

September 30, 2019

For Immediate Release

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### **Notice Concerning Obtaining and Extending of the Right-of-First-Look**

GLP Japan Advisors Inc. (hereinafter “GLPJA”), to which GLP J-REIT entrusts management of its assets, obtained a new Right-of-First-Look (hereinafter “RoFL”) for 2 properties (GLP Yokohama and GLP Niiza), as well as extended the term of the Right-of-First-Look for the existing 5 properties (GLP Sayama Hidaka I, GLP Sayama Hidaka II, GLP Kawajima, GLP Zama and GLP Kashiwa II).

GLPJA had submitted a Letter of Intent (hereinafter “Letter of Intent”) described below to Blue Logistics 3 GK (hereinafter “BL3”) and Blue Logistics 4 GK (hereinafter “BL4”. BL3 and BL4 are hereinafter collectively referred to as “Bridge SPCs”) (Note 1) on September 10, 2019 and had obtained an agreement from the Bridge SPCs on the obligations of RoFL and other obligations for the acquisition. GLPJA hereby announces that Bridge SPCs completed the acquisition of the two properties which RoFL applies to, on September 30, 2019. Bridge SPCs will complete the acquisition of the existing 5 properties which RoFL applies to, on October 1, 2019.

Upon obtaining the RoFL, GLPJA will

- a. Retain an opportunity to acquire additional two high quality properties developed by GLP Group (Note 2) by incorporating these properties newly into Optimal Takeout Arrangement (OTA) (Note 3)
- b. Obtain RoFL for total 7 properties which include the 5 properties in the existing Bridge SPCs (Note 4) (GLP Sayama Hidaka I, GLP Sayama Hidaka II, GLP Kawajima, GLP Zama and GLP Kashiwa II) which will be incorporated into the Bridge SPCs
- c. Be able to reduce the acquisition price of the properties, control the timing and number of properties to acquire during the period of RoFL by leveraging the bridge scheme
- d. Extend the term for RoFL, improve the flexible acquisition opportunities and shorten the time period to reduce acquisition price from the Bridge SPCs as a result of reorganizing the Bridge SPCs
- e. Be able to extend the term of RoFL again, if necessary, by using Successor Bridge SPCs (Note 5)
- f. Have the option not to exercise RoFL depending on the market environment

(Note 1) Blue Logistics 3 GK and Blue Logistics 4 GK are Special Purpose Companies established as vehicles for the bridge scheme. Both entities have no capital relationships nor personnel relationships with GLP J-REIT, GLPJA, and GLP Group as defined in Note 2 below.

(Note 2) “GLP Group” presents GLP Pte. Ltd., the parent company of the sponsor of GLP J-REIT, (hereinafter “GLP”) and its group companies.

(Note 3) Refer to “2. Background and reason for obtaining of RoFL” for the definition of OTA.

(Note 4) “Existing Bridge SPCs” refers to Blue Logistics 1 Real Estate Sales GK and Blue Logistics 2 Real Estate Sales GK as described in the press release, “[Notice Concerning Obtaining of the Right-of-First Look](#)”, dated January 31, 2019. GLPJA retained RoFL on the 5 existing properties held by the existing Bridge SPCs until January 31, 2021 with GLP J-REIT or other entities designated by GLP J-REIT (including the Successor Bridge SPCs).

(Note 5) “Successor Bridge SPCs” refer to the SPC which shall retain GLPJA’s RoFL. The Bridge SPCs are positioned as

Successor Bridge SPCs as described in the “[Notice Concerning Obtaining of the Right-of-First Look](#)”, dated January 31, 2019. The Bridge SPCs are scheduled to acquire the 5 existing properties from the Existing Bridge SPCs.

