

# SUMMARY OF FINANCIAL RESULTS (REIT)

## For the 10th Fiscal Period Ended February 28, 2017

### < Under Japanese GAAP >

April 13, 2017

Name of REIT Issuer: GLP J-REIT Stock Exchange Listing: TSE  
Securities Code: 3281 URL <http://www.glpjreit.com/>  
Representative: (Name) Yoji Tatsumi, (Title) Executive Director  
Name of Asset Manager: GLP Japan Advisors Inc.  
Representative: (Name) Yoji Tatsumi, (Title) President & CFO  
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Scheduled date to file securities report: May 30, 2017

Scheduled date to commence distribution payments: May 16, 2017

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

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

(Amounts are rounded down to the nearest million yen)

#### 1. Financial Results for the Fiscal Period Ended February 28, 2017 (From September 1, 2016 to February 28, 2017)

##### (1) Operating Results

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income	
Period ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
February 28, 2017	14,065	14.6	7,471	18.1	6,298	19.9	6,297	19.9
August 31, 2016	12,278	(0.4)	6,328	(2.8)	5,252	(2.0)	5,250	(2.0)

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
Period ended	Yen	%	%	%
February 28, 2017	2,208	3.1	1.5	44.8
August 31, 2016	2,024	2.8	1.4	42.8

##### (2) Distributions

	Distributions (excluding OPD*)		Optimal payable distribution (OPD)		Distributions (including OPD)		Payout ratio	Distributions to net assets
	Per Unit	Total	Per Unit	Total	Per Unit	Total		
Period ended	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
February 28, 2017	2,207	6,296	304	867	2,511	7,164	99.9	3.0
August 31, 2016	2,024	5,249	297	770	2,321	6,020	100.0	2.8

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

(Note 1) Payout ratio for the period ended February 28, 2017 was calculated as follows since new investment units were issued during the period:

Payout ratio = Total distributions (excluding OPD) / Net income × 100  
Payout ratio is rounded down to the first decimal place.

(Note 2) Payout ratio and distributions to net assets ratio are calculated on the basis of excluding OPD.

(Note 3) All of the amounts of OPD for the periods ended February 28, 2017 and August 31, 2016 are the refund of investment categorized as a distribution from unitholders' capital for tax purposes.

(Note 4) Retained earnings decreased at a rate of 0.005 and 0.004 for the periods ended February 28, 2017 and August 31, 2016, respectively, due to OPD (a refund of investment categorized as a distribution from unitholders' capital for tax purposes).

These rates are calculated based on Article 23, Paragraph 1, Item 4 of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Period ended	Million yen	Million yen	%	Yen
February 28, 2017	446,849	216,693	48.5	75,950
August 31, 2016	387,848	186,494	48.1	71,900

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
Period ended	Million yen	Million yen	Million yen	Million yen
February 28, 2017	5,642	(58,527)	52,379	9,950
August 31, 2016	9,100	(740)	(8,439)	10,455

2. Earnings Forecast for the Fiscal Period Ending August 31, 2017 (From March 1, 2017 to August 31, 2017) and February 28, 2018 (From September 1, 2017 to February 28, 2018)

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
August 31, 2017	14,159	0.7	7,341	(1.7)	6,175	(2.0)	6,174	(2.0)	2,163	304	2,467
February 28, 2018	14,036	(0.9)	7,293	(0.7)	6,178	0.0	6,176	0.0	2,164	303	2,467

(Reference) Estimated net income per unit: For the fiscal period ending August 31, 2017 2,163 yen  
For the fiscal period ending February 28, 2018 2,164 yen

\* Other

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

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

(2) Number of investment units issued and outstanding

- (a) Number of investment units issued and outstanding, including treasury units:
 

As of February 28, 2017	2,853,078 Units	As of August 31, 2016	2,593,784 Units
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- (b) Number of treasury units:
 

As of February 28, 2017	0 Units	As of August 31, 2016	0 Units
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(Note) Please refer notes to "Per Unit Information" on page 33 for the number of investment units used as the basis for calculating the net income per unit.

\* The Status of Statutory Audit

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

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

The forward-looking statements in this material are based on the information currently available to us and certain assumptions we believe reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements do not guarantee the amounts of future distributions and distributions in excess of earnings. Please refer to “Assumptions Underlying Earnings Forecasts for the 11th Fiscal Period Ending August 31, 2017 (From March 1, 2017 to August 31, 2017) and for the 12th Fiscal Period Ending February 28, 2018 (From September 1, 2017 to February 28, 2018)” on page 9-11 for assumptions regarding the forward-looking statements.

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

## 1. Structure and Formation of Investment Corporation

Disclosure is omitted, as there are no significant changes from the structure and formation of GLP-J-REIT described in the most recent Securities Report filed on November 29, 2016.

## 2. Management Policy and Operating Conditions

### (1) Management Policy

Disclosure is omitted, as there are no significant changes from the investment policy, investment targets and distribution policy described in the most recent Securities Report filed on November 29, 2016.

### (2) Operating Conditions

#### [Overview of the Current Fiscal Period]

#### (i) 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 63 properties (total acquisition price of 442,854 million yen).

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

During the current fiscal period, the Japanese economy as a whole is on a moderate recovery, while delayed improvement can be seen in some areas. Under the economic measures undertaken by the government and the BOJ’s ongoing Quantitative and Qualitative Easing policy, corporate earnings remained at a high level and consumer spending continued to be strong, backed by a steady improvement in employment and personal income.

In the real estate investment market, the financing environment remained favorable, leading to active acquisitions and public unit offerings by J-REITs. Investments by private funds and foreign investors also continue to be active. Logistics properties were fully recognized as attractive real estate investments and asset liquidity was enhanced. The recent increase in the number of market participants continued to lower rates of return.

In the leasing market for logistics facilities, the new development of large-scale facilities stays very active and the supply of new large-scale facilities has reached an all-time high in the year of 2016. New demand for spaces, on the other hand, has also reached a high with the expansion of third party logistics (3PL) as well as the recent expansion of internet shopping and a movement towards reorganization of retailers’ logistics hubs. Thus, new spaces were readily taken up.

Under these conditions, GLP J-REIT acquired a total of five beneficiary rights of real estates in trust

(total acquisition price 58,210 million yen) in September 2016 by using funds generated through the fourth consecutive annual global offering and bank borrowings. The beneficiary rights acquired were selected from the RoFL properties (Note 2) held and managed by GLP Group (Note 1) and GLP fund properties held by a joint venture between GLP Group and a third party. GLP J-REIT successfully expanded its asset size and promoted steady portfolio growth while enhancing the quality of its portfolio.

In addition, by providing services to satisfy the needs of existing tenants, 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 nine consecutive fiscal periods since its listing on the Tokyo Stock Exchange.

As a result of these operations, GLP J-REIT owns 63 properties with a total acquisition price of 442,854 million yen and total leasable area of 2,150,770.96 m<sup>2</sup> as of the end of the current fiscal period. The occupancy rate across the entire portfolio remained stable at the high level of 99.8% as of the end of the current fiscal period. Furthermore, the appraisal value of the entire portfolio reached 515,983 million yen with an unrealized gain of 84,917 million yen and the unrealized gain ratio (Note 3) of 19.7%.

(Note 1) GLP Group presents Global Logistic Properties Limited, the Sponsor of GLP J-REIT, (hereinafter “GLP”) and its group companies.

(Note 2) Logistics properties held and managed by 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 Rights-of-First-Look agreement with GLP 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 3)  $\text{Unrealized gain ratio} = \frac{\text{Unrealized gain (Appraisal value or research price at the fiscal period end)} - \text{Book value}}{\text{Book value}}$ .

### (iii) 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 raised 29,922 million yen through a public offering in September 2016 and accompanying third party allotment, and 38,310 million yen through new bank borrowings for the purpose of acquiring five beneficiary rights of real estate in trust and repaying 8,130

million yen of borrowings. In addition, GLP-J REIT raised 8,000 million yen in November 2016 by issuing the three-year-maturity 7th investment corporation bonds and the ten-year-maturity 8th investment corporation bonds, making an early repayment of existing borrowings due in June or October 2017.

Furthermore, GLP J-REIT refinanced bank borrowings due in December 2016 by entering into new bank borrowings totaling 8,500 million yen in December 2016. GLP J-REIT also refinanced bank borrowings due in February 2017 using cash on hand and funds generated through an issuance of the ten-year-maturity 9th investment corporation bonds and 5,500 million yen of new borrowing in February 2017.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 217,440 million yen (outstanding loans 189,940 million yen, outstanding investment corporation bonds 27,500 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 9th Unsecured Investment Corporation Bonds.

