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For Immediate Release

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### **Notice Concerning Borrowing of Funds and Signing of Interest Rate Swap Agreement**

GLP J-REIT ("GLP J-REIT") announces the borrowing of funds and the signing of interest rate swap agreement as follows.

#### 1. Borrowing of funds

##### (1) Content of borrowing ("New Borrowings")

Lender	Loan amount	Interest rate	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
Sumitomo Mitsui Banking Corporation	4,800 million yen	Base rate plus 0.15% (Note 4)	Sep. 3, 2018	Borrowing based on the respective term loan agreement dated Aug. 30, 2018 with the lenders shown to the left as lenders	Sep. 2, 2019	Lump-sum repayment on repayment date	Unsecured Not guaranteed
MUFG Bank, Ltd.	3,200 million yen	Base rate plus 0.15% (Note 4)			Sep. 2, 2019		
Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation and MUFG Bank, Ltd. (Note 1)	9,970 million yen	Base rate plus 0.19% (Note 5) (Note 6)			Sep. 2, 2022		
Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation and MUFG Bank, Ltd. (Note 2)	14,510 million yen	Base rate plus 0.205% (Note 5) (Note 6)			Sep. 1, 2024		
Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation and MUFG Bank, Ltd. (Note 3)	8,840 million yen	Base rate plus 0.325% (Note 5) (Note 6)			Sep. 2, 2027		

(Note 1) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., Citibank, N.A., Tokyo Branch, The Norinchukin Bank, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited and Shinsei Bank, Limited.

(Note 2) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited and Sumitomo Mitsui Trust Bank, Limited.

(Note 3) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., Development Bank of Japan Inc. and Resona Bank, Limited.

(Note 4) The first interest payment date shall be the end of September 2018, and will be on the last day of every month thereafter (excluding the end of August that is just before the repayment date) as well as on the repayment date (if such day does not fall on a business day, the interest payment date or repayment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)

The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the JBA one-month Japanese Yen TIBOR published by Ippan Shadan Hojin JBA TIBOR Administration ("JBATA") two business days prior to the interest payment date immediately preceding the respective interest payment date (however, for the first calculation period, the applicable date is the drawdown date); provided, however, that in cases where the calculation period is less than one month, the base rate shall be the base rate corresponding to the relevant period

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calculated based on the method provided in the loan agreement.

For the JBA one-month Japanese Yen TIBOR as the base rate, please check the JBATA's website (<http://www.jbatibor.or.jp>).

(Note 5) The first interest payment date shall be the end of October 2018, and will be on the last day of January, April, July and October thereafter as well as on the repayment date (if such day does not fall on a business day, the interest payment date or repayment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)

The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the JBA three-month Japanese Yen TIBOR published by the JBATA two business days prior to the interest payment date immediately preceding the respective interest payment date (however, for the first calculation period, the applicable date is the drawdown date); provided, however, that in cases where the calculation period is less than three months, the base rate shall be the base rate corresponding to the relevant period calculated based on the method provided in the loan agreement.

For the JBA three-month Japanese Yen TIBOR as the base rate, please check the JBATA's website (<http://www.jbatibor.or.jp>).

(Note 6) The interest rate will be converted into a fixed rate through an interest rate swap agreement. For details, please refer to "2. Signing of interest rate swap agreement" below.

(2) Reason for New Borrowings

GLP J-REIT decided to make New Borrowings in the amount of 41,320 million yen for the purpose to use toward the payment of part of the purchase price for the trust beneficiary interests of the eight real estate properties mentioned in the "Notice of Acquisition of Assets and Lease Contract with New Tenants" dated August 13, 2018, as well as related expenses.

(3) Amount, use and schedule of expenditure of funds to be procured

(a) Amount of funds to be procured

41,320 million yen in total

(b) Specific use of funds to be procured

Part of funds for the acquisition of eight properties in the form of real estate trust beneficiary interests, as well as related expenses, as described above

(c) Schedule of expenditure

September 3, 2018

(4) Status of loans, etc. after New Borrowings

(Unit: million yen)

	Before drawdown	After drawdown	Increase (Decrease)
Short-term loans (Note)	22,060	32,000	9,940
Long-term loans (Note)	185,620	217,000	31,380
Total loans	207,680	249,000	41,320
Investment corporation bonds	30,500	30,500	—
Total of loans and investment corporation bonds	238,180	279,500	41,320
Other interest-bearing liabilities	—	—	—
Total interest-bearing liabilities	238,180	279,500	41,320

(Note) Short-term loans refer to loans with a period of one year or less until the repayment date as of August 30, 2018 for before drawdown, and as of September 3, 2018 for after drawdown, and Long-term loans refer to loans with a period of more than one year until the repayment date as of August 30, 2018 for before drawdown, and as of September 3, 2018 for after drawdown.

## 2. Signing of interest rate swap agreement

### (1) Reason for signing the interest rate swap agreement

GLP J-REIT signed the interest rate swap agreement to hedge the risks of interest rate fluctuations by converting the interest rate payable into a fixed rate for part of New Borrowings.

### (2) Details of the interest rate swap agreement

Counterparty	Notional principal	Interest rate	Commencement date	Termination date	Interest payment date
Nomura Securities Co., Ltd.	9,970 million yen (Note 1)	Fixed interest rate payable: 0.171% Floating interest rate receivable: JBA 3-month yen TIBOR	Sep. 3, 2018	Sep. 2, 2022	The last day of each of January, April, July and October of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)
Sumitomo Mitsui Trust Bank, Limited.	14,510 million yen (Note 2)	Fixed interest rate payable: 0.24080% Floating interest rate receivable: JBA 3-month yen TIBOR	Sep. 3, 2018	Sep. 1, 2024	The last day of each of January, April, July and October of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)
Nomura Securities Co., Ltd.	8,840 million yen (Note 3)	Fixed interest rate payable: 0.374% Floating interest rate receivable: JBA 3-month yen TIBOR	Sep. 3, 2018	Sep. 2, 2027	The last day of each of January, April, July and October of every year and closing date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the repayment date shall be on the business day immediately preceding the original date.)

(Note 1) The swap agreement is related to the loan of 9,970 million yen, which scheduled repayment date is September 2, 2022. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.361% for the loan by this interest rate swap agreement.

(Note 2) The swap agreement is related to the loan of 14,510 million yen, which scheduled repayment date is September 1, 2024. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.44580% for the loan by this interest rate swap agreement.

(Note 3) The swap agreement is related to the loan of 8,840 million yen, which scheduled repayment date is September 2, 2027. For details, please refer to "1. Borrowing of funds" above. The interest rate will be substantially fixed at 0.699% for the loan by this interest rate swap agreement.

## 3. Other matters necessary for investors' appropriate understanding/judgment of the concerned information

With respect to the risks associated with repayment, etc. of New Borrowings, the content of "Investment Risks" stated in the securities registration statement submitted on August 13, 2018 has not changed.

\*GLP J-REIT website address: <http://www.glpjreit.com/english/>