

SUMMARY OF FINANCIAL RESULTS (REIT) For the 8th Fiscal Period Ended February 29, 2016

< Under Japanese GAAP >

April 13, 2016

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: May 27, 2016

Scheduled date to commence distribution payments: May 17, 2016

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

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

(Amounts are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended February 29, 2016 (From September 1, 2015 to February 29, 2016)

(1) Operating Results

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income	
Period ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
February 29, 2016	12,332	11.4	6,510	13.5	5,360	15.3	5,360	15.3
August 31, 2015	11,075	0.8	5,733	(1.2)	4,649	(1.0)	4,648	(1.0)

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
Period ended	Yen	%	%	%
February 29, 2016	2,067	3.0	1.4	43.5
August 31, 2015	1,944	2.8	1.3	42.0

(2) Distributions

	Distributions (excluding OPD*)		Optimal payable distribution (OPD)		Distributions (including OPD)		Payout ratio	Distributions to net assets
	Per Unit	Total	Per Unit	Total	Per Unit	Total		
Period ended	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
February 29, 2016	2,067	5,361	300	778	2,367	6,139	100.0	2.9
August 31, 2015	1,944	4,647	296	707	2,240	5,355	100.0	2.8

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

(Note 1) Payout ratio for the period ended February 29, 2016 was calculated as follows since new investment units were issued during the period:

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

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

(Note 3) All of the amounts of OPD for the periods ended February 29, 2016 and August 31, 2015 are the refund of investment, which falls under a distribution through the reduction in unitholders' capital for tax purposes.

(Note 4) Retained earnings decreased at a rate of 0.005 and 0.004 for the periods ended February 29, 2016 and August 31, 2015, respectively, due to OPD (a refund of investment, which falls under a distribution through the reduction in unitholders' capital for tax purposes).

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

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Period ended	Million yen	Million yen	%	Yen
February 29, 2016	390,197	187,382	48.0	72,243
August 31, 2015	353,068	164,991	46.7	69,013

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
Period ended	Million yen	Million yen	Million yen	Million yen
February 29, 2016	8,860	(40,972)	31,491	10,535
August 31, 2015	8,438	(7,735)	695	11,156

2. Earnings Forecast for the Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016) and February 28, 2017 (From September 1, 2016 to February 28, 2017)

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
August 31, 2016	12,255	(0.6)	6,303	(3.2)	5,213	(2.8)	5,211	(2.8)	2,009	298	2,307
February 28, 2017	12,246	(0.1)	6,287	(0.3)	5,217	0.1	5,216	0.1	2,011	299	2,310

(Reference) Estimated net income per unit: For the fiscal period ending August 31, 2016 2,009 yen
For the fiscal period ending February 28, 2017 2,011 yen

* Other

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

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

(2) Number of investment units issued and outstanding

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

As of February 29, 2016	2,593,784 Units	As of August 31, 2015	2,390,731 Units
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- (b) Number of treasury units:

As of February 29, 2016	0 Units	As of August 31, 2015	0 Units
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(Note) Please refer notes to "Per Unit Information" on page 33 for the number of investment units used as the basis for calculating the net income per unit.

* The Status of Statutory Audit

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

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

The forward-looking statements in this material are based on the information currently available to us and certain assumptions we believe reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements do not guarantee the amounts of future distributions and distributions in excess of earnings. Please refer to “Assumptions Underlying Earnings Forecasts for the 9th Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016)” and for the 10th Fiscal Period Ending February 28, 2017 (From September 1, 2016 to February 28, 2017) on page 9-11 for assumptions regarding the forward-looking statements.

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

1. Structure and Formation of Investment Corporation

Disclosure is omitted, as there are no significant changes from the structure and formation of GLP-J-REIT described in the most recent Securities Report filed on November 27, 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 November 27, 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 58 properties (total acquisition price of 384,644 million yen).

(ii) Investment Environment and Business Performance

During the current fiscal period, the Japanese economy is on a moderate recovery, as shown primarily in steady corporate earnings thanks to Abenomics and the Bank of Japan (“BOJ”)’s monetary policy, followed by improvement in the employment and personal income. Weakness can be seen in some areas, such as a weak tone in exports, resulting from the slowdown in the economic growth of China and other emerging nations.

The real estate investment market continues to be active thanks to the favorable financing environment, in spite of continuous decline in expected rates of return, alongside rises in real estate prices in metropolitan areas, primarily in Tokyo. According to the Association for Real Estate Securitization, in 2015, J-REITs acquired property assets amounting to a total of 1,600 billion yen, which was higher than the previous year. Many acquisitions were made not only through public offering, but also through direct negotiation with J-REITs’ sponsors upon IPO. In the logistics property market, the number of market players has been increasing thanks to new market entries by investors and entities 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 facilities, this newly-supplied space in a good location was steadily taken up due to new demand from mail-order firms and retailers, in concurrence with the expansion of the third-party logistics (3PL) business, the e-commerce market and others.

Under these conditions, GLP J-REIT successfully increased funds through global public offering for

three consecutive years. Using funds generated through global offerings as well as bank borrowing, in September 2015, GLP J-REIT acquired trust beneficiary rights of five properties (total acquisition price: 38,090 million yen) selected from the properties defined in the Right-of-First-Look (“RoFL”) (Note 1), comprising prime and modern logistics facilities. In January 2016, GLP J-REIT replaced some properties in its portfolio to improve quality and profitability by (i) acquiring one trust beneficiary right of a property (acquisition price: 2,356 million yen) in a rare location in the Tokyo metropolitan area with an attractive NOI yield of 6.0% and (ii) selling trust beneficiary rights of two holding properties (total sales price: 2,100 million yen) with 80 million yen of capital gains. Thus, GLP J-REIT successfully promoted steady growth of its entire portfolio by continuously expanding holding assets while strengthening quality.

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

As a result of these operations, GLP J-REIT owns 58 properties with the total acquisition price of 384,644 million yen and a total leasable area of 1,914,680.35 m² as of the end of the current fiscal period. The occupancy rate across the entire portfolio continued to remain stable, and at the end of the current fiscal period, it was at the high level of 99.1%. Furthermore, the appraisal value of the entire portfolio reached 440,252 million yen with an unrealized gain of 63,459 million yen and the unrealized gain ratio (Note 2) of 16.8%.

(Note 1) Logistics properties held and managed by Global Logistic Properties Limited, the Sponsor of GLP J-REIT, and its group companies (collectively, “GLP Group”) are expected to be a valuable pipeline for the future external growth of GLP J-REIT. Based on such basic understanding, the Asset Manager of GLP J-REIT entered into a Right-of-First-Look agreement with GLP Group on November 13, 2012 in order to acquire logistics properties held by GLP Group on a stable and continuous basis. Properties subject to the agreement, including all amendments thereto, are referred to as the “RoFL properties.”

(Note 2) $\text{Unrealized gain ratio} = \frac{\text{Unrealized gain (Appraisal value at the fiscal period end} - \text{Book value)}}{\text{Book value}}$.

(iii) Overview of Financing

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

In the current fiscal period, GLP J-REIT raised 22,385 million yen through a public offering in September 2015 and accompanying third party allotment, and 14,550 million yen through new bank borrowings for the purpose of acquiring the trust beneficiary rights of five properties and repaying borrowings. In addition, GLP-J REIT newly borrowed 2,440 million yen to acquire a trust beneficiary right in January 2016. On the other hand, GLP J-REIT made an early repayment of bank borrowings in the amount of 1,960 million yen in February 2016 by using the sales proceeds of two trust beneficiary rights. GLP J-REIT refinanced 25,500 million yen in January 2016 and achieved the lengthening of debt maturities while reducing borrowing costs. Thus, GLP J-REIT further strengthened its financial stability by utilizing interest rate swap contracts to convert the 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 191,130 million yen (outstanding loans 172,630 million yen, outstanding investment corporation bonds 18,500 million yen), and the ratio of interest-bearing liabilities to total assets (LTV) was 49.0 %.

