

SUMMARY OF FINANCIAL RESULTS (REIT) For the 5th Fiscal Period Ended August 31, 2014

<Under Japanese GAAP>

October 15, 2014

Name of REIT Issuer: GLP J-REIT Stock Exchange Listing: TSE
 Securities Code: 3281 URL <http://www.glpjreit.com/>
 Representative: (Name) Masato Miki, (Title) Executive Director
 Name of Asset Manager: GLP Japan Advisors Inc.
 Representative: (Name) Masato Miki, (Title) President & CEO
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Scheduled date to file securities report: November 27, 2014

Scheduled date to commence distribution payments: November 19, 2014

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

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

(Amounts are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended August 31, 2014 (from March 1, 2014 to August 31, 2014)

(1) Operating Results

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Period ended								
August 31, 2014	9,322	[15.4]	4,911	[1.2]	3,973	[(2.4)]	3,971	[(2.4)]
February 28, 2014	8,080	[11.1]	4,852	[12.8]	4,069	[14.7]	4,068	[14.7]

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
	Yen	%	%	%
Period ended				
August 31, 2014	1,893	3.0	1.4	42.6
February 28, 2014	1,974	3.3	1.7	50.4

(2) Distributions

	Distributions (excluding OPD*)		Optimal payable distribution (OPD)		Distributions (including OPD)		Payout ratio	Distributions to net assets
	Per Unit	Total	Per Unit	Total	Per Unit	Total		
Period ended	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen	%	%
August 31, 2014	1,893	3,970	283	593	2,176	4,564	100.0	3.0
February 28, 2014	1,939	4,067	251	526	2,190	4,593	99.9	3.1

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

(Note 1) Payout ratio for the period ended February 28, 2014 was calculated as follows since new investment units were issued during the period:

$$\text{Payout ratio} = \text{Total distributions (excluding OPD)} / \text{Net income (loss)} \times 100$$

Payout ratio is rounded down to the first decimal place.

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

(Note 3) Retained earnings decreased at a rate of 0.004 and 0.005 for the periods ended August 31, 2014 and February 28, 2014, respectively, due to OPD (refund of investment). These rates are calculated based on Article 23, Paragraph 1 (3) of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Period ended	Millions of yen	Millions of yen	%	Yen
August 31, 2014	293,223	133,388	45.5	63,588
February 28, 2014	256,107	134,011	52.3	63,884

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2014	6,666	(36,291)	32,011	9,201
February 28, 2014	4,765	(27,228)	17,808	6,814

2. Earnings Forecast for the Fiscal Period Ending February 28, 2015 (from September 1, 2014 to February 28, 2015) and for the Fiscal Period Ending August 31, 2015 (from March 1, 2015 to August 31, 2015)

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Yen	Yen	Yen
February 28, 2015	10,967 [17.6]	5,790 [17.9]	4,662 [17.4]	4,661 [17.4]	1,949	294	2,243
August 31, 2015	10,962 [(0.0)]	5,616 [(3.0)]	4,486 [(3.8)]	4,484 [(3.8)]	1,875	296	2,171

(Reference) Estimated net income per unit: for the fiscal period ending February 28, 2015 1,950 yen
for the fiscal period ending August 31, 2015 1,875 yen

* Other

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

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

(2) Number of investment units issued and outstanding

- (a) Number of investment units issued and outstanding, including treasury units:
- | | | | |
|-----------------------|-----------------|-------------------------|-----------------|
| As of August 31, 2014 | 2,097,700 Units | As of February 28, 2014 | 2,097,700 Units |
|-----------------------|-----------------|-------------------------|-----------------|
- (b) Number of treasury units:
- | | | | |
|-----------------------|---------|-------------------------|---------|
| As of August 31, 2014 | 0 Units | As of February 28, 2014 | 0 Units |
|-----------------------|---------|-------------------------|---------|

(Note) Please refer notes to "Per Unit Information" on page 38 for the number of investment units used as the basis for calculating the net income per unit.

* The Status of Statutory Audit

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

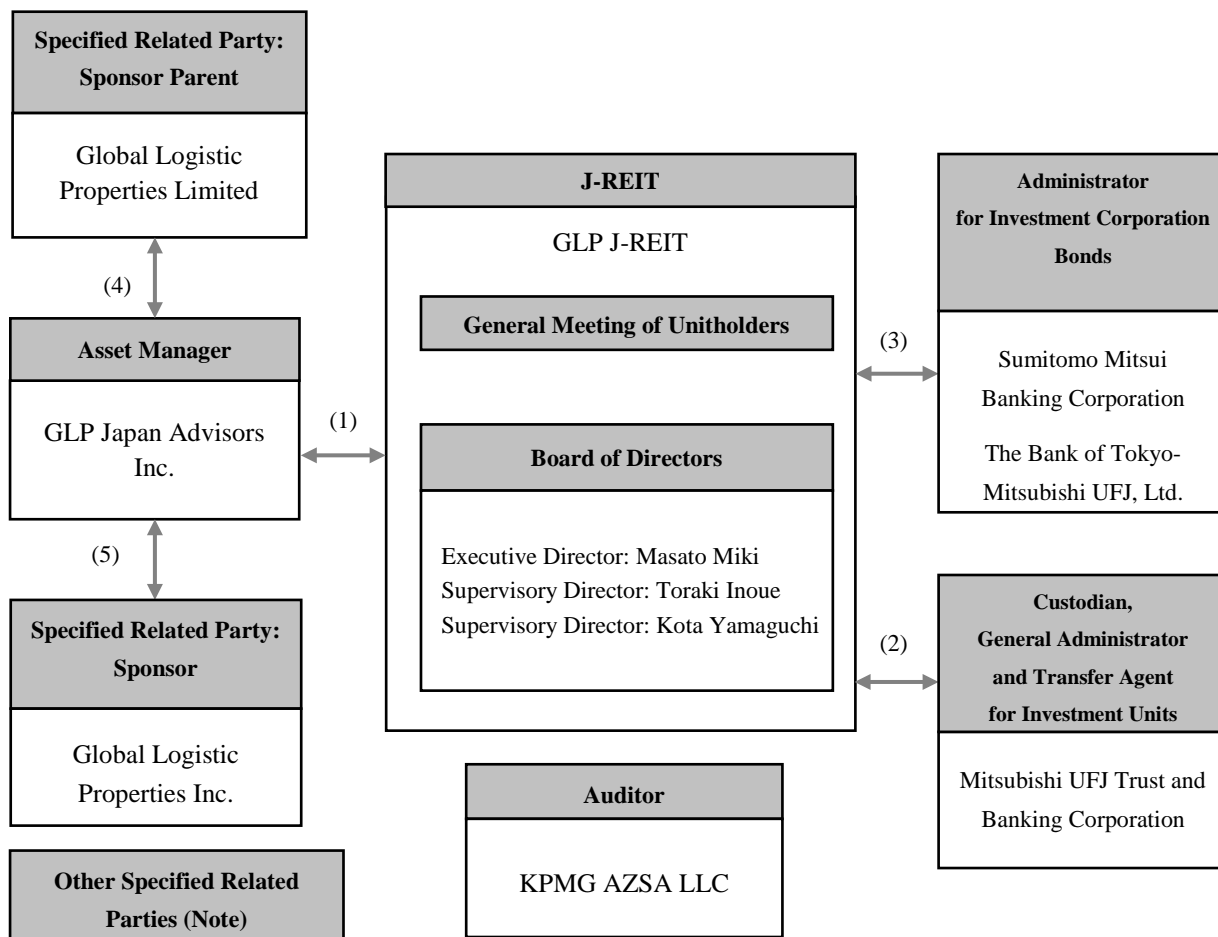
* Appropriate use of the forecast of financial results and other special matters

The forward-looking statements in this material are based on the information currently available to us and certain assumptions we believe reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements do not guarantee the amount of future distributions and distributions in excess of earnings. Please refer to “Assumptions Underlying Earnings Forecasts for the 6th Fiscal Period Ending February 28, 2015 (from September 1, 2014 to February 28, 2015) and for the 7th Fiscal Period Ending August 31, 2015 (from March 1, 2015 to August 31, 2015)” on page 15-17 for assumptions regarding the forward-looking statements.

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

1. Structure and Formation of Investment Corporation

The following summarizes the structure and formation of GLP J-REIT as well as the names and relationships of its related parties as of the date of this document.



(Note): 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 the Order for Enforcement of the Act and thus is considered as an “interested party” of GLP Japan Advisors Inc.

Type of contracts
(1) Asset Management Agreement
(2) Asset Custody Agreement /General Administration Agreement /Transfer Agency Agreement
(3) Financial Agency Agreement
(4) Right-of-First-Look Agreement
(5) Sponsor Support Agreement
(Note) Details of contractual relationship with other specified related parties, if any, are described below.

Names, Operational Roles and Business Functions of Parties in the Structure

Name	Operational Role	Business Function
GLP J-REIT	Investment Corporation	GLP J-REIT is a real estate investment corporation managing assets by primarily investing in real estate and other assets and seeking steady income and stable growth of investment assets in the medium to long term.
GLP Japan Advisors Inc.	Asset Manager	<p>Pursuant to the Asset Management Agreement (the “Agreement”) (item (1) in the table above), GLP J-REIT designates GLP Japan Advisors Inc. as the Asset Manager to manage its assets in accordance with the terms as well as investment policy determined by GLP J-REIT.</p> <p>Based on the Agreement, the Asset Manager provides the following services: (i) managing investment assets of GLP J-REIT, (ii) managing GLP J-REIT’s financing, (iii) periodical reporting to GLP J-REIT on assets under management, (vi) formulating investment strategy for assets under management, and (v) all other services requested by GLP J-REIT relating to items (i) to (vi).</p>
Mitsubishi UFJ Trust and Banking Corporation	Custodian	Pursuant to the Asset Custody Agreement (item (2) in the table above), GLP J-REIT designates Mitsubishi UFJ Trust and Banking Corporation as its Custodian to provide custodial services.
	General Administrator	<p>Pursuant to the General Administration Agreement (item (2) in the table above), GLP J-REIT designates Mitsubishi UFJ Trust and Banking Corporation as its General Administrator to perform: (i) the general administrative services (of the administrative tasks prescribed in Article 117, Item 4 of the Investment Trust Act, all tasks except the maintenance of unitholders’ registry), (ii) calculation services (as set out in Article 117, Item 5 of the Investment Trust Act), (iii) administration of accounting records (administrative tasks prescribed in Article 117, Item 6 of the Investment Trust Act, and Article 169, Paragraph 2, Item 6 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations (Ordinance of the Prime Minister’s Office No. 129, 2000) (hereinafter “Investment Trust Act Enforcement Ordinance”)), and (vi) administration of tax payments (administrative tasks prescribed in Article 117, Item 6 of the Investment Trust Act and Article 169, Paragraph 2, Item 7 of the Investment Trust Act Enforcement Ordinance).</p>