(iv) Overview of Financial Results and Cash Distribution

As a result of these management efforts, GLP J-REIT reported total operating revenues of 14,065 million yen, operating income of 7,471 million yen, ordinary income of 6,298 million yen and net income of 6,297 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 6,296,743,146 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 (2,853,078 units) from unappropriated retained earnings. Accordingly, distribution per unit for the current fiscal period was 2,207 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 867,335,712 yen, an amount almost equivalent to 30% of depreciation (2,898 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 304 yen.

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings that do not exceed the amount obtained by deducting capital expenditure for the accounting period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 635 million yen of capital expenditure for the current fiscal period from 2,262 million yen of depreciation expenses for the period is 2,898 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 accounting period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair 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 63 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 502 million yen.

#### [Outlook of Next Fiscal Period]

##### (i) 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 monetary policy and continuous improvements in employment and personal income.

However, it will be necessary to pay attention not only to the unclear economic situation overseas, including uncertainties under the Trump administration and the normalization of monetary policy in the U.S. and the future economies in 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 capitalization rate is expected to continue declining and intense competition is anticipated for facility acquisition, due to the current favorable financing environment and increased interest in the rapidly-growing logistics sector.

In the leasing market, while new demand steadily increases for modern logistics facilities, new supply is also assumed to continue increasing. Moreover, greater differentiation by areas and characteristics of facilities is expected.

##### (ii) 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 aim to keep high occupancy rate of facilities regardless the fluctuation of vacancy rate in the market as a whole, and 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 16 RoFL properties (Note 1) (floor area: approximately 830 thousand m<sup>2</sup>) that GLP Group owns as a specific and flexible pipeline, and seek future opportunities to acquire some of the 27 properties (floor area: approximately 2,380 thousand m<sup>2</sup>) (Note 1) held by a joint venture formed by GLP Group with a third party. Furthermore, GLP J-REIT will pursue further expansion of its portfolio by continuously collecting information about prospective properties and considering using the bridge scheme through the Optimal Takeout Arrangement (“OTA”) (Note 2).

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) It presents figures as of December 31, 2016.

(Note 2) Please refer to (Note 9) on page 37 “5. Reference Information (2) Portfolio Overview” for the OTA Assets.

(iii) Significant Subsequent Events

None to report.

(iv) Earnings Forecast

GLP J-REIT has made the following earnings forecasts for the fiscal period ending August 31, 2017 (From March 1, 2017 to August 31, 2017) and the fiscal period ending February 28, 2018 (From September 1, 2017 to February 28, 2018). Please refer the forecast assumptions to “Assumptions Underlying Earnings Forecasts for the 11th Fiscal Period Ending August 31, 2017 (From March 1, 2017 to August 31, 2017) and the 12th Fiscal Period Ending February 28, 2018 (From September 1, 2017 to February 28, 2018)” below.

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
August 31, 2017	14,159	0.7	7,341	(1.7)	6,175	(2.0)	6,174	(2.0)	2,163	304	2,467
February 28, 2018	14,036	(0.9)	7,293	(0.7)	6,178	0.0	6,176	0.0	2,164	303	2,467

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

**Assumptions Underlying Earnings Forecasts for the 11th Fiscal Period Ending August 31, 2017 (From March 1, 2017 to August 31, 2017) and the 12th Fiscal Period Ending February 28, 2018 (From September 1, 2017 to February 28, 2018)**

Item	Assumption
Accounting period	The 11th Fiscal Period: From March 1, 2017 to August 31, 2017 (184 days) The 12th Fiscal Period: From September 1, 2017 to February 28, 2018 (181 days)
Portfolio assets	<ul style="list-style-type: none"> <li>It is assumed that the portfolio assets will consist of the trust beneficiary rights of 63 properties held by GLP J-REIT as of the end of the 10th Fiscal Period. The forecasts also assume that there will be no changes to the portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) until the end of the 12th Fiscal Period. In practice, however, changes such as the acquisition of new assets other than those properties stated above or the disposal of portfolio assets may occur.</li> </ul>
Number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>It is assumed to be 2,853,078 units, which is the number of investment units issued and outstanding as of the date of this document.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>The outstanding interest-bearing liabilities of GLP J-REIT as of the date of this report are 217,440 million yen.</li> <li>Consumption taxes corresponding to the 10th Fiscal Period are scheduled to be refunded during the 11th Fiscal Period. The forecasts assume that 3,100 million yen out of 5,500 million yen of long-term loans payable, which is due on February 28, 2018, will be repaid at the end of the 11th Fiscal Period by using the tax refund and cash on hand.</li> <li>With regard to the remaining balance of 2,400 million yen out of above-mentioned 5,500 million yen of long-term loans payable and 24,300 million yen of long-term loans payable due on January 4, 2018, the forecast assumes GLP J-REIT will refinance them by borrowings during the 12th Fiscal Period.</li> <li>It is assumed that LTV as of August 31, 2017 (the 11th Fiscal Period) will be 48.3% and LTV as of February 28, 2018 (the 12th Fiscal Period) will be 48.4%. The following formula is used to compute LTV. LTV=(Balance of interest-bearing liabilities / Total assets) x 100</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>Concerning operating revenues, the forecasts assume that there is no delinquent rent payment by tenants.</li> </ul>

Item	Assumption
Operating expenses	<ul style="list-style-type: none"> <li>• With respect to taxes on property and equipment (fixed asset tax, city planning tax and depreciable asset tax on real estate, etc. hereinafter “property-related taxes”) held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period are recognized as rental expenses. However, if property and equipment is newly acquired and adjusted amounts of property-related taxes for the year under the same accounting period (the “amounts equivalent to property-related taxes”) arise between GLP J-REIT and the transferor, the relevant adjusted amounts are capitalized as part of the acquisition cost of the relevant property.</li> <li>• Taxes and dues are expected to be 1,224 million yen for the 11th Fiscal Period and 1,224 million yen for the 12th Fiscal Period. The forecasts assume 160 million yen of property-related taxes will be paid in each of the 11th Fiscal Period and the 12th Fiscal Period in connection with six properties acquired in 2016.</li> <li>• Repair and maintenance expenses are expected to be 85 million yen for the 11th Fiscal Period and 68 million yen for the 12th Fiscal Period.</li> <li>• Property and facility management fees are expected to be 509 million yen for the 11th Fiscal Period and 506 million yen for the 12th Fiscal Period.</li> <li>• Depreciation is expected to be 2,891 million yen for the 11th Fiscal Period and 2,884 million yen for the 12th Fiscal Period.</li> <li>• Of rental expenses that are the main operating expenses, expenses other than depreciation are estimated based on the historical experiences and fluctuation factors.</li> <li>• Please be aware that actual amount of repair and maintenance expenses of each accounting period may be significantly different from the estimated amount due to the following reasons: repair and maintenance (1) may emergently arise due to property damages occurred by unpredictable incidents; (2) generally varies in amount from period to period and (3) may not arise regularly.</li> <li>• Depreciation is estimated using the straight-line method based on acquisition costs including incidental expenses assumed and additional capital expenditure in the future.</li> </ul>
NOI (Net Operating Income)	<ul style="list-style-type: none"> <li>• NOI (the amount calculated by deducting rental expenses, excluding depreciation, from operating revenues) is expected to be 11,808 million yen for the 11th Fiscal Period and 11,749 million yen for the 12th Fiscal Period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• The total amount of interest expenses on loans, interest expenses on investment corporation bonds, amortization of investment corporation bonds issuance expenses and other finance-related expenses are expected to be 1,118 million yen for the 11th Fiscal Period and 1,084 million yen for the 12th Fiscal Period. Investment corporation bonds issuance expenses are amortized monthly for the period from issuance to redemption.</li> <li>• Investment unit issuance expenses are amortized monthly for three years from occurrence, and amortization expenses are expected to be 46 million yen for the 11th Fiscal Period and 29 million yen for the 12th Fiscal Period.</li> </ul>
Distributions per unit (excluding OPD)	<ul style="list-style-type: none"> <li>• Distribution per unit is calculated in accordance with the distribution policy set forth in the Articles of Incorporation of GLP J-REIT.</li> <li>• Distributions per unit (excluding OPD) may change due to various factors including changes in portfolio assets, changes in rental revenues in connection with changes in tenants, unexpected repair, changes in interest rates and additional issuance of investment units.</li> </ul>
Optimal payable distribution (OPD) per unit	<ul style="list-style-type: none"> <li>• The forecasts assume that all of the amounts of OPD for the 11th Period and the 12th Period will be the refund of its investment categorized as a distribution from unitholders’ capital for tax purposes.</li> <li>• OPD per unit is calculated in accordance with the policy on cash distributions in excess of retained earnings provided in the Management Guidelines, the internal policy of the Asset Manager. It is calculated by assuming distribution of approximately 30% of respective depreciation arising in the 11th Fiscal Period and the 12th Fiscal Period.</li> <li>• Depreciation may vary from the current expected amount due to change in portfolio assets, the amount of incidental expenses incurred and the amount of capital expenditure. Therefore, the total amount of OPD calculated on the basis of depreciation may also vary due to these and other various factors. In addition, in order to maintain the value of assets held by GLP J-REIT,</li> </ul>