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	Stable
	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 12,332 million yen, operating income of 6,510 million yen, ordinary income of 5,360 million yen and net income of 5,360 million yen for the current fiscal period.

As for cash distribution for the current fiscal period, in accordance with the distribution policy set forth in its Articles of Incorporation, GLP J-REIT decided to distribute 5,361,351,528 yen. This cash distribution is eligible for the special tax treatment on investment corporations (Section 67.15 of the Special Taxation Measures Act) and represents the multiple of the number of investment units issued and outstanding (2,593,784 units) from unappropriated retained earnings. Accordingly, distribution per unit for the current fiscal period was 2,067 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 778,135,200 yen, an amount almost equivalent to 30% of depreciation (2,601 million yen) for the current fiscal period, as a refund of investment which falls under a distribution through the reduction in unitholders’ capital for tax purposes. As a result, the amount of OPD per unit was 300 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 557 million yen of capital expenditure for the current fiscal period from 2,601 million yen of depreciation expenses for the period is 2,043 million yen.

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

With respect to all 58 properties held as of the end of the current fiscal period, the six-month period average of the total amount of 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, January 28, 2015 or July 27, 2015 for each property prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd. and those dated July 27, 2015 or December 14, 2015 for each property prepared by Tokio Marine & Nichido Risk Consulting Co., Ltd., is 460 million yen.

[Outlook of Next Fiscal Period]

(i) Operational Environment in Next Fiscal Period

The Japanese economy is expected to recover moderately thanks to the effectiveness of various governmental policy measures including the BOJ's qualitative and quantitative monetary easing policy with an introduction of a negative interest rate and continuous improvements in employment and individual income.

However, there are downside risks and uncertainties in overseas economies, including the effects of monetary policy in the U.S., such as raising interest rates, the effect of the downfall in crude oil prices, as well as economic slowdowns in resource-rich countries and emerging Asian countries including China. It will be necessary to give attention to increased uncertainties in overseas economies and the effects of fluctuations in the financial and capital markets.

Regarding the leasable logistics facilities market, the number of market players in the Tokyo metropolitan area and Osaka area has been on the increase due to the substantially lower interest rate, so the level of competition in bidding will continue to be fierce. In the leasing market, there is a possibility that vacancy rates might present a temporary rise in certain markets due to a continuous increase in new supply of modern logistics facilities. On the other hand, not only active demand among tenant companies but also new demand from mail-order firms and retailers has been increasing. Thus, the

supply-demand condition is expected to remain sound in the mid-to-long term. In addition, it is foreseen that such solid demand will contribute to a certain degree of increase in rents.

With respect to the financing environment, financial institutions are likely to maintain their current positive lending policies. In the J-REIT market, it is expected that the negative interest rate and favorable investment unit prices will lead to an increase in fund inflows from domestic investors such as local financial institutions.

(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 agreements subject to renewal, giving consideration to market rents, upon the expirations of lease periods. At the same time, GLP J-REIT will seek to enhance the value of existing assets through appropriate maintenance of such assets and capital expenditures.

In its external growth strategy, GLP J-REIT will not only take advantage of the 20 RoFL properties (as of the date of this document) as a valuable pipeline, but also seek opportunities to acquire other properties held by a joint venture formed by GLP Group with a third party. GLP J-REIT will pursue further expansion of its portfolio by continuously collecting information from third parties regarding prospective properties and 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.

(*): Please refer to (Note 8) on page 37 “(2) Portfolio Overview” for the OTA Assets.

(iii) Significant Subsequent Events

None

(iv) Earnings Forecast

GLP J-REIT has made the following earnings forecasts for the fiscal period ending August 31, 2016 (From March 1, 2016 to August 31, 2016) and the fiscal period ending February 28, 2017 (From September 1, 2016 to February 28, 2017). Please refer the forecast assumptions to “Assumptions Underlying Earnings Forecasts for the 9th Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016)” and the 10th Fiscal Period Ending February 28, 2017 (From September 1, 2016 to February 28, 2017) below.

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
August 31, 2016	12,255	(0.6)	6,303	(3.2)	5,213	(2.8)	5,211	(2.8)	2,009	298	2,307
February 28, 2017	12,246	(0.1)	6,287	(0.3)	5,217	0.1	5,216	0.1	2,011	299	2,310

(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 9th Fiscal Period Ending August 31, 2016 (From March 1, 2016 to August 31, 2016) and the 10th Fiscal Period Ending February 28, 2017 (From September 1, 2016 to February 28, 2017)

Item	Assumption
Accounting period	The 9th Fiscal Period: From March 1, 2016 to August 31, 2016 (184 days) The 10th Fiscal Period: From September 1, 2016 to February 28, 2017 (181 days)
Portfolio assets	<ul style="list-style-type: none"> It is assumed that the portfolio assets will consist of the trust beneficiary rights of 58 properties held by GLP J-REIT as of the end of the 8th Fiscal Period, and that there will be no changes to portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) until the end of the 10th Fiscal Period. In practice, however, changes such as the acquisition of new assets other than those properties stated above or the disposal of portfolio assets may occur.
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 191,130 million yen. The forecasts assume that the following borrowings will be refinanced on the same date: (i) 6,900 million yen of the current portion of long-term loans payable with the repayment date of September 2, 2016, (ii) 8,500 million yen of the current portion of long-term loans payable with the repayment date of December 20, 2016 and (iii) 11,600 million yen of the current portion of long-term loans payable with the repayment date of February 28, 2017. The forecasts assume that 2,600 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 August 31, 2016 (the 9th Fiscal Period) will be 48.7% and LTV as of February 28, 2017 (the 10th Fiscal Period) will be 48.9%. The following formula is used to compute LTV. $LTV = (\text{Balance of interest-bearing liabilities} / \text{Total assets}) \times 100$
Operating revenues	<ul style="list-style-type: none"> Concerning operating revenues, the forecasts assume that there is no delinquent rent payment by tenants.

