



Investment in Modern Logistic Facilities



**GLP J-REIT**  
(3281)

August 2013 Fiscal Period

October 17, 2013

## 01 August 2013 financial results (3rd period)

- 04 | August 2013 financial results

## 02 First follow-on offering since IPO (September 2013)

- 06 | First follow-on offering for 56bn yen acquisition
- 07 | What we aimed in follow-on offering
- 08 | Achievement of increase in NAV per unit
- 09 | Achievement of EPU growth
- 10 | Strong portfolio growth via continuous acquisitions
- 11 | Portfolio quality maintained
- 12 | Strong demand again after IPO

## 03 Execution of Commitments

- 14 | Enhance unitholders' value by internal / external growth
- 15 | The largest pipeline among logistic J-REITs
- 16 | Further rental growth
- 17 | AM x PM: Raising rent for over-30 yr-old property
- 18 | Portfolio features, which maximize rental growth potential
- 19 | Increased stability in finance
- 20 | Strong unit price performance

## 04 Forecasts and roadmap for future growth

- 22 | February 2014 and August 2014 forecasts
- 23 | Roadmap for further growth

## 05 Appendix

## 01 August 2013 financial results (3rd period)

04 | August 2013 financial results



# August 2013 financial results +29 yen (+1.3%) increase compared to the initial forecast

Summary  
+53M net income

- +14M: NOI increase due to decrease in repair cost and reversal of real estate tax deposit
- +23M: Decrease in professional fees (other operating expenses)
- +17M: Improvement in non-operating items

Item	Feb 2013 Actual	Aug 2013 Initial Forecast (A)	Aug 2013 Actual (B)	(B)-(A)	Major factors for variation
Financial result Aug 2013 (mm yen)					
Operating revenue	2,236	7,233	7,272		
Operating income	1,328	4,264	4,301	+37	+14 Increase in NOI +6 Decrease in dividend payment expenses +16 Decrease in professional fees
Ordinary income	910	3,494	3,547	+53	+37 Increase in operating income (above) +6 Increase in interest received +6 Decrease in interest expenses +5 Change in repayment schedule
Net income	907	3,493	3,546	+53	-
Dividend per unit (yen)					
Dividend per unit (total)	531	2,160	2,189	+29	-
Dividend per unit (excl. OPD)	447	1,900	1,930	+30	-
Optimal payable distribution	84	260	259	-1	-
Others					
Occupancy	99.9%	-	99.9%	-	-
NOI	2,086M	6,722M	6,736M	-	-
NOI yield	6.1%	-	6.1%	-	-
LTV	49.4%	-	48.9%	-	-

## 02 First follow-on offering since IPO (September 2013)

- 06 First follow-on offering for 56bn yen acquisition
- 07 What we aimed in follow-on offering
- 08 Achievement of increase in NAV per unit
- 09 Achievement of EPU growth
- 10 Strong portfolio growth via continuous acquisitions
- 11 Portfolio quality maintained
- 12 Strong demand again after IPO



# First follow-on offering for 56bn yen acquisition

## 9 modern logistic facilities

Total value 56 bn yen, of which 70% located in key logistics hubs



GLP Urayasu III\*



GLP Komaki\*

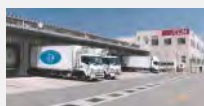


GLP Funabashi III



GLP Hamura

\* To be acquired in March 2014



GLP Kuwana



GLP Hatsukaichi



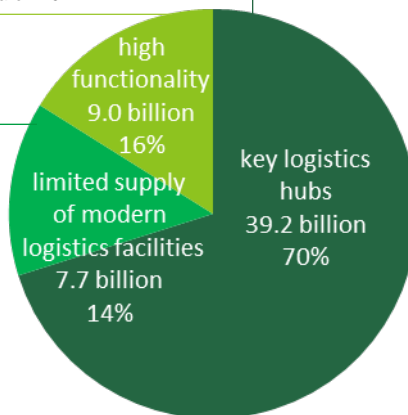
GLP Rokko II



GLP Sodegaura



GLP Ebetsu



## Financing under favorable environment

Realized accretive offering by raising 23.9 bn yen equity

Date of launch

■ September 3, 2013

Offering type

■ Global offering (144A, RegS)

Offering amount  
(incl. Greenshoe)

■ ca. 23.9 bn yen

No. of new units  
issued

■ 260,000 units  
(14.1% of existing units)

Sponsor ownership

■ 15%

Date of pricing

■ September 18, 2013

Offer price

■ 91,942 yen (discount rate 2.5%)

Oversubscription ratio

■ ca. 10 x (retail 8 x, domestic institutional 4 x, overseas 11.5 x)

Joint global  
coordinator

■ Citi Group, Goldman Sachs, Nomura  
(alphabetical order)



# What we aimed in follow-on offering

NAV per unit / EPU increased

NAV per unit

**+11.5%** increase<sup>1</sup>

&

EPU

**+0.2%** increase (vs. Feb 2014 forecast as of April 16)

**+9.6%** increase (stabilized base)

Growth of unit value realized  
while maintaining LTV & portfolio quality

LTV level maintained

Pre-acquisition: **48.9%** (Aug 2013)



Post-acquisition: **49.7%**

(estimate as of Aug 2014)

Both NOI yield and  
portfolio quality maintained

	Pre-acquisition		Post-acquisition <sup>2</sup>
NOI yield <sup>3</sup>	5.7%	→	<b>5.7%</b>
WALE	4.3 years	→	<b>4.7 years</b>
Occupancy	99.9%	→	<b>99.9%</b>

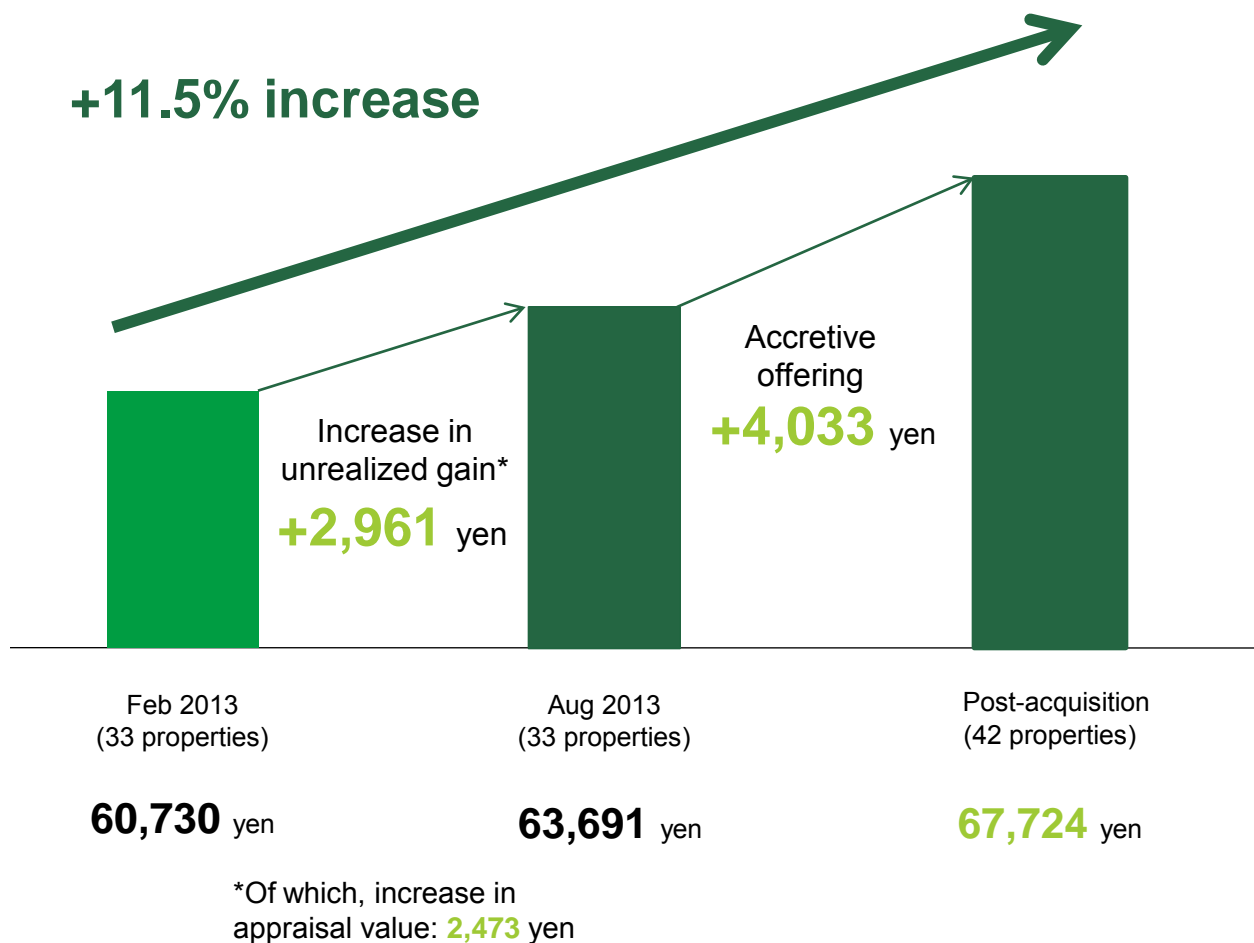
1. Compared to Feb 2013 result

2. 42 properties base after acquisition of 2 properties scheduled in March 2014

3. Based on Appraisal NOI yield. Appraisal NOI yield for this purpose is based on NOI assumptions used for the direct capitalization analysis included in the appraisal report on each property.

# Achievement of increase in NAV per unit

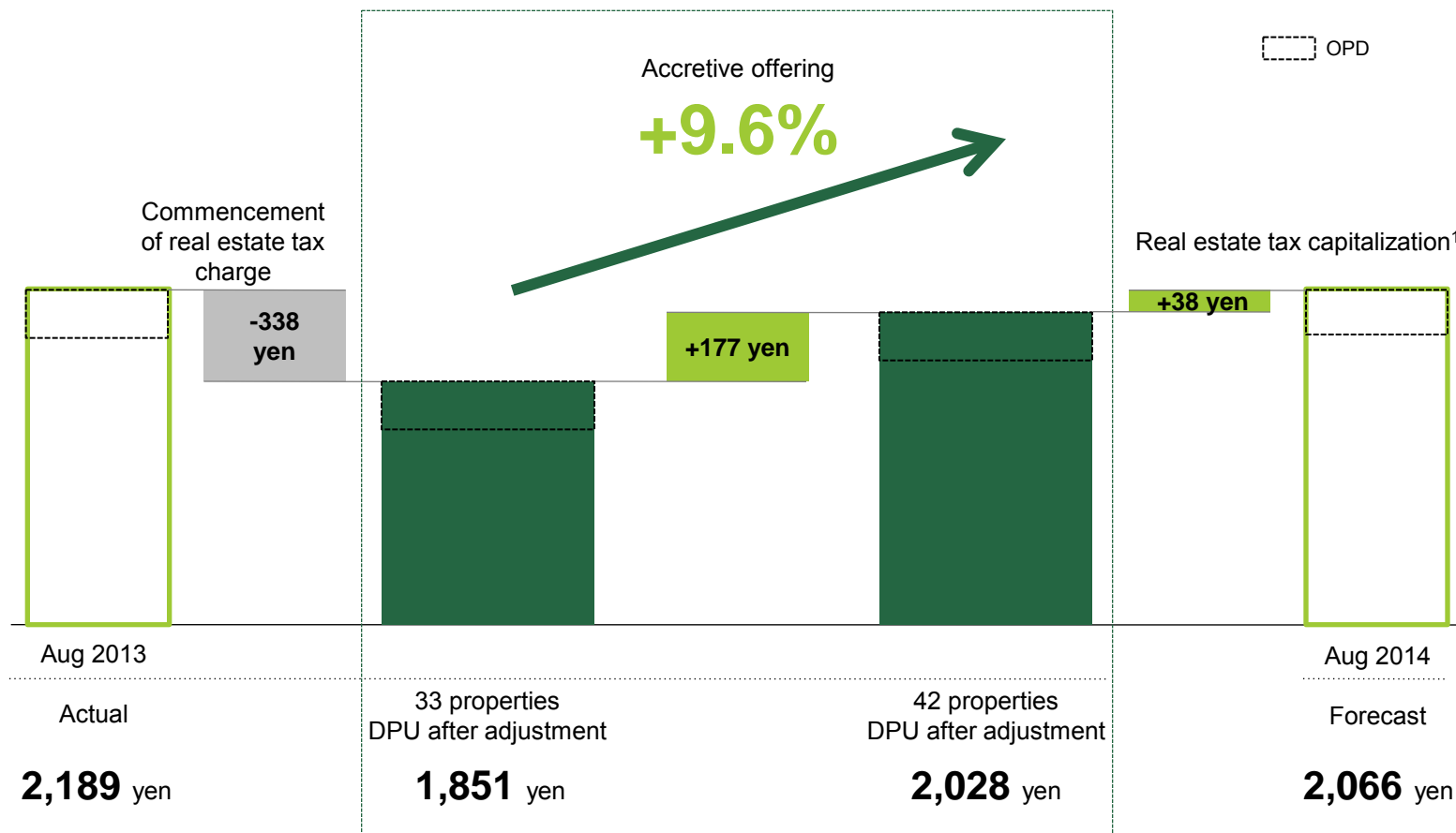
- Increase in NAV per unit due to unrealized gain and accretive offering





# Achievement of EPU growth

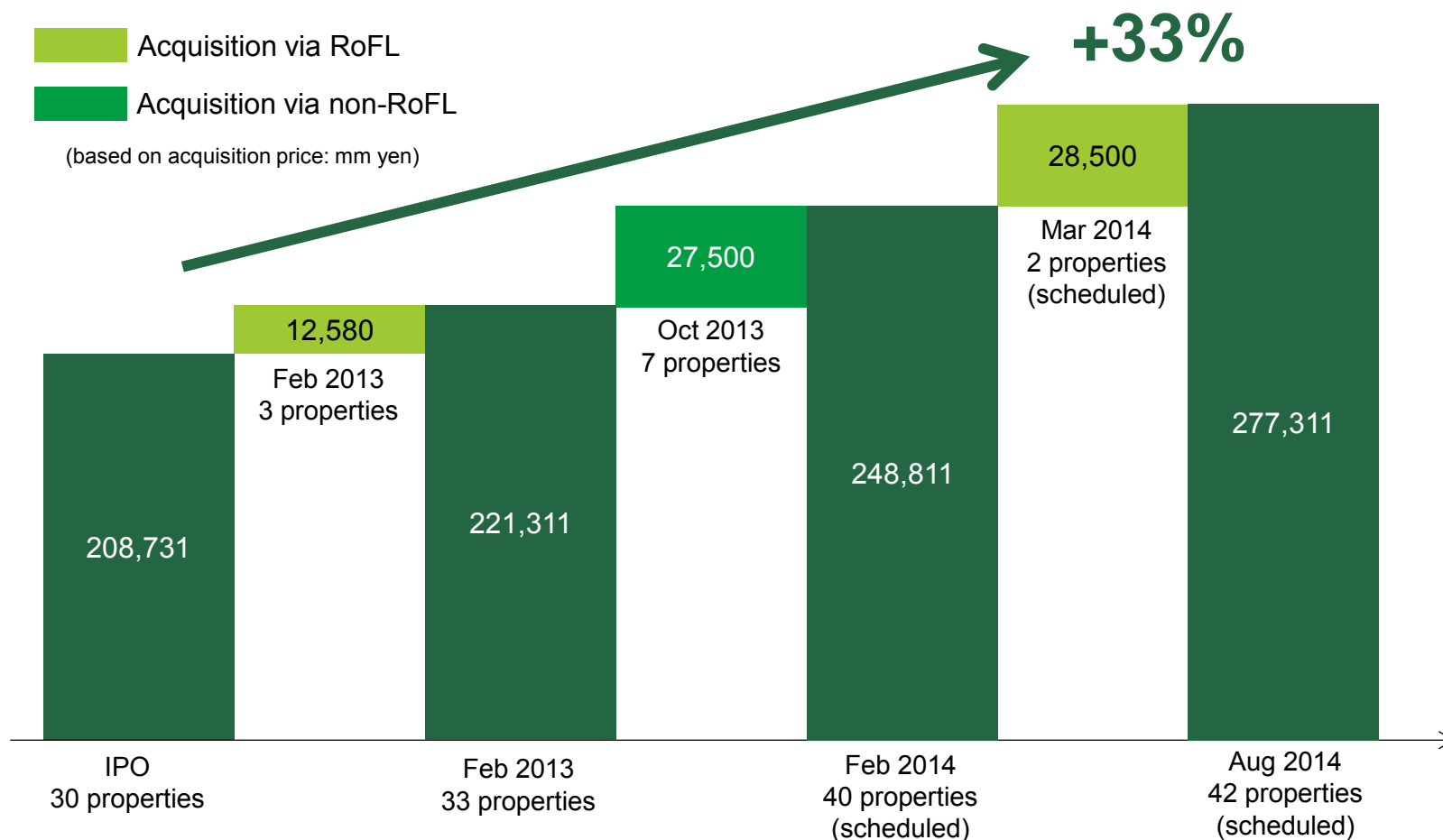
■ +9.6% increase in stabilized dividend after accretive offering



1. For 2 properties to be acquired in Mar 2014

## Strong portfolio growth via continuous acquisitions

- + 33% increase in portfolio since IPO (Dec 2012)
- Strong external growth through RoFL, as a main strategy, and other acquisition channels



# Portfolio quality maintained

■ Portfolio expanded by 9 additional acquisitions, while maintaining portfolio quality

	33 properties (Aug 2013)	New acquisition	Post-acquisition
No. of properties	33	9	42 
Acquisition price (mm yen)	221,311	56,000	277,311 
Average NOI yield	5.7%	5.6%	5.7% 
WALE	4.3 years	6.2 years	4.7 years 
Fixed-term lease ratio	94.2%	100.0%	95.3% 
Average building age	12.5 years	7.0 years	11.4 years 
Leasable area	1,178,461m <sup>2</sup>	291,330m <sup>2</sup>	1,469,792m <sup>2</sup> 
Occupancy rate	99.9%	100.0%	99.9% 

# Strong demand again after IPO

## ■ Significant oversubscription due to investors' strong support

### CAPITAL EYE

#### GLP J-REIT (3281): Solid acquisition of property other than the pipeline (CAPITAL EYE)

...

