

Semi-Annual Report

Aug 2015 Fiscal Period



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

GLP J-REIT

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

Dividend per unit (Aug 2015 actual)

2,240 yen

(including an optimal payable distribution of 296 yen)

Dividend per unit (Feb 2016 forecast)

2,330 yen

(including an optimal payable distribution of 301 yen)

Total assets (acquisition price base)

384.1 bn yen

(note) as of Sep 1, 2015

Occupancy (as of Aug 2015)

99.0%

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To Our Unitholders

On behalf of GLP J-REIT, I am pleased to present the financial results of the seventh fiscal period ended August 2015.

During the six-month period, GLP J-REIT acquired GLP Kobe-Nishi, a modern logistics facility developed by the GLP Group, in May 2015 and expanded its asset size. It also actively secured future acquisition opportunities of prime properties, and in July 2015 entered into an amendment to the Right-of-First-Look agreement¹ to add GLP Atsugi II in Right-of-First-Look properties. Furthermore, in the same month, as an acquisition transaction from a third party, GLP J-REIT secured an acquisition opportunity for the future by concluding a sale and purchase contract for GLP Noda-Yoshiharu as the target asset.

At the same time, GLP J-REIT achieved strong performance through effective management of its properties and finely-tuned services that met customers' needs, including maintained or increased rent for all rent contracts that expired during the seventh period on the back of growing demand for logistics facilities for the six consecutive fiscal periods since its listing.

In the seventh period, we began to record real estate tax for the 13 properties acquired in 2014 as expenses, with 224 million yen in such expenses added for the period (a 94 yen decrease in dividend per unit); however, this adverse effect was reduced to a minimum due to the above measures. As a result, the seventh period ended with operating revenues of 11,075 million yen, ordinary income of 4,649 million yen, and net income of 4,648 million yen. Reflecting the above performance, the total dividend for the seventh period is 2,240 yen per unit, comprised of a dividend of 1,944 yen per unit and an optimal payable distribution per unit of 296 yen.

Furthermore, in September 2015, which is in the eighth period (ending February 2016), GLP J-REIT raised 22,385 million yen through its third offering subsequent to its IPO. Together with new borrowings, the proceeds were used to acquire five properties for 38,090 million yen² from the GLP Group. As a result, GLP J-REIT's portfolio value after the acquisition grew by 84% over 33 months since its listing, to 384,131 million yen² for 59 properties. Due to the above acquisition, we expect income from property leasing to increase, leading to our operating revenue forecast of 12,276 million yen and dividend per unit of 2,330 yen for the eighth period.

NAV per unit, following the above offering and new acquisitions, increased 45.5% from the end of the second fiscal period ended February 2013, which immediately followed its listing, while adjusted EPU grew 23.6% since its listing (please refer to page 6 of this report), thereby enhancing our unitholders' value, which is our primary goal.

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

I thank you for your ongoing support.



Masato Miki

Executive Director, GLP J-REIT
President & CEO, GLP Japan Advisors Inc.



Toraki Inoue
Supervisory Director

Masato Miki
Executive Director
GLP J-REIT

Kota Yamaguchi
Supervisory Director

1. Under a Right-of-First-Look Agreement (including its amendment) with a sponsor parent Global Logistic Properties Limited, the asset manager is able to obtain information concerning the sale of 20 of the properties held by the GLP Group in Japan as of the date of this document, excluding properties, etc. held through joint ventures co-funded with a third party.

2. Based on acquisition price.

3. Amounts are rounded down, and percentages are rounded to the first decimal place. The same applies hereafter.

Overview of GLP

Investment in Modern Logistics Facilities

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

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

Investment Areas

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

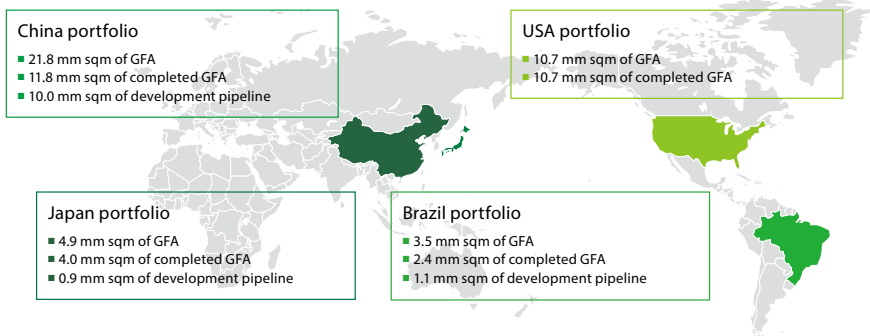
Investment percentage by location (based on acquisition price)

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

Utilization of the GLP Group’s Value Chain

The GLP Group provides a variety of logistics facility-related solutions, ranging from acquisition, development, investment, operation and leasing to property management and consulting, utilizing experience developed through its portfolio management in Japan, China, Brazil and the USA, thereby building an efficient value chain within the group. In addition, the asset management company and the GLP Group entered a Right-of-First-Look Agreement between the asset management company and the GLP Group for 20 properties (gross floor area of 1.03 million square meters), which will serve as a tool for expanding our asset portfolio.

GLP’s global operation (as of March 31, 2015)



RoFL assets owned by GLP



GLP Yokohama



GLP Osaka



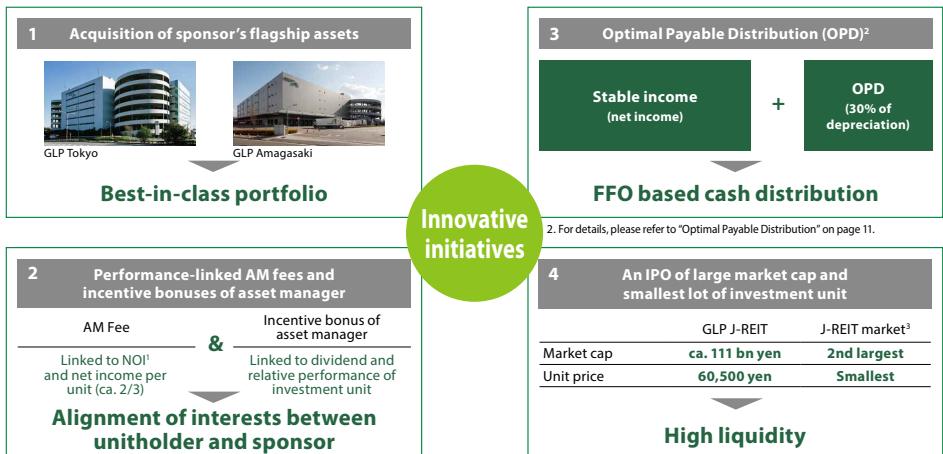
GLP Atsugi II (completion image)

Source: GLP

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



First-ever Initiatives in J-REIT Sector



Enhancement of Unitholders' Value

GLP J-REIT raised 22,385 million yen through its third follow-on offering in September 2015 subsequent to its IPO. GLP J-REIT completed acquisition of six properties in May and September 2015 for a total of 45,240 million yen using funds from the above offering as well as borrowings.

High-quality Properties Developed and Renovated by the GLP Group

Acquisition price	Avg. NOI yield ¹	Occupancy rate ²	WALE ³	Avg. building age ⁴
45.2 bn yen	5.2%	99.9%	7.6 years	9.6 years

GLP Shinkiba

GLP RoFL GLP Dev't



Location	Koto, Tokyo	NOI yield ¹	4.7%
Acquisition price	11,540 mm yen	Leasable area	18,341 sqm

GLP Tosu I

GLP RoFL GLP Dev't



Location	Tosu, Saga	NOI yield ¹	5.4%
Acquisition price	9,220 mm yen	Leasable area	74,860 sqm

GLP Sugito

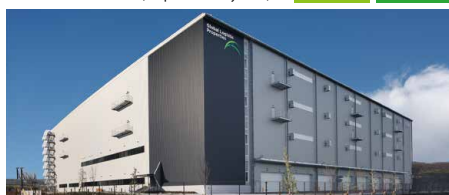
GLP RoFL GLP Dev't



Location	Kita-Katsushika, Saitama	NOI yield ¹	5.5%
Acquisition price	8,310 mm yen	Leasable area	58,918 sqm

GLP Kobe-Nishi (Acquired in May 2015)

GLP fund GLP Dev't



Location	Kobe, Hyogo	NOI yield ¹	5.4%
Acquisition price	7,150 mm yen	Leasable area	35,417 sqm

GLP Narashino

GLP RoFL Acq.



Location	Narashino, Chiba	NOI yield ¹	5.2%
Acquisition price	5,320 mm yen	Leasable area	23,548 sqm

GLP Narita II

GLP RoFL GLP Dev't



Location	Sambu, Chiba	NOI yield ¹	5.5%
Acquisition price	3,700 mm yen	Leasable area	20,927 sqm

- "NOI yield" indicates the percentage of NOI to the acquisition price based on NOI evaluated by the direct capitalization method in the appraisal report (average NOI yield represents the percentage weight-averaged by acquisition price).
- "Occupancy rate" is as of the acquisition date of September 1, 2015.
- "WALE" represents the remaining period until lease expiry weight-averaged by leased area as of the end of June 2015, based on lease contracts effective as of the same date.
- "Average building age" is as of the end of June 2015 and is weight-averaged by gross floor area.
- "GLP Dev't" in the above images means that the property was developed by the GLP Group, consisting of: 1) properties that were developed by the GLP Group; 2) properties that were developed by operators from whom institutional investors that indirectly held a large amount of GLP shares acquired indirectly and that were later acquired by the GLP Group; and 3) properties developed through GLP development funds etc. "Acquisition" means that the property was acquired by the GLP Group from outside the group.

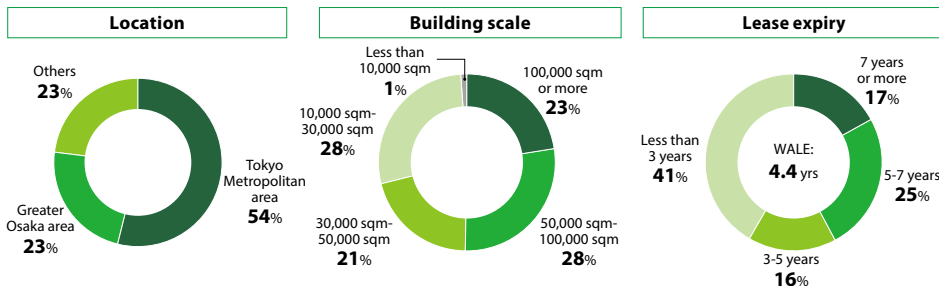
Portfolio Expansion and Quality Enhancement through Acquisitions

	Feb-end 2015	New Properties (6 properties)	After Acquisition of Properties (As of Sep 1, 2015)
# of properties	53 properties	6 properties	59 properties
Acquisition price	338.8 bn yen	45.2 bn yen	384.1 bn yen
Avg. NOI yield	5.6%	5.2%	5.5%
WALE	3.9 years	7.6 years	4.4 years
Avg. building age	13.8 years	9.6 years	13.6 years
Leasable area	1,692,532 sqm	232,012 sqm	1,924,545 sqm
Occupancy rate	98.6%	99.9%	99.1%
Excess of appraisal value over book value	35.7 bn yen	1.6 bn yen	37.4 bn yen
LTV ¹	49.1%	—	48.9% ²

1. "LTV" indicates total interest bearing debt divided by total assets.

2. Indicates estimated figure as of the end of February 2016.

Overview of Portfolio after the Acquisition of New Properties



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

2. "Location" and "Building scale" are based on gross floor area, while "Lease expiry" is based on leased area pursuant to lease contracts effective as of September 1, 2015.

Enhancement of Unitholders' Value

Due to the acquisition of properties in September 2015, GLP J-REIT's asset size reached 384,131 million yen, representing a 175,400 million yen increase or 84% growth over 33 months. The accretive finance resulted in an increase in net asset value (NAV) and dividend per unit, thereby increasing unitholders' value.

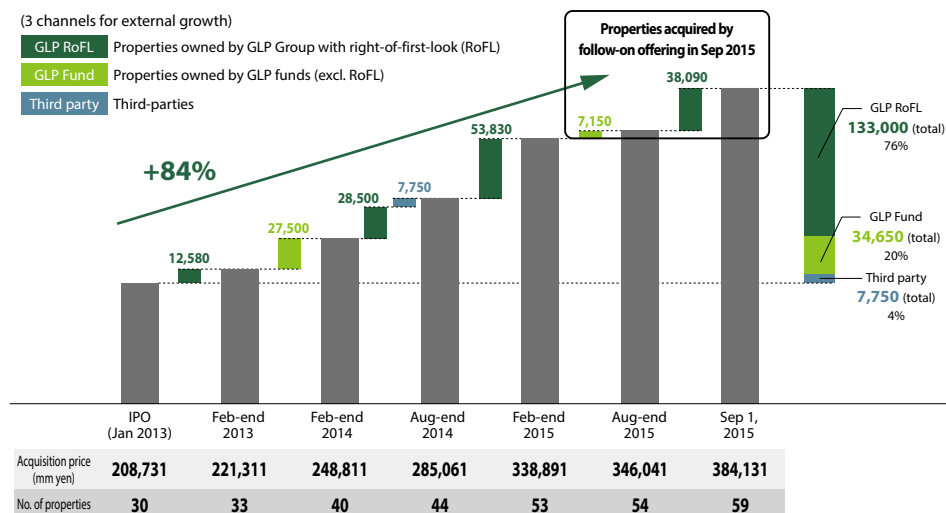
Steady Expansion of the Portfolio

(3 channels for external growth)

GLP RoFL Properties owned by GLP Group with right-of-first-look (RoFL)

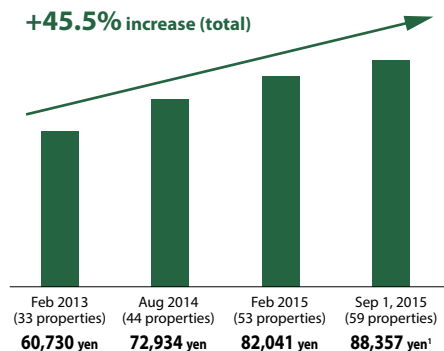
GLP Fund Properties owned by GLP funds (excl. RoFL)

Third party Third-parties



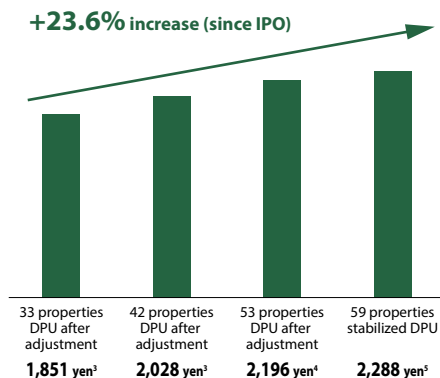
Achievement of an Increase in NAV per Unit

+45.5% increase (total)



Growth of Dividend per Unit²

+23.6% increase (since IPO)



1. Based on GLP J-REIT's Aug 2015 fiscal period financial results, and unrealized gains from 5 newly acquired properties.

2. Distribution per unit including OPD

3. Adjusted DPU described in the press release "Amendment of Forecast for the Fiscal Period Ending February 28, 2014 and Announcement of Forecast for the Fiscal Period Ending August 31, 2014" dated September 3, 2013.

4. Adjusted DPU described in the press release "Amendment of Forecast for the Fiscal Period Ending February 29, 2016 and Announcement of Forecast for the Fiscal Period Ending August 31, 2016" dated August 10, 2015.

5. Forecast DPU for the Aug 2016 fiscal period described in "Summary of Financial Results for the 7th period ended August 31, 2015" dated October 14, 2015.

GLP J-REIT owns a wide range of properties from channels other than RoFL, which we have entered into with the GLP Group. We will continue to seek steady external growth by utilizing these channels.

■ Three Channels of our External Growth Strategy

■ GLP Group “Right-of-First-Look” (RoFL)

(Properties owned by GLP Group with right-of-first-look (RoFL))

20 properties 99% occupancy 1 mm sqm (GFA)

Tokyo Metropolitan area



GLP Shinsuna



GLP Urayasu



GLP Urayasu II



GLP Urayasu IV



GLP Misato



GLP Funabashi II



GLP Soka



GLP Yokohama



GLP Shonan



GLP Narita

Greater Osaka area



GLP Osaka



GLP Maishima I



GLP Settsu



GLP Fukaehama



GLP Nishinomiya



GLP Shiga

Others



GLP Fujimae



GLP Tomiya IV



GLP Sapporo

First RoFL expansion after IPO



GLP Atsugi II

Location: Aiko, Kanagawa

Gross floor area: 89,241 sqm¹

Date of completion: Jun 2016 (scheduled)

- Large-scale, multi-tenant modern logistics facility under development by GLP Group
- Equipped with seismic isolation design and rampway

■ Properties owned by GLP funds (excl. RoFL)

20 properties
1.7 mm sqm (GFA)

New developments held by development funds etc.

14 properties ca. 1.2 mm sqm (incl. projects under development)



Stabilized properties held by JVs

6 properties ca. 0.5 mm sqm



■ Properties held by third parties

In addition to straightforward third-party acquisition methods, we aim to secure acquisition opportunities through a new scheme, such as OTA.

Optimal Takeout Arrangement (OTA)² that realizes higher investment returns

- First-ever scheme in the J-REIT sector
- Flexibility in acquisition timing
- GLP J-REIT is able to acquire a property at a discounted price, in principle



GLP Noda-Yoshiharu

1. Indicates gross floor area in the certificate of confirmation.

2. Please refer to “2.” in page 29 of this report.

Financial Highlights

■ Financials

Aug 2015

(from March 1 to
August 31, 2015)

Feb 2016 (forecast)

(from September 1, 2015 to
February 29, 2016)

Operating revenue (mm yen)	11,075	12,276
Operating income (mm yen)	5,733	6,423
Ordinary income (mm yen)	4,649	5,264
Net income (mm yen)	4,648	5,263
No. of properties at fiscal end	54	59

■ Dividend per Unit (yen)

Aug 2015

(from March 1 to
August 31, 2015)

Feb 2016 (forecast)

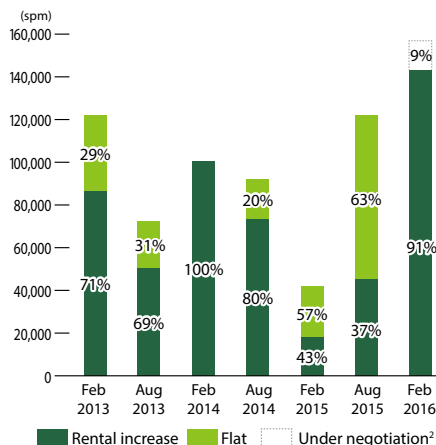
(from September 1, 2015 to
February 29, 2016)

Dividend per unit (total) (yen)	2,240	2,330
Dividend per unit (excl. OPD) (yen)	1,944	2,029
Optimal payable distribution per unit (yen)	296	301

Portfolio Management

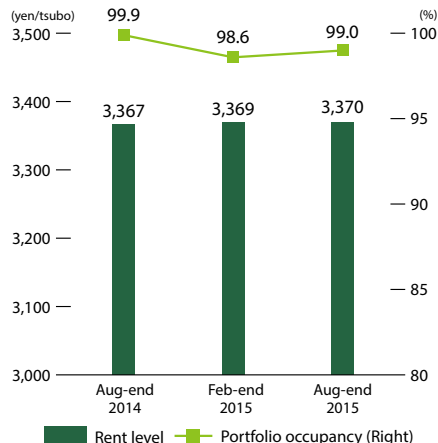
GLP J-REIT's portfolio maintained high occupancy. Also, we have achieved rental growth by fully leveraging the GLP Group's capabilities in asset and property management.

Rental Growth in 6 Successive Periods¹



1. Based on leased area as of the rent renewal date.
2. Of lease contracts that expire in the eighth period (ending February 2016), those that have not concluded a new contract as of October 14, 2015.

Occupancy¹ and Monthly Rent Level²



1. Occupancy: Based on GLP J-REIT's portfolio at each fiscal period-end.
2. The monthly rent level indicates the unit rent based on 42 of the 44 properties that GLP J-REIT has owned for more than one year as of the end of August, 2015 (excluding two properties with vacant spaces).

Examples of Rental Growth

We have increased or maintained rent in lease contracts that were renewed during the seventh fiscal period and thereafter.



GLP Narashino II

Case 1

- Prime location: Favorable location in the Tokyo Bay-shore area
- Rising construction costs gave headroom for rent increase



GLP Hirakata

Case 2

- Applied rent escalation clauses in all 3 new leases

Total

(From March 1 to October 14, 2015)

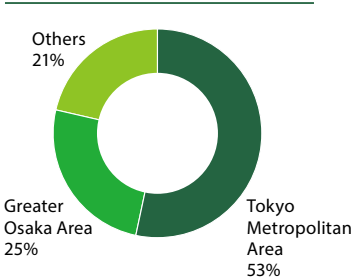
ca. **9.6** %*
rental growth

ca. **119** mm
yen
annual revenue
increase

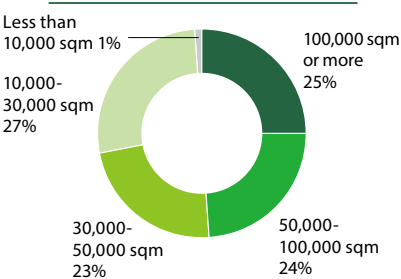
* Average rental growth is indicated by the rate of increase in the average rent before the renewal compared to the average rent after the renewal.