Item	Assumption
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 January 2016 (GLP Matsudo), no amount will be recognized as tax expenses for the 9th and the 10th Fiscal Periods, and the amount will be recognized as tax expenses from the 11th Fiscal Period. The total amount of property-related taxes included in the acquisition costs of the property acquired in January is 17 million yen. • Taxes and dues are expected to be 1,061 million yen for the 9th Fiscal Period and 1,061 million yen for the 10th Fiscal Period. • Repair and maintenance expenses are expected to be 75 million yen for the 9th Fiscal Period and 64 million yen for the 10th Fiscal Period. • Property and facility management fees are expected to be 429 million yen for the 9th Fiscal Period and 429 million yen for the 10th Fiscal Period. • Depreciation is expected to be 2,578 million yen for the 9th Fiscal Period and 2,587 million yen for the 10th 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 rental expenses, excluding depreciation, from operating revenues) is expected to be 10,217 million yen for the 9th Fiscal Period and 10,195 million yen for the 10th 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 1,037 million yen for the 9th Fiscal Period and 1,036 million yen for the 10th 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 51 million yen for the 9th Fiscal Period and 32 million yen for the 10th 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"> The forecasts assume that all of the amounts of OPD for the 9th Period and the 10th Period will be the refund of investment, which falls under a distribution through the reduction in unitholders' capital for tax purposes. 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 9th Fiscal Period and the 10th 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 As of August 31, 2015	Current Period As of February 29, 2016
Assets		
Current assets		
Cash and deposits	5,581,570	4,986,538
Cash and deposits in trust	5,575,223	5,549,044
Operating accounts receivable	256,391	299,990
Prepaid expenses	337,799	390,251
Deferred tax assets	30	—
Consumption taxes receivable	—	598,811
Other current assets	—	134
Total current assets	11,751,015	11,824,771
Noncurrent assets		
Property and equipment		
Buildings in trust	137,450,682	151,491,368
Accumulated depreciation	(9,871,114)	(12,215,546)
Buildings in trust, net	127,579,568	139,275,821
Structures in trust	3,150,562	3,741,652
Accumulated depreciation	(599,478)	(748,332)
Structures in trust, net	2,551,083	2,993,320
Machinery and equipment in trust	53,679	53,679
Accumulated depreciation	(22,358)	(26,610)
Machinery and equipment in trust, net	31,321	27,069
Tools, furniture and fixtures in trust	126,723	143,533
Accumulated depreciation	(41,235)	(52,054)
Tools, furniture and fixtures in trust, net	85,488	91,478
Land in trust	209,785,916	234,404,917
Construction in progress	73,301	65,998
Total property and equipment, net	340,106,680	376,858,606
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	972,626	1,271,286
Security deposits	10,000	10,000
Total investments and other assets	984,226	1,282,886
Total noncurrent assets	341,090,906	378,141,492
Deferred assets		
Investment unit issuance expenses	132,588	145,623
Investment corporation bond issuance costs	93,998	86,092
Total deferred assets	226,587	231,715
Total Assets	353,068,509	390,197,979

(Unit: Thousand yen)

	Prior Period As of August 31, 2015	Current Period As of February 29, 2016
Liabilities		
Current liabilities		
Operating accounts payable	227,990	140,047
Short-term loans payable	1,700,000	—
Current portion of long-term loans payable	23,800,000	27,000,000
Accounts payable	1,308,583	1,419,435
Accrued expenses	25,011	25,410
Income taxes payable	1,074	605
Consumption taxes payable	280,136	—
Advances received	1,941,355	2,037,581
Current portion of tenant leasehold and security deposits	185,746	199,290
Current portion of tenant leasehold and security deposits in trust	—	100,000
Total current liabilities	29,469,897	30,922,371
Noncurrent liabilities		
Investment corporation bonds	18,500,000	18,500,000
Long-term loans payable	132,580,000	145,630,000
Tenant leasehold and security deposits	7,248,598	7,584,626
Tenant leasehold and security deposits in trust	278,019	178,019
Total noncurrent liabilities	158,606,617	171,892,645
Total Liabilities	188,076,514	202,815,016
Net Assets		
Unitholders' equity		
Unitholders' capital	162,790,718	185,176,702
Deduction from unitholders' capital	(2,448,596)	(3,156,252)
Unitholders' capital, net	160,342,122	182,020,450
Retained earnings		
Unappropriated retained earnings	4,649,872	5,362,512
Total retained earnings	4,649,872	5,362,512
Total unitholders' equity	164,991,994	187,382,962
Total Net Assets *2	164,991,994	187,382,962
Total Liabilities and Net Assets	353,068,509	390,197,979

(2) Statements of Income

	(Unit: Thousand yen)	
	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Operating revenues		
Rental revenues *1	10,651,301	11,810,418
Other rental revenues *1	424,001	441,909
Gain on sales of property and equipment *2	—	80,154
Total operating revenues	11,075,303	12,332,482
Operating expenses		
Rental expenses *1	4,148,778	4,474,628
Asset management fee	1,096,931	1,219,077
Asset custody fee	5,574	5,637
Administrative service fees	18,130	19,230
Directors' remuneration	3,960	3,960
Audit fee	13,000	13,500
Taxes and dues	82	14,455
Other operating expenses	54,991	71,480
Total operating expenses	5,341,450	5,821,970
Operating income	5,733,852	6,510,512
Non-operating income		
Interest income	937	880
Total non-operating income	937	880
Non-operating expenses		
Interest expense	734,212	770,388
Interest expenses on investment corporation bonds	60,979	64,207
Amortization of investment corporation bond issuance costs	7,585	7,906
Borrowing related expenses	191,245	208,451
Amortization of investment unit issuance expenses	89,614	77,893
Offering costs associated with the issuance of investment units	897	20,845
Others, net	814	843
Total non-operating expenses	1,085,349	1,150,536
Ordinary income	4,649,440	5,360,856
Income before income taxes	4,649,440	5,360,856
Income taxes-current	1,264	605
Income taxes-deferred	(23)	30
Total income taxes	1,241	635
Net income	4,648,199	5,360,221
Accumulated earnings brought forward	1,672	2,291
Unappropriated retained earnings	4,649,872	5,362,512

(3) Statements of Changes in Net Assets

Prior 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

Current period (From September 1, 2015 to February 29, 2016)

(Unit: Thousand yen)

	Unitholders' equity						Total Net Assets
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Retained earnings		Total unitholders' equity	
				Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	162,790,718	(2,448,596)	160,342,122	4,649,872	4,649,872	164,991,994	164,991,994
Changes of items during the period							
Issuance of new investment units	22,385,984		22,385,984			22,385,984	22,385,984
Distributions in excess of retained earnings		(707,656)	(707,656)			(707,656)	(707,656)
Distributions of earnings				(4,647,581)	(4,647,581)	(4,647,581)	(4,647,581)
Net income				5,360,221	5,360,221	5,360,221	5,360,221
Total changes of items during the period	22,385,984	(707,656)	21,678,327	712,640	712,640	22,390,967	22,390,967
Balance at the end of the period *1	185,176,702	(3,156,252)	182,020,450	5,362,512	5,362,512	187,382,962	187,382,962

(4) Statements of Distributions

(Unit: Yen)		
	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
I Unappropriated retained earnings	4,649,872,187	5,362,512,271
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	707,656,376	778,135,200
III Distributions	5,355,237,440	6,139,486,728
[Distributions per unit]	[2,240]	[2,367]
Of which, distributions of earnings	4,647,581,064	5,361,351,528
[Of which, distributions of earnings per unit]	[1,944]	[2,067]
Of which, distributions in excess of retained earnings	707,656,376	778,135,200
[Of which, distributions in excess of retained earnings per unit]	[296]	[300]
IV Retained earnings carried forward	2,291,123	1,160,743
Calculation method of distribution amount	<p>In accordance with Section 34.1 of the bylaws set forth by GLP J-REIT for distributions of cash dividends, the amount of the distributions shall be more than 90% of income available for dividends defined in Section 67.15 of the Special Taxation Measures Act.</p> <p>Accordingly, GLP J-REIT declared a distribution amount of 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.</p>	<p>In accordance with Section 34.1 of the bylaws set forth by GLP J-REIT for distributions of cash dividends, the amount of the distributions shall be more than 90% of income available for dividends defined in Section 67.15 of the Special Taxation Measures Act.</p> <p>Accordingly, GLP J-REIT declared a distribution amount of 5,361,351,528 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.</p>

(Continued)

(Continued)

(Continued)

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

Thus, GLP J-REIT declared an OPD amounting to 707,656,376 yen, as a refund of its 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.

(Continued)

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

Thus, GLP J-REIT declared an OPD (a refund of its investment, which falls under a distribution through the reduction in unitholders’ capital for tax purposes) amounting to 778,135,200 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,043,896,175 yen calculated by deducting capital expenditure of 557,837,703 yen from depreciation expense of 2,601,733,878 yen, and (2) approximately 30% of the depreciation expense of 2,601,733,878 yen for the period.