The maximum number of investment units issued including over allotment was 260,000. Of this, 39,000 units (15% of the total offering) were allocated to shareholder of asset management company, GLP Japan Advisors Inc., as a designated sale. The remaining 221,000 units (85%) were equally allocated between Japan and abroad.

The domestic tranche was 110,500 units (42.5% of the total offering), of which 70% (29.75% of the total offering) was allocated to general retail investors and 30% (12.75% of the total offering) to institutional investors. The overseas tranche was 110,500 units (42.5% of the total offering). The demand ratio of each portion was 8x-plus for domestic general retail, a little less than 4x for domestic institutional investors, 11.5x for overseas investors (including designated sales), and a little less than 10x overall.

The units were sold to "Long-investors, real estate specialists, and hedge funds with a focus on research," a book runner commented. Many appeared to be buyers at the IPO. The deal seemed to have been well received, as another book runner said—"there is a feeling that the scope of investors has widened," with regard to regional financial institutions in Japan who took a cautious stance to the introduction of OPD.

...

### DealWatch

#### GLP J-REIT (3281): Acquires external small-lot property that supports 1.6x NAV (DealWatch)

...

During the roadshow that was held from September 4 to 13, three teams visited 100 companies. Group meetings were also held in major cities both in Japan and abroad. Bookbuilding was carried out under a plan to allocate 29.75% to domestic general investors, 12.75% to domestic institutional investors, and 57.50% to overseas investors (including designated sales). According to a related party, the demand ratio was "8x-plus for domestic general investors, a little less than 4x for domestic investors, 11.5x for overseas (including designated sales), and a little less than 10x overall (including designated sales)." The related party also said that there were new investors, while investment trusts, trust banks, and regional banks were the main investors in Japan and long-only investors as well as property funds and hedge funds for long-term holdings abroad. The syndicate group said, "we saw demand from a broad range of investors, including existing investors that participated in the IPO."

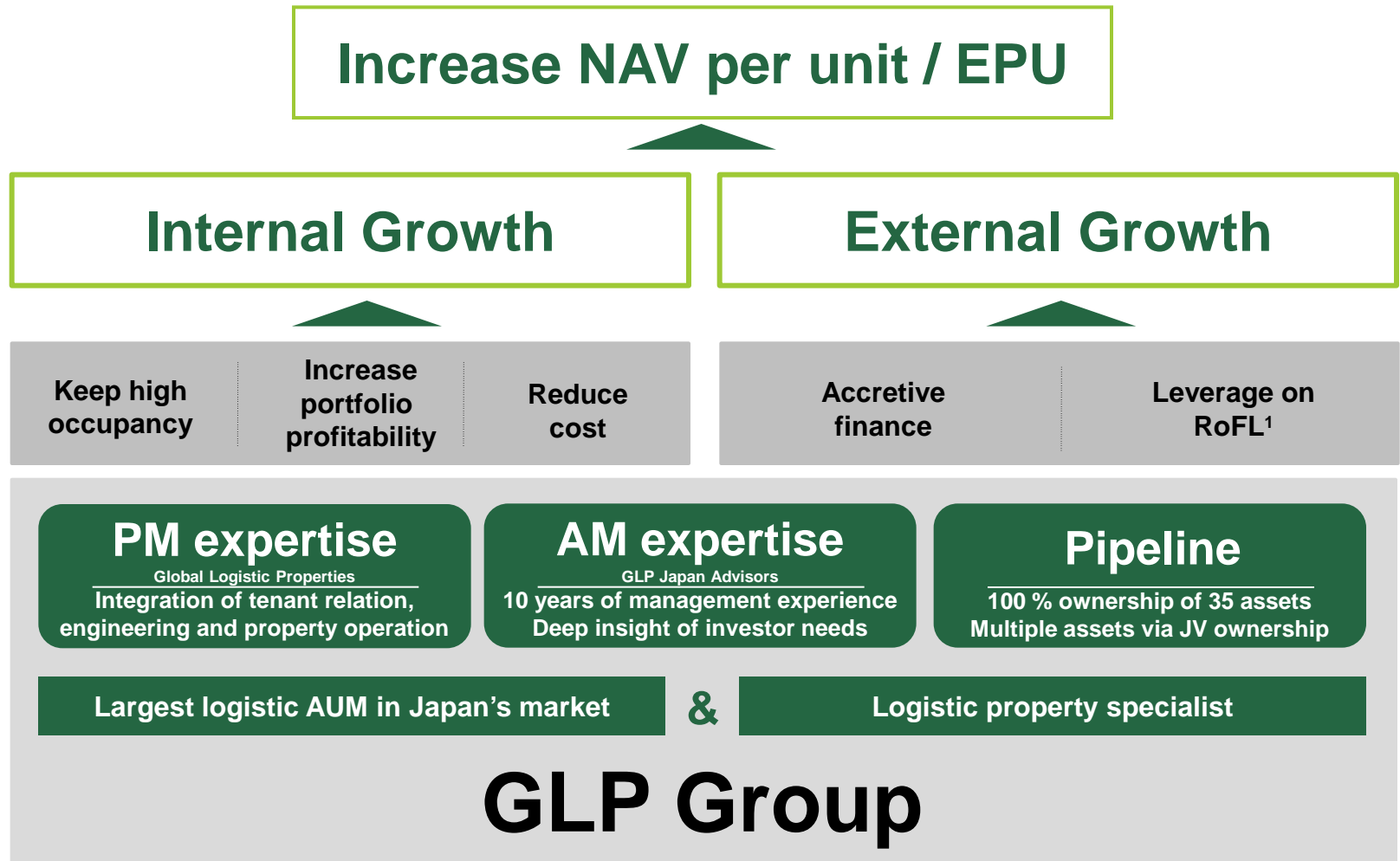
...

## 03 Execution of Commitments

- 14 Enhance unitholders' value by internal / external growth
- 15 The largest pipeline among logistic J-REITs
- 16 Further rental growth
- 17 AM x PM: Raising rent for over-30 yrs property
- 18 Portfolio features, which maximize rental growth potential
- 19 Increased stability in finance
- 20 Strong unit price performance



# Enhance unitholders' value by internal / external growth



1. "RoFL" refers to right of first look, which is a contractual right that obliges the sponsor to provide the information about the sales of its properties to GLP J-REIT and undergo exclusive good faith negotiations with GLP J-REIT before negotiating with other parties. The sponsor has no obligation to sell any properties subject to our right of first look.

# The largest pipeline among logistic J-REITs

## New properties

RoFL<sup>1</sup> (28.5 bn yen)  
(To be acquired on March 3, 2014)



Urayasu III



Komaki



Other acquisition channels (27.5 bn yen)  
(Acquired on October 1, 2013)



Hamura



Funabashi III



Sodegaura



Ebetsu



Rokko II



Kuwana



Hatsukaichi

## Strong external growth potential “RoFL”

### ■ RoFL assets owned by GLP (33 Properties: Leasable area of 1.24 mm sqm)



Funabashi II



Narita



Narita II



Tokyo II



Shinkiba



Shinsuna



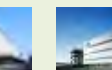
Urayasu



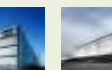
Urayasu II



Urayasu IV



Yokohama



Shonan



Misato



Soka



Sugito



Okegawa



Narashino



Osaka



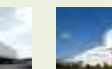
Maishima I



Settsu



Kadoma



Nishinomiya



Fukaehama



Seishin



Fukusaki



Shiga



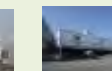
Fujimae



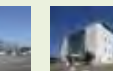
Tosu I



Fukuoka



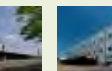
Chikushino



Tomiya IV



Ogimachi



Sapporo



Hiroshima

## Potential opportunities

- Other acquisition opportunities sought by leveraging GLP Group expertise



Internal growth

# Further rental growth

## ■ Constant rental growth achieved, while maintaining occupancy at 99.9%

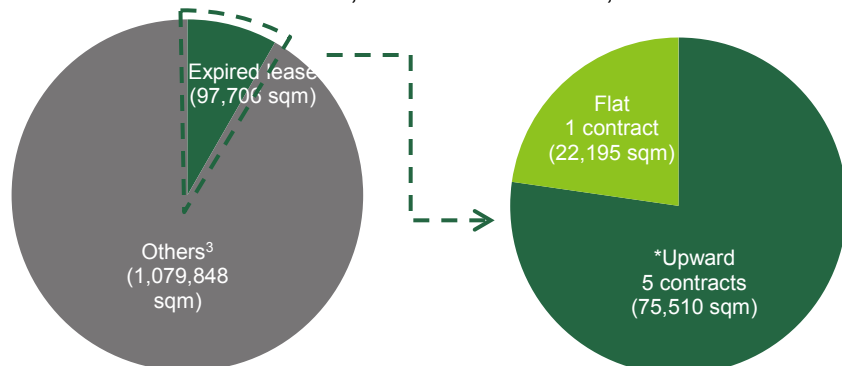
### Retention rate<sup>1</sup>

From IPO to 10/15/2013 94%

Since sponsor's management start 92%

### Rental growth<sup>2</sup>

From March 1, 2013 to October 15, 2013

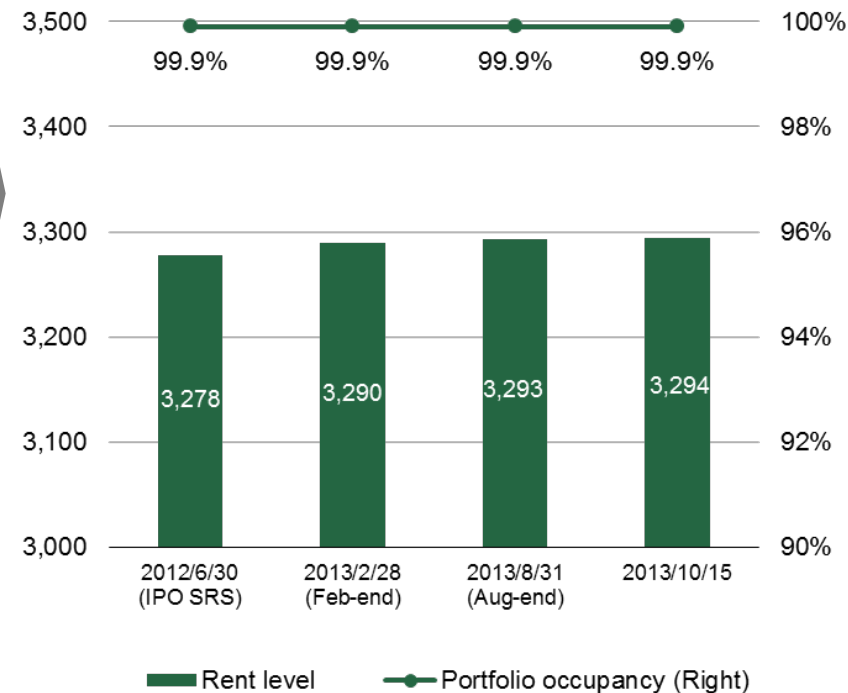


\*For upward 5 contracts

- Rental growth at 2.4%
- Including a tenant replacement with 3% rental growth with zero-downtime

### Occupancy and rent level

(yen / tsubo)



1. Contract date basis

2. Renewal date basis

3. In Aug 2013 period there was a downward contract in described in "others", which is a automatic revision by CPI (Leased area: 31,839m<sup>2</sup>, influence on the whole portfolio: -0.03%)

Internal growth

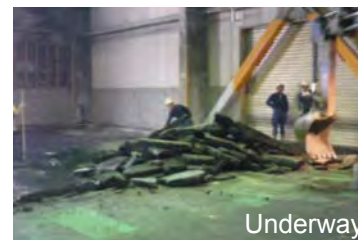
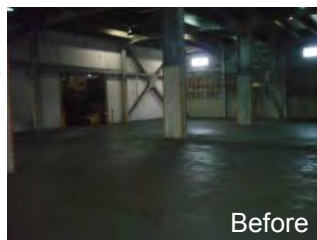
# AM x PM: Raising rent for over-30 yr-old property

- Rental growth (+2%) achieved by improving functionality and customer satisfaction via optimal capex

## Property outline

Property : GLP Tsumori  
(acquisition price 1,990M yen)  
Location : Osaka-city, Osaka  
Completion : Oct 1981 (32 years old)  
Leasable area : 16,080 m<sup>2</sup>  
Type : Single tenant (BTS)

## Floor renovation



Major capex	Cost (yen)	General solution	GLP Group solution	Customer voice
Replacement of core units of elevator	15M	<ul style="list-style-type: none"> <li>Entirely dependent on manufacturer's plan</li> <li>Replacement at the end of statutory useful life</li> </ul>	<ul style="list-style-type: none"> <li>Proposing an optimal balance between functional improvement, long-term maintenance cost and capex allocation</li> <li>Strong bargaining capability with vendors stemming from extensive past experience and large AUM</li> </ul>	"Elevating and door opening/closing speed increased, resulting in higher operability"
Floor renovation		<ul style="list-style-type: none"> <li>Action taken only after urgent need arises (to respond to tenant's request)</li> <li>Not verify engineering report in comparison with actual on-site situation</li> </ul>	<ul style="list-style-type: none"> <li>Coordination among tenant, FM and constructor to create best possible work schedule, avoiding peak operation season</li> </ul>	"Impact on operation was minimal"

Improved customer satisfaction

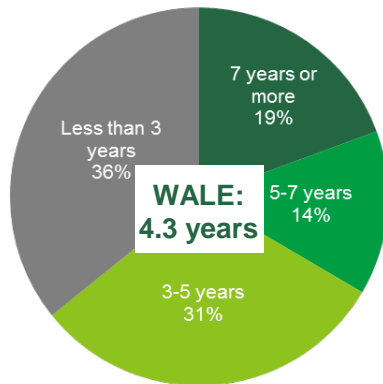
Raised rent 2%  
(5 years)

