

March 29, 2019

For Immediate Release

Real Estate Investment Trust Securities Issuer:
GLP J-REIT
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Notice Concerning Sale of Asset

GLP Japan Advisors Inc. (hereinafter “GLPJA”), to which GLP J-REIT entrusts management of its assets, has determined the sales of an asset shown below (hereinafter “the Asset for Sale”) in the form of trust beneficiary interest (with the transaction hereinafter referred to as “the Sale”) and the Sale was completed today.

1. Overview of the Sale

| Property number | Property name | Type of specified asset | Appraisal price (Note 1) | Sale price (Note 2) | Book value (Note 3) | Difference between sale price and book value |
|-----------------|---------------|--|--------------------------|---------------------|---------------------|--|
| Other-17 | GLP Fukuoka | Beneficiary interest of real estate in trust | 1,910 million yen | 2,300 million yen | 1,462 million yen | 837 million yen |

(Note 1) The figure represents the values that were investigated by a real estate appraiser as of the time of pricing at the end of February 28, 2019.

(Note 2) The “sale price” excludes miscellaneous expenses of the sale, property tax, urban planning tax, consumption tax and local consumption tax.

(Note 3) Figures for “book value” represent the reference value as of March 29, 2019 rounded down to the nearest million yen, and are different from the value as of the sale date.

- (1) Agreement Date : March 29, 2019
- (2) Delivery Date: March 29, 2019
- (3) Buyer: Please refer to “4. Buyer Profile”
- (4) Method of Payment: Full payment at the time of delivery
- (5) Use of funds from the Sale of the asset: Mainly to make a partial repayment for an outstanding borrowing.

2. Reason for the sale

Since GLP J-REIT expanded its asset size from JPY 208.7 billion to 609.4 billion over the 6 years since the IPO in December 2012, the number of assets also increased from 30 to 76 as of the end of February 2019. We believe that selling or replacing smaller assets while maintaining the asset size and quality of the portfolio at appropriate price and timing contributes to improved operational efficiency.

With that in mind, we have determined the Sale for the following reasons:

- Given the present strong real estate market condition, the Sale will be implemented at a sales price that is over 20% higher than the appraisal value.
- The timing is appropriate; the contracted rent has been recently raised by 9%.
- Proceeds from the Sale can be used for measures that will contribute to stable growth of the unitholders' value, including repayment of debt before maturity and allocation to future acquisition of assets.

Furthermore, the Sale will demonstrate that the market highly appreciates competitive properties regardless of their building age.

GLP J-REIT disposed four assets with total sale price of 7,170 million yen in January 2016 and July 2017 respectively. The Sale is the third disposition of assets (5th asset) and GLP J-REIT has been realizing unrealized gain continuously.

<History of GLP J-REIT's sales of assets>



3. Details of the Assets for Sale

The following tables provide an overview of the property in trust and the associated trust beneficiary rights, which are the Assets for Sale.

Furthermore, explanations of the items described in the respective columns of the tables are as follows:

- (1) "Type of specified asset" indicates the type of the Assets for Sale at the time of the sale.
- (2) "Location" of "Land" indicates the residential address. For the property that has no residential address, the building address on the registry is indicated. For that property that has multiple addresses, one of the addresses on the registry is indicated.
- (3) "Land area" of "Land" is based on what is described in the registry, and may not necessarily be identical with the actual figure.
- (4) "Zoning" of "Land" indicates the type of zoning as depicted in Article 8-1-1 of the City Planning Act (Act No. 100 of 1968).
- (5) "FAR" of "Land" represents the ratio of the total floor area of building to the site area, as depicted in Article 52 of the Building Standards Act (Act No. 201 of 1950), and indicates the upper limit of the floor area ratio as determined in city planning in accordance with zoning regulations.
- (6) "BCR" of "Land" represents the ratio of the building area of building to the site area, as depicted in Article 53 of the Building Standards Act, and indicates the upper limit of the building coverage ratio as determined in city planning in accordance with the

zoning regulations.

