

SUMMARY OF FINANCIAL RESULTS (REIT) For the 7th Fiscal Period Ended August 31, 2015

<Under Japanese GAAP>

October 14, 2015

Name of REIT Issuer: GLP J-REIT Stock Exchange Listing: TSE
 Securities Code: 3281 URL <http://www.glpjreit.com/>
 Representative: (Name) Masato Miki, (Title) Executive Director
 Name of Asset Manager: GLP Japan Advisors Inc.
 Representative: (Name) Masato Miki, (Title) President & CEO
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Scheduled date to file securities report: November 27, 2015

Scheduled date to commence distribution payments: November 17, 2015

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

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

(Amounts are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended August 31, 2015 (From March 1, 2015 to August 31, 2015)

(1) Operating Results [Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Period ended August 31, 2015	11,075	[0.8]	5,733	[(1.2)]	4,649	[(1.0)]	4,648	[(1.0)]
February 28, 2015	10,991	[17.9]	5,801	[18.1]	4,695	[18.2]	4,695	[18.2]

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
	Yen	%	%	%
Period ended August 31, 2015	1,944	2.8	1.3	42.0
February 28, 2015	1,965	3.1	1.5	42.7

(2) Distributions

	Distributions (excluding OPD*)		Optimal payable distribution (OPD)		Distributions (including OPD)		Payout ratio	Distributions to net assets
	Per Unit	Total	Per Unit	Total	Per Unit	Total		
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen		
Period ended August 31, 2015	1,944	4,647	296	707	2,240	5,355	100.0	2.8
February 28, 2015	1,964	4,695	292	698	2,256	5,393	100.0	3.0

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

(Note 1) Payout ratio for the period ended February 28, 2015 was calculated as follows since new investment units were issued during the period:

$$\text{Payout ratio} = \text{Total distributions (excluding OPD)} / \text{Net income (loss)} \times 100$$

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) Retained earnings decreased at a rate of 0.004 and 0.005 for the periods ended August 31, 2015 and February 28, 2015, respectively, due to OPD (refund of investment). These rates are calculated based on Article 23, Paragraph 1, Item 3 of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Period ended	Millions of yen	Millions of yen	%	Yen
August 31, 2015	353,068	164,991	46.7	69,013
February 28, 2015	347,501	165,737	47.7	69,324

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2015	8,438	(7,735)	695	11,156
February 28, 2015	6,397	(53,900)	48,060	9,758

2. Earnings Forecast for the Fiscal Period Ending February 29, 2016 (From September 1, 2015 to February 29, 2016) and for the Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016)

[Percentages indicate period-on-period changes]

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Yen	Yen	Yen
February 29, 2016	12,276 [10.8]	6,423 [12.0]	5,264 [13.2]	5,263 [13.2]	2,029	301	2,330
August 31, 2016	12,283 [0.1]	6,280 [(2.2)]	5,159 [(2.0)]	5,158 [(2.0)]	1,988	300	2,288

(Reference) Estimated net income per unit: For the fiscal period ending February 29, 2016 2,029 yen
For the fiscal period ending August 31, 2016 1,988 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 August 31, 2015 2,390,731 Units As of February 28, 2015 2,390,731 Units
- (b) Number of treasury units:
As of August 31, 2015 0 Units As of February 28, 2015 0 Units

(Note) Please refer notes to "Per Unit Information" on page 34 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 8th Fiscal Period Ending February 29, 2016 (From September 1, 2015 to February 29, 2016) and for the 9th Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016)” on page 11-13 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 May 28, 2015.

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 May 28, 2015.

(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 54 properties (total acquisition price of 346,041 million yen).

(Note) New investment units were issued through a public offering on September 1, 2015 and through a third party allocation on September 25, 2015. Please refer to “[Outlook of Next Fiscal Period], (iii) Significant Subsequent Events, (a) Issuance of new investment units” for details.

(ii) Investment Environment and Business Performance

During the current fiscal period, the Japanese economy has continued to recover moderately as a trend due to the effects of the government policy announced in November 2014 to postpone an additional increase in consumption tax, as well as the additional monetary easing policy announced by the Bank of Japan in October 2014. The favorable trend has been supported by expectations of a recovery in corporate performance in Japan and the steady economic recovery in the U.S. However, turmoil in the stock market stemming from fears of a Chinese economic slowdown in late August had a considerable impact on the J-REIT market and the Tokyo Stock Exchange REIT Index also temporarily dropped sharply.

On the other hand, the favorable financing environment in the real estate market has led to a number of consistent asset acquisitions and capital increases through public offerings by J-REIT, while transactions and investments by private placement funds and foreign investors also continued to be active. Furthermore, the number of logistic property players has been increasing due to new market entries by companies that have never previously acquired logistics properties. In the leasing market for logistics facilities, while there was a continuous increase in the supply of large-scale logistics facilities,

this newly-supplied space was steadily taken up concurrently with the expansion of the third-party logistics (3PL) business, the e-commerce market and others.

Under these conditions, GLP J-REIT acquired GLP Kobe-Nishi (acquisition price 7,150 million yen) on May 1, 2015, a property developed by GLP Japan Development Venture which is a joint enterprise founded on an equal ownership basis by (i) Global Logistic Properties Limited, the parent of GLP J-REIT's Sponsor, and its group companies (collectively, "GLP Group"), and (ii) the Canadian Pension Plan Investment Board ("CPPIB"). Thus, GLP J-REIT managed to continuously expand its assets and steadily grow its portfolio while strengthening the quality of its asset portfolio.

In addition, GLP J-REIT has been aggressively capitalizing on opportunities to acquire prime properties. On July 13, 2015, GLP J-REIT concluded the amendment agreement (Note 1) to add GLP Atsugi II, a large-scale logistics facility under development in the Tokyo metropolitan area, to the properties defined in the Right-of-First-Look ("RoFL") agreement, which is the pipeline support agreement with the Sponsor. Moreover, GLP J-REIT secured a future acquisition opportunity by concluding a forward commitment contract concerning GLP Noda-Yoshiharu with a third-party seller on July 14, 2015 (Note 2). This was the GLP J-REIT's first application of strategic bridge structures, utilizing the Optimal Takeout Agreement (the "OTA"), which enables GLP J-REIT to acquire an asset with designated timing during the scheduled period and at a purchase price discounted dependent upon the timing of acquisition.

(Note 1) Asset Manager of GLP J-REIT maintains a right-of-first-look, with respect to the 20 properties in Japan that GLP Group companies own as of the date of this document, other than through joint ventures with third parties, based on the RoFL agreement (including the amendment agreement) with Global Logistics Properties Limited, an indirect holding company of the Asset Manager.

(Note 2) Under the forward commitment contract, it is agreed in cooperation with the Mitsubishi UFJ Lease & Finance ("MUFJ L&F") Group that the asset will be temporarily owned by Central Compass 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. This is a structure that GLP J-REIT has applied for the first time. GLP J-REIT will position this strategy, calling it Optimal Takeout Agreement (the "OTA"), as one of its strategic bridge schemes to secure acquisition opportunities of high-quality assets. GLP J-REIT will further strengthen its highly competitive portfolio by developing similar schemes in the future.

While providing services which satisfy the needs of its portfolio property tenants, GLP J-REIT actively strove to increase rents in an environment of strong demand for logistics facilities. Thus, all lease contracts, including (i) lease contracts newly entered into on the day following the last day of the previous lease period or (ii) lease contracts modified for rent during lease periods (excluding automatic rent increases based on the provision of rent revision), have been concluded with equal or higher rents during the six consecutive fiscal periods since its listing on the Tokyo Stock Exchange.

As a result of these operations, GLP J-REIT owns 54 properties with the total acquisition price of 346,041 million yen and the total leasable area of 1,727,949.60 m² as of the end of the current fiscal period. The occupancy rate of the entire portfolio continued to remain stable, and at the end of the current fiscal period, it was at the high level of 99.0 %.

(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 with stable financial conditions, GLP J-REIT pursues lengthening of debt maturity and reduction of its borrowing costs under a favorable financing environment.

In the current fiscal period, GLP J-REIT newly borrowed 6,600 million yen to cover a portion of the acquisition cost and related expenditures for GLP Kobe-Nishi that was acquired in May 2015 as stated in “(ii) Investment Environment and Business Performance” above. GLP J-REIT achieved the lengthening of debt maturities while reducing borrowing costs by issuing the ten-year-maturity 6th investment corporation bonds of 1,500 million yen in June 2015 and making an early repayment of a portion of existing borrowings due in April 2016. In addition, entering into 6,000 million yen of a commitment line agreement with financial institutions on June 30, 2015 has enabled GLP J-REIT to secure flexible and stable financing. GLP J-REIT further strengthened its financial stability by utilizing interest rate swap contracts to convert floating interest rates of some loans into fixed rates over long terms.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 176,580 million yen (outstanding loans 158,080 million yen, outstanding investment corporation bonds 18,500 million yen), and the ratio of interest-bearing liabilities to total assets (LTV) was 50.0%.