Internal growth

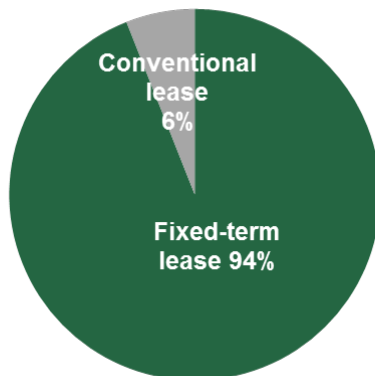
# Portfolio features, which maximize rental growth potential

- 4.3 years of weighted average lease expiry (WALE), which gives rental growth opportunities
- 94% of fixed-term contract ratio, favorable for the owner

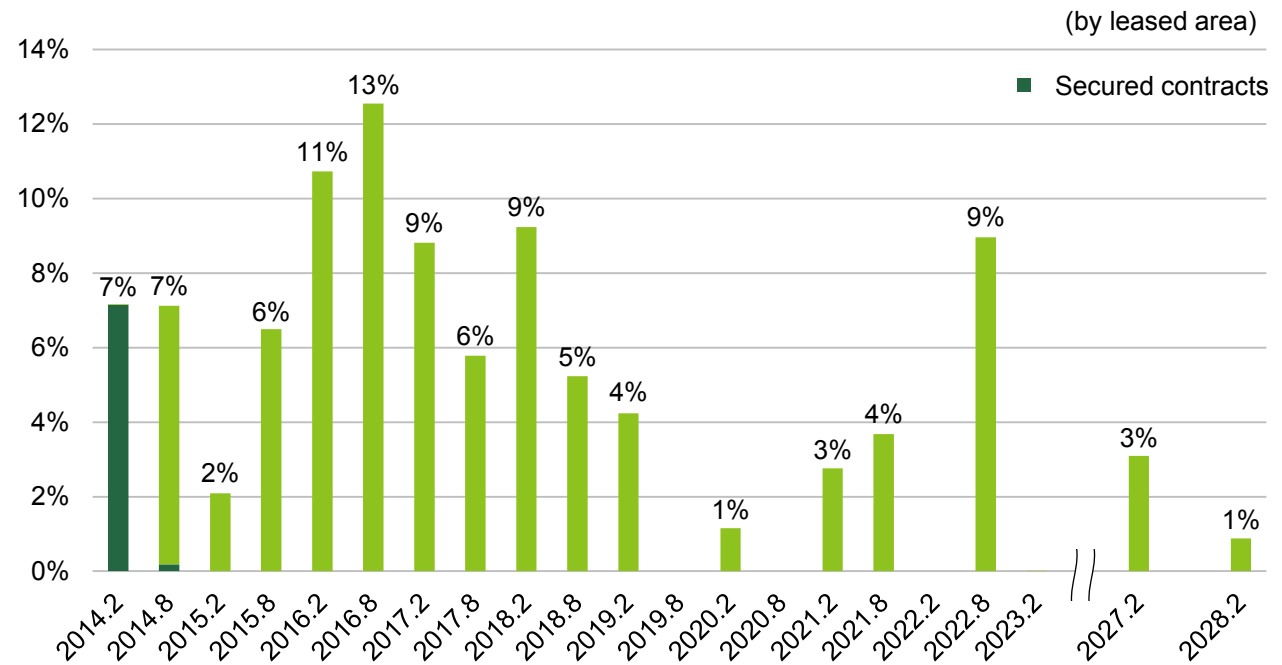
Lease expiry



Fixed-term contract ratio

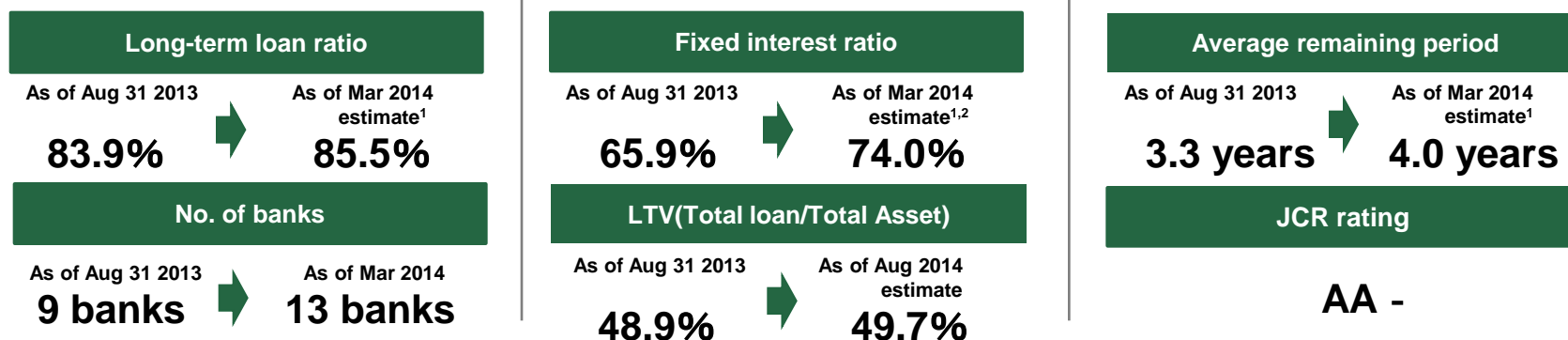


Lease expiry profile

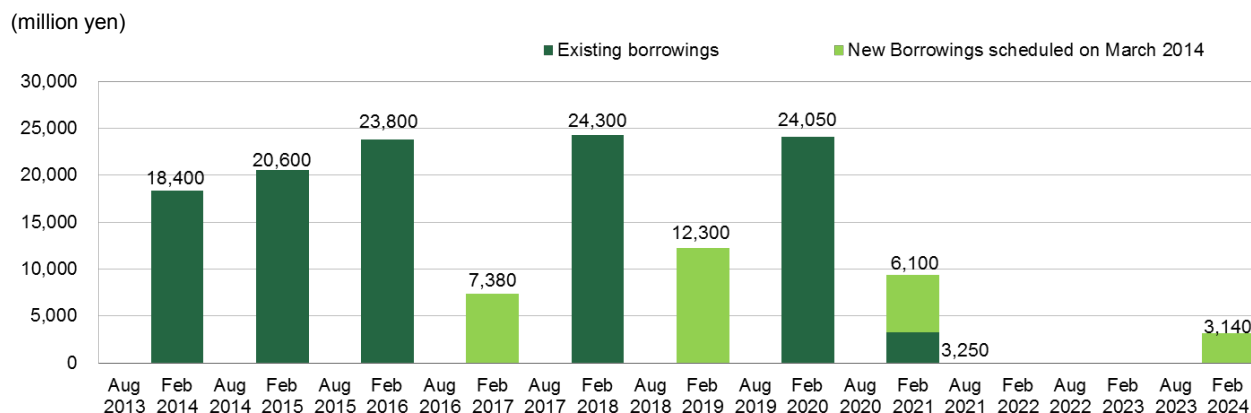


## Increased stability in finance

- A solid bank formation including 3 Japanese mega-banks
- Debt maturity diversification achieved while extending loan-terms and increasing fixed interest ratio

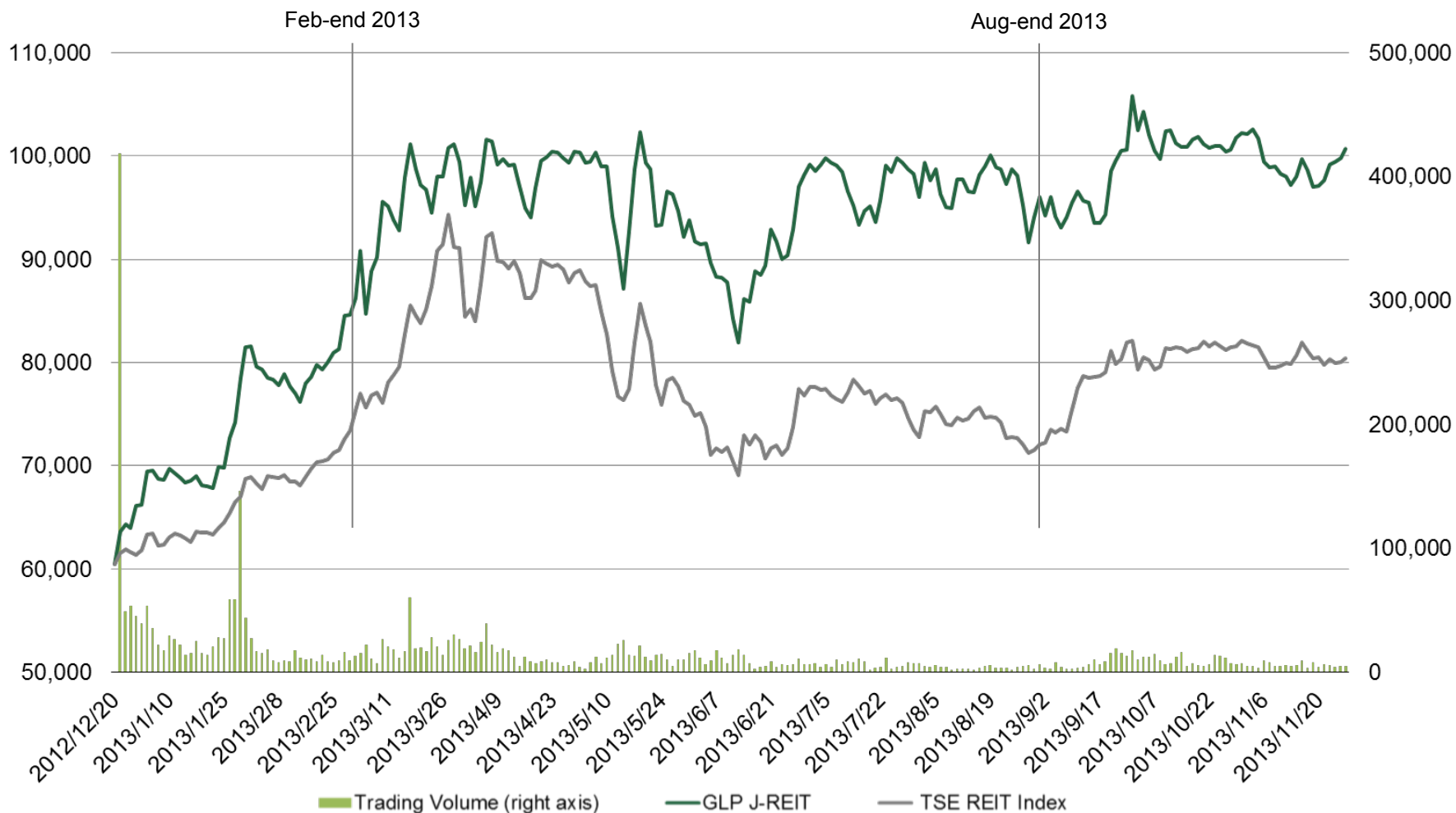


### Debt maturity diversification (As of Aug 31 2013+expected borrowing scheduled in March 2014)



1. For the purpose of earnings forecasts, loans that will mature in January 2014 are assumed to be refinanced with a 3-year (variable rate) and 8-year (fixed rate) loan and are calculated on this premise.  
 2. Of loans scheduled for execution in March 2014, the interest rate of those with a borrowing period of 5 years or more is planned to be fixed via an interest rate swap. Such loans are calculated on the basis of fixed interest rates.

## Strong unit price performance



## 04 Forecasts and roadmap for future growth

- 22 | February 2014 and August 2014 forecasts
- 23 | Roadmap for further growth



## February 2014 and August 2014 forecasts

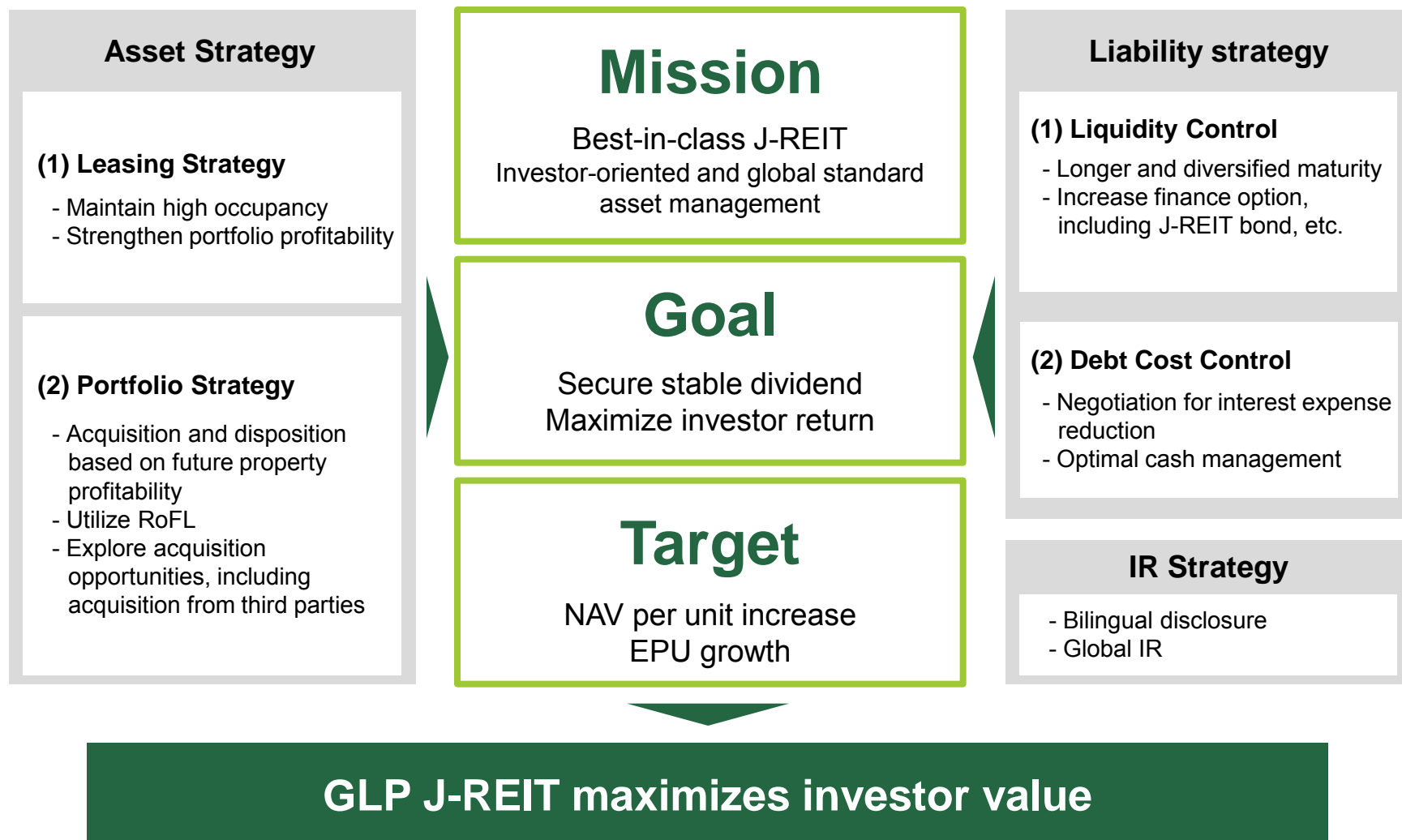
- Dividends forecasts (incl. OPD) in Feb 2014 and Aug 2014: 2,167 yen and 2,066 yen
- Effect of real estate tax charge in Aug 2014 dividend is minimized by the successful accretive offering