- (7) “Type of ownership” of “Land” and “Building” indicates the type of right owned by the trustee.
- (8) “Date constructed” of “Building” indicates, as a rule, the registered date when the main building was newly completed.
- (9) “Construction / No. of floors” and “Use” of “Building” is based on the description of the main building on the registry.
- (10) “Gross floor area” of “Building” is based on the description on the registry, and does not include annex buildings.
- (11) “Appraisal value” indicates the values that were appraised or investigated by a real estate appraiser as of the time of pricing at February 28, 2019 based on the asset valuation method and standards, which are provided in GLP J-REIT regulations, and the regulations of the Investment Trusts Association, Japan.
- (12) “Number of tenants” of “Details of tenants” indicates the sum of the number of lease contracts for the buildings described in the respective lease contracts for each real estate. Furthermore, when master lease contract is concluded for the real estate, the number of end tenants is indicated.
- (13) “Leased area” of “Details of tenants” indicates the sum of the leased area of the buildings described in the respective lease contracts related to each real estate as of the date of this press release.
- (14) “Remarks” indicates items believed to be important in consideration of their impact on the rights and duties, use and safety, as well as the appraisal value, profitability and possibility of disposal of the real estate, as of the date of this press release, and includes the following items:
 - Major restrictions or regulations under laws and other rules
 - Major burdens or restrictions related to rights and duties
 - Major matters concerning leases agreed with tenants or end tenants, or major status information, etc. regarding property use by tenants or end tenants
 - Major matters when there are structures that cross the real estate borders or when there are problems in confirming the real estate borders.

(Other-17) GLP Fukuoka

| | | |
|---|---------------------------------|--|
| Property name | | GLP Fukuoka ((1) No. 1 building; (2) No. 2 building) |
| Type of specified asset | | Real estate trust beneficiary right |
| Date of acquisition | | September 2, 2014 |
| Acquisition price | | 1,520 million yen |
| Trust start date | | September 2, 2014 |
| Trustee | | Mitsubishi UFJ Trust and Banking Corporation |
| Trust expiration date | | September 30, 2024 |
| Land | Location (Residential address) | 1-10-1 Itazuke, Hakata-ku, Fukuoka, Fukuoka |
| | Land area | 7,527.47 m ² |
| | Zoning | Industrial district |
| | FAR / BCR | 200% / 70% |
| | Type of ownership | Ownership |
| Building | Date constructed | (1)(2) January 14, 1988 |
| | Construction / No. of floors | (1) Five-story steel-frame reinforced concrete building with steel sheet roof (2) Four-story steel-frame reinforced concrete building with steel sheet roof |
| | Gross floor area | (1) 10,726.57 m ² (2) 3,755.00 m ² |
| | Use | (1) Warehouse/Office (2) Warehouse |
| | Type of ownership | Ownership |
| Appraisal value | | 1,910 million yen |
| Date of appraisal | | February 28, 2019 |
| Real estate appraiser | | Japan Real Estate Institute |
| Details of tenants | | |
| | Number of tenants | 1 |
| | Major tenant | Asahi Logi Ltd. |
| | Major tenant | Not disclosed (Note) |
| | Annual contracted rent | Not disclosed (Note) |
| | Leasehold and security deposits | 14,641.22 m ² |
| | Leased area | 14,641.22 m ² |
| | Leasable area | 100.0% |
| Remarks | | — |
| (Note) Unable to disclose as consent has not been obtained from the tenant. | | |

4. Buyer Profile

We have not obtained permission to disclose the buyer. As of today, there are no capital, personnel or business relationships between the buyer and GLP J-REIT or GLPJA that must be disclosed. In addition, the buyer does not fall under the category of a related party of GLP J-REIT or GLPJA.