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

(5) Statements of Cash Flows

	(Unit: Thousand yen)	
	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Operating activities:		
Income before income taxes	4,649,440	5,360,856
Depreciation	2,361,268	2,601,733
Amortization of investment corporation bond issuance costs	7,585	7,906
Amortization of investment unit issuance expenses	89,614	77,893
Interest income	(937)	(880)
Interest expense	795,191	834,595
Loss on disposal of property and equipment	—	474
Decrease (increase) in operating accounts receivable	31,190	(43,599)
Decrease (increase) in prepaid expenses	41,801	(52,452)
Decrease (increase) in consumption taxes receivable	852,965	(598,811)
Decrease (increase) in other current assets	810	—
Decrease (increase) in long-term prepaid expenses	125,967	(298,659)
Increase (decrease) in operating accounts payable	35,570	(87,943)
Increase (decrease) in accounts payable	(76,626)	125,980
Increase (decrease) in consumption taxes payable	280,136	(280,136)
Increase (decrease) in advances received	40,017	96,226
Increase (decrease) in deposits received	(1,644)	—
Changes due to sales of property and equipment in trust	—	1,951,576
Sub total	9,232,351	9,694,761
Interest received	937	880
Interest paid	(794,319)	(834,196)
Income taxes paid	(788)	(1,208)
Net cash provided by (used in) operating activities	8,438,182	8,860,236
Investing activities:		
Purchase of property and equipment	(73,220)	(81)
Purchase of property and equipment in trust	(7,756,083)	(41,322,239)
Proceeds from tenant leasehold and security deposits	119,869	619,153
Repayments of tenant leasehold and security deposits	(25,947)	(269,580)
Net cash provided by (used in) investing activities	(7,735,381)	(40,972,747)
Financing activities:		
Proceeds from short-term loans payable	2,000,000	—
Repayments of short-term loans payable	(2,000,000)	(1,700,000)
Proceeds from long-term loans payable	4,600,000	42,490,000
Repayments of long-term loans payable	—	(26,240,000)
Proceeds from issuance of investment corporation bonds	1,500,000	—
Payments for investment corporation bond issuance costs	(12,836)	—
Proceeds from issuance of investment units	—	22,295,056
Payments of distributions of earnings	(4,694,549)	(4,646,775)
Payments of distributions in excess of retained earnings	(697,324)	(706,980)
Net cash provided by (used in) financing activities	695,289	31,491,300
Net increase (decrease) in cash and cash equivalents	1,398,089	(621,211)
Cash and cash equivalents at beginning of period	9,758,704	11,156,794
Cash and cash equivalents at end of period *1	11,156,794	10,535,582

(6) Notes Concerning Going Concern Assumption

None

(7) Notes Concerning Significant Accounting Policies

1. Basis and method of valuation of assets	<p>Securities</p> <p>Available-for-sale securities with no readily determinable market price are stated at cost. Cost of securities sold is determined by the moving-average method.</p>								
2. Depreciation of noncurrent assets	<p>Property and equipment including trust assets</p> <p>Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows:</p> <table> <tr> <td>Buildings</td><td>2 to 55 years</td></tr> <tr> <td>Structures</td><td>2 to 57 years</td></tr> <tr> <td>Machinery and equipment</td><td>6 to 12 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>2 to 15 years</td></tr> </table>	Buildings	2 to 55 years	Structures	2 to 57 years	Machinery and equipment	6 to 12 years	Tools, furniture and fixtures	2 to 15 years
Buildings	2 to 55 years								
Structures	2 to 57 years								
Machinery and equipment	6 to 12 years								
Tools, furniture and fixtures	2 to 15 years								
3. Accounting treatment for deferred assets	<p>(1) Investment unit issuance expenses are amortized over three years using the straight-line method.</p> <p>(2) Investment corporation bond issuance costs are amortized over the respective terms of the bonds using the straight-line method.</p>								
4. Revenue and expense recognition	<p>Taxes on property and equipment</p> <p>With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period are accounted for as rental expenses.</p> <p>Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 2,025 thousand yen for the prior period and 77,001 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 floating rate loans payable. Where deferral accounting is generally adopted for hedge transactions, GLP J-REIT applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense.</p> <p>The hedge effectiveness test for interest rate swaps is omitted since all interest rate swaps of GLP J-REIT meet the specific matching criteria for the special accounting treatment as permitted under the Japanese GAAP.</p>								

6. Cash and cash equivalents as stated in the Statements of Cash Flows	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 sheet and statement of income accounts.</p> <p>The following significant trust assets are shown separately on the balance sheets.</p> <p>(a) Cash and deposits in trust</p> <p>(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust</p> <p>(c) Current portion of tenant leasehold and security deposits in trust</p> <p>(d) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment for consumption taxes</p> <p>Consumption taxes withheld and paid are not included in the accompanying statements of income. The nondeductible portion of consumption taxes imposed in connection with assets is charged to expense in the period incurred.</p>

(8) Notes to Financial Statements

(Notes to Balance Sheets)

1. Commitment line agreements

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

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2015	Current Period As of February 29, 2016
Total amount of commitment line agreement	6,000,000	6,000,000
Balance executed as loans	—	—
Unused line of credit	6,000,000	6,000,000

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

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2015	Current Period As of February 29, 2016
	50,000	50,000

(Notes to Statements of Income)

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

	(Unit: Thousand yen)	
	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
A. Property-related revenues		
Rental revenues:		
Rental revenues	10,312,736	11,444,192
Common area charges	338,565	366,225
Total	10,651,301	11,810,418
Other revenues related to property leasing		
Utility charges	300,414	294,394
Parking lots	32,093	32,646
Others	91,493	114,869
Total	424,001	441,909
Total property-related revenues	11,075,303	12,252,328
B. Property-related expenses		
Rental expenses:		
Taxes and dues	958,288	959,379
Property and facility management fees	404,170	434,379
Utilities	310,901	287,081
Repairs and maintenance	53,880	70,330
Casualty insurance	18,097	23,967
Depreciation	2,361,268	2,601,733
Loss on disposal of property and equipment	—	474
Others	42,171	97,281
Total property-related expenses	4,148,778	4,474,628
C. Operating income from property leasing (A – B)	6,926,524	7,777,699

*2. Gain on sales of property and equipment:

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

None

Current Period (From September 1, 2015 to February 29, 2016)

	(Unit: Thousand yen)
GLP Tosu III and GLP Chikushino:	
Sales proceed	2,100,000
Book value of properties sold	1,951,576
Other sales expenses	68,269
Gain on sales of property and equipment	80,154

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

(Notes to Statements of Changes in Net Assets)

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

	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Number of investment units authorized	16,000,000 units	16,000,000 units
Number of investment units issued and outstanding	2,390,731 units	2,593,784 units

(Notes to Statements of Cash Flows)

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

	(Unit: Thousand yen)	
	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Cash and deposits	5,581,570	4,986,538
Cash and deposits in trust	5,575,223	5,549,044
Cash and cash equivalents	11,156,794	10,535,582

(Leases)

Operating lease transactions (As Lessor)
Future minimum rental revenues

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2015	Current Period As of February 29, 2016
Due within one year	19,478,057	21,329,917
Due after one year	55,284,580	71,599,048
Total	74,762,637	92,928,966

(Financial Instruments)

1. Status of financial instruments

(1) Policy for financial instruments

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

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

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

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

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

financial institutions with high credit ratings.

Bank loans and investment corporation bonds are mainly made to procure funds for acquisition of properties and refinancing of bank loans or investment corporation bonds upon their maturities. GLP J-REIT mitigates the liquidity risk exposure upon repayment and redemption of loans by diversifying the maturities and lending institutions and concluding a commitment line agreement, and manages such liquidity risk by preparing and monitoring the forecasted cash flows.