Name	Operational Role	Business Function
Mitsubishi UFJ Trust and Banking Corporation	Transfer Agent for Investment Units	Pursuant to the Transfer Agency Agreement (item (2) in the table above), GLP J-REIT designates Mitsubishi UFJ Trust and Banking Corporation as its Transfer Agent for Investment Units to provide services including (i) preparation, administration and maintenance of unitholders' registry and other records, (ii) tasks relating to administration and record keeping, (iii) dispatch of convocation notices of General Meetings of Unitholders, (vi) preparation and tallying of voting documents, and (v) administration of payment distributions to unitholders, etc.
Sumitomo Mitsui Banking Corporation	Administrator for Investment Corporation Bond	Pursuant to the Financial Agency Agreement (Item (3) in the table above) for the 1st Unsecured Investment Corporation Bonds (with special <i>pari passu</i> conditions among specified investment corporation bonds), GLP J-REIT designates Sumitomo Mitsui Banking Corporation as its Administrator for Investment Corporation Bond to perform services including (i) issuing agent, (ii) payment agent, (iii) administrating bondholders' requests and (vi) record keeping of bondholders' registry.
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Administrator for Investment Corporation Bond	Pursuant to the Financial Agency Agreement (Item (3) in the table above) for the 2nd Unsecured Investment Corporation Bonds (with special <i>pari passu</i> conditions among specified investment corporation bonds), GLP J-REIT designates The Bank of Tokyo-Mitsubishi UFJ, Ltd. as its Administrator for Investment Corporation Bond to perform services including (i) issuing agent, (ii) payment agent, (iii) administrating bondholders' requests and (vi) record keeping of bondholders' registry.

Specified Related Parties of GLP J-REIT

Name	Relationship	Details of Relationship
Global Logistic Properties Limited (hereinafter “GLP”)	Indirect holding company of Asset Manager Sponsor Parent	GLP owns 100% of the issued shares of Global Logistic Properties Holdings Limited and is the ultimate parent company of the Asset Manager. Pursuant to the Right-of-First-Look Agreement (Item (4) in the table above), GLP provides a right-of-first-look to the Asset Manager with respect to the properties that GLP group companies owns as of the date of this document.
Global Logistic Properties Inc. (hereinafter “GLPI”)	Parent company of Asset Manager Sponsor	Global Logistic Properties Inc. (“GLPI”) is the parent company of the Asset Manager with 98.0% ownership of its issued shares. Pursuant to the Sponsor Support Agreement (item (5) in the table above) with the Asset Manager, GLPI provides sponsor support. Additionally, based on its Trademark License Agreement with GLP J-REIT and Global Logistic Properties Holdings Limited, GLPI agrees that GLP J-REIT operates under GLP group name and logo for its trademarks and properties owned. GLPI performs property management services for assets owned by GLP J-REIT based on the Property Management Agreement between the Asset Manager and the Trustee.
Global Logistic Properties Holdings Limited (hereinafter “GLPHL”)	Indirect holding company of Asset Manager	Global Logistic Properties Holdings Limited (“GLPHL”) owns 100% of the issued shares of GLP Singapore Pte. Ltd. and thus is an indirect holding company of Asset Manager. Based on its Trademark License Agreement with GLP J-REIT and GLPI, GLPHL agrees and acknowledges that GLPI is permitted to sublicense the Licensed Trademarks.
GLP Singapore Pte. Ltd.	Indirect holding company of Asset Manager	Global Singapore Pte. Ltd. owns 100% of the issued shares of GLPI and thus is an indirect holding company of Asset Manager. It does not have a contractual relationship with GLP J-REIT.
GLP J-REIT Master Lease Godo Kaisha (hereinafter “GLP J-REIT MLGK”)	Regarded as an “interested party” of Asset Manager since it 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 Financial Instruments and Exchange Act.	GLP J-REIT Master Lease Godo Kaisha (“GLP J-REIT MLGK”) is regarded as an “interested party” of the Asset Manager (Since GLPI is its sole shareholder, GLP J-REIT MLGK falls under the category of “Parent Company, etc.” of the Asset Manager under the Act). GLP J-REIT MLGK earns revenue from master lease agreements for assets held by GLP J-REIT. The average of this revenue for all fiscal periods, starting with this period, for next three years will be approximately 20% or more of GLP J-REIT’s total operating revenue from prior year. GLP J-REIT MLGK enters into the Master Lease Agreement for assets held by GLP J-REIT as well as other related agreements with the Trustee.

2. Management Policy and Operating Conditions

(1) Management Policy

Disclosure is omitted, as there are no significant changes from the investment policy, investment targets and distribution policy described in the most recent Securities Report filed on May 26, 2014.

(2) Operating Conditions

[Overview of the 5th Fiscal Period]

(i) Brief Background of GLP J-REIT

GLP J-REIT is a real estate investment corporation (J-REIT) specializing in logistics facilities that 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). Subsequently, GLP J-REIT issued new investment units through a public offering in September 2013 and through a third party allocation in October 2013. The number of investment units issued and outstanding as of the end of the current fiscal period was 2,097,700 units with unitholders’ net capital of 129,415 million yen. Moreover, as of the end of the current fiscal period, GLP J-REIT owns 44 properties (total acquisition price of 285,061 million yen).

(Note) New investment units were issued through a public offering on September 1, 2014 and through a third party allocation on September 24, 2014. Please refer to “[Outlook of Next Fiscal Period], (iii) Significant Subsequent Events, (a) Issuance of new investment units” for details.

(ii) Investment Environment and Business Performance

During the current fiscal period, the overall Japanese economy is on a recovery trend. Although the reactionary effect was witnessed from a last-minute rise in demand before a consumption tax increase in April 2014, such effect has gradually lessened thanks to the effects of government policy measures.

The favorable financing environment in the real estate market has led to a number of asset acquisitions by J-REIT and increases of its capital through public offerings, while transactions and investments by private placement funds and foreign investors continued to be active.

In the leasing market for logistics facilities, although there was an increase in the new supply of large-scale logistics facilities, the new supply space was steadily taken up against the backdrop of the expansion of the third-party logistics (3PL) business and the e-commerce market.

Under these conditions, GLP J-REIT acquired the following four properties: (1) two properties (total acquisition price 28,500 million yen) in March 2014 pursuant to the Trust Beneficial Interest Transfer Agreement entered on September 3, 2013 and (2) two properties (total acquisition price 7,750 million yen) in April 2014 pursuant to the Trust Beneficial Interest Transfer Agreement entered in March 2014. Thus, GLP J-REIT managed to continuously expand the size of its assets and steadily grow its portfolio while maintaining the quality of its asset portfolio.

Moreover, 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,

GLP J-REIT successfully renewed all lease contracts with the same condition or higher rents during the four consecutive fiscal periods since its listing on the Tokyo Stock Exchange.

As a result of these operations, GLP J-REIT owns 44 properties with the total acquisition price of 285,061 million yen and the total leasable area of 1,490,181.13m² 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 99.9%.

(iii) Overview of Financing

GLP J-REIT maintains a target Loan-To-Value ratio (hereinafter “LTV”) of 45% to 55% and operates with a stable financial condition. Under the favorable financing environment, GLP J-REIT also pursues to lengthen debt maturity and reduce its borrowing costs.

In the current fiscal period, GLP J-REIT entered into new loan agreements in the amount of 28,920 million yen in March and 7,700 million yen in April 2014 for the purpose of acquiring aforementioned properties. GLP J-REIT achieved to lengthen debt maturities while reducing borrowing costs, by refinancing 5,700 million yen with new loan contracts in June 2014 and issuing 2,000 million yen of the 2nd 10-year-maturity investment corporation bond in July 2014. Besides, GLP J-REIT further strengthened its financial stability by utilizing interest rate swap contracts to convert variable interest rates of some loans into fixed rates for a long term.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 149,920 million yen (outstanding loans 141,920 million yen, outstanding investment corporation bonds 8,000 million yen), and the ratio of interest-bearing liabilities to total assets (LTV) was 51.1%.

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

Credit Rating Agency	Type	Rating	Outlook
JCR (Japan Credit Rating Agency, Ltd.)	Long-term issuer rating	AA-	Stable
JCR (Japan Credit Rating Agency, Ltd.)	Bond rating (Note 1)	AA-	—
JCR (Japan Credit Rating Agency, Ltd.)	Bond rating (Note 2)	AA-	—

(Note 1) It is the rating for the 1st Unsecured Investment Corporation Bond.

(Note 2) It is the rating for the 2nd Unsecured Investment Corporation Bond.

(iv) Overview of Financial Results and Cash Distribution

As a result of these management efforts, GLP J-REIT reported operating revenues of 9,322 million yen, operating income of 4,911 million yen, ordinary income of 3,973 million yen and net income of 3,971 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 3,970,946,100 yen. This cash

distribution is eligible for the special tax treatment on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and represents the multiple of the number of investment units issued and outstanding (2,097,700 units) from unappropriated retained earnings. Accordingly, distribution per unit for the current fiscal period was 1,893 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 593,649,100 yen, an amount almost equivalent to 30% of depreciation (1,985 million yen) for the current fiscal period, as a refund of investment. As a result, the amount of OPD per unit was 283 yen.

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings that do not exceed the amount obtained by deducting capital expenditure for the accounting period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 342 million yen of capital expenditure for the current fiscal period from 1,985 million yen of depreciation expenses for the period is 1,643 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 accounting period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 44 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 and March 20, 2014 for each property prepared by Deloitte Tohmatsu Property Risk Solution Co., Ltd., is 358 million yen.

[Outlook of Next Fiscal Period]

(i) Operational Environment in Next Fiscal Period

Although some weakness remains in the market due to the reaction after a last-minute rise in demand before a consumption tax rate increase, the Japanese economy is expected to recover owing to the effectiveness of various government policy measures. While favorable investment environment is expected to continue in the short term, it is necessary to continuously monitor the risk of prolonged reactionary effect from a last-minute rise in demand before a consumption tax increase, the trends of the economies of the emerging countries and the resource-rich countries, the outlook of European debt crisis, and the recovery pace of the U.S. economy.