5. Broker Profile

Details of broker and brokerage fee are as follows:

(1) Broker profile

| | |
|--|--|
| Trade name | CBRE K.K. |
| Head office address | 2-1-1, Marunouchi, Chiyoda-ku, Tokyo |
| Representative | Eiji Sakaguchi, President & CEO |
| Major business | Provider of comprehensive commercial real estate services for Japanese and non-Japanese companies |
| Capital | 771 million yen |
| Incorporation Date | Feb. 21, 1970 |
| Net Assets | Not disclosed (Note) |
| Total Assets | Not disclosed (Note) |
| Relationship with GLP J-REIT and GLPJA | |
| Capital Relationship | There is no special capital relationship between the company and GLP J-REIT and/or GLPJA. In addition, there is no special capital relationship between individuals or companies related to the GLP J-REIT and/or GLPJA and individuals or companies related to the company. |
| Personal Relationship | There is no special personal relationship between the company and GLP J-REIT and/or GLPJA. In addition, there is no special personal relationship between individuals or companies related to the GLP J-REIT and/or GLPJA and individuals or companies related to the company. |
| Business Relationship | There is no special business relationship between the company and GLP J-REIT and/or GLPJA. In addition, there is no special business relationship between individuals or companies related to the GLP J-REIT and/or GLPJA and individuals or companies related to the company. |
| Applicability of Related Party Relationships | The company does not fall under the category of a related parties of GLP J-REIT and GLPJA. In addition, individuals or companies related to the company do not fall under the category of related parties of GLP J-REIT and GLPJA. |

Note: not disclosed as the broker's consent has not been obtained.

(2) Brokerage fee:

Not disclosed as the broker's consent has not been obtained.

6. Future outlook

For the outlook of earnings forecasts for the fiscal period ending August 31, 2019 announced on October 15, 2018 in “Summary of Financial Results (REIT) for the 13th Fiscal Period Ended August 31, 2018”, please refer to the press release “Announcement of Amendment of Forecast Concerning Operating Status and Distribution for the Fiscal Period Ending August 31, 2019” announced today.

7. Outline of appraisal
(Other-17) GLP Fukuoka

| | |
|-----------------------|-----------------------------|
| Appraisal value | 1,910 million yen |
| Real estate appraiser | Japan Real Estate Institute |
| Date of appraisal | February 28, 2019 |

| Item | Details | Outline |
|--|----------------------|--|
| Income approach value | 1,910 million yen | |
| Direct capitalization approach | 1,930 million yen | |
| Operating revenues | Not disclosed (Note) | |
| Total potential revenue | Not disclosed (Note) | |
| Loss such as vacancy | Not disclosed (Note) | |
| Operating expenses | Not disclosed (Note) | |
| Maintenance | Not disclosed (Note) | |
| Utilities expenses | Not disclosed (Note) | |
| Repairs | Not disclosed (Note) | |
| Property management fee | Not disclosed (Note) | |
| Expenses for recruiting tenants | Not disclosed (Note) | |
| Real estate taxes | Not disclosed (Note) | |
| Casualty insurance premium | Not disclosed (Note) | |
| Other expenses | Not disclosed (Note) | |
| Net operating income | 103 million yen | |
| Profit on the investment of a lump sum | Not disclosed (Note) | |
| Capital expenditure | Not disclosed (Note) | |
| Net cash flow | 98 million yen | |
| Capitalization rate | 5.1% | Assessed mainly based on capitalization rate of logistics facilities in precedent market transactions, supported by regional characteristics and uniqueness as well as stability of net operating income of the property |
| DCF method | 1,880 million yen | |
| Discount rate | 4.7% | Assessed by considering regional characteristics and uniqueness of the property |
| Terminal cap rate | 5.5% | Assessed based on capitalization rate adjusted by future uncertainly risks etc. |

(Note) GLP J-REIT has not disclosed these items because it has judged the disclosure may cause disadvantage to investors.

