactions are determined based on market conditions.
- *3 The Asset management fee above includes management fees of 126,050 thousand yen capitalized as part of acquisition costs of properties. It also includes 10,500 thousand yen of management fees for properties sold, which was included in the calculation of gain on sales of property and equipment.
- *4 Shinkiba Logistic Special Purpose Company has been liquidated effective March 2, 2016.
- *5 Narashino Logistic Special Purpose Company has been liquidated effective March 2, 2016.
- *6 Narita Two Logistic Special Purpose Company has been liquidated effective March 2, 2016.
- *7 Sugito Logistic Special Purpose Company has been liquidated effective March 2, 2016.
- *8 Tosu One Logistic Special Purpose Company has been liquidated effective March 2, 2016.

4) Transactions and account balances with directors and major individual unitholders

(For the six-month period ended August 31, 2016 and February 29, 2016)

None

15. 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 the “Multi-tenant Property” reportable segment, whereas build-to-suit (“BTS”) properties developed for a single tenant or properties with a single tenant have been aggregated and presented as the “BTS Property” reportable segment.

As of August 31, 2016, GLP J-REIT’s properties were classified into each reportable segment as follows:

Multi-tenant Property: GLP Tokyo, GLP Sugito II, GLP Koshigaya II, GLP Misato II, GLP Amagasaki, GLP Koriyama III, GLP Urayasu III, GLP Komaki, GLP Tokyo II, GLP Narashino and GLP Narita II

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 Sendai, GLP Hamura, GLP Funabashi III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana, GLP Hatsukaichi, GLP Tatsumi IIa, GLP Tatsumi IIb, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka, GLP Kobe-Nishi, GLP Shinkiba, GLP Sugito, GLP Matsudo and GLP Tosu I

On January 27, 2016, GLP J-REIT sold GLP Tosu III and GLP Chikushino, both classified as “BTS Property,” to a third party.

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 Note 2, “Summary of Significant Accounting Policies.” Segment income is measured on the basis of operating income, excluding certain corporate expenses and gain on sales of property and equipment (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 for the periods ended August 31, 2016 and February 29, 2016 is as described in the following tables.

Thousands of yen

	As of and for the six-month period ended August 31, 2016			
	Multi-tenant rental business	BTS rental business	Reconciling items (*2)	Amount on financial statements
Operating revenues (*1)	¥ 5,266,476	¥ 7,011,570	¥ —	¥ 12,278,046
Segment income	3,224,171	4,448,293	(1,343,779)	6,328,685
Segment assets	164,821,264	216,068,074	6,958,925	387,848,264
Other items				
Depreciation	962,516	1,610,150	—	2,572,667
Increase in property and equipment	175,514	393,507	68,659	637,681

Notes:

*1 Operating revenues are exclusively earned from external parties.

*2 Reconciling items to total segment income consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses represent mainly asset management fee of 1,236,138 thousand yen, asset custody fee of 6,054 thousand yen, administrative service fees of 20,126 thousand yen, directors' remuneration of 3,960 thousand yen and other expenses.

Reconciling items to total segment assets consist of several assets that are not allocated to each reportable segment. Those assets include cash and cash equivalents of 5,191,423 thousand yen, long-term prepaid expenses of 1,113,238 thousand yen, and investment unit issuance expenses of 94,606 thousand yen.

Reconciling items to total increase in property and equipment under other items consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress.

Thousands of yen

	As of and for the six-month period ended February 29, 2016			
	Multi-tenant rental business	BTS rental business	Reconciling items (*2)	Amount on financial statements
Operating revenues (*1)	¥ 5,257,353	¥ 6,994,974	¥ 80,154	¥ 12,332,482
Segment income	3,244,425	4,533,274	(1,267,187)	6,510,512
Segment assets	165,901,782	216,781,508	7,514,687	390,197,979
Other items				
Depreciation	980,817	1,620,916	—	2,601,733
Increase in property and equipment	9,168,934	32,144,079	(7,303)	41,305,710

Notes:

*1 Operating revenues are exclusively earned from external parties.

*2 Reconciling items to operating revenues of 80,154 thousand yen consist of gain on sales of property and equipment which does not belong to reportable segments. Reconciling items to total segment income consist of gain on sales of property and equipment of 80,154 thousand yen and corporate expenses that are not allocated to each reportable segment. Corporate expenses represent mainly asset management fee of 1,219,077 thousand yen, asset custody fee of 5,637 thousand yen, administrative service fees of 19,230 thousand yen, directors' remuneration of 3,960 thousand yen and other expenses.

Reconciling items to total segment assets consist of several assets that are not allocated to each reportable segment. Those assets include cash and cash equivalents of 4,986,538 thousand yen, long-term prepaid expenses of 1,271,286 thousand yen, and investment unit issuance expenses of 145,623 thousand yen.

Reconciling items to total increase in property and equipment under other items consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress.

Related Information

(For the six-month periods ended August 31, 2016 and February 29, 2016)

1) Information by geographic area

(a) Operating revenues

Substantially all of the operating revenue is earned from external customers in Japan.