Item	Aug 2013 Actual (A)	Feb 2014 Forecast (B)	(B)-(A)	Major factors for variation	Aug 2014 Forecast (B)
Forecasts (mm yen)					
Operating revenue	7,273	8,063	+791	+795 Increase in revenue due to 7 properties acquisition	9,093
Operating income	4,301	4,836	+535	+769 Increase in NOI due to 7 properties acquisition -188 Increase in depreciation expenses -60 Increase in AM fee out of portfolio expansion	4,782*
Ordinary income	3,547	4,020	+473	+535 Increase in operating income (above) -45 PO expenses -12 Increase in interest expenses and borrowing-related expenses	3,745
Net income	3,546	4,019	+473	-	3,744
Dividend per unit (yen)					
Dividend per unit (total)	2,189	2,167	-22	-	2,066
Dividend per unit (excl. OPD)	1,930	1,916	-14	-	1,784
Optimal payable distribution	259	251	-8	-	282
No. of investment units outstanding	1,837,700	2,097,700	-	-	2,097,700

\* The real estate tax charge in Aug 2014 period is estimated to be ca. 742 million yen for 40 properties acquired in 2013. (354 yen per unit based on 2,097,700 units outstanding)



# Roadmap for further growth



## 05 Appendix

25	Overview of nine properties	51	OPD to ensure sustainable and efficient cash allocation
36	Stable demand and rental growth expectation	52	Unitholder composition
37	Supply of modern logistic facilities and demand growth		
38	Significant growth potential in Japan's E-commerce market		
39	Favorable debt finance environment		
40	GLP J-REIT's innovative initiatives		
41	Global Logistic Properties Limited ("GLP")		
42	GLP Group development pipeline		
43	GLP J-REIT portfolio overview		
44	Well-balanced portfolio with stable return (1)		
45	Well-balanced portfolio with stable return (2)		
46	Portfolio description (1)		
47	Portfolio description (2)		
48	Increase in unrealized gain		
49	Tenant diversification		
50	Lease exposure in Feb 2014 and Aug 2014 periods		



# Overview of nine new properties

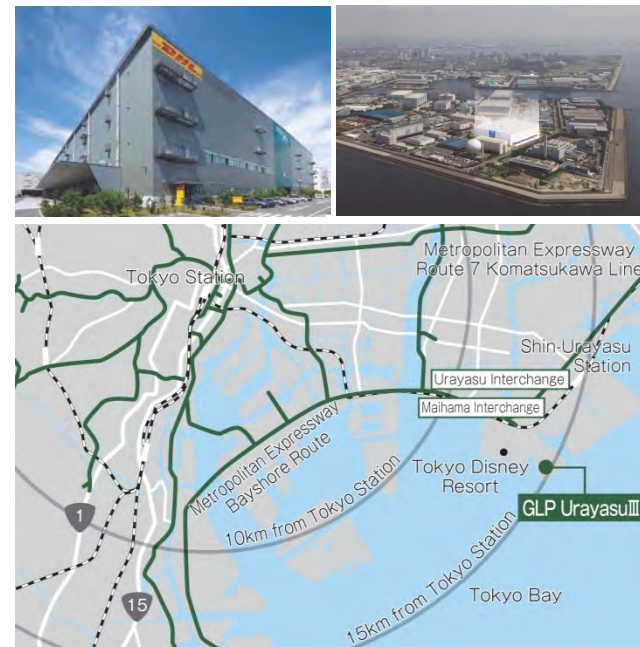
Name	Anticipated acquisition price (a)	Appraisal value (b)	(b) – (a)	NOI yield <sup>1</sup>	NOI yield <sup>2</sup>	Leasable area	Year Constructed
GLP Hamura	7,660 mm yen	7,860 mm yen	200 mm yen (2.6%)	5.5%	5.3%	40,277 sqm	2009
GLP Funabashi III	3,050 mm yen	3,160 mm yen	110 mm yen (3.6%)	5.6%	5.5%	18,282 sqm	2001
GLP Sodegaura	6,150 mm yen	6,720 mm yen	570 mm yen (9.3%)	6.1%	6.1%	45,582 sqm	2007
GLP Urayasu III	18,200 mm yen	18,200 mm yen	-	5.0%	4.7%	64,198 sqm	2006
GLP Rokko II	3,430 mm yen	3,790 mm yen	360 mm yen (10.5%)	7.0%	6.7%	20,407 sqm	2000/2006
GLP Ebetsu	1,580 mm yen	1,720 mm yen	140 mm yen (8.9%)	6.8%	6.5%	18,489 sqm	2009
GLP Kuwana	3,650 mm yen	4,020 mm yen	370 mm yen (10.1%)	6.7%	6.7%	20,402 sqm	2006/2007
GLP Hatsukaichi	1,980 mm yen	2,180 mm yen	200 mm yen (10.1%)	6.7%	6.6%	10,981 sqm	2006
GLP Komaki	10,300 mm yen	10,300 mm yen	-	5.3%	5.2%	52,709 sqm	2008
<b>Total</b>	<b>56,000 mm yen</b>	<b>57,950 mm yen</b>	<b>1,950 mm yen (3.5%)</b>	<b>5.6%</b>	<b>5.5%</b>	<b>291,330 sqm</b>	<b>-</b>

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.

# GLP Urayasu III (1) (to be acquired in March 2014)

- High-spec and large-scale logistics facility designed for multi-tenant use
- One of the best logistic locations for the Tokyo metropolitan area
- Stable tenancy from two major 3PL companies



- Located in the Tokyo waterfront district, an area with many logistics facilities and excellent access to land, air and sea transportation; superior access to the enormous consumer market of Tokyo as well as the entire Tokyo metropolitan area
- Easy to secure workers since the location is close to residential areas and a shuttle bus from the nearest railway station is available

Location	Urayasu, Chiba	Year constructed	2006
Acq. price	¥18,200 mm	Acquisition date	March 3, 2014
Land area	33,653 sqm	NOI yield <sup>1</sup>	5.0%
Leasable area	64,198 sqm	NOI yield <sup>2</sup>	4.7%

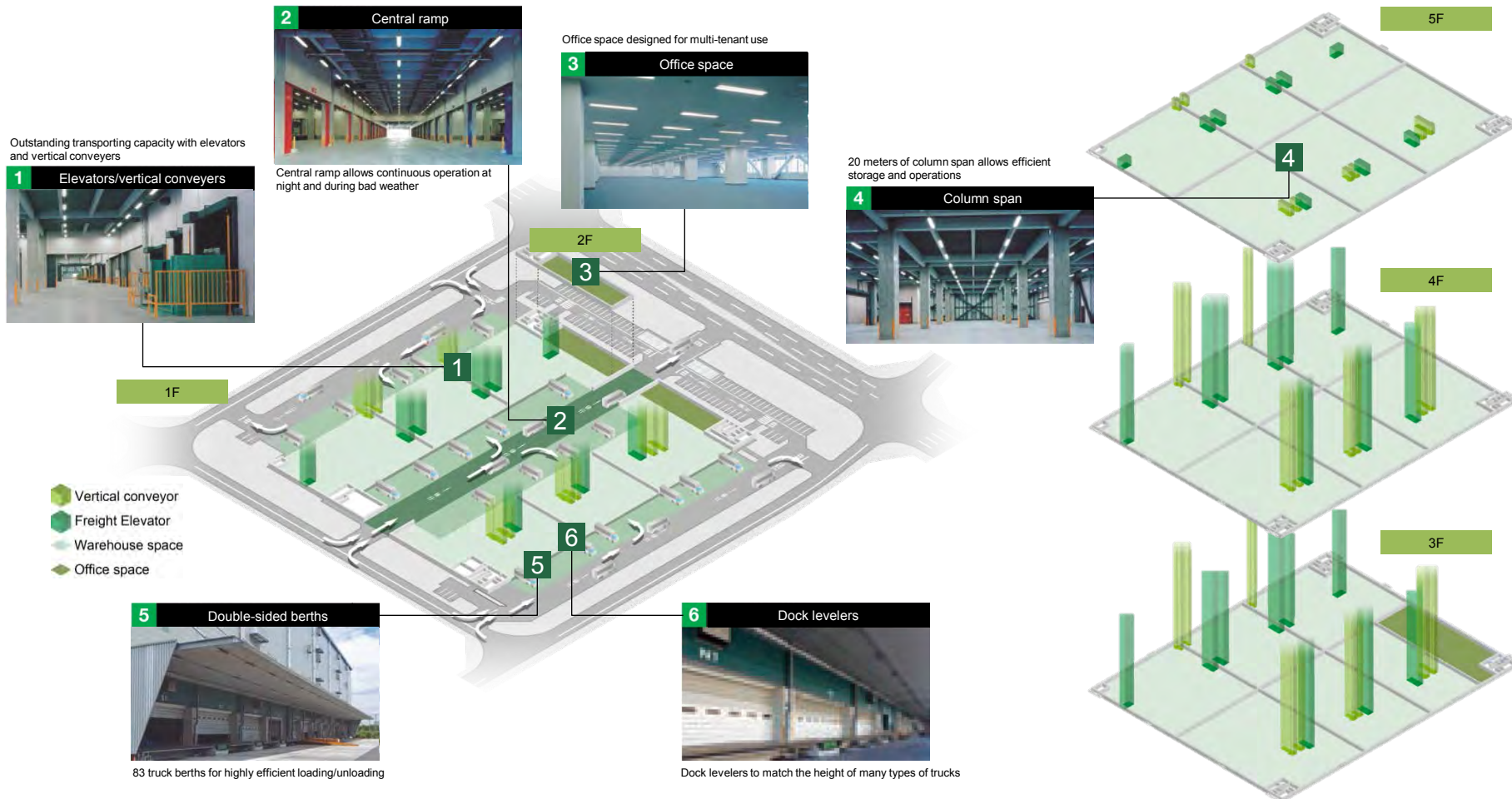
<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.



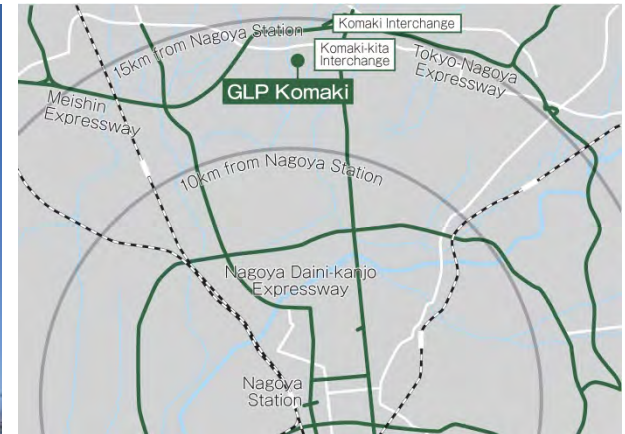
# GLP Urayasu III (2) (to be acquired in March 2014)

- Modern logistics facility with about 19,400 tsubo of leasable area
- Superior operational efficiency due to 6.8-7.2 meters of ceiling height, about 2.0 tons per square meter of loading capacity, up to 20 meters of column span, 3,000 tsubo area on a single floor and 18 freight elevators/vertical conveyers
- Well-designed traffic lines with multiple exits to public roads, double-sided berths and a central ramp



# GLP Komaki (to be acquired in March 2014)

- High-spec and large-scale logistics facility designed for multi-tenant use
- Prime location with stable demand in Nagoya and central Japan area
- Stable tenancy from 2 major listed companies in Japan



- Freight elevators, vertical conveyers and double-sided berths
- Column span is at least 10 meters

- Only about 3.6 kilometers from an expressway interchange
- Location is in a logistics district with many distribution facilities for the central Japan area
- Easy to secure workers due to large population in areas around



Location	Komaki, Aichi	Year constructed	2008
Acq. price	¥10,300 mm	Acquisition date	March 3, 2014
Land area	27,640 sqm	NOI yield <sup>1</sup>	5.3%
Leasable area	52,709 sqm	NOI yield <sup>2</sup>	5.2%

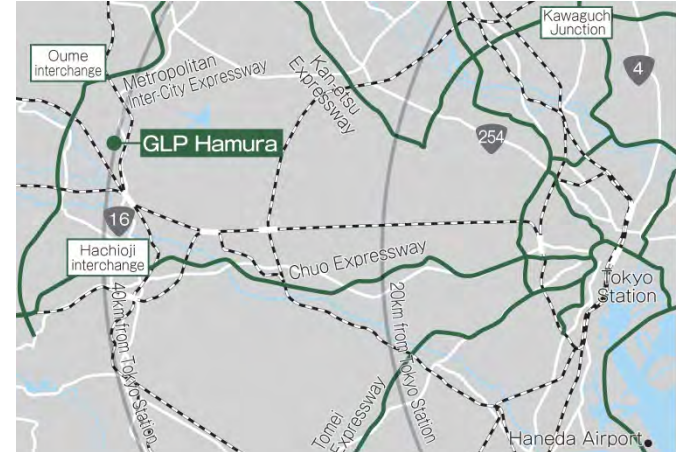
<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.



# GLP Hamura

- High-spec and large-scale logistics facility designed for multi-tenant use
- Crucial logistics hub of a global manufacturer for the distribution to Tokyo metropolitan area



- Operational efficiency due to a ceiling height of 6.8 to 7.2 meters, floor loading capacity of about 1.5 tons per square meter and eight freight elevators



- One of the very few sites in Tokyo for large-scale logistics facilities; ideal for transporting cargo to all parts of the Tokyo area due to superior access to main highways as well as the Ken-O Expressway (Metropolitan Inter-City Expressway) and Chuo Expressway
- Superior location which is close to both consumption and production area in Tokyo

Location	Hamura, Tokyo	Year constructed	2009
Acq. price	¥7,660 mm	Acquisition date	October 1, 2013
Land area	26,712 sqm	NOI yield <sup>1</sup>	5.5%
Leasable area	40,277 sqm	NOI yield <sup>2</sup>	5.3%

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.

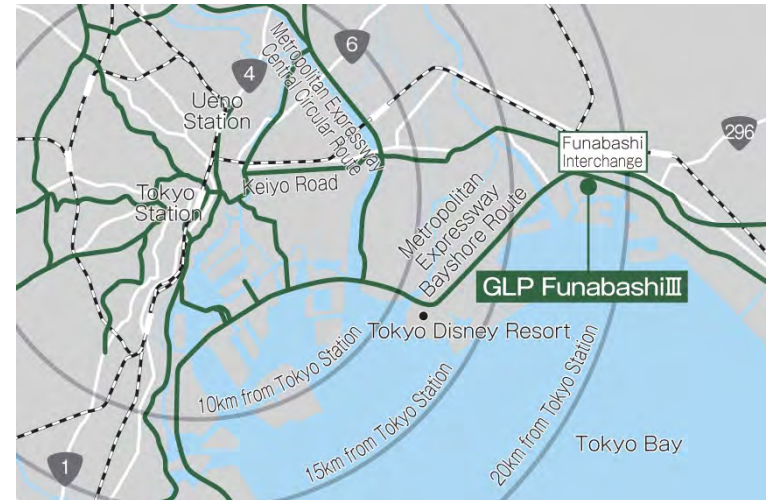


# GLP Funabashi III

- Excellent performance facility with well-designed layout of berths and vertical conveyors
- Prime location with strong demand in the Tokyo metropolitan area
- Shipping hub for major Japanese consumer goods manufacturer



- Designed for efficient logistics operations with freight elevators, vertical conveyers, dock levelers and truck loading berths



- Only about 2.2 kilometers from the Keiyo Expressway interchange, providing easy access to the entire Tokyo area; the site of many logistics facilities due to its superior location

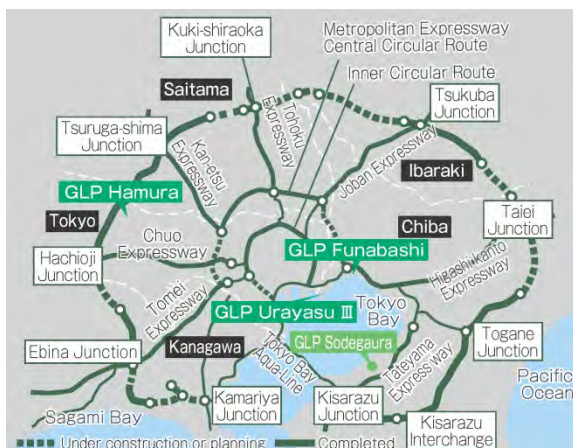
Location	Funabashi, Chiba	Year constructed	2001
Acq. price	¥3,050 mm	Acquisition date	October 1, 2013
Land area	9,224 sqm	NOI yield <sup>1</sup>	5.6%
Leasable area	18,282 sqm	NOI yield <sup>2</sup>	5.5%

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.