| | |
|---|---|
| Points of attention in the determination of appraisal value | In deciding the appraisal value of this property, the appraiser used an income approach that appropriately reflects investors' investment profitability as a standard, after verifying the value indicated by the cost approach. The appraiser chose this approach by taking into account the following factors; 1) the fact that the real estate investors tend to use income approach for real estate valuation, 2) the reason for GLP J-REIT as a real estate investor to obtain the appraisal of this property, and 3) the fact that the property is classified as a rental asset for investment. Although this appraisal sought a value that represents the investment profitability value, which takes the management method based on the investment corporation regulations as given, the type of the price will be the normal value since the price matches the fair value that represents the market value (normal value). |
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* GLP J-REIT website address: <https://www.glpjreit.com/english/>

<APPENDIX>

Appendix list of portfolio after the Sale

| Region | Property number | Property name | Acquisition price (million yen) (Note 1) | Share (%) (Note 2) | Appraisal value (million yen) (Note 3) | (Scheduled) Date of acquisition |
|--------|-----------------|----------------------------|--|--------------------|--|---------------------------------|
| Tokyo | Tokyo-1 | GLP Tokyo | 22,700 | 3.7 | 29,700 | January 4, 2013 |
| Tokyo | Tokyo-2 | GLP Higashi-Ogishima | 4,980 | 0.8 | 6,850 | January 4, 2013 |
| Tokyo | Tokyo-3 | GLP Akishima | 7,555 | 1.2 | 9,730 | January 4, 2013 |
| Tokyo | Tokyo-4 | GLP Tomisato | 4,990 | 0.8 | 6,080 | January 4, 2013 |
| Tokyo | Tokyo-5 | GLP Narashino II | 15,220 | 2.5 | 20,100 | January 4, 2013 |
| Tokyo | Tokyo-6 | GLP Funabashi | 1,720 | 0.3 | 2,090 | January 4, 2013 |
| Tokyo | Tokyo-7 | GLP Kazo | 11,500 | 1.9 | 14,300 | January 4, 2013 |
| Tokyo | Tokyo-8 | GLP Fukaya | 2,380 | 0.4 | 2,890 | January 4, 2013 |
| Tokyo | Tokyo-9 | GLP Sugito II | 19,000 | 3.1 | 24,600 | January 4, 2013 |
| Tokyo | Tokyo-10 | GLP Iwatsuki | 6,940 | 1.1 | 9,520 | January 4, 2013 |
| Tokyo | Tokyo-11 | GLP Kasukabe | 4,240 | 0.7 | 5,280 | January 4, 2013 |