## 1. Outline of Letter of Intent

- |                                       |  |
|---------------------------------------|--|
| (1) Contractor:                       | BL3 and BL4  |
| (2) Property name:                    | GLP Sayama Hidaka I, GLP Sayama Hidaka II, GLP Kawajima and GLP Yokohama (owned by BL3), GLP Zama, GLP Kashiwa II and GLP Niiza (owned by BL4) (collectively referred to as, the “7 Bridge Assets”)  |
| (3) Effective period of RoFL          | BL3: By the end of March 2022<br>BL4: By the end of March 2023 (hereinafter collectively referred to as “RoFL period”)   |
| (4) Major obligations of Bridge SPCs: | (i) Until the end of RoFL period, Bridge SPCs shall not sell or dispose assets to any third party, other than GLP J-REIT or any other entity (including its Successor Bridge SPCs) (hereinafter “Buyer”) designated by GLPJA, nor provide any information to or engage in any negotiation of a contract or any other preparation with.<br>(ii) This Letter of Intent is not a sale and purchase agreement and does not have any other legally binding effect than Bridge SPCs’ RoFL and prior consultation obligations with GLPJA. |

## 2. Background and reason for obtaining of RoFL

Obtaining of RoFL for the assets is aimed at taking an opportunity to acquire modern logistics facilities that are able to produce steady income pursuant to GLP J-REIT’s objective of implementing asset management with the aim of securing steady income over the medium- to long-term and steady growth of GLP J-REIT’s asset value.

Of the assets acquired by the Bridge SPCs, GLP Yokohama and GLP Niiza were acquired to capture new acquisition opportunities for modern logistics facilities. Also, GLP Sayama Hidaka I, GLP Sayama Hidaka II, GLP Kawajima, GLP Zama and GLP Kashiwa II will be incorporated into the Bridge SPCs as means to extend the RoFL period.

The 7 Bridge Assets are properties developed by GLP. As needed, GLPJA has been negotiating with the sponsor on acquiring assets from the sponsor’s balance sheet or from the development funds. GLPJA decided, as the best option available at present, the Bridge SPCs will temporarily own these properties and GLPJA will obtain RoFL, instead of an immediate direct property acquisition by GLP J-REIT, aiming for a higher economic rationality.

GLPJA will be able to exercise its RoFL to acquire all or part of the 7 Bridge Assets at any time by each RoFL period expiration date, taking into consideration the market environments and other factors including J-REIT investment unit price at the timing of the decision. However, GLPJA will have the option not to acquire any of Assets with RoFL or to acquire Assets through additional Successor Bridge SPCs.

The acquisition prices of the assets from Bridge SPCs (Note 1) are expected to decline generally in proportion to their respective holding periods by Bridge SPCs (Note2).

Hence, during the RoFL period, GLP J-REIT will retain the opportunity to acquire the 7 Bridge Assets at a lower acquisition price. Acquisitions upon exercising RoFL will secure flexible acquisition opportunities and an upper limit on acquisition price. GLP J-REIT will position this strategy, calling it an Optimal Takeout Arrangement (hereinafter, “OTA”), as one of the GLP J-REIT’s strategic bridge structures to secure acquisition opportunities of high-quality assets. Regarding this OTA, GLP J-REIT’s main purpose is not only the decrease of the acquisition price, but also the flexibility of the

acquisition timing.

OTA adopted this time is different from the OTA scheme described in the “[Notice of Signing of Sales and Purchase Contract concerning Acquisition of Assets](#)” dated August 29, 2017, given that the OTA referred in this writing is for obtaining RoFL without entering into a sales and purchase contract to acquire Assets. Therefore, it does not constitute a forward commitment (contract for sale or purchase at a later date, being contracts and the like for the settlement and transfer of goods no less than one month after the signing of the contract) as defined in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set by the Financial Services Agency.