# GLP Sodegaura

- High-spec and large-scale logistics facility designed for multi-tenant use with a single ramp
- Superior access to Tokyo, Yokohama, Chiba and Kawasaki through 2 major highways
- Stable tenancy from major Japanese chemical company and long-term lease with its logistics subsidiary



- Located only about 3.5 kilometers from the Tateyama Expressway interchange, this structure provides easy access to all areas of Chiba prefecture
- Furthermore, the Trans-Tokyo Bay Highway can be used for access to Haneda Airport and major markets of Kawasaki and Yokohama
- Likely to become even more competitive when the upcoming completion of the Ken-O Expressway (Metropolitan Inter-City Expressway) further improves access

Location	Sodegaura, Chiba	Year constructed	2007
Acq. price	¥6,150 mm	Acquisition date	October 1, 2013
Land area	32,524 sqm	NOI yield <sup>1</sup>	6.1%
Leasable area	45,582 sqm	NOI yield <sup>2</sup>	6.1%

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.



# GLP Ebetsu

- High-spec and large-scale logistics facility designed for multi-tenant use
- Prime and unique location with superior access to Sapporo and Asahikawa (2 largest cities in Hokkaido)
- High level of demand with limited supply of large-scale logistics facility in Hokkaido



- A recently constructed logistics facility suitable for many applications
- Freight elevators, dock levelers, truck loading berths, column span of 9.5 meters



Location	Ebetsu, Hokkaido
Acq. price	¥1,580 mm
Land area	35,111 sqm
Leasable area	18,489 sqm
Year constructed	2009
Acquisition date	October 1, 2013
NOI yield <sup>1</sup>	6.8%
NOI yield <sup>2</sup>	6.5%

- Easy access to central Sapporo as well as to all areas of Hokkaido
- There are very few properties due to the extremely limited supply of large-scale logistics facilities

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.

# GLP Hatsukaichi

- High functionality in the secure demand category of the chilled/frozen foods market
- Superb operational efficiency with high-spec features
- Long-term lease with one of the largest chilled-specified 3PLs in Japan



- Located in western Hiroshima prefecture near the Hatsukaichi-Kusatsu highway, a harbor highway that is a major east-west artery along the coast;
- About 4.8 kilometers from the Hatsukaichi interchange of the Hiroshima-Iwakuni Expressway; an excellent location for covering the entire Chugoku region (western Honshu)

Location	Hatsukaichi, Hiroshima
Acq. price	¥1,980 mm
Land area	18,452 sqm
Leasable area	10,981 sqm

Year constructed	2006
Acquisition date	October 1, 2013
NOI yield <sup>1</sup>	6.7%
NOI yield <sup>2</sup>	6.6%

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.

# GLP Rokko II

- High functionality in the secure demand category of the chilled/frozen foods market
- Superb operational efficiency with high-spec features
- Long-term lease with one of the largest chilled-specified 3PLs in Japan



- Located on Rokko Island, one of the premier logistics sites on the waterfront between Osaka and Kobe; only about 1.2 kilometers from the Route 5 Waterfront Highway interchange of the Hanshin Expressway
- Outstanding location for a logistics facilities due to its excellent access to central Osaka and Kobe as well as seaports

Location	Kobe, Hyogo
Acq. price	¥3,430 mm
Land area	18,212 sqm
Leasable area	20,407 sqm

Year constructed	2000 / 2006
Acquisition date	October 1, 2013
NOI yield <sup>1</sup>	7.0%
NOI yield <sup>2</sup>	6.7%

<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.



# GLP Kuwana

- High functionality in the secure demand category of the chilled/frozen foods market
- Superb operational efficiency with high-spec features
- Long-term lease with one of the largest chilled-specified 3PLs in Japan



- A location about 5 kilometers from a Higashi-Meihan Expressway interchange provides easy access to many major highways; ideal for covering the Nagoya area as well as the entire Tokai region of central Honshu

Location	Kuwana, Mie
Acq. price	¥3,650 mm
Land area	46,811 sqm
Leasable area	20,402 sqm

Year constructed	2006 / 2007
Acquisition date	October 1, 2013
NOI yield <sup>1</sup>	6.7%
NOI yield <sup>2</sup>	6.7%

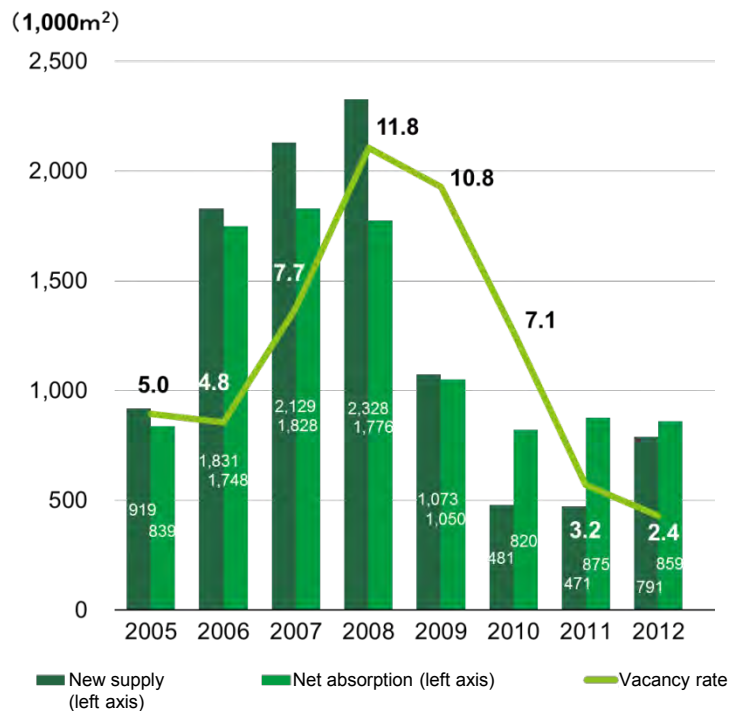
<sup>1</sup> Appraisal NOI divided by acquisition price.

<sup>2</sup> Adjusted forecast NOI divided by acquisition price.

# Stable demand and rental growth expectation

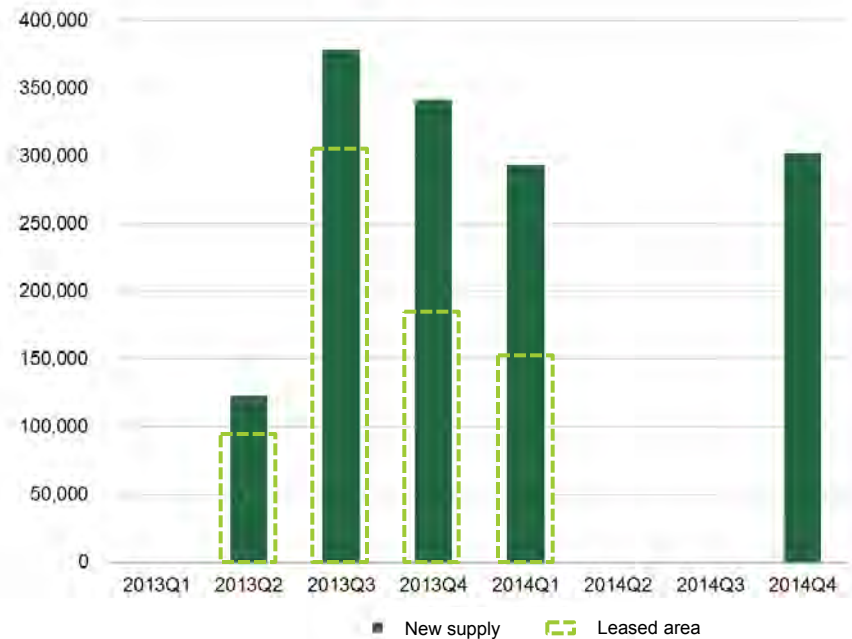
- Vacancy decreased to 2.4%
- While new supply is increasing, they are well-absorbed by steady demand

Supply / demand in logistic facilities market and vacancy (Japan)



Source: CBRE

New supply and estimated occupancy (Multi-facilities / Tokyo area)



Source: CBRE Large multi-facilities only. Leasable area base.  
Estimation as of Aug 2013



# Supply of modern logistic facilities and demand growth

- Modern logistic facilities are only 2.5% of the total stock of logistic facilities in Japan
- Demand is expected to grow, due to the market growth of 3 PL and E-commerce

## Stock of logistic facilities

(As of March-end 2012)

Total logistic facilities<sup>1</sup>  
467 mm sqm 100%

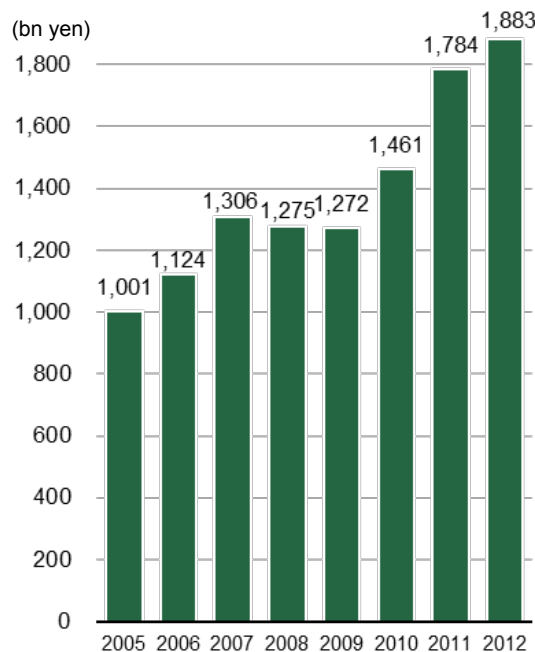
Middle-to-large sized facilities<sup>2</sup>  
224 mm sqm 48%

Modern logistics facilities<sup>3</sup>  
12 mm sqm 2.5%

Source: Ministry of Internal Affairs and Communications, Ministry of Land, Infrastructure, Transport and Tourism, CBRE

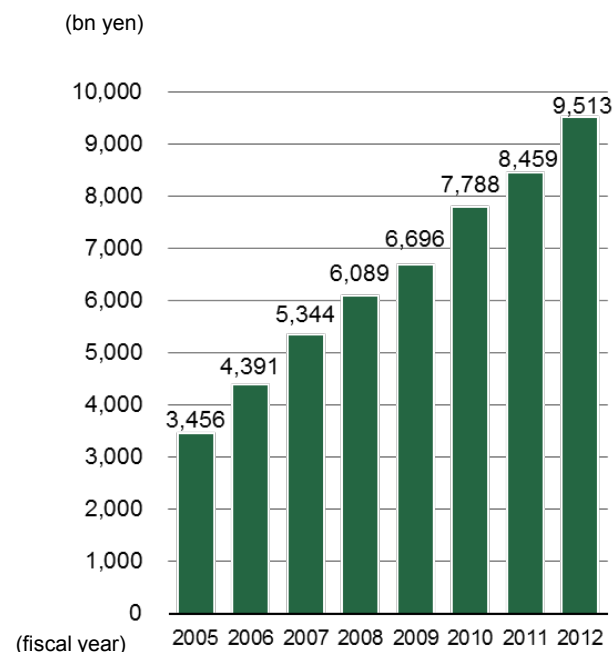
1. Estimated by CBRE using the Survey of the Outline of Fixed Asset Prices as well as the Yearbook of Construction Statistics.
2. Logistic facilities of a size of at least 5,000 sqm.
3. Logistic facilities for rent that is at least 10,000 sqm in total floor space and equipped with functional designs.

## 3PL market growth



Source: Logistic Business

## B-to-C E-commerce market growth

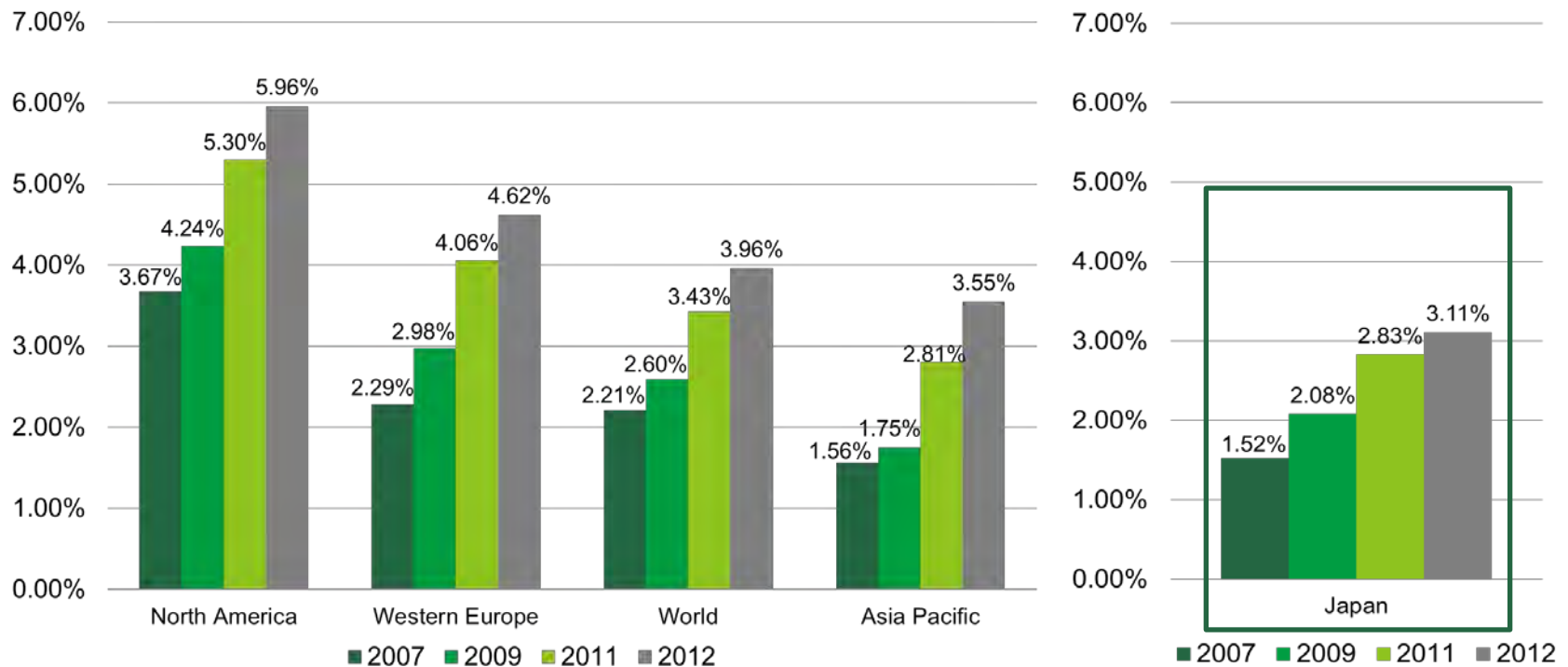


Source: Ministry of Economy, Trade and Industry

# Significant growth potential in Japan's E-commerce market

- Market size of Japan's B-to-C E-commerce market is 9.5 trillion yen in 2012 and 3.11% of the whole retail volume

EC ratio (retail volume in E-commerce only / whole retail volume) in Japan vs. other major regions



