Global Logistic Properties
普洛斯

# Half Year and 2nd Quarter FY2015 Results for Period ended September 30, 2014

November 4, 2014

# 01.

# Key Highlights




GLP Park Lingang
China

GLP Imigrantes
Brazil

GLP Park Tosu
Japan

GLP Park Hunan
China

# Powering Ahead into the Future

- 1H FY2015: Continued Operational Momentum & Development Value Creation
  - ✓ Group development starts up 160% to US$1.5 billion
  - ✓ Group new & expansion leases up 55% to 1.5 million sqm
  - ✓ US$76 million of development value creation in 1HFY15; visible future pipeline to drive recurring value creation
- Significant Expansion of Fund Management Platform
  - ✓ Total AUM US$13.2 billion, 1H FY2015 fees up 87% yoy enhancing GLP's return on equity
  - ✓ Recycling capital from stabilized assets in Japan and Brazil into development
- Highly Strategic Partners Part of Recently Completed US$2.5 billion China Consortium Agreement
  - ✓ Partners include China Life, China Development Bank, China Post, Bank of China and HOPU Funds
  - ✓ Unlocks significant land access and leasing opportunities
  - ✓ Signed strategic partnerships with China Development Bank Capital & CMSTD amongst others, more in pipeline
- 1H FY2015 Pro-Forma Earnings (PATMI) Up 12%

**LEADER IN THE WORLD'S THREE BEST MARKETS**

**OUTSTANDING GROWTH OPPORTUNITIES**

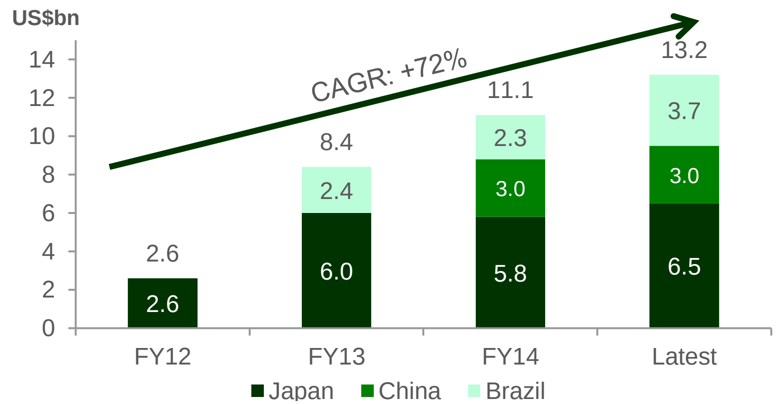
**ON-GOING DEVELOPMENT MOMENTUM**

**FINANCIAL STABILITY AND FLEXIBILITY**

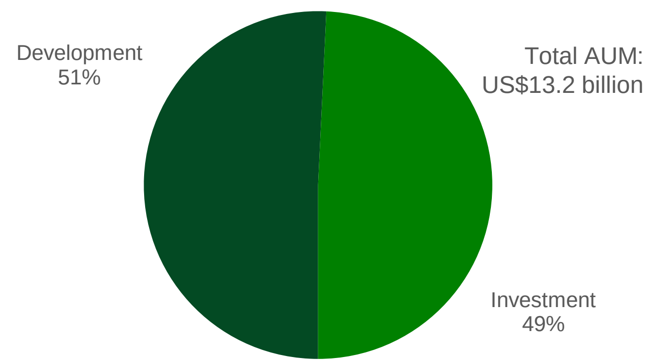
# Accelerated Growth In Fund Management Platform

- Expanded Fund Management Platform by US$2.5 billion as of October 2014
  - Brazil: Formation of US$1.1 billion GLP Brazil Income Partners II and US$0.4 billion expansion of GLP Brazil Development Partners I
  - Japan: Expansion of Japan Development Venture by US$0.5 billion and US$0.5 billion assets sale to GLP J-REIT
- Total AUM of US$13.2 billion when fully leveraged and invested; 72% CAGR since FY2012
  - Significant demand to grow AUM from capital partners looking to leverage GLP's operational expertise
- Expect significant growth in fund management revenues going forward
  - 2Q FY2015 fund management revenue doubled yoy to US$27 million ($9 million of asset & property management fees and US$18 million of development & acquisition fees)
  - Development fees & promotes are significant and allow GLP to capture partner's share of value creation