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-	Positive
	Bond rating (Note)	AA-	—

(Note) It is the rating for the 1st to the 6th 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 11,075 million yen, operating income of 5,733 million yen, ordinary income of 4,649 million yen and net income of 4,648 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 4,647,581,064 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 (2,390,731 units) from unappropriated retained earnings. Accordingly, distribution per

unit for the current fiscal period was 1,944 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 707,656,376 yen, an amount almost equivalent to 30% of depreciation (2,361 million yen) for the current fiscal period, as a refund of investment. As a result, the amount of OPD per unit was 296 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 404 million yen of capital expenditure for the current fiscal period from 2,361 million yen of depreciation expenses for the period is 1,956 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution 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 54 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 dated September 19, 2012, August 20, 2013, March 20, 2014, July 25, 2014 and January 28, 2015 for each property prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd., is 426 million yen.

[Outlook of Next Fiscal Period]

(i) Operational Environment in Next Fiscal Period

The Japanese economy is expected to recover moderately owing to the effectiveness of various governmental policy measures and continuous improvements in employment and individual income. Concurrently, it will be necessary to continuously monitor fluctuations in financial and capital markets for risks of downward pressures on the economy, including fears of a Chinese economic slowdown and overseas economic uncertainty.

Leasable logistics facilities transactions and the related players have exhibited an upward trend due to rising investor interest and appealing investment stability, and the level of competition in bidding has become increasingly fierce. While new modern logistics facilities continue to be built, the current growth in leasing demand among tenant companies absorbed vacancies from such facilities; as a result,

the vacancy rate continues to be low. The leasing market is also expected to continue to expand steadily in the short term, exhibiting a solid trend in rent increases for new leasing facilities.

With respect to the financing environment, financial institutions are expected to maintain their current positive lending policies, while investment unit prices in the J-REIT market have been fluctuating. Trends in capital inflow need to be monitored closely.

(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 negotiate for higher rents for lease contracts 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 pursue further expansion of its portfolio size by (i) taking advantage of the RoFL agreement with respect to the 20 properties as of the date of this document as a valuable pipeline, (ii) continuously collecting information from third parties regarding prospective properties and (iii) considering utilizing the Optimal Takeout Arrangement (OTA) as the bridge scheme.

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

(iii) Significant Subsequent Events

(a) Issuance of new investment units

At the Board of Directors' Meetings held on August 10, 2015 and August 19, 2015, GLP J-REIT resolved to issue the following new investment units. The proceeds from new investment units through a public offering were fully collected on September 1, 2015, while the proceeds from new investment units through a third-party allocation were fully collected on September 25, 2015.

[Issuance of new investment units through a public offering]

Number of new investment units to be issued:	197,594 units (79,411 units for domestic market, 118,183 units for international market)
Issue price (Offer price):	114,174 yen per unit
Total amount issued (total offering amount):	22,560,097,356 yen
Amount to be paid in (issue amount):	110,247 yen per unit
Total amount to be paid in (total issue amount):	21,784,145,718 yen
Payment date	September 1, 2015
Initial date of distribution calculation:	September 1, 2015

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

Number of new investment units issued:	5,459 units
Amount to be paid in (issue amount):	110,247 yen per unit
Total amount to be paid in (total issue amount):	601,838,373 yen
Payment date	September 25, 2015
Initial date of distribution calculation:	September 1, 2015
Underwriter:	Nomura Securities Co., Ltd.

[Purpose of funding]

The funds raised through the public offering were partially appropriated for the acquisition of beneficiary rights of real estate in trust stated below in “(b) Acquisition of assets.” The funds raised through the third-party allocation were kept as cash on hand. Of which, 480,000,000 yen was used for an early repayment of a portion of long-term borrowings due on February 28, 2017. (The repayment was completed on October 7, 2015.)

(b) Acquisition of assets

GLP J-REIT acquired the five properties shown below in the form of trust beneficiary interests (with the total acquisition price of 38,090 million yen). The acquisition price (the purchase price stated in the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust) excludes acquisition costs such as direct expenses for acquisition, property-related taxes and consumption taxes.

Property name	Acquisition date	Location	Seller	Acquisition price (Millions of yen)
GLP Shinkiba	September 1, 2015	Koto-ku, Tokyo	Shinkiba Logistic Special Purpose Company	11,540
GLP Narashino	September 1, 2015	Narashino, Chiba	Narashino Logistic Special Purpose Company	5,320
GLP Narita II	September 1, 2015	Sanbu, Chiba	Narita 2 Logistic Special Purpose Company	3,700
GLP Sugito	September 1, 2015	Kita-Katsushika, Saitama	Sugito Logistic Special Purpose Company	8,310
GLP Tosu I	September 1, 2015	Tosu, Saga	Tosu 1 Logistic Special Purpose Company	9,220
Total	—	—	—	38,090

(c) Borrowing of funds

GLP J-REIT borrowed funds for acquisition of assets and related costs as stated in “(b) Acquisition of assets” above.

Lender	Loan amount (Millions of yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,200	JBA yen 1 month TIBOR plus 0.1%	September 1, 2015	September 2, 2016	Lump-sum repayment on repayment date	Unsecured not guaranteed
Sumitomo Mitsui Banking Corporation/ The Bank of Tokyo-Mitsubishi UFJ, Ltd./ Mizuho Bank, Ltd./ Mitsubishi UFJ Trust and Banking Corporation/ Citibank Japan Ltd./ The Bank of Fukuoka, Ltd./ Development Bank of Japan Inc./ The Norinchukin Bank/ Resona Bank, Limited./ Sumitomo Mitsui Trust Bank, Limited/ Shinsei Bank, Limited/ The 77 Bank, Ltd.	10,050	JBA yen 3month TIBOR plus 0.245% (Note 1)		February 28, 2022		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,300	JBA yen 3month TIBOR plus 0.325% (Note 2)		September 1, 2025		
Total	14,550	-	-	-	-	-

(Note 1) GLP J-REIT entered into an interest rate swap agreement on August 28, 2015 and the interest rate has been substantially fixed at 0.612%.

(Note 2) GLP J-REIT entered into an interest rate swap agreement on August 28, 2015 and the interest rate has been substantially fixed at 0.959%.

(iv) Earnings Forecast

GLP J-REIT has made the following earnings forecasts for the fiscal period ending February 29, 2016 (From September 1, 2015 to February 29, 2016) and the fiscal period ending August 31, 2016 (From March 1, 2016 to August 31, 2016). Please refer the forecast assumptions to “Assumptions Underlying Earnings Forecasts for the 8th Fiscal Period Ending February 29, 2016 (From September 1, 2015 to February 29, 2016) and the 9th Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016)” below.

[Percentages indicate period-on-period changes]

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Yen	Yen	Yen
February 29, 2016	12,276 [10.8]	6,423 [12.0]	5,264 [13.2]	5,263 [13.2]	2,029	301	2,330
August 31, 2016	12,283 [0.1]	6,280 [(2.2)]	5,159 [(2.0)]	5,158 [(2.0)]	1,988	300	2,288

(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 8th Fiscal Period Ending February 29, 2016 (From September 1, 2015 to February 29, 2016) and the 9th Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016)

Item	Assumption
Accounting period	The 8th Fiscal Period: From September 1, 2015 to February 29, 2016 (182 days) The 9th Fiscal Period: From March 1, 2016 to August 31, 2016 (184 days)
Portfolio assets	<ul style="list-style-type: none"> It is assumed that the portfolio assets will consist of 59 properties which include trust beneficiary rights of 54 properties held by GLP J-REIT as of the end of the 7th Fiscal Period and the following five trust beneficiary rights of real estate newly acquired on September 1, 2015 (hereinafter the “Five September Properties”): GLP Shinkiba, GLP Narashino, GLP Narita II, GLP Sugito and GLP Tosu I. The forecasts also assume that there will be no changes in portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) after these acquisitions until the end of the 9th Fiscal Period. In practice, however, changes such as acquisitions of new assets other than those properties stated above or disposals of portfolio assets may occur.
Number of investment units issued and outstanding	<ul style="list-style-type: none"> It is assumed to be 2,593,784 units, which is the number of investment units issued and outstanding as of the date of this document.
Interest-bearing liabilities	<ul style="list-style-type: none"> The outstanding interest-bearing liabilities of GLP J-REIT as of the date of this report are 190,650 million yen. On September 1, 2015, GLP J-REIT borrowed funds totaling 14,550 million yen for acquisition of the Five September Properties. Using funds raised from the issuance of new investment units through a third-party allocation associated with the domestic secondary offering by way of over-allotment, GLP J-REIT repaid 480 million yen of long-term loans payable on October 7, 2015. The forecasts assume that 23,800 million yen of the current portion of long-term loans payable with the repayment date of January 4, 2016, as well as 1,700 million yen of short-term loans payable executed in January 2015, will be refinanced by borrowings on the same date. The forecasts assume that 3,230 million yen of long-term loans payable will be repaid at the end of the 9th Fiscal Period by using cash on hand since consumption taxes corresponding to the 8th Fiscal Period are scheduled to be refunded during the 9th Fiscal Period. It is assumed that LTV as of February 29, 2016 (the 8th Fiscal Period) will be 48.9% and LTV