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

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

(3) Supplemental explanation regarding fair values of financial instruments

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

2. Estimated fair value of financial instruments

Prior Period (As of August 31, 2015)

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

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	5,581,570	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)

Current Period (As of February 29, 2016)

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

(Unit: Thousand yen)

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

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

Assets:

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

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

Liabilities:

(1) Short-term loans payable

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

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

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

(3) Investment corporation bonds

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

Derivative transactions:

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

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

(Unit: Thousand yen)

Account name	Prior Period As of August 31, 2015	Current Period As of February 29, 2016
Tenant leasehold and security deposits	7,248,598	7,584,626
Tenant leasehold and security deposits in trust	278,019	178,019
Total	7,526,617	7,762,645

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

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

Prior 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

Current Period (As of February 29, 2016)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	4,986,538
Cash and deposits in trust	5,549,044
Total	10,535,582

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

Prior 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

Current Period (As of February 29, 2016)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	6,000,000	—	4,500,000	8,000,000
Long-term loans payable	27,000,000	24,300,000	20,900,000	24,050,000	15,950,000	60,430,000
Total	27,000,000	24,300,000	26,900,000	24,050,000	20,450,000	68,430,000

(Investment Securities)

Prior Period (As of August 31, 2015) and Current Period (As of February 29, 2016)

None

(Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of August 31, 2015) and Current Period (As of February 29, 2016)

None

2. Derivative transactions for which hedge accounting is applied

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

Prior Period (As of August 31, 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) The fair value of the aforementioned interest rate swap entered on August 28, 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 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.

Current Period (As of February 29, 2016)

(Unit: Thousand yen)

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

(Note 1) Interest rate swaps under the special accounting treatment are accounted for as an integral component of long-term loans payable designated as hedged items. Thus, their fair value is included in that of long-term loans payable disclosed in aforementioned “(Financial Instruments), 2. Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

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

(Retirement Benefit Plans)

Prior Period (As of August 31, 2015) and Current Period (As of February 29, 2016)

None

(Equity in Income)

Prior Period (As of August 31, 2015) and Current Period (As of February 29, 2016)

No affiliate exists, thus, none to report.

(Asset Retirement Obligation)

Prior Period (As of August 31, 2015) and Current Period (As of February 29, 2016)

None

(Deferred Tax Accounting)

1. Significant components of deferred tax assets and liabilities

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2015	Current Period As of February 29, 2016
Deferred tax assets		
Enterprise tax payable	30	—
Total	30	—
Net deferred tax assets	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 August 31, 2015	Current Period As of February 29, 2016
Statutory effective tax rate	34.15	32.31
(Adjustments)		
Distributions deductible for tax purposes	(34.14)	(32.31)
Other	0.02	0.01
Actual tax rate	0.03	0.01

3. Change in tax rate after the fiscal period end

In line with the promulgation on March 31, 2016 of the “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 15, 2016) and the “Act for Partial Revision of Local Taxation Act, etc.” (Act No. 13, 2016), statutory effective tax rate to calculate deferred tax assets or liabilities will be changed for temporary differences reversing on or after September 1, 2016. There is no impact from this change.

(Related Party Transactions)

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

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

None

Current Period (From September 1, 2015 to February 29, 2016)

None

2. Transactions and account balances with affiliates

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

None

Current Period (From September 1, 2015 to February 29, 2016)

None

3. Transactions and account balances with companies under common control

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

Classification	Name of the company	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	100,000	Investment advisory/agency	—	Entrustment of property management Patent license	Property management fee	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 (Notes 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 J-REIT 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) The asset management fee above includes management fees of 21,450 thousand yen capitalized as part of an acquisition cost of a property.

Current Period (From September 1, 2015 to February 29, 2016)

Classification	Name of the company	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	100,000	Investment advisory/agency	—	Entrustment of property management Patent license	Property management fee	224,693	Operating accounts payable	40,520
							Royalty fee (Note 2)	7,500	—	—
							Leasing commission	59,201	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Notes 2, 3)	1,355,627	Accounts payable	1,145,482

Classification	Name of the company	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Subsidiary of other related company	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,410,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	40,199	Advances received	7,235
	Shinkiba Logistic Special Purpose Company (Note 4)	Minato-ku, Tokyo	960,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	11,540,000	—	—
	Narashino Logistic Special Purpose Company (Note 5)	Minato-ku, Tokyo	1,228,850	Real estate	—	—	Purchase of beneficiary right of real estate in trust	5,320,000	—	—
							Receipt of deposits	2,907	—	—
							Acceptance of security deposits	43,625	—	—
	Narita 2 Logistic Special Purpose Company (Note 6)	Minato-ku, Tokyo	123,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	3,700,000	—	—
							Receipt of deposits	2,913	—	—
							Acceptance of security deposits	67,058	—	—
	Sugito Logistic Special Purpose Company (Note 7)	Minato-ku, Tokyo	670,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	8,310,000	—	—
							Receipt of deposits	6,068	—	—
							Acceptance of security deposits	113,755	—	—
	Tosu 1 Logistic Special Purpose Company (Note 8)	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	9,220,000	—	—
							Receipt of deposits	10,646	—	—
							Acceptance of security deposits	140,312	—	—
	GLP J-REIT Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	20,156	Operating accounts receivable	2,481

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

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

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

(Note 3) The asset management fee above includes management fees of 126,050 thousand yen capitalized as part of acquisition costs of properties. It also includes 10,500 thousand yen of management fees for properties sold, which was included in the calculation of gain or loss on sales of property and equipment.

(Note 4) Shinkiba Logistic Special Purpose Company has been liquidated effective March 2, 2016.

(Note 5) Narashino Logistic Special Purpose Company has been liquidated effective March 2, 2016.

(Note 6) Narita 2 Logistic Special Purpose Company has been liquidated effective March 2, 2016.

(Note 7) Sugito Logistic Special Purpose Company has been liquidated effective March 2, 2016.

(Note 8) Tosu 1 Logistic Special Purpose Company has been liquidated effective March 2, 2016.

4. Transactions and account balances with directors and major individual unitholders Prior Period (From March 1, 2015 to August 31, 2015)

None

Current Period (From September 1, 2015 to February 29, 2016)

None

(Investment and Rental Properties)

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

(Unit: Thousand yen)

	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Book value		
Balance at the beginning of the period	334,800,384	340,033,378
Change during the period	5,232,993	36,759,229
Balance at the end of the period	340,033,378	376,792,607
Fair value at the end of the period	385,580,000	440,252,000

(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 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. Similarly, the major increase for the current period was primarily due to the acquisition of the following six properties in the total amount of 40,755,176 thousand yen: GLP Shinkiba, GLP Narashino, GLP Narita II, GLP Sugito, GLP Matsudo and GLP Tosu I), whereas the major decrease was due to the sales of GLP Tosu III and GLP Chikushino in the total amount of 1,951,576 thousand yen and depreciation of 2,601,733 thousand yen.

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

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

(Segment and Related Information)

(Segment Information)

1. Overview of operating and reportable segments

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

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

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

Koriyama III, GLP Urayasu III, GLP Komaki, GLP Tokyo II, GLP Narashino and GLP Narita II.

BTS property: GLP Higashi-Ogishima, GLP Akishima, GLP Tomisato, GLP Narashino II, GLP Funabashi, GLP Kazo, GLP Fukaya, GLP Iwatsuki, GLP Kasukabe, GLP Tatsumi, GLP Hirakata, GLP Hirakata II, GLP Maishima II, GLP Tsumori, GLP Rokko, GLP Amagasaki II, GLP Nara, GLP Sakai, GLP Morioka, GLP Tomiya, GLP Koriyama I, GLP Tokai, GLP Hayashima, GLP Hayashima II, GLP Kiyama, GLP Sendai, GLP Hamura, GLP Funabashi III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana, GLP Hatsukaichi, GLP Tatsumi Ila, GLP Tatsumi Iib, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka, GLP Kobe-Nishi, GLP Shinkiba, GLP Sugito, GLP Matsudo and GLP Tosu I.