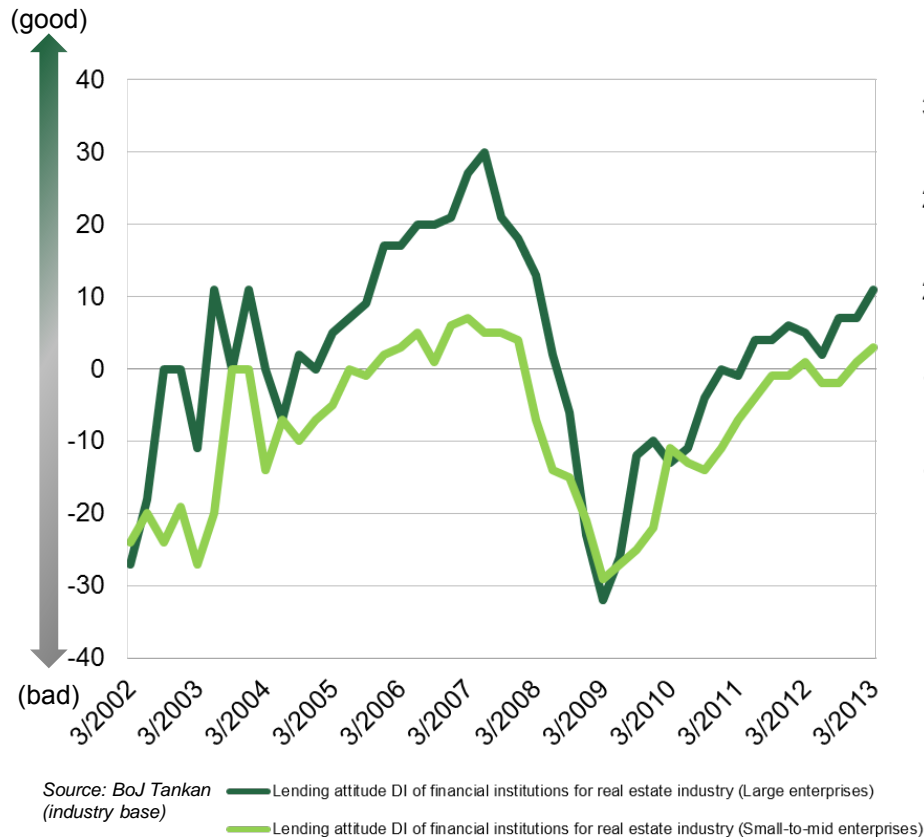
Source : Euromonitor

Source: Ministry of Economy, Trade and Industry

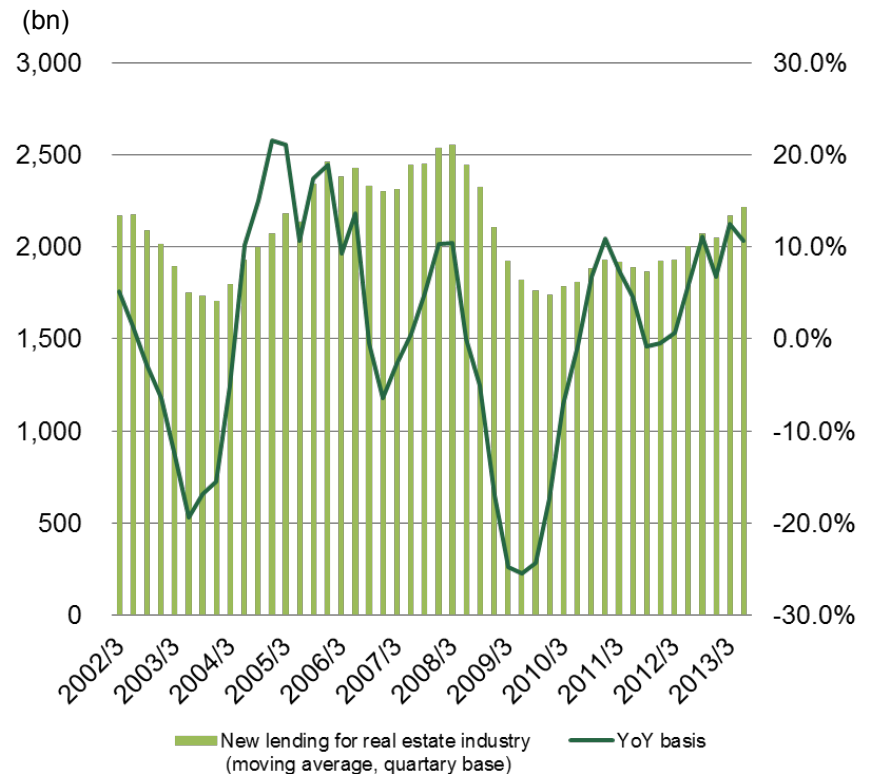
# Favorable debt finance environment

- Lending attitude of financial institutions has been favorable, and promotion of financial ease could further improve borrowing environment

Lending attitude of financial institution DI (Real estate)



New lending for real estate industry



Source: BoJ "Research on short-term economic survey & new lending by industry"

# GLP J-REIT's innovative initiatives

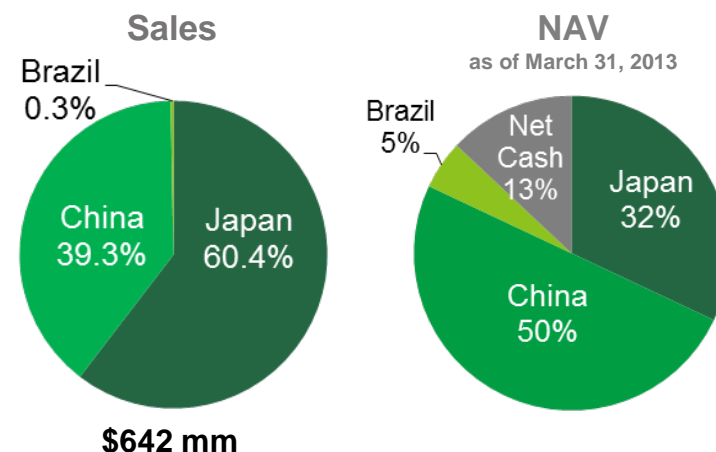
Best-in Class Portfolio	<ul style="list-style-type: none"> <li>■ Best-in class portfolio of modern logistics facilities</li> <li>■ <b><u>High portfolio quality equivalent to that of the portfolio owned by the sponsor</u></b>, the largest logistics facilities provider in Japan (Acquiring two of GLP's flagship assets - GLP Tokyo and GLP Amagasaki)</li> </ul>
Rich Opportunities for External Growth	<ul style="list-style-type: none"> <li>■ Shaping rich and tangible opportunities for external growth through sponsor's pipeline support such as <b><u>Purchase Options</u></b> and <b><u>Right of First Look (RoFL)</u></b></li> </ul>
Optimal Payable Distribution (OPD)	<ul style="list-style-type: none"> <li>■ Implementing <b><u>Optimal Payable Distribution (OPD)</u></b> which realizes FFO-based distribution</li> </ul>
Performance-linked AM Fees and Management Incentive bonuses at Asset Manager	<ul style="list-style-type: none"> <li>■ Approximately 2/3 of AM fees <b><u>linked to NOI and EPU</u></b> (Earnings per Unit)</li> <li>■ Management incentive bonuses at Asset Manager <b><u>linked to EPU and relative unit price performance</u></b> (vs. TSE REIT Index)</li> </ul>
Large Market Capitalization and Smaller Lot of Investment Units Aiming to Enhance Liquidity	<ul style="list-style-type: none"> <li>■ Largest IPO for a J-REIT with approximately <b><u>JPY 110 bn as the offering amount</u></b></li> <li>■ <b><u>Smaller lot of investment units</u></b> (JPY 60,500 at IPO), to expand investor base and enhance liquidity</li> </ul>
Sponsor's Commitment	<ul style="list-style-type: none"> <li>■ Alignment of interests between sponsor and unitholders with the <b><u>sponsor maintaining a 15% ownership</u></b> upon the completion of IPO</li> </ul>
Strict Governance Structure for Related Party Transactions	<ul style="list-style-type: none"> <li>■ <b><u>Veto rights</u></b> by outside expert(s) on Asset Manager's investment &amp; compliance committees</li> <li>■ <b><u>Veto rights</u></b> by J-REIT board on selection of outside expert(s) at Asset Manager</li> </ul>

# Global Logistic Properties Limited (“GLP”)

## General description

<b>Name</b>	■ Global Logistic Properties Limited
<b>Listing Market</b>	■ Singapore Exchange (“SGX”)
<b>Market Cap (\$)</b>	■ \$10,070 mm (as of August 30, 2013)
<b>Total Assets (\$)</b>	■ \$13,248 mm (as of March 31, 2013) <sup>1</sup>
<b>Key Feature</b>	■ Leading modern logistics facility provider in China, Japan and Brazil by GFA <sup>2</sup>
<b>Strategies</b>	<ul style="list-style-type: none"> <li>■ Exclusive focus on logistics real estate</li> <li>■ Focus on only the world's best markets for logistics</li> <li>■ Local people managing real estate</li> <li>■ Leverage strong relationships with global investors to build best-in-class fund management platform</li> </ul>

## Segment information



## Major Shareholders (as of March 31, 2013)<sup>3</sup>

	No. of shares (mm)	Share (%)
GIC	1,731	36.4
Lone Pine Capital	473	10.0

Source: GLP Disclosure

1. GLP Investor Presentation 4Q FY 2013.

2. “GFA” refers to gross floor area.

3. Including beneficial ownership.

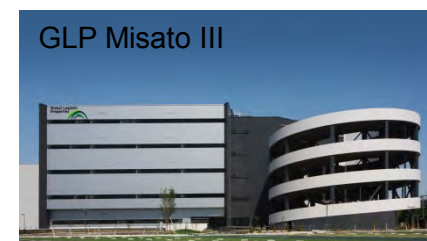
# GLP Group development pipeline

## GLP Group's AUM in Japan (as of June 30, 2013)<sup>1</sup>

	No. of Properties	GFA (mm sqm)	Amount (bn yen)
Completed and stabilized	82	3.5	670.2
J-REIT	33	1.3	226.7
RoFL and Fund Properties	49	2.3	443.5
Completed and pre-stabilized <sup>2</sup>	2	0.2	27.0
Properties under development or being repositioned	3	0.3	29.3

## Development projects

Property Name (Prefecture)	Type	Construction start	Expected completion	GFA (1,000 sqm)
GLP Misato III (Saitama) (completed)	Multi	4/2012	5/2013	94
GLP Soja (Okayama) (completed)	Multi	6/2012	2/2013	78
GLP Atsugi (Kanagawa)	Multi	11/2012	—	107
GLP・MFLP Ichikawa Shiohama (Chiba)	Multi	12/2012	—	121
GLP Ayase (Kanagawa)	Multi	10/2013	—	68
<u>Projects started after 2Q 2014<sup>3</sup></u>				
GLP Naruohama (Hyogo)	Multi	—	—	110
GLP Zama (Kanagawa)	Multi	8/2013 <sup>4</sup>	—	130



Source: GLP Disclosure

1. GLP Investor Presentation 2Q FY 2014. (GFA and Amount is rounded)

2. Properties with less than 93% occupancy ratio or less than one year after completion or acquisition.

3. The projects are not included in above "GLP Group's AUM in Japan (as of June 30, 2013)", since they began after June 30, 2013.

4. Demolition started in August 2013.

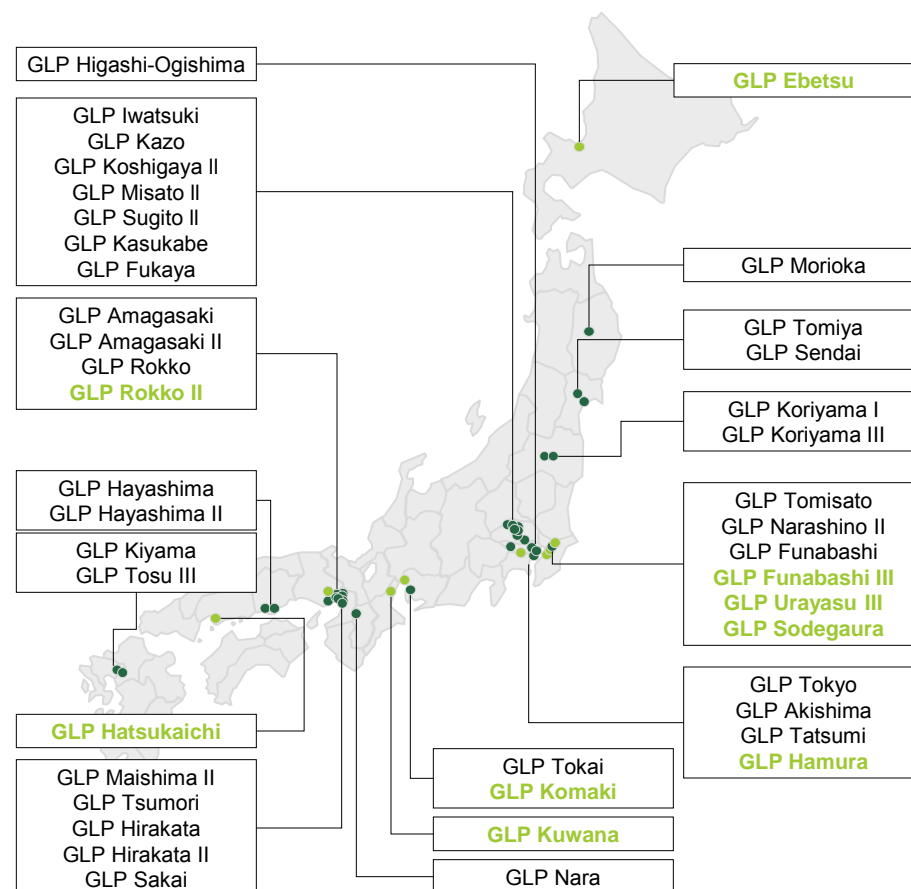
# GLP J-REIT portfolio overview

## Overview

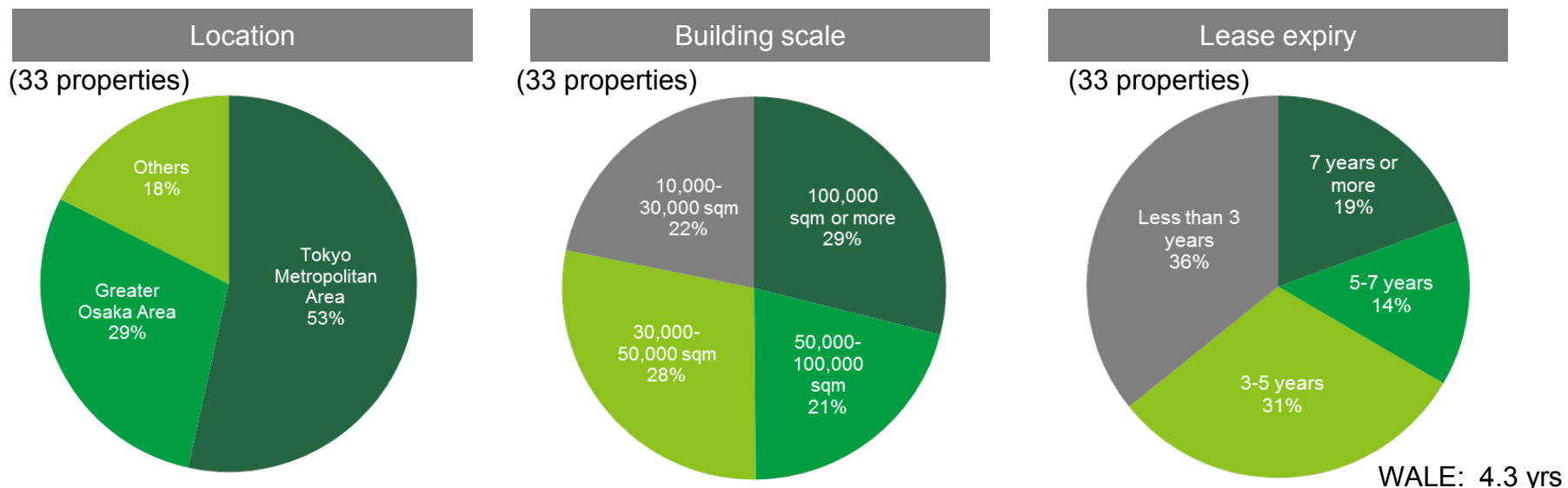
	As of Aug 2013	After new acquisition
Number of Properties	■ 33	■ 42
Asset Size <sup>1</sup>	■ 221.3 bn yen	■ 277.3 bn yen
Leasable area	■ 1,178 thousand sqm	■ 1,469 thousand sqm
WALE (Weighted Average Lease Expiry)	■ 4.3 years	■ 4.7 years
Occupancy	■ 99.9%	■ 99.9%
Number of tenants	■ 53	■ 64