Item	Assumption
	<p>as of August 31,2016 (the 9th Fiscal Period) will be 48.5%. The following formula is used to compute LTV.</p> $LTV=(\text{Balance of interest-bearing liabilities} / \text{Total assets}) \times 100$
Operating revenues	<ul style="list-style-type: none"> • Concerning operating revenues, the forecasts assume that there is no delinquent rent payment by tenants.
Operating expenses	<ul style="list-style-type: none"> • 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. Accordingly, with regard to property-related taxes for one property acquired in May 2015 (GLP Kobe-Nishi) and the Five September Properties, no amount will be recognized as tax expenses for the 8th Fiscal Period, and the total amount of 110 million yen for the six properties will be recognized in the 9th Fiscal Period. The total amount of property-related taxes included in the acquisition costs of the Five September Properties is 59 million yen. • Taxes and dues are expected to be 958 million yen for the 8th Fiscal Period and 1,068 million yen for the 9th Fiscal Period. • Repair and maintenance expenses are expected to be 72 million yen for the 8th Fiscal Period and 62 million yen for the 9th Fiscal Period. • Property and facility management fees are expected to be 432 million yen for the 8th Fiscal Period and 429 million yen for the 9th Fiscal Period. • Depreciation is expected to be 2,606 million yen for the 8th Fiscal Period and 2,599 million yen for the 9th Fiscal Period. • Rental expenses other than depreciation, the main operating expenses, are calculated by reflecting expense changing factors to the past actual expenses. • 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 significantly by fiscal period and (3) may not arise regularly. • Depreciation is calculated using the straight-line method based on acquisition costs including incidental expenses and additional capital expenditure in the future.
NOI (Net Operating Income)	<ul style="list-style-type: none"> • NOI (the amount calculated by deducting property-related expenses, excluding depreciation, from operating revenues) is expected to be 10,350 million yen for the 8th Fiscal Period and 10,211 million yen for the 9th Fiscal Period.
Non-operating expenses	<ul style="list-style-type: none"> • 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 1,058 million yen for the 8th Fiscal Period and 1,069 million yen for the 9th Fiscal Period. Investment corporation bonds issuance expenses are amortized monthly for the period from issuance to redemption. • Investment unit issuance expenses are amortized monthly for three years from occurrence, and amortization expenses are expected to be 78 million yen for the 8th Fiscal Period and 51 million yen for the 9th Fiscal Period. • It is assumed to incur 20 million yen of temporary costs in connection with an issuance of new investment units in the 8th Fiscal Period.
Distributions per unit (excluding OPD)	<ul style="list-style-type: none"> • Distribution per unit is calculated in accordance with the distribution policy set forth in the Articles of Incorporation of GLP J-REIT. • 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.

Item	Assumption
Optimal payable distribution (OPD) per unit	<ul style="list-style-type: none"> • Optimal payable distribution per unit is calculated in accordance with the policy on cash distributions in excess of retained earnings provided in the Management Guidelines, the internal policy of the Asset Manager. It is calculated by assuming distribution of approximately 30% of respective depreciation arising in the 8th Fiscal Period and the 9th Fiscal Period. • Depreciation may vary from the current expected amount due to change in portfolio assets, the amount of incidental expenses incurred and the amount of capital expenditure. Therefore, the total amount of optimal payable distribution calculated on the basis of depreciation may also vary due to these and other various factors. In addition, in order to maintain the value of assets held by GLP J-REIT, in the event that GLP J-REIT is to pay out OPD, GLP J-REIT sets the maximum as the amount of depreciation less capital expenditure incurred in the accounting period in which the concerned depreciation was recognized. Therefore, when 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. • Appraisal LTV (%) = $A/B \times 100$ (%) A= Interest-bearing liabilities balance (including investment corporation bonds balance and short-term investment corporation bonds balance) at the end of the period + Deposit release amount at the end of the period B= Total amount of appraisal value or research price of portfolio assets at the end of period + Cash and deposits balance at the end of period – Scheduled total amount of distributions of earnings – Scheduled total amount of OPD • 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.
Other	<ul style="list-style-type: none"> • 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. • The forecasts assume that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.

3. Financial Statements

(1) Balance Sheets

	(Unit: Thousand yen)	
	Prior Period	Current Period
	As of February 28, 2015	As of August 31, 2015
Assets		
Current assets		
Cash and deposits	4,691,150	5,581,570
Cash and deposits in trust	5,067,554	5,575,223
Operating accounts receivable	287,581	256,391
Prepaid expenses	379,601	337,799
Deferred tax assets	7	30
Consumption taxes receivable	852,965	—
Other current assets	821	—
Total current assets	11,279,681	11,751,015
Noncurrent assets		
Property and equipment		
Buildings in trust	132,188,512	137,450,682
Accumulated depreciation	(7,652,161)	(9,871,114)
Buildings in trust, net	124,536,350	127,579,568
Structures in trust	2,983,924	3,150,562
Accumulated depreciation	(470,860)	(599,478)
Structures in trust, net	2,513,063	2,551,083
Machinery and equipment in trust	53,679	53,679
Accumulated depreciation	(18,106)	(22,358)
Machinery and equipment in trust, net	35,573	31,321
Tools, furniture and fixtures in trust	124,758	126,723
Accumulated depreciation	(31,789)	(41,235)
Tools, furniture and fixtures in trust, net	92,969	85,488
Land in trust	207,622,427	209,785,916
Construction in progress	—	73,301
Total property and equipment, net	334,800,384	340,106,680
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	1,098,593	972,626
Security deposits	10,000	10,000
Total investments and other assets	1,110,193	984,226
Total noncurrent assets	335,910,578	341,090,906
Deferred assets		
Investment unit issuance expenses	222,203	132,588
Investment corporation bond issuance costs	88,747	93,998
Total deferred assets	310,950	226,587
Total Assets	347,501,210	353,068,509

	(Unit: Thousand yen)	
	Prior Period As of February 28, 2015	Current Period As of August 31, 2015
Liabilities		
Current liabilities		
Operating accounts payable	192,420	227,990
Short-term loans payable	1,700,000	1,700,000
Current portion of long-term loans payable	23,800,000	23,800,000
Accounts payable	1,545,333	1,308,583
Accrued expenses	24,138	25,011
Income taxes payable	609	1,074
Consumption taxes payable	—	280,136
Advances received	1,901,337	1,941,355
Deposits received	1,644	—
Current portion of tenant leasehold and security deposits	71,715	185,746
Total current liabilities	29,237,199	29,469,897
Noncurrent liabilities		
Investment corporation bonds	17,000,000	18,500,000
Long-term loans payable	127,980,000	132,580,000
Tenant leasehold and security deposits	7,268,707	7,248,598
Tenant leasehold and security deposits in trust	278,019	278,019
Total noncurrent liabilities	152,526,726	158,606,617
Total Liabilities	181,763,926	188,076,514
Net Assets		
Unitholders' equity		
Unitholders' capital	162,790,718	162,790,718
Deduction from unitholders' capital	(1,750,502)	(2,448,596)
Unitholders' capital, net	161,040,215	160,342,122
Retained earnings		
Unappropriated retained earnings	4,697,068	4,649,872
Total retained earnings	4,697,068	4,649,872
Total unitholders' equity	165,737,284	164,991,994
Total Net Assets *2	165,737,284	164,991,994
Total Liabilities and Net Assets	347,501,210	353,068,509

(2) Statements of Income

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2014 To February 28, 2015	From March 1, 2015 To August 31, 2015
Operating revenues		
Rental revenues *1	10,514,131	10,651,301
Other rental revenues *1	477,733	424,001
Total operating revenues	10,991,864	11,075,303
Operating expenses		
Rental expenses *1	4,051,932	4,148,778
Asset management fee	1,042,210	1,096,931
Asset custody fee	4,948	5,574
Administrative service fees	17,178	18,130
Directors' remuneration	3,840	3,960
Audit fee	13,500	13,000
Taxes and dues	111	82
Other operating expenses	56,196	54,991
Total operating expenses	5,189,917	5,341,450
Operating income	5,801,946	5,733,852
Non-operating income		
Interest income	766	937
Interest on refund of consumption taxes	20	—
Total non-operating income	786	937
Non-operating expenses		
Interest expense	738,281	734,212
Interest expenses on investment corporation bonds	35,551	60,979
Amortization of investment corporation bond issuance costs	5,648	7,585
Borrowing related expenses	207,064	191,245
Amortization of investment unit issuance expenses	89,614	89,614
Offering costs associated with the issuance of investment units	29,979	897
Others, net	681	814
Total non-operating expenses	1,106,821	1,085,349
Ordinary income	4,695,911	4,649,440
Income before income taxes	4,695,911	4,649,440
Income taxes-current	753	1,264
Income taxes-deferred	27	(23)
Total income taxes	780	1,241
Net income	4,695,130	4,648,199
Accumulated earnings brought forward	1,937	1,672
Unappropriated retained earnings	4,697,068	4,649,872

(3) Statements of Changes in Net Assets

Prior period (From September 1, 2014 to February 28, 2015)