Item	Assumption
	<p>in the event that GLP J-REIT is to pay out OPD, GLP J-REIT sets the maximum as the amount of depreciation less capital expenditure incurred in the accounting period in which the concerned depreciation was recognized. Therefore, when urgent capital expenditure arises from unforeseen factors causing building damage and other, the amount of OPD per unit may decrease. Moreover, when the appraisal LTV provided below exceeds 60%, GLP J-REIT will not pay out OPD.</p> <ul style="list-style-type: none"> <li>Appraisal LTV (%) = <math>A/B \times 100</math> (%)</li> </ul> <p>A= Interest-bearing liabilities balance (including investment corporation bonds balance and short-term investment corporation bonds balance) at the end of the period + Deposit release amount at the end of the period</p> <p>B= Total amount of appraisal value or research price of portfolio assets at the end of the period + Cash and deposits balance at the end of the period – Scheduled total amount of distributions of earnings – Scheduled total amount of OPD</p> <ul style="list-style-type: none"> <li>The scheduled total amount of distributions of earnings and scheduled total amount of OPD are assumed to be the same as the actual figures of the most recent fiscal period.</li> </ul>
Other	<ul style="list-style-type: none"> <li>The forecasts assume that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of the Tokyo Stock Exchange, Inc., rules of the Investment Trusts Association, Japan, (“JITA”), etc. that will impact the forecast figures above.</li> <li>The forecasts assume that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.</li> </ul>

### 3. Financial Statements

#### (1) Balance Sheets

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	5,191,423	3,510,803
Cash and deposits in trust	5,264,572	6,439,675
Operating accounts receivable	817,921	1,627,445
Prepaid expenses	352,598	436,402
Deferred tax assets	42	21
Consumption taxes receivable	—	2,011,826
Other current assets	455	1,432
Total current assets	11,627,013	14,027,606
Noncurrent assets		
Property and equipment		
Vehicles	—	1,016
Accumulated depreciation	—	(127)
Vehicles, net	—	889
Buildings in trust	151,999,444	180,045,000
Accumulated depreciation	(14,614,647)	(17,321,387)
Buildings in trust, net	137,384,796	162,723,613
Structures in trust	3,791,978	4,795,313
Accumulated depreciation	(901,442)	(1,075,943)
Structures in trust, net	2,890,536	3,719,370
Machinery and equipment in trust	53,855	56,102
Accumulated depreciation	(30,867)	(35,220)
Machinery and equipment in trust, net	22,988	20,882
Tools, furniture and fixtures in trust	148,658	225,618
Accumulated depreciation	(62,935)	(75,619)
Tools, furniture and fixtures in trust, net	85,722	149,998
Land in trust	234,404,917	264,450,979
Construction in progress	134,658	64,173
Total property and equipment, net	374,923,620	431,129,906
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	1,113,238	1,430,162
Security deposits	10,000	10,000
Other	—	1,400
Total investments and other assets	1,124,838	1,443,162
Total noncurrent assets	376,048,458	432,573,068
Deferred assets		
Investment unit issuance expenses	94,606	134,020
Investment corporation bond issuance costs	78,186	114,791
Total deferred assets	172,792	248,812
Total Assets	387,848,264	446,849,487

(Unit: Thousand yen)

	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	248,412	172,336
Short-term loans payable	—	5,500,000
Current portion of long-term loans payable	24,700,000	24,300,000
Accounts payable	1,465,438	1,479,582
Accrued expenses	26,424	26,401
Income taxes payable	1,421	1,041
Consumption taxes payable	708,840	—
Advances received	2,109,848	2,382,144
Current portion of tenant leasehold and security deposits	164,540	89,919
Current portion of tenant leasehold and security deposits in trust	100,000	—
Total current liabilities	29,524,925	33,951,426
Noncurrent liabilities		
Investment corporation bonds	18,500,000	27,500,000
Long-term loans payable	145,630,000	160,140,000
Tenant leasehold and security deposits	7,521,015	8,386,763
Tenant leasehold and security deposits in trust	178,019	178,019
Total noncurrent liabilities	171,829,034	196,204,782
Total Liabilities	201,353,960	230,156,209
<b>Net Assets</b>		
Unitholders' equity		
Unitholders' capital	185,176,702	215,098,711
Deduction from unitholders' capital	(3,934,387)	(4,704,741)
Unitholders' capital, net	181,242,315	210,393,970
Retained earnings		
Unappropriated retained earnings	5,251,989	6,299,307
Total retained earnings	5,251,989	6,299,307
Total unitholders' equity	186,494,304	216,693,277
Total Net Assets *2	186,494,304	216,693,277
Total Liabilities and Net Assets	387,848,264	446,849,487

**(2) Statements of Income**

	(Unit: Thousand yen)	
	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Operating revenues		
Rental revenues *1	11,844,509	13,469,209
Other rental revenues *1	433,536	596,145
Total operating revenues	12,278,046	14,065,355
Operating expenses		
Rental expenses *1	4,605,581	5,067,666
Asset management fee	1,236,138	1,420,609
Asset custody fee	6,054	6,028
Administrative service fees	20,126	19,993
Directors' remuneration	3,960	3,960
Audit fee	13,000	13,500
Taxes and dues	115	138
Other operating expenses	64,384	61,784
Total operating expenses	5,949,360	6,593,680
Operating income	6,328,685	7,471,675
Non-operating income		
Interest income	46	48
Reversal of distributions payable	2,994	1,987
Interest on refund of consumption taxes and other	907	—
Total non-operating income	3,948	2,035
Non-operating expenses		
Interest expense	762,122	809,221
Interest expenses on investment corporation bonds	65,214	65,163
Amortization of investment corporation bond issuance costs	7,906	11,428
Borrowing related expenses	192,077	214,202
Amortization of investment unit issuance expenses	51,017	46,460
Offering costs associated with the issuance of investment units	1,089	27,811
Others, net	992	1,217
Total non-operating expenses	1,080,419	1,175,504
Ordinary income	5,252,214	6,298,206
Income before income taxes	5,252,214	6,298,206
Income taxes-current	1,428	1,048
Income taxes-deferred	(42)	20
Total income taxes	1,386	1,068
Net income	5,250,828	6,297,137
Accumulated earnings brought forward	1,160	2,170
Unappropriated retained earnings	5,251,989	6,299,307

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

Prior period (From March 1, 2016 to August 31, 2016)

(Unit: Thousand yen)

	Unitholders' equity						Total Net Assets
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Retained earnings		Total unitholders' equity	
				Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	185,176,702	(3,156,252)	182,020,450	5,362,512	5,362,512	187,382,962	187,382,962
Changes of items during the period							
Distributions in excess of retained earnings		(778,135)	(778,135)			(778,135)	(778,135)
Distributions of earnings				(5,361,351)	(5,361,351)	(5,361,351)	(5,361,351)
Net income				5,250,828	5,250,828	5,250,828	5,250,828
Total changes of items during the period	—	(778,135)	(778,135)	(110,523)	(110,523)	(888,658)	(888,658)
Balance at the end of the period *1	185,176,702	(3,934,387)	181,242,315	5,251,989	5,251,989	186,494,304	186,494,304

Current period (From September 1, 2016 to February 28, 2017)

(Unit: Thousand yen)