Portfolio Data

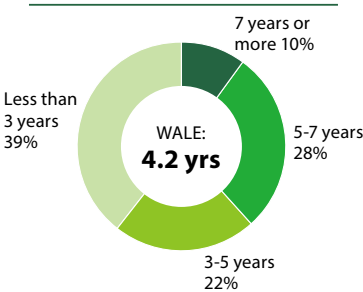
Location



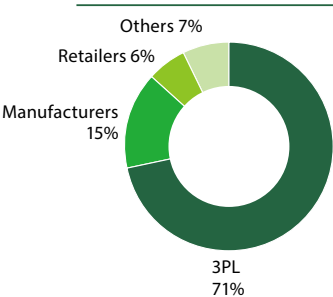
Building scale



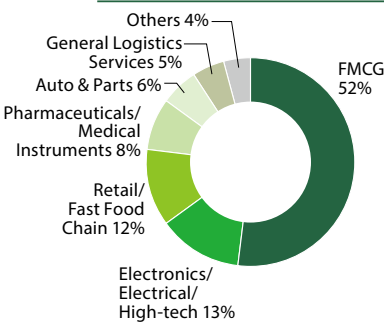
Lease expiry



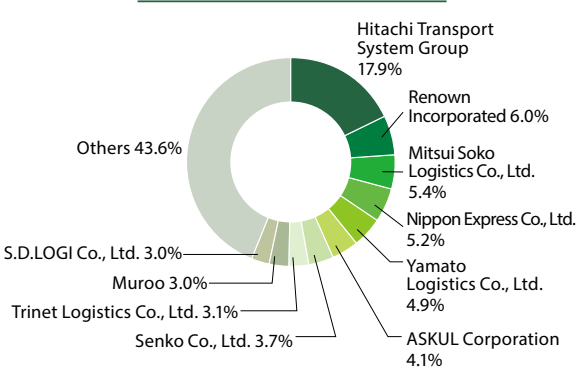
Tenant industry



End-user industry



Top 10 tenants



* The above data is as of August 31, 2015. Data for location and building scale is based on gross floor area. Other data is based on leased area excluding vacant area.

Debt Information

Details of Interest Bearing Debt (as of the end of Aug 2015)

Average remaining period

3.8 years

LTV (Total loan/
total asset)

50.0%

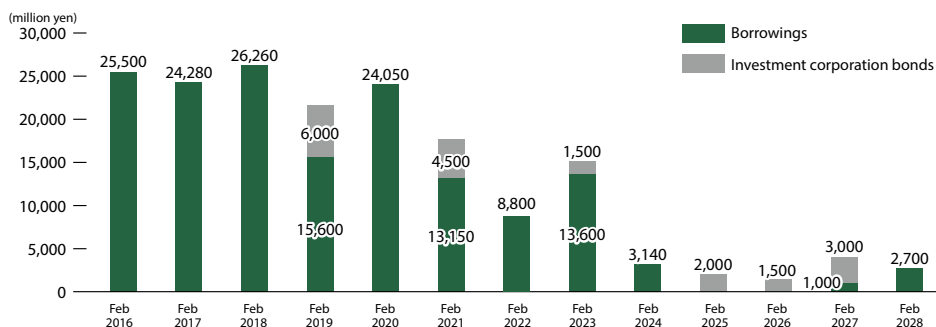
Fixed interest ratio

84.2%

Long-term debt ratio

85.6%

Debt Maturity Diversification* (as of the end of Aug 2015)



* The balance for each year is the aggregation of interest bearing debt whose maturities fall between March 1st of the previous year and February-end.

Credit Ratings

Credit Rating Agency	Subject	Rating	Outlook
JCR (Japan Credit Rating Agency, Ltd.)	Long-term issuer rating	AA-	Positive
JCR (Japan Credit Rating Agency, Ltd.)	Bond rating*	AA-	—

* Rating for the 1st to 6th unsecured investment corporation bonds

Optimal Payable Distribution

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

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

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

Sustainability Practices

GLP J-REIT provides high quality services and environmental friendly functions in the logistics facilities that it manages in order to maintain and improve customers' convenience and satisfaction. In recognition of our efforts, we received the "Green Star," the highest rating in the 2015 Global Real Estate Sustainability Benchmark (GRESB) survey*.

■ Properties that Have Received Sustainability or Environmental Certificates

DBJ Green Building Certification (9 properties)



GLP Tokyo II



GLP Amagasaki



GLP Sugito II

BELS Assessment (2 properties)



GLP Koriyama I



GLP Iwatsuki

CASBEE Kobe Grade A



GLP Kobe-Nishi

■ Services for Customers

Amenities for customers' comfort and security



Cafeteria



Universal design
washroom



Emergency cabinet
in elevators

■ Service Improvement

- Customer satisfaction survey every year
- Improve service quality based on customer feedback
(ex. Longer opening hours of convenience stores
More frequent patrol by security personnel)

■ Environmental Friendly Items



Wind electricity



Solar panel



LED lighting



Ice thermal air
conditioning system



Installed greenery



Photocatalyst
pavement

■ Participation in the GRESB Survey

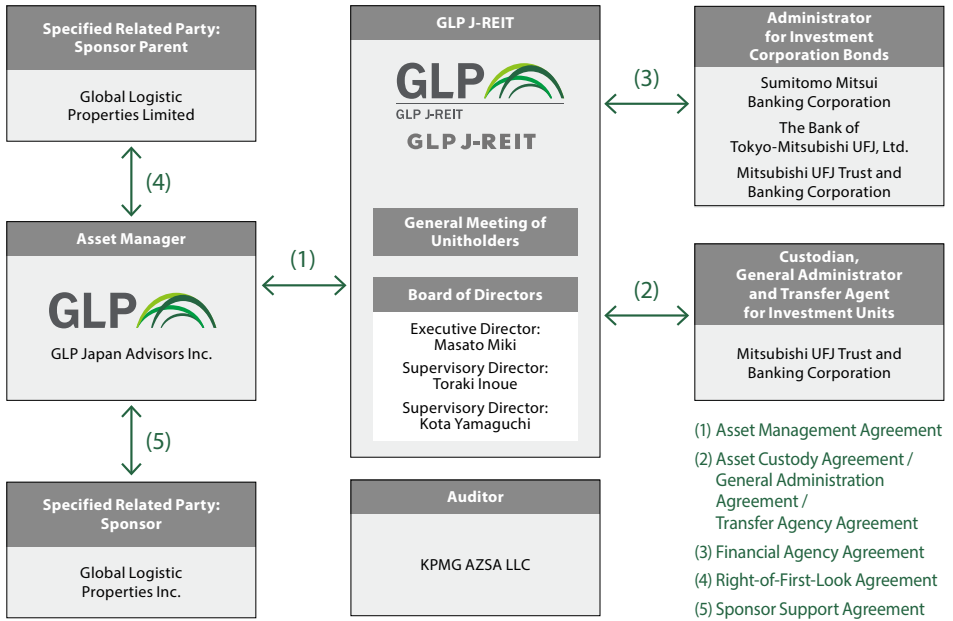
Received "Green Star," the highest rating in the GRESB survey

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



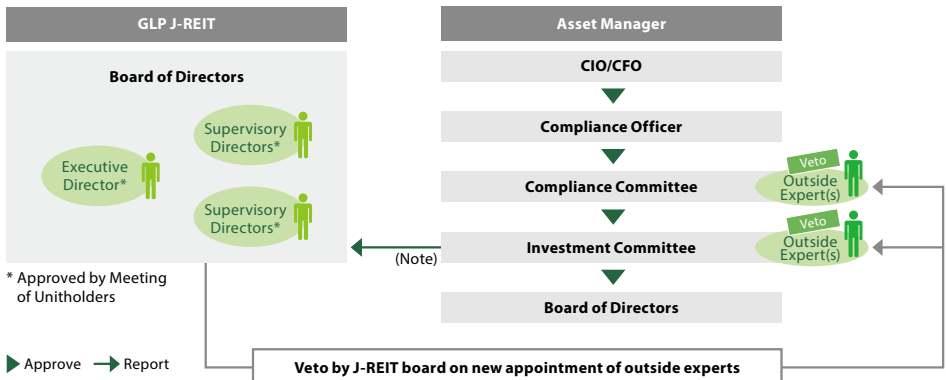
Overview GLP J-REIT

Structure of GLP J-REIT



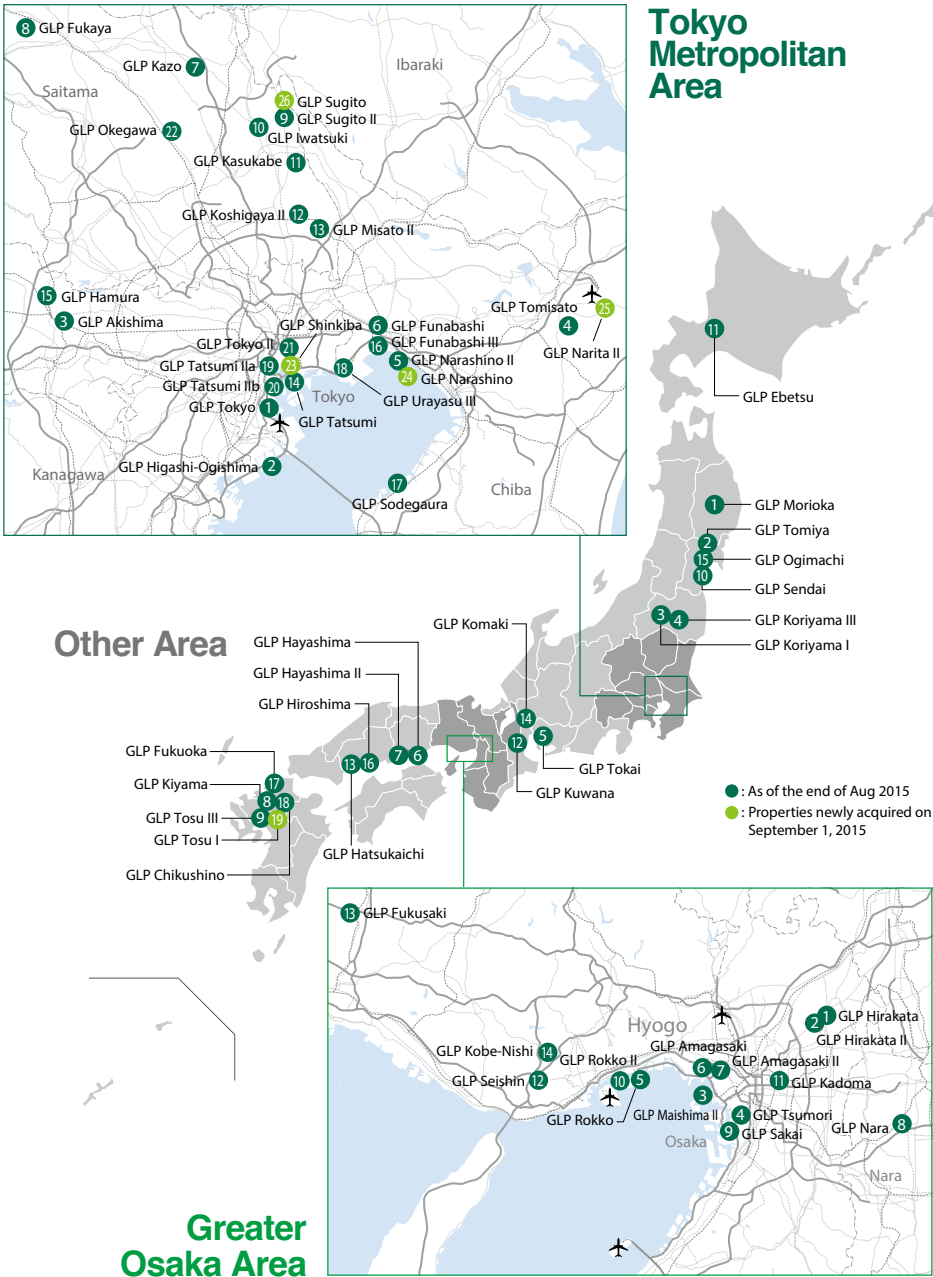
* Global Logistic Properties Holdings Limited, GLP Singapore Pte. Ltd. and GLP J-REIT Master Lease Godo Kaisha, is each regarded as "Specified Related Party" as defined in the Financial Instruments and Exchange Act (the "Act") since: (i) Global Logistic Properties Holdings Limited and GLP Singapore Pte.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

Governance Structure for Related Party Transactions



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

Portfolio Map



Overview of Portfolio in Tokyo Metropolitan Area



1 GLP Tokyo Ota, Tokyo



5 GLP Narashino II Narashino, Chiba



4 GLP Tomisato Tomisato, Chiba



8 GLP Fukaya Fukaya, Saitama



6 GLP Funabashi Funabashi, Chiba

Overview of Portfolio in Tokyo Metropolitan Area



18 GLP Urayasu III Urayasu, Chiba



2 GLP Higashi-Ogishima
Kawasaki, Kanagawa



3 GLP Akishima Akishima, Tokyo



17 GLP Sodegaura Sodegaura, Chiba



16 GLP Funabashi III Funabashi, Chiba



9 GLP Sugito II Kita-katsushika, Saitama



10 GLP Iwatsuki Saitama, Saitama



11 GLP Kasukabe Kasukabe, Saitama



7 GLP Kazo Kazo, Saitama



20 GLP Tatsumi IIb Koto, Tokyo



21 GLP Tokyo II Koto, Tokyo

Overview of Portfolio in Tokyo Metropolitan Area



13 GLP Misato II Misato, Saitama



19 GLP Tatsumi Ila Koto, Tokyo

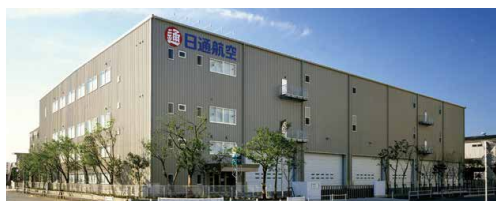


25 GLP Narita II Sambu, Chiba

New
property



15 GLP Hamura Hamura, Tokyo

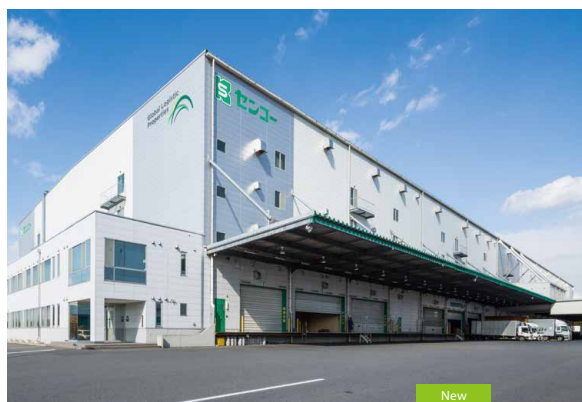


14 GLP Tatsumi Koto, Tokyo



24 GLP Narashino Narashino, Chiba

New
property



26 GLP Sugito Kita-Katsushika, Saitama

New
property



12 GLP Koshigaya II Koshigaya, Saitama



22 GLP Okegawa Okegawa, Saitama



23 GLP Shinkiba Koto, Tokyo

New
property

Overview of Portfolio in Greater **Osaka** Area



1 GLP Hirakata Hirakata, Osaka



2 GLP Hirakata II Hirakata, Osaka



4 GLP Tsumori Osaka, Osaka



11 GLP Kadoma Kadoma, Osaka



3 GLP Maishima II Osaka, Osaka



6 GLP Amagasaki Amagasaki, Hyogo



9 GLP Sakai Sakai, Osaka



8 GLP Nara Yamato koriyama, Nara



13 GLP Fukusaki Kanzaki, Hyogo



10 GLP Rokko II Kobe, Hyogo

Overview of Portfolio in Greater **Osaka** Area



7 GLP Amagasaki II Amagasaki, Hyogo



12 GLP Seishin Kobe, Hyogo



5 GLP Rokko Kobe, Hyogo



14 GLP Kobe-Nishi Kobe, Hyogo

New
property

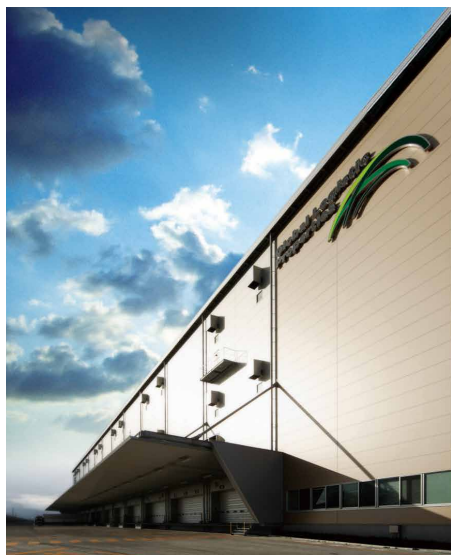
Overview of Portfolio in Other^{Area}



1 GLP Morioka Shiwa, Iwate



2 GLP Tomiya Kurokawa, Miyagi



3 GLP Koriyama I Koriyama, Fukushima



4 GLP Koriyama III Koriyama, Fukushima



5 GLP Tokai Tokai, Aichi



6 GLP Hayashima Tsukubo, Okayama

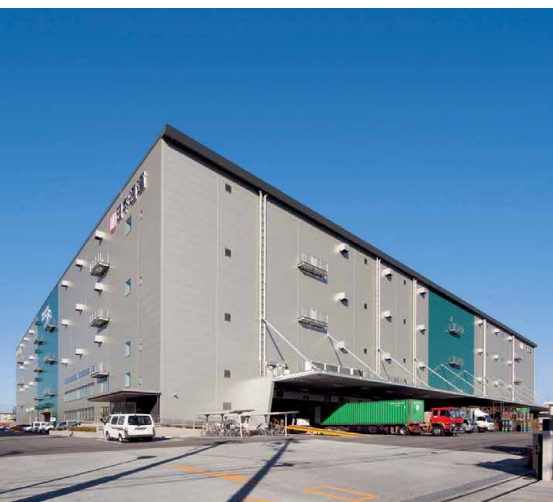
Overview of Portfolio in Other^{Area}



11 GLP Ebetsu Ebetsu, Hokkaido



7 GLP Hayashima II Tsukubo, Okayama



14 GLP Komaki Komaki, Aichi



8 GLP Kiyama Miyaki, Saga



9 GLP Tosu III Tosu, Saga



12 GLP Kuwana Kuwana, Mie



13 GLP Hatsukaichi Hatsukaichi, Hiroshima



18 GLP Chikushino Chikushino, Fukuoka



New
property

19 GLP Tosu | Tosu, Saga



16 GLP Hiroshima | Hiroshima, Hiroshima



15 GLP Ogimachi | Sendai, Miyagi



17 GLP Fukuoka | Fukuoka, Fukuoka



10 GLP Sendai | Sendai, Miyagi

ASSET MANAGEMENT REPORT

[Overview of Asset Management]

1. Trends in Key Indicators

		3rd Period	4th Period	5th Period	6th Period	7th Period
		Mar. 1, 2013 to Aug. 31, 2013	Sept. 1, 2013 to Feb. 28, 2014	Mar. 1, 2014 to Aug. 31, 2014	Sept. 1, 2014 to Feb. 28, 2015	Mar. 1, 2015 to Aug. 31, 2015
Operating revenues	Million yen	7,272	8,080	9,322	10,991	11,075
Of which, Property-related revenues	Million yen	7,272	8,080	9,322	10,991	11,075
Operating expenses	Million yen	2,971	3,228	4,410	5,189	5,341
Of which, Property-related expenses	Million yen	2,124	2,323	3,438	4,051	4,148
Operating income	Million yen	4,301	4,852	4,911	5,801	5,733
Ordinary income	Million yen	3,547	4,069	3,973	4,695	4,649
Net income	Million yen	3,546	4,068	3,971	4,695	4,648
Total assets	Million yen	233,875	256,107	293,223	347,501	353,068
[Period-on-period changes]	%	[1.1]	[9.5]	[14.5]	[18.5]	[1.6]
Total net assets	Million yen	110,894	134,011	133,388	165,737	164,991
[Period-on-period changes]	%	[2.4]	[20.8]	[(0.5)]	[24.3]	[(0.4)]
Unitholders' capital, net (Note 3)	Million yen	107,347	129,942	129,415	161,040	160,342
Number of investment units issued and outstanding	Unit	1,837,700	2,097,700	2,097,700	2,390,731	2,390,731
Net assets per unit	Yen	60,344	63,884	63,588	69,324	69,013
Distributions	Million yen	4,022	4,593	4,564	5,393	5,355
Of which, Distributions of earnings	Million yen	3,546	4,067	3,970	4,695	4,647
Of which, Distributions in excess of retained earnings	Million yen	475	526	593	698	707
Distributions per unit	Yen	2,189	2,190	2,176	2,256	2,240
Of which, Distributions of earnings per unit	Yen	1,930	1,939	1,893	1,964	1,944
Of which, Distributions in excess of retained earnings per unit	Yen	259	251	283	292	296
Ordinary income to total assets (Note 4)	%	1.5	1.7	1.4	1.5	1.3
[Annualized ordinary income to total assets]	%	[3.0]	[3.3]	[2.9]	[3.0]	[2.6]
Return on unitholders' equity (Note 4)	%	3.2	3.3	3.0	3.1	2.8
[Annualized return on unitholders' equity]	%	[6.4]	[6.7]	[5.9]	[6.3]	[5.6]
Unitholders' equity to total assets (Note 4)	%	47.4	52.3	45.5	47.7	46.7
[Period-on-period changes]	%	[0.6]	[4.9]	[(6.8)]	[2.2]	[(1.0)]
Payout ratio (Note 4)	%	100.0	99.9	100.0	100.0	100.0
【Other Information】						
Number of operating days		184	181	184	181	184
Number of investment properties		33	40	44	53	54
Occupancy ratio	%	99.9	99.9	99.9	98.6	99.0
Depreciation expense	Million yen	1,588	1,755	1,985	2,329	2,361
Capital expenditures	Million yen	217	480	342	655	404
Rental NOI (Net Operating Income) (Note 4)	Million yen	6,736	7,513	7,869	9,274	9,287
FFO (Funds from Operation) (Note 4)	Million yen	5,134	5,823	5,957	7,029	7,009
FFO per unit (Note 4)	Yen	2,794	2,776	2,840	2,940	2,931
Total distributions / FFO ratio (Note 4)	%	78.3	78.9	76.6	76.7	76.4
Debt service coverage ratio (Note 4)		7.6	8.8	6.8	7.1	6.8
The ratio of interest bearing liabilities to total assets	%	48.9	44.2	51.1	49.1	50.0