(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	130,572,839	(1,156,853)	129,415,985	3,972,883	3,972,883	133,388,869	133,388,869
Changes of items during the period							
Issuance of new investment units	32,217,879		32,217,879			32,217,879	32,217,879
Distributions in excess of retained earnings		(593,649)	(593,649)			(593,649)	(593,649)
Distributions of earnings				(3,970,946)	(3,970,946)	(3,970,946)	(3,970,946)
Net income				4,695,130	4,695,130	4,695,130	4,695,130
Total changes of items during the period	32,217,879	(593,649)	31,624,230	724,184	724,184	32,348,415	32,348,415
Balance at the end of the period *1	162,790,718	(1,750,502)	161,040,215	4,697,068	4,697,068	165,737,284	165,737,284

Current period (From March 1, 2015 to August 31, 2015)

(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	162,790,718	(1,750,502)	161,040,215	4,697,068	4,697,068	165,737,284	165,737,284
Changes of items during the period							
Distributions in excess of retained earnings		(698,093)	(698,093)			(698,093)	(698,093)
Distributions of earnings				(4,695,395)	(4,695,395)	(4,695,395)	(4,695,395)
Net income				4,648,199	4,648,199	4,648,199	4,648,199
Total changes of items during the period	—	(698,093)	(698,093)	(47,196)	(47,196)	(745,289)	(745,289)
Balance at the end of the period *1	162,790,718	(2,448,596)	160,342,122	4,649,872	4,649,872	164,991,994	164,991,994

(4) Statements of Distributions

(Unit: Yen)		
	Prior Period	Current Period
	From September 1, 2014 To February 28, 2015	From March 1, 2015 To August 31, 2015
I Unappropriated retained earnings	4,697,068,250	4,649,872,187
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	698,093,452	707,656,376
III Distributions	5,393,489,136	5,355,237,440
[Distributions per unit]	[2,256]	[2,240]
Of which, distributions of earnings	4,695,395,684	4,647,581,064
[Of which, distributions of earnings per unit]	[1,964]	[1,944]
Of which, distributions in excess of retained earnings	698,093,452	707,656,376
[Of which, distributions in excess of retained earnings per unit]	[292]	[296]
IV Retained earnings carried forward	1,672,566	2,291,123

Calculation method of distribution amount

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

Accordingly, GLP J-REIT declared a distribution amount of 4,695,395,684 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

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

Accordingly, GLP J-REIT declared a distribution amount of 4,647,581,064 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

(Continued)

(Continued)

(Continued)

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

Thus, GLP J-REIT declared the OPD of 698,093,452 yen, as a refund of investment, which was determined as follows: (1) the amount not exceeding the upper limit of 1,673,989,121 yen calculated by deducting capital expenditure of 655,328,724 yen from depreciation expense of 2,329,317,845 yen, and (2) approximately 30% of the depreciation expense of 2,329,317,845 yen for the period.

(Continued)

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

Thus, GLP J-REIT declared the OPD of 707,656,376 yen, as a refund of investment, which was determined as follows: (1) the amount not exceeding the upper limit of 1,956,391,325 yen calculated by deducting capital expenditure of 404,877,278 yen from depreciation expense of 2,361,268,603 yen, and (2) approximately 30% of the depreciation expense of 2,361,268,603 yen for the period.

(Note) For the time being, GLP J-REIT intends to make an OPD distribution 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.

(5) Statements of Cash Flows

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2014	From March 1, 2015
	To February 28, 2015	To August 31, 2015
Operating activities:		
Income before income taxes	4,695,911	4,649,440
Depreciation	2,329,317	2,361,268
Amortization of investment corporation bond issuance costs	5,648	7,585
Amortization of investment unit issuance expenses	89,614	89,614
Interest income	(766)	(937)
Interest expense	773,833	795,191
Loss on retirement of noncurrent assets	5,136	—
Decrease (increase) in operating accounts receivable	(103,284)	31,190
Decrease (increase) in prepaid expenses	(50,036)	41,801
Decrease (increase) in consumption taxes receivable	(797,297)	852,965
Decrease (increase) in other current assets	(810)	810
Decrease (increase) in long-term prepaid expenses	(265,925)	125,967
Increase (decrease) in operating accounts payable	24,239	35,570
Increase (decrease) in accounts payable	262,892	(76,626)
Increase (decrease) in consumption taxes payable	—	280,136
Increase (decrease) in advances received	269,549	40,017
Increase (decrease) in deposits received	(74,256)	(1,644)
Sub total	7,163,768	9,232,351
Interest received	766	937
Interest paid	(765,393)	(794,319)
Income taxes paid	(1,347)	(788)
Net cash provided by (used in) operating activities	6,397,794	8,438,182
Investing activities:		
Purchase of property and equipment	—	(73,220)
Purchase of property and equipment in trust	(54,620,702)	(7,756,083)
Proceeds from tenant leasehold and security deposits	944,684	119,869
Repayments of tenant leasehold and security deposits	(224,849)	(25,947)
Net cash provided by (used in) investing activities	(53,900,867)	(7,735,381)
Financing activities:		
Proceeds from short-term loans payable	3,350,000	2,000,000
Repayments of short-term loans payable	(1,650,000)	(2,000,000)
Proceeds from long-term loans payable	29,460,000	4,600,000
Repayments of long-term loans payable	(19,600,000)	—
Proceeds from issuance of investment corporation bonds	9,000,000	1,500,000
Payments for investment corporation bond issuance costs	(51,985)	(12,836)
Proceeds from issuance of investment units	32,115,917	—
Payments of distributions of earnings	(3,969,774)	(4,694,549)
Payments of distributions in excess of retained earnings	(593,412)	(697,324)
Net cash provided by (used in) financing activities	48,060,744	695,289
Net increase (decrease) in cash and cash equivalents	557,670	1,398,089
Cash and cash equivalents at beginning of period	9,201,033	9,758,704
Cash and cash equivalents at end of period *1	9,758,704	11,156,794

(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 style="margin-left: 40px;"> <tr> <td>Buildings</td> <td style="text-align: right;">2 to 55 years</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">2 to 57 years</td> </tr> <tr> <td>Machinery and equipment</td> <td style="text-align: right;">6 to 12 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td style="text-align: right;">2 to 15 years</td> </tr> </table>	Buildings	2 to 55 years	Structures	2 to 57 years	Machinery and equipment	6 to 12 years	Tools, furniture and fixtures	2 to 15 years
Buildings	2 to 55 years								
Structures	2 to 57 years								
Machinery and equipment	6 to 12 years								
Tools, furniture and fixtures	2 to 15 years								
3. Accounting treatment for deferred assets	<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 remaining life 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 tax are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 92,397 thousand yen for the prior period and 2,025 thousand yen for the current 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 variable rate loans payable. Where deferral accounting is generally adopted for hedge transactions, GLP J-REIT applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense or income, respectively.</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.</p>								

6. Cash and cash equivalents as stated in the Statements of Cash Flows	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.
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 sheets and income statement 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) 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	Current Period
	As of February 28, 2015	As of August 31, 2015
Total amount of commitment line agreement	—	6,000,000
Balance executed as loans	—	—
Unused line of credit	—	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	Current Period
	As of February 28, 2015	As of August 31, 2015
50,000	50,000	50,000

(Notes to Statements of Income)

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

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2014	From March 1, 2015
	To February 28, 2015	To August 31, 2015
A. Property-related revenues		
Rental revenues:		
Rental revenues	10,176,848	10,312,736
Common area charges	337,282	338,565
Total	10,514,131	10,651,301
Other revenues related to property leasing		
Utility charges	292,962	300,414
Parking lots	31,911	32,093
Others	152,859	91,493
Total	477,733	424,001
Total property-related revenues	10,991,864	11,075,303
B. Property-related expenses		
Rental expenses:		
Taxes and dues	742,745	958,288
Property and facility management fees	401,935	404,170
Utilities	316,202	310,901
Repairs and maintenance	169,472	53,880
Casualty insurance	18,466	18,097
Depreciation	2,329,317	2,361,268
Loss on retirement of noncurrent assets	5,136	—
Others	68,655	42,171
Total property-related expenses	4,051,932	4,148,778
C. Operating income from property leasing (A – B)	6,939,932	6,926,524

(Notes to Statements of Changes in Net Assets)

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

	Prior Period	Current Period
	From September 1, 2014	From March 1, 2015
	To February 28, 2015	To August 31, 2015
Number of investment units authorized	16,000,000 units	16,000,000 units
Number of investment units issued and outstanding	2,390,731 units	2,390,731 units

(Notes to Statements of Cash Flows)

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

	(Unit: Thousand yen)	
	Prior Period From September 1, 2014 To February 28, 2015	Current Period From March 1, 2015 To August 31, 2015
Cash and deposits	4,691,150	5,581,570
Cash and deposits in trust	5,067,554	5,575,223
Cash and cash equivalents	9,758,704	11,156,794

(Leases)

Operating lease transactions (As Lessor)

Future minimum rental revenues

	(Unit: Thousand yen)	
	Prior Period As of February 28, 2015	Current Period As of August 31, 2015
Due within one year	19,591,659	19,478,057
Due after one year	53,345,941	55,284,580
Total	72,937,600	74,762,637

(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 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 commitment line agreements, and manages such liquidity risk by preparing and monitoring the forecasted cash flows.

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

under the Management Guidelines of the Asset Manager.