**Growth in Assets Under Management (US$'bn)**




**Breakdown of Investment Type**



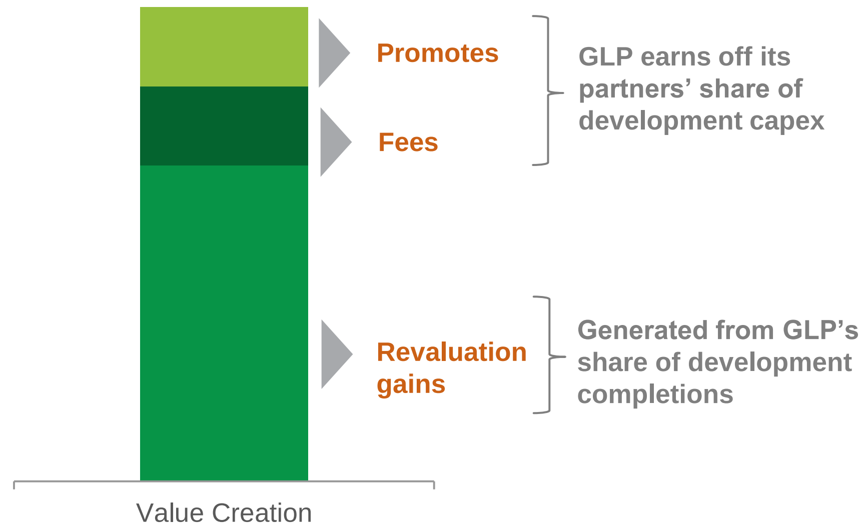
# Development Platform Continues to Deliver Growth

- Value creation through development is a recurring part of GLP's business
  - GLP's pipeline of developments continues to grow
  - Starting ~3 development properties a week to meet customer demand

- Key contributors of recurring value creation include:
  - Revaluation gains earned on development completion (~25% margin)
  - Development fees- $6 billion of development funds under management, with significant demand from capital partners to further grow platform
  - Promotes- Over time, GLP will recognize significant promote income from reaching IRR hurdles in its fund management platform

- Projected revaluation gains of approximately US$1 billion over the next three years, with further upside from fees and promotes

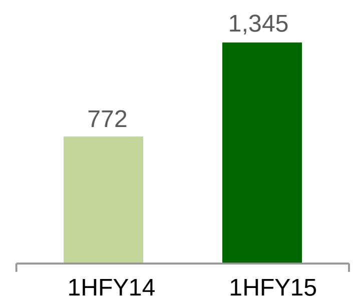
## Components of Recurring Value Creation



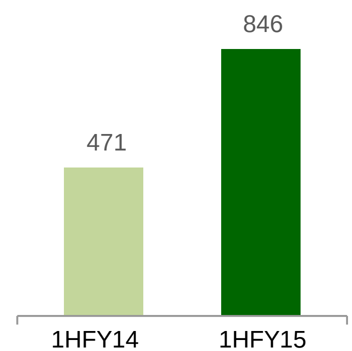
# China Business Highlights
## Strong Leasing and Development Momentum

- Strong leasing trends: 1H FY2015: 1.3 million sqm, up 74% yoy
  - 2Q FY2015: 810,000 sqm, up 41% yoy and 51% qoq
  - E-commerce represents 25% of total leased area
- Development starts of US$846 million, up 80% yoy in 1H FY2015
  - Represents 51% of FY2015 Target (US$1.7 billion)
- Development completions of US$180 million in 2Q FY2015, up 11% yoy
  - Remain confident of meeting FY2015 target (US$1.1 billion, 2.4 million sqm)
- Increasing asset values with cap rates compressing 10 bps to 6.8%
- 1H FY2015 Same-property NOI up 6.5% yoy

**New & Expansion Leases (‘000 sqm)**




**Development Starts (US$’m)**



# China: Outlook & Consortium Agreement Update

- Logistics Market Outlook
  - ✓ China transition to domestic consumption-led growth from investment-led growth
    - ✓ Key drivers for demand: Low level of organized retail sales & growth in e-commerce market
  - ✓ Existing stock of modern logistics facilities very constrained; future supply muted as limited land is being released into the market
  - ✓ Given some concerns about a slowdown, GLP continues to closely monitor existing operations, future demand from potential customers and key economic indicators

- Accelerating Development Starts Growth to 30-40% with Support from Investor Consortium
  - ✓ Quicker land acquisitions provide the foundation for accelerating developments amid increased land scarcity
  - ✓ Unlocks leasing opportunities with best-in-class domestic customers

| | Results to date | In progress |
|---|---|---|
| **Strategic Partnerships** | China Development Bank Capital, CMSTD, COFCO, Sinotrans, Bank of China, Jinbei and Guangdong Holdings | Continue to partner with additional leading SOE corporations and financial institutions |
| **Land** | Acquisition of 678,000 sqm of buildable area in four major cities | More than 5 million sqm buildable area of collaboration with partners under planning |
| **Leasing** | 171,000 sqm of new leasing with SOE customers in FY15 YTD | SOE logistics companies, manufacturers and retailers continue to expand distribution network and are collaborating with GLP to meet these needs |
| **Other Benefits** | Quicker release of land quotas and construction permits | Other initiatives to increase customer stickiness |