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

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

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

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

Ordinary income to total assets	$\text{Ordinary income} / [(\text{Total assets at beginning of period} + \text{Total assets at end of period}) / 2] \times 100$
Return on unitholders' equity	$\text{Net income} / [(\text{Net assets at beginning of period} + \text{Net assets at end of period}) / 2] \times 100$
Unitholders' equity to total assets	$\text{Net assets at end of period} / \text{Total assets at end of period} \times 100$
Payout ratio	$\text{Distributions per unit (excluding OPD**)} / \text{Net income per unit} \times 100$ (Any fraction is rounded down to the first decimal place.) For the 4th and 6th Period, the following formula is used due to the issuance of new units during the period. $\text{Total distributions (excluding OPD**)} / \text{Net income} \times 100$
Rental NOI (Net Operating income)	$\text{Property-related revenues} - \text{Property-related expenses} + \text{Depreciation expenses} + \text{Loss on retirement of noncurrent assets}$
FFO (Funds From Operation)	$\text{Net income} + \text{Depreciation expenses} + \text{Loss on retirement of noncurrent assets} - \text{Gain on sale of properties}$
FFO per unit	$\text{FFO} / \text{Number of investment units issued and outstanding}$
Total distributions / FFO ratio	$\text{Total distributions (including OPD**)} / \text{FFO} \times 100$
Debt service coverage ratio	$(\text{Net income} + \text{Interest expenses} + \text{Interest expenses on investment corporation bonds}) / (\text{Interest expenses} + \text{Interest expenses on investment corporation bonds})$

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

2. Performance Review for the 7th Period

(1) Brief Background of GLP J-REIT

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

Since starting its operation as a listed J-REIT with 30 properties (total acquisition price of 208,731 million yen) as at January 2013, GLP J-REIT has been steadily expanding its assets through continuous acquisition of properties. As of the end of the current fiscal period, GLP J-REIT owns 54 properties (total acquisition price of 346,041 million yen).

(Note) New investment units were issued through a public offering on September 1, 2015 and through a third party allocation on September 25, 2015. Please refer to “6. Significant Subsequent Events, (1) Issuance of new investment units” for details.

(2) Investment Environment and Business Performance

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

On the other hand, the favorable financing environment in the real estate market has led to a number of consistent asset acquisitions and capital increases through public offerings by J-REIT, while transactions and investments by private placement funds and foreign investors also continued to be active. Furthermore, the number of logistic property players has been increasing due to new market entries by companies that have never previously acquired logistics properties. In the leasing market for logistics facilities, while there was a continuous increase in the supply of large-scale logistics facilities, this newly-supplied space was steadily taken up concurrently with the expansion of the third-party logistics (3PL) business, the e-commerce market and others.

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

In addition, GLP J-REIT has been aggressively capitalizing on opportunities to acquire prime properties. On July 13, 2015, GLP J-REIT concluded the amendment agreement (Note 1) to add GLP Atsugi II, a large-scale logistics facility under development in the Tokyo metropolitan area, to the properties defined in the Right-of-First-Look (“RoFL”) agreement, which is the pipeline support agreement with the Sponsor. Moreover, GLP J-REIT secured a future acquisition opportunity by concluding

a forward commitment contract concerning GLP Noda-Yoshiharu with a third-party seller on July 14, 2015 (Note 2). This was the GLP J-REIT's first application of strategic bridge structures, utilizing the Optimal Takeout Agreement (the "OTA"), which enables GLP J-REIT to acquire an asset with designated timing during the scheduled period and at a purchase price discounted dependent upon the timing of acquisition.

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

(Note 2) Under the forward commitment contract, it is agreed in cooperation with the Mitsubishi UFJ Lease & Finance ("MUFJ L&F") Group that the asset will be temporarily owned by Central Compass Co., Ltd, a real estate-related company and a wholly-owned subsidiary of MUFJ L&F, and that GLP J-REIT will acquire the asset on the date designated by GLP J-REIT during the scheduled period from July 14, 2016 to July 13, 2020. The purpose of this scheme is to reduce the acquisition price of the asset. This is a structure that GLP J-REIT has applied for the first time. GLP J-REIT will position this strategy, calling it Optimal Takeout Agreement (the "OTA"), as one of its strategic bridge schemes to secure acquisition opportunities of high-quality assets. GLP J-REIT will further strengthen its highly competitive portfolio by developing similar schemes in the future.

While providing services which satisfy the needs of its portfolio property tenants, GLP J-REIT actively strove to increase rents in an environment of strong demand for logistics facilities. Thus, all lease 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 revision), have been concluded with equal or higher rents during the six consecutive fiscal periods since its listing on the Tokyo Stock Exchange.

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

(3) Overview of Financing

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

In the current fiscal period, GLP J-REIT newly borrowed 6,600 million yen to cover a portion of the costs and related expenditures for GLP Kobe-Nishi that was acquired in May 2015 as stated in "(2) Investment Environment and Business Performance" above. GLP J-REIT achieved the lengthening of debt maturities while reducing borrowing costs by issuing the ten-year-maturity 6th investment corporation bonds of 1,500 million yen in June 2015 and making an early repayment of a portion of existing borrowings due in April 2016. In addition, entering into 6,000 million yen of a commitment line agreement with financial institutions on June 30, 2015 has enabled GLP J-REIT to secure flexible and stable financing. GLP J-REIT further strengthened its financial stability by utilizing interest rate swap contracts to convert floating interest rates of some loans into fixed rates over long terms.

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

of interest-bearing liabilities to total assets (LTV) was 50.0%.

GLP J-REIT was assigned the following credit ratings as of the end of the current fiscal period.

Credit Rating Agency	Type	Rating	Outlook
JCR (Japan Credit Rating Agency, Ltd.)	Long-term issuer rating	AA-	Positive
	Bond rating (Note)	AA-	—

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

(4) Overview of Financial Results and Cash Distribution

As a result of these management efforts, GLP J-REIT reported total operating revenues of 11,075 million yen, operating income of 5,733 million yen, ordinary income of 4,649 million yen and net income of 4,648 million yen for the current fiscal period.

As for cash distribution for the current fiscal period, in accordance with the distribution policy set forth in its Articles of Incorporation, GLP J-REIT decided to distribute 4,647,581,064 yen. This cash distribution is eligible for the special tax treatment on investment corporations (Section 67.15 of the Special Taxation Measures Act) and represents the multiple of the number of investment units issued and outstanding (2,390,731 units) from unappropriated retained earnings. Accordingly, distribution per unit for the current fiscal period was 1,944 yen.

In addition, GLP J-REIT intends to distribute funds in excess of the amount of retained earnings (Optimal Payable Distribution (hereinafter “OPD”)) for each fiscal period on a continuous basis, in accordance with the distribution policy set forth in the Articles of Incorporation (Note). Based on this, GLP J-REIT decided to distribute 707,656,376 yen, an amount almost equivalent to 30% of depreciation (2,361 million yen) for the current fiscal period, as a refund of investment. As a result, the amount of OPD per unit was 296 yen.

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings that do not exceed the amount obtained by deducting capital expenditure for the operating period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 404 million yen of capital expenditure for the current fiscal period from 2,361 million yen of depreciation expenses for the period is 1,956 million yen.

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

With respect to all 54 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the short-term emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports dated September 19, 2012, August 20, 2013, March 20, 2014, July 25, 2014 and January 28, 2015 for each property prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd., is 426 million yen.

3. Changes in Number of Investment Units Issued and Outstanding

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

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

(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.

[Changes in Unit Price at TSE]

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

(Unit: Yen)

Fiscal Period	3rd Period	4th Period	5th Period	6th Period	7th Period
For the period ended	August 31, 2013	February 28, 2014	August 31, 2014	February 28, 2015	August 31, 2015
Highest	102,300	109,700	125,600	140,100	131,000
Lowest	81,900	93,100	99,100	116,300	111,500

4. Distributions

Actual amount of distributions is as follows:

(Unit: Thousand yen, unless otherwise stated)

	3rd Period Mar. 1, 2013 to Aug. 31, 2013	4th Period Sept. 1, 2013 to Feb. 28, 2014	5th Period Mar. 1, 2014 to Aug. 31, 2014	6th Period Sept. 1, 2014 to Feb. 28, 2015	7th Period Mar. 1, 2015 to Aug. 31, 2015
Unappropriated retained earnings	3,547,322	4,068,649	3,972,883	4,697,068	4,649,872
Retained earnings carried forward	561	1,209	1,937	1,672	2,291
Total distributions	4,022,725	4,593,963	4,564,595	5,393,489	5,355,237
[Distributions per unit]	[2,189 yen]	[2,190 yen]	[2,176 yen]	[2,256 yen]	[2,240 yen]
Of which, distributions of earnings	3,546,761	4,067,440	3,970,946	4,695,395	4,647,581
[Distributions of earnings per unit]	[1,930 yen]	[1,939 yen]	[1,893 yen]	[1,964 yen]	[1,944 yen]
Of which, Distributions in excess of retained earnings	475,964	526,522	593,649	698,093	707,656
[Distributions in excess of retained earnings per unit]	[259 yen]	[251 yen]	[283 yen]	[292 yen]	[296 yen]

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings that do not exceed the amount obtained by deducting capital expenditure for the operating period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 404 million yen of capital expenditure for the current fiscal period from 2,361 million yen of depreciation expenses for the period is 1,956 million yen.

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

With respect to all 54 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the emergency short-term repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports dated September 19, 2012, August 20, 2013, March 20, 2014, July 25, 2014 and January 28, 2015 for each property prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd., is 426 million yen.

5. Future Management Policy and Matters to be Addressed

(1) Operational Environment in Next Fiscal Period

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

Leasable logistics facilities transactions and the related players have exhibited an upward trend due to rising investor interest and appealing investment stability, and the level of competition in bidding has become increasingly fierce. While new modern logistics facilities continue to be built, the current growth in leasing demand among tenant companies absorbed vacancies from such facilities; as a result, the vacancy rate continues to be low. The leasing market is also expected to continue to expand steadily in the short term, exhibiting a solid trend in rent increases for new leasing facilities.

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

(2) Future Management Policy and Matters to be Addressed

Under these circumstances, GLP J-REIT is committed to implementing the following measures to advance growth over the medium to long term.

In its internal growth strategy, while enjoying the stable cash flows that characterize its portfolio of assets, GLP J-REIT will negotiate for higher rents for lease agreements subject to renewal, giving consideration to market rents, upon the expirations of lease periods. At the same time, GLP J-REIT will seek to enhance the value of existing assets through appropriate maintenance of such assets and capital expenditures.

In its external growth strategy, GLP J-REIT will pursue further expansion of its portfolio size by (i) taking advantage of the RoFL agreement with respect to the 20 properties as of the date of this document as a valuable pipeline, (ii) continuously collecting information from third parties regarding prospective properties and (iii) considering utilizing the Optimal Takeout Arrangement (OTA) as the bridge scheme.

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

6. Significant Subsequent Events

(1) Issuance of New Investment Units

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

[Issuance of new investment units through a public offering]

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

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

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

[Purpose of funding]

The funds raised through the public offering were partially appropriated for the acquisition of beneficiary rights of real estate in trust stated below in “(2) Acquisition of Assets”. The funds raised through the third-party allocation will be kept as cash on hand, of which 480 million yen was appropriated to repay a portion of a long-term loan on October 7, 2015, before its maturity date of February 28, 2017.

(2) Acquisition of Assets

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

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

(3) Additional Borrowings

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

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

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

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

[Profile of GLP J-REIT]

1. Status of Unitholders' Capital

	3rd Period As of August 31, 2013	4th Period As of February 28, 2014	5th Period As of August 31, 2014	6th Period As of February 28, 2015	7th Period As of August 31, 2015
Number of investment units authorized (Units)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Number of investment units issued and outstanding (Units)	1,837,700	2,097,700	2,097,700	2,390,731	2,390,731
Unitholders' capital, net (Million yen) (Note)	107,347	129,942	129,415	161,040	160,342
Number of unitholders	12,238	11,991	12,389	15,509	15,182

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

2. Matters Concerning Investment Units

The following is a list of major unitholders as of August 31, 2015.

Name	Location	Number of units held (Units)	Ratio to total number of units issued and outstanding (%) (Note)
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11, Harumi, Chuo-ku, Tokyo	385,421	16.12
GLP Capital Japan 2 Private Limited	Shiodome City Center, 1-5-2, Higashi-Shimbashi, Minato-ku, Tokyo	355,410	14.86
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3, Hamamatsucho, Minato-ku, Tokyo	214,465	8.97
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	Office Tower Z, Harumi Island Triton Square, 1-8-12 Harumi, Chuo-ku, Tokyo	157,087	6.57
Nomura Bank (Luxembourg) S.A.	1-3-2, Marunouchi, Chiyoda-ku, Tokyo Standing proxy: Sumitomo Mitsui Banking Corporation	118,775	4.96
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2, Otemachi, Chiyoda-ku, Tokyo	73,650	3.08
CBLDN-STICHTING PGGM DEPOSITARY-LISTED REAL ESTATE PF FUND	6-27-30 Shinjuku, Shinjuku-ku, Tokyo Standing proxy: Citibank Japan Ltd.	73,235	3.06
The Bank of New York Mellon SA/NV 10	2-7-1 Marunouchi, Chiyoda-ku, Tokyo Standing proxy: The Bank of Tokyo Mitsubishi UFJ, Ltd., Transaction Services Division	33,762	1.41
State Street Bank and Trust Company	3-11-1, Nihonbashi, Chuo-ku, Tokyo Standing proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch	29,203	1.22
Barclays Bank PLC A/C Client Segregated A/C PB Cayman Clients	6-10-1, Roppongi, Minato-ku, Tokyo Standing proxy: Barclays Securities Japan Limited	25,925	1.08
Total		1,466,933	61.35

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

3. Matters Concerning Directors and Auditors

Names of Directors and Independent Auditor for the current period

Title	Name	Other concurrent title	Total amount of fees paid during the Period (Thousand yen)
Executive Director (Notes 1 and 2)	Masato Miki	President and CEO, GLP Japan Advisors Inc.	—
Supervisory Director (Note 2)	Toraki Inoue	Representative CPA, Toraki Inoue CPA Firm President, Accounting Advisory Co., Ltd.	1,980
	Kota Yamaguchi	Partner, Kimura Takushima & Yamaguchi Law Firm Outside Director, Heiwa Corporation	1,980
Independent Auditor (Note 3)	KPMG AZSA LLC	—	14,500

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

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

(Note 3) The auditor's fee includes fees of a comfort letter of which total amount is 1,500 thousand yen.

Policy on dismissal and non-reappointment of Independent Auditor

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

4. Asset Management Company, Custodian and General Administrators

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

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

[Status on Investment Properties]

1. Composition of GLP J-REIT's Assets

Type of asset	Use of asset	Area (Note 1)	6th Period As of February 28, 2015		7th Period As of August 31, 2015	
			Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)	Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Logistics facility	Tokyo Metropolitan area	209,463	60.3	208,378	59.0
		Greater Osaka area	69,501	20.0	76,156	21.6
		Other	55,835	16.1	55,497	15.7
Subtotal			334,800	96.3	340,033	96.3
Deposits and other assets			12,700	3.7	13,035	3.7
Total assets (Note 5)			347,501 [334,800]	100.0 [96.3]	353,068 [340,033]	100.0 [96.3]

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

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

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

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

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

2. Major Properties Owned

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

Name of properties	Book value (Million yen)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy ratio (%) (Note 3)	Ratio to total rental revenues (%) (Note 3)	Primary use
GLP Tokyo II	35,926	79,073.21	79,073.21	100.0	9.3	Logistics facility
GLP Amagasaki	23,863	110,224.41	110,224.41	100.0	7.4	Logistics facility
GLP Tokyo	22,276	56,105.95	56,105.95	100.0	6.4	Logistics facility
GLP Sugito II	18,376	101,272.40	100,162.57	98.9	6.0	Logistics facility
GLP Urayasu III	18,050	64,198.11	64,198.11	100.0	(Note 4)	Logistics facility
GLP Narashino II	15,078	104,543.59	104,543.59	100.0	(Note 4)	Logistics facility
GLP Misato II	14,274	59,208.59	59,208.59	100.0	(Note 4)	Logistics facility
GLP Kazo	11,018	76,532.71	76,532.71	100.0	(Note 4)	Logistics facility
GLP Komaki	10,204	52,709.97	52,709.97	100.0	(Note 4)	Logistics facility
GLP Koshigaya II	9,572	43,537.47	43,537.47	100.0	(Note 4)	Logistics facility
Total	178,641	747,406.42	746,296.59	99.9	51.5	

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

(Note 2) “Leased area” is the total area leased to building tenants in accordance with the relevant lease agreements of each property or property in trust. The figures are rounded down to the second decimal place. When a property or property in trust is leased through a master lease agreement, the leased area represents the total space actually leased based on the lease agreement concluded with end-tenants.

(Note 3) “Occupancy ratio” and “Ratio to total rental revenues” are rounded to the first decimal place.

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

3. Summary of Portfolio Properties

The following table summarizes the investment properties and OTA assets held by GLP J-REIT as of the current period end.