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

(3) Supplemental explanation regarding fair values of financial instruments

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

2. Estimated fair value of financial instruments

Prior Period (As of February 28, 2015)

Book value, fair value and difference between the values as of February 28, 2015 are as follows. Financial instruments for which fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	4,691,150	4,691,150	—
(2) Cash and deposits in trust	5,067,554	5,067,554	—
Total assets	9,758,704	9,758,704	—
(1) Short-term loans payable	1,700,000	1,700,000	—
(2) Current portion of long-term loans payable	23,800,000	23,849,143	49,143
(3) Investment corporation bonds	17,000,000	17,144,800	144,800
(4) Long-term loans payable	127,980,000	129,333,650	1,353,650
Total liabilities	170,480,000	172,027,593	1,547,593
Derivative transactions	—	—	—

Current Period (As of August 31, 2015)

Book value, fair value and difference between the values as of August 31, 2015 are as follows. Financial instruments for which fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	5,581,570	5,581,570	—
(2) Cash and deposits in trust	5,575,223	5,575,223	—
Total assets	11,156,794	11,156,794	—
(1) Short-term loans payable	1,700,000	1,700,000	—
(2) Current portion of long-term loans payable	23,800,000	23,819,091	19,091
(3) Investment corporation bonds	18,500,000	18,640,350	140,350
(4) Long-term loans payable	132,580,000	133,722,453	1,142,453
Total liabilities	176,580,000	177,881,895	1,301,895
Derivative transactions	—	(8,758)	(8,758)

(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 disclosed 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 fair value is difficult to estimate are as follows:

(Unit: Thousand yen)

Account name	Prior Period As of February 28, 2015	Current Period As of August 31, 2015
Tenant leasehold and security deposits	7,268,707	7,248,598
Tenant leasehold and security deposits in trust	278,019	278,019
Total	7,546,726	7,526,617

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

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

Prior Period (As of February 28, 2015)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	4,691,150
Cash and deposits in trust	5,067,554
Total	9,758,704

Current Period (As of August 31, 2015)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	5,581,570
Cash and deposits in trust	5,575,223
Total	11,156,794

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

Prior Period (As of February 28, 2015)

(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	—	11,000,000
Long-term loans payable	23,800,000	24,280,000	26,260,000	14,800,000	24,050,000	38,590,000
Total	23,800,000	24,280,000	26,260,000	20,800,000	24,050,000	49,590,000

Current Period (As of August 31, 2015)

(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	—	12,500,000
Long-term loans payable	23,800,000	26,240,000	24,300,000	15,600,000	24,050,000	42,390,000
Total	23,800,000	26,240,000	24,300,000	21,600,000	24,050,000	54,890,000

(Investment Securities)

Prior Period (As of February 28, 2015) and Current Period (As of August 31, 2015)

None

(Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of February 28, 2015) and Current Period (As of August 31, 2015)

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 February 28, 2015)

(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	115,990,000	92,190,000	(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 August 31, 2015)

(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	131,140,000 (Note 1)	107,340,000 (Note 1)	(8,758) (Note 2)	(Note 3)

(Note 1) The amount includes the contract amount of interest rate swap (11,350 million yen) entered on August 28, 2015. The start date of the loan that is the hedged item is September 1, 2015.

(Note 2) Concerning the aforementioned interest rate swap entered on August 28, 2015, the fair value as of August 31, 2015 is stated since it is not accounted for as an integral component of long-term loan payable under the special accounting treatment due to the fact that no such loan payable is not yet recognized as of the fiscal period then ended. Interest rate swaps under the special accounting treatment, except for those aforementioned, 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 3) Fair value is measured by the counterparty of the relevant transaction based on market rates.

(Retirement Benefit Plans)

Prior Period (As of February 28, 2015) and Current Period (As of August 31, 2015)

None

(Equity in Income)

Prior Period (As of February 28, 2015) and Current Period (As of August 31, 2015)

No affiliate exists, thus, none to report.

(Asset Retirement Obligation)

Prior Period (As of February 28, 2015) and Current Period (As of August 31, 2015)

None

(Deferred Tax Accounting)

1. Significant components of deferred tax assets and liabilities

(Unit: Thousand yen)

	Prior Period As of February 28, 2015	Current Period As of August 31, 2015
Deferred tax assets		
Enterprise tax payable	7	30
Total	7	30
Net deferred tax assets	7	30

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 February 28, 2015	Current Period As of August 31, 2015
Statutory effective tax rate	34.16	34.15
(Adjustments)		
Distributions deductible for tax purposes	(34.16)	(34.14)
Other	0.02	0.02
Actual tax rate	0.02	0.03

(Related Party Transactions)

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

Prior Period (From September 1, 2014 to February 28, 2015)

None

Current Period (From March 1, 2015 to August 31, 2015)

None

2. Transactions and account balances with affiliates

Prior Period (From September 1, 2014 to February 28, 2015)

None

Current Period (From March 1, 2015 to August 31, 2015)

None

3. Transactions and account balances with companies under common control

Prior Period (From September 1, 2014 to February 28, 2015)

Classification	Name of the company	Location	Stated capital (Thousands of yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousands of yen)	Account title	Balance (Thousands of yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	100,000	Investment advisory/agency	—	Entrustment of property management Patent license	Property management fee	204,023	Operating accounts payable	35,357
							Royalty fee (Note 2)	7,500	—	—
							Leasing commission	15,508	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Note 2, 3)	1,203,700	Accounts payable	983,470
	Tokyo 2 Logistic Special Purpose Company (Note 4)	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	36,100,000	—	—
							Receipt of deposits	70,824	—	—
							Acceptance of security deposits	431,032	—	—
	Okegawa Logistic Special Purpose Company (Note 5)	Minato-ku, Tokyo	604,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	2,420,000	—	—
							Acceptance of security deposits	41,808	—	—
	Seishin Logistic Special Purpose Company (Note 6)	Minato-ku, Tokyo	473,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	1,470,000	—	—
							Acceptance of security deposits	27,734	—	—
	Fukusaki Logistic Special Purpose Company (Note 7)	Minato-ku, Tokyo	176,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	3,640,000	—	—
							Receipt of deposits	6,059	Deposits received	1,644
							Acceptance of security deposits	60,179	—	—
	Azalea Special Purpose Company	Minato-ku, Tokyo	24,375,600	Real estate	—	—	Purchase of beneficiary right of real estate in trust	10,200,000	—	—
Acceptance of security deposits							166,753	—	—	
GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,630,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	30,513	Advances received	5,496	

(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) Asset management fee above includes management fees of 161,490 thousand yen capitalized as part of acquisition costs of properties.

(Note 4) Tokyo 2 Logistic Special Purpose Company has been liquidated effective April 8, 2015.

(Note 5) Okegawa Logistic Special Purpose Company has been liquidated effective April 8, 2015.

(Note 6) Seishin Logistic Special Purpose Company has been liquidated effective April 8, 2015.

(Note 7) Fukusaki Logistic Special Purpose Company has been liquidated effective April 8, 2015.

Current Period (From March 1, 2015 to August 31, 2015)

Classification	Name of the company	Location	Stated capital (Thousands of yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousands of yen)	Account title	Balance (Thousands of yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	100,000	Investment advisory/agency	—	Entrustment of property management Patent license	Property management fee	203,774	Operating accounts payable	40,353
							Royalty fee (Note 2)	7,500	—	—
							Leasing commission	14,329	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Note 2, 3)	1,118,381	Accounts payable	1,014,412
	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,410,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	30,534	Advances received	5,496
	Kobe-Nishi Logistic Special Purpose Company	Minato-ku, Tokyo	60,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	7,150,000	—	—
							Acceptance of security deposits	102,851	—	—
	GLP Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	7,152	Operating accounts receivable	628

(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) Asset management fee above includes the management fee of 21,450 thousand yen capitalized as part of an acquisition cost of GLP Kobe-Nishi.

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

Prior Period (From September 1, 2014 to February 28, 2015)

None

Current Period (From March 1, 2015 to August 31, 2015)

None

(Investment and Rental Properties)

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

(Unit: Thousand yen)

	Prior Period From September 1, 2014 To February 28, 2015	Current Period From March 1, 2015 To August 31, 2015
Book value		
Balance at the beginning of the period	282,337,462	334,800,384
Change during the period	52,462,922	5,232,993
Balance at the end of the period	334,800,384	340,033,378
Fair value at the end of the period	370,595,000	385,580,000

(Note 1) The amount on the balance sheets 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 was primarily due to the acquisition of the following nine properties in the total amount of 54,142,047 thousand yen: GLP Tokyo II, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka and GLP Chikushino), whereas the major decrease was due to depreciation of 2,329,317 thousand yen. Similarly, the major increase for the current period was primarily due to the acquisition of the following one property in the amount of 7,189,385 thousand yen: GLP Kobe-Nishi, whereas the major decrease was due to depreciation of 2,361,268 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 “Multi-tenant Property” reportable segment, whereas a build-to-suit (“BTS”) properties developed for a single tenant or a property with a single tenant have been aggregated and presented as “BTS Property” reportable segment.