Leasable logistics facilities transactions have exhibited an upward trend due to rising investor interest in such transactions. This trend is expected to continue for a while. The leasing market is also expected to continue steady expansion because: (1) while the supply of new modern logistics facilities is expected to continue, the current growth in leasing demand among tenant companies is expected to absorb the vacancies from such facilities and (2) market shows solid trends in rents.

With regard to the financing environment, financial institutions are expected to maintain their current positive lending policies, and this financial environment will further ensure a steady capital inflow into the J-REIT market.

(ii) Future Management Policy and Matters To Be Addressed

Under these circumstances, GLP J-REIT is committed to implementing the following measures to further its 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 contracts subject to renewal, giving consideration to market rents, upon the expiration of lease period. At the same time, GLP J-REIT will manage to enhance the value of existing assets by appropriate maintenance of such assets and capital expenditures.

As for external growth strategy, the Asset Manager of GLP J-REIT has entered into a right-of-first-look agreement with Global Logistic Properties Limited, which is the sponsor parent, and its group companies (hereinafter “GLP Group”), allowing GLP J-REIT to preferentially obtain information regarding the sale of logistics facilities with regard to the 24 properties wholly owned by the GLP Group (as of the date of this document). Taking advantage of this agreement as a valuable pipeline and continuously collecting information from third parties regarding prospective properties, GLP J-REIT will pursue further expansion of its portfolio size.

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.

(iii) Significant Subsequent Events

(a) Issuance of new investment units

At the Board of Directors’ Meetings held on August 11 and August 20, 2014, 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, 2014 while the proceeds from new investment units through a third-party allocation were fully collected on September 24, 2014.

[Issuance of new investment units through a public offering]

Number of new investment units to be issued:	281,709 units (113,216 units for domestic market, 168,493 units for international market)
Issue price (Offer price):	113,827 yen per unit
Total amount issued (total offering amount):	32,066,090,343 yen
Amount to be paid in (issue amount):	109,947 yen per unit
Total amount to be paid in (total issue amount):	30,973,059,423 yen
Payment date	September 1, 2014
Initial date of distribution calculation:	September 1, 2014

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

Number of new investment units issued:	11,322 units
Amount to be paid in (issue amount):	109,947 yen per unit
Total amount to be paid in (total issue amount):	1,244,819,934 yen
Payment date	September 24, 2014
Initial date of distribution calculation:	September 1, 2014
Underwriter:	Nomura Securities Co., Ltd.

[Purpose of funding]

The funds raised through the public offering were appropriated for the acquisition of beneficiary rights of real estate in trust stated below in “(b) Acquisition of Assets”. The funds raised through the third-party allocation will be kept as cash on hand, of which, 1,090 million yen was appropriated to repay a long-term loan before its maturity of January 4, 2015. The amount was paid on September 30, 2014.

(b) Acquisition of assets

GLP J-REIT acquired the nine properties shown below in the form of trust beneficiary interests (with the total acquisition price of 53,830 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 (Millions of yen)
GLP Tokyo II	September 2, 2014	Koto-ku, Tokyo	Tokyo 2 Logistics Special Purpose Company	36,100
GLP Okegawa	September 2, 2014	Okegawa, Saitama	Okegawa Logistics Special Purpose Company	2,420
GLP Kadoma	September 2, 2014	Kadoma, Osaka	Azalea Special Purpose Company	2,430
GLP Seishin	September 2, 2014	Kobe, Hyogo	Seishin Logistics Special Purpose Company	1,470
GLP Fukusaki	September 2, 2014	Kanzaki-gun, Hyogo	Fukusaki Logistics Special Purpose Company	3,640
GLP Ogimachi	September 2, 2014	Sendai, Miyagi	Azalea Special Purpose Company	1,460
GLP Hiroshima	September 2, 2014	Hiroshima, Hiroshima	Azalea Special Purpose Company	3,740
GLP Fukuoka	September 2, 2014	Fukuoka, Fukuoka	Azalea Special Purpose Company	1,520
GLP Chikushino	September 2, 2014	Chikushino, Fukuoka	Azalea Special Purpose Company	1,050
Total	—	—	—	53,830

(c) Borrowing of funds

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

Lender	Loan amount (Millions of yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral
Sumitomo Mitsui Banking Corporation	990	JBA yen 1 month TIBOR plus 0.2%	September 2, 2014	February 28, 2015	Lump-sum repayment on repayment date	Unsecured not guaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	660	JBA yen 1 month TIBOR plus 0.2%		February 28, 2015		
Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., The Bank of Fukuoka, Ltd., The Norinchukin Bank, Resona Bank, Limited., Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, Aozora Bank, Ltd., and The 77 Bank, Ltd.	3,700	JBA yen 1 month TIBOR plus 0.175%		September 2, 2016		
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Bank of Fukuoka, Ltd., Development Bank of Japan Inc. The Norinchukin Bank, Resona Bank, Limited. and Sumitomo Mitsui Trust Bank, Limited	13,600	JBA yen 3 month TIBOR plus 0.36% (Note 1)		September 2, 2022		
Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,700	JBA yen 3 month TIBOR plus 0.93% (Note 2)		September 2, 2027		
Total	21,650	-	-	-	-	-

(Note 1): GLP J-REIT entered into an interest rate swap agreement on August 29, 2014 and the interest rate has been substantially fixed at 0.862%.

(Note 2): GLP J-REIT entered into an interest rate swap agreement on August 29, 2014 and the interest rate has been substantially fixed at 1.854%.

(iv) Earnings Forecast

GLP J-REIT has made the following earnings forecast for the fiscal period ending February 28, 2015 (from September 1, 2014 to February 28, 2015) and the fiscal period ending August 31, 2015 (from March 1, 2015 to August 31, 2015). Please refer the forecast assumptions to “Assumptions Underlying Earnings Forecasts for the 6th Fiscal Period Ending February 28, 2015 (from September 1, 2014 to February 28, 2015) and the 7th Fiscal Period Ending August 31, 2015 (from March 1, 2015 to August 31, 2015)” below.

[Percentages indicate period-on-period changes]

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
Period ending	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Millions of yen [%]	Yen	Yen	Yen
February 28, 2015	10,967 [17.6]	5,790 [17.9]	4,662 [17.4]	4,661 [17.4]	1,949	294	2,243
August 31, 2015	10,962 [(0.0)]	5,616 [(3.0)]	4,486 [(3.8)]	4,484 [(3.8)]	1,875	296	2,171

(Note) The forecast figures are the current figures calculated based on certain assumptions, and the actual net income, distribution per unit, OPD per unit and other figures may vary due to changes in circumstances surrounding GLP J-REIT. In addition, the forecast is not a guarantee of the amount of distributions or OPD.

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**Assumptions Underlying Earnings Forecasts for the 6th Fiscal Period Ending February 28, 2015
(from September 1, 2014 to February 28, 2015) and the 7th Fiscal Period Ending August 31, 2015
(from March 1, 2015 to August 31, 2015)**

Item	Assumption
Accounting period	The 6th Fiscal Period: from September 1, 2014 to February 28, 2015 (181 days) The 7th Fiscal Period: from March 1, 2015 to August 31, 2015 (184 days)
Portfolio assets	<ul style="list-style-type: none"> • It is assumed that the portfolio assets will consist of 53 properties which include beneficiary rights in trust assets mainly of real estate held by GLP J-REIT (44 properties) as of the end of the 5th Fiscal Period and the following beneficiary rights of real estate in trust newly acquired on September 2, 2014 (hereinafter the “Nine September Properties”): GLP Tokyo II, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Fukuoka and GLP Chikushino. The forecast also assumes that there will be no changes in portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) after these acquisitions until the end of August 2015. In practice, however, changes such as acquisitions of new assets or disposals of assets other than those properties stated above may occur.
Number of investment units issued and outstanding	<ul style="list-style-type: none"> • It is assumed that the number of investment units issued and outstanding as of the date of this document will be 2,390,731 units.
Interest-bearing liabilities	<ul style="list-style-type: none"> • The outstanding interest bearing debts of GLP J-REIT as of the end of the 5th Fiscal Period are 149,920 million yen. • GLP J-REIT borrowed 21,650 million yen, including short-term loans of 1,650 million yen, (hereinafter the “September 2014 Borrowing”) on September 2, 2014 to acquire the Nine September Properties. • On September 30, 2014, GLP J-REIT repaid 1,090 million yen of a long term loan with the maturity date of January 4, 2015, by using funds raised by the issuance of new investment units through a third party allocation associated with the secondary offering through over allotment. • The forecast assumes that the following debts will be refinanced through loans or investment corporation bonds during the 6th Fiscal Period: (1) 18,510 million yen, the remaining balance of a long-term loan with the maturity date of January 4, 2015 and (2) short-term loans of September 2014 Borrowing. • The forecast assumes that 2,960 million yen of long-term loans payable will be repaid at the end of August 2015 by using cash on hand since consumption taxes corresponding to the 6th Fiscal Period are scheduled to be refunded during the 7th Fiscal Period. • It is assumed that LTV as of February 28, 2015 (the 6th Fiscal Period) is 49.1% where LTV as of August 31, 2015 (the 7th Fiscal Period) is 48.7%. The following formula is used to compute LTV. LTV=(Balance of interest-bearing liabilities / Total assets) x 100
Operating revenues	<ul style="list-style-type: none"> • Concerning operating revenues, the forecast assumes that there is no delinquent rent payment by tenants.
Operating expenses	<ul style="list-style-type: none"> • With respect to taxes on property and equipment (fixed asset tax, city planning tax and depreciable asset tax on real estate, etc. hereinafter “property-related taxes”) held by GLP J-REIT, of the tax amount assessed and determined, the amount corresponding to the relevant accounting period is recognized as rental expenses. However, if real estate or other assets is newly acquired and an adjusted amount of property-related taxes for the year under the same accounting period (the “amount equivalent to property-related taxes”) arises between GLP J-REIT and the transferor, the relevant adjusted amount is included in the cost of acquisition of the real estate, etc. Accordingly, with regard to property-related taxes for two properties acquired in March 2014 (GLP Urayasu III and GLP Komaki), two properties acquired in April 2014 (GLP Tatsumi IIa and GLP Tatsumi IIb) and the Nine September Properties, no amount will be recognized as tax expenses for the 6th Fiscal Period, and the total amount of 227 million yen for 13 properties will be recognized in the 7th Fiscal Period. The total amounts of property-related taxes included in the acquisition costs of the Nine September Properties are 92 million yen. • Taxes and dues are expected to be 742 million yen for the 6th Fiscal Period and 969 million yen for the 7th Fiscal Period. <p style="text-align: left;"><i>(Continued)</i></p>