Notes:  
 1. Based on acquisition price

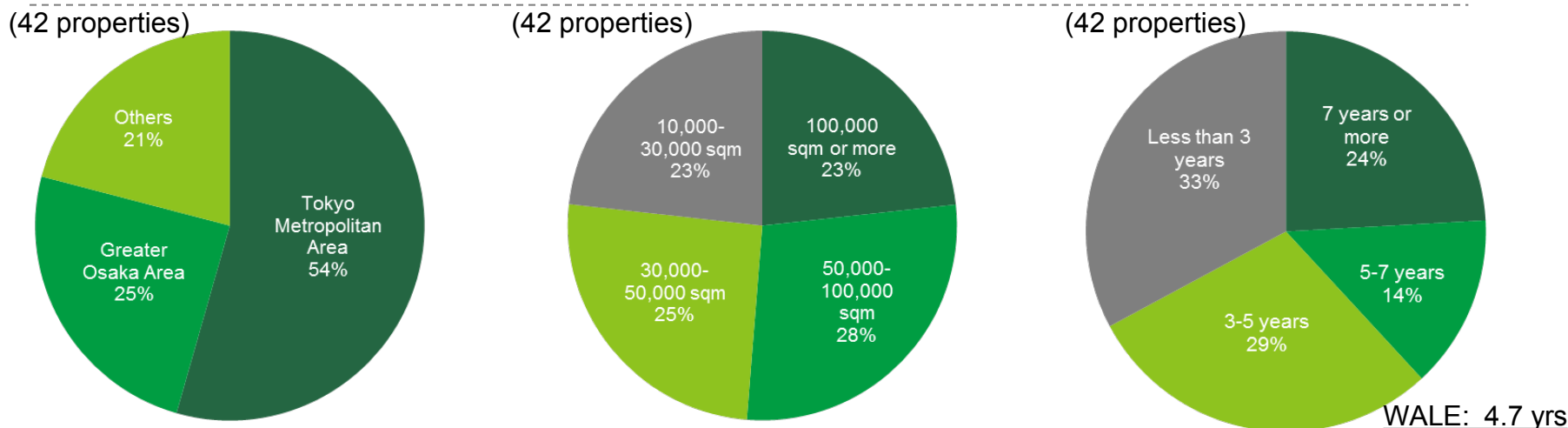
## 42 Properties in GLP J-REIT (incl. new acquisition)



# Well-balanced portfolio with stable return (1)



1. As of August 31, 2013. Location and building scale are based on gross floor area. Lease expiry and weighted Average of Lease Expiry, or WALE are based on leased area excluding vacant area.

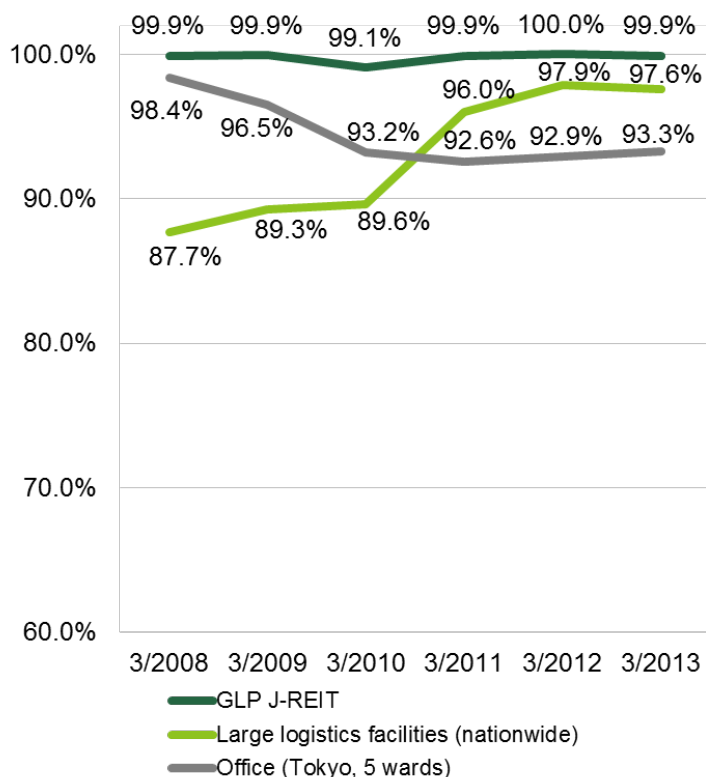


1. As of August 31, 2013. Location and building scale are based on gross floor area. Lease expiry and weighted Average of Lease Expiry, or WALE are based on leased area excluding vacant area.

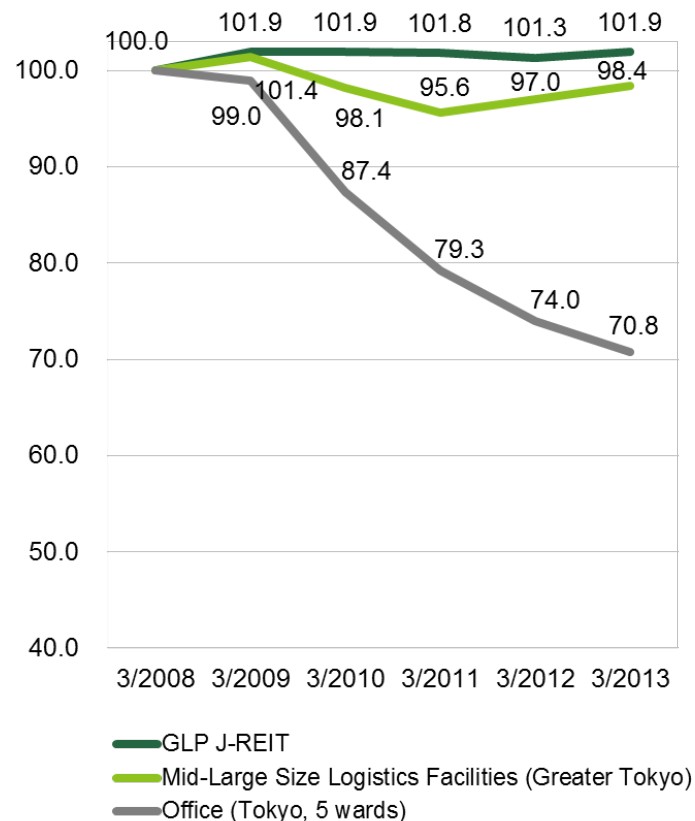


## Well-balanced portfolio with stable return (2)

### Occupancy



### Rent level



Source: CBRE, GLP.

1. GLP J-REIT represents the rent level of 24 properties of the 33 portfolio properties (the properties that GLP Group has held since the end of March 2008, including properties that were indirectly owned by a significant shareholder of GLP Limited as of the end of March 2008 and were subsequently acquired by GLP Limited) is calculated on a basis based on the actual lease terms. Large Logistics Facilities (Nationwide) represents the average offered occupancy rate for nationwide logistics facilities with 5,000 sqm or more in GFA. Office (Tokyo, 5 wards) represents the average offered rent for office buildings located in 5 wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya). Mid-Large Size Logistics Facilities (Greater Tokyo) represents the average offered rent for logistics facilities located in Tokyo, Chiba, Kanagawa and Saitama with 1,000 tsubo (3,305 sqm) or more in GFA. Indexed to March 2008.

# Portfolio description (1)

Property Number	Property Name	Acquisition price (mm yen)	Investment Ratio (%)	Leasable area (sqm)	Leased area (sqm)	Occupancy	No. of Tenants	2013 Aug-end	
								Appraisal value (mm yen)	Direct cap rate <sup>2</sup> (%)
Tokyo-1	GLP Tokyo	22,700	10.3%	56,105	56,105	100.0%	5	23,000	4.7%
Tokyo-2	GLP Higashi-Ogishima	4,980	2.3%	34,582	34,582	100.0%	1	5,350	5.1%
Tokyo-3	GLP Akishima	7,160	3.2%	27,356	27,356	100.0%	3	7,440	5.2%
Tokyo-4	GLP Tomisato	4,990	2.3%	27,042	27,042	100.0%	1	5,140	5.3%
Tokyo-5	GLP Narashino II	15,220	6.9%	104,543	104,543	100.0%	2	18,200	5.3%
Tokyo-6	GLP Funabashi	1,720	0.8%	12,017	12,017	100.0%	1	1,810	5.0%
Tokyo-7	GLP Kazo	11,500	5.2%	76,532	76,532	100.0%	1	12,400	5.3%
Tokyo-8	GLP Fukaya	2,380	1.1%	19,706	19,706	100.0%	1	2,580	5.3%
Tokyo-9	GLP Sugito II	19,000	8.6%	101,262	100,354	99.1%	4	19,500	5.2%
Tokyo-10	GLP Iwatsuki	6,940	3.1%	31,839	31,839	100.0%	1	7,020	5.2%
Tokyo-11	GLP Kasukabe	4,240	1.9%	18,460	18,460	100.0%	1	4,250	5.5%
Tokyo-12	GLP Koshigaya II	9,780	4.4%	43,537	43,537	100.0%	2	9,960	5.1%
Tokyo-13	GLP Misato II	14,600	6.6%	59,208	59,208	100.0%	2	15,100	5.1%
Tokyo-14	GLP Tatsumi	4,960	2.2%	12,925	12,925	100.0%	1	5,150	4.8%

1. As of August 31, 2013

2. NCF capitalization rate used in direct capitalization method in respective appraisal reports

## Portfolio description (2)

Property Number	Property Name	Acquisition price (mm yen)	Investment Ratio (%)	Leasable area (sqm)	Leased area (sqm)	Occupancy	No. of Tenants	2013 Aug-end	
								Appraisal value (mm yen)	Direct cap rate <sup>2</sup> (%)
Osaka-1	GLP Hirakata	4,750	2.1%	29,829	29,829	100.0%	1	4,970	5.5%
Osaka-2	GLP Hirakata II	7,940	3.6%	43,283	43,283	100.0%	1	8,070	5.2%
Osaka-3	GLP Maishima II	8,970	4.1%	56,511	56,511	100.0%	1	9,900	5.5%
Osaka-4	GLP Tsumori	1,990	0.9%	16,080	16,080	100.0%	1	2,070	5.8%
Osaka-5	GLP Rokko	5,160	2.3%	39,339	39,339	100.0%	1	5,340	5.6%
Osaka-6	GLP Amagasaki	24,500	11.1%	110,314	110,314	100.0%	6	24,900	5.0%
Osaka-7	GLP Amagasaki II	2,040	0.9%	12,342	12,342	100.0%	1	2,080	5.6%
Osaka-8	GLP Nara	2,410	1.1%	19,545	19,545	100.0%	1	2,600	6.1%
Osaka-9	GLP Sakai	2,000	0.9%	10,372	10,372	100.0%	1	2,050	5.6%
Other-1	GLP Morioka	808	0.4%	10,253	10,253	100.0%	1	839	6.5%
Other-2	GLP Tomiya	2,820	1.3%	20,466	20,466	100.0%	1	2,820	6.0%
Other-3	GLP Koriyama I	4,100	1.9%	24,335	24,335	100.0%	1	4,170	6.1%
Other-4	GLP Koriyama III	2,620	1.2%	27,671	27,671	100.0%	4	2,660	6.0%
Other-5	GLP Tokai	6,210	2.8%	32,343	32,343	100.0%	1	6,480	5.3%
Other-6	GLP Hayashima	1,190	0.5%	13,574	13,574	100.0%	1	1,260	6.2%
Other-7	GLP Hayashima II	2,460	1.1%	14,447	14,447	100.0%	1	2,500	5.7%
Other-8	GLP Kiyama	4,760	2.2%	23,455	23,455	100.0%	1	4,980	5.6%
Other-9	GLP Tosu III	793	0.4%	11,918	11,918	100.0%	1	847	5.8%
Other-10	GLP Sendai	5,620	2.5%	37,256	37,256	100.0%	1	5,790	5.8%
Total		221,311	100.0%	1,178,461	1,177,554	99.9%	53	231,226	—

1. As of August 31, 2013

2. NCF capitalization rate used in direct capitalization method in respective appraisal reports

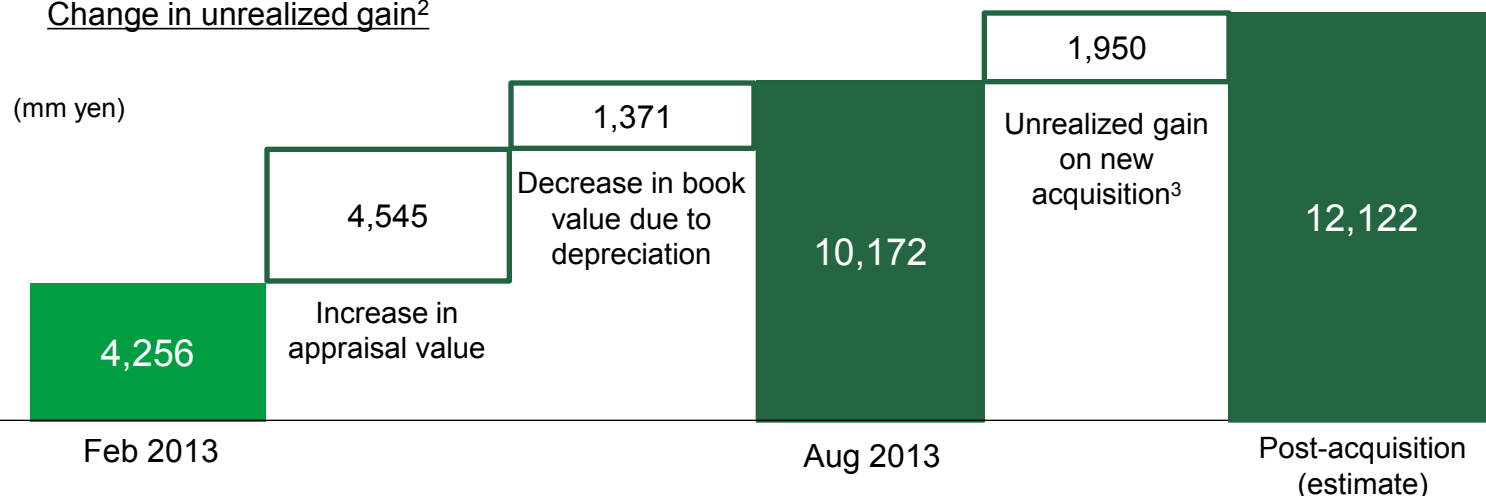
# Increase in unrealized gain

- Cap rate 5.5% as of Aug 2013, compressed by 0.1% from pervious period
- Unrealized gain 12,122 mm yen, as of Oct 1, 2013

## Change in cap rate<sup>1</sup> and appraisal value

	Acquisition price	Appraisal value		
		At the time of acquisition	Feb 2013	Aug 2013
Portfolio value	221,311	226,085	226,681	231,226
Cap rate	5.7%	5.6%	5.6%	5.5%

## Change in unrealized gain<sup>2</sup>



1. Cap rate = NOI in appraisal report / portfolio value

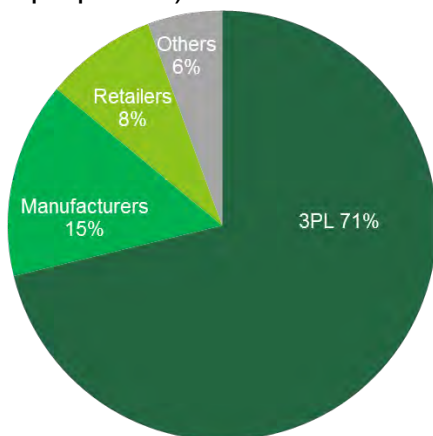
2. Unrealized gain = Appraisal value at fiscal end - book value at fiscal end