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

Multi-tenant property: GLP Tokyo, GLP Sugito II, GLP Koshigaya II, GLP Misato II, GLP Amagasaki, GLP Koriyama III, GLP Urayasu III, GLP Komaki and GLP Tokyo 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 Tosu III, GLP Sendai, GLP Hamura, GLP Funabashi

III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana, GLP Hatsukaichi, GLP Tatsumi Ila, GLP Tatsumi Iib, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka, GLP Chikushino and GLP Kobe-Nishi.

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 (February 28, 2015)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	4,945,846	6,046,018	—	10,991,864
Segment income	3,065,321	3,874,611	(1,137,985)	5,801,946
Segment assets	158,384,202	181,802,931	7,314,076	347,501,210
Other items				
Depreciation	929,012	1,400,305	—	2,329,317
Increase in property and equipment	36,437,429	18,353,709	(17,749)	54,773,390

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

(Note 2) Reconciling items to segment income of 1,137,985 thousand yen consist of corporate expenses of 1,137,985 thousand yen that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors’ remuneration and other expenses.

Reconciling items to segment assets in the amount of 7,314,076 thousand yen include current assets of 5,894,532 thousand yen, investments and other assets of 1,108,593 thousand yen and deferred assets of 310,950 thousand yen.

Reconciling items to increase in property and equipment under other items in the negative amount of 17,749 thousand yen consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress of 17,749 thousand yen.

Current Period (August 31, 2015)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	4,975,685	6,099,617	—	11,075,303
Segment income	3,015,306	3,911,217	(1,192,671)	5,733,852
Segment assets	157,613,336	188,265,734	7,189,438	353,068,509
Other items				
Depreciation	931,077	1,430,190	—	2,361,268
Increase in property and equipment	50,789	7,543,472	73,301	7,667,563

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

(Note 2) Reconciling items to segment income of 1,192,671 thousand yen consist of corporate expenses of 1,192,671 thousand yen that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors’ remuneration and other expenses.

Reconciling items to segment assets in the amount of 7,189,438 thousand yen include current assets of 5,906,923

thousand yen, property and equipment of 73,301 thousand yen, investments and other assets of 982,626 thousand yen and deferred assets of 226,587 thousand yen.

Reconciling items to increase in property and equipment under other items in the amount of 73,301 thousand yen consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress of 73,301 thousand yen.

(Related Information)

Prior Period (From September 1, 2014 to February 28, 2015)

1. Revenue information by product and service

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

2. Information by geographic area

(1) Operating revenues

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

(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 March 1, 2015 to August 31, 2015)

1. Revenue information by product and service

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

2. Information by geographic area

(1) Operating revenues

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

(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 September 1, 2014 To February 28, 2015	Current Period From March 1, 2015 To August 31, 2015
Net assets per unit	69,324 yen	69,013 yen
Net income per unit	1,965 yen	1,944 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 there are no diluted units.

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

	Prior Period From September 1, 2014 To February 28, 2015	Current Period From March 1, 2015 To August 31, 2015
Net income	4,695,130 thousand yen	4,648,199 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	4,695,130 thousand yen	4,648,199 thousand yen
Average number of investment units during the period	2,389,292 units	2,390,731 units

(Significant Subsequent Events)

1. Issuance of new investment units

At the Board of Directors' Meetings held on August 10, 2015 and August 19, 2015, GLP J-REIT resolved to issue the following new investment units. The proceeds from new investment units through a public offering were fully collected on September 1, 2015 while the proceeds from new investment units through a third-party allocation were fully collected on September 25, 2015.

[Issuance of new investment units through a public offering]

Number of new investment units to be issued:	197,594 units (79,411 units for domestic market, 118,183 units for international market)
Issue price (Offer price):	114,174 yen per unit
Total amount issued (total offering amount):	22,560,097,356 yen
Amount to be paid in (issue amount):	110,247 yen per unit
Total amount to be paid in (total issue amount):	21,784,145,718 yen
Payment date	September 1, 2015
Initial date of distribution calculation:	September 1, 2015

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

Number of new investment units issued:	5,459 units
Amount to be paid in (issue amount):	110,247 yen per unit
Total amount to be paid in (total issue amount):	601,838,373 yen
Payment date	September 25, 2015
Initial date of distribution calculation:	September 1, 2015
Underwriter:	Nomura Securities Co., Ltd.

[Purpose of funding]

The funds raised through the public offering were partially appropriated for the acquisition of beneficiary rights of real estate in trust stated below in "2. Acquisition of assets." The funds raised through the third-party allocation were kept as cash on hand. Of which, 480,000,000 yen was used for an early repayment of a portion of long-term borrowings due on February 28, 2017. (The repayment was completed on October 7, 2015.)

2. Acquisition of assets

GLP J-REIT acquired the five properties shown below in the form of trust beneficiary interests (with the total acquisition price of 38,090 million yen). The acquisition price (the purchase price stated in the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust) excludes acquisition costs such as direct expenses for acquisition, property-related taxes and consumption taxes.

Property name	Acquisition date	Location	Seller	Acquisition price (Millions of yen)
GLP Shinkiba	September 1, 2015	Koto-ku, Tokyo	Shinkiba Logistic Special Purpose Company	11,540
GLP Narashino	September 1, 2015	Narashino, Chiba	Narashino Logistic Special Purpose Company	5,320
GLP Narita II	September 1, 2015	Sanbu, Chiba	Narita 2 Logistic Special Purpose Company	3,700
GLP Sugito	September 1, 2015	Kita-Katsushika, Saitama	Sugito Logistic Special Purpose Company	8,310
GLP Tosu I	September 1, 2015	Tosu, Saga	Tosu 1 Logistic Special Purpose Company	9,220
Total	—	—	—	38,090

3. Borrowing of funds

GLP J-REIT borrowed funds for acquisition of assets and related costs as stated in “2. Acquisition of assets” above.

Lender	Loan amount (Millions of yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,200	JBA yen 1month TIBOR plus 0.1%	September 1, 2015	September 2, 2016	Lump-sum repayment on repayment date	Unsecured not guaranteed
Sumitomo Mitsui Banking Corporation/ The Bank of Tokyo-Mitsubishi UFJ, Ltd./ Mizuho Bank, Ltd./ Mitsubishi UFJ Trust and Banking Corporation/ Citibank Japan Ltd./ The Bank of Fukuoka, Ltd./ Development Bank of Japan Inc./ The Norinchukin Bank/ Resona Bank, Limited./ Sumitomo Mitsui Trust Bank, Limited./ Shinsei Bank, Limited./ The 77 Bank, Ltd.	10,050	JBA yen 3month TIBOR plus 0.245% (Note 1)		February 28, 2022		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,300	JBA yen 3month TIBOR plus 0.325% (Note 2)		September 1, 2025		
Total	14,550	-	-	-	-	-

(Note 1) GLP J-REIT entered into an interest rate swap agreement on August 28, 2015 and the interest rate has been substantially fixed at 0.612%.

(Note 2) GLP J-REIT entered into an interest rate swap agreement on August 28, 2015 and the interest rate has been substantially fixed at 0.959%.

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

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

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Millions of yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
September 16, 2011	Establishment through private placement	200	200	100	100	(Note 2)
December 14, 2011	Issuance of new units through allocation to a third party	20	220	10	110	(Note 3)
June 22, 2012	Issuance of new units through allocation to a third party	180	400	90	200	(Note 4)
October 31, 2012	Unit split	2,800	3,200	—	200	(Note 5)
December 20, 2012	Public offering	1,747,100	1,750,300	102,189	102,389	(Note 6)
January 21, 2013	Issuance of new units through allocation to a third party	87,400	1,837,700	5,112	107,501	(Note 7)
May 22, 2013	Distributions in excess of retained earnings (a refund of investment)	—	1,837,700	(154)	107,347	(Note 8)
September 26, 2013	Public offering	249,955	2,087,655	22,179	129,527	(Note 9)
October 16, 2013	Issuance of new units through allocation to a third party	10,045	2,097,700	891	130,418	(Note 10)
November 19, 2013	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(475)	129,942	(Note 11)
May 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(526)	129,415	(Note 12)
September 1, 2014	Public offering	281,709	2,379,409	30,973	160,389	(Note 13)
September 24, 2014	Issuance of new units through allocation to a third party	11,322	2,390,731	1,244	161,633	(Note 14)
November 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(593)	161,040	(Note 15)
May 19, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(698)	160,342	(Note 16)

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

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

- (Note 3) In order to obtain necessary operating funds, GLP J-REIT issued new investment units through a third party allocation at 500,000 yen per unit.
- (Note 4) In order to obtain necessary operating funds, GLP J-REIT issued new investment units through a third party allocation at 500,000 yen per unit.
- (Note 5) GLP J-REIT executed an 8-for-1 unit split.
- (Note 6) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 58,491 yen or the offer price of 60,500 yen per unit.
- (Note 7) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 58,491 yen.
- (Note 8) At the Board of Directors' Meeting held on April 16, 2013, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 84 yen per unit for the 2nd Fiscal Period (the period ended February 28, 2013). The payment of distributions was commenced on May 22, 2013.
- (Note 9) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 88,735 yen or the offer price of 91,942 yen per unit.
- (Note 10) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 88,735 yen.
- (Note 11) At the Board of Directors' Meeting held on October 16, 2013, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 259 yen per unit for the 3rd Fiscal Period (the period ended August 31, 2013). The payment of distributions was commenced on November 19, 2013.
- (Note 12) At the Board of Directors' Meeting held on April 15, 2014, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 251 yen per unit for the 4th Fiscal Period (the period ended February 28, 2014). The payment of distributions was commenced on May 19, 2014.
- (Note 13) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 109,947 yen or the offer price of 113,827 yen per unit.
- (Note 14) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue price of 109,947 yen.
- (Note 15) At the Board of Directors' Meeting held on October 15, 2014, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 283 yen per unit for the 5th Fiscal Period (the period ended August 31, 2014). The payment of distributions was commenced on November 19, 2014.
- (Note 16) At the Board of Directors' Meeting held on April 14, 2015, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 292 yen per unit for the 6th Fiscal Period (the period ended February 28, 2015). The payment of distributions was commenced on May 19, 2015.