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Tokyo	2-1-2, Tokai, Ota-ku, Tokyo	Beneficiary right of real estate in trust	56,105.95	25,900	22,276
GLP Higashi-Ogishima	23-9, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		34,582.00	5,950	5,011
GLP Akishima	4-13-41, Mihori-cho, Akishima, Tokyo 4-13-42, Mihori-cho, Akishima, Tokyo		27,356.63	8,220	7,088
GLP Tomisato	3-1, Misawa, Tomisato, Chiba		27,042.59	5,480	4,819
GLP Narashino II	3-6-3, Akanehama, Narashino, Chiba		104,543.59	18,700	15,078
GLP Funabashi	1-1389-2, Kaijinchō-minami, Funabashi, Chiba		10,668.05	1,840	1,924
GLP Kazo	1-5-1, Minamishinozaki, Kazo, Saitama		76,532.71	13,200	11,018
GLP Fukaya	1900-2, Mizugahara, Orinokuchi, Fukaya, Saitama		19,706.00	2,710	2,327
GLP Sugito II	398-2, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		101,272.40	21,300	18,376
GLP Iwatsuki	2-9-10, Kokaba, Iwatsuki-ku, Saitama, Saitama		31,839.99	7,780	6,753
GLP Kasukabe	1155, Anzai, Suikaku, Kasukabe, Saitama		18,460.73	4,740	4,077
GLP Koshigaya II	2-2-1, Ryutsu-Danchi, Koshigaya, Saitama		43,537.47	11,000	9,572
GLP Misato II	3-2-1, Lala-city, Shinmisato, Misato, Saitama		59,208.59	16,800	14,274
GLP Tatsumi	3-11-10, Tatsumi, Koto-ku, Tokyo		12,925.58	5,750	4,910
GLP Hamura	4-9-8, Shinmeidai, Hamura, Tokyo		40,277.93	8,660	7,621
GLP Funabashi III	2-15-1, Nishiura, Funabashi, Chiba		18,281.84	3,770	3,063
GLP Sodegaura	385-18, Shiinomori, Sodegaura, Chiba		45,582.06	7,410	6,025
GLP Urayasu III	15-27, Chidori, Urayasu, Chiba		64,198.11	19,400	18,050
GLP Tatsumi IIa	3-8-10, Tatsumi, Koto-ku, Tokyo		17,108.52	7,370	6,712
GLP Tatsumi IIb	3-7-7, Tatsumi, Koto-ku, Tokyo		3,359.00	1,140	1,061
GLP Tokyo II	3-4-11 Shinsuna, Koto-ku, Tokyo		79,073.21	37,400	35,926
GLP Okegawa	2-6 Akabori, Okegawa, Saitama		17,062.92	2,570	2,409
GLP Hirakata	3-2-27, Minami-nakaburi, Hirakata, Osaka 3-2-7, Minami-nakaburi, Hirakata, Osaka		29,829.56	5,120	4,690
GLP Hirakata II	3-3-1, Minami-nakaburi, Hirakata, Osaka		43,283.01	8,590	7,748
GLP Maishima II	2-1-92, Hokukoryokuchi, Konohana-ku, Osaka, Osaka		56,511.10	10,500	8,549
GLP Tsumori	2-1-30, Minami-tsumori, Nishinari-ku, Osaka, Osaka		16,080.14	2,210	2,023
GLP Rokko	3-10, Koyochō-higashi, Higashinada-ku, Kobe, Hyogo		39,339.00	5,600	5,090
GLP Amagasaki	231-2, Nishimukojima-cho, Amagasaki, Hyogo		110,224.41	26,500	23,863
GLP Amagasaki II	16, Nishitakasū-cho, Amagasaki, Hyogo		12,342.95	2,210	2,016
GLP Nara	6-4, Imago-cho, Yamatokoriyama, Nara		19,545.35	2,700	2,269
GLP Sakai	1-63, Chikkouyawatamachi, Sakai-ku, Sakai, Osaka		10,372.10	2,160	1,934
GLP Rokko II	4-15-1 Koyochohigashi, Higashinada-ku, Kobe, Hyogo		20,407.30	4,140	3,345
GLP Kadoma	4-2-1 Shinomiya, Kadoma, Osaka		12,211.73	2,780	2,432
GLP Seishin	2-5-1 Yasakadai, Suma-ku, Kobe, Hyogo		9,533.88	1,580	1,463
GLP Fukusaki	1714-14 Saiji, Fukusaki-cho, Kanzaki-gun, Hyogo		24,167.83	4,000	3,578
GLP Kobe-Nishi	7-1-1, Mitsugaoka, Nishi-ku, Kobe, Hyogo		35,417.31	7,420	7,150
GLP Morioka	59, Urata, Sakuramachi, Shiwa-cho, Shiwa, Iwate		10,253.80	858	829
GLP Tomiya	9-1-2, Narita, Tomiya-machi, Kurokawa, Miyagi		20,466.98	2,970	2,714
GLP Koriyama I	3-2-2, Oroshi, Kikuta-cho, Koriyama, Fukushima		24,335.96	4,430	3,870
GLP Koriyama III	5-12, Mukaihara, Horinouchi, Kikuta-machi, Koriyama, Fukushima		27,671.52	2,690	2,647
GLP Tokai	2-47, Asayama, Tokai, Aichi		32,343.31	7,170	6,059

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Hayashima	823, Yao, Hayashima-cho, Tsukubo, Okayama	Beneficiary right of real estate in trust	13,574.58	1,310	1,212
GLP Hayashima II	4507-40, Hayashima, Hayashima-cho, Tsukubo, Okayama		14,447.48	2,620	2,350
GLP Kiyama	2950-1, Urata, Sonobe, Kiyama-cho, Miyaki, Saga		23,455.96	5,290	4,499
GLP Tosu III	1-2, Wakasa, Fujinokimachi, Tosu, Saga		11,918.00	892	846
GLP Sendai	2-5-2 Sendaikou Kita, Miyagino-ku, Sendai, Miyagi		37,256.23	6,220	5,410
GLP Ebetsu	69-3 Kakuyama, Ebetsu, Hokkaido		18,489.25	1,960	1,539
GLP Kuwana	3646-1 Kanegaya, Mizono, Tado-cho, Kuwana, Mie		20,402.12	4,280	3,556
GLP Hatsukaichi	14-2 Mokuzaikokita, Hatsukaichi, Hiroshima		10,981.89	2,350	1,937
GLP Komaki	1-31 Shinkoki, Komaki, Aichi		52,709.97	11,600	10,204
GLP Ogimachi	1-8-5 Ogimachi, Miyagino-ku, Sendai, Miyagi		13,155.28	1,530	1,470
GLP Hiroshima	2-7-11 Kusatsukou, Nishi-ku, Hiroshima, Hiroshima 2-7-4 Kusatsukou, Nishi-ku, Hiroshima, Hiroshima		21,003.04	3,950	3,727
GLP Fukuoka	1-10-1 Itaduke, Hakata-ku, Fukuoka, Fukuoka		14,641.22	1,600	1,523
GLP Chikushino	174-2 Morota, Chikushino, Fukuoka		12,851.46	1,260	1,097
Total			1,727,949.60	385,580	340,033

OTA Assets (Note 4)					
GLP Noda-Yoshiharu	722-2 Tameshita, Yoshiharu, Noda, Chiba	Beneficiary right of real estate in trust	26,631.40	4,880	—

- (Note 1) “Location” represents the indication of residential address. If no indication of residential address exists, the location of the building (one of those if there are multiple buildings) shown on the registry is stated.
- (Note 2) “Leasable area” is the area of property or property in trust that is available for lease in accordance with relevant lease agreements or architectural drawings. The figures are rounded down to the second decimal place. The leasable area may be changed upon renewal of lease agreements.
- (Note 3) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trusts Association, Japan. Concerning the OTA assets, the appraisal as of June 15, 2015 is stated.
- (Note 4) On July 14, 2015, GLP J-REIT entered into a forward commitment contract concerning acquisition of GLP Noda-Yoshiharu held by a third party. Under the contract, it is agreed in cooperation with the Mitsubishi UFJ Lease & Finance (“MUFJ L&F”) Group that the asset will be temporarily owned by Central Compass Co., Ltd, a real estate-related company and a wholly-owned subsidiary of MUFJ L&F, and that GLP J-REIT will acquire the asset on the date designated by GLP J-REIT during the scheduled period from July 14, 2016 to July 13, 2020. The purpose of this scheme is to reduce the acquisition price of the asset. The acquisition price of the OTA Asset will be determined between 4,170 million yen and 4,650 million yen, the reduction in value proportional to the length of the seller’s ownership period, as agreed upon in advance by GLP J-REIT and the seller, Central Compass Co., Ltd. The final acquisition price will be determined by adjusting the difference between (i) planned outlays, including repairs and maintenance costs, and capital expenditures as agreed in advance upon by both parties and (ii) actual expenses incurred cumulatively over the period from the conclusion date to the date of acquisition executed under the forward commitment contract. GLP J-REIT refers to the scheme as “Optimal Takeout Agreement (OTA)” and the assets subject to the OTA as “OTA Assets”.

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

Name of property	6th Period From September 1, 2014 To February 28, 2015				7th Period From March 1, 2015 To August 31, 2015			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Tokyo	5	100.0	708	6.4	5	100.0	708	6.4
GLP Higashi-Ogishima	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Akishima	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
GLP Tomisato	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Narashino II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Funabashi	—	—	(Note 3)	(Note 3)	—	—	2	0.0
GLP Kazo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukaya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sugito II	4	98.9	657	6.0	4	98.9	659	6.0
GLP Iwatsuki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kasukabe	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koshigaya II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Misato II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tatsumi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hamura	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Funabashi III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sodegaura	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Urayasu III	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tatsumi Ila	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tatsumi Iib	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tokyo II	6	100.0	1,020	9.3	6	100.0	1,028	9.3
GLP Okegawa	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hirakata	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hirakata II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Maishima II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tsumori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Amagasaki	7	100.0	816	7.4	7	100.0	823	7.4
GLP Amagasaki II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Nara	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sakai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kadoma	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Seishin	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukusaki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kobe-Nishi	—	—	—	—	1	100.0	(Note 3)	(Note 3)
GLP Morioka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tomiya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama III	3	60.0	87	0.8	4	78.0	107	1.0
GLP Tokai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	6th Period From September 1, 2014 To February 28, 2015				7th Period From March 1, 2015 To August 31, 2015			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Hayashima	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hayashima II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kiyama	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tosu III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sendai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Ebetsu	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kuwana	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hatsukaichi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Komaki	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Ogimachi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hiroshima	1	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Fukuoka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Chikushino	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total	79	98.6	10,991	100.0	82	99.0	11,075	100.0

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

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

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

4. Specified Transaction

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

	Type	Contract amount (Million yen) (Note 1)		Fair value (Million yen) (Note 2)
			Due after one year	
OTC	Interest rate swaps: Receive floating/ pay fix	131,140	107,340	(1,078)
Total		131,140	107,340	(1,078)

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

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

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

5. Investments and Other Assets

(1) Investment securities – Equity securities

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

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

(2) Details of other specified assets

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

[Capital Expenditure for Properties Owned]

1. Future Plan of Capital Expenditure

The following table summarizes the major capital expenditure plan in connection with scheduled renovation and others for properties owned as of current 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 Funabashi III	Funabashi, Chiba	Extensive renovation of North-side exterior walls and roof surfaces	From June 2016 to August 2016	52	—	—
GLP Ogimachi	Sendai, Miyagi	Folded-plate roof renovation	From September 2015 to October 2015	50	—	—
GLP Sendai	Sendai, Miyagi	Renovation of South-side exterior walls	From December 2015 to February 2016	46	—	—
GLP Koriyama III	Koriyama, Fukushima	Renovation of roof waterproofing of Building No.1	From July 2016 to August 2016	45	—	—
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of water cooled chillers	From October 2015 to November 2015	35	—	—
GLP Tokyo II	Koto-ku, Tokyo	Replacement of watt-hour meters	From March 2016 to April 2016	27	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls	From December 2015 to February 2016	20	—	—
GLP Narashino II	Narashino, Chiba	Renovation of exterior walls	From April 2016 to June 2016	20	—	—
GLP Chikushino	Chikushino, Fukuoka	Renovation of drive unit of Omni-lifter No. 2	From May 2016 to June 2016	11	—	—
GLP Tosu III	Tosu, Saga	Renovation of track berth asphalt of the Rack Building	From December 2015 to January 2016	10	—	—
GLP Tosu III	Tosu, Saga	Replacement of air conditioners in picking-up areas	From December 2015 to January 2016	9	—	—
GLP Tosu III	Tosu, Saga	Replacement of air conditioners in picking-up areas	From May 2016 to June 2016	9	—	—

2. Capital Expenditure Incurred for the Period

The following table summarizes the major constructions to holding properties that resulted in capital expenditure for the current period. Capital expenditure for the current period was 404 million yen. The total construction cost amounted to 458 million yen, including repair and maintenance of 53 million yen that was accounted for as expenses.

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

3. Funds Reserved for Long-Term Repair Plans

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

(Unit: Million yen)

Operating period	3rd Period Mar. 1, 2013 to Aug. 31, 2013	4th Period Sept. 1, 2013 to Feb. 28, 2014	5th Period Mar. 1, 2014 to Aug. 31, 2014	6th Period Sept. 1, 2014 to Feb. 28, 2015	7th Period Mar. 1, 2015 to Aug. 31, 2015
Balance brought forward from the previous period	—	—	—	—	—
Amount reserved during the period	—	—	—	—	—
Amount used during the period	—	—	—	—	—
Balance to be carried forward to the next period	—	—	—	—	—

(Note 1) GLP J-REIT intends not to account for reserves if the estimated amount of capital expenditure of the following period does not exceed the amount equivalent to 70% of the estimated depreciation expenses for the same period. GLP J-REIT estimates the amount of capital expenditure for the 8th period (for the period ending February 2016) to be 690 million yen, which does not exceed 1,824 million yen, the amount equivalent to 70% of 2,606 million yen, which is the estimated depreciation expenses for the same period.

(Note 2) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings, which do not exceed the amount obtained by deducting an amount of capital expenditure for the operating period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 404 million yen of capital expenditure for the current fiscal period from 2,361 million yen of depreciation expenses for the period is 1,956 million yen.

For the time being, GLP J-REIT intends to make OPD in an amount equal to approximately 30% of depreciation expenses for the operating period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal term based on the long-term repair plan of GLP J-REIT.

With respect to all 54 properties held as of August 31, 2015, the six-month period average of total amount of the short-term emergency repair costs and the medium- to long-term repair costs, which are set out in the Engineering Report dated September 19, 2012, August 20, 2013, March 20, 2014 July 25, 2014 and January 28, 2015 for each property prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd., is 426 million yen. Please refer to the “Summary of Engineering Due Diligence Report” below for short-term emergency repair costs and mid-to-long term repair costs for each asset.

(Reference) Summary of Engineering Due Diligence Report

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair costs (Thousand yen) (Note 1)	Mid-to-Long term repair costs (Thousand yen) (Note2)
Tokyo-1	GLP Tokyo	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	September 19, 2012	—	219,100
Tokyo-2	GLP Higashi-Ogishima			—	561,650
Tokyo-3	GLP Akishima			—	168,950
Tokyo-4	GLP Tomisato			—	75,700
Tokyo-5	GLP Narashino II			—	1,292,600
Tokyo-6	GLP Funabashi			—	240,050
Tokyo-7	GLP Kazo			—	303,800
Tokyo-8	GLP Fukaya			—	410,950
Tokyo-9	GLP Sugito II			—	365,100
Tokyo-10	GLP Iwatsuki			—	50,120
Tokyo-11	GLP Kasukabe			—	170,650
Tokyo-12	GLP Koshigaya II			—	136,530
Tokyo-13	GLP Misato II			—	78,600
Tokyo-14	GLP Tatsumi			—	43,100
Tokyo-15	GLP Hamura		August 20, 2013	—	55,940
Tokyo-16	GLP Funabashi III			—	125,360
Tokyo-17	GLP Sodegaura			—	60,000
Tokyo-18	GLP Urayasu III		March 20, 2014	—	289,550
Tokyo-19	GLP Tatsumi Ila			—	86,120
Tokyo-20	GLP Tatsumi Iib		July 25, 2014	—	93,183
Tokyo-21	GLP Tokyo II			—	333,550
Tokyo-22	GLP Okegawa		September 19, 2012	—	209,530
Osaka-1	GLP Hirakata			—	315,300
Osaka-2	GLP Hirakata II			—	305,900
Osaka-3	GLP Maishima II			—	152,100
Osaka-4	GLP Tsumori			—	142,750
Osaka-5	GLP Rokko			—	476,400
Osaka-6	GLP Amagasaki			—	307,700
Osaka-7	GLP Amagasaki II			—	142,500
Osaka-8	GLP Nara			—	102,910
Osaka-9	GLP Sakai			—	42,200
Osaka-10	GLP Rokko II		August 20, 2013	—	296,150
Osaka-11	GLP Kadoma		July 25, 2014	—	114,160
Osaka-12	GLP Seishin			—	186,900
Osaka-13	GLP Fukusaki		January 28, 2015	—	137,800
Osaka-14	GLP Kobe-Nishi			—	57,340
Other-1	GLP Morioka		September 19, 2012	—	59,600
Other-2	GLP Tomiya			—	61,800
Other-3	GLP Koriyama I			—	28,650
Other-4	GLP Koriyama III			—	350,300
Other-5	GLP Tokai			—	123,880
Other-6	GLP Hayashima			—	126,880
Other-7	GLP Hayashima II			—	33,150
Other-8	GLP Kiyama			—	95,190
Other-9	GLP Tosu III			—	201,000
Other-10	GLP Sendai			—	159,450

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair costs (Thousand yen) (Note 1)	Mid-to-Long term repair costs (Thousand yen) (Note2)
Other-11	GLP Ebetsu	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	August 20, 2013	—	47,690
Other-12	GLP Kuwana			—	51,170
Other-13	GLP Hatsukaichi			—	33,980
Other-14	GLP Komaki			—	115,500
Other-15	GLP Ogimachi		July 25, 2014	—	110,170
Other-16	GLP Hiroshima			—	198,660
Other-17	GLP Fukuoka			—	134,110
Other-18	GLP Chikushino			—	150,990
Total				—	10,232,413

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

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

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[Expenses and Liabilities]

1. Status of Expenses related to Asset Management

(Unit: Thousand yen)

	6th Period From September 1, 2014 To February 28, 2015	7th Period From March 1, 2015 To August 31, 2015
Asset management fee (Note 1)	1,042,210	1,096,931
Asset custody fee	4,948	5,574
Administrative service fees	17,178	18,130
Directors' remuneration	3,840	3,960
Audit fee	13,500	13,000
Taxes and dues	111	82
Other operating expenses	56,196	54,991
Total	1,137,985	1,192,671

(Note 1) In addition to the amount shown, the amount of asset management fee capitalized as part of acquisition cost were 161,490 thousand yen for the 6th Period and 21,450 thousand yen for the 7th Period.

2. Status of Borrowings

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

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Due date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Short-term loans payable	The Bank of Fukuoka, Ltd.	January 5, 2015	1,300	1,300	0.23%	January 4, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation		400	400					
	Mizuho Bank, Ltd.	May 1, 2015	—	—	0.23%	April 28, 2016 (Note 5)	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Norinchukin Bank	May 1, 2015	—	—	0.23%	April 28, 2016 (Note 6)	Lump-sum	(Note 8)	Unsecured not guaranteed
	Subtotal		1,700	1,700					
Long-term loans payable	Sumitomo Mitsui Banking Corporation	January 4, 2013	6,300	6,300	0.85% (Note 4)	January 4, 2016	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		5,900	5,900					
	Mizuho Bank, Ltd.		4,000	4,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,800	1,800					
	Citibank Japan Ltd.		1,800	1,800					
	The Bank of Fukuoka, Ltd.		1,400	1,400					
	The Norinchukin Bank		1,300	1,300					
	Resona Bank, Limited.		1,300	1,300					
	Sumitomo Mitsui Banking Corporation	January 4, 2013	6,400	6,400	1.13% (Note 4)	January 4, 2018	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		5,900	5,900					
	Mizuho Bank, Ltd.		4,000	4,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,800	1,800					
	Citibank Japan Ltd.		1,800	1,800					
	The Bank of Fukuoka, Ltd.		1,800	1,800					
	The Norinchukin Bank		1,300	1,300					
	Resona Bank, Limited.		1,300	1,300					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Due date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	January 4, 2013	5,000	5,000	1.41% (Note 4)	January 4, 2020	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		4,600	4,600					
	Mizuho Bank, Ltd.		4,000	4,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,800	1,800					
	The Bank of Fukuoka, Ltd.		900	900					
	Development Bank of Japan Inc.		4,500	4,500					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 1, 2013	3,250	3,250	1.03%	January 31, 2020	Lump-sum	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 1, 2013	3,250	3,250	1.30% (Note 4)	February 1, 2021	Lump-sum	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 6, 2014	1,200	1,200	0.43%	December 20, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	January 6, 2014	1,150	1,150	0.43%	December 20, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 6, 2014	1,150	1,150	0.43%	December 20, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 6, 2014	1,800	1,800	1.20% (Note 4)	December 20, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		500	500					
	Mizuho Bank, Ltd.		900	900					
	Mitsubishi UFJ Trust and Banking Corporation		800	800					
	The Bank of Fukuoka, Ltd.		550	550					
	Resona Bank, Limited.		450	450					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	1,000	1,000	0.52%	February 28, 2017	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,000	1,000					
	Mizuho Bank, Ltd.		1,000	1,000					
	Mitsubishi UFJ Trust and Banking Corporation		1,000	1,000					
	Citibank Japan Ltd.		750	750					
	The Bank of Fukuoka, Ltd.		750	750					
	The Norinchukin Bank		500	500					
	Resona Bank, Limited.		500	500					
	Sumitomo Mitsui Trust Bank, Limited		220	220					
	Shinsei Bank, Limited		220	220					
	Aozora Bank, Ltd.		220	220					
	The 77 Bank, Ltd.		220	220					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	3,720	3,720	0.76% (Note 4)	February 28, 2019	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		3,230	3,230					
	Mizuho Bank, Ltd.		2,550	2,550					
	Mitsubishi UFJ Trust and Banking Corporation		500	500					
	Citibank Japan Ltd.		700	700					
	The Bank of Fukuoka, Ltd.		700	700					
	The Norinchukin Bank		450	450					
	Resona Bank, Limited.		450	450					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Due date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	March 3, 2014	2,000	2,000	1.09% (Note 4)	February 26, 2021	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,900	1,900					
	Mizuho Bank, Ltd.		1,250	1,250					
	Mitsubishi UFJ Trust and Banking Corporation		500	500					
	Development Bank of Japan Inc.		450	450					
	Sumitomo Mitsui Banking Corporation	March 3, 2014	1,470	1,470	1.56% (Note 4)	February 29, 2024	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,170	1,170					
	Development Bank of Japan Inc.		500	500					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 3, 2014	3,800	3,800	0.92%	February 26, 2021	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	June 30, 2014	1,500	1,500	0.32%	February 28, 2017	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,200	1,200					
	Citibank Japan Ltd.		200	200					
	Development Bank of Japan Inc.		500	500					
	The Norinchukin Bank		500	500					
	Sumitomo Mitsui Trust Bank, Limited		800	800					
	Sumitomo Mitsui Banking Corporation	June 30, 2014	500	500	1.48% (Note 4)	June 30, 2026	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		500	500					
	Mizuho Bank, Ltd.	September 2, 2014	480	480	0.31%	September 2, 2016	Lump-sum	(Note 8)	Unsecured not guaranteed
	Mitsubishi UFJ Trust and Banking Corporation		410	410					
	Citibank Japan Ltd.		640	640					
	The Bank of Fukuoka, Ltd.		370	370					
	The Norinchukin Bank		300	300					
	Resona Bank, Limited.		380	380					
	Sumitomo Mitsui Trust Bank, Limited		340	340					
	Shinsei Bank, Limited		260	260					
	Aozora Bank, Ltd.		260	260					
	The 77 Bank, Ltd.		260	260					
	Sumitomo Mitsui Banking Corporation	September 2, 2014	3,890	3,890	0.86% (Note 4)	September 2, 2022	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		3,470	3,470					
	Mizuho Bank, Ltd.		2,830	2,830					
	Mitsubishi UFJ Trust and Banking Corporation		970	970					
	The Bank of Fukuoka, Ltd.		610	610					
	Development Bank of Japan Inc.		650	650					
	The Norinchukin Bank		350	350					
	Resona Bank, Limited.		270	270					
	Sumitomo Mitsui Trust Bank, Limited		560	560					
	Sumitomo Mitsui Banking Corporation	September 2, 2014	1,530	1,530	1.85% (Note 4)	September 2, 2027	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,170	1,170					
	Sumitomo Mitsui Banking Corporation	January 5, 2015	4,500	4,500	0.28%	December 20, 2016	Lump-sum	(Note 7)	Unsecured not guaranteed
	The Bank of Fukuoka, Ltd.		500	500					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	January 5, 2015	1,960	1,960	0.31%	June 30, 2017	Lump-sum	(Note 7)	Unsecured not guaranteed

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Due date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Development Bank of Japan Inc.	January 5, 2015	1,250	1,250	0.31%	December 20, 2018	Lump-sum	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,250	1,250					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	May 1, 2015	—	800	0.29%	February 28, 2019	Lump-sum	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	May 1, 2015	—	2,700	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 8)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	May 1, 2015	—	700	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Norinchukin Bank	May 1, 2015	—	400	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 8)	Unsecured not guaranteed
	Subtotal		151,780	156,380					
Total			153,480	158,080					

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

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

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

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

(Note 5) GLP J-REIT borrowed 1,000 million yen on May 1, 2015 and made repayments of 1,000 million yen on June 30, 2015 before its due date.