3. Unrealized gain on new acquisition = Appraisal value (as of July 2013) - acquisition price

# Tenant diversification

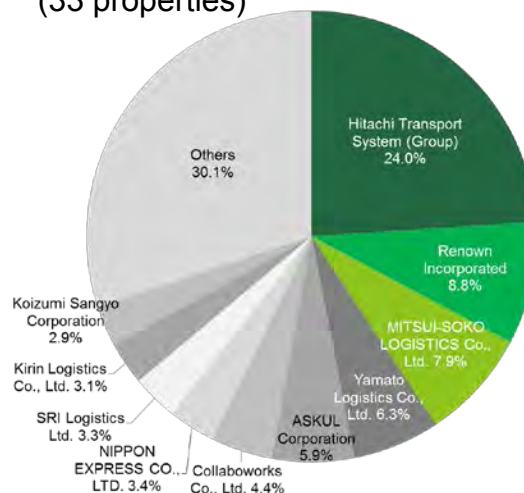
## Tenant industry

(33 properties)



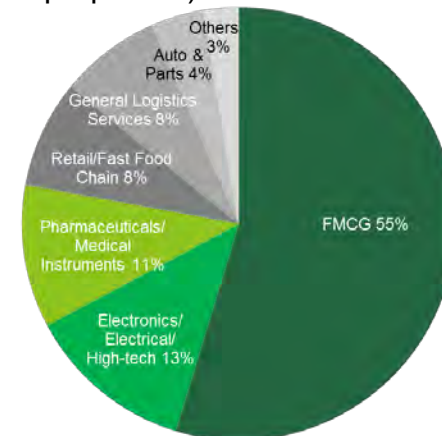
## Top 10 tenants

(33 properties)



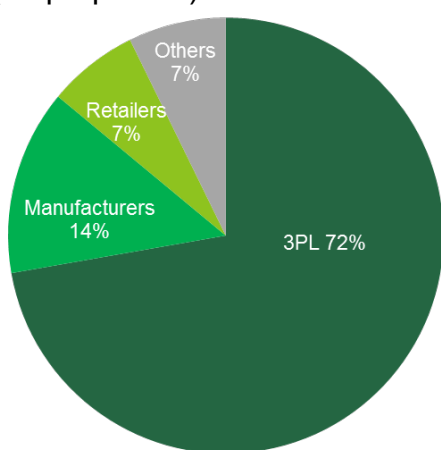
## End-user industry

(33 properties)

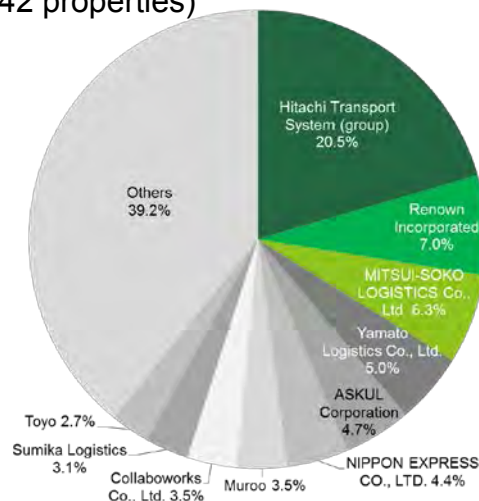


1. As of August 31, 2013. Leased area base.

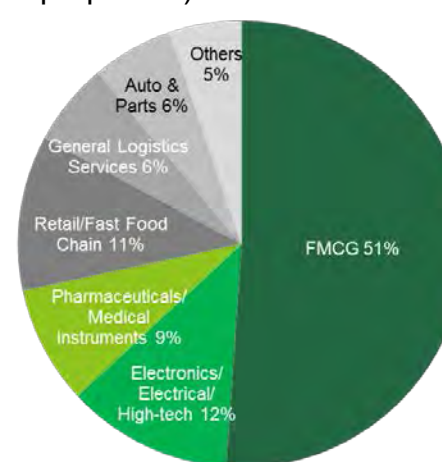
(42 properties)



(42 properties)

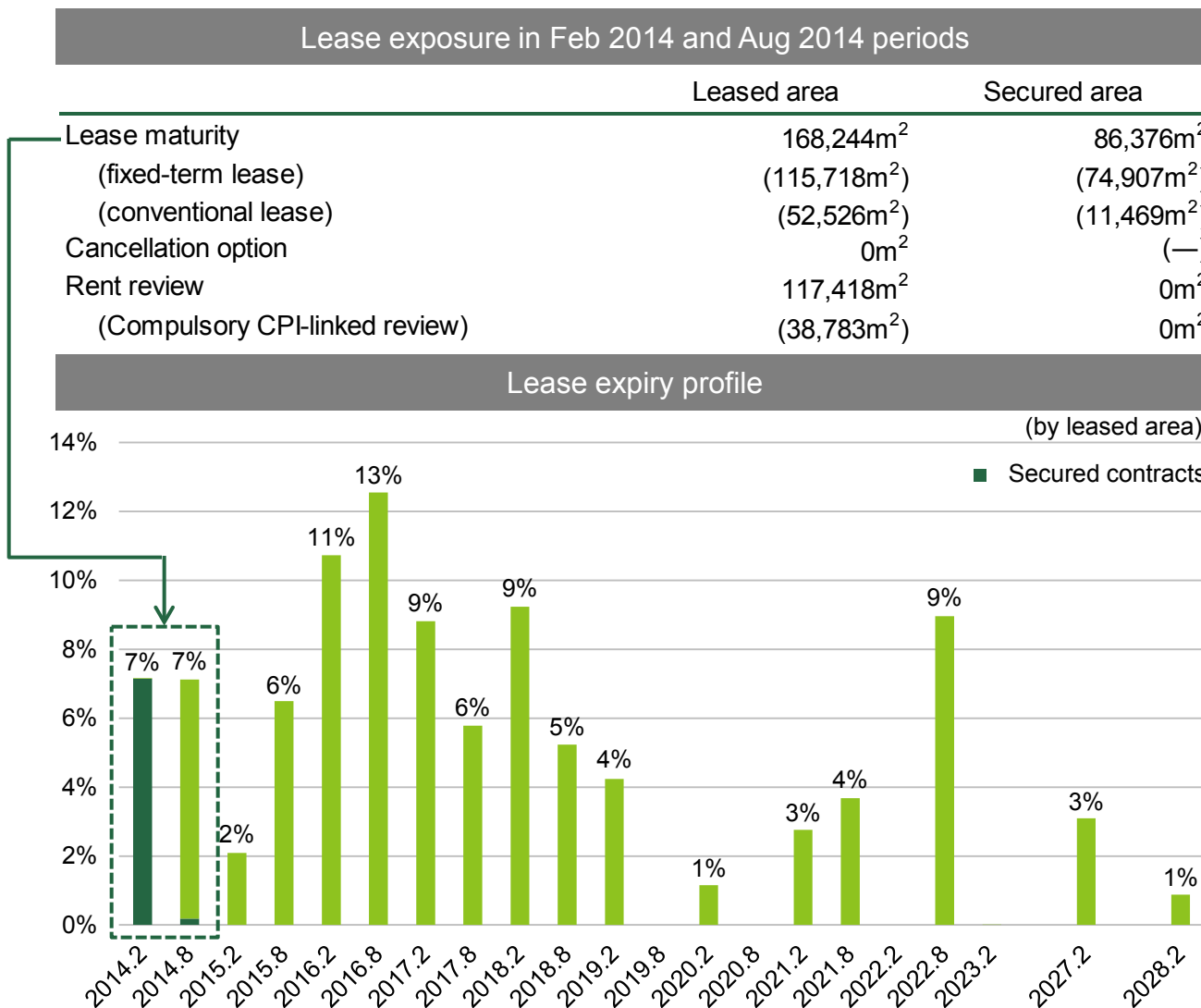


(42 properties)

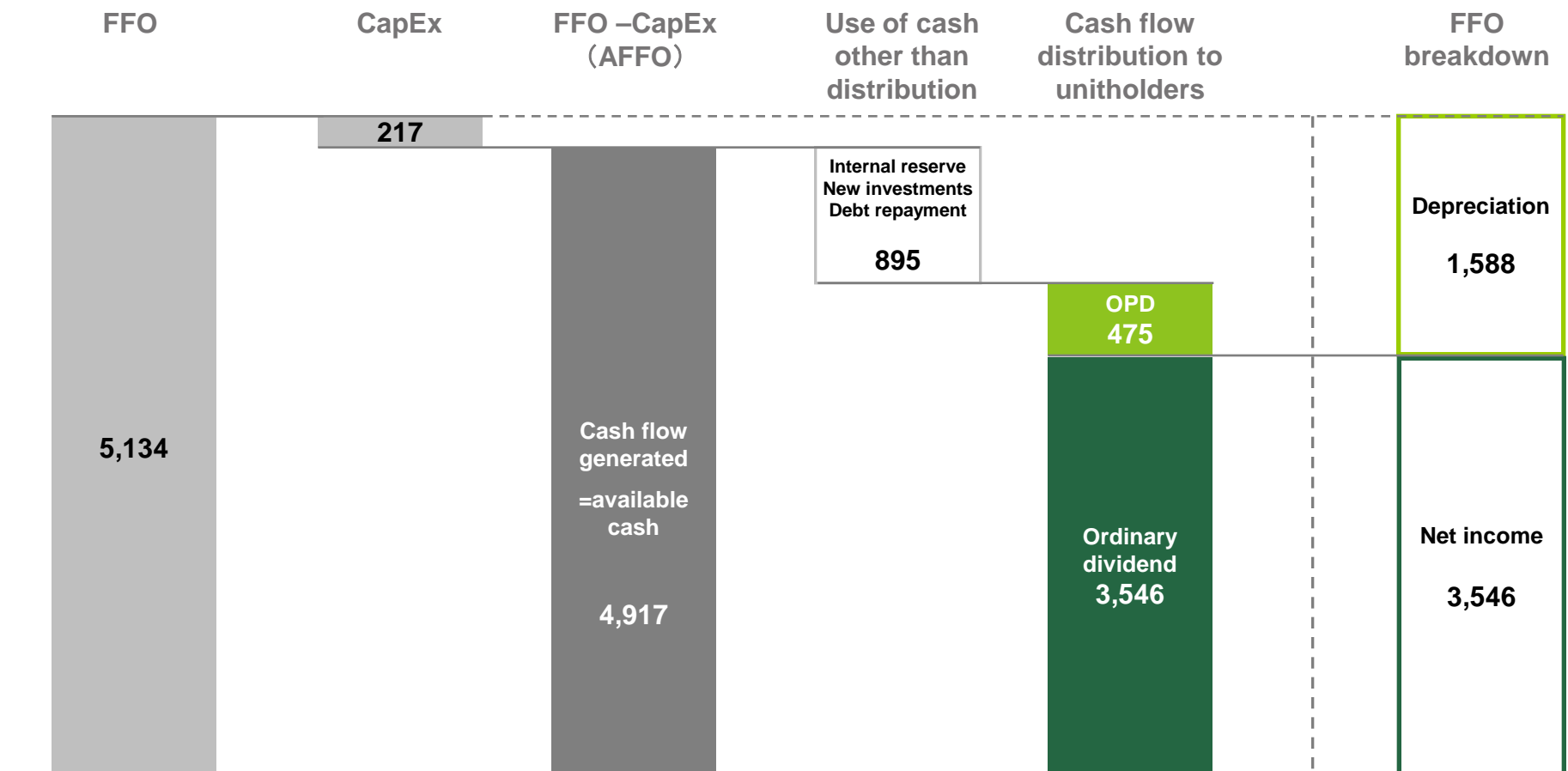


1. Including new acquisition of 9 properties. As of August 31, 2013

# Lease exposure in Feb 2014 and Aug 2014 periods



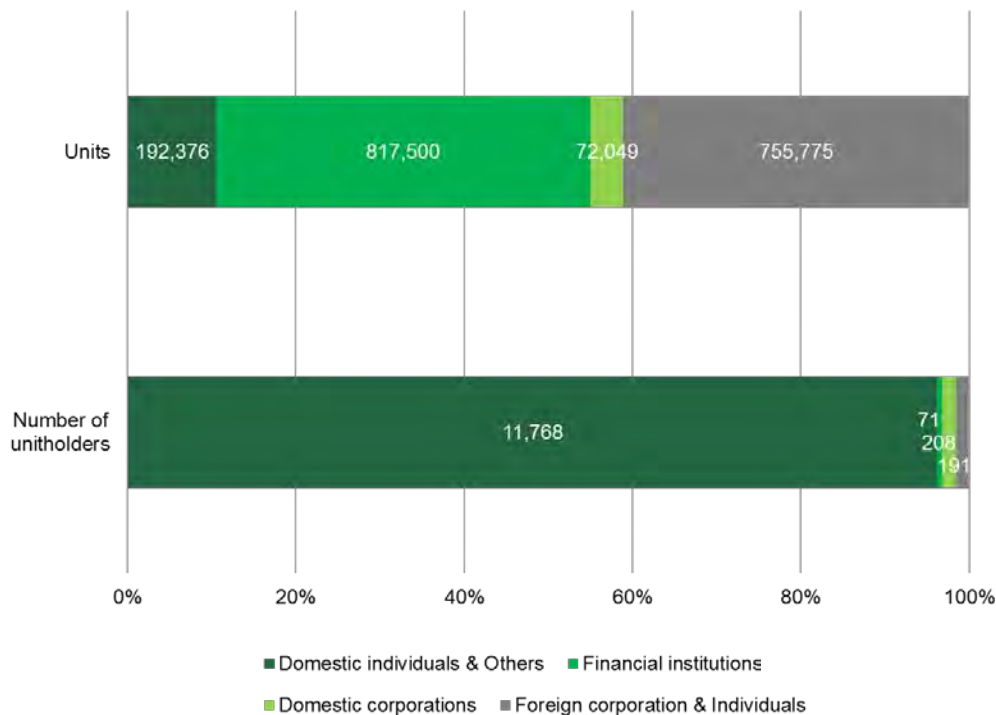
# OPD to ensure sustainable and efficient cash allocation



Figures are results of August 2013 (mm yen)

# Unitholder composition

Distribution of unitholders



Major unitholders

Name	Units	Share
Japan Trustee Services Bank, Trust Account	299,662	16.3%
GLP Capital Japan 2 Private Limited.	272,455	14.8%
Trust & Custody Services Bank, Ltd., Securities Investment Trust Account	188,370	10.2%
The Master Trust Bank of Japan, Ltd., Trust Account	107,939	5.8%
The Nomura Trust and Banking Co., Ltd.	101,669	5.5%
Nomura Bank Luxemburg SA, Investment Trust Account	62,541	3.4%
The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	22,362	1.2%
State Street Bank and Trust Company (Standing Agent: Mizuho Corporate Bank, Ltd., settlement division)	20,402	1.1%
State Street Bank and Trust Company (Standing Agent: Hongkong and Shanghai Banking Corporation, Tokyo branch)	20,129	1.0%
The Gibraltar Life Insurance Co., Ltd. (General account J- REIT)	17,308	0.9%
<b>Total</b>	<b>1,112,837</b>	<b>60.5%</b>







# Disclaimer

---

These materials are for informational purposes only, and do not constitute or form a part of, and should not be construed as, an offer to sell or a solicitation of an offer to buy any securities of GLP J-REIT. You should consult with a representative of a securities firm if you intend to invest in any securities of GLP J-REIT.

Though GLP J-REIT and its asset manager, GLP Japan Advisors, Inc. (GLPJA) has relied upon and assumed the accuracy and completeness of all third party information available to it in preparing this presentation, GLP J-REIT and GLPJA makes no representations as to its actual accuracy or completeness. The information in this presentation is subject to change without prior notice. Neither this presentation nor any of its contents may be disclosed to or used by any other party for any purpose, without the prior written consent of GLP J-REIT and GLPJA .

Statements contained herein that relate to future operating performance are forward-looking statements. Forward-looking statements are based on judgments made by GLP J-REIT and GLPJA's management based on information that is currently available to it. As such, these forward-looking statements are subject to various risks and uncertainties and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, you are cautioned not to place undue reliance on forward-looking statements. GLP J-REIT and GLPJA disclaim any obligation to revise forward-looking statements in light of new information, future events or other findings.

Contact:

GLP Japan Advisors, Inc.

TEL: +81-3-3289-9630

<http://www.glpjreit.com/english/>