4. Changes in Directors

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

5. Reference Information

(1) Investment Status

Type of asset	Area (Note 1)	Prior Period February 28, 2015		Current Period August 31, 2015	
		Total amount held (Millions of yen) (Note 2)	As a ratio to total assets (%) (Note 3)	Total amount held (Millions of yen) (Note 2)	As a ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Tokyo metropolitan area	209,463	60.3	208,378	59.0
	Greater Osaka area	69,501	20.0	76,156	21.6
	Other	55,835	16.1	55,497	15.7
Sub Total		334,800	96.3	340,033	96.3
Deposits and other assets		12,700	3.7	13,035	3.7
Total assets (Note 5) (Note 6)		347,501 [334,800]	100.0 [96.3]	353,068 [340,033]	100.0 [96.3]

	Amount (Millions of yen)	As a ratio to total assets (%) (Note 3)	Amount (Millions of yen)	As a ratio to total assets (%) (Note 3)
Total liabilities (Note 5)	181,763	52.3	188,076	53.3
Total net assets (Note 5)	165,737	47.7	164,991	46.7

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

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

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

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

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

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

(2) Portfolio Overview

The following table summarizes the beneficiary rights of real estate in trust or the real estate properties in trust and the OTA assets held by GLP J-REIT at the fiscal period end. Each figure in this table is the information as of August 31, 2015 unless otherwise stated.

Property number	Property name	Acquisition price (planned) (Millions of yen) (Note 1)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 2)	Share (%) (Note 3)	Leasable area (m ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	22,276	25,900	6.6	56,105.95	56,105.95	100.0	5
Tokyo-2	GLP Higashi-Ogishima	4,980	5,011	5,950	1.4	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,160	7,088	8,220	2.1	27,356.63	27,356.63	100.0	3
Tokyo-4	GLP Tomisato	4,990	4,819	5,480	1.4	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	15,078	18,700	4.4	104,543.59	104,543.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,924	1,840	0.5	10,668.05	-	-	-
Tokyo-7	GLP Kazo	11,500	11,018	13,200	3.3	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,327	2,710	0.7	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	18,376	21,300	5.5	101,272.40	100,162.57	98.9	4
Tokyo-10	GLP Iwatsuki	6,940	6,753	7,780	2.0	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	4,077	4,740	1.2	18,460.73	18,460.73	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,572	11,000	2.8	43,537.47	43,537.47	100.0	2
Tokyo-13	GLP Misato II	14,600	14,274	16,800	4.2	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,910	5,750	1.4	12,925.58	12,925.58	100.0	1
Tokyo-15	GLP Hamura	7,660	7,621	8,660	2.2	40,277.93	40,277.93	100.0	1
Tokyo-16	GLP Funabashi III	3,050	3,063	3,770	0.9	18,281.84	18,281.84	100.0	1
Tokyo-17	GLP Sodegaura	6,150	6,025	7,410	1.8	45,582.06	45,582.06	100.0	1
Tokyo-18	GLP Urayasu III	18,200	18,050	19,400	5.3	64,198.11	64,198.11	100.0	2
Tokyo-19	GLP Tatsumi IIa	6,694	6,712	7,370	1.9	17,108.52	17,108.52	100.0	1
Tokyo-20	GLP Tatsumi IIb	1,056	1,061	1,140	0.3	3,359.00	3,359.00	100.0	1
Tokyo-21	GLP Tokyo II	36,100	35,926	37,400	10.4	79,073.21	79,073.21	100.0	6
Tokyo-22	GLP Okegawa	2,420	2,409	2,570	0.7	17,062.92	17,062.92	100.0	1
Osaka-1	GLP Hirakata	4,750	4,690	5,120	1.4	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,748	8,590	2.3	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	8,970	8,549	10,500	2.6	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,023	2,210	0.6	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	5,090	5,600	1.5	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,500	23,863	26,500	7.1	110,224.41	110,224.41	100.0	7
Osaka-7	GLP Amagasaki II	2,040	2,016	2,210	0.6	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,269	2,700	0.7	19,545.35	19,545.35	100.0	1
Osaka-9	GLP Sakai	2,000	1,934	2,160	0.6	10,372.10	10,372.10	100.0	1
Osaka-10	GLP Rokko II	3,430	3,345	4,140	1.0	20,407.30	20,407.30	100.0	1
Osaka-11	GLP Kadoma	2,430	2,432	2,780	0.7	12,211.73	12,211.73	100.0	1
Osaka-12	GLP Seishin	1,470	1,463	1,580	0.4	9,533.88	9,533.88	100.0	1
Osaka-13	GLP Fukusaki	3,640	3,578	4,000	1.1	24,167.83	24,167.83	100.0	1

Property number	Property name	Acquisition price (planned) (Millions of yen) (Note 1)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 2)	Share (%) (Note 3)	Leasable area (m ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Osaka-14	GLP Kobe-Nishi	7,150	7,150	7,420	2.1	35,417.31	35,417.31	100.0	1
Other-1	GLP Morioka	808	829	858	0.2	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	2,820	2,714	2,970	0.8	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	3,870	4,430	1.2	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,647	2,690	0.8	27,671.52	21,591.54	78.0	4
Other-5	GLP Tokai	6,210	6,059	7,170	1.8	32,343.31	32,343.31	100.0	1
Other-6	GLP Hayashima	1,190	1,212	1,310	0.3	13,574.58	13,574.58	100.0	1
Other-7	GLP Hayashima II	2,460	2,350	2,620	0.7	14,447.48	14,447.48	100.0	1
Other-8	GLP Kiyama	4,760	4,499	5,290	1.4	23,455.96	23,455.96	100.0	1
Other-9	GLP Tosu III	793	846	892	0.2	11,918.00	11,918.00	100.0	1
Other-10	GLP Sendai	5,620	5,410	6,220	1.6	37,256.23	37,256.23	100.0	1
Other-11	GLP Ebetsu	1,580	1,539	1,960	0.5	18,489.25	18,489.25	100.0	1
Other-12	GLP Kuwana	3,650	3,556	4,280	1.1	20,402.12	20,402.12	100.0	1
Other-13	GLP Hatsukaichi	1,980	1,937	2,350	0.6	10,981.89	10,981.89	100.0	1
Other-14	GLP Komaki	10,300	10,204	11,600	3.0	52,709.97	52,709.97	100.0	2
Other-15	GLP Ogimachi	1,460	1,470	1,530	0.4	13,155.28	13,155.28	100.0	1
Other-16	GLP Hiroshima	3,740	3,727	3,950	1.1	21,003.04	21,003.04	100.0	2
Other-17	GLP Fukuoka	1,520	1,523	1,600	0.4	14,641.22	14,641.22	100.0	1
Other-18	GLP Chikushino	1,050	1,097	1,260	0.3	12,851.46	12,851.46	100.0	1
Total portfolio		346,041	340,033	385,580	100.0	1,727,949.60	1,710,091.74	99.0	82

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

OTA Assets (Note 8)									
N/A	GLP Noda-Yoshiharu	(Note 9)	—	4,880	—	26,631.40	26,631.40	100.0	1

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

(Note 2) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trusts Association, Japan. Concerning the OTA assets, the appraisal value at the time of pricing, on June 15, 2015, 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 off to the first decimal place.

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

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

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

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

(Note 8) 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 (“MUJ L&F”) Group that the

asset will be temporarily owned by Central Compass 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”.

(Note 9) 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, Central Compass 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 in advance upon by both parties and (ii) actual expenses incurred cumulatively over the period from the conclusion date to the date of acquisition executed 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 current fiscal period end. Estimated construction cost includes the amounts to be expensed for accounting purpose.