	Unitholders' equity						Total Net Assets
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Retained earnings		Total unitholders' equity	
				Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	185,176,702	(3,934,387)	181,242,315	5,251,989	5,251,989	186,494,304	186,494,304
Changes of items during the period							
Issuance of new investment units	29,922,009		29,922,009			29,922,009	29,922,009
Distributions in excess of retained earnings		(770,353)	(770,353)			(770,353)	(770,353)
Distributions of earnings				(5,249,818)	(5,249,818)	(5,249,818)	(5,249,818)
Net income				6,297,137	6,297,137	6,297,137	6,297,137
Total changes of items during the period	29,922,009	(770,353)	29,151,655	1,047,318	1,047,318	30,198,973	30,198,973
Balance at the end of the period *1	215,098,711	(4,704,741)	210,393,970	6,299,307	6,299,307	216,693,277	216,693,277

**(4) Statements of Distributions**

(Unit: Yen)		
	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
I Unappropriated retained earnings	5,251,989,174	6,299,307,679
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	770,353,848	867,335,712
III Distributions	6,020,172,664	7,164,078,858
[Distributions per unit]	[2,321]	[2,511]
Of which, distributions of earnings	5,249,818,816	6,296,743,146
[Of which, distributions of earnings per unit]	[2,024]	[2,207]
Of which, distributions in excess of retained earnings	770,353,848	867,335,712
[Of which, distributions in excess of retained earnings per unit]	[297]	[304]
IV Retained earnings carried forward	2,170,358	2,564,533
Calculation method of distribution amount	<p>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.</p> <p>Accordingly, GLP J-REIT declared a distribution amount of 5,249,818,816 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.</p>	<p>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.</p> <p>Accordingly, GLP J-REIT declared a distribution amount of 6,296,743,146 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.</p>

(Continued)

(Continued)

*(Continued)*

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

Thus, GLP J-REIT declared an OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 770,353,848 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,003,645,312 yen calculated by deducting capital expenditure of 569,022,003 yen from depreciation expense of 2,572,667,315 yen, and (2) approximately 30% of the depreciation expense of 2,572,667,315 yen for the period.

*(Continued)*

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

Thus, GLP J-REIT declared an OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 867,335,712 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,262,534,759 yen calculated by deducting capital expenditure of 635,870,533 yen from depreciation expense of 2,898,405,292, and (2) approximately 30% of the depreciation expense of 2,898,405,292 yen for the period.

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

(5) Statements of Cash Flows

	(Unit: Thousand yen)	
	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Operating activities:		
Income before income taxes	5,252,214	6,298,206
Depreciation	2,572,667	2,898,405
Amortization of investment corporation bond issuance costs	7,906	11,428
Amortization of investment unit issuance expenses	51,017	46,460
Interest income	(46)	(48)
Reversal of distributions payable	(2,994)	(1,987)
Interest expense	827,337	874,384
Decrease (increase) in operating accounts receivable	(517,931)	(809,523)
Decrease (increase) in prepaid expenses	37,653	(83,804)
Decrease (increase) in consumption taxes receivable	598,811	(2,011,826)
Decrease (increase) in other current assets	(321)	(976)
Decrease (increase) in long-term prepaid expenses	158,048	(316,923)
Increase (decrease) in operating accounts payable	108,364	(76,075)
Increase (decrease) in accounts payable	53,937	126,734
Increase (decrease) in consumption taxes payable	708,840	(708,840)
Increase (decrease) in advances received	72,267	272,296
Sub total	9,927,771	6,517,908
Interest received	46	48
Interest paid	(826,323)	(874,407)
Income taxes paid	(612)	(1,428)
Net cash provided by (used in) operating activities	9,100,882	5,642,121
Investing activities:		
Purchase of property and equipment	(70,318)	(1,183)
Purchase of property and equipment in trust	(572,191)	(59,215,939)
Proceeds from tenant leasehold and security deposits	270,846	973,449
Repayments of tenant leasehold and security deposits	(369,208)	(182,322)
Repayments of tenant leasehold and security deposits in trust	—	(100,000)
Other	—	(1,400)
Net cash provided by (used in) investing activities	(740,871)	(58,527,395)
Financing activities:		
Proceeds from short-term loans payable	—	9,000,000
Repayments of short-term loans payable	—	(3,500,000)
Proceeds from long-term loans payable	—	43,310,000
Repayments of long-term loans payable	(2,300,000)	(29,200,000)
Proceeds from issuance of investment corporation bonds	—	9,000,000
Payments of investment corporation bond issuance costs	—	(46,253)
Proceeds from issuance of investment units	—	29,836,133
Payments of distributions of earnings	(5,361,727)	(5,249,896)
Payments of distributions in excess of retained earnings	(777,870)	(770,227)
Net cash provided by (used in) financing activities	(8,439,597)	52,379,756
Net increase (decrease) in cash and cash equivalents	(79,586)	(505,517)
Cash and cash equivalents at beginning of period	10,535,582	10,455,996
Cash and cash equivalents at end of period *1	10,455,996	9,950,478

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

None

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

1. Basis and method of valuation of assets	<p>Securities</p> <p>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.</p>										
2. Depreciation of noncurrent assets	<p>Property and equipment including trust assets</p> <p>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:</p> <table> <tr> <td>Buildings</td><td>2 to 77 years</td></tr> <tr> <td>Structures</td><td>2 to 59 years</td></tr> <tr> <td>Machinery and equipment</td><td>6 to 12 years</td></tr> <tr> <td>Vehicles</td><td>4 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>2 to 18years</td></tr> </table>	Buildings	2 to 77 years	Structures	2 to 59 years	Machinery and equipment	6 to 12 years	Vehicles	4 years	Tools, furniture and fixtures	2 to 18years
Buildings	2 to 77 years										
Structures	2 to 59 years										
Machinery and equipment	6 to 12 years										
Vehicles	4 years										
Tools, furniture and fixtures	2 to 18years										
3. Accounting treatment for deferred assets	<p>(1) Investment unit issuance expenses are amortized over three years using the straight-line method.</p> <p>(2) Investment corporation bond issuance costs are amortized over the respective terms of the bonds using the straight-line method.</p>										
4. Revenue and expense recognition	<p>Taxes on property and equipment</p> <p>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.</p> <p>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 64,853 thousand yen for the current period. None for the prior period.</p>										

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

## (8) Notes to Financial Statements

### (Notes to Balance Sheets)

#### 1. Commitment line agreements

GLP J-REIT has a commitment line agreement with two financial institutions as follows:

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
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

\*2. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations:

(Unit: Thousand yen)	
Prior Period As of August 31, 2016	Current Period As of February 28, 2017
50,000	50,000

**(Notes to Statements of Income)**

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

(Unit: Thousand yen)		
	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
<b>A. Property-related revenues</b>		
Rental revenues:		
Rental revenues	11,467,842	13,023,503
Common area charges	376,667	445,705
Total	11,844,509	13,469,209
Other revenues related to property leasing		
Utility charges	297,520	333,423
Parking lots	31,980	46,699
Solar panel rents	20,366	74,727
Others	83,669	141,294
Total	433,536	596,145
Total property-related revenues	12,278,046	14,065,355
<b>B. Property-related expenses</b>		
Rental expenses:		
Taxes and dues	1,066,095	1,064,605
Property and facility management fees	431,350	515,837
Utilities	279,110	319,665
Repairs and maintenance	101,600	91,908
Casualty insurance	23,798	26,525
Depreciation	2,572,667	2,898,405
Others	130,957	150,718
Total property-related expenses	4,605,581	5,067,666
<b>C. Operating income from property leasing (A – B)</b>	7,672,465	8,997,688

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

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

	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Number of investment units authorized	16,000,000 units	16,000,000 units
Number of investment units issued and outstanding	2,593,784 units	2,853,078 units

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

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

	(Unit: Thousand yen)	
	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Cash and deposits	5,191,423	3,510,803
Cash and deposits in trust	5,264,572	6,439,675
Cash and cash equivalents	10,455,996	9,950,478

**(Leases)**

Operating lease transactions (As Lessor)  
Future minimum rental revenues

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
Due within one year	21,410,371	24,659,223
Due after one year	63,324,664	80,255,258
Total	84,735,036	104,914,482

**(Financial Instruments)**

1. Status of financial instruments

(1) 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.

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

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

Bank loans 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.