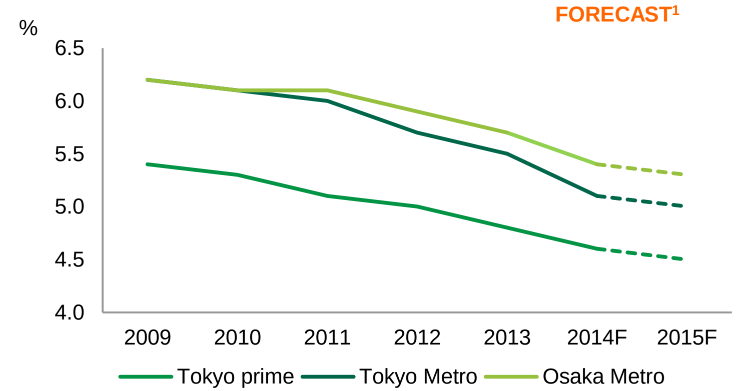
# Japan Outlook & Highlights
## Development Growth and High Leasing Activities

- Accelerated Growth Supported by Sustained Leasing Demand
- Development Starts of US$314 million for 3 Projects in 2Q FY2015
  - 2 projects under GLP Japan Development Venture – GLP Yoshimi and GLP Soja II, located in Tokyo and Hiroshima respectively
  - GLP Atsugi II, a 100% GLP-owned project, located in Tokyo
- Strong Leasing Results with 104,000 sqm New Leases in 2Q FY2015
  - GLP Yoshimi and GLP Atsugi are 100% pre-leased

**Japan Market Outlook**

- GLP's portfolio remains 99% leased: Customer enquiries of more than 500,000 sqm per month
- GLP continues its strategy of recycling capital from stabilized assets in Japan into development
- Remain disciplined amid rising development costs, constrained land supply and new entrants coming into the market

**Logistics Cap Rates Compressing in Japan**




*Source: Jones Lang Lasalle*

[1] The forecasted figures are calculated by JLL Research, based on certain assumptions. The forward-looking statement is not guaranteed, and subject to change according to various factors, such as future economic environment

# Brazil Outlook & Highlights
## New Partnership Formed and Continued Development Activity

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- Formation of US$1.1 billion GLP Brazil Income Partners II with BR Properties in Oct 2014
  - Co-investment with Canada Pension Plan Investment Board and a leading North American institutional investor
  - GLP retains 40.0% stake and remains as asset manager
- Continued Development Activity
  - 2Q FY2015: Development starts US$53 million (59,000 sqm) at GLP Embu in São Paulo, +212% yoy
    - US$239 million achieved in 1HFY2015, 61% of FY2015 target (US$390 million)
  - Further growth[1] expected from identified large-scale project in Rio de Janeiro
    - US$257 million project (350,000 sqm) to be developed in phases, commencing in FY2017
- 2Q FY2015 Same-property rent growth of 6.4% yoy

**Brazil Market Outlook**

- Economic growth has moderated, but the dislocation in the markets has created opportunities for GLP
- Domestic consumption and outsourcing trend to continue driving demand
  - ✓ Outsourcing trend: Companies are shifting from owning to leasing warehouses to improve supply chain efficiency
- GLP will continue to be opportunistic to capitalize on our dominant position and a less competitive market to acquire additional land for development

Note:
1. At today's prices

02.