Item	Assumption
Item	Assumption
Operating expenses	<p><i>(Continued)</i></p> <ul style="list-style-type: none"> • Repair and maintenance expenses are expected to be 156 million yen for the 6th Fiscal Period and 42 million yen for the 7th Fiscal Period. • Property and facility management fees are expected to be 401 million yen for the 6th Fiscal Period and 399 million yen for the 7th Fiscal Period. • Depreciation is expected to be 2,345 million yen for the 6th Fiscal Period and 2,363 million yen for the 7th Fiscal Period. • With respect to expenses other than depreciation, of rental expenses which are the main operating expenses, such expenses are calculated by reflecting expense changing factors to the past actual expenses. • Actual amounts of repair and maintenance expenses of each accounting period may be significantly different from the estimated amounts due to the following reasons: repair and maintenance (1) may arise urgently due to property damages occurred by unpredictable incidents; (2) generally varies significantly by fiscal period and (3) may not arise regularly. • Depreciation is calculated using the straight-line method based on acquisition costs including incidental expenses and additional capital expenditure in the future.
NOI (Net Operating Income) from leasing	<ul style="list-style-type: none"> • NOI (the amount calculated by deducting property-related expenses, excluding depreciation, from operating revenues) are expected to be 9,270 million yen for the 6th Fiscal Period and 9,143 million yen for the 7th Fiscal Period.
Non-operating expenses	<ul style="list-style-type: none"> • The total amounts of interest expenses on loans, interest expenses on investment corporation bonds, amortization of investment corporation bonds issuance expenses and other finance-related expenses are expected to be 1,007 million yen for the 6th Fiscal Period and 1,039 million yen for the 7th Fiscal Period. Investment corporation bonds issuance expenses are amortized monthly for the period from issuance to redemption. Investment unit issuance expenses are amortized monthly for three years from occurrence, and amortization expenses are expected to be 89 million yen for each of the 6th Fiscal Period and the 7th Fiscal Period. • The forecast also assumes 29 million yen of costs that may temporarily incur in connection with issuance of new investment units for the 6th Fiscal Period.
Distributions per unit (excluding OPD)	<ul style="list-style-type: none"> • Distribution per unit is calculated in accordance with the distribution policy set forth in the Articles of Incorporation of GLP J-REIT. • Distributions per unit (excluding OPD) may change due to various factors including changes in portfolio assets, changes in rental revenues in connection with changes in tenants, unexpected repair, changes in interest rates and additional issuance of investment units.
Optimal payable distribution (OPD) per unit	<ul style="list-style-type: none"> • Optimal payable distribution per unit is calculated in accordance with the policy on cash distributions in excess of retained earnings provided in the Management Guidelines which are the internal policy of the Asset Manager and is calculated by assuming distribution of approximately 30% of respective depreciation arising in the 6th Fiscal Period and the 7th Fiscal Period. • Depreciation may vary from the current expected amount due to change in portfolio assets, the amount of incidental expenses incurred and the amount of capital expenditure. Therefore, the total amount of optimal payable distribution calculated on the basis of depreciation may also vary due to these and other various factors. In addition, in order to maintain the value of assets held by GLP J-REIT, in the event that GLP J-REIT is to pay out OPD, GLP J-REIT sets the maximum as the amount of depreciation less capital expenditure incurred in the accounting period in which the concerned depreciation was recognized. Therefore, when emergency capital expenditure arises from unforeseen factors causing building damage and other, the amount of OPD per unit may decrease. Moreover, when the appraisal LTV provided below exceeds 60%, GLP J-REIT will not pay out OPD. • Appraisal LTV (%) = $A/B \times 100$ (%) A= Interest-bearing liabilities balance (including investment corporation bonds balance and short-term investment corporation bonds balance) at the end of the period + Deposit release amount at the end of the period B= Total amount of appraisal value or research price of portfolio assets at the end of period + Cash and deposits balance at the end of period – Scheduled total amount of distributions of earnings – Scheduled total amount of OPD • Furthermore, the scheduled total amount of distributions of earnings and scheduled total amount of

Item	Assumption
	OPD are the figures of the most recent fiscal period.

Item	Assumption
Other	<ul style="list-style-type: none"> • The forecast assumes that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of Tokyo Stock Exchange, Inc., rules of The Investment Trusts Association, Japan, (“JITA”), etc. that will impact the forecast figures above. • The forecast assumes that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.

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3. Financial Statements

(1) Balance Sheets

(Unit: Thousand yen)		
	Prior Period	Current Period
	As of February 28, 2014	As of August 31, 2014
Assets		
Current assets		
Cash and deposits	3,017,637	4,910,518
Cash and deposits in trust	3,796,866	4,290,515
Operating accounts receivable	39,315	184,297
Prepaid expenses	304,122	329,564
Deferred tax assets	36	34
Consumption taxes receivable	524,483	55,667
Other current assets	400	—
Total current assets	7,682,862	9,770,598
Noncurrent assets		
Property and equipment		
Buildings in trust	103,209,070	113,702,163
Accumulated depreciation	(3,615,924)	(5,469,312)
Buildings in trust, net	99,593,146	108,232,851
Structures in trust	2,348,908	2,771,918
Accumulated depreciation	(218,693)	(339,426)
Structures in trust, net	2,130,214	2,432,491
Machinery and equipment in trust	51,909	51,909
Accumulated depreciation	(9,724)	(13,903)
Machinery and equipment in trust, net	42,185	38,006
Tools, furniture and fixtures in trust	83,233	99,299
Accumulated depreciation	(14,541)	(22,058)
Tools, furniture and fixtures in trust, net	68,691	77,241
Land in trust	145,602,917	171,556,870
Construction in progress	6,892	17,749
Total property and equipment, net	247,444,047	282,355,212
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	654,067	832,668
Security deposits	10,000	10,000
Total investments and other assets	665,667	844,268
Total noncurrent assets	248,109,715	283,199,480
Deferred assets		
Investment unit issuance expenses	282,476	209,855
Investment corporation bond issuance costs	31,999	44,045
Total deferred assets	314,476	253,901
Total Assets	256,107,053	293,223,980

(Unit: Thousand yen)		
	Prior Period As of February 28, 2014	Current Period As of August 31, 2014
Liabilities		
Current liabilities		
Operating accounts payable	97,594	168,180
Short-term loans payable	3,800,000	—
Current portion of long-term loans payable	19,600,000	19,600,000
Accounts payable	894,357	1,123,745
Accrued expenses	6,646	15,698
Income taxes payable	1,158	1,191
Advances received	1,392,633	1,631,787
Deposits received	—	75,900
Current portion of tenant leasehold and security deposits	55,354	77,783
Total current liabilities	25,847,745	22,694,288
Noncurrent liabilities		
Investment corporation bonds	6,000,000	8,000,000
Long-term loans payable	83,900,000	122,320,000
Tenant leasehold and security deposits	6,170,130	6,542,803
Tenant leasehold and security deposits in trust	178,019	278,019
Total noncurrent liabilities	96,248,149	137,140,822
Total Liabilities	122,095,895	159,835,111
Net Assets		
Unitholders' equity		
Unitholders' capital	130,572,839	130,572,839
Deduction from unitholders' capital	(630,331)	(1,156,853)
Unitholders' capital, net	129,942,508	129,415,985
Retained earnings		
Unappropriated retained earnings	4,068,649	3,972,883
Total retained earnings	4,068,649	3,972,883
Total unitholders' equity	134,011,158	133,388,869
Total Net Assets *1	134,011,158	133,388,869
Total Liabilities and Net Assets	256,107,053	293,223,980

(2) Statements of Operations

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2013 To February 28, 2014	From March 1, 2014 To August 31, 2014
Operating revenues		
Rental revenues *1	7,836,430	8,986,824
Other rental revenues *1	244,480	335,258
Total operating revenues	8,080,911	9,322,083
Operating expenses		
Rental expenses *1	2,323,089	3,438,466
Asset management fee	819,258	881,580
Asset custody fee	4,147	4,447
Administrative service fees	11,722	11,612
Directors' remuneration	3,720	3,720
Audit fee	14,000	14,000
Taxes and dues	44	128
Other operating expenses	52,148	56,491
Total operating expenses	3,228,131	4,410,446
Operating income	4,852,780	4,911,637
Non-operating income		
Interest income	968	774
Interest on refund of consumption taxes	—	1,477
Total non-operating income	968	2,252
Non-operating expenses		
Interest expense	518,652	665,692
Interest expenses on investment corporation bonds	77	16,050
Amortization of investment corporation bond issuance costs	542	3,513
Borrowing related expenses	169,029	181,063
Amortization of investment unit issuance expenses	72,620	72,620
Offering costs associated with the issuance of investment units	22,100	1,315
Others, net	1,311	609
Total non-operating expenses	784,334	940,864
Ordinary income	4,069,415	3,973,024
Income before income taxes	4,069,415	3,973,024
Income taxes-current	1,355	1,348
Income taxes-deferred	(28)	1
Total income taxes	1,326	1,350
Net income	4,068,088	3,971,673
Accumulated earnings brought forward	561	1,209
Unappropriated retained earnings	4,068,649	3,972,883

(3) Statements of Changes in Net Assets

Prior period (From September 1, 2013 to February 28, 2014)

(Unit: Thousand yen)

	Unitholders' equity						Total Net Assets
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Retained earnings		Total unitholders' equity	
				Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	107,501,739	(154,366)	107,347,372	3,547,322	3,547,322	110,894,695	110,894,695
Changes of items during the period							
Issuance of new investment units	23,071,100		23,071,100			23,071,100	23,071,100
Distributions in excess of retained earnings		(475,964)	(475,964)			(475,964)	(475,964)
Distributions of earnings				(3,546,761)	(3,546,761)	(3,546,761)	(3,546,761)
Net income				4,068,088	4,068,088	4,068,088	4,068,088
Total changes of items during the period	23,071,100	(475,964)	22,595,135	521,327	521,327	23,116,463	23,116,463
Balance at the end of the period *1	130,572,839	(630,331)	129,942,508	4,068,649	4,068,649	134,011,158	134,011,158

Current period (From March 1, 2014 to August 31, 2014)

(Unit: Thousand yen)

	Unitholders' equity						Total Net Assets
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Retained earnings		Total unitholders' equity	
				Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	130,572,839	(630,331)	129,942,508	4,068,649	4,068,649	134,011,158	134,011,158
Changes of items during the period							
Distributions in excess of retained earnings		(526,522)	(526,522)			(526,522)	(526,522)
Distributions of earnings				(4,067,440)	(4,067,440)	(4,067,440)	(4,067,440)
Net income				3,971,673	3,971,673	3,971,673	3,971,673
Total changes of items during the period	—	(526,522)	(526,522)	(95,766)	(95,766)	(622,289)	(622,289)
Balance at the end of the period *1	130,572,839	(1,156,853)	129,415,985	3,972,883	3,972,883	133,388,869	133,388,869