(Note 6) GLP J-REIT borrowed 1,000 million yen on May 1, 2015 and made repayments of 1,000 million yen on June 30, 2015 before its due date.

(Note 7) The fund was used to make repayments of bank borrowing.

(Note 8) The fund was used to acquire properties or beneficiary rights of real estate in trust.

3. Status of Investment Corporation Bonds

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

Description	Issued date	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Interest rate (Note 1)	Maturity date	Maturity method	Use	Remarks
GLP J-REIT 1st Unsecured Bonds	February 27, 2014	6,000	6,000	0.47%	February 27, 2019	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 2nd Unsecured Bonds	July 30, 2014	2,000	2,000	0.98%	July 30, 2024	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 3rd Unsecured Bonds	December 26, 2014	4,500	4,500	0.51%	December 25, 2020	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	1,500	1,500	0.68%	December 26, 2022	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	3,000	3,000	1.17%	December 25, 2026	Lump-sum	(Note 2)	(Note 3)
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	—	1,500	0.89%	June 30, 2025	Lump-sum	(Note 2)	(Note 3)
Total		17,000	18,500					

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

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

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

4. Status of Short-Term Investment Corporation Bonds

None

5. Status of Subscription Rights to New Investment Units

None

[Acquisition and Disposition]

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

Type of asset	Name of property	Acquisition	
		Acquisition date	Acquisition price (Million yen) (Note)
Beneficiary right of real estate in trust	GLP Kobe-Nishi	May 1, 2015	7,150
Total			7,150

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

2. Acquisition and Disposition of Other Assets

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

3. Appraisal Values of Specific Assets

(1) Real Estate Properties

Acquisition or transfer	Name of property	Acquisition date	Acquisition price (Million yen) (Note 1)	Appraisal value (Million yen)	Name of appraiser	Date of appraisal
Acquisition	GLP Kobe-Nishi	May 1, 2015	7,150	7,150	Japan Real Estate Institute	March 31, 2015

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

(Note 2) “Appraisal value” of specific assets above was calculated in accordance with the guideline of “Real Estate Appraisal Standards, Chapter 3, Appraisal of Securitized Real Estate.”

(2) Other

With regard to transactions and contracts entered by GLP J-REIT whose values shall be investigated based on the Article 201 of the Act on Investment Trusts and Investment Corporations, KPMG AZSA LLC performs an investigation of transactions other than those stated in “(1) Real Estate Properties” above. For the period from March 1, 2015 to August 31, 2015, the transactions subject to such investigation were five interest rate swap transactions, for which GLP J-REIT received a report from KPMG AZSA LLC. The investigation of the interest rate swaps included the names of its counterparties, values, contract periods and other details in relation to the interest rate swap transactions.

4. Transactions with Interested Parties

(1) Transactions

	Transaction price	
	Purchase	Sale
Total amount	7,150,000 thousand yen	— thousand yen
Transactions with interested parties and major shareholders		
Kobe-Nishi Logistic Special Purpose Company	7,150,000 thousand yen (100.0%)	— thousand yen (—%)
Total	7,150,000 thousand yen (100.0%)	— thousand yen (—%)

(2) Amounts of fees paid

	Total fees (A) (Thousand yen)	Name of interested parties and major shareholders and the amount of transactions		(B)/(A) (%)
		Paid to	Amount paid (B) (Thousand yen)	
Property management fee	203,774	Global Logistic Properties Inc.	203,774	100.0
Royalty fee	7,500	Global Logistic Properties Inc.	7,500	100.0
Leasing commission	14,329	Global Logistic Properties Inc.	14,329	100.0

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

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

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

[Accounting]

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

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

2. Change in Calculation of Depreciation

None

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

None

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

None

[Other information]

1. Notice

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

Date of approval	Item	Summary
June 23, 2014	Conclusion of Underwriting Agreement and other with regard to investment corporation bonds	<p>With regard to the issuance of unsecured investment corporation bonds, the comprehensive resolution was made at the Board of Directors Meeting held on June 23, 2014. Thus, GLP J-REIT entered into the following agreements with effective date of June 23, 2015.</p> <p>(1) Underwriting Agreement, relating to the public offering of GLP J-REIT 6th Unsecured Bond, concluded among GLP Japan Advisors Inc., SMBC Nikko Securities Inc., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co., Ltd.</p> <p>(2) Fiscal Agent Agreement for GLP J-REIT 6th Unsecured Bond with special pari passu conditions among specified investment corporation bonds, concluded with Sumitomo Mitsui Banking Corporation ("SMBC"). Under the Agreement, SMBC is designated as the fiscal agent, issuing agent and payment agent.</p> <p>(3) Memorandum agreed with SMBC regarding the fiscal agent commission prescribed in the Fiscal Agent Agreement as stated above (2), for GLP J-REIT 6th Unsecured Bond with special pari passu conditions among specified investment corporation bonds.</p>
August 10, 2015	Conclusion of Underwriting Agreement and other with regard to new investment units	<p>With regard to the issuance of new investment units, it was approved to conclude the following agreements and other with effective date of August 19, 2015.</p> <p>(1) Underwriting Agreement, relating to the issuance of new investment units through a domestic public offering, concluded among GLP Japan Advisors Inc., Nomura Securities Co., Ltd., Citigroup Global Markets Japan Inc., Goldman Sachs Japan Co., Ltd., SMBC Nikko Securities Inc., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co., Ltd.</p> <p>(2) Memorandum concluded with Nomura Securities Co., Ltd., relating to the issuance of new investment units through a third party allotment in connection with the domestic public offering.</p> <p>(3) International Purchase Agreement, relating to an international public offering, concluded among GLP Japan Advisors Inc., Nomura International plc., Goldman Sachs International, Citigroup Global Markets Limited, and J.P. Morgan Securities plc.</p>

2. Other

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

Disclosure regarding investments in real estate holding companies in foreign countries

None

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

None

SUPPLEMENTAL INFORMATION

[The description stated in this section is the status as of August 31, 2015, unless otherwise stated.]

Diversification of Portfolio

The following summarizes the diversification of properties in trust.

a. By Geographical Area

Area	Total floor space (m ²) (Note 1)	Ratio (%) (Note 2)	Acquisition cost (Million yen)	Ratio (%) (Note 2)
Tokyo Metropolitan area	1,008,277.67	53.4	211,500	61.1
Greater Osaka area	478,268.22	25.4	77,880	22.5
Other	399,926.77	21.2	56,661	16.4
Total	1,886,472.67	100.0	346,041	100.0

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

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

b. By Building Age

Building age (Note 1)	Number of properties	Total floor space (m ²) (Note 2)	Ratio (%) (Note 3)	Acquisition cost (Million yen)	Ratio (%) (Note 3)
20 years or more	21	484,696.26	25.7	66,431	19.2
15 years or more but less than 20 years	2	30,189.44	1.6	4,900	1.4
10 years or more but less than 15 years	9	337,609.02	17.9	71,400	20.6
5 years or more but less than 10 years	21	997,541.94	52.9	196,160	56.7
Less than 5 years	1	36,436.00	1.9	7,150	2.1
Total	54	1,886,472.67	100.0	346,041	100.0

(Note 1) As a general rule, “Building age” shows the period of years from a completion date of new construction of major building stated on real estate register to August 31, 2015.

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

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

c. By Total Floor Space

Total floor space (m ²) (Note 1)	Number of properties	Total floor space (m ²) (Note 1)	Ratio (%) (Note 2)	Acquisition cost (Million yen)	Ratio (%) (Note 2)
100,000 m ² or more	4	473,661.93	25.1	94,820	27.4
50,000 m ² or more but less than 100,000 m ²	7	445,664.59	23.6	92,420	26.7
30,000 m ² or more but less than 50,000 m ²	12	442,152.80	23.4	73,800	21.3
10,000 m ² or more but less than 30,000 m ²	29	512,230.75	27.2	82,475	23.8
Less than 10,000 m ²	2	12,762.59	0.7	2,526	0.7
Total	54	1,886,472.67	100.0	346,041	100.0

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

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

d. By Remaining Lease Period

Lease period (Remaining period) (Note 1)	Leased area (m ²) (Note 2)	Ratio (%) (Note 3)	Annual contracted rent (Million yen) (Note 4)	Ratio (%) (Note 3)
7 years or more	174,541.94	10.2	2,528	11.8
5 years or more but less than 7 years	482,603.20	28.2	4,972	23.1
3 years or more but less than 5 years	382,865.96	22.4	4,956	23.1
1 year or more but less than 3 years	485,772.56	28.4	6,563	30.5
Less than 1 year	184,308.06	10.8	2,474	11.5
Total	1,710,091.74	100.0	21,495	100.0

(Note 1) “Lease period” represents the remaining lease period subsequent to August 31, 2015 based on the lease agreement of each property or property in trust as of August 31, 2015.

(Note 2) “Leased area” represents the total leased area by remaining lease period, based on the relevant lease agreement of each property or property in trust as of August 31, 2015, and is rounded down to the second decimal place.

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

(Note 4) “Annual contracted rent” represents the total of individual rents annualized and classified by remaining lease period. It is calculated by multiplying the monthly contracted rent for building (including CAM but excluding consumption taxes. If the property or property in trust has multiple tenants, the total of all monthly rents.) indicated in the relevant lease agreement(s) of each property or property in trust as of August 31, 2015 by 12, rounded down to the nearest one million yen.

Summary of Portfolio Properties

Area	Property number	Name of property	Location	Construction date (Note 1)	Annual contracted rent (Million yen) (Note 2)	Tenant leasehold and security deposit (Million yen) (Note 3)	Land area (m ²)
Tokyo Metropolitan area	Tokyo-1	GLP Tokyo	Ota-ku, Tokyo	November 17, 2003	1,292	269	14,879.68
	Tokyo-2	GLP Higashi-Ogishima	Kawasaki, Kanagawa	August 27, 1987	(Note 4)	(Note 4)	25,313.64
	Tokyo-3	GLP Akishima	Akishima, Tokyo	February 10, 2001	(Note 4)	(Note 4)	30,939.95
	Tokyo-4	GLP Tomisato	Tomisato, Chiba	July 3, 2007	(Note 4)	(Note 4)	39,398.15
	Tokyo-5	GLP Narashino II	Narashino, Chiba	August 26, 1991	(Note 4)	(Note 4)	55,185.00
	Tokyo-6	GLP Funabashi	Funabashi, Chiba	April 14, 1990	(Note 4)	(Note 4)	5,804.04
	Tokyo-7	GLP Kazo	Kazo, Saitama	March 11, 2005	(Note 4)	(Note 4)	38,278.86
	Tokyo-8	GLP Fukaya	Fukaya, Saitama	January 23, 1991	(Note 4)	(Note 4)	31,666.62
	Tokyo-9	GLP Sugito II	Kita-katsushika, Saitama	January 18, 2007	1,221	372	53,792.06
	Tokyo-10	GLP Iwatsuki	Saitama, Saitama	August 5, 2008	(Note 4)	(Note 4)	17,277.60
	Tokyo-11	GLP Kasukabe	Kasukabe, Saitama	July 15, 2004	(Note 4)	(Note 4)	18,269.08
	Tokyo-12	GLP Koshigaya II	Koshigaya, Saitama	July 28, 2006	(Note 4)	(Note 4)	16,056.14
	Tokyo-13	GLP Misato II	Misato, Saitama	September 19, 2008	(Note 4)	(Note 4)	30,614.09
	Tokyo-14	GLP Tatsumi	Koto-ku, Tokyo	September 8, 2003	(Note 4)	(Note 4)	6,500.01
	Tokyo-15	GLP Hamura	Hamura, Tokyo	January 13, 2009	(Note 4)	(Note 4)	26,712.92
	Tokyo-16	GLP Funabashi III	Funabashi, Chiba	January 24, 2001	(Note 4)	(Note 4)	9,224.00
	Tokyo-17	GLP Sodegaura	Sodegaura, Chiba	June 15, 2007	(Note 4)	(Note 4)	32,524.00
	Tokyo-18	GLP Urayasu III	Urayasu, Chiba	March 6, 2006	(Note 4)	(Note 4)	33,653.00
	Tokyo-19	GLP Tatsumi IIa	Koto-ku, Tokyo	August 28, 1986	(Note 4)	(Note 4)	6,384.51
	Tokyo-20	GLP Tatsumi IIb	Koto-ku, Tokyo	April 30, 1990	(Note 4)	(Note 4)	961.01
	Tokyo-21	GLP Tokyo II	Koto-ku, Tokyo	April 20, 2006	1,904	431	31,998.97
	Tokyo-22	GLP Okegawa	Okegawa, Saitama	July 31, 1993	(Note 4)	(Note 4)	9,913.68
Tokyo Metropolitan area, total					12,511	4,433	535,347.01
Greater Osaka area	Osaka-1	GLP Hirakata	Hirakata, Osaka	September 20, 1985	(Note 4)	(Note 4)	25,290.30
	Osaka-2	GLP Hirakata II	Hirakata, Osaka	December 11, 2000	(Note 4)	(Note 4)	31,131.17
	Osaka-3	GLP Maishima II	Osaka, Osaka	October 15, 2006	(Note 4)	(Note 4)	24,783.06
	Osaka-4	GLP Tsumori	Osaka, Osaka	October 14, 1981	(Note 4)	(Note 4)	9,021.75
	Osaka-5	GLP Rokko	Kobe, Hyogo	March 4, 1991	(Note 4)	(Note 4)	24,969.30
	Osaka-6	GLP Amagasaki	Amagasaki, Hyogo	December 8, 2006	1,503	589	59,078.60
	Osaka-7	GLP Amagasaki II	Amagasaki, Hyogo	February 12, 1992	(Note 4)	(Note 4)	4,310.06
	Osaka-8	GLP Nara	Yamatokoriyama, Nara	November 22, 1969	(Note 4)	(Note 4)	13,420.77
	Osaka-9	GLP Sakai	Sakai, Osaka	September 18, 2007	(Note 4)	(Note 4)	10,000.03
	Osaka-10	GLP Rokko II	Kobe, Hyogo	March 25, 2000	(Note 4)	(Note 4)	18,212.00
	Osaka-11	GLP Kadoma	Kadoma, Osaka	January 29, 1980	(Note 4)	(Note 4)	8,436.79
	Osaka-12	GLP Seishin	Kobe, Hyogo	December 19, 1995	(Note 4)	(Note 4)	5,489.57
	Osaka-13	GLP Fukusaki	Kanzaki, Hyogo	July 20, 2004	(Note 4)	(Note 4)	40,466.90
	Osaka-14	GLP Kobe-Nishi	Kobe, Hyogo	January 8, 2015	(Note 4)	(Note 4)	20,999.95
Greater Osaka area, total					5,053	1,897	295,610.25
Other areas	Other-1	GLP Morioka	Shiwa, Iwate	August 27, 1980	(Note 4)	(Note 4)	10,244.70
	Other-2	GLP Tomiya	Kurokawa, Miyagi	April 5, 2006	(Note 4)	(Note 4)	19,525.08
	Other-3	GLP Koriyama I	Koriyama, Fukushima	August 21, 2008	(Note 4)	(Note 4)	18,626.32
	Other-4	GLP Koriyama III	Koriyama, Fukushima	February 17, 1993	190	44	22,862.07
	Other-5	GLP Tokai	Tokai, Aichi	July 14, 2004	(Note 4)	(Note 4)	18,987.22
	Other-6	GLP Hayashima	Tsukubo, Okayama	November 28, 1989	(Note 4)	(Note 4)	12,808.41
	Other-7	GLP Hayashima II	Tsukubo, Okayama	December 7, 2007	(Note 4)	(Note 4)	14,675.59
	Other-8	GLP Kiyama	Miyaki, Saga	November 5, 2008	(Note 4)	(Note 4)	73,225.00
	Other-9	GLP Tosu III	Tosu, Saga	September 30, 1982	(Note 4)	(Note 4)	26,187.51
	Other-10	GLP Sendai	Sendai, Miyagi	January 4, 2007	(Note 4)	(Note 4)	19,276.01
	Other-11	GLP Ebetsu	Ebetsu, Hokkaido	January 20, 2009	(Note 4)	(Note 4)	35,111.40
	Other-12	GLP Kuwana	Kuwana, Mie	September 4, 2006	(Note 4)	(Note 4)	46,811.76
	Other-13	GLP Hatsukaichi	Hatsukaichi, Hiroshima	July 10, 2006	(Note 4)	(Note 4)	18,452.00
	Other-14	GLP Komaki	Komaki, Aichi	February 15, 2008	(Note 4)	(Note 4)	27,640.00
	Other-15	GLP Ogimachi	Sendai, Miyagi	August 9, 1974	(Note 4)	(Note 4)	10,354.95

Area	Property number	Name of property	Location	Construction date (Note 1)	Annual contracted rent (Million yen) (Note 2)	Tenant leasehold and security deposit (Million yen) (Note 3)	Land area (m ²)
	Other-16	GLP Hiroshima	Hiroshima, Hiroshima	February 1, 1989	(Note 4)	(Note 4)	15,603.94
	Other-17	GLP Fukuoka	Fukuoka, Fukuoka	January 14, 1988	(Note 4)	(Note 4)	7,527.47
	Other-18	GLP Chikushino	Chikushino, Fukuoka	March 31, 1971	(Note 4)	(Note 4)	11,819.75
Other, total					3,930	1,381	409,739.18
Total portfolio					21,495	7,712	1,240,696.44

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

(Note 2) "Annual contracted rent" represents the amount annualized by multiplying the monthly contracted rent (including CAM but excluding consumption taxes, if the property or property in trust has multiple tenants, the total of all monthly rents) as indicated in the relevant lease agreement(s) of each property or property in trust as of August 31, 2015 by 12. Any fraction less than one million yen is rounded down. Accordingly, the sum of annual contracted rent of each property or property in trust may not equal to each subtotal or total of portfolio.

(Note 3) "Tenant leasehold and security deposit" represents total balance of leasehold and security deposit amount stated on the lease agreement of each property or property in trust as of August 31, 2015, rounded down to the nearest million yen. Accordingly, the sum of leasehold and security deposits of each property or property in trust may not equal to each subtotal or total of portfolio.