# Financial Highlights


GLP Soja
Japan



GLP Guarulhos
Brazil

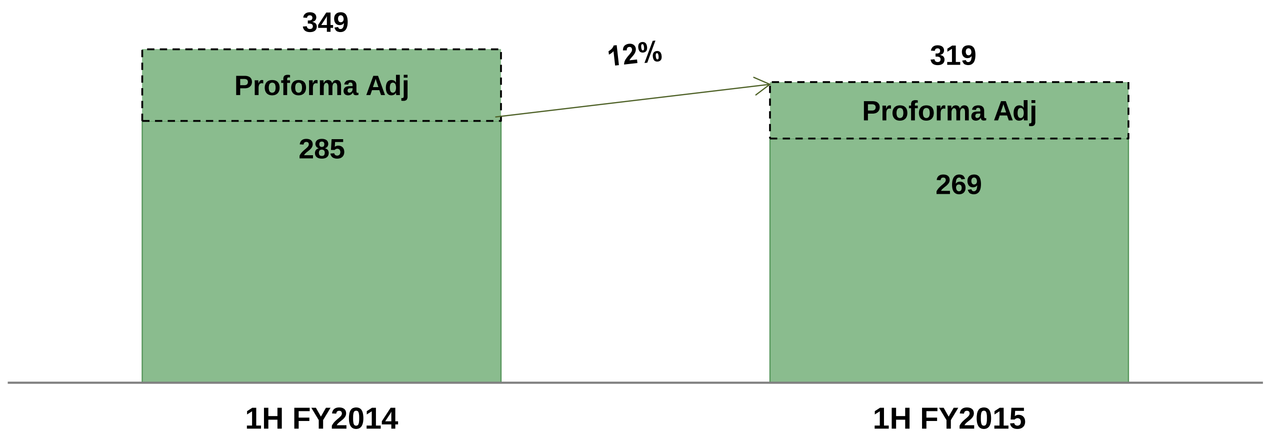
GLP Tokyo II
Japan

GLP Park Xi’an Hi-Tech
China

# Key Financial Highlights

## GROUP PATMI

(US$ million)




| | 1H FY2015 | 1H FY2014 | Change | 1H FY2015 Proforma | 1H FY2014 Proforma | Change (Proforma) |
|---|---|---|---|---|---|---|
| **Revenue** | 362 | 290 | 25% | 362 | 285 | **27%** |
| **EBIT** | 473 | 482 | -2% | 527 | 455 | **16%** |
| **EBIT ex revaluation** | 183 | 200 | -9% | 237 | 189 | **25%** |
| **PATMI** | 269 | 349 | -23% | 319 | 285 | **12%** |
| **PATMI ex revaluation** | 69 | 117 | -41% | 120 | 90 | **34%** |

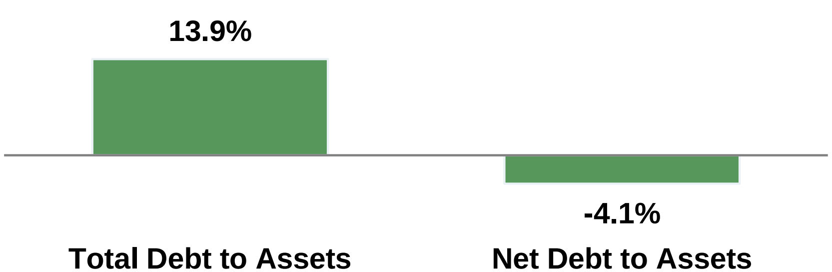
| | 2Q FY2015 | 2Q FY2014 | Change | 2Q FY2015 Proforma | 2Q FY2014 Proforma | Change (Proforma) |
|---|---|---|---|---|---|---|
| **Revenue** | 193 | 147 | 32% | 193 | 141 | **37%** |
| **EBIT** | 200 | 224 | -11% | 254 | 208 | **22%** |
| **EBIT ex revaluation** | 70 | 104 | -33% | 124 | 92 | **34%** |
| **PATMI** | 89 | 145 | -38% | 132 | 119 | **11%** |
| **PATMI ex revaluation** | 9 | 53 | -83% | 59 | 42 | **41%** |

Note:
1. Comparatives are restated following the adoption of FRS 110 consolidated financial statements.
2. Refer to slides 20 and 21 for details of proforma presentation adjustments

# Low Leverage and Significant Cash on Hand

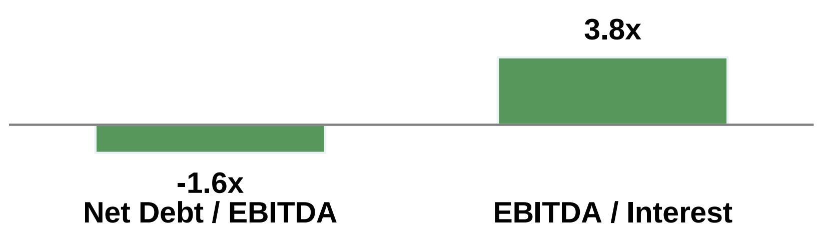
| (US$ million) | Group Financial Position | | |
|---|---|---|---|
| | As at Sep 30, 2014 | As at Mar 31, 2014 | Change % |
| Total assets | 17,162 | 14,341 | 19.7 |
| Cash | 2,972 | 1,501 | 98.0 |
| Total loans and borrowings | 2,384 | 2,661 | (10.4) |
| (Net cash) / Net debt | (587) | 1,161 | N.M. |
| Weighted average interest cost | 3.9% | 3.0% | 0.9 |
| Weighted average debt maturity (years) | 4.5 | 4.3 | 4.7 |

## Leverage Ratios as of September 30, 2014




## Debt Ratios for the period ended September 30, 2014

- EBITDA: US$182.0m
- Interest: US$48.1m




Note:
1. Comparatives are restated following the adoption of FRS 110 consolidated financial statements.
2. Negative net debt, net debt to assets and net debt/EBITDA positions denote excess cash over total debt


GLP Guarulhos
Brazil

03.