(b) Property and equipment

Substantially all property and equipment are located in Japan.

2) Information on major tenants

Disclosure of this information has been omitted as no customer accounting for 10% or more of the total operating revenues existed.

16. Subsequent Events

1) Issuance of new investment units

At the Board of Directors' Meetings held on August 16, 2016 and August 24, 2016, GLP J-REIT resolved to issue the following new investment units. The proceeds from new investment units through a public offering were fully collected on September 1, 2016 while the proceeds from new investment units through a third-party allocation were fully collected on September 27, 2016.

[Issuance of new investment units through a public offering]

Number of new investment units issued:	247,507 units (117,861 units for domestic market, 129,646 units for international market)
Issue price (offer price):	119,357 yen per unit
Total amount issued (total offering amount):	29,541,692,999 yen
Amount to be paid in (issue amount):	115,398 yen per unit
Total amount to be paid in (total issue amount):	28,561,812,786 yen
Payment date:	September 1, 2016
Initial date of distribution calculation:	September 1, 2016

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

Number of new investment units issued:	11,787 units
Amount to be paid in (issue amount):	115,398 yen per unit
Total amount to be paid in (total issue amount):	1,360,196,226 yen
Payment date:	September 27, 2016
Initial date of distribution calculation:	September 1, 2016
Underwriter:	Nomura Securities Co., Ltd.

The funds raised through the public offering were appropriated for the acquisition of beneficiary rights of real

estate in trust stated below in “2) Acquisition of assets.” The funds raised through the third-party allocation were kept as cash on hand, of which 1,230 million yen was appropriated to repay a portion of a long-term loan on October 7, 2016, before its maturity date of February 28, 2017.

2) Acquisition of assets

GLP J-REIT acquired the beneficiary rights of real estate in trust of five properties described below (the total amount of acquisition prices: 58,210 million yen). The acquisition price is the price stated in the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust and does not include other acquisition related costs such as direct expenses for acquisition, property-related taxes and consumption taxes.

Property name	Acquisition date	Location	Seller	Millions of yen
				Acquisition price
GLP-MFLP Ichikawa Shiohama	September 1, 2016	Ichikawa, Chiba	Ichikawa-Shiohama Special Purpose Company	¥15,500
GLP Atsugi II	September 1, 2016	Aiko, Kanagawa	Atsugi Two Logistic Special Purpose Company	21,100
GLP Yoshimi	September 1, 2016	Hiki, Saitama	Yoshimi Logistic Special Purpose Company	11,200
GLP Fukaehama	September 1, 2016	Kobe, Hyogo	Fukaehama Logistic Special Purpose Company	4,470
GLP Tomiya IV	September 1, 2016	Tomiya, Miyagi	Azeria Two Special Purpose Company	5,940
Total	—	—	—	¥58,210

3) Additional borrowings

On September 1, 2016, GLP J-REIT obtained bank loans for acquisition of specified asset and related costs as stated in “2) Acquisition of assets” above and for refinancing bank loans. Based on the contractual terms, each loan shall be repaid on a lump-sum basis on its repayment date. None of the loans are secured by collateral or guarantee.