(4) Statements of Distributions

(Unit: Yen)		
	Prior Period	Current Period
	From September 1, 2013 To February 28, 2014	From March 1, 2014 To August 31, 2014
I		
Unappropriated retained earnings	4,068,649,852	3,972,883,391
II		
Distributions in excess of retained earnings		
Deduction from unitholders' capital	526,522,700	593,649,100
III		
Distributions	4,593,963,000	4,564,595,200
[Distributions per unit]	[2,190]	[2,176]
Of which, distributions of earnings	4,067,440,300	3,970,946,100
[Of which, distributions of earnings per unit]	[1,939]	[1,893]
Of which, distributions in excess of retained earnings	526,522,700	593,649,100
[Of which, distributions in excess of retained earnings per unit]	[251]	[283]
IV		
Retained earnings carried forward	1,209,552	1,937,291

Calculation method of distribution amount

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 limited to the amount of net income but 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 4,067,440,300 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

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 3,970,946,100 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

(Continued)

(Continued)

(Continued)

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

Thus, GLP J-REIT declared the OPD of 526,522,700 yen, as a refund of investment, which was determined as follows: (1) the amount not exceeding the upper limit of 1,275,293,218 yen calculated by deducting capital expenditure of 480,296,839 yen from depreciation expense of 1,755,590,057 yen, and (2) approximately 30% of the depreciation expense of 1,755,590,057 yen for the period.

(Continued)

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

Thus, GLP J-REIT declared the OPD of 593,649,100 yen, as a refund of investment, which was determined as follows: (1) the amount not exceeding the upper limit of 1,643,302,626 yen calculated by deducting capital expenditure of 342,513,135 yen from depreciation expense of 1,985,815,761 yen, and (2) approximately 30% of the depreciation expense of 1,985,815,761 yen for the period.

(Note) 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 accounting period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

(5) Statements of Cash Flows

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2013	From March 1, 2014
	To February 28, 2014	To August 31, 2014
Operating activities:		
Income before income taxes	4,069,415	3,973,024
Depreciation	1,755,590	1,985,815
Amortization of investment corporation bond issuance costs	542	3,513
Amortization of investment unit issuance expenses	72,620	72,620
Interest income	(968)	(774)
Interest expense	518,730	681,742
Decrease (increase) in operating accounts receivable	940	(144,982)
Decrease (increase) in prepaid expenses	2,669	(25,442)
Decrease (increase) in consumption taxes receivable	(524,483)	468,815
Decrease (increase) in other current assets	(400)	400
Decrease (increase) in long-term prepaid expenses	78,459	(178,601)
Increase (decrease) in operating accounts payable	(14,648)	70,585
Increase (decrease) in accounts payable	66,691	117,870
Increase (decrease) in consumption taxes payables	(282,961)	—
Increase (decrease) in advances received	225,361	239,154
Increase (decrease) in deposits received	(682,167)	75,900
Sub total	5,285,391	7,339,644
Interest received	968	774
Interest paid	(520,597)	(672,690)
Income taxes paid	(712)	(1,315)
Net cash provided by (used in) operating activities	4,765,049	6,666,413
Investing activities:		
Purchase of property and equipment	(6,872)	(17,660)
Purchase of property and equipment in trust	(28,157,717)	(36,768,586)
Proceeds from tenant leasehold and security deposits	1,029,200	457,045
Proceeds from tenant leasehold and security deposits in trust	—	100,000
Repayments of tenant leasehold and security deposits	(92,862)	(61,943)
Net cash provided by (used in) investing activities	(27,228,252)	(36,291,144)
Financing activities:		
Proceeds from short-term loans payable	8,800,000	7,700,000
Repayments for short-term loans payable	(23,400,000)	(11,500,000)
Proceeds from long-term loans payable	8,500,000	38,420,000
Repayments for long-term loans payable	(1,000,000)	—
Proceeds from issuance of investment corporation bonds	6,000,000	2,000,000
Payments for investment corporation bond issuance costs	(29,454)	(17,011)
Proceeds from issuance of investment units	22,957,887	—
Payments of distributions of earnings	(3,544,759)	(4,065,471)
Payments of distributions in excess of retained earnings	(475,654)	(526,256)
Net cash provided by (used in) financing activities	17,808,019	32,011,260
Net increase (decrease) in cash and cash equivalents	(4,655,183)	2,386,529
Cash and cash equivalents at beginning of period	11,469,687	6,814,504
Cash and cash equivalents at end of period *1	6,814,504	9,201,033

(6) Notes Concerning Going Concern Assumption

None

(7) Notes Concerning Significant Accounting Policies

1. Basis and method of valuation of assets	<p>Securities</p> <p>Available-for-sale securities with no readily determinable market price are stated at cost. Cost of securities sold is determined by the moving-average method.</p>								
2. Depreciation of noncurrent assets	<p>Property and equipment including trust assets</p> <p>Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows:</p> <table style="margin-left: 40px;"> <tr> <td>Buildings</td> <td style="text-align: right;">2 to 55 years</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">2 to 57 years</td> </tr> <tr> <td>Machinery and equipment</td> <td style="text-align: right;">6 to 12 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td style="text-align: right;">2 to 15 years</td> </tr> </table>	Buildings	2 to 55 years	Structures	2 to 57 years	Machinery and equipment	6 to 12 years	Tools, furniture and fixtures	2 to 15 years
Buildings	2 to 55 years								
Structures	2 to 57 years								
Machinery and equipment	6 to 12 years								
Tools, furniture and fixtures	2 to 15 years								
3. Accounting treatment for deferred assets	<p>(1) Investment unit issuance expenses are amortized over three years using the straight-line method.</p> <p>(2) Investment corporate bond issuance costs are amortized over the remaining life of the bonds using the straight-line method.</p>								
4. Revenue and expense recognition	<p>Taxes on property and equipment</p> <p>With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period is accounted for as rental expenses.</p> <p>Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related tax are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 47,068 thousand yen for the prior period and 147,145 thousand yen for the current period.</p>								
5. Hedge accounting	<p>GLP J-REIT enters into derivative transactions in order to hedge against risks defined in its Articles of Incorporation in compliance with their general risk management policy. GLP J-REIT uses interest rate swaps for the purpose of hedging its risk exposure associated with interests on 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 or income, respectively.</p> <p>The hedge effectiveness 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.</p>								

<p>6. Cash and cash equivalents as stated in the Statements of Cash Flows</p>	<p>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.</p>
<p>7. Other significant matters which constitute the basis for preparation of financial statements</p>	<p>(1) Accounting treatment of beneficiary right of real estate in trust</p> <p>As to beneficiary rights of real estate in trust, all accounts of assets and liabilities for assets in trust as well as the related income generated and expenses incurred are recorded in the relevant balance sheets and income statement accounts.</p> <p>Of which, the following significant trust assets are shown separately on the balance sheets.</p> <ul style="list-style-type: none"> (a) Cash and deposits in trust (b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust (c) Tenant leasehold and security deposits in trust <p>(2) Accounting treatment for consumption taxes</p> <p>Consumption taxes withheld and paid are not included in the accompanying statements of operations.</p>

(8) Notes to Financial Statements

(Notes to Balance Sheets)

Prior Period (As of February 28, 2014)

- *1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.

Current Period (As of August 31, 2014)

- *1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.

(Notes to Statements of Operations)

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

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2013 To February 28, 2014	From March 1, 2014 To August 31, 2014
A. Property-related revenues		
Rental revenues:		
Rental revenues	7,618,792	8,723,135
Common area charges	217,638	263,689
Total	7,836,430	8,986,824
Other revenues related to property leasing		
Utility charges	178,854	230,956
Parking lots	27,157	28,707
Others	38,469	75,594
Total	244,480	335,258
Total property-related revenues	8,080,911	9,322,083
B. Property-related expenses		
Rental expenses:		
Taxes and dues	—	742,745
Property and facility management fees	288,406	328,479
Utilities	209,312	254,787
Repairs and maintenance	15,247	54,802
Casualty insurance	14,965	16,334
Depreciation	1,755,590	1,985,815
Others	39,566	55,502
Total property-related expenses	2,323,089	3,438,466
C. Operating income from property leasing (A – B)	5,757,822	5,883,616

(Notes to Statements of Changes in Net Assets)

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

	Prior Period	Current Period
	From September 1, 2013 To February 28, 2014	From March 1, 2014 To August 31, 2014
Number of investment units authorized	16,000,000 units	16,000,000 units
Number of investment units issued and outstanding	2,097,700 units	2,097,700 units

(Notes to Statements of Cash Flows)

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

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2013 To February 28, 2014	From March 1, 2014 To August 31, 2014
Cash and deposits	3,017,637	4,910,518
Cash and deposits in trust	3,796,866	4,290,515
Cash and cash equivalents	6,814,504	9,201,033

(Leases)

Operating lease transactions (As Lessor)

Future minimum rental revenues

(Unit: Thousand yen)

	Prior Period	Current Period
	As of February 28, 2014	As of August 31, 2014
Due within one year	14,874,364	17,063,214
Due after one year	51,803,549	54,151,094
Total	66,677,914	71,214,309

(Financial Instruments)

1. Status of financial instruments

- (1) Policy for financial instruments

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

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

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

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

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

Bank loans and investment corporation bonds are 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 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, thus exposed to liquidity risk. GLP J-REIT generally minimizes and manages such risk by holding sufficient funds to make the repayments and monitoring its cash flows.

(3) Supplemental explanation regarding fair values of financial instruments

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

2. Estimated fair value of financial instruments

Prior Period (As of February 28, 2014)

Book value, fair value and difference between the values as of February 28, 2014 are as follows. Financial instruments for which fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	3,017,637	3,017,637	—
(2) Cash and deposits in trust	3,796,866	3,796,866	—
Total assets	6,814,504	6,814,504	—
(1) Short-term loans payable	3,800,000	3,800,000	—
(2) Current portion of long-term loans payable	19,600,000	19,600,000	—
(3) Investment corporation bonds	6,000,000	6,006,000	6,000
(4) Long-term loans payable	83,900,000	84,536,189	636,189
Total liabilities	113,300,000	113,942,189	642,189
Derivative transactions	—	—	—

Current Period (As of August 31, 2014)

Book value, fair value and difference between the values as of August 31, 2014 are as follows. Financial instruments for which fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	4,910,518	4,910,518	—
(2) Cash and deposits in trust	4,290,515	4,290,515	—
Total assets	9,201,033	9,201,033	—
(2) Current portion of long-term loans payable	19,600,000	19,600,000	—
(3) Investment corporation bonds	8,000,000	8,042,600	42,600
(4) Long-term loans payable	122,320,000	123,267,473	947,473
Total liabilities	149,920,000	150,910,073	990,073
Derivative transactions	—	(15,106)	(15,106)

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

Assets:

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

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

Liabilities:

(1) Short-term loans payable

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

(2) Current portion of long-term loans payable (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 principle 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 and designated as a hedged item.