# Appendix




GLP Park AGV
Brazil


GLP Park Amagasaki
Japan


GLP Liantang
China

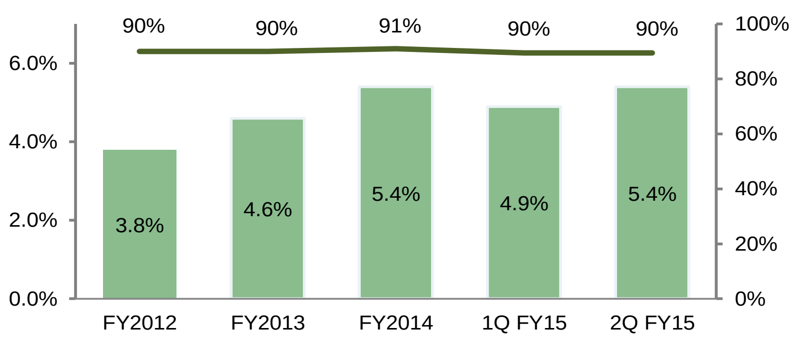
# China Portfolio
## Robust NAV Growth

### Portfolio Snapshot

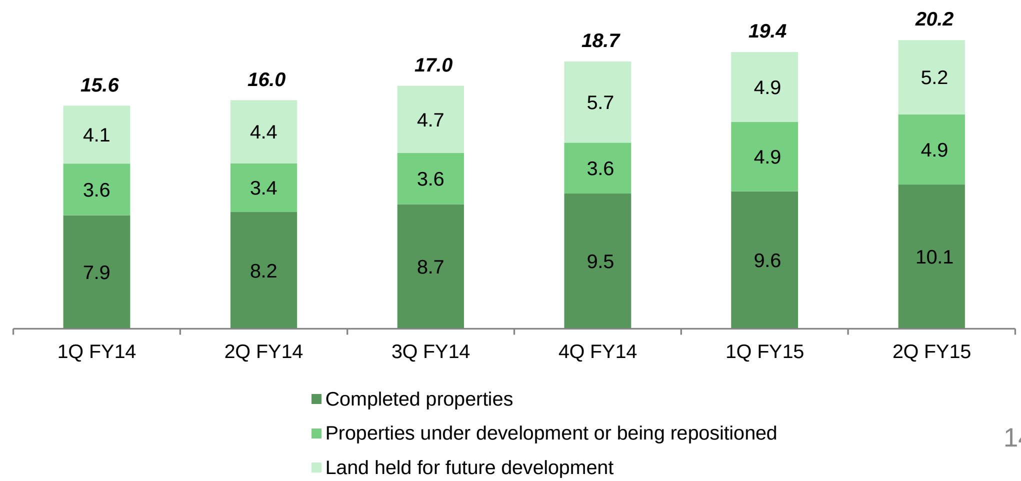
- 12.8 million sqm of land reserves, providing a strong pipeline for future developments
- 1HFY15 Same-property NOI up 6.5% yoy
- Country NAV growth of 7% yoy
- 2QFY15 Rent of Rmb 1.12/sqm/day

| China Portfolio | Sep 30, 2014 | Jun 30, 2014 |
|---|---|---|
| Total valuation | US$9,262 million | US$8,641 million |
| WALE | 2.7 years | 2.7 years |
| Lease ratios | 90% | 90% |
| No. of completed properties | 570 | 537 |
| Completed properties (sqm mil) | 10.1 | 9.6 |
| Country NAV | US$4,760 million | US$4,650 million |

**Lease ratios (%) and Same-Property Rent Growth (% vs Prior Year)**




**China Portfolio (sqm mil)**



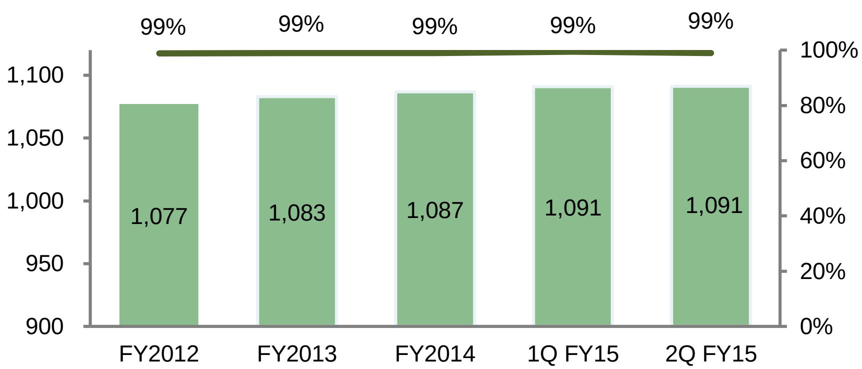

Note:
1. Country NAV refers to GLP share of the consolidated net asset value of the entities.