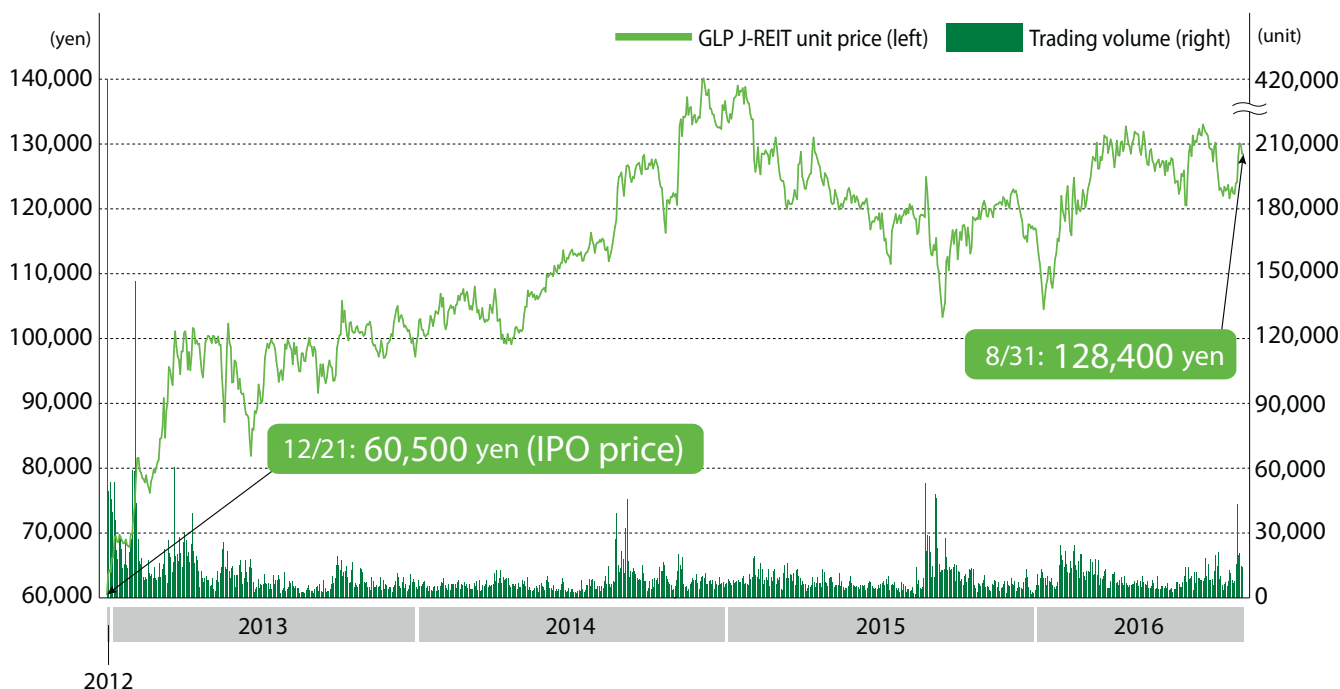
Lender	<i>Millions of yen</i>		Repayment date
	Amount	Interest rate	
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Citibank Japan Ltd., The Bank of Fukuoka, Ltd., and The 77 Bank, Ltd.	¥1,940	JBA yen 3month TIBOR + 0.175%	September 2, 2019
The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., and The 77 Bank, Ltd.	3,150	JBA yen 3month TIBOR + 0.19%	September 1, 2020
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., Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited, Aozora Bank, Ltd., Shinsei Bank, Limited, Sumitomo Mitsui Trust Bank, Limited and The 77 Bank, Ltd.	8,150	0.44048%	March 1, 2024
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Bank of Fukuoka, Ltd., Development Bank of Japan Inc., Resona Bank, Limited, Aozora Bank, Ltd., Shinsei Bank, Limited and Sumitomo Mitsui Trust Bank, Limited	9,190	0.57053%	March 3, 2025
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,500	JBA yen 1month TIBOR + 0.1%	June 30, 2017
Sumitomo Mitsui Banking Corporation	4,500	JBA yen 1month TIBOR + 0.15%	October 31, 2017
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,780	0.29%	September 1, 2023
Sumitomo Mitsui Banking Corporation	4,100	JBA yen 3month TIBOR + 0.255%	September 1, 2024
Total	¥38,310	—	—

Note:

Of the total loan proceeds of 38,310 million yen, 6,900 million yen was used to repay long-term loans payable on September 1, 2016, before its maturity date of September 2, 2016.

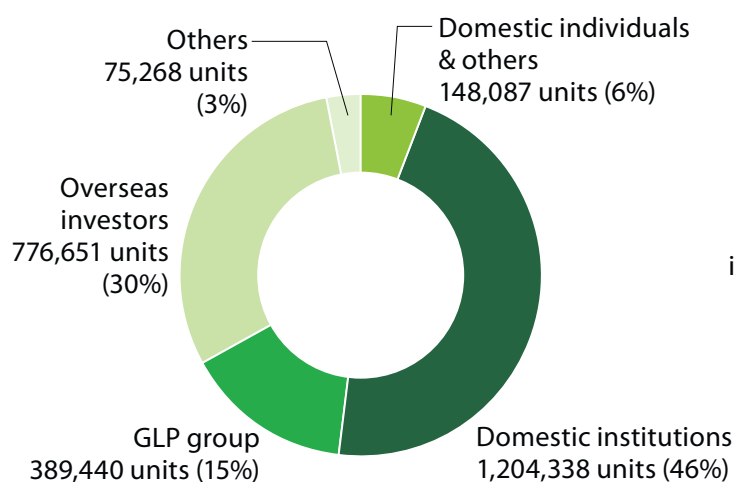
Investor's Information

Historical Investment Unit Price (closing price)



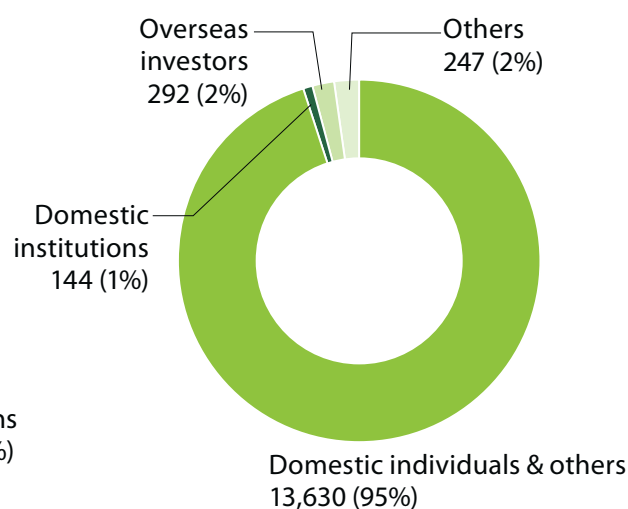
Unitholder Composition (as of the end of Aug 2016)

Number of units held by unitholders



Total number of issued units: 2,593,784

Number of unitholders



Total number of unitholders: 14,313