(3) Supplemental explanation regarding fair values of financial instruments

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

2. Estimated fair value of financial instruments

Prior Period (As of August 31, 2016)

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

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	5,191,423	5,191,423	—
(2) Cash and deposits in trust	5,264,572	5,264,572	—
Total assets	10,455,996	10,455,996	—
(2) Current portion of long-term loans payable	24,700,000	24,700,000	—
(3) Investment corporation bonds	18,500,000	18,985,000	485,000
(4) 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	—	—	—

Current Period (As of February 28, 2017)

Book value, fair value and differences between the values as of February 28, 2017 are as follows. Financial instruments for which the fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	3,510,803	3,510,803	—
(2) Cash and deposits in trust	6,439,675	6,439,675	—
Total assets	9,950,478	9,950,478	—
(1) Short-term loans payable	5,500,000	5,500,000	—
(2) Current portion of long-term loans payable	24,300,000	24,385,363	85,363
(3) Investment corporation bonds	27,500,000	27,865,110	365,110
(4) Long-term loans payable	160,140,000	162,415,604	2,275,604
Total liabilities	217,440,000	220,166,078	2,726,078
Derivative transactions	—	—	—

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

Assets:

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

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

Liabilities:

(1) Short-term loans payable

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

(2) Current portion of long-term loans payable and (4) 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.

(3) Investment corporation bonds

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

Derivative transactions:

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

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

(Unit: Thousand yen)

Account name	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
Tenant leasehold and security deposits	7,521,015	8,386,763
Tenant leasehold and security deposits in trust	178,019	178,019
Total	7,699,034	8,564,782

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.

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

Prior Period (As of August 31, 2016)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	5,191,423
Cash and deposits in trust	5,264,572
Total	10,455,996

Current Period (As of February 28, 2017)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	3,510,803
Cash and deposits in trust	6,439,675
Total	9,950,478

(Note 4) Redemption schedules for investment corporation bonds and long-term loans payable

Prior Period (As of August 31, 2016)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
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

Current Period (As of February 28, 2017)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	6,000,000	6,900,000	4,500,000	—	10,100,000
Long-term loans payable	24,300,000	20,900,000	25,990,000	20,250,000	21,290,000	71,710,000
Total	24,300,000	26,900,000	32,890,000	24,750,000	21,290,000	81,810,000

#### (Investment Securities)

Prior Period (As of August 31, 2016) and Current Period (As of February 28, 2017)

None

#### (Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of August 31, 2016) and Current Period (As of February 28, 2017)

None

2. Derivative transactions for which hedge accounting is applied

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

Prior Period (As of August 31, 2016)

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ Pay fix	Long-term loans payable	134,430,000	134,430,000	(Note 1)	(Note 2)

(Note 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 aforementioned “(Financial Instruments), 2. Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

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

Current Period (As of February 28, 2017)

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ Pay fix	Long-term loans payable	134,430,000	110,130,000	(Note 1)	(Note 2)

(Note 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 aforementioned “(Financial Instruments), 2. Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

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

**(Retirement Benefit Plans)**

Prior Period (As of August 31, 2016) and Current Period (As of February 28, 2017)

None

**(Equity in Income)**

Prior Period (As of August 31, 2016) and Current Period (As of February 28, 2017)

No affiliate exists, thus, none to report.

**(Asset Retirement Obligation)**

Prior Period (As of August 31, 2016) and Current Period (As of February 28, 2017)

None

**(Deferred Tax Accounting)**

1. Significant components of deferred tax assets and liabilities

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
Deferred tax assets		
Enterprise tax payable	42	21
Total	42	21
Net deferred tax assets	42	21

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

	(Unit: %)	
	Prior Period As of August 31, 2016	Current Period As of February 28, 2017
Statutory effective tax rate	32.31	31.74
(Adjustments)		
Distributions deductible for tax purposes	(32.30)	(31.73)
Other	0.02	0.01
Actual tax rate	0.03	0.02

**(Related Party Transactions)**

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

Prior Period (From March 1, 2016 to August 31, 2016)

None

Current Period (From September 1, 2016 to February 28, 2017)

None

2. Transactions and account balances with affiliates

Prior Period (From March 1, 2016 to August 31, 2016)

None

Current Period (From September 1, 2016 to February 28, 2017)

None

3. Transactions and account balances with companies under common control

Prior Period (From March 1, 2016 to August 31, 2016)

Classification	Name of the company	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand 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 (Note 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 (Notes 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 (Note 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

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

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

- (a) The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT.
- (b) The royalty fee was 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.

Current Period (From September 1, 2016 to February 28, 2017)

Classification	Name of the company	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Subsidiary of major unitholder	Global Logistic Properties Inc.	Minato-ku, Tokyo	100,000	Investment advisory/ agency	—	Entrustment of property management Patent license	Property management fee	261,090	Operating accounts payable	48,314
							Royalty fee (Note 2)	7,500	—	—
							Leasing commission	100,141	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	110,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Notes 2, 3)	1,595,239	Accounts payable	1,346,280
	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,410,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	42,387	Advances received	7,629
	Ichikawa-Shiohama Special Purpose Company (Note 4)	Minato-ku, Tokyo	16,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	15,500,000	—	—
							Acceptance of security deposits	120,442	—	—
	Atsugi Two Logistics Special Purpose Company	Minato-ku, Tokyo	124,900	Real estate	—	—	Purchase of beneficiary right of real estate in trust	21,100,000	—	—
							Acceptance of security deposits	272,006	—	—
	Yoshimi Logistics Special Purpose Company	Minato-ku, Tokyo	80,700	Real estate	—	—	Purchase of beneficiary right of real estate in trust	11,200,000	—	—
							Receipt of deposits	624	—	—
	Fukaehama Logistics Special Purpose Company	Minato-ku, Tokyo	2,553,800	Real estate	—	—	Acceptance of security deposits	145,466	—	—
							Purchase of beneficiary right of real estate in trust	4,470,000	—	—
	Azeria Two Special Purpose Company	Minato-ku, Tokyo	6,450,100	Real estate	—	—	Acceptance of security deposits	124,083	—	—
							Purchase of beneficiary right of real estate in trust	5,940,000	—	—
	GLP J-REIT Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Receipt of deposits	4,382	—	—
							Acceptance of security deposits	35,162	—	—
							Purchase of beneficiary right of real estate in trust	5,940,000	—	—
	GLP J-REIT Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	57,437	Operating accounts receivable	13,793
	Ichikawa Shiohama Godo Kaisha	Minato-ku, Tokyo	1,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	17,290	Operating accounts receivable	6,285

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

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

- (a) The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT.
- (b) The royalty fee was 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.

(Note 3) The Asset management fee above includes management fees of 174,630 thousand yen capitalized as part of acquisition costs of properties.

(Note 4) Ichikawa-Shiohama Special Purpose Company has been liquidated effective March 16, 2017.

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

Prior Period (From March 1, 2016 to August 31, 2016)

None

Current Period (From September 1, 2016 to February 28, 2017)

None

### (Investment and Rental Properties)

Property and equipment consists of leasable logistics 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.

(Unit: Thousand yen)

	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Book value		
Balance at the beginning of the period	376,792,607	374,788,962
Change during the period	(2,003,645)	56,276,770
Balance at the end of the period	374,788,962	431,065,733
Fair value at the end of the period	446,333,000	515,983,000

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

(Note 2) Of the change in book value during each period, the major increase for the prior period primarily due to capital expenditure whereas the major decrease was due to depreciation of 2,572,667 thousand yen. Similarly, the major increase for the current period was primarily due to the acquisition of the following five properties in the total amount of 58,539,305 thousand yen: GLP-MFLP Ichikawa Shiohama, GLP Atsugi II, GLP Yoshimi, GLP Fukaehama and GLP Tomiya IV, whereas the major decrease was due to depreciation of 2,898,405 thousand yen.

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

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

### (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.

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, GLP Narita II, GLP-MFLP Ichikawa Shiohama and GLP Atsugi 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, GLP Tosu I, GLP Yoshimi, GLP Fukaehama and GLP Tomiya IV.

2. Basis of measurement for the amounts of segment income, segment assets and other items for each reportable segment  
The accounting policies of each reportable segment are consistent to those disclosed in “Notes Concerning Significant Accounting Policies.” Segment income is measured on the basis of operating income.

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

Prior Period (August 31, 2016)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	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

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

(Note 2) Reconciling items to segment income in the negative amount of 1,343,779 thousand yen consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors’ remuneration and other expenses.

Reconciling items to segment assets in the amount of 6,958,925 thousand yen include current assets of 5,528,237 thousand yen, property and equipment of 134,658 thousand yen, investments and other assets of 1,123,238 thousand yen and deferred assets of 172,792 thousand yen.