# Japan Portfolio
## Stable Portfolio

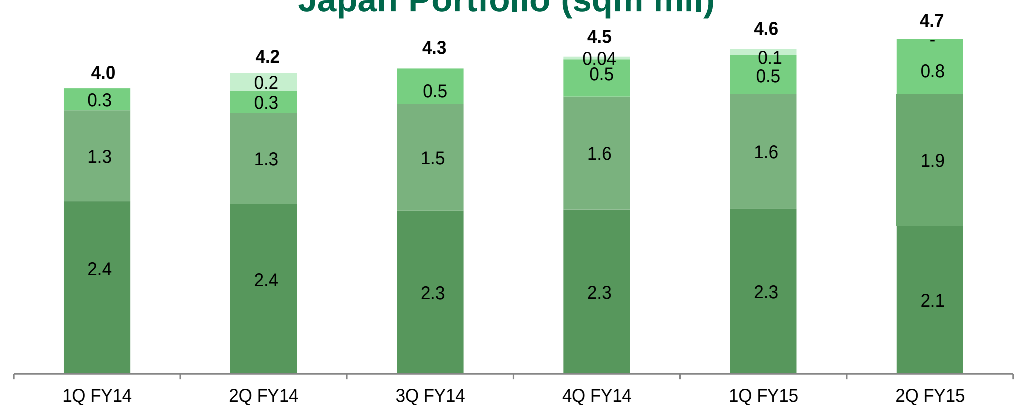
### Portfolio Snapshot
- 84% of completed area located in Tokyo and Osaka
- Portfolio remains 99% leased
- Improving rents with high retention rate of 81%
- Long WALE of 4.9 years

| Japan Portfolio | Sep 30, 2014 | Jun 30, 2014 |
|---|---|---|
| Total Valuation | US$7,576 million | US$7,978 million |
| WALE | 4.9 years | 5.0 years |
| Lease ratios | 99% | 99% |
| No. of completed properties | 87 | 87 |
| Completed properties (sqm mil) | 3.9 | 3.9 |
| Country NAV | US$1,999 million | US$2,054 million |

**Lease ratios (%) and Rental (JPY/sqm/mth)**




**Japan Portfolio (sqm mil)**




Note:
1. Country NAV refers to GLP share of the consolidated net asset value of the entities.

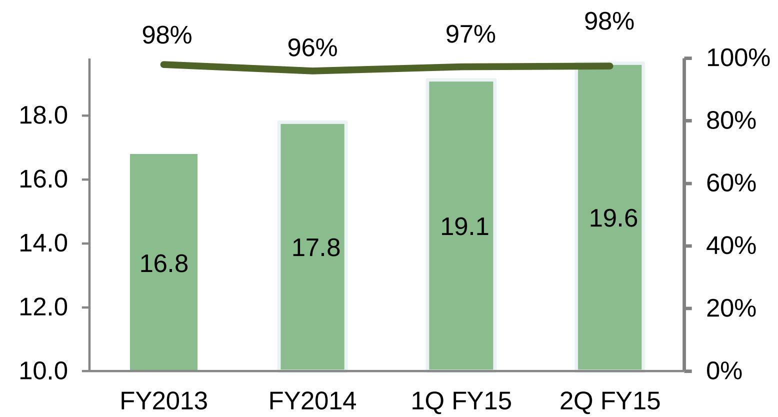
# Brazil Portfolio
## Leading Position in the Market