(3) Investment corporation bonds

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

Derivative transactions:

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

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

(Unit: Thousand yen)

Account name	Prior Period As of February 28, 2014	Current Period As of August 31, 2014
Tenant leasehold and security deposits	6,170,130	6,542,803
Tenant leasehold and security deposits in trust	178,019	278,019
Total	6,348,149	6,820,822

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 very difficult to estimate their fair value. Therefore, their fair values are not disclosed.

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

Prior Period (As of February 28, 2014)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	3,017,637
Cash and deposits in trust	3,796,866
Total	6,814,504

Current Period (As of August 31, 2014)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	4,910,518
Cash and deposits in trust	4,290,515
Total	9,201,033

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

Prior Period (As of February 28, 2014)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	—	—	6,000,000	—
Long-term loans payable	19,600,000	23,800,000	3,500,000	24,300,000	—	32,300,000
Total	19,600,000	23,800,000	3,500,000	24,300,000	6,000,000	32,300,000

Current Period (As of August 31, 2014)

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	—	—	6,000,000	2,000,000
Long-term loans payable	19,600,000	23,800,000	15,580,000	24,300,000	12,300,000	46,340,000
Total	19,600,000	23,800,000	15,580,000	24,300,000	18,300,000	48,340,000

(Investment Securities)

Prior Period (As of February 28, 2014) and Current Period (As of August 31, 2014)

None

(Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of February 28, 2014) and Current Period (As of August 31, 2014)

None

2. Derivative transactions for which hedge accounting is applied

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

Prior Period (As of February 28, 2014)

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ pay fix	Long-term loans payable	77,150,000	77,150,000	(Note 1)	(Note 2)

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

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

Current Period (As of August 31, 2014)

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ pay fix	Long-term loans payable	114,990,000 (Note 1)	114,990,000 (Note 1)	(15,106) (Note 2)	(Note 3)

(Note 1) The amount includes the contract amount of interest rate swap (16,300 million yen) entered on August 29, 2014. The start date of the loan that is the hedged item is September 2, 2014.

(Note 2) The fair value of the aforementioned interest rate swap entered on August 29, 2014 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 no such loan payable is not yet recognized as of the fiscal period then ended. Interest rate swaps under the special accounting treatment, except for those aforementioned, are accounted for as an integral component of long-term loans payable designated as hedged items. Thus, their fair value is included in that of long-term loans payable disclosed in aforementioned “(Financial Instruments), 2. Estimated fair value of financial instruments, (4) Long-term loans payable.”

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

(Retirement Benefit Plans)

Prior Period (As of February 28, 2014) and Current Period (As of August 31, 2014)

None

(Equity in Income)

Prior Period (As of February 28, 2014) and Current Period (As of August 31, 2014)

No affiliate exists, thus, none to report.

(Asset Retirement Obligation)

Prior Period (As of February 28, 2014) and Current Period (As of August 31, 2014)

None

(Deferred Tax Accounting)

1. Significant components of deferred tax assets and liabilities

(Unit: Thousand yen)

	Prior Period As of February 28, 2014	Current Period As of August 31, 2014
Deferred tax assets		
Enterprise tax payable	36	34
Total	36	34
Net deferred tax assets	36	34

2. Reconciliation between Japanese statutory tax rate and the effective income tax rate with respect to pre-tax income reflected in the accompanying statement of operations for each period is as follows.

(Unit: %)

	Prior Period As of February 28, 2014	Current Period As of August 31, 2014
Statutory effective tax rate	36.59	36.59
(Adjustments)		
Distributions deductible for tax purposes	(36.57)	(36.57)
Other	0.01	0.01
Actual tax rate	0.03	0.03

(Related Party Transactions)

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

Prior Period (From September 1, 2013 to February 28, 2014)

None

Current Period (From March 1, 2014 to August 31, 2014)

None

2. Transactions and account balances with affiliates

Prior Period (From September 1, 2013 to February 28, 2014)

None

Current Period (From March 1, 2014 to August 31, 2014)

None

3. Transactions and account balances with companies under common control

Prior Period (From September 1, 2013 to February 28, 2014)

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 (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	156,077	Operating accounts payable	28,083
							Royalty fee (Note 2)	7,500	—	—
							Leasing commission	11,865	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Note 2, 3)	901,758	Accounts payable	750,017
	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,630,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	9,860	Advances received	3,367

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

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

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

(Note 3) Asset management fee above includes management fees of 82,500 thousand yen capitalized as part of acquisition costs of properties.

Current Period (From March 1, 2014 to August 31, 2014)

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 (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	169,768	Operating accounts payable	29,488
							Royalty fee (Note 2)	7,500	—	—
							Leasing commission	28,984	—	—
	GLP Japan Advisors Inc.	Minato-ku, Tokyo	100,000	Asset management	—	Concurrently serving directors Entrustment of asset management	Asset management fee (Note 2, 3)	1,005,830	Accounts payable	826,615
	Urayasu Three Logistic Special Purpose Company	Minato-ku, Tokyo	100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	18,200,000	—	—
							Receipt of deposits	79,089	Deposits received	39,471
							Acceptance of security deposits	106,203	—	—
	Komaki Logistic Special Purpose Company	Minato-ku, Tokyo	100,100	Real estate	—	—	Purchase of beneficiary right of real estate in trust	10,300,000	—	—
							Receipt of deposits	75,352	Deposits received	36,429
							Acceptance of security deposits	151,729	—	—
	GLP Solar Special Purpose Company	Minato-ku, Tokyo	1,630,100	Equipment leasing	—	Rooftop leasing	Rental income from rooftop leasing (Note 2)	26,620	Advances received	4,806

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

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

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

(Note 3) Asset management fee above includes management fees of 124,250 thousand yen capitalized as part of acquisition costs of properties.

(Note 4) The business name of Komaki Logistic Special Purpose Company is changed to Azalea 2 Special Purpose Company on September 2, 2014.

4. Transactions and account balances with Board of Directors and individual unitholders

Prior Period (From September 1, 2013 to February 28, 2014)

None

Current Period (From March 1, 2014 to August 31, 2014)

None

(Investment and Rental Properties)

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

(Unit: Thousand yen)

	Prior Period From September 1, 2013 To February 28, 2014	Current Period From March 1, 2014 To August 31, 2014
Book value		
Balance at the beginning of the period	221,053,017	247,437,155
Change during the period	26,384,137	34,900,307
Balance at the end of the period	247,437,155	282,337,462
Fair value at the end of the period	264,270,000	306,507,000

(Note 1) The amount on the balance sheets is based on the acquisition cost less the accumulated amount of depreciation.

(Note 2) Of the change in book value during each period, the major increase for the prior period was primarily due to the acquisition of the following 7 properties in the total amount of 27,659,430 thousand yen: GLP Hamura, GLP Funabashi III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana and GLP Hatsukaichi, where the major decrease was due to depreciation of 1,755,590 thousand yen. Similarly, the major increase for the current period was primarily due to the acquisition of the following 4 properties in the total amount of 36,543,609 thousand yen: GLP Urayasu III, GLP Komaki, GLP Tatsumi IIa and GLP Tatsumi IIb), where the major decrease was due to depreciation of 1,985,815 thousand yen.

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

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

(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 “Multi-tenant Property” reportable segment, whereas a build-to-suit (“BTS”) properties developed for a single tenant or a property with a single tenant have been aggregated and presented as “BTS Property” reportable segment.

GLP J-REIT’s properties were classified to each 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 and GLP Komaki.

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 and GLP Tatsumi IIb.

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

The accounting policies of each reportable segment are consistent to those disclosed in “Notes Concerning Significant Accounting Policies.” Segment income is measured on the basis of operating income, 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

Prior Period (As of February 28, 2014)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	3,076,915	5,003,996	—	8,080,911
Segment income	2,074,035	3,683,787	(905,041)	4,852,780
Segment assets	93,912,141	157,387,896	4,807,015	256,107,053
Other items				
Depreciation	579,552	1,176,037	—	1,755,590
Increase in property and equipment	68,445	28,071,282	(12,748)	28,126,978

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

(Note 2) Reconciling items to segment income of 905,041 thousand yen consist of corporate expenses of 905,041 thousand yen that

are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors' remuneration and other expenses.

Reconciling items to segment assets in the amount of 4,807,015 thousand yen include current assets of 3,821,579 thousand yen, property and equipment of 6,892 thousand yen, investments and other assets of 664,067 thousand yen and deferred assets of 314,476 thousand yen.

Reconciling items to increase in property and equipment under other items in the amount of 12,748 thousand yen consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress of 12,748 thousand yen.

Current Period (As of August 31, 2014)

	(Unit: Thousand yen)			
	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note1)	3,958,991	5,363,091	—	9,322,083
Segment income	2,430,803	3,452,813	(971,979)	4,911,637
Segment assets	122,381,058	164,444,037	6,398,884	293,223,980
Other items				
Depreciation	749,512	1,236,302	—	1,985,815
Increase in property and equipment	28,800,189	8,085,933	10,856	36,896,979

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

(Note 2) Reconciling items to segment income of 971,979 thousand yen consist of corporate expenses of 971,979 thousand yen that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors' remuneration and other expenses.

Reconciling items to segment assets in the amount of 6,398,884 thousand yen include current assets of 5,284,565 thousand yen, property and equipment of 17,749 thousand yen, investments and other assets of 842,668 thousand yen and deferred assets of 253,901 thousand yen.

Reconciling items to increase in property and equipment under other items in the amount of 10,856 thousand yen consist of corporate assets which are not allocated to each reportable segment. Such corporate assets represent construction in progress of 10,856 thousand yen.

(Related Information)

Prior Period (From September 1, 2013 to February 28, 2014)

1. Revenue information by product and service

Disclosure of this information has been omitted as operating revenues earned from external customers for a single product and service have exceeded 90% of operating revenues on the Statement of Income.