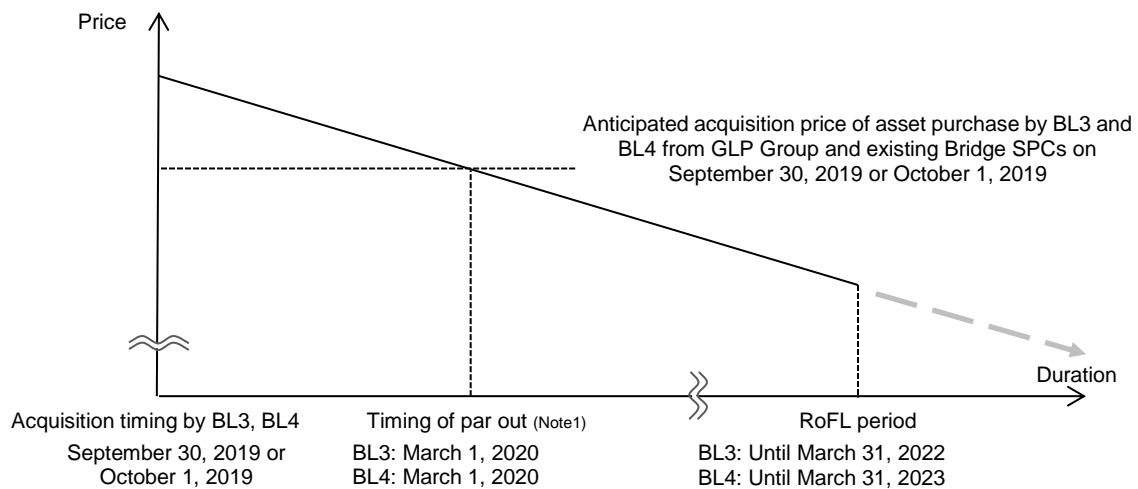
GLP J-REIT will further strengthen its highly-competitive portfolio and consider structure such as OTA.

(Note 1) The asking price for the assets is the price calculated based on the revenue expected to be gained by Bridge SPCs from each of assets and reasonable costs necessary to operate Bridge SPCs (such as asset management fees, trust fees, administration expenses, interests, dividends to investors) during the period from the acquisition of the assets by Bridge SPCs to the acquisition of the assets by Buyer.

As shown in <Reference> chart showing how the asking price for Assets is to be reduced. The asking price of Assets is expected to be generally reduced in proportion to the length of Bridge SPC’s ownership period.

(Note 2) The acquisition of the assets will be completed upon all necessary due diligence and GLPJA and GLP J-REIT will make decisions based on internal regulations. Moreover, neither GLPJA nor GLP J-REIT pay any compensation for obtaining of RoFL.

<Reference> Chart showing how the asking price for Assets is to be reduced



(Note 1) The asking price from Bridge SPCs on or after March 1, 2020 for the assets owned by BL3 and BL4, is expected to be lower than the respective prices paid by Bridge SPCs.

(Note 2) The above chart outlines, for reference, how the asking price (calculated based on the estimated property revenue of the 7 Bridge Assets and reasonably required costs to manage the SPC as at the date the Letter of Intent is submitted) is to be reduced in proportion to the length of Bridge SPCs’ ownership period (until the time of acquisition by Buyer) once GLPJA decides to exercise RoFL based on the asking price described in Letter of Intent. The actual acquisition price will vary in accordance with the amount of the lease revenues that Bridge SPCs obtained from the 7 Bridge Assets or the negotiation with Bridge SPCs based on the interest rate trends, etc. and may differ from the above chart.

### 3. Outline of Assets

#### GLP Sayama Hidaka I

Property name		GLP Sayama Hidaka I
Type of specified asset		Real estate trust beneficiary rights
Land	Location	473-2 Shin Uehara, Tagi, Hidaka, Saitama, and others (Lot number)
	Land area	23,327.46 sqm
Building	Date constructed	December 3, 2015
	Gross floor area	39,209.78 sqm

#### GLP Sayama Hidaka II

Property name		GLP Sayama Hidaka II
Type of specified asset		Real estate trust beneficiary rights
Land	Location	788-1 Myogasawa, Kamikayama, Hidaka, Saitama, and others (Lot number)
	Land area	43,218.00 sqm
Building	Date constructed	September 5, 2016
	Gross floor area	77,501.10 sqm

#### GLP Kawajima

Property name		GLP Kawajima
Type of specified asset		Real estate trust beneficiary rights
Land	Location	3001 Mishima, Kami Igusa, Kawajima-machi, Hiki-gun, Saitama (Lot number)
	Land area	26,857.45 sqm
Building	Date constructed	March 15, 2017
	Gross floor area	45,310.28 sqm

#### GLP Yokohama

Property name		GLP Yokohama
Type of specified asset		Real estate trust beneficiary rights
Land	Location	2-2-26 Namamugi, Tsurumi-ku, Kanagawa
	Land area	51,072.79 sqm
Building	Date constructed	June 13, 2005
	Gross floor area	99,352.09 sqm