### Portfolio Snapshot

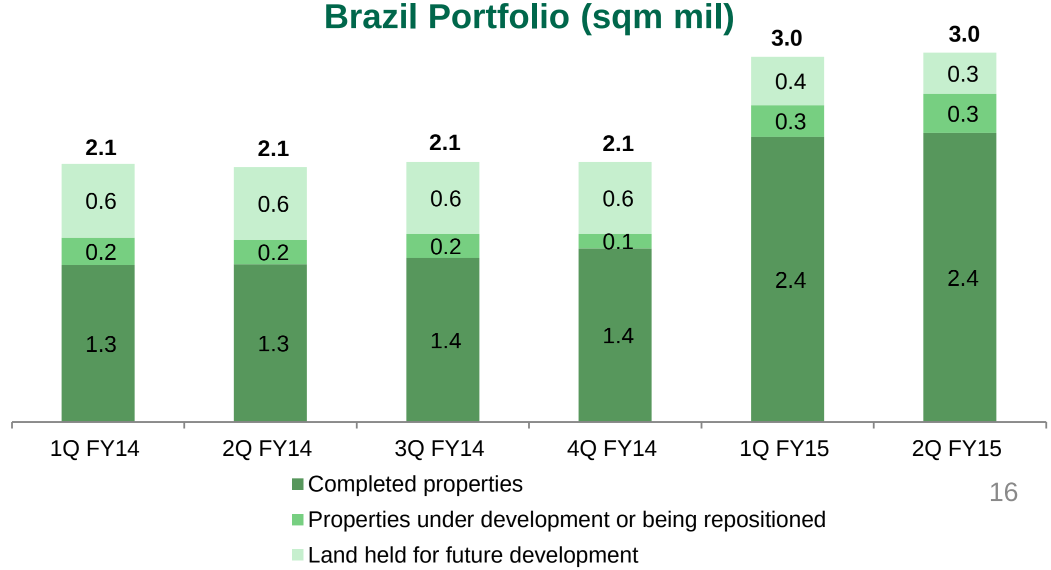
- Healthy development pipeline of 0.6 million sqm
- Long WALE of 5.7 years
- High lease ratios of 98% and stable rents
- Same-property rent growth of 6.4% yoy

| Brazil Portfolio | Sep 30, 2014 | Jun 30, 2014 |
|---|---|---|
| Total Valuation | US$2,820 million | US$2,940 million |
| WALE | 5.7 years | 5.9 years |
| Lease ratios | 98% | 97% |
| No. of completed properties | 84 | 80 |
| Completed properties (sqm mil) | 2.4 | 2.4 |
| Country NAV | US$1,097 million | US$1,165 million |

### Lease ratios (%) and Rental (BRL/sqm/mth)




### Brazil Portfolio (sqm mil)




Note:
1. Country NAV refers to GLP share of the consolidated net asset value of the entities.

# Accelerating Growth in China Portfolio

| | As at Sep 30, 2014 | | | | | As at Jun 30, 2014 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total Area (sqm million) | Pro-rata Area (sqm million) | Total valuation (US$m) | Pro-rata valuation (US$m) | Pro-forma[1] Pro-rata valuation % change | Total Area (sqm million) | Proforma[1] Pro-rata Area (sqm million) | Total valuation (US$m) | Pro-forma[1] Pro-rata valuation (US$m) |
| **China portfolio** | **20.2** | **9.8** | **9,262** | **4,657** | **7%** | **19.4** | **9.4** | **8,641** | **4,353** |
| Completed and stabilized | 8.2 | 4.5 | 5,780 | 3,146 | 9% | 7.6 | 4.2 | 5,350 | 2,876 |
| Completed and pre-stabilized | 1.2 | 0.6 | 839 | 383 | -12% | 1.3 | 0.7 | 868 | 437 |
| Other facilities | 0.7 | 0.3 | 196 | 69 | 1% | 0.7 | 0.3 | 193 | 68 |
| Properties under development or being repositioned | 4.9 | 2.1 | 1,307 | 580 | 13% | 4.9 | 2.1 | 1,136 | 515 |
| Land held for future development | 5.2 | 2.3 | 1,140 | 479 | 5% | 4.9 | 2.2 | 1,093 | 458 |
| **Japan portfolio** | **4.7** | **2.2** | **7,576** | **3,579** | **-15%** | **4.6** | **2.4** | **7,978** | **4,228** |
| Completed and stabilized | 3.8 | 1.7 | 6,971 | 3,257 | -17% | 3.8 | 1.9 | 7,431 | 3,935 |
| Completed and pre-stabilized | 0.1 | 0.1 | 262 | 131 | -1% | 0.1 | 0.1 | 263 | 132 |
| Properties under development or being repositioned | 0.8 | 0.4 | 343 | 191 | 57% | 0.5 | 0.3 | 243 | 121 |
| Land held for future development | - | - | - | - | N.M. | 0.1 | 0.1 | 40 | 40 |
| **Brazil portfolio** | **3.0** | **1.7** | **2,820** | **1,683** | **-4%** | **3.0** | **1.6** | **2,940** | **1,749** |
| Completed and stabilized | 2.3 | 1.3 | 2,441 | 1,506 | -2% | 2.2 | 1.3 | 2,524 | 1,535 |
| Completed and pre-stabilized | 0.1 | 0.1 | 98 | 70 | -34% | 0.1 | 0.1 | 137 | 107 |
| Properties under development or being repositioned | 0.3 | 0.1 | 140 | 54 | 17% | 0.3 | 0.1 | 118 | 47 |
| Land held for future development | 0.3 | 0.1 | 142 | 52 | -15% | 0.4 | 0.1 | 162 | 61 |
| **Total GLP portfolio** | **28.0** | **13.7** | **19,659** | **9,919** | **-4%** | **26.9** | **13.5** | **19,559** | **10,330** |