2. Information by geographic area

(1) Operating revenues

Disclosure of this information has been omitted as operating revenues earned from external customers in Japan have exceeded 90% of operating revenues on the accompanying statement of operations.

(2) Property and equipment

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

3. Information on major tenants

A major customer accounting for 10% or more of total operating revenues is as follows. When each property or

property in trust is leased through a master lease agreement, the amount of total revenues earned from end-tenants is stated.

(Unit: Thousand yen)

Name of customer	Operating revenues	Relevant segment
Hitachi Transport System, Ltd.	874,578	BTS rental business

Current Period (From March 1, 2014 to August 31, 2014)

1. Revenue information by product and service

Disclosure of this information has been omitted as operating revenues earned from external customers for a single product and service have exceeded 90% of operating revenues on the Statement of Income.

2. Information by geographic area

(1) Operating revenues

Disclosure of this information has been omitted as operating revenues earned from external customers in Japan have exceeded 90% of operating revenues on the accompanying statement of operations.

(2) Property and equipment

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

3. Information on major tenants

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

(Per Unit Information)

	Prior Period From September 1, 2013 To February 28, 2014	Current Period From March 1, 2014 To August 31, 2014
Net assets per unit	63,884 yen	63,588 yen
Net income per unit	1,974 yen	1,893 yen

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

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

	Prior Period From September 1, 2013 To February 28, 2014	Current Period From March 1, 2014 To August 31, 2014
Net income	4,068,088 thousand yen	3,971,673 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	4,068,088 thousand yen	3,971,673 thousand yen
Average number of investment units during the period	2,060,678 units	2,097,700 units

(Significant Subsequent Events)

1. Issuance of New Investment Units

At the Board of Directors' Meetings held on August 11 and August 20, 2014, 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, 2014 while the proceeds from new investment units through a third-party allocation were fully collected on September 24, 2014.

[Issuance of new investment units through a public offering]

Number of new investment units to be issued:	281,709 units (113,216 units for domestic market, 168,493 units for international market)
Issue price (Offer price):	113,827 yen per unit
Total amount issued (total offering amount):	32,066,090,343 yen
Amount to be paid in (issue amount):	109,947 yen per unit
Total amount to be paid in (total issue amount):	30,973,059,423 yen
Payment date	September 1, 2014
Initial date of distribution calculation:	September 1, 2014

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

Number of new investment units issued:	11,322 units
Amount to be paid in (issue amount):	109,947 yen per unit
Total amount to be paid in (total issue amount):	1,244,819,934 yen
Payment date	September 24, 2014
Initial date of distribution calculation:	September 1, 2014
Underwriter:	Nomura Securities Co., Ltd.

[Purpose of funding]

The funds raised through the public offering were appropriated for the acquisition of beneficiary rights of real estate in trust stated below in "(b) Acquisition of Assets." The funds raised through the third-party allocation will be kept as cash on hand, of which, 1,090 million yen will be appropriated to repay a long-term loan before its maturity of January 4, 2015. (The amount was paid on September 30, 2014.)

2. Acquisition of Assets

GLP J-REIT acquired the nine properties shown below in the form of trust beneficiary interests (with a total acquisition price of 53,830 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 (Millions of yen)
GLP Tokyo II	September 2, 2014	Koto-ku, Tokyo	Tokyo 2 Logistics Special Purpose Company	36,100
GLP Okegawa	September 2, 2014	Okegawa, Saitama	Okegawa Logistics Special Purpose Company	2,420
GLP Kadoma	September 2, 2014	Kadoma, Osaka	Azalea Special Purpose Company	2,430
GLP Seishin	September 2, 2014	Kobe, Hyogo	Seishin Logistics Special Purpose Company	1,470
GLP Fukusaki	September 2, 2014	Kanzaki-gun, Hyogo	Fukusaki Logistics Special Purpose Company	3,640
GLP Ogimachi	September 2, 2014	Sendai, Miyagi	Azalea Special Purpose Company	1,460
GLP Hiroshima	September 2, 2014	Hiroshima, Hiroshima	Azalea Special Purpose Company	3,740
GLP Fukuoka	September 2, 2014	Fukuoka, Fukuoka	Azalea Special Purpose Company	1,520
GLP Chikushino	September 2, 2014	Chikushino, Fukuoka	Azalea Special Purpose Company	1,050
Total	—	—	—	53,830

3. Borrowing of Funds

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

Lender	Loan amount (Millions of yen)	Interest rate	Loan execution date	Repayment date	Repayment method	Collateral
Sumitomo Mitsui Banking Corporation	990	JBA yen 1month TIBOR plus 0.2%	September 2, 2014	February 28, 2015	Lump-sum repayment on repayment date	Unsecured not guaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	660	JBA yen 1month TIBOR plus 0.2%		February 28, 2015		
Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Citibank Japan Ltd., The Bank of Fukuoka, Ltd., The Norinchukin Bank, Resona Bank, Limited., Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, Aozora Bank, Ltd., and The 77 Bank, Ltd.	3,700	JBA yen 1month TIBOR plus 0.175%		September 2, 2016		
Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Bank of Fukuoka, Ltd., Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited. and Sumitomo Mitsui Trust Bank, Limited	13,600	JBA yen 3month TIBOR plus 0.36% (Note 1)		September 2, 2022		
Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,700	JBA yen 3month TIBOR plus 0.93% (Note 2)		September 2, 2027		
Total	21,650	-	-	-	-	-

(Note 1): GLP J-REIT entered into an interest rate swap agreement on August 29, 2014 and the interest rate has been substantially fixed at 0.862%.

(Note 2): GLP J-REIT entered into an interest rate swap agreement on August 29, 2014 and the interest rate has been substantially fixed at 1.854%.

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

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

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Millions of 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)

(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.

4. Changes in Directors

Changes in directors are disclosed on a timely basis, when the contents for disclosure are determined.

5. Reference Information

(1) Investment Status

Type of asset	Area (Note 1)	Prior Period February 28, 2014		Current Period August 31, 2014	
		Total amount held (Millions of yen) (Note 2)	As a ratio to total assets (%) (Note 3)	Total amount held (Millions of yen) (Note 2)	As a ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Tokyo metropolitan area	146,419	57.2	171,678	58.5
	Greater Osaka area	62,755	24.5	62,349	21.3
	Other	38,262	14.9	48,310	16.5
Sub Total		247,437	96.6	282,337	96.3
Deposits and other assets		8,669	3.4	10,886	3.7
Total assets (Note 5) (Note 6)		256,107 [247,437]	100.0 [96.6]	293,223 [282,337]	100.0 [96.3]

	Amount (Millions of yen)	As a ratio to total assets (%) (Note 3)	Amount (Millions of yen)	As a ratio to total assets (%) (Note 3)
Total liabilities (Note 5)	122,095	47.7	159,835	54.5
Total net assets (Note 5)	134,011	52.3	133,388	45.5

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

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

(Note 3) The ratio to total assets is rounded off to the first decimal place.

(Note 4) The amounts of construction in progress are not included in the amounts of property and equipment in trust.

(Note 5) The book value is stated for total assets, total liabilities and total net assets.

(Note 6) The figures in square brackets represent the holding properties portion to total assets.

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(2) Portfolio Overview

The following table summarizes the beneficiary rights of real estate in trust or the real estate properties in trust held by GLP J-REIT at the fiscal period end. Each figure in this table is the information as of August 31, 2014 unless otherwise stated.

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 2)	Share (%) (Note 3)	Leasable area (m ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	22,493	24,300	8.0	56,105.95	56,105.95	100.0	5
Tokyo-2	GLP Higashi-Ogishima	4,980	5,024	5,590	1.7	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,160	7,135	7,740	2.5	27,356.63	27,356.63	100.0	3
Tokyo-4	GLP Tomisato	4,990	4,896	5,270	1.8	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	15,304	18,200	5.3	104,543.59	104,543.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,745	1,840	0.6	12,017.00	12,017.00	100.0	1
Tokyo-7	GLP Kazo	11,500	11,217	12,600	4.0	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,368	2,650	0.8	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	18,645	20,100	6.7	101,272.40	100,162.57	98.9	4
Tokyo-10	GLP Iwatsuki	6,940	6,842	7,320	2.4	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	4,144	4,470	1.5	18,460.73	18,460.73	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,674	10,300	3.4	43,537.47	43,537.47	100.0	2
Tokyo-13	GLP Misato II	14,600	14,426	15,700	5.1	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,939	5,390	1.7	12,925.58	12,925.58	100.0	1
Tokyo-15	GLP Hamura	7,660	7,639	8,210	2.7	40,277.93	40,277.93	100.0	1
Tokyo-16	GLP Funabashi III	3,050	3,038	3,560	1.1	18,281.84	18,281.84	100.0	1
Tokyo-17	GLP Sodegaura	6,150	6,107	7,140	2.2	45,582.06	45,582.06	100.0	1
Tokyo-18	GLP Urayasu III	18,200	18,229	18,700	6.4	64,198.11	64,198.11	100.0	2
Tokyo-19	GLP Tatsumi IIa	6,694	6,738	6,900	2.3	17,108.52	17,108.52	100.0	1
Tokyo-20	GLP Tatsumi IIb	1,056	1,065	1,120	0.4	3,359.00	3,359.00	100.0	1
Osaka-1	GLP Hirakata	4,750	4,731	4,980	1.7	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,849	8,230	2.8	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	8,970	8,739	10,100	3.1	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,021	2,120	0.7	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	5,128	5,450	1.8	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,500	24,155	25,200	8.6	110,224.89	110,224.89	100.0	6
Osaka-7	GLP Amagasaki II	2,040	2,026	2,120	0.7	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,327	2,700	0.8	19,545.35	19,545.35	100.0	1
Osaka-9	GLP Sakai	2,000	1,967	2,080	0.7	10,372.10	10,372.10	100.0	1
Osaka-10	GLP Rokko II	3,430	3,400	3,970	1.2	20,407.30	20,407.30	100.0	1
Other-1	GLP Morioka	808	824	841	0.3	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	2,820	2,760	2,930	1.0	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	3,966	4,340	1.4	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,607	2,690	0.9	27,671.50	27,671.50	100.0	4
Other-5	GLP Tokai	6,210	6,119	6,900	2.2	32,343.31	32,343.31	100.0	1
Other-6	GLP Hayashima	1,190	1,206	1,260	0.4	13,574.58	13,574.58	100.0	1

Property number	Property name	Acquisition price (Millions of yen) (Note 1)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 2)	Share (%) (Note 3)	Leasable area (m ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Other-7	GLP Hayashima II	2,460	2,398	2,560	0.9	14,447.48	14,447.48	100.0	1
Other-8	GLP Kiyama	4,760	4,608	5,070	1.7	23,455.96	23,455.96	100.0	1
Other-9	GLP Tosu III	793	828	866	0.3	11,918.00	11,918.00	100.0	1
Other-10	GLP Sendai	5,620	5,501	5,910	2.0	37,256.23	37,256.23	100.0	1
Other-11	GLP Ebetsu	1,580	1,574	1,900	0.6	18,489.25	18,489.25	100.0	1
Other-12	GLP Kuwana	3,650	3,615	4,140	1.3	20,402.12	20,402.12	100.0	1
Other-13	GLP Hatsukaichi	1,980	1,967	2,250	0.7	10,981.89	10,981.89	100.0	1
Other-14	GLP Komaki	10,300	10,331	10,800	3.6	52,709.97	52,709.97	100.0	2
Total portfolio		285,061	282,337	306,507	100.0	1,490,181.13	1,489,071.30	99.9	66

“Tokyo” refers to Tokyo metropolitan area and “Osaka” refers to Greater Osaka area.