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

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

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

Prior Period (August 31, 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 in the negative amount 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 consists of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress of 73,301 thousand yen.

Current Period (February 29, 2016)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	5,257,353	6,994,972	80,154	12,332,482
Segment income	3,244,425	4,533,274	(1,267,187)	6,510,512
Segment assets	165,901,782	216,781,508	7,514,687	390,197,979
Other items				
Depreciation	980,817	1,620,916	—	2,601,733
Increase in property and equipment	9,168,934	30,098,652	(7,303)	39,260,283

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

(Note 2) Reconciling items to operating revenues of 80,154 thousand yen consist of gain on sales of property and equipment which does not belong to reportable segments. Reconciling items to segment income in the negative amount of 1,267,187 thousand yen consist of gain on sales of property and equipment of 80,154 thousand yen that does not belong to reportable segments and corporate expenses of 1,347,341 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 7,514,687 thousand yen include current assets of 5,935,687 thousand yen, property and equipment of 65,998 thousand yen, investments and other assets of 1,281,286 thousand yen and deferred assets of 231,715 thousand yen.

Reconciling items to increase in property and equipment under other items in the negative amount of 7,303 thousand yen consist of corporate assets which does not belong to reportable segments. Such corporate assets represent a decrease in construction in progress of 7,303 thousand yen.

(Related Information)

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

1. Revenue information by product and service

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

2. Information by geographic area

(1) Operating revenues

Substantially all property and equipment are located in Japan.

(2) Property and equipment

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

3. Information on major tenants

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

Current Period (From September 1, 2015 to February 29, 2016)

1. Revenue information by product and service

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

2. Information by geographic area

(1) Operating revenues

Substantially all property and equipment are located in Japan.

(2) Property and equipment

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

3. Information on major tenants

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

(Per Unit Information)

	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Net assets per unit	69,013 yen	72,243 yen
Net income per unit	1,944 yen	2,067 yen

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

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

	Prior Period From March 1, 2015 To August 31, 2015	Current Period From September 1, 2015 To February 29, 2016
Net income	4,648,199 thousand yen	5,360,221 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	4,648,199 thousand yen	5,360,221 thousand yen
Average number of investment units outstanding	2,390,731 units	2,593,064 units

(Significant Subsequent Events)

None to report.

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

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

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
September 16, 2011	Establishment through private placement	200	200	100	100	(Note 2)
December 14, 2011	Issuance of new units through allocation to a third party	20	220	10	110	(Note 3)
June 22, 2012	Issuance of new units through allocation to a third party	180	400	90	200	(Note 4)
October 31, 2012	Unit split	2,800	3,200	—	200	(Note 5)
December 20, 2012	Public offering	1,747,100	1,750,300	102,189	102,389	(Note 6)
January 21, 2013	Issuance of new units through allocation to a third party	87,400	1,837,700	5,112	107,501	(Note 7)
May 22, 2013	Distributions in excess of retained earnings (a refund of investment)	—	1,837,700	(154)	107,347	(Note 8)
September 26, 2013	Public offering	249,955	2,087,655	22,179	129,527	(Note 9)
October 16, 2013	Issuance of new units through allocation to a third party	10,045	2,097,700	891	130,418	(Note 10)
November 19, 2013	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(475)	129,942	(Note 11)
May 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,097,700	(526)	129,415	(Note 12)
September 1, 2014	Public offering	281,709	2,379,409	30,973	160,389	(Note 13)
September 24, 2014	Issuance of new units through allocation to a third party	11,322	2,390,731	1,244	161,633	(Note 14)
November 19, 2014	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(593)	161,040	(Note 15)
May 19, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(698)	160,342	(Note 16)
September 1, 2015	Public offering	197,594	2,588,325	21,784	182,126	(Note 17)

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

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

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

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

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

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

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

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

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

(Note 9) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 88,735 yen or the offer price of 91,942 yen per unit.

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

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

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

(Note 13) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 109,947 yen or the offer price of 113,827 yen per unit.

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

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

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

(Note 17) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price

of 110,247 yen or the offer price of 114,174 yen per unit.

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

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

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 August 31, 2015		Current Period February 29, 2016	
		Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)	Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Tokyo metropolitan area	208,378	59.0	238,686	61.2
	Greater Osaka area	76,156	21.6	75,657	19.4
	Other	55,497	15.7	62,449	16.0
Sub Total		340,033	96.3	376,792	96.6
Deposits and other assets		13,035	3.7	13,405	3.4
Total assets (Note 5) (Note 6)		353,068 [340,033]	100.0 [96.3]	390,197 [376,792]	100.0 [96.6]

	Amount (Million yen)	As a ratio to total assets (%) (Note 3)	Amount (Million yen)	As a ratio to total assets (%) (Note 3)
Total liabilities (Note 5)	188,076	53.3	202,815	52.0
Total net assets (Note 5)	164,991	46.7	187,382	48.0

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

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

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

(Note 4) The amount of 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 (Note 8) held by GLP J-REIT at the fiscal period end. Each figure in this table is the information as of February 29, 2016 unless otherwise stated.

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	22,171	27,300	5.9	56,105.95	56,105.95	100.0	5
Tokyo-2	GLP Higashi-Ogishima	4,980	4,994	6,230	1.3	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,160	7,062	8,640	1.9	27,356.63	27,356.63	100.0	3
Tokyo-4	GLP Tomisato	4,990	4,783	5,590	1.3	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	14,993	19,200	4.0	104,543.59	104,543.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,915	1,840	0.4	10,668.05	—	—	—
Tokyo-7	GLP Kazo	11,500	10,924	13,500	3.0	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,308	2,770	0.6	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	18,240	22,500	4.9	101,272.40	100,162.57	98.9	4
Tokyo-10	GLP Iwatsuki	6,940	6,708	8,150	1.8	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	4,046	4,950	1.1	18,460.73	18,460.73	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,521	11,500	2.5	43,537.47	43,537.47	100.0	2
Tokyo-13	GLP Misato II	14,600	14,203	17,500	3.8	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,895	6,040	1.3	12,925.58	12,925.58	100.0	1
Tokyo-15	GLP Hamura	7,660	7,582	8,850	2.0	40,277.93	40,277.93	100.0	1
Tokyo-16	GLP Funabashi III	3,050	3,043	3,870	0.8	18,281.84	18,281.84	100.0	1
Tokyo-17	GLP Sodegaura	6,150	5,984	7,580	1.6	45,582.06	45,582.06	100.0	1
Tokyo-18	GLP Urayasu III	18,200	17,959	20,200	4.7	64,198.11	64,198.11	100.0	2
Tokyo-19	GLP Tatsumi IIa	6,694	6,700	7,740	1.7	17,108.52	17,108.52	100.0	1
Tokyo-20	GLP Tatsumi IIb	1,056	1,058	1,140	0.3	3,359.00	3,359.00	100.0	1
Tokyo-21	GLP Tokyo II	36,100	35,753	38,800	9.4	79,073.21	79,073.21	100.0	6
Tokyo-22	GLP Okegawa	2,420	2,403	2,620	0.6	17,062.92	17,062.92	100.0	1
Tokyo-23	GLP Shinkiba	11,540	11,610	12,200	3.0	18,341.73	18,341.73	100.0	1
Tokyo-24	GLP Narashino	5,320	5,325	5,530	1.4	23,548.03	23,548.03	100.0	3
Tokyo-25	GLP Narita II	3,700	3,720	3,870	1.0	20,927.35	20,927.35	100.0	3
Tokyo-26	GLP Sugito	8,310	8,309	9,240	2.2	58,918.12	58,918.12	100.0	1
Tokyo-27	GLP Matsudo	2,356	2,465	2,700	0.6	14,904.60	14,904.60	100.0	1
Osaka-1	GLP Hirakata	4,750	4,670	6,090	1.2	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,699	8,770	2.1	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	8,970	8,455	10,700	2.3	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,019	2,250	0.5	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	5,082	5,710	1.3	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,500	23,720	27,100	6.4	110,224.41	110,224.41	100.0	7
Osaka-7	GLP Amagasaki II	2,040	2,005	2,240	0.5	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,238	2,860	0.6	19,545.35	19,545.35	100.0	1