#### GLP Zama

Property name		GLP Zama
Type of specified asset		Real estate trust beneficiary rights
Land	Location	2-10-10 Hironodai, Zama, Kanagawa
	Land area	58,862.02 sqm
Building	Date constructed	June 15, 2015
	Gross floor area	124,392.68 sqm

#### GLP Kashiwa II

Property name		GLP Kashiwa II
Type of specified asset		Real estate trust beneficiary rights
Land	Location	2-18-6 Oshimata, Kashiwa, Chiba
	Land area	17,440.06 sqm
Building	Date constructed	January 10, 2017
	Gross floor area	32,493.87 sqm

GLP Niiza

Property name		GLP Niiza
Type of specified asset		Real estate trust beneficiary rights
Land	Location	3-6-22 Owada, Niiza, Saitama
	Land area	14,947 sqm (Note 1)
Building	Date constructed	March 9, 2019
	Gross floor area	30,062.72 sqm

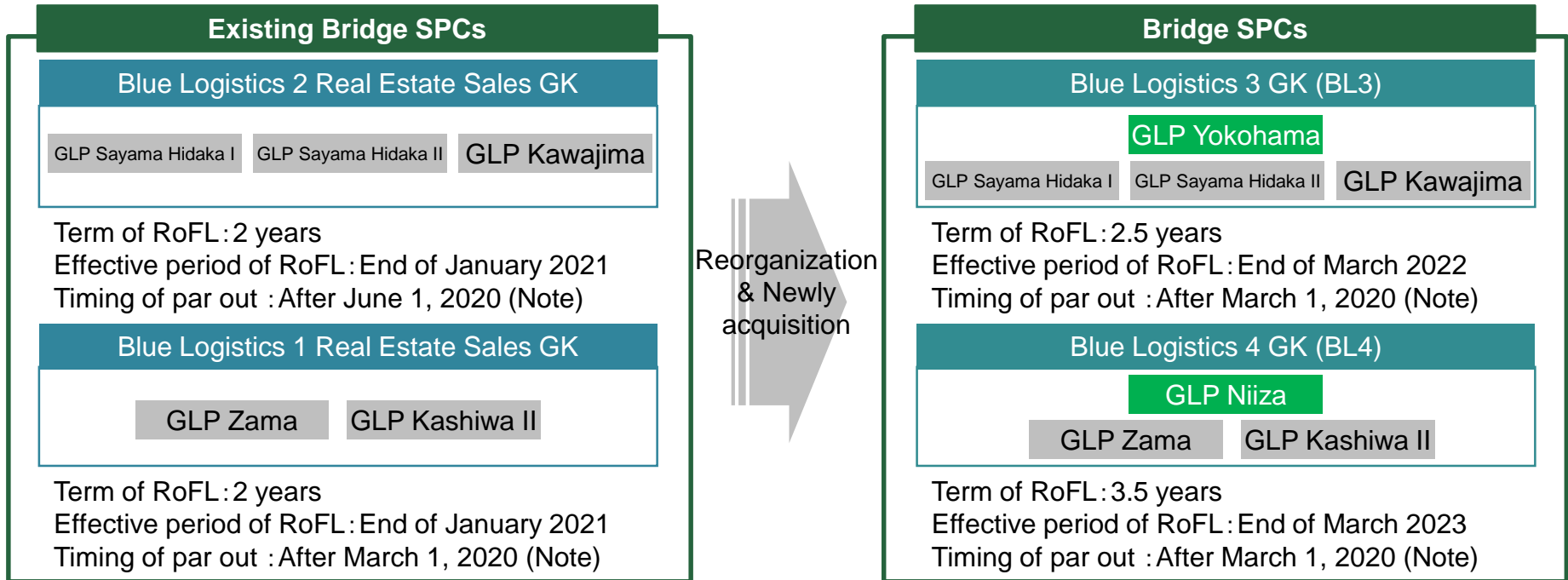
(Note 1) Based on the description of the notice of designation of provisionally allocated land and the certification of reserved land.

4. Future outlook

There is no impact from obtaining of RoFL on GLP J-REIT's operation nor on the forecast of dividend payments.