| Tokyo | Tokyo-12 | GLP Koshigaya II | 9,780 | 1.6 | 13,500 | January 4, 2013 |
| Tokyo | Tokyo-13 | GLP Misato II | 14,868 | 2.4 | 21,100 | January 4, 2013 |
| Tokyo | Tokyo-14 | GLP Tatsumi | 4,960 | 0.8 | 6,430 | February 1, 2013 |
| Tokyo | Tokyo-15 | GLP Hamura | 7,660 | 1.3 | 9,960 | October 1, 2013 |
| Tokyo | Tokyo-16 | GLP Funabashi III | 3,050 | 0.5 | 4,230 | October 1, 2013 |
| Tokyo | Tokyo-17 | GLP Sodegaura | 6,150 | 1.0 | 8,090 | October 1, 2013 |
| Tokyo | Tokyo-18 | GLP Urayasu III | 18,760 | 3.1 | 22,800 | March 3, 2014 |
| Tokyo | Tokyo-19 | GLP Tatsumi IIa | 6,694 | 1.1 | 8,500 | April 1, 2014 |
| Tokyo | Tokyo-21 | GLP Tokyo II | 36,373 | 6.0 | 43,400 | September 2, 2014 |
| Tokyo | Tokyo-22 | GLP Okegawa | 2,420 | 0.4 | 3,080 | September 2, 2014 |
| Tokyo | Tokyo-23 | GLP Shinkiba | 11,540 | 1.9 | 12,800 | September 1, 2015 |
| Tokyo | Tokyo-24 | GLP Narashino | 5,320 | 0.9 | 5,570 | September 1, 2015 |
| Tokyo | Tokyo-26 | GLP Sugito | 8,481 | 1.4 | 10,300 | September 1, 2015 |
| Tokyo | Tokyo-27 | GLP Matsudo | 2,356 | 0.4 | 2,890 | January 15, 2016 |
| Tokyo | Tokyo-28 | GLP-MFLP Ichikawa Shiohama | 15,500 | 2.5 | 17,300 | September 1, 2016 |
| Tokyo | Tokyo-29 | GLP Atsugi II | 21,100 | 3.5 | 24,000 | September 1, 2016 |
| Tokyo | Tokyo-30 | GLP Yoshimi | 11,200 | 1.8 | 11,800 | September 1, 2016 |
| Tokyo | Tokyo-31 | GLP Noda-Yoshiharu | 4,497 | 0.7 | 5,360 | September 1, 2017 |
| Tokyo | Tokyo-32 | GLP Urayasu | 7,441 | 1.2 | 7,910 | March 1, 2018 |
| Tokyo | Tokyo-33 | GLP Funabashi II | 7,790 | 1.3 | 8,300 | March 1, 2018 |
| Tokyo | Tokyo-34 | GLP Misato | 16,940 | 2.8 | 18,200 | March 1, 2018 |
| Tokyo | Tokyo-35 | GLP Shinsuna | 18,300 | 3.0 | 18,900 | September 3, 2018 |
| Tokyo | Tokyo-36 | GLP Shonan | 5,870 | 1.0 | 6,190 | September 3, 2018 |
| Osaka | Osaka-1 | GLP Hirakata | 4,750 | 0.8 | 6,390 | January 4, 2013 |
| Osaka | Osaka-2 | GLP Hirakata II | 7,940 | 1.3 | 9,440 | January 4, 2013 |
| Osaka | Osaka-3 | GLP Maishima II | 9,288 | 1.5 | 12,200 | January 4, 2013 |
| Osaka | Osaka-4 | GLP Tsumori | 1,990 | 0.3 | 2,750 | January 4, 2013 |
| Osaka | Osaka-5 | GLP Rokko | 5,160 | 0.8 | 6,020 | January 4, 2013 |
| Osaka | Osaka-6 | GLP Amagasaki | 24,963 | 4.1 | 29,500 | January 4, 2013 |
| Osaka | Osaka-7 | GLP Amagasaki II | 2,040 | 0.3 | 2,340 | January 4, 2013 |