(Note 1) “Acquisition price” represents the purchase price of each property or beneficiary right in trust as set forth on the relevant purchase agreement and does not include expenses such as consumption taxes.

(Note 2) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trust Association.

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

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

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

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

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

(3) Capital Expenditure for Properties Owned

(a) Future plan for capital expenditure

The following table summarizes the major capital expenditure plan in connection with scheduled renovation and others for properties owned as of February 28, 2014. Estimated construction cost includes the amounts to be expensed for accounting purpose.

Property name	Location	Purpose	Planned period	Estimated construction cost (Millions of yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Funabashi	Funabashi, Chiba	Construction of fire prevention compartment	From October 2014 to December 2014	219	—	—
GLP Koriyama III	Koriyama, Fukushima	Replacement of GR-type receivers	From October 2014 to February 2015	46	—	—
GLP Hamura	Hamura, Tokyo	Renovation of exterior wall	From November 2014 to February 2015	42	—	—
GLP Funabashi III	Funabashi, Chiba	Renovation of exterior wall joint of warehouse	From April 2015 to June 2015	35	—	—
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of water cooled chillers	From May 2015 to June 2015	35	—	—
GLP Morioka	Shiwa-gun, Iwate	Renovation of East exterior wall of warehouse	From June 2015 to August 2015	15	—	—
GLP Tosu III	Tosu, Saga	Renovation of asphalt pavement around an administration building	From May 2015 to May 2015	10	—	—
GLP Tosu III	Tosu, Saga	Replacement of air conditioners	From December 2014 to December 2014	9	—	—
GLP Tosu III	Tosu, Saga	Replacement of air conditioners	From June 2015 to June 2015	9	—	—

(b) Capital expenditure incurred for the period

The following table summarizes the major constructions to holding properties that resulted in capital expenditure for the current period. Capital expenditure for the current period was 342 million yen. The total construction cost amounted to 397 million yen, including repair and maintenance of 54 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Millions of yen)
GLP Narashino II	Narashino, Chiba	Replacement of control board of fire extinguishing system	From May 2014 to August 2014	57
GLP Higashi-Ogishima	Kawasaki, Kanagawa	Replacement of air conditioners	From May 2014 to June 2014	26
GLP Morioka	Shiwa-gun, Iwate	Renovation of South-West exterior wall	From July 2014 to August 2014	25
GLP Tosu III	Tosu, Saga	Replacement of air conditioners	From August 2014 to August 2014	9
Other	—	—	—	223
Total				342

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

The 5th Fiscal Period (From March 1, 2014 to August 31, 2014)

(Unit in amount: Thousand yen)

Property number	Tokyo-1	Tokyo-2	Tokyo-3	Tokyo-4	Tokyo-5	Tokyo-6	Tokyo-7
Property name	GLP Tokyo	GLP Higashi-Ogishima	GLP Akishima	GLP Tomisato	GLP Narashino II	GLP Funabashi	GLP Kazo
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	706,996						
(2)Property-related expenses	158,448						
Taxes and dues	57,118						
Property and facility management fees	38,204	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities	52,816						
Repair and maintenance	2,213						
Casualty insurance	797						
Others	7,297						
(3)NOI((1)-(2))	548,547	157,631	198,525	137,761	402,195	49,510	327,746
(4)Depreciation	120,360	37,659	28,190	38,890	143,342	9,476	104,462
(5)Operating income from property leasing ((3)-(4))	428,186	119,972	170,334	98,871	258,853	40,033	223,283
(6)Capital expenditure	22,992	57,916	1,550	—	60,273	9,540	1,820
(7)NCF((3)-(6))	525,555	99,715	196,975	137,761	341,922	39,970	325,926

Property number	Tokyo-8	Tokyo-9	Tokyo-10	Tokyo-11	Tokyo-12	Tokyo-13	Tokyo-14
Property name	GLP Fukaya	GLP Sugito II	GLP Iwatsuki	GLP Kasukabe	GLP Koshigaya II	GLP Misato II	GLP Tatsumi
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	(Note)	661,963	(Note)	(Note)	(Note)	(Note)	(Note)
(2)Property-related expenses		145,511					
Taxes and dues		50,888					
Property and facility management fees		43,895					
Utilities		45,717					
Repair and maintenance		2,369					
Casualty insurance		1,247					
Others		1,393					
(3)NOI((1)-(2))	73,541	516,451	184,695	116,290	254,593	384,198	124,740
(4)Depreciation	27,899	144,806	45,232	36,058	54,169	76,707	16,652
(5)Operating income from property leasing ((3)-(4))	45,641	371,645	139,463	80,232	200,423	307,490	108,088
(6)Capital expenditure	13,496	8,327	—	610	13,649	1,054	5,720
(7)NCF((3)-(6))	60,045	508,124	184,695	115,680	240,944	383,144	119,020

Property number	Tokyo-15	Tokyo-16	Tokyo-17	Tokyo-18	Tokyo-19	Tokyo-20	Osaka-1	
Property name	GLP Hamura	GLP Funabashi III	GLP Sodegaura	GKP Urayasu III	GLP Tatsumi IIa	GLP Tatsumi IIb	GLP Hirakata	
Operating dates	184	184	184	182	153	153	184	
(1)Property-related revenues	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	
(2)Property-related expenses								
Taxes and dues								
Property and facility management fees								
Utilities								
Repair and maintenance								
Casualty insurance								
Others								
(3)NOI((1)-(2))	205,442	83,935	189,241	460,173	143,028	27,313	143,961	
(4)Depreciation	37,983	19,444	41,076	99,662	16,050	4,189	23,659	
(5)Operating income from property leasing ((3)-(4))	167,458	64,491	148,164	360,511	126,977	23,123	120,301	
(6)Capital expenditure	8,072	3,061	—	4,740	1,810	—	3,570	
(7)NCF((3)-(6))	197,370	80,874	189,241	455,433	141,218	27,313	140,391	

Property number	Osaka-2	Osaka-3	Osaka-4	Osaka-5	Osaka-6	Osaka-7	Osaka-8
Property name	GLP Hirakata II	GLP Maishima II	GLP Tsumori	GLP Rokko	GLP Amagasaki	GLP Amagasaki II	GLP Nara
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	(Note)	(Note)	(Note)	(Note)	822,623	(Note)	(Note)
(2)Property-related expenses					206,596		
Taxes and dues					72,516		
Property and facility management fees					46,133		
Utilities					68,822		
Repair and maintenance					2,684		
Casualty insurance					1,347		
Others					15,091		
(3)NOI((1)-(2))	221,494	236,971	64,698	168,793	616,026	64,091	83,520
(4)Depreciation	54,469	94,964	7,671	28,918	162,204	11,891	34,417
(5)Operating income from property leasing ((3)-(4))	167,024	142,006	57,026	139,875	453,821	52,200	49,103
(6)Capital expenditure	2,896	15,675	2,605	8,696	13,241	—	9,780
(7)NCF((3)-(6))	218,598	221,296	62,093	160,097	602,784	64,091	73,740

Property number	Osaka-9	Osaka-10	Other-1	Other-2	Other-3	Other-4	Other-5
Property name	GLP Sakai	GLP Rokko II	GLP Morioka	GLP Tomiya	GLP Koriyama I	GLP Koriyama III	GLP Tokai
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues	(Note)	(Note)	(Note)	(Note)	(Note)	132,644	(Note)
(2)Property-related expenses						33,657	
Taxes and dues						12,214	
Property and facility management fees						7,209	
Utilities						11,008	
Repair and maintenance						2,313	
Casualty insurance						286	
Others						625	
(3)NOI((1)-(2))	58,227	116,898	28,962	82,650	124,095	98,986	167,839
(4)Depreciation	17,085	27,442	12,233	23,959	48,837	23,051	40,508
(5)Operating income from property leasing ((3)-(4))	41,142	89,455	16,728	58,691	75,257	75,935	127,331
(6)Capital expenditure	—	—	30,846	—	1,500	12,042	2,286
(7)NCF((3)-(6))	58,227	116,898	(1,883)	82,650	122,595	86,944	165,553

Property number	Other-6	Other-7	Other-8	Other-9	Other-10	Other-11	Other-12
Property name	GLP Hayashima	GLP Hayashima II	GLP Kiyama	GLP Tosu III	GLP Sendai	GLP Ebetsu	GLP Kuwana
Operating dates	184	184	184	184	184	184	184
(1)Property-related revenues							
(2)Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3)NOI((1)-(2))	41,788	71,790	142,622	32,501	176,745	51,604	122,030
(4)Depreciation	6,511	24,254	55,351	7,481	47,093	18,686	29,502
(5)Operating income from property leasing ((3)-(4))	35,276	47,535	87,270	25,020	129,651	32,917	92,527
(6)Capital expenditure	1,492	—	—	16,476	1,063	2,803	—
(7)NCF((3)-(6))	40,296	71,790	142,622	16,025	175,682	48,801	122,030

Property number	Other-13	Other-14
Property name	GLP Hatsukaichi	GLP Komaki
Operating dates	184	182
(1)Property-related revenues		
(2)Property-related expenses		
Taxes and dues		
Property and facility management fees	(Note)	(Note)
Utilities		
Repair and maintenance		
Casualty insurance		
Others		
(3)NOI((1)-(2))	66,230	301,338
(4)Depreciation	14,752	68,549
(5)Operating income from property leasing ((3)-(4))	51,477	232,788
(6)Capital expenditure	—	2,911
(7)NCF((3)-(6))	66,230	298,427

(Note) Disclosure is omitted as the tenant's permission has not been obtained.