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

Simultaneously incorporate the 5 properties in the existing bridge scheme into the new bridge scheme as well as adding 2 new properties



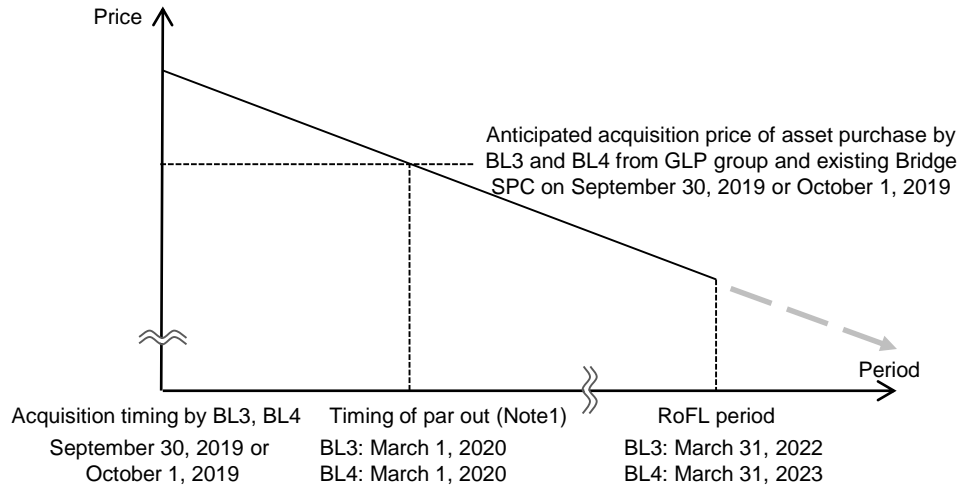
## Effects from reorganizing the bridge SPC

- **2 new RoFL properties are added into the bridge scheme**  
Of which, 1 property, **GLP Yokohama**, is a flagship asset of the **GLP Group**
- **RoFL period will extend by over 1 year**
- **Shorter duration until par out timing due to reduced book value**

Note: Par out timing refers to the expected timing when the asset price becomes lower than the acquisition price at which the Bridge SPC initially purchased the asset compared to the acquisition price that GLP J-REIT will pay to Bridge SPC when the RoFL is exercised.

# Outline of OTA Scheme

## Chart showing how the asking price for Assets is to be reduced



(Note 1) The asking price from Bridge SPCs as of or after March 1, 2020 for the assets owned by BL3 and BL4, is expected to be lower than the respective prices paid by Bridge SPCs.  
 (Note 2) The diagram above outlines, for reference, how the asking price (calculated based on the estimated property revenue of the 7 Bridge Assets and reasonably required costs to manage the SPC as at the date the Letter of Intent is submitted) is to be reduced in proportion to the length of Bridge SPCs' ownership period (until the time of acquisition by Buyer) once GLPJA decides to exercise RoFL based on the asking price described in Letter of Intent. Also, as the actual acquisition price will vary in accordance with the amount of the lease revenues that Bridge SPCs obtained from the 7 Bridge Assets or the negotiation with Bridge SPCs based on the interest rate trends, etc. and may differ from the diagram shown above.

## Effects from OTA bridge SPC Scheme

### reduce acquisition price

The asking price for Assets is the price calculated based on the revenue expected to be gained by Bridge SPCs from each of Assets and reasonable costs necessary to operate Bridge SPCs during the period held by Bridge SPCs. The acquisition price of Assets is expected to be generally reduced in proportion to the length of Bridge SPC's ownership period.

### control the timing and number of properties to acquire

Can acquire Assets at any time during RoFL period and control the timing and number of properties to acquire during the period of RoFL by leveraging the bridge scheme, have the option not to exercise RoFL

### Other important information

The buyer of Assets is GLP J-REIT or any other entity designated by GLP Japan Advisors Inc. (including its successor Bridge SPCs (Note 1))

(Note 1) A successor Bridge SPCs refer to SPCs with which GLPJA has RoFL over their owned assets.

- Secure RoFL for high quality Assets with location advantage, developed by GLP Group
- GLP Group will continue to provide with property management to Assets