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Osaka-9	GLP Sakai	2,000	1,917	2,200	0.5	10,372.10	10,372.10	100.0	1
Osaka-10	GLP Rokko II	3,430	3,317	4,230	0.9	20,407.30	20,407.30	100.0	1
Osaka-11	GLP Kadoma	2,430	2,440	3,050	0.6	12,211.73	12,211.73	100.0	1
Osaka-12	GLP Seishin	1,470	1,462	1,610	0.4	9,533.88	9,533.88	100.0	1
Osaka-13	GLP Fukusaki	3,640	3,535	4,080	0.9	24,167.83	24,167.83	100.0	1
Osaka-14	GLP Kobe-Nishi	7,150	7,091	7,590	1.9	35,417.31	35,417.31	100.0	1
Other-1	GLP Morioka	808	816	872	0.2	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	2,820	2,691	3,000	0.7	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	3,897	4,480	1.1	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,628	2,690	0.7	27,671.52	21,591.54	78.0	4
Other-5	GLP Tokai	6,210	6,021	7,340	1.6	32,343.31	32,343.31	100.0	1
Other-6	GLP Hayashima	1,190	1,206	1,340	0.3	13,574.58	13,574.58	100.0	1
Other-7	GLP Hayashima II	2,460	2,325	2,670	0.6	14,447.48	14,447.48	100.0	1
Other-8	GLP Kiyama	4,760	4,444	5,390	1.2	23,455.96	23,455.96	100.0	1
Other-10	GLP Sendai	5,620	5,408	6,240	1.5	37,256.23	37,256.23	100.0	1
Other-11	GLP Ebetsu	1,580	1,520	2,000	0.4	18,489.25	18,489.25	100.0	1
Other-12	GLP Kuwana	3,650	3,527	4,360	0.9	20,402.12	20,402.12	100.0	1
Other-13	GLP Hatsukaichi	1,980	1,923	2,390	0.5	10,981.89	10,981.89	100.0	1
Other-14	GLP Komaki	10,300	10,136	11,900	2.7	52,709.97	52,709.97	100.0	2
Other-15	GLP Ogimachi	1,460	1,499	1,560	0.4	13,155.28	13,155.28	100.0	1
Other-16	GLP Hiroshima	3,740	3,702	4,020	1.0	21,003.04	21,003.04	100.0	2
Other-17	GLP Fukuoka	1,520	1,510	1,630	0.4	14,641.22	14,641.22	100.0	1
Other-19	GLP Tosu I	9,220	9,187	9,840	2.4	74,860.38	74,860.38	100.0	1
Total portfolio		384,644	376,792	440,252	100.0	1,914,680.35	1,896,822.49	99.1	90

Property number	Property name	Acquisition price (Planned) (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million 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)
OTA Assets (Note 8)									
N/A	GLP Noda-Yoshiharu	(Note 9)	—	5,030	—	26,631.40	26,631.40	100.0	1

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

(Note 2) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trusts Association, Japan. Concerning the OTA assets, the research price as of February 29, 2016, is stated.

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

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

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

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

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

(Note 8) On July 14, 2015, GLP J-REIT entered into a forward commitment contract concerning acquisition of GLP Noda-Yoshiharu held by a third party. Under the contract, it is agreed in cooperation with the Mitsubishi UFJ Lease & Finance (“MUFJ L&F”) Group that the asset will be temporarily owned by MUL Property Co., Ltd. (*), a real estate-related company and a wholly-owned subsidiary of MUFJ L&F, and that GLP J-REIT will acquire the asset on the date designated by GLP J-REIT during the scheduled period from July 14, 2016 to July 13, 2020. The purpose of this scheme is to reduce the acquisition price of the asset. GLP J-REIT refers to the scheme as “Optimal Takeout Agreement (OTA)” and the assets subject to the OTA as “OTA Assets”.

(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, MUL Property Co., Ltd. The final acquisition price will be determined by adjusting the difference between (i) planned outlays, including repairs and maintenance costs, and capital expenditures as agreed 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.

(*) Central Compass Co., Ltd. has changed its business name to MUL Property Co., Ltd. on February 1, 2016. (hereinafter the same)

(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 (Million yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Koriyama III	Koriyama, Fukushima	Renovation of roof waterproofing	From August 2016 to October 2016	90	—	—
GLP Funabashi III	Funabashi, Chiba	Extensive renovation of North-side exterior walls and roof surfaces	From April 2016 to July 2016	52	—	—
GLP Sendai	Sendai, Miyagi	Renovation of West-side exterior walls	From September 2016 to December 2016	51	—	—
GLP Shinkiba	Koto-ku, Tokyo	Renovation of exterior walls	From May 2016 to September 2016	45	—	—
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of water-cooled chillers	From April 2016 to May 2016	35	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls Phase III	From November 2016 to January 2017	30	—	—

Property name	Location	Purpose	Planned period	Estimated construction cost (Million yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Amagasaki	Amagasaki, Hyogo	Sealing South-side exterior walls	From July 2016 to August 2016	27	—	—
GLP Amagasaki	Amagasaki, Hyogo	Sealing West-side exterior walls	From January 2017 to February 2017	24	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls Phase II	From July 2016 to August 2016	20	—	—

(b) Capital expenditure incurred for the period

The following table summarizes the major constructions to holding properties that resulted in capital expenditure for the current period. Capital expenditure for the current period was 557 million yen. The total construction cost amounted to 628 million yen, including repair and maintenance of 70 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Koriyama I	Koriyama, Fukushima	Earthquake-proof reinforcement of piping for foam fire extinguishing system	From December 2015 to February 2016	73
GLP Ogimachi	Sendai, Miyagi	Renovation of existing building roof	From July 2015 to October 2015	46
GLP Sendai	Sendai, Miyagi	Renovation of South-side exterior walls	From January 2016 to February 2016	35
GLP Shinkiba	Koto-ku, Tokyo	Extensive renovation of West-side exterior walls	From September 2015 to December 2015	29
GLP Tosu III	Tosu, Saga	Renovation of the track berth of the Rack Building	From January 2016 to January 2016	9
GLP Tosu III	Tosu, Saga	Replacement of air conditioners in picking-up areas	From January 2016 to January 2016	9
Other	—	—	—	353
Total				557

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

The 8th Fiscal Period (From September 1, 2015 to February 29, 2016) (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	182	182	182	182	182	182	182
(1) Property-related revenues	702,169	(Note 1)	(Note 1)	(Note 1)	(Note 1)	2,464	(Note 1)
(2) Property-related expenses	143,666					21,509	
Taxes and dues	56,852					9,547	
Property and facility management fees	38,679					2,502	
Utilities	42,863					2,900	
Repair and maintenance	1,658					5,924	
Casualty insurance	755					115	
Others	2,857					520	
(3) NOI((1)-(2))	558,503	157,220	188,042	138,618	381,841	(19,044)	326,334
(4) Depreciation	118,085	39,822	28,330	38,988	127,000	14,450	103,087
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	440,417	117,397	159,712	99,629	254,840	(33,495)	223,246
(7) Capital expenditure	12,136	22,906	2,450	2,945	42,441	5,185	8,980
(8) NCF((3)-(7))	546,367	134,314	185,592	135,673	339,399	(24,230)	317,354