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

Valuation and Appraisal

Property number	Name of property	Appraiser (Note 2)	Date of valuation	Appraisal value (Million yen) (Note 1)	Indicated value				
					Direct Capitalization method		Discount Cash Flow method		
					Value (Million yen)	Cap rate (%)	Value (Million yen)	Discount rate (%)	Yield (%)
Tokyo-1	GLP Tokyo	Morii Appraisal & ICI	August 31, 2015	25,900	26,200	4.2	25,500	4.0	4.4
Tokyo-2	GLP Higashi-Ogishima	Morii Appraisal & ICI	August 31, 2015	5,950	6,040	4.6	5,850	4.4	4.8
Tokyo-3	GLP Akishima	Morii Appraisal & ICI	August 31, 2015	8,220	8,350	4.7	8,090	4.5	4.9
Tokyo-4	GLP Tomisato	Tanizawa Sogo Appraisal	August 31, 2015	5,480	5,500	5.0	5,470	1Y-2Y 5.0% / 3Y-10Y 5.1%	5.2
Tokyo-5	GLP Narashino II	Tanizawa Sogo Appraisal	August 31, 2015	18,700	19,300	5.0	18,400	1Y-5Y 4.7% / 6Y-10Y 4.9%	5.0
Tokyo-6	GLP Funabashi	Tanizawa Sogo Appraisal	August 31, 2015	1,840	1,870	4.9	1,830	5.0	5.1
Tokyo-7	GLP Kazo	Tanizawa Sogo Appraisal	August 31, 2015	13,200	13,800	5.0	13,000	1Y-6Y 4.9% / 7Y-10Y 5.1%	5.2
Tokyo-8	GLP Fukaya	Tanizawa Sogo Appraisal	August 31, 2015	2,710	2,770	5.1	2,690	1Y-2Y 5.0% / 3Y-7Y 5.1% / 8Y-10Y 5.2%	5.3
Tokyo-9	GLP Sugito II	Morii Appraisal & ICI	August 31, 2015	21,300	21,700	4.7	20,800	4.5	4.9
Tokyo-10	GLP Iwatsuki	Morii Appraisal & ICI	August 31, 2015	7,780	7,900	4.7	7,650	4.5	4.9
Tokyo-11	GLP Kasukabe	Morii Appraisal & ICI	August 31, 2015	4,740	4,820	4.9	4,660	4.7	5.1
Tokyo-12	GLP Koshigaya II	Morii Appraisal & ICI	August 31, 2015	11,000	11,100	4.6	10,800	4.4	4.8
Tokyo-13	GLP Misato II	Morii Appraisal & ICI	August 31, 2015	16,800	17,000	4.6	16,500	4.4	4.8
Tokyo-14	GLP Tatsumi	Morii Appraisal & ICI	August 31, 2015	5,750	5,850	4.3	5,650	4.1	4.5
Tokyo-15	GLP Hamura	Tanizawa Sogo Appraisal	August 31, 2015	8,660	8,790	4.8	8,610	1Y-3Y 4.7% / 4Y-10Y 4.8%	5.0
Tokyo-16	GLP Funabashi III	Morii Appraisal & ICI	August 31, 2015	3,770	3,830	4.6	3,710	4.4	4.8
Tokyo-17	GLP Sodegaura	Morii Appraisal & ICI	August 31, 2015	7,410	7,510	5.1	7,300	4.9	5.3
Tokyo-18	GLP Urayasu III	Tanizawa Sogo Appraisal	August 31, 2015	19,400	20,000	4.4	19,200	1Y-2Y 4.3% / 3Y-10Y 4.4%	4.5
Tokyo-19	GLP Tatsumi Ila	Morii Appraisal & ICI	August 31, 2015	7,370	7,490	4.3	7,240	4.1	4.5
Tokyo-20	GLP Tatsumi Iib	Morii Appraisal & ICI	August 31, 2015	1,140	1,160	4.9	1,120	4.7	5.1
Tokyo-21	GLP Tokyo II	Japan Real Estate Institute	August 31, 2015	37,400	38,200	4.2	36,600	4.0	4.4
Tokyo-22	GLP Okegawa	Tanizawa Sogo Appraisal	August 31, 2015	2,570	2,560	5.1	2,580	1Y-4Y 5.0% / 5Y-10Y 5.2%	5.3
Osaka-1	GLP Hirakata	Japan Real Estate Institute	August 31, 2015	5,120	5,160	5.2	5,070	4.8	5.5
Osaka-2	GLP Hirakata II	Japan Real Estate Institute	August 31, 2015	8,590	8,690	4.9	8,490	4.7	5.1
Osaka-3	GLP Maishima II	Japan Real Estate Institute	August 31, 2015	10,500	10,600	5.2	10,400	4.6	5.3
Osaka-4	GLP Tsumori	Japan Real Estate Institute	August 31, 2015	2,210	2,240	5.5	2,180	5.2	5.8
Osaka-5	GLP Rokko	Japan Real Estate Institute	August 31, 2015	5,600	5,610	5.4	5,580	5.0	5.6
Osaka-6	GLP Amagasaki	Japan Real Estate Institute	August 31, 2015	26,500	26,900	4.7	26,100	4.5	4.9
Osaka-7	GLP Amagasaki II	Japan Real Estate Institute	August 31, 2015	2,210	2,240	5.3	2,170	5.0	5.7
Osaka-8	GLP Nara	Morii Appraisal & ICI	August 31, 2015	2,700	2,730	5.9	2,670	5.7	6.1
Osaka-9	GLP Sakai	Japan Real Estate Institute	August 31, 2015	2,160	2,190	5.3	2,130	5.1	5.6
Osaka-10	GLP Rokko II	Tanizawa Sogo Appraisal	August 31, 2015	4,140	4,210	5.2	4,110	1Y-6Y 5.2% / 7Y-10Y 5.4%	5.4
Osaka-11	GLP Kadoma	Japan Real Estate Institute	August 31, 2015	2,780	2,800	5.0	2,750	4.7	5.2
Osaka-12	GLP Seishin	Japan Real Estate Institute	August 31, 2015	1,580	1,600	5.3	1,550	5.1	5.6
Osaka-13	GLP Fukusaki	Japan Real Estate Institute	August 31, 2015	4,000	4,050	5.3	3,940	4.9	5.7
Osaka-14	GLP Kobe-Nishi	Japan Real Estate Institute	August 31, 2015	7,420	7,510	5.1	7,330	5.0	5.6
Other-1	GLP Morioka	Tanizawa Sogo Appraisal	August 31, 2015	858	877	6.4	850	6.2	6.6
Other-2	GLP Tomiya	Tanizawa Sogo Appraisal	August 31, 2015	2,970	3,030	5.6	2,940	1Y 5.3% / 2Y-10Y 5.5%	5.8
Other-3	GLP Koriyama I	Tanizawa Sogo Appraisal	August 31, 2015	4,430	4,470	5.7	4,410	1Y-3Y 5.5% / 4Y-10Y 5.6%	5.9
Other-4	GLP Koriyama III	Tanizawa Sogo Appraisal	August 31, 2015	2,690	2,640	5.6	2,710	1Y-5Y 5.3% / 6Y-9Y 5.4% / 10Y 5.5%	5.8
Other-5	GLP Tokai	Morii Appraisal & ICI	August 31, 2015	7,170	7,280	4.9	7,060	4.7	5.1
Other-6	GLP Hayashima	Japan Real Estate Institute	August 31, 2015	1,310	1,320	6.0	1,290	5.8	6.2
Other-7	GLP Hayashima II	Japan Real Estate Institute	August 31, 2015	2,620	2,640	5.5	2,590	5.3	5.7
Other-8	GLP Kiyama	Japan Real Estate Institute	August 31, 2015	5,290	5,320	5.3	5,250	4.7	5.7
Other-9	GLP Tosu III	Japan Real Estate Institute	August 31, 2015	892	893	5.6	890	5.2	5.8

Property number	Name of property	Appraiser (Note 2)	Date of valuation	Appraisal value (Million yen) (Note 1)	Indicated value				
					Direct Capitalization method		Discount Cash Flow method		
					Value (Million yen)	Cap rate (%)	Value (Million yen)	Discount rate (%)	Yield (%)
Other-10	GLP Sendai	Tanizawa Sogo Appraisal	August 31, 2015	6,220	6,250	5.4	6,210	1Y 5.1% / 2Y-10Y 5.3%	5.6
Other-11	GLP Ebetsu	Morii Appraisal & ICI	August 31, 2015	1,960	1,980	5.7	1,930	5.5	5.9
Other-12	GLP Kuwana	Tanizawa Sogo Appraisal	August 31, 2015	4,280	4,330	5.6	4,260	1Y-7Y 5.6% / 8Y-10Y 5.8%	5.8
Other-13	GLP Hatsukaichi	Tanizawa Sogo Appraisal	August 31, 2015	2,350	2,360	5.6	2,340	1Y-7Y 5.6% / 8Y-10Y 5.8%	5.8
Other-14	GLP Komaki	Morii Appraisal & ICI	August 31, 2015	11,600	11,800	4.8	11,400	4.6	5.0
Other-15	GLP Ogimachi	Tanizawa Sogo Appraisal	August 31, 2015	1,530	1,560	6.2	1,520	1Y 5.7% / 2Y-10Y 5.8%	6.1
Other-16	GLP Hiroshima	Japan Real Estate Institute	August 31, 2015	3,950	4,000	5.7	3,890	5.5	6.0
Other-17	GLP Fukuoka	Japan Real Estate Institute	August 31, 2015	1,600	1,620	5.5	1,580	5.1	5.9
Other-18	GLP Chikushino	Japan Real Estate Institute	August 31, 2015	1,260	1,280	5.8	1,240	5.3	6.3

OTA Assets									
<i>TBD</i>	GLP Noda-Yoshiharu	Tanizawa Sogo Appraisal	June 15, 2015	4,880	4,890	5.3	4,870	1 Y-10Y 4.9% / 11Y 5.1%	5.2

(Note 1) "Appraisal value" represents the appraisal value or research price as set forth on the relevant review reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trusts Association, Japan. As for OTA Assets, it represents the appraisal value of the property as of June 15, 2015.

Summary of Engineering Reviews and Seismic Risk Assessment

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair costs (Thousand yen) (Note 1 and 2)	Mid- to Long-term repair costs (Thousand yen) (Note 1 and 3)	PML (%) (Note 1)
Tokyo-1	GLP Tokyo	Deloitte Tohmatsu Property Risk Solution Co., Ltd	September 19, 2012	—	219,100	8.5
Tokyo-2	GLP Higashi-Ogishima			—	561,650	11.4
Tokyo-3	GLP Akishima			—	168,950	11.7
Tokyo-4	GLP Tomisato			—	75,700	7.9
Tokyo-5	GLP Narashino II			—	1,292,600	11.6
Tokyo-6	GLP Funabashi			—	240,050	13.2
Tokyo-7	GLP Kazo			—	303,800	12.9
Tokyo-8	GLP Fukaya			—	410,950	4.9
Tokyo-9	GLP Sugito II			—	365,100	9.3
Tokyo-10	GLP Iwatsuki			—	50,120	14.8
Tokyo-11	GLP Kasukabe			—	170,650	14.8
Tokyo-12	GLP Koshigaya II			—	136,530	8.8
Tokyo-13	GLP Misato II			—	78,600	11.7
Tokyo-14	GLP Tatsumi			—	43,100	14.7
Tokyo-15	GLP Hamura		August 20, 2013	—	55,940	12.5
Tokyo-16	GLP Funabashi III			—	125,360	11.3
Tokyo-17	GLP Sodegaura			—	60,000	9.3
Tokyo-18	GLP Urayasu III			—	289,550	12.0
Tokyo-19	GLP Tatsumi IIa		March 20, 2014	—	86,120	14.0
Tokyo-20	GLP Tatsumi IIb			—	93,183	14.9
Tokyo-21	GLP Tokyo II		July 25, 2014	—	333,550	1.7
Tokyo-22	GLP Okegawa			—	209,530	14.8
Osaka-1	GLP Hirakata		September 19, 2012	—	315,300	9.5
Osaka-2	GLP Hirakata II			—	305,900	14.8
Osaka-3	GLP Maishima II			—	152,100	10.7
Osaka-4	GLP Tsumori			—	142,750	16.8
Osaka-5	GLP Rokko			—	476,400	12.7
Osaka-6	GLP Amagasaki			—	307,700	13.1
Osaka-7	GLP Amagasaki II			—	142,500	10.9
Osaka-8	GLP Nara			—	102,910	26.4
Osaka-9	GLP Sakai			—	42,200	13.1
Osaka-10	GLP Rokko II		August 20, 2013	—	296,150	8.5
Osaka-11	GLP Kadoma		July 25, 2014	—	114,160	16.9
Osaka-12	GLP Seishin			—	186,900	11.1
Osaka-13	GLP Fukusaki			—	137,800	6.6
Osaka-14	GLP Kobe-Nishi		January 28, 2015	—	57,340	6.2
Other-1	GLP Morioka		September 19, 2012	—	59,600	13.9
Other-2	GLP Tomiya			—	61,800	12.5
Other-3	GLP Koriyama I			—	28,650	9.4
Other-4	GLP Koriyama III			—	350,300	8.8
Other-5	GLP Tokai			—	123,880	14.8
Other-6	GLP Hayashima			—	126,880	8.8
Other-7	GLP Hayashima II			—	33,150	6.6
Other-8	GLP Kiyama			—	95,190	7.8
Other-9	GLP Tosu III			—	201,000	8.9
Other-10	GLP Sendai			—	159,450	11.1
Other-11	GLP Ebetsu		August 20, 2013	—	47,690	9.5
Other-12	GLP Kuwana			—	51,170	10.5
Other-13	GLP Hatsukaichi			—	33,980	9.6
Other-14	GLP Komaki			—	115,500	5.2

Property number	Name of property	Engineering due diligence company	Date of report	Short-term emergency repair costs (Thousand yen) (Note 1 and 2)	Mid- to Long-term repair costs (Thousand yen) (Note 1 and 3)	PML (%) (Note 1)
Other-15	GLP Ogimachi	Deloitte Tohmatsu Property Risk Solution Co., Ltd	July 25, 2014	—	110,170	16.3
Other-16	GLP Hiroshima			—	198,660	8.3
Other-17	GLP Fukuoka			—	134,110	8.5
Other-18	GLP Chikushino			—	150,990	15.5
Portfolio PML (Note 4)						2.4

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

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

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

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

(Note 4) Probable Maximum Loss (“PML”) of the entire portfolio is calculated based on the “Portfolio Seismic Risk Assessment Review” dated on April 13, 2015, and rounded to the first decimal place.

Information on Major Properties

None

Information on Major Tenants

The following is the major tenant to whom GLP J-REIT leases 10% or more of the total leased areas of the entire portfolio.

Name of major tenant	Industry	Name of property	Annual contracted rent (Million yen) (Note 1)	Ratio to total rent (%) (Note 2)	Leased area (m ²) (Note 3)	Ratio to total leased area (%) (Note 4)
Hitachi Transport System, Ltd. (Note 5)	3PL	GLP Kazo	(Note 6)	(Note 6)	76,532.71	4.5
		GLP Maishima II			56,511.10	3.3
		GLP Tomiya			20,466.98	1.2
		GLP Kiyama			23,455.96	1.4
Subtotal			1,749	8.1	176,966.75	10.3

The entire portfolio	21,495	100.0	1,710,091.74	100.0
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(Note 1) “Annual contracted rent” represents the amount annualized by multiplying the monthly contracted rent (including CAM but excluding consumption taxes) as indicated in the relevant lease agreement(s) of each property or property in trust as of August 31, 2015 by 12. Any fraction less than one million yen is rounded down. Accordingly, the sum of the annual contracted rents of each property or property in trust may not equal to each subtotal or total of portfolio.

(Note 2) “Ratio to total rent” represents the ratio of the annual contracted rents of each major tenant to the total annual rents of the entire portfolio, rounded to the first decimal place.

(Note 3) “Leased area” is the leased area as indicated in the relevant lease agreement for each property or property in trust as of August 31, 2015.

(Note 4) “Ratio to total leased area” represents the ratio of area leased by the major tenant to the total leased area of the entire portfolio, rounded to the first decimal place.

(Note 5) Master lease agreements are signed between current owners and master leasing companies, and the relevant master leasing companies enter into a sub-lease agreement with the major tenants. The rent of the relevant master lease agreements is equivalent to that of the sub-lease agreement, and they are so-called pass-through mater lease agreements.

(Note 6) Not disclosed because the tenant’s consent is not obtained.

Terms and conditions of contract with the major tenant are as follows.

Name of major tenant	Name of property	Expiry date	Tenant leasehold and security deposits (Million yen) (Note 1)
Hitachi Transport System, Ltd.	GLP Kazo	(Note 2)	(Note 2)
	GLP Maishima II		
	GLP Tomiya		
	GLP Kiyama		
Subtotal		—	415

(Note 1) The amount of “Tenant leasehold and security deposits” is rounded down to the nearest one million yen.

(Note 2) Not disclosed because the tenant’s consent is not obtained.

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Short-Term and Long-Term Loans Payable

	Category	Balance at beginning of the period (Thousand yen)	Increase (Thousand yen)	Decrease (Thousand yen)	Balance at end of the period (Thousand yen)	Average rate (Note 2)	Due date (Note 3)	Use	Remarks
	Name of financial institution								
Short-term loans payable	The Bank of Fukuoka, Ltd.	1,300,000	—	—	1,300,000	0.23%	January 4, 2016	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	400,000	—	—	400,000				
	Mizuho Bank, Ltd.	—	1,000,000	1,000,000	—	0.23%	April 28, 2016 (Note 5)	(Note 8)	Unsecured not guaranteed
	The Norinchukin Bank	—	1,000,000	1,000,000	—	0.23%	April 28, 2016 (Note 6)	(Note 8)	Unsecured not guaranteed
	Subtotal	1,700,000	2,000,000	2,000,000	1,700,000				
Long-term loans payable	Sumitomo Mitsui Banking Corporation	6,300,000	—	—	6,300,000	0.85% (Note 4)	January 4, 2016	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,900,000	—	—	5,900,000				
	Mizuho Bank, Ltd.	4,000,000	—	—	4,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,800,000	—	—	1,800,000				
	Citibank Japan Ltd.	1,800,000	—	—	1,800,000				
	The Bank of Fukuoka, Ltd.	1,400,000	—	—	1,400,000				
	The Norinchukin Bank	1,300,000	—	—	1,300,000				
	Resona Bank, Limited.	1,300,000	—	—	1,300,000	1.13% (Note 4)	January 4, 2018	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	6,400,000	—	—	6,400,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,900,000	—	—	5,900,000				
	Mizuho Bank, Ltd.	4,000,000	—	—	4,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,800,000	—	—	1,800,000				
	Citibank Japan Ltd.	1,800,000	—	—	1,800,000				
	The Bank of Fukuoka, Ltd.	1,800,000	—	—	1,800,000				
	The Norinchukin Bank	1,300,000	—	—	1,300,000	1.41% (Note 4)	January 4, 2020	(Note 8)	Unsecured not guaranteed
	Resona Bank, Limited.	1,300,000	—	—	1,300,000				
	Sumitomo Mitsui Banking Corporation	5,000,000	—	—	5,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,600,000	—	—	4,600,000				
	Mizuho Bank, Ltd.	4,000,000	—	—	4,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,800,000	—	—	1,800,000				
	The Bank of Fukuoka, Ltd.	900,000	—	—	900,000				
	Development Bank of Japan Inc.	4,500,000	—	—	4,500,000	1.03%	January 31, 2020	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,250,000	—	—	3,250,000				
	Sumitomo Mitsui Banking Corporation	3,250,000	—	—	3,250,000	1.30% (Note 4)	February 1, 2021	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,200,000	—	—	1,200,000	0.43%	December 20, 2016	(Note 7)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	1,150,000	—	—	1,150,000	0.43%	December 20, 2016	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,150,000	—	—	1,150,000	0.43%	December 20, 2016	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,800,000	—	—	1,800,000	1.20% (Note 4)	December 20, 2021	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	—	—	500,000				
	Mizuho Bank, Ltd.	900,000	—	—	900,000				
	Mitsubishi UFJ Trust and Banking Corporation	800,000	—	—	800,000				
	The Bank of Fukuoka, Ltd.	550,000	—	—	550,000				
	Resona Bank, Limited.	450,000	—	—	450,000				