Property name	Location	Purpose	Planned period	Estimated construction cost (Millions of yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Funabashi III	Funabashi, Chiba	Extensive renovation of North-side exterior walls and roof surfaces	From June 2016 to August 2016	52	—	—
GLP Ogimachi	Sendai, Miyagi	Folded-plate roof renovation	From September 2015 to October 2015	50	—	—
GLP Sendai	Sendai, Miyagi	Renovation of South-side exterior walls	From December 2015 to February 2016	46	—	—
GLP Koriyama III	Koriyama, Fukushima	Renovation of roof waterproofing of Building No.1	From July 2016 to August 2016	45	—	—
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of water cooled chillers	From October 2015 to November 2015	35	—	—
GLP Tokyo II	Koto-ku, Tokyo	Replacement of watt-hour meters	From March 2016 to April 2016	27	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls	From December 2015 to February 2016	20	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls	From April 2016 to June 2016	20	—	—
GLP Chikushino	Chikushino, Fukuoka	Renovation of drive unit of Omni-lifter No. 2	From May 2016 to June 2016	11	—	—

Property name	Location	Purpose	Planned period	Estimated construction cost (Millions of yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Tosu III	Tosu, Saga	Renovation of track berth asphalt of the Rack Building	From December 2015 to January 2016	10	—	—
GLP Tosu III	Tosu, Saga	Replacement of air conditioners in picking-up areas	From December 2015 to January 2016	9	—	—
GLP Tosu III	Tosu, Saga	Replacement of air conditioners in picking-up areas	From May 2016 to June 2016	9	—	—

(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 404 million yen. The total construction cost amounted to 458 million yen, including repair and maintenance of 53 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Millions of yen)
GLP Funabashi III	Funabashi, Chiba	Renovation of South-side exterior walls	From June 2015 to August 2015	58
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of air conditioners	From May 2015 to June 2015	32
GLP Chikushino	Chikushino, Fukuoka	Folded-plate roof renovation	From June 2015 to August 2015	30
GLP Ogimachi	Sendai, Miyagi	Renovation of extension building roof	From June 2015 to August 2015	25
GLP Chikushino	Chikushino, Fukuoka	Renovation of walls and anti-rust coating for iron parts	From June 2015 to August 2015	21
GLP Morioka	Shiwa, Iwate	Renovation of East-side exterior walls	From June 2015 to July 2015	16
GLP Tosu III	Tosu, Saga	Renovation of asphalt pavement around an administration building	From May 2015 to June 2015	9
GLP Tosu III	Tosu, Saga	Replacement of air conditioners	From June 2015 to June 2015	9
Other	—	—	—	202
Total				404

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

The 7th Fiscal Period (From March 1, 2015 to August 31, 2015)

(Unit in amount: Thousand yen)

Property number	Tokyo-1	Tokyo-2	Tokyo-3	Tokyo-4	Tokyo-5	Tokyo-6	Tokyo-7
Property name	GLP Tokyo	GLP Higashi-Ogishima	GLP Akishima	GLP Tomisato	GLP Narashino II	GLP Funabashi	GLP Kazo
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues	708,853	(Note)	(Note)	(Note)	(Note)	2,776	(Note)
(2) Property-related expenses	153,433					27,729	
Taxes and dues	56,852					9,547	
Property and facility management fees	38,580					2,497	
Utilities	50,389					2,877	
Repair and maintenance	1,780					12,055	
Casualty insurance	757					115	
Others	5,075					636	
(3) NOI((1)-(2))	555,420	157,625	199,042	138,729	404,855	(24,953)	324,667
(4) Depreciation	118,796	38,989	28,310	38,895	126,364	14,350	102,970
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	436,623	118,635	170,731	99,833	278,491	(39,303)	221,697
(7) Capital expenditure	9,022	45,847	—	60	20,846	4,099	3,873
(8) NCF((3)-(7))	546,398	111,778	199,042	138,669	384,009	(29,052)	320,794

Property number	Tokyo-8	Tokyo-9	Tokyo-10	Tokyo-11	Tokyo-12	Tokyo-13	Tokyo-14
Property name	GLP Fukaya	GLP Sugito II	GLP Iwatsuki	GLP Kasukabe	GLP Koshigaya II	GLP Misato II	GLP Tatsumi
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues	(Note)	659,141	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses		140,839					
Taxes and dues		50,094					
Property and facility management fees		44,020					
Utilities		42,652					
Repair and maintenance		517					
Casualty insurance		1,183					
Others		2,371					
(3) NOI((1)-(2))	79,517	518,301	183,098	115,479	257,447	390,040	124,780
(4) Depreciation	28,096	145,487	45,210	36,118	54,749	76,749	15,724
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	51,421	372,813	137,888	79,360	202,697	313,290	109,056
(7) Capital expenditure	8,710	5,151	2,000	5,621	575	—	85
(8) NCF((3)-(7))	70,807	513,150	181,098	109,858	256,872	390,040	124,695

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	184	184	184	184	184	184	184
(1) Property-related revenues							1,028,439
(2) Property-related expenses							221,157
Taxes and dues							83,804
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	61,316
Utilities							70,002
Repair and maintenance							2,473
Casualty insurance							1,094
Others							2,466
(3) NOI((1)-(2))	203,839	83,748	189,448	430,672	161,809	30,097	807,282
(4) Depreciation	38,739	19,870	41,076	100,254	19,552	5,125	176,707
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	165,099	63,878	148,371	330,418	142,257	24,971	630,575
(7) Capital expenditure	17,160	58,000	—	4,406	4,755	614	9,234
(8) NCF((3)-(7))	186,679	25,748	189,448	426,266	157,054	29,483	798,048

Property number	Tokyo-22	Osaka-1	Osaka-2	Osaka-3	Osaka-4	Osaka-5	Osaka-6
Property name	GLP Okegawa	GLP Hirakata	GLP Hirakata II	GLP Maishima II	GLP Tsumori	GLP Rokko	GLP Amagasaki
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues							823,785
(2) Property-related expenses							189,053
Taxes and dues							71,403
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	46,734
Utilities							64,045
Repair and maintenance							3,487
Casualty insurance							1,280
Others							2,101
(3) NOI((1)-(2))	74,144	143,877	222,192	237,660	65,583	169,482	634,731
(4) Depreciation	22,386	23,221	52,543	95,396	8,048	28,405	163,225
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	51,757	120,655	169,648	142,264	57,535	141,076	471,506
(7) Capital expenditure	10,349	2,667	722	660	10,331	2,036	9,271
(8) NCF((3)-(7))	63,794	141,210	221,470	237,000	55,252	167,446	625,460

Property number	Osaka-7	Osaka-8	Osaka-9	Osaka-10	Osaka-11	Osaka-12	Osaka-13
Property name	GLP Amagasaki II	GLP Nara	GLP Sakai	GLP Rokko II	GLP Kadoma	GLP Seishin	GLP Fukusaki
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues							
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	63,036	77,181	58,364	117,407	74,142	45,449	112,417
(4) Depreciation	12,165	34,806	17,075	27,442	10,225	10,779	42,730
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	50,870	42,374	41,288	89,965	63,916	34,670	69,686
(7) Capital expenditure	464	57	—	—	1,540	413	2,377
(8) NCF((3)-(7))	62,572	77,124	58,364	117,407	72,602	45,036	110,040

Property number	Osaka-14	Other-1	Other-2	Other-3	Other-4	Other-5	Other-6
Property name	GLP Kobe-Nishi	GLP Morioka	GLP Tomiya	GLP Koriyama I	GLP Koriyama III	GLP Tokai	GLP Hayashima
Operating dates	123	184	184	184	184	184	184
(1) Property-related revenues					107,175		
(2) Property-related expenses					27,155		
Taxes and dues					11,827		
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	6,597	(Note)	(Note)
Utilities					6,608		
Repair and maintenance					1,502		
Casualty insurance					271		
Others					347		
(3) NOI((1)-(2))	141,196	29,090	84,336	124,189	80,020	178,472	42,858
(4) Depreciation	39,136	13,243	23,996	48,948	26,290	40,300	6,561
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	102,060	15,847	60,339	75,240	53,729	138,171	36,297
(7) Capital expenditure	—	20,239	1,711	1,089	8,833	4,672	2,886
(8) NCF((3)-(7))	141,196	8,851	82,625	123,100	71,187	173,800	39,972

Property number	Other-7	Other-8	Other-9	Other-10	Other-11	Other-12	Other-13
Property name	GLP Hayashima II	GLP Kiyama	GLP Tosu III	GLP Sendai	GLP Ebetsu	GLP Kuwana	GLP Hatsukaichi
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues							
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	72,826	143,583	31,529	167,498	56,640	122,103	66,744
(4) Depreciation	24,254	55,443	8,748	47,153	18,890	29,502	14,752
(5) Loss on retirement of noncurrent assets	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	48,572	88,140	22,780	120,344	37,749	92,600	51,991
(7) Capital expenditure	—	44	21,868	133	713	—	—
(8) NCF((3)-(7))	72,826	143,539	9,661	167,365	55,927	122,103	66,744

Property number	Other-14	Other-15	Other-16	Other-17	Other-18
Property name	GLP Komaki	GLP Ogimachi	GLP Hiroshima	GLP Fukuoka	GLP Chikushino
Operating dates	184	184	184	184	184
(1) Property-related revenues					
(2) Property-related expenses					
Taxes and dues					
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities					
Repair and maintenance					
Casualty insurance					
Others					
(3) NOI((1)-(2))	272,467	43,223	113,016	49,739	41,631
(4) Depreciation	68,816	17,573	27,096	14,218	15,745
(5) Loss on retirement of noncurrent assets	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	203,651	25,650	85,920	35,520	25,886
(7) Capital expenditure	4,297	31,559	12,044	311	53,531
(8) NCF((3)-(7))	268,170	11,664	100,972	49,428	(11,899)

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