**Our China portfolio includes land reserves of 12.8 million sqm in addition to the above**

Note:
1. Comparative proforma figures adjusted for the investment of 33.8% in GLP China by the investor consortium, to enable a like-for-like comparison.
2. Brazil pro rata area and valuation include 100% of the properties that will be injected into GLP Brazil Income Partners II fund

# Fund Management Platform

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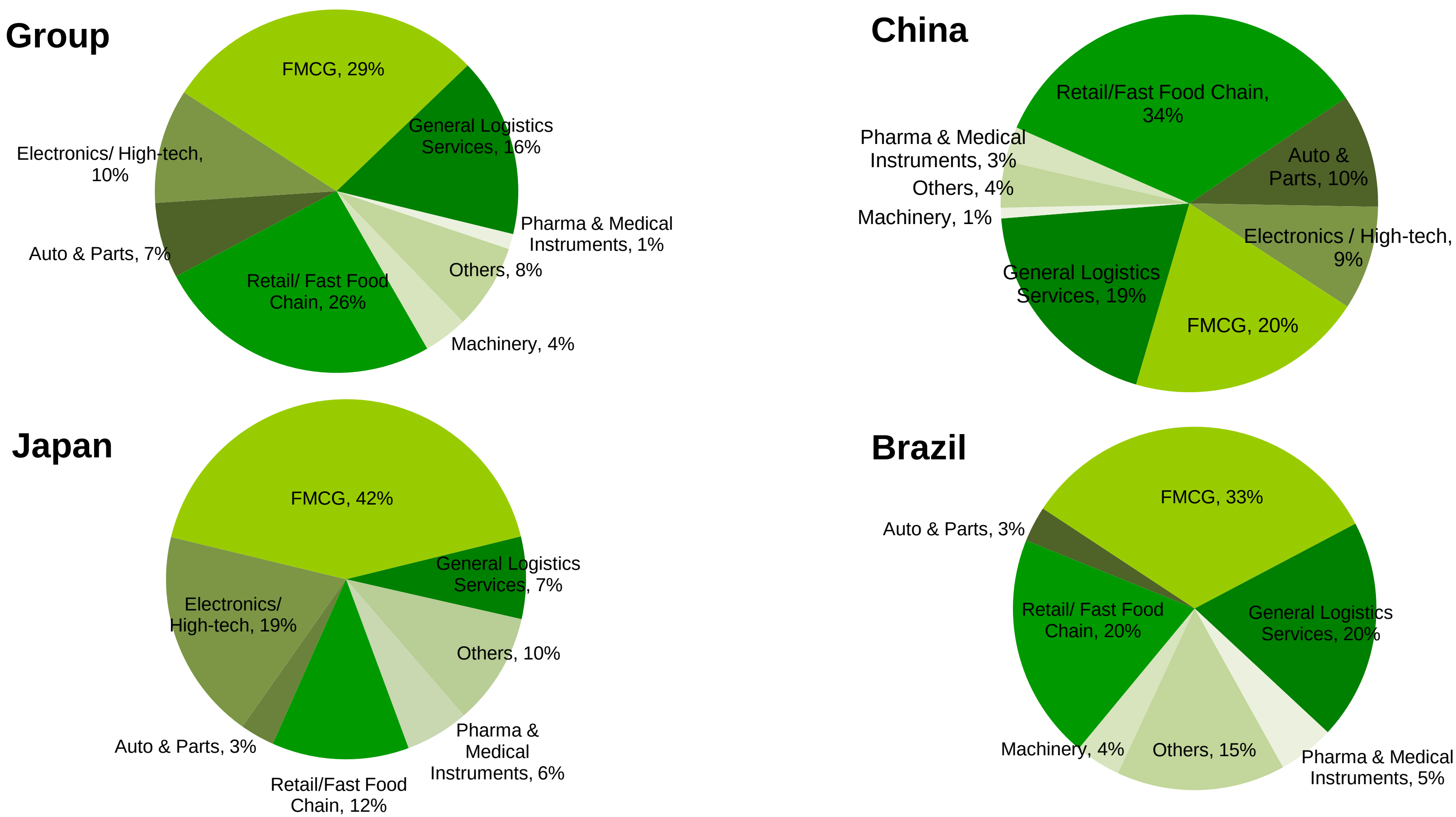
| Fund Management Platform | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Japan | Japan | Brazil | Brazil | Japan | China | Brazil |
| Vintage | Sep 2011 | Dec 2011 | Nov 2012 | Nov 2012 | Dec 2012 | Nov 2013 | Oct 2014 |
| Fund Name | GLP Japan Development Venture | GLP Japan Income Partners I