	Category	Balance at beginning of the period (Thousand yen)	Increase (Thousand yen)	Decrease (Thousand yen)	Balance at end of the period (Thousand yen)	Average rate (Note 2)	Due date (Note 3)	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	1,000,000	—	—	1,000,000	0.52%	February 28, 2017	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000,000	—	—	1,000,000				
	Mizuho Bank, Ltd.	1,000,000	—	—	1,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	1,000,000	—	—	1,000,000				
	Citibank Japan Ltd.	750,000	—	—	750,000				
	The Bank of Fukuoka, Ltd.	750,000	—	—	750,000				
	The Norinchukin Bank	500,000	—	—	500,000				
	Resona Bank, Limited.	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	220,000	—	—	220,000				
	Shinsei Bank, Limited	220,000	—	—	220,000				
	Aozora Bank, Ltd.	220,000	—	—	220,000				
	The 77 Bank, Ltd.	220,000	—	—	220,000				
	Sumitomo Mitsui Banking Corporation	3,720,000	—	—	3,720,000	0.76% (Note 4)	February 28, 2019	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,230,000	—	—	3,230,000				
	Mizuho Bank, Ltd.	2,550,000	—	—	2,550,000				
	Mitsubishi UFJ Trust and Banking Corporation	500,000	—	—	500,000				
	Citibank Japan Ltd.	700,000	—	—	700,000				
	The Bank of Fukuoka, Ltd.	700,000	—	—	700,000				
	The Norinchukin Bank	450,000	—	—	450,000				
	Resona Bank, Limited.	450,000	—	—	450,000	1.09% (Note 4)	February 26, 2021	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	2,000,000	—	—	2,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,900,000	—	—	1,900,000				
	Mizuho Bank, Ltd.	1,250,000	—	—	1,250,000				
	Mitsubishi UFJ Trust and Banking Corporation	500,000	—	—	500,000				
	Development Bank of Japan Inc.	450,000	—	—	450,000	1.56% (Note 4)	February 29, 2024	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	1,470,000	—	—	1,470,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,170,000	—	—	1,170,000				
	Development Bank of Japan Inc.	500,000	—	—	500,000	0.92%	February 26, 2021	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,800,000	—	—	3,800,000				
	Sumitomo Mitsui Banking Corporation	1,500,000	—	—	1,500,000	0.32%	February 28, 2017	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,200,000	—	—	1,200,000				
	Citibank Japan Ltd.	200,000	—	—	200,000				
	Development Bank of Japan Inc.	500,000	—	—	500,000				
	The Norinchukin Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	800,000	—	—	800,000	1.48% (Note 4)	June 30, 2026	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	500,000	—	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500,000	—	—	500,000				
	Mizuho Bank, Ltd.	480,000	—	—	480,000	0.31%	September 2, 2016	(Note 8)	Unsecured not guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	410,000	—	—	410,000				
	Citibank Japan Ltd.	640,000	—	—	640,000				
	The Bank of Fukuoka, Ltd.	370,000	—	—	370,000				
	The Norinchukin Bank	300,000	—	—	300,000				
	Resona Bank, Limited.	380,000	—	—	380,000				
	Sumitomo Mitsui Trust Bank, Limited	340,000	—	—	340,000				
	Shinsei Bank, Limited	260,000	—	—	260,000				
	Aozora Bank, Ltd.	260,000	—	—	260,000				
	The 77 Bank, Ltd.	260,000	—	—	260,000				

Category	Name of financial institution	Balance at beginning of the period (Thousand yen)	Increase (Thousand yen)	Decrease (Thousand yen)	Balance at end of the period (Thousand yen)	Average rate (Note 2)	Due date (Note 3)	Use	Remarks
Long-term loans payable	Sumitomo Mitsui Banking Corporation	3,890,000	—	—	3,890,000	0.86% (Note 4)	September 2, 2022	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,470,000	—	—	3,470,000				
	Mizuho Bank, Ltd.	2,830,000	—	—	2,830,000				
	Mitsubishi UFJ Trust and Banking Corporation	970,000	—	—	970,000				
	The Bank of Fukuoka, Ltd.	610,000	—	—	610,000				
	Development Bank of Japan Inc.	650,000	—	—	650,000				
	The Norinchukin Bank	350,000	—	—	350,000				
	Resona Bank, Limited.	270,000	—	—	270,000				
	Sumitomo Mitsui Trust Bank, Limited	560,000	—	—	560,000				
	Sumitomo Mitsui Banking Corporation	1,530,000	—	—	1,530,000	1.85% (Note 4)	September 2, 2027	(Note 8)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,170,000	—	—	1,170,000	0.28%	December 20, 2016	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	4,500,000	—	—	4,500,000				
	The Bank of Fukuoka, Ltd.	500,000	—	—	500,000	0.31%	June 30, 2017	(Note 7)	Unsecured not guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,960,000	—	—	1,960,000				
	Development Bank of Japan Inc.	1,250,000	—	—	1,250,000	0.31%	December 20, 2018	(Note 7)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,250,000	—	—	1,250,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	800,000	—	800,000	0.29%	February 28, 2019	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	—	2,700,000	—	2,700,000	0.52% (Note 4)	April 30, 2021	(Note 8)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	—	700,000	—	700,000	0.52% (Note 4)	April 30, 2021	(Note 8)	Unsecured not guaranteed
	The Norinchukin Bank	—	400,000	—	400,000	0.52% (Note 4)	April 30, 2021	(Note 8)	Unsecured not guaranteed
	Subtotal	151,780,000	4,600,000	—	156,380,000				
	Total	153,480,000	6,600,000	2,000,000	158,080,000				

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

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

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

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

(Note 5) GLP J-REIT borrowed 1,000 million yen on May 1, 2015 and made repayments of 1,000 million yen on June 30, 2015 before its due date.

(Note 6) GLP J-REIT borrowed 1,000 million yen on May 1, 2015 and made repayments of 1,000 million yen on June 30, 2015 before its due date.

(Note 7) The fund was used to make repayment of bank borrowings.

(Note 8) The fund was used to acquire properties or beneficiary rights of real estate in trust.

(Note 9) The redemption schedule for long-term loans payable excluding the current portion within five years after the balance sheet date is as follows:

(Unit: Thousand yen)				
	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years
Long-term loans payable	26,240,000	24,300,000	15,600,000	24,050,000

Investment Corporation Bonds

(Unit: Thousand yen)

Description	Issued date	Balance at beginning of the period	Decrease during the period	Balance at end of the period	Interest rate (Note 1)	Maturity date	Use	Collateral
GLP J-REIT 1st Unsecured Bond	February 27, 2014	6,000,000	—	6,000,000	0.47%	February 27, 2019	(Note 2)	Unsecured (Note 3, 4)
GLP J-REIT 2nd Unsecured Bond	July 30, 2014	2,000,000	—	2,000,000	0.98%	July 30, 2024	(Note 2)	Unsecured (Note 3, 4)
GLP J-REIT 3rd Unsecured Bonds	December 26, 2014	4,500,000	—	4,500,000	0.51%	December 25, 2020	(Note 2)	Unsecured (Note 3, 4)
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	1,500,000	—	1,500,000	0.68%	December 26, 2022	(Note 2)	Unsecured (Note 3, 4)
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	3,000,000	—	3,000,000	1.17%	December 25, 2026	(Note 2)	Unsecured (Note 3, 4)
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	—	—	1,500,000	0.89%	June 30, 2025	(Note 2)	Unsecured (Note 3, 4)
Total		17,000,000	—	18,500,000				

(Note 1) The interest rate is rounded to the second decimal place.

(Note 2) The fund was used to repay bank borrowings.

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

(Note 4) The redemption schedule for investment corporation bonds within five years after the balance sheet date is as follows:

(Unit: Thousand yen)

	Within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years
Investment corporation bonds	—	—	—	6,000,000	—

Property and Equipment

(Unit: Thousand yen)

Class of assets		Balance as of February 28, 2015	Increase	Decrease	Balance as of August 31, 2015	Accumulated depreciation		Net book value	Note
							Depreciation for the period		
Property and equipment	Buildings in trust	132,188,512	5,262,170	—	137,450,682	9,871,114	2,218,952	127,579,568	Acquisition of property
	Structures in trust	2,983,924	166,638	—	3,150,562	599,478	128,618	2,551,083	Acquisition of property
	Machinery and equipment in trust	53,679	—	—	53,679	22,358	4,252	31,321	
	Tools, furniture and fixtures in trust	124,758	1,965	—	126,723	41,235	9,445	85,488	
	Land in trust	207,622,427	2,163,488	—	209,785,916	—	—	209,785,916	Acquisition of property
	Construction in progress	—	73,301	—	73,301	—	—	73,301	
	Subtotal	342,973,302	7,667,563	—	350,640,866	10,534,186	2,361,268	340,106,680	
	Total	342,973,302	7,667,563	—	350,640,866	10,534,186	2,361,268	340,106,680	

(*) "Increase" was primarily due to acquisition of one property: GLP Kobe-Nishi (7,189,385 thousand yen).



Independent Auditor's Report

To the Board of Directors of
GLP J-REIT:

We have audited the accompanying financial statements of GLP J-REIT (a Japanese Real Estate Investment Trust), which comprise the balance sheets as at August 31, 2015 and February 28, 2015, and the statements of income and retained earnings, statements of changes in net assets and statements of cash flows for the six-month periods ended August 31, 2015 and February 28, 2015 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GLP J-REIT as at August 31, 2015 and February 28, 2015, and their financial performance and cash flows for the six-month periods ended August 31, 2015 and February 28, 2015 in accordance with accounting principles generally accepted in Japan.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 15 to the financial statements that describes GLP J-REIT's subsequent issuance of new investment units, subsequent acquisitions of trust beneficiary rights of five properties and the execution of additional borrowings.

KPMG AZSA LLC

November 27, 2015
Tokyo, Japan

GLP J-REIT

Balance Sheets

As of August 31, 2015 and February 28, 2015

	<i>Thousands of yen</i>	
	As of	
	August 31, 2015	February 28, 2015
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	¥ 11,156,794	¥ 9,758,704
Operating accounts receivable	256,391	287,581
Prepaid expenses	337,799	379,601
Deferred tax assets (Note 11)	30	7
Consumption taxes receivable	—	852,965
Other current assets	—	821
Total current assets	11,751,015	11,279,681
Property and equipment, net (Note 5):		
Land in trust	209,785,916	207,622,427
Buildings in trust	137,450,682	132,188,512
Structures in trust	3,150,562	2,983,924
Machinery and equipment in trust	53,679	53,679
Tools, furniture and fixtures in trust	126,723	124,758
Construction in progress	73,301	—
	350,640,866	342,973,302
Accumulated depreciation	(10,534,186)	(8,172,918)
Total property and equipment, net	340,106,680	334,800,384
Investments and other assets:		
Investment securities	1,600	1,600
Long-term prepaid expenses	972,626	1,098,593
Security deposit	10,000	10,000
Investment unit issuance expenses	132,588	222,203
Investment corporation bond issuance costs	93,998	88,747
Total investments and other assets	1,210,813	1,421,144
Total Assets	¥ 353,068,509	¥ 347,501,210

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

		<i>Thousands of yen</i>	
		As of	
		August 31, 2015	February 28, 2015
Liabilities			
Current liabilities:			
Operating accounts payable	¥	227,990	¥ 192,420
Short-term loans payable (Notes 3 and 9)		1,700,000	1,700,000
Current portion of long-term loans payable (Notes 3, 4 and 9)		23,800,000	23,800,000
Accounts payable		1,308,583	1,545,333
Accrued expenses		25,011	24,138
Income taxes payable		1,074	609
Consumption taxes payable		280,136	—
Advances received		1,941,355	1,901,337
Deposits received		—	1,644
Current portion of tenant leasehold and security deposits		185,746	71,715
Total current liabilities		29,469,897	29,237,199
Noncurrent liabilities:			
Investment corporation bonds (Notes 3 and 10)		18,500,000	17,000,000
Long-term loans payable (Notes 3, 4 and 9)		132,580,000	127,980,000
Tenant leasehold and security deposits (Note 3)		7,248,598	7,268,707
Tenant leasehold and security deposits in trust (Note 3)		278,019	278,019
Total noncurrent liabilities		158,606,617	152,526,726
Total Liabilities		188,076,514	181,763,926
Net Assets (Note 8)			
Unitholders' equity:			
Unitholders' capital, net (Note 8)		160,342,122	161,040,215
Units authorized:			
16,000,000 units as of August 31, 2015 and February 28, 2015			
Units issued and outstanding:			
2,390,731 units as of August 31, 2015 and February 28, 2015			
Unappropriated retained earnings		4,649,872	4,697,068
Total unitholders' equity		164,991,994	165,737,284
Total Net Assets		164,991,994	165,737,284
Total Liabilities and Net Assets		¥353,068,509	¥347,501,210

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

GLP J-REIT
Statements of Income and Retained Earnings
For the six-month periods ended August 31, 2015 and February 28, 2015

	<i>Thousands of yen</i>	
	For the six-month periods ended	
	August 31, 2015	February 28, 2015
Operating revenues:		
Rental revenues (Note 6)	¥10,651,301	¥10,514,131
Other rental revenues	424,001	477,733
Total operating revenues	11,075,303	10,991,864
Operating expenses:		
Rental expenses (Notes 5 and 6)	4,148,778	4,051,932
Asset management fee	1,096,931	1,042,210
Asset custody fee	5,574	4,948
Administrative service fees	18,130	17,178
Directors' remuneration	3,960	3,840
Audit fee	13,000	13,500
Taxes and dues	82	111
Other operating expenses	54,991	56,196
Total operating expenses	5,341,450	5,189,917
Operating income	5,733,852	5,801,946
Non-operating income (expenses):		
Interest income	937	766
Interest on refund of consumption taxes	—	20
Interest expense	(734,212)	(738,281)
Borrowing related expenses	(191,245)	(207,064)
Amortization of investment unit issuance expenses	(89,614)	(89,614)
Offering costs associated with the issuance of investment units	(897)	(29,979)
Amortization of investment corporation bond issuance costs	(7,585)	(5,648)
Interest expenses on investment corporation bonds	(60,979)	(35,551)
Others, net	(814)	(681)
Total non-operating expenses, net	(1,084,412)	(1,106,035)
Income before income taxes	4,649,440	4,695,911
Income taxes (Note 11):		
-Current	1,264	753
-Deferred	(23)	27
Total income taxes	1,241	780
Net income	¥ 4,648,199	¥ 4,695,130
Accumulated earnings brought forward	1,672	1,937
Unappropriated retained earnings	¥ 4,649,872	¥ 4,697,068

	For the six-month periods ended	
	August 31, 2015	February 28, 2015
Earnings per unit (Note 12):		
Net income per unit	1,944 yen	1,965 yen
Weighted average number of units outstanding	2,390,731 units	2,389,292 units

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

GLP J-REIT
Statements of Changes in Net Assets
For the six-month periods ended August 31, 2015 and February 28, 2015

	<i>Thousands of yen</i>			
	Number of units	Unitholders' capital, net	Retained earnings	Total net assets
Balance as of August 31, 2014 (Note 8)	2,097,700	¥129,415,985	¥3,972,883	¥133,388,869
Issuance of new units on September 1, 2014	281,709	30,973,059	—	30,973,059
Issuance of new units on September 24, 2014	11,322	1,244,819	—	1,244,819
Distributions in excess of retained earnings	—	(593,649)	—	(593,649)
Distributions of earnings	—	—	(3,970,946)	(3,970,946)
Net income	—	—	4,695,130	4,695,130
Balance as of February 28, 2015 (Note 8)	2,390,731	¥161,040,215	¥4,697,068	¥165,737,284
Distributions in excess of retained earnings	—	(698,093)	—	(698,093)
Distributions of earnings	—	—	(4,695,395)	(4,695,395)
Net income	—	—	4,648,199	4,648,199
Balance as of August 31, 2015 (Note 8)	2,390,731	¥160,342,122	¥4,649,872	¥164,991,994

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

GLP J-REIT

Statements of Cash Flows

For the six-month periods ended August 31, 2015 and February 28, 2015

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

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

GLP J-REIT
Notes to Financial Statements
For the six-month periods ended August 31, 2015 and February 28, 2015

1. Organization and Basis of Presentation

1) Organization

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

Since its initial public offering on December 20, 2012, GLP J-REIT has, on a number of occasions, issued units through public offering or through allocation to a third party. Those units are listed on the J-REIT section of the Tokyo Stock Exchange. During the period ended February 28, 2015, GLP J-REIT raised 30,973,059 thousand yen by issuing 281,709 new units through a public offering on September 1, 2014 and 1,244,819 thousand yen by issuing 11,322 new units through allocation to a third party on September 24, 2014.

As of August 31, 2015, GLP J-REIT held beneficiary rights of real estate in trust with respect to 54 properties located in the Tokyo metropolitan area, the greater Osaka area and other areas.

2) Basis of presentation

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

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

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

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

necessarily agree with the sums of the individual amounts.

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

2. Summary of Significant Accounting Policies

1) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash in trust, readily-available bank deposits, readily-available bank deposits in trust and short-term investments that are liquid and realizable with a maturity of three months or less when purchased and that are subject to an insignificant risk of changes in value.

The balance of cash and cash equivalents as of August 31, 2015 and February 28, 2015 included 5,575,223 thousand yen and 5,067,554 thousand yen of cash and deposits in trust, respectively.

2) Property and equipment

Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows:

Buildings	2 to 55 years
Structures	2 to 57 years
Machinery and equipment	6 to 12 years
Tools, furniture and fixtures	2 to 15 years

3) Taxes on property and equipment

With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period are accounted for as rental expenses.

Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 2,025 thousand yen and 92,397 thousand yen for the six-month periods ended August 31, 2015 and February 28, 2015, respectively.

4) Investment securities

Available-for-sale securities with no readily determinable market price are stated at cost. Cost of securities sold is determined by the moving-average method.

5) Investment unit issuance expenses

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

6) Hedge accounting

GLP J-REIT enters into derivative transactions in order to hedge against risks defined in its Articles of

Incorporation in compliance with their general risk management policy. GLP J-REIT uses interest rate swaps for the purpose of hedging its risk exposure associated with interests on variable rate loans payable. Where deferral accounting is generally adopted for hedge transactions, GLP J-REIT applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense.

The hedge effectiveness test for interest rate swaps is omitted since all interest rate swaps of GLP J-REIT meet the specific matching criteria for the special accounting treatment as permitted under the Japanese GAAP.

7) Beneficiary rights of real estate in trust

As to beneficiary rights of real estate in trust, all accounts of assets and liabilities for assets in trust as well as the related income generated and expenses incurred are recorded in the relevant balance sheet and statement of income accounts.

8) Consumption taxes

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

9) Capitalized borrowing related expenses

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

10) Investment corporation bond issuance costs

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

3. Financial Instruments

1) Detailed information on financial instruments

(a) Policy for financial instruments

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

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

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

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

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

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

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

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

(c) Supplemental explanation regarding fair values of financial instruments

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

2) Estimated fair value of financial instruments

Book value, fair value and differences between the values as of August 31, 2015 and February 28, 2015 are as follows. Financial instruments for which the fair value is difficult to estimate are excluded from the following table (see*2 below).

<i>Thousands of yen</i>			
As of August 31, 2015			
	Book value	Fair value	Difference
(1) Cash and cash equivalents:			
Cash and deposits	¥ 5,581,570	¥ 5,581,570	¥ —
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)

<i>Thousands of yen</i>			
As of February 28, 2015			
	Book value	Fair value	Difference
(1) Cash and cash equivalents:			
Cash and deposits	¥ 4,691,150	¥ 4,691,150	¥ —
Cash and deposits in trust	5,067,554	5,067,554	—
Total assets	¥ 9,758,704	¥ 9,758,704	¥ —
(1) Short-term loans payable	1,700,000	1,700,000	—
(2) Current portion of long-term loans payable	23,800,000	23,849,143	49,143
(3) Investment corporation bonds	17,000,000	17,144,800	144,800
(4) Long-term loans payable	127,980,000	129,333,650	1,353,650
Total liabilities	¥170,480,000	¥172,027,593	¥1,547,593
Derivative transactions	¥ —	¥ —	¥ —

Notes:

*1 Methods to estimate fair value of financial instruments

Assets:

(1) Cash and cash equivalents

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

Liabilities:

(1) 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 Note 4, "Derivative Transactions."

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

	<i>Thousands of yen</i>	
	As of	
	August 31, 2015	February 28, 2015
Tenant leasehold and security deposits	¥7,248,598	¥7,268,707
Tenant leasehold and security deposits in trust	278,019	278,019
Total	¥7,526,617	¥7,546,726

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

*3 Redemption schedules for monetary claims are as follows:

	<i>Thousands of yen</i>					
	As of August 31, 2015					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and cash equivalents:						
Cash and deposits	¥ 5,581,570	¥—	¥—	¥—	¥—	¥—
Cash and deposits in trust	5,575,223	—	—	—	—	—
Total	¥11,156,794	¥—	¥—	¥—	¥—	¥—

	<i>Thousands of yen</i>					
	As of February 28, 2015					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and cash equivalents:						
Cash and deposits	¥4,691,150	¥—	¥—	¥—	¥—	¥—
Cash and deposits in trust	5,067,554	—	—	—	—	—
Total	¥9,758,704	¥—	¥—	¥—	¥—	¥—

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

<i>Thousands of yen</i>						
As of August 31, 2015						
	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

<i>Thousands of yen</i>						
As of February 28, 2015						
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	¥ —	¥ —	¥ —	¥ 6,000,000	¥ —	¥11,000,000
Long-term loans payable	23,800,000	24,280,000	26,260,000	14,800,000	24,050,000	38,590,000
Total	¥23,800,000	¥24,280,000	¥26,260,000	¥20,800,000	¥24,050,000	¥49,590,000

4. Derivative Transactions

For the six-month periods ended August 31, 2015 and February 28, 2015, GLP J-REIT only utilized interest rate swaps which qualified for hedge accounting and met the special matching criteria, as described below.

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

<i>Thousands of yen</i>							
As of							
August 31, 2015				February 28, 2015			
Contract amount		Fair value	measurement method	Contract amount		Fair value	measurement method
Total	Due after one year			Total	Due after one year		
¥131,140,000 (*1)	¥ 107,340,000 (*1)	¥(8,758) (*2)	(*3)	¥115,990,000	¥ 92,190,000	(*4)	(*3)

Notes:

- *1 The amount includes 11,350 million yen of interest rate swap entered on August 28, 2015. The start date of the loan that is the hedged item is September 1, 2015.
- *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 August 31, 2015. 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 Note “3. Financial Instruments, 2) Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

*3 Fair value is measured by the counterparty of the relevant transaction based on market rates.