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	182	182	182	182	182	182	182
(1) Property-related revenues	(Note 1)	657,249	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses		135,083					
Taxes and dues		50,094					
Property and facility management fees		44,149					
Utilities		36,053					
Repair and maintenance		1,736					
Casualty insurance		1,179					
Others		1,869					
(3) NOI((1)-(2))	78,936	522,165	183,699	111,697	258,835	387,823	123,545
(4) Depreciation	28,189	140,805	45,254	36,242	54,212	76,749	15,733
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	50,747	381,360	138,444	75,454	204,623	311,074	107,812
(7) Capital expenditure	9,371	4,663	—	5,365	3,400	6,070	604
(8) NCF((3)-(7))	69,565	517,502	183,699	106,332	255,435	381,753	122,941

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	182	182	182	182	182	182	182
(1) Property-related revenues							1,028,428
(2) Property-related expenses							212,725
Taxes and dues							83,804
Property and facility management fees	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	61,576
Utilities							60,793
Repair and maintenance							912
Casualty insurance							1,091
Others							4,547
(3) NOI((1)-(2))	210,464	83,792	189,551	433,019	161,742	30,429	815,703
(4) Depreciation	39,048	20,499	41,078	100,373	19,712	5,145	176,905
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	171,416	63,293	148,472	332,646	142,030	25,284	638,798
(7) Capital expenditure	—	756	390	9,188	7,610	1,926	4,551
(8) NCF((3)-(7))	210,464	83,036	189,161	423,831	154,132	28,503	811,152

Property number	Tokyo-22	Tokyo-23	Tokyo-24	Tokyo-25	Tokyo-26	Tokyo-27	Osaka-1
Property name	GLP Okegawa	GLP Shinkiba	GLP Narashino	GLP Narita II	GLP Sugito	GLP Matsudo	GLP Hirakata
Operating dates	182	182	182	182	182	46	182
(1) Property-related revenues			160,609	139,693			
(2) Property-related expenses			14,766	20,915			
Taxes and dues			—	—			
Property and facility management fees	(Note 1)	(Note 1)	7,120	9,392	(Note 1)	(Note 1)	(Note 1)
Utilities			6,904	8,931			
Repair and maintenance			181	568			
Casualty insurance			222	249			
Others			338	1,773			
(3) NOI((1)-(2))	68,653	274,311	145,843	118,778	224,928	20,529	144,919
(4) Depreciation	22,805	34,204	21,902	35,568	44,864	3,946	23,243
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	474
(6) Operating income from property leasing ((3)-(4)-(5))	45,848	240,106	123,941	83,209	180,064	16,582	121,201
(7) Capital expenditure	16,608	52,244	1,751	34,252	3,010	—	3,901
(8) NCF((3)-(7))	52,045	222,066	144,092	84,525	221,918	20,529	141,018

Property number	Osaka-2	Osaka-3	Osaka-4	Osaka-5	Osaka-6	Osaka-7	Osaka-8
Property name	GLP Hirakata II	GLP Maishima II	GLP Tsumori	GLP Rokko	GLP Amagasaki	GLP Amagasaki II	GLP Nara
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	818,253	(Note 1)	(Note 1)
(2) Property-related expenses					180,420		
Taxes and dues					71,403		
Property and facility management fees					46,834		
Utilities					56,187		
Repair and maintenance					1,793		
Casualty insurance					1,276		
Others					2,925		
(3) NOI((1)-(2))	221,944	238,172	65,737	168,803	637,833	63,516	79,503
(4) Depreciation	52,580	94,154	8,037	28,535	161,505	12,006	34,740
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	169,363	144,017	57,699	140,268	476,327	51,510	44,762
(7) Capital expenditure	3,368	103	3,597	21,014	17,869	909	3,873
(8) NCF((3)-(7))	218,576	238,069	62,140	147,789	619,964	62,607	75,630

Property number	Osaka-9	Osaka-10	Osaka-11	Osaka-12	Osaka-13	Osaka-14	Other-1
Property name	GLP Sakai	GLP Rokko II	GLP Kadoma	GLP Seishin	GLP Fukusaki	GLP Kobe-Nishi	GLP Morioka
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees							
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	57,732	117,425	60,117	42,966	109,632	220,305	29,205
(4) Depreciation	17,096	27,442	10,649	10,928	42,756	58,704	13,544
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	40,636	89,982	49,467	32,037	66,876	161,601	15,660
(7) Capital expenditure	729	—	18,191	10,160	39	—	765
(8) NCF((3)-(7))	57,003	117,425	41,926	32,806	109,593	220,305	28,440

Property number	Other-2	Other-3	Other-4	Other-5	Other-6	Other-7	Other-8
Property name	GLP Tomiya	GLP Koriyama I	GLP Koriyama III	GLP Tokai	GLP Hayashima	GLP Hayashima II	GLP Kiyama
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note 1)	(Note 1)	100,387	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses			25,756				
Taxes and dues			11,827				
Property and facility management fees			6,425				
Utilities			6,017				
Repair and maintenance			338				
Casualty insurance			270				
Others			877				
(3) NOI((1)-(2))	83,875	118,282	74,630	177,137	42,814	72,877	142,441
(4) Depreciation	23,769	49,855	25,829	39,773	6,614	24,254	55,447
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	60,106	68,426	48,801	137,363	36,199	48,622	86,994
(7) Capital expenditure	—	76,512	6,829	864	766	—	102
(8) NCF((3)-(7))	83,875	41,769	67,801	176,272	42,047	72,877	142,339

Property number	Other-9	Other-10	Other-11	Other-12	Other-13	Other-14	Other-15
Property name	GLP Tosu III	GLP Sendai	GLP Ebetsu	GLP Kuwana	GLP Hatsukaichi	GLP Komaki	GLP Ogimachi
Operating dates	148 (Note 2)	182	182	182	182	182	182
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees							
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	24,373	170,057	56,879	122,122	66,758	272,106	44,075
(4) Depreciation	7,854	46,995	18,908	29,502	14,752	68,880	18,829
(5) Loss on disposal of property and equipment	—	—	—	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	16,519	123,061	37,970	92,619	52,005	203,226	25,245
(7) Capital expenditure	27,820	45,420	205	—	—	1,179	47,959
(8) NCF((3)-(7))	(3,446)	124,637	56,674	122,122	66,758	270,927	(3,883)

Property number	Other-16	Other-17	Other-18	Other-19
Property name	GLP Hiroshima	GLP Fukuoka	GLP Chikushino	GLP Tosu I
Operating dates	182	182	148 (Note 2)	182
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses				
Taxes and dues				
Property and facility management fees				
Utilities				
Repair and maintenance				
Casualty insurance				
Others				
(3) NOI((1)-(2))	116,465	49,907	32,117	279,204
(4) Depreciation	27,276	14,252	13,754	86,247
(5) Loss on disposal of property and equipment	—	—	—	—
(6) Operating income from property leasing ((3)-(4)-(5))	89,188	35,654	18,363	192,957
(7) Capital expenditure	2,814	1,920	1,811	310
(8) NCF((3)-(7))	113,651	47,987	30,306	278,894

(Note 1) Disclosure is omitted as the tenants' consents have not been obtained.

(Note 2) On January 27, 2016, GLP J-REIT sold GLP Tosu III and GLP Chikushino to a third party.