| Region | Property number | Property name | Acquisition price (million yen) (Note 1) | Share (%) (Note 2) | Appraisal value (million yen) (Note 3) | (Scheduled) Date of acquisition |
|--------|-----------------|------------------|--|--------------------------|--|------------------------------------|
| Osaka | Osaka-8 | GLP Nara | 2,410 | 0.4 | 3,000 | January 4, 2013 |
| Osaka | Osaka-9 | GLP Sakai | 2,000 | 0.3 | 2,260 | February 1, 2013 |
| Osaka | Osaka-10 | GLP Rokko II | 3,430 | 0.6 | 4,350 | October 1, 2013 |
| Osaka | Osaka-11 | GLP Kadoma | 2,430 | 0.4 | 3,250 | September 2, 2014 |
| Osaka | Osaka-12 | GLP Seishin | 1,470 | 0.2 | 1,640 | September 2, 2014 |
| Osaka | Osaka-13 | GLP Fukusaki | 3,928 | 0.6 | 4,480 | September 2, 2014 |
| Osaka | Osaka-14 | GLP Kobe-Nishi | 7,150 | 1.2 | 7,620 | May 1, 2015 |
| Osaka | Osaka-15 | GLP Fukaehama | 4,798 | 0.8 | 4,910 | September 1, 2016 |
| Osaka | Osaka-16 | GLP Maishima I | 19,390 | 3.2 | 19,400 | March 1, 2018 |
| Osaka | Osaka-17 | GLP Osaka | 36,000 | 5.9 | 36,200 | September 3, 2018 |
| Osaka | Osaka-18 | GLP Settsu | 7,300 | 1.2 | 7,650 | September 3, 2018 |
| Osaka | Osaka-19 | GLP Nishinomiya | 2,750 | 0.5 | 2,820 | September 3, 2018 |
| Osaka | Osaka-20 | GLP Shiga | 4,550 | 0.7 | 4,740 | September 3, 2018 |
| Osaka | Osaka-21 | GLP Neyagawa | 8,100 | 1.3 | 8,360 | September 3, 2018 |
| Other | Other-1 | GLP Morioka | 808 | 0.1 | 870 | January 4, 2013 |
| Other | Other-2 | GLP Tomiya | 3,102 | 0.5 | 3,670 | January 4, 2013 |
| Other | Other-3 | GLP Koriyama I | 4,100 | 0.7 | 4,590 | January 4, 2013 |
| Other | Other-4 | GLP Koriyama III | 2,620 | 0.4 | 2,770 | January 4, 2013 |
| Other | Other-5 | GLP Tokai | 6,210 | 1.0 | 7,930 | January 4, 2013 |
| Other | Other-6 | GLP Hayashima | 1,190 | 0.2 | 1,360 | January 4, 2013 |
| Other | Other-7 | GLP Hayashima II | 2,460 | 0.4 | 2,880 | January 4, 2013 |
| Other | Other-8 | GLP Kiyama | 5,278 | 0.9 | 6,020 | January 4, 2013 |
| Other | Other-10 | GLP Sendai | 5,620 | 0.9 | 6,940 | February 1, 2013 |
| Other | Other-11 | GLP Ebetsu | 1,580 | 0.3 | 2,220 | October 1, 2013 |
| Other | Other-12 | GLP Kuwana | 3,650 | 0.6 | 4,300 | October 1, 2013 |
| Other | Other-13 | GLP Hatsukaichi | 1,980 | 0.3 | 2,360 | October 1, 2013 |
| Other | Other-14 | GLP Komaki | 10,748 | 1.8 | 13,700 | March 3, 2014 |
| Other | Other-15 | GLP Ogimachi | 1,460 | 0.2 | 1,650 | September 2, 2014 |
| Other | Other-16 | GLP Hiroshima | 3,740 | 0.6 | 4,200 | September 2, 2014 |
| Other | Other-19 | GLP Tosu I | 9,898 | 1.6 | 11,100 | September 1, 2015 |
| Other | Other-20 | GLP Tomiya IV | 5,940 | 1.0 | 6,500 | September 1, 2016 |
| Other | Other-21 | GLP Soja I | 12,800 | 2.1 | 13,100 | March 1, 2018 |
| Other | Other-22 | GLP Soja II | 12,700 | 2.1 | 13,000 | March 1, 2018 |
| Other | Other-23 | GLP Fujimae | 1,980 | 0.3 | 2,040 | September 3, 2018 |
| Total | | | 607,975 | 100 | 712,270 | — |

(Note 1) The acquisition price is the trading value for each real estate or trust beneficiary right included in sales agreements (excludes acquisition-related expenses and consumption tax, etc.).

(Note 2) Share is the ratio of the acquisition price of each real estate or real estate in trust to the total price and is rounded to the second decimal place.

(Note 3) The figures represent the values that were appraised or investigated by a real estate appraiser as of the time of pricing at February 28, 2019 based on the asset valuation method and standards, which are provided in GLP J-REIT regulations, and the regulations of the Investment Trusts Association, Japan.