Reconciling items to increase in property and equipment under other items in the amount of 68,659 thousand yen consist of corporate assets which does not belong to reportable segments. Such corporate assets represent an increase in construction in progress of 68,659 thousand yen.

Current Period (February 28, 2017)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	6,305,558	7,759,797	—	14,065,355
Segment income	3,950,922	5,046,766	(1,526,013)	7,471,675
Segment assets	202,026,438	237,154,730	7,668,318	446,849,487
Other items				
Depreciation	1,140,450	1,757,954	—	2,898,405
Increase in property and equipment	36,985,934	22,189,241	(70,484)	59,104,691

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

(Note 2) Reconciling items to segment income in the negative amount of 1,526,013 thousand yen consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors' remuneration and other expenses.

Reconciling items to segment assets in the amount of 7,668,318 thousand yen include current assets of 5,915,171 thousand yen, property and equipment of 64,173 thousand yen, investments and other assets of 1,440,162 thousand yen and deferred assets of 248,812 thousand yen.

Reconciling items to increase in property and equipment under other items in the negative amount of 70,484 thousand yen consist of corporate assets which does not belong to reportable segments. Such corporate assets represent an decrease in construction in progress of 70,484 thousand yen.

#### (Related Information)

Prior Period (From March 1, 2016 to August 31, 2016)

1. Revenue information by product and service  
Substantially all of the operating revenue is earned from external customers in Japan.
2. Information by geographic area
  - (1) Operating revenues  
Substantially all property and equipment are located in Japan.
  - (2) Property and equipment  
Disclosure of this information has been omitted as the amount of property and equipment in Japan has exceeded 90% of the amount of total property and equipment on the accompanying balance sheet.
3. Information on major tenants  
Disclosure of this information has been omitted as no customer accounting for 10% or more of total operating revenues existed.

Current Period (From September 1, 2016 to February 28, 2017)

1. Revenue information by product and service  
Substantially all of the operating revenue is earned from external customers in Japan.
2. Information by geographic area
  - (1) Operating revenues  
Substantially all property and equipment are located in Japan.
  - (2) Property and equipment  
Disclosure of this information has been omitted as the amount of property and equipment in Japan has exceeded 90% of the amount of total property and equipment on the accompanying balance sheet.

3. Information on major tenants

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

**(Per Unit Information)**

	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Net assets per unit	71,900 yen	75,950 yen
Net income per unit	2,024 yen	2,208 yen

(Note 1) Net income per unit is calculated by dividing net income for the period by the weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated as no dilutive securities were outstanding.

(Note 2) The basis for calculating the net income per unit is as follows:

	Prior Period From March 1, 2016 To August 31, 2016	Current Period From September 1, 2016 To February 28, 2017
Net income	5,250,828 thousand yen	6,297,137 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	5,250,828 thousand yen	6,297,137 thousand yen
Average number of investment units outstanding	2,593,784 units	2,851,384 units

**(Significant Subsequent Events)**

None to report.

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

Changes in number of investment units issued and outstanding and net unitholders' capital for the last five years 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	
June 22, 2012	Issuance of new units through allocation to a third party	180	400	90	200	(Note 2)
October 31, 2012	Unit split	2,800	3,200	—	200	(Note 3)
December 20, 2012	Public offering	1,747,100	1,750,300	102,189	102,389	(Note 4)
January 21, 2013	Issuance of new units through allocation to a third party	87,400	1,837,700	5,112	107,501	(Note 5)
May 22, 2013	Distributions in excess of retained earnings (a refund of investment)	—	1,837,700	(154)	107,347	(Note 6)
September 26, 2013	Public offering	249,955	2,087,655	22,179	129,527	(Note 7)
October 16, 2013	Issuance of new units through allocation to a third party	10,045	2,097,700	891	130,418	(Note 8)
November 19, 2013	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(475)	129,942	(Note 9)
May 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(526)	129,415	(Note 10)
September 1, 2014	Public offering	281,709	2,379,409	30,973	160,389	(Note 11)
September 24, 2014	Issuance of new units through allocation to a third party	11,322	2,390,731	1,244	161,633	(Note 12)
November 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(593)	161,040	(Note 13)
May 19, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(698)	160,342	(Note 14)
September 1, 2015	Public offering	197,594	2,588,325	21,784	182,126	(Note 15)
September 25, 2015	Issuance of new units through allocation to a third party	5,459	2,593,784	601	182,728	(Note 16)
November 17, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(707)	182,020	(Note 17)

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	
May 17, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(778)	181,242	(Note 18)
September 1, 2016	Public offering	247,507	2,841,291	28,561	209,804	(Note 19)
September 27, 2016	Issuance of new units through allocation to a third party	11,787	2,853,078	1,360	211,164	(Note 20)
November 16, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(770)	210,393	(Note 21)

- (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) 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 3) GLP J-REIT executed an 8-for-1 unit split.
- (Note 4) 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 5) 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 6) 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 7) 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 8) 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 9) 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 10) 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 11) 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 12) 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 13) 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 14) 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 15) 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 16) 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 17) 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 18) 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.

(Note 19) 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 115,398 yen or the offer price of 119,357 yen per unit.

(Note 20) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 115,398 yen.

(Note 21) At the Board of Directors' Meeting held on October 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 297 yen per unit for the 9th Fiscal Period (the period ended August 31, 2016). The payment of distributions was commenced on November 16, 2016.

#### **4. Changes in Directors and Officers**

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

## 5. Reference Information

### (1) Investment Status

Type of asset	Area (Note 1)	Prior Period August 31, 2016		Current Period February 28, 2017	
		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)	Tokyo metropolitan area	237,652	61.3	284,311	63.6
	Greater Osaka area	75,163	19.4	79,109	17.7
	Other	61,972	16.0	67,644	15.1
Sub Total		374,788	96.6	431,065	96.5
Deposits and other assets		13,059	3.4	15,783	3.5
Total assets (Notes 5 and 6)		387,848 [374,788]	100.0 [96.6]	446,849 [431,065]	100.0 [96.5]

	Amount (Million yen)	As a ratio to total assets (%) (Note 3)	Amount (Million yen)	As a ratio to total assets (%) (Note 3)
Total liabilities (Note 5)	201,353	51.9	230,156	51.5
Total net assets (Note 5)	186,494	48.1	216,693	48.5

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

(Note 2) “Total amount held” 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. The amount of property and equipment in trust in Tokyo metropolitan area includes the book value of vehicles.

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

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

### (2) Portfolio Overview

The following table summarizes the beneficiary rights of real estate in trust or the real estate properties in trust and the OTA Assets (Note 9) held by GLP J-REIT at the fiscal period end. Each figure in this table is the information as of February 28, 2017 unless otherwise stated.

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	21,961	28,600	5.1	56,105.95	56,105.95	100.0	5
Tokyo-2	GLP Higashi-Ogishima	4,980	4,963	6,500	1.1	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,160	7,026	8,980	1.6	27,356.63	27,356.63	100.0	3

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-4	GLP Tomisato	4,990	4,707	5,600	1.1	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	14,803	19,700	3.4	101,623.59	101,623.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,916	1,900	0.4	10,465.03	10,465.03	100.0	1
Tokyo-7	GLP Kazo	11,500	10,749	14,000	2.6	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,278	2,800	0.5	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	17,988	23,800	4.3	101,272.40	100,162.57	98.9	4
Tokyo-10	GLP Iwatsuki	6,940	6,625	8,510	1.6	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	3,978	5,040	1.0	18,460.73	18,460.73	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,426	12,800	2.2	43,533.28	43,533.28	100.0	2
Tokyo-13	GLP Misato II	14,600	14,142	18,600	3.3	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,866	6,310	1.1	12,925.58	12,925.58	100.0	1
Tokyo-15	GLP Hamura	7,660	7,505	9,030	1.7	40,277.93	40,277.93	100.0	1
Tokyo-16	GLP Funabashi III	3,050	3,056	4,040	0.7	18,281.84	18,281.84	100.0	1
Tokyo-17	GLP Sodegaura	6,150	5,904	7,850	1.4	45,582.06	45,582.06	100.0	1
Tokyo-18	GLP Urayasu III	18,200	17,791	20,300	4.1	64,198.11	64,198.11	100.0	2
Tokyo-19	GLP Tatsumi IIa	6,694	6,668	8,090	1.5	17,108.52	17,108.52	100.0	1
Tokyo-20	GLP Tatsumi IIb	1,056	1,064	1,140	0.2	3,276.00	3,276.00	100.0	1
Tokyo-21	GLP Tokyo II	36,100	35,457	39,900	8.2	79,073.21	75,719.54	95.8	5
Tokyo-22	GLP Okegawa	2,420	2,389	2,660	0.5	17,062.92	17,062.92	100.0	1
Tokyo-23	GLP Shinkiba	11,540	11,585	12,500	2.6	18,341.73	18,341.73	100.0	1
Tokyo-24	GLP Narashino	5,320	5,301	5,540	1.2	23,548.03	23,548.03	100.0	3
Tokyo-25	GLP Narita II	3,700	3,662	3,870	0.8	20,927.35	20,927.35	100.0	3
Tokyo-26	GLP Sugito	8,310	8,235	9,650	1.9	58,918.12	58,918.12	100.0	1
Tokyo-27	GLP Matsudo	2,356	2,442	2,780	0.5	14,904.60	14,904.60	100.0	1
Tokyo-28	GLP-MFLP Ichikawa Shiohama (Note 8)	15,500	15,529	15,900	3.5	50,813.07	50,813.07	100.0	5
Tokyo-29	GLP Atsugi II	21,100	21,083	22,200	4.8	74,176.27	74,176.27	100.0	2
Tokyo-30	GLP Yoshimi	11,200	11,198	11,500	2.5	62,362.89	62,362.89	100.0	1
Osaka-1	GLP Hirakata	4,750	4,634	6,230	1.1	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,608	8,910	1.8	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	8,970	8,275	11,600	2.0	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,013	2,300	0.4	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	5,036	5,800	1.2	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,500	23,422	27,900	5.5	110,224.41	110,224.41	100.0	7
Osaka-7	GLP Amagasaki II	2,040	1,986	2,270	0.5	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,195	2,950	0.5	19,545.35	19,545.35	100.0	1
Osaka-9	GLP Sakai	2,000	1,883	2,230	0.5	10,372.10	10,372.10	100.0	1
Osaka-10	GLP Rokko II	3,430	3,263	4,280	0.8	20,407.30	20,407.30	100.0	1
Osaka-11	GLP Kadoma	2,430	2,439	3,110	0.5	12,211.73	12,211.73	100.0	1

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Osaka-12	GLP Seishin	1,470	1,446	1,640	0.3	9,533.88	9,533.88	100.0	1
Osaka-13	GLP Fukusaki	3,640	3,457	4,130	0.8	24,167.83	24,167.83	100.0	1
Osaka-14	GLP Kobe-Nishi	7,150	6,974	7,610	1.6	35,417.31	35,417.31	100.0	1
Osaka-15	GLP Fukaehama	4,470	4,473	4,570	1.0	19,386.00	19,386.00	100.0	1
Other-1	GLP Morioka	808	791	873	0.2	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	2,820	2,746	3,250	0.6	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	3,798	4,540	0.9	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,666	2,720	0.6	27,671.51	27,671.51	100.0	4
Other-5	GLP Tokai	6,210	5,950	7,620	1.4	32,343.31	32,343.31	100.0	1
Other-6	GLP Hayashima	1,190	1,218	1,350	0.3	13,574.58	13,574.58	100.0	1
Other-7	GLP Hayashima II	2,460	2,278	2,700	0.6	14,447.48	14,447.48	100.0	1
Other-8	GLP Kiyama	4,760	4,334	5,560	1.1	23,455.96	23,455.96	100.0	1
Other-10	GLP Sendai	5,620	5,371	6,640	1.3	37,256.23	37,256.23	100.0	1
Other-11	GLP Ebetsu	1,580	1,488	2,180	0.4	18,489.25	18,489.25	100.0	1
Other-12	GLP Kuwana	3,650	3,468	4,420	0.8	20,402.12	20,402.12	100.0	1
Other-13	GLP Hatsukaichi	1,980	1,896	2,430	0.4	10,981.89	10,981.89	100.0	1
Other-14	GLP Komaki	10,300	10,006	12,400	2.3	52,709.97	52,709.97	100.0	2
Other-15	GLP Ogimachi	1,460	1,501	1,600	0.3	13,155.28	13,155.28	100.0	1
Other-16	GLP Hiroshima	3,740	3,661	4,080	0.8	21,003.04	21,003.04	100.0	2
Other-17	GLP Fukuoka	1,520	1,493	1,690	0.3	14,641.22	14,641.22	100.0	1
Other-19	GLP Tosu I	9,220	9,031	10,200	2.1	74,860.38	74,860.38	100.0	1
Other-20	GLP Tomiya IV	5,940	5,941	6,110	1.3	32,562.60	32,562.60	100.0	1
Total portfolio		442,854	431,065	515,983	100.0	2,150,770.96	2,146,307.46	99.8	100

Property number	Property name	Acquisition price (Planned) (Million yen)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
OTA Assets (Note 9)									
N/A	GLP Noda-Yoshiharu	(Note 10)	—	5,150	—	26,631.40	26,631.40	100.0	1

(Note 1) “Acquisition price” represents the purchase amount (excluding acquisition costs and consumption taxes) of each property or beneficiary right in trust as stated in the Sales and Purchase Agreement.

(Note 2) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trusts Association, Japan. Concerning the OTA assets, the research price as of February 28, 2017, is stated.

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

(Note 4) “Leasable area” is the area of property or property in trust that is available for lease in accordance with 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 5) “Leased area” is the total area leased to building tenants in accordance with the relevant lease agreement of each property or property in

trust. The figures are rounded down to the second decimal place. When the property or property in trust is leased through a master lease agreement, the leased area represents the total space actually leased based on the lease agreement concluded with end-tenants.

(Note 6) "Occupancy ratio" is rounded to the first decimal place.

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

(Note 8) GLP-MFLP Ichikawa Shiohama is a property under joint co-ownership which GLP-JREIT holds 50% beneficiary right of real estate in trust. "Leasable area" and "Leased area" stated above are computed by multiplying 50% of the joint co-ownership ratio.

(Note 9) 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. GLP J-REIT refers to the scheme as "Optimal Takeout Agreement (OTA)" and the assets subject to the OTA as "OTA Assets".

(Note10) The acquisition price of the OTA Asset 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.

### (3) Capital Expenditure for Properties Owned

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

The following table summarizes the major capital expenditure plan in connection with scheduled renovation and others for properties owned as of 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 Rokko	Kobe, Hyogo	Renewal of heat source equipment Phase II	From October 2017 to November 2017	56	—	—
GLP Kazo	Kazo, Saitama	Renovation of South-side exterior walls	From September 2017 to November 2017	30	—	—
GLP Kazo	Kazo, Saitama	Renovation of North-side exterior walls	From November 2016 to March 2017	26	—	—
GLP Sendai	Sendai, Miyagi	Renewal of slope snow-melting system	From July 2017 to October 2017	26	—	—
GLP Shinkiba	Koto-ku, Tokyo	Renovation of South-side exterior walls	From October 2017 to November 2017	25	—	—
GLP Rokko	Kobe, Hyogo	Renewal of heat source equipment Phase I	From March 2017 to March 2017	22	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls Phase V	From May 2017 to June 2017	20	—	—

Property name	Location	Purpose	Planned period	Estimated construction cost (Million yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls Phase VI	From November 2017 to November 2017	20	—	—

(b) Capital expenditure incurred for the period

The following table summarizes the major constructions to holding properties that resulted in capital expenditure for the current period. Capital expenditure for the current period was 635 million yen. The total construction cost amounted to 727 million yen, including repair and maintenance of 91 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Tomiya	Tomiya, Miyagi	Construction of fireproof compartment on the first floor	From June 2016 to September 2016	101
GLP Koriyama III	Koriyama, Fukushima	Asphalt waterproof roof repairing work-Building No.1	From May 2016 to October 2016	66
GLP Sendai	Sendai, Miyagi	Renovation of West-side exterior walls	From October 2016 to December 2016	42
GLP Shinkiba	Koto-ku, Tokyo	Renovation of East-side exterior walls	From June 2016 to September 2016	33
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls	From October 2016 to December 2016	20
Other	—	—	—	371
Total				635

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

The 10th Fiscal Period (From September 1, 2016 to February 28, 2017) (Unit in amount: Thousand yen)