*4 Interest rate swaps under the special accounting treatment are accounted for as an integral component of long-term loans payable designated as hedged items. Thus, their fair value is included in that of long-term loans payable disclosed in Note “3. Financial Instruments, 2) Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

5. Investment and Rental Properties

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

	<i>Thousands of yen</i>	
	For the six-month periods ended	
	August 31, 2015	February 28, 2015
Book value		
Balance at the beginning of the period	¥334,800,384	¥282,337,462
Change during the period	5,232,993	52,462,922
Balance at the end of the period	¥340,033,378	¥334,800,384
Fair value at the end of the period	¥385,580,000	¥370,595,000

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

The change in book value for the six-month period ended August 31, 2015 primarily consisted of the decrease due to depreciation of 2,361,268 thousand yen and the increase due to the acquisition of GLP Kobe-Nishi in the amount of 7,189,385 thousand yen.

Similarly, the change in book value for the six-month period ended February 28, 2015 primarily consisted of the decrease due to depreciation of 2,329,317 thousand yen and the increase due to the acquisition of the following nine properties in the total amount of 54,142,047 thousand yen: GLP Tokyo II, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka and GLP Chikushino.

6. Property-related Revenues and Expenses

The following table summarizes the revenues and expenses generated from the property leasing activities for the six-month periods ended August 31, 2015 and February 28, 2015.

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

7. Leases

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

<i>Thousands of yen</i>		
	August 31, 2015	February 28, 2015
Due within one year	¥19,478,057	¥19,591,659
Due after one year	55,284,580	53,345,941
Total	¥74,762,637	¥72,937,600

8. Net Assets

1) Stated capital

GLP J-REIT issues only non-par value units in accordance with the Act on Investment Trusts and Investment

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

2) Unitholders' capital, net

Unitholders' capital, net as of August 31, 2015 and February 28, 2015 consists of the following items:

	<i>Thousands of yen</i>	
	As of	
	August 31, 2015	February 28, 2015
Unitholders' capital - accumulated paid-in amount	¥162,790,718	¥130,572,839
Issuance of new investment units	—	32,217,879
Deduction from unitholders' capital - accumulated distribution in excess of retained earnings	(2,448,596)	(1,750,502)
Unitholders' capital, net	¥160,342,122	¥161,040,215

3) Distributions

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

	<i>Yen</i>			
	For the six-month periods ended			
	August 31, 2015		February 28, 2015	
	Total	Per unit	Total	Per unit
I Unappropriated retained earnings	¥4,649,872,187		¥4,697,068,250	
II Distributions in excess of retained earnings				
Deduction from unitholders' capital	707,656,376		698,093,452	
	5,357,528,563		5,395,161,702	
III Distributions				
Distributions of earnings	4,647,581,064	¥1,944	4,695,395,684	¥1,964
Distributions in excess of retained earnings	707,656,376	296	698,093,452	292
Total Distributions	5,355,237,440	¥2,240	5,393,489,136	¥2,256
IV Retained earnings carried forward	¥ 2,291,123		¥ 1,672,566	

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

Accordingly, GLP J-REIT declared a distribution amount of 4,647,581,064 yen and 4,695,395,684 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of August 31, 2015 and February 28, 2015, respectively.

Furthermore, based on the distribution policy as defined in Section 34.2 of its bylaws, GLP J-REIT will make an Optimal Payable Distribution (the "OPD"), which represents a distribution of funds in excess of retained earnings, as a refund of its investment, in each fiscal period on a continuing basis. Accordingly, GLP J-REIT intends to distribute funds in excess of retained earnings, which do not exceed the amount calculated by deducting the amount of capital

expenditures for the accounting period immediately preceding the period in which the OPD is made from the depreciation expense for the corresponding period. For the six-month periods ended August 31, 2015 and February 28, 2015, the amount of capital expenditures was 404,877,278 yen and 655,328,724 yen, and the depreciation expense was 2,361,268,603 yen and 2,329,317,845 yen, respectively. Thus, the maximum amount available for the OPD amounted to 1,956,391,325 yen and 1,673,989,121 yen for the six-month periods ended August 31, 2015 and February 28, 2015, respectively.

Thus, GLP J-REIT declared an OPD amounting to 707,656,376 yen and 698,093,452 yen as refund of its investment, which approximated 30% of the depreciation expense of 2,361,268,603 yen and 2,329,317,845 yen for the six-month periods ended August 31, 2015 and February 28, 2015, respectively.

9. Short-Term and Long-Term Loans Payable

Short-term and long-term loans payable consisted of bank borrowings under loan agreements. The following table summarizes the short-term and long-term loans payable as of August 31, 2015 and February 28, 2015.

	<i>Thousands of yen</i>	
	As of	
	August 31, 2015	February 28, 2015
0.23 % unsecured short-term loans	¥ 1,700,000	¥ 1,700,000
Total short-term loans payable	¥ 1,700,000	¥ 1,700,000
0.85% unsecured long-term loans due 2016 (*1)	¥ 23,800,000	¥ 23,800,000
0.43% unsecured long-term loans due 2016	3,500,000	3,500,000
0.31% unsecured long-term loans due 2016	3,700,000	3,700,000
0.28% unsecured long-term loans due 2016	5,000,000	5,000,000
0.52% unsecured long-term loans due 2017	7,380,000	7,380,000
0.32% unsecured long-term loans due 2017	4,700,000	4,700,000
0.31% unsecured long-term loans due 2017	1,960,000	1,960,000
1.13% unsecured long-term loans due 2018 (*1)	24,300,000	24,300,000
0.31% unsecured long-term loans due 2018	2,500,000	2,500,000
0.76% unsecured long-term loans due 2019 (*1)	12,300,000	12,300,000
0.29% unsecured long-term loans due 2019	800,000	—
1.41% unsecured long-term loans due 2020 (*1)	20,800,000	20,800,000
1.03% unsecured long-term loans due 2020	3,250,000	3,250,000
1.30% unsecured long-term loans due 2021 (*1)	3,250,000	3,250,000
1.20% unsecured long-term loans due 2021 (*1)	5,000,000	5,000,000
1.09% unsecured long-term loans due 2021 (*1)	6,100,000	6,100,000
0.92% unsecured long-term loans due 2021	3,800,000	3,800,000
0.52% unsecured long-term loans due 2021 (*1)	3,800,000	—
0.86% unsecured long-term loans due 2022 (*1)	13,600,000	13,600,000
1.56% unsecured long-term loans due 2024 (*1)	3,140,000	3,140,000
1.48% unsecured long-term loans due 2026 (*1)	1,000,000	1,000,000
1.85% unsecured long-term loans due 2027 (*1)	2,700,000	2,700,000
Less: current portion	(23,800,000)	(23,800,000)
Total long-term loans payable, less current portion	¥ 132,580,000	¥ 127,980,000

Note:

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

The stated interest rate is the weighted average interest rate during the period ended August 31, 2015 and is rounded to the second decimal place.

The redemption schedules for long-term loans payable subsequent to August 31, 2015 and February 28, 2015 are disclosed in Note 3, "Financial Instruments."

On June 30, 2015, GLP J-REIT entered into a commitment line agreement with two financial institutions in order to secure flexible and stable financing. As of August 31, 2015, the status of the commitment line agreement is as follows:

	<i>Thousands of yen</i>	
	As of	
	August 31, 2015	February 28, 2015
Total amount of commitment line agreement	¥6,000,000	¥ –
Balance executed as loans	–	–
Unused line of credit	¥6,000,000	¥ –

10. Investment Corporation Bonds

GLP J-REIT issued six series of unsecured investment corporation bonds with special *pari passu* conditions among specified investment corporation bonds to refinance bank borrowings. Each bond would be repaid on a lump-sum basis at each contractual maturity date. The following summarizes the status of investment corporation bonds as of August 31, 2015 and February 28, 2015.

Description	Issued date	Maturity date	Interest rate	<i>Thousands of yen</i>	
				As of	
				August 31, 2015	February 28, 2015
GLP J-REIT 1st Unsecured Bonds	February 27, 2014	February 27, 2019	0.47%	¥ 6,000,000	¥ 6,000,000
GLP J-REIT 2nd Unsecured Bonds	July 30, 2014	July 30, 2024	0.98%	2,000,000	2,000,000
GLP J-REIT 3rd Unsecured Bonds	December 26, 2014	December 25, 2020	0.51%	4,500,000	4,500,000
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	December 26, 2022	0.68%	1,500,000	1,500,000
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	December 25, 2026	1.17%	3,000,000	3,000,000
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	June 30, 2025	0.89%	1,500,000	–
Total				¥18,500,000	¥17,000,000

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

11. Income Taxes

GLP J-REIT is subject to Japanese corporate income taxes on its taxable income. The tax effects of temporary

differences that give rise to a significant portion of the deferred tax assets and liabilities as of August 31, 2015 and February 28, 2015 were as follows.

	<i>Thousands of yen</i>	
	As of	
	August 31, 2015	February 28, 2015
Deferred tax assets		
Enterprise tax payable	¥ 30	¥ 7
Total	30	7
Net deferred tax assets	¥ 30	¥ 7

Reconciliations between the Japanese statutory tax rate and the actual income tax rate with respect to pre-tax income reflected in the accompanying statement of income for the six-month periods ended August 31, 2015 and February 28, 2015 are as follows.

	%	
	For the six-month periods ended	
	August 31, 2015	February 28, 2015
Statutory effective tax rate	34.15	34.16
(Adjustments)		
Distributions deductible for tax purposes	(34.14)	(34.16)
Other	0.02	0.02
Actual tax rate	0.03	0.02

GLP J-REIT has a policy of making cash distributions of earnings in excess of 90% of distributable income as defined in the Special Taxation Measures Act for the fiscal period to qualify for conditions as set forth in the Special Taxation Measures Act to achieve a deduction of cash distributions for income tax purposes. Based on this policy, GLP J-REIT treated the cash distributions of earnings as a tax deductible distribution as defined in the Special Taxation Measures Act.

12. Per Unit Information

The following table summarizes per unit information for the six-month periods ended and as of August 31, 2015 and February 28, 2015.

	For the six-month periods ended	
	August 31, 2015	February 28, 2015
Net income per unit:		
Basic net income per unit	1,944 yen	1,965 yen
Weighted average number of units outstanding	2,390,731 units	2,389,292 units
	As of	
	August 31, 2015	February 28, 2015
Net assets per unit	69,013 yen	69,324 yen

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

13. Transactions with Related Parties

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

(For the six-month period ended August 31, 2015)

None

(For the six-month period ended February 28, 2015)

None

2) Transactions and account balances with affiliates

(For the six-month period ended August 31, 2015)

None

(For the six-month period ended February 28, 2015)

None

3) Transactions and account balances with companies under common control

(For the six-month period ended August 31, 2015)

Classification	Name of the company	Location	Stated capital (Thousands of yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousands of yen)	Account title	Balance at the end of the period (Thousands of yen)
Subsidiary of other related company	Global Logistic Properties Inc.	Minato-ku, Tokyo	¥100,000	Investment advisory/ agency	—	Entrustment of property management Patent license	Property management fee	¥203,774	Operating accounts payable	¥40,353
							Royalty fee (*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 (* 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 (* 2)	30,534	Advances received	5,496
	Kobe Nishi Logistic Special Purpose Company	Minato-ku, Tokyo	60,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	7,150,000	—	—
							Acceptance of security deposits	102,851	—	—
	GLP Solar GK	Minato-ku, Tokyo	100	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	7,152	Operating accounts receivable	628

Notes:

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

*2 Decisions relating to the terms and conditions of transactions:

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

(b) The royalty fee was mutually agreed after negotiation between both parties, based on the initial formula proposed by Global Logistic Properties Inc.

(c) The rental income from rooftop leasing was mutually agreed after negotiation between both parties, based on the initial formula proposed by GLP Solar Special Purpose Company.

(d) Other transactions are determined based on market conditions.

*3 The Asset management fee above includes management fees of 21,450 thousand yen capitalized as part of an acquisition cost of a property.

(For the six-month period ended February 28, 2015)

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

Notes:

- *1 Consumption taxes are not included in the transaction amount but included in the related balance at the end of the period.
- *2 Decisions relating to the terms and conditions of transactions:
 - (a) The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT.
 - (b) The royalty fee was mutually agreed after negotiation between both parties, based on the initial formula proposed by Global Logistic Properties Inc.
 - (c) The rental income from rooftop leasing was mutually agreed after negotiation between both parties, based on the initial formula proposed by GLP Solar Special Purpose Company.
 - (d) Other transactions are determined based on market conditions.
- *3 The Asset management fee above includes management fees of 161,490 thousand yen capitalized as part of acquisition costs of properties.
- *4 Tokyo 2 Logistic Special Purpose Company has been liquidated effective April 8, 2015.
- *5 Okegawa Logistic Special Purpose Company has been liquidated effective April 8, 2015.
- *6 Seishin Logistic Special Purpose Company has been liquidated effective April 8, 2015.
- *7 Fukusaki Logistic Special Purpose Company has been liquidated effective April 8, 2015.

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

(For the six-month period ended August 31, 2015)

None

(For the six-month period ended February 28, 2015)

None

14. Segment and Related Information

Segment Information

1) Overview of operating and reportable segments

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

As of August 31, 2015, 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 and GLP Tokyo II
BTS Property:	GLP Higashi-Ogishima, GLP Akishima, GLP Tomisato, GLP Narashino II, GLP Funabashi, GLP Kazo, GLP Fukaya, GLP Iwatsuki, GLP Kasukabe, GLP Tatsumi, GLP Hirakata, GLP Hirakata II, GLP Maishima II, GLP Tsumori, GLP Rokko, GLP Amagasaki II, GLP Nara, GLP Sakai, GLP Morioka, GLP Tomiya, GLP Koriyama I, GLP Tokai, GLP Hayashima, GLP Hayashima II, GLP Kiyama, GLP Tosu III, GLP Sendai, GLP Hamura, GLP Funabashi III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana, GLP Hatsukaichi, GLP Tatsumi Iia, GLP Tatsumi Iib, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka, GLP Chikushino and GLP Kobe-Nishi.

2) Basis of measurement for the amounts of segment income, segment assets and other items for each reportable segment

The accounting policies of each reportable segment are consistent to those disclosed in Note 2, “Summary of Significant Accounting Policies.” Segment income is measured on the basis of operating income, excluding certain corporate expenses (see reconciling items below). Segment assets are measured on the basis of total assets, excluding certain assets (see reconciling items below).

3) Information about segment income, segment assets and other items for the periods ended August 31, 2015 and February 28, 2015 is as described in the following tables.

<i>Thousands of yen</i>				
As of and for the six-month period ended August 31, 2015				
	Multi-tenant rental business	BTS rental business	Reconciling items (*2)	Amount on financial statements
Operating revenues (*1)	¥ 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

Notes:

- *1 Operating revenues are exclusively earned from external parties.
- *2 Reconciling items to total segment income consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses represent mainly asset management fee of 1,096,931 thousand yen, asset custody fee of 5,574 thousand yen, administrative service fees of 18,130 thousand yen, directors' remuneration of 3,960 thousand yen and other expenses.
- Reconciling items to total segment assets consist of several assets that are not allocated to each reportable segment. Those assets include cash and cash equivalents of 5,581,570 thousand yen, long-term prepaid expenses of 972,626 thousand yen and investment unit issuance expenses of 132,588 thousand yen.
- Reconciling items to total increase in property and equipment under other items consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress.

<i>Thousands of yen</i>				
As of and for the six-month period ended February 28, 2015				
	Multi-tenant rental business	BTS rental business	Reconciling items (*2)	Amount on financial statements
Operating revenues (*1)	¥ 4,945,846	¥ 6,046,018	¥ —	¥ 10,991,864
Segment income	3,065,321	3,874,611	(1,137,985)	5,801,946
Segment assets	158,384,202	181,802,931	7,314,076	347,501,210
Other items				
Depreciation	929,012	1,400,305	—	2,329,317
Increase in property and equipment	36,437,429	18,353,709	(17,749)	54,773,390

Notes:

- *1 Operating revenues are exclusively earned from external parties.
- *2 Reconciling items to total segment income consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses represent mainly asset management fee of 1,042,210 thousand yen, asset custody fee of 4,948 thousand yen, administrative service fees of 17,178 thousand yen, directors' remuneration of 3,840 thousand yen and other expenses.
- Reconciling items to total segment assets consist of several assets that are not allocated to each reportable segment. Those assets include cash and cash equivalents of 4,691,150 thousand yen, long-term prepaid expenses of 1,098,593 thousand yen, consumption taxes receivable of 852,965 thousand yen and investment unit issuance expenses of 222,203 thousand yen.
- Reconciling items to total increase in property and equipment under other items consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress.

Related Information

(For the six-month periods ended August 31, 2015 and February 28, 2015)

1) Information by geographic area

(a) Operating revenues

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

(b) Property and equipment

Substantially all property and equipment are located in Japan.

2) Information on major tenants

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

15. Subsequent Events

1) Issuance of new investment units

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

[Issuance of new investment units through a public offering]

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

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

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

The funds raised through the public offering were appropriated for the acquisition of beneficiary rights of real estate in trust stated below in “2) Acquisition of assets”. The funds raised through the third-party allocation will be kept as cash on hand, of which 480 million yen was appropriated to repay a portion of a long-term loan on October 7, 2015, before its maturity date of February 28, 2017.

2) Acquisition of assets

GLP J-REIT acquired beneficiary rights of real estate in trust of five properties described below (with the total acquisition price of 38,090 million yen). The acquisition price (the sales and purchase price under the Sales and Purchase Agreement of Beneficiary Rights of Real Estate in Trust) does not include other acquisition related costs such as direct expenses for acquisition, property-related taxes and consumption taxes.

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

3) Additional borrowings

On September 1, 2015, GLP J-REIT obtained bank loans for acquisition of specified asset and related costs as stated in “2) Acquisition of assets” above. Based on the contractual terms, each loan shall be repaid on a lump-sum basis on its repayment date. None of the loans are secured by collateral or guarantee.

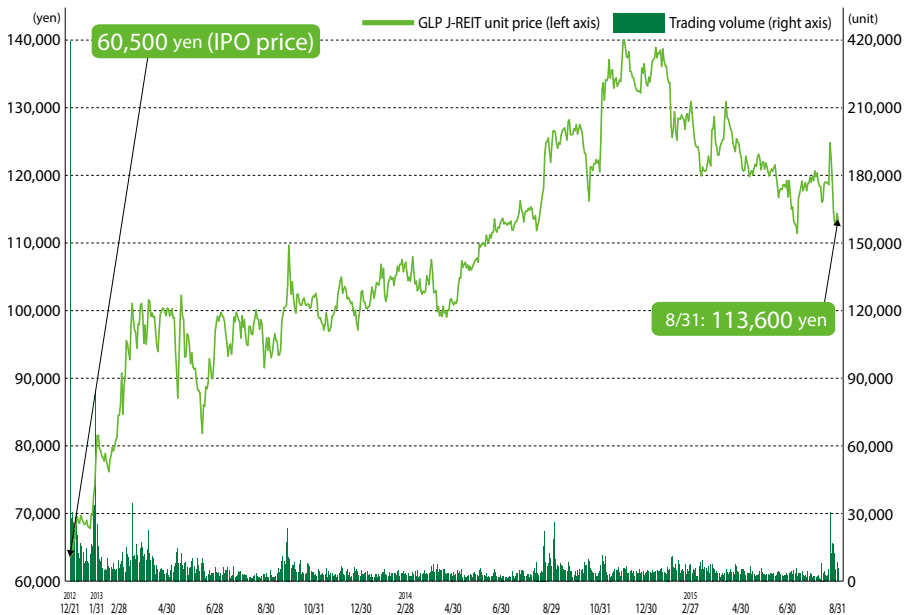
Lender	<i>Millions of yen</i>		Repayment date
	Amount	Interest rate	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥ 3,200	JBA yen 1 month TIBOR + 0.1%	September 2, 2016
Sumitomo Mitsui Banking Corporation/ The Bank of Tokyo-Mitsubishi UFJ, Ltd./ Mizuho Bank, Ltd./ Mitsubishi UFJ Trust and Banking Corporation/ Citibank Japan Ltd./ The Bank of Fukuoka, Ltd./ Development Bank of Japan Inc./ The Norinchukin Bank/ Resona Bank, Limited./ Sumitomo Mitsui Trust Bank, Limited/ Shinsei Bank, Limited/ The 77 Bank, Ltd.	10,050	JBA yen 3month TIBOR + 0.245% (*1)	February 28, 2022
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,300	JBA yen 3month TIBOR + 0.325% (*2)	September 1, 2025
Total	¥14,550	—	—

Notes:

- *1 GLP J-REIT entered into an interest rate swap agreement on August 28, 2015 and the interest rate has been effectively fixed at 0.612%.
- *2 GLP J-REIT entered into an interest rate swap agreement on August 28, 2015 and the interest rate has been effectively fixed at 0.959%.

Investor's Information

Historical Investment Unit Price (closing price)



Unitholder Composition (as of the end of Aug 2015)