Property number	Tokyo-1	Tokyo-2	Tokyo-3	Tokyo-4	Tokyo-5	Tokyo-6	Tokyo-7
Property name	GLP Tokyo	GLP Higashi-Ogishima	GLP Akishima	GLP Tomisato	GLP Narashino II	GLP Funabashi	GLP Kazo
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues	701,587	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses	140,804						
Taxes and dues	56,815						
Property and facility management fees	38,749						
Utilities	39,791						
Repair and maintenance	674						
Casualty insurance	745						
Others	4,027						
(3) NOI((1)-(2))	560,782	158,884	201,691	138,759	421,709	11,488	327,664
(4) Depreciation	116,175	40,661	28,925	38,656	128,772	15,111	101,910
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	444,607	118,222	172,766	100,102	292,936	(3,623)	225,754
(7) Capital expenditure	14,486	2,877	7,890	1,854	37,029	24,497	25,730
(8) NCF((3)-(7))	546,295	156,007	193,801	136,905	384,680	(13,008)	301,934

Property number	Tokyo-8	Tokyo-9	Tokyo-10	Tokyo-11	Tokyo-12	Tokyo-13	Tokyo-14
Property name	GLP Fukaya	GLP Sugito II	GLP Iwatsuki	GLP Kasukabe	GLP Koshigaya II	GLP Misato II	GLP Tatsumi
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues	(Note)	661,431	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses		145,222					
Taxes and dues		49,961					
Property and facility management fees		43,965					
Utilities		33,316					
Repair and maintenance		491					
Casualty insurance		1,166					
Others		16,321					
(3) NOI((1)-(2))	78,862	516,209	184,543	115,524	199,152	398,812	124,803
(4) Depreciation	28,896	131,019	44,331	36,381	53,475	79,821	15,845
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	49,966	385,189	140,211	79,143	145,677	318,991	108,958
(7) Capital expenditure	10,848	7,795	4,533	2,840	4,593	2,035	863
(8) NCF((3)-(7))	68,014	508,414	180,010	112,684	194,559	396,777	123,940

Property number	Tokyo-15	Tokyo-16	Tokyo-17	Tokyo-18	Tokyo-19	Tokyo-20	Tokyo-21
Property name	GLP Hamura	GLP Funabashi III	GLP Sodegaura	GLP Urayasu III	GLP Tatsumi IIa	GLP Tatsumi IIb	GLP Tokyo II
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues							1,015,296
(2) Property-related expenses							226,316
Taxes and dues							83,614
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	60,750
Utilities							65,776
Repair and maintenance							7,698
Casualty insurance							1,079
Others							7,397
(3) NOI((1)-(2))	210,467	84,145	189,747	433,431	161,593	71,850	788,980
(4) Depreciation	39,075	21,235	41,135	98,228	19,994	5,566	172,099
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	171,392	62,909	148,612	335,202	141,599	66,284	616,880
(7) Capital expenditure	—	2,150	1,600	16,246	773	8,742	24,970
(8) NCF((3)-(7))	210,467	81,995	188,147	417,185	160,820	63,107	764,009

Property number	Tokyo-22	Tokyo-23	Tokyo-24	Tokyo-25	Tokyo-26	Tokyo-27	Tokyo-28
Property name	GLP Okegawa	GLP Shinkiba	GLP Narashino	GLP Narita II	GLP Sugito	GLP Matsudo	GLP-MFLP Ichikawa Shiohama
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues			161,312	137,831			461,708
(2) Property-related expenses			23,492	30,885			44,736
Taxes and dues			8,732	8,781			—
Property and facility management fees	(Note)	(Note)	6,872	8,970	(Note)	(Note)	28,106
Utilities			6,349	8,326			14,053
Repair and maintenance			113	1,181			464
Casualty insurance			219	246			632
Others			1,206	3,379			1,480
(3) NOI((1)-(2))	68,075	258,366	137,819	106,946	205,468	78,707	416,971
(4) Depreciation	21,761	35,145	22,213	35,988	45,156	11,867	64,076
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	46,313	223,221	115,605	70,958	160,311	66,840	352,894
(7) Capital expenditure	16,760	34,275	18,907	1,908	1,792	744	70
(8) NCF((3)-(7))	51,315	224,091	118,912	105,038	203,676	77,963	416,901

Property number	Tokyo-29	Tokyo-30	Osaka-1	Osaka-2	Osaka-3	Osaka-4	Osaka-5
Property name	GLP Atsugi II	GLP Yoshimi,	GLP Hirakata	GLP Hirakata II	GLP Maishima II	GLP Tsumori	GLP Rokko
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues							
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	525,838	309,959	162,138	222,807	218,255	66,000	169,991
(4) Depreciation	115,166	74,127	23,340	52,827	91,713	7,651	28,875
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	410,671	235,832	138,797	169,979	126,541	58,348	141,115
(7) Capital expenditure	—	—	887	9,042	3,058	3,778	3,864
(8) NCF((3)-(7))	525,838	309,959	161,250	213,765	215,197	62,221	166,127

Property number	Osaka-6	Osaka-7	Osaka-8	Osaka-9	Osaka-10	Osaka-11	Osaka-12
Property name	GLP Amagasaki	GLP Amagasaki II	GLP Nara	GLP Sakai	GLP Rokko II	GLP Kadoma	GLP Seishin
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues	820,066						
(2) Property-related expenses	182,296						
Taxes and dues	71,249						
Property and facility management fees	46,832	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities	56,312						
Repair and maintenance	1,262						
Casualty insurance	1,261						
Others	5,377						
(3) NOI((1)-(2))	637,769	63,994	82,352	58,343	116,979	77,049	45,106
(4) Depreciation	157,670	11,710	35,520	16,929	27,442	11,519	11,072
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	480,099	52,283	46,831	41,414	89,537	65,530	34,034
(7) Capital expenditure	12,862	1,642	—	—	—	2,456	5,700
(8) NCF((3)-(7))	624,907	62,352	82,352	58,343	116,979	74,593	39,406

Property number	Osaka-13	Osaka-14	Osaka-15	Other-1	Other-2	Other-3	Other-4
Property name	GLP Fukusaki	GLP Kobe-Nishi	GLP Fukaehama	GLP Morioka	GLP Tomiya	GLP Koriyama I	GLP Koriyama III
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues							121,480
(2) Property-related expenses							33,391
Taxes and dues							11,871
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	6,842
Utilities							6,672
Repair and maintenance							6,894
Casualty insurance							267
Others							842
(3) NOI((1)-(2))	110,433	186,552	124,118	29,629	64,064	125,459	88,089
(4) Depreciation	40,542	58,704	29,765	13,596	25,017	49,800	25,398
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	69,890	127,847	94,353	16,033	39,047	75,659	62,690
(7) Capital expenditure	5,139	—	—	903	102,685	—	86,749
(8) NCF((3)-(7))	105,294	186,552	124,118	28,726	(38,620)	125,459	1,339

Property number	Other-5	Other-6	Other-7	Other-8	Other-10	Other-11	Other-12
Property name	GLP Tokai	GLP Hayashima	GLP Hayashima II	GLP Kiyama	GLP Sendai	GLP Ebetsu	GLP Kuwana
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues							
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	178,740	42,726	72,902	139,008	158,589	56,456	122,212
(4) Depreciation	38,774	7,446	24,054	55,467	46,583	19,052	29,502
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	139,965	35,280	48,848	83,540	112,005	37,403	92,709
(7) Capital expenditure	—	14,230	771	587	54,161	5,194	—
(8) NCF((3)-(7))	178,740	28,496	72,131	138,421	104,427	51,261	122,212

Property number	Other-13	Other-14	Other-15	Other-16	Other-17	Other-19	Other-20
Property name	GLP Hatsukaichi	GLP Komaki	GLP Ogimachi	GLP Hiroshima	GLP Fukuoka	GLP Tosu I	GLP Tomiya IV
Operating dates	181	181	181	181	181	181	181
(1) Property-related revenues	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees							
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	66,812	280,568	45,052	118,031	49,967	248,905	179,721
(4) Depreciation	14,884	69,116	19,250	26,953	13,644	86,486	45,262
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	51,927	211,452	25,801	91,077	36,323	162,419	134,459
(7) Capital expenditure	3,170	3,223	2,600	5,930	2,711	11,940	15,776
(8) NCF((3)-(7))	63,642	277,345	42,452	112,101	47,256	236,965	163,945

(Note) Disclosure is omitted as the tenants' consents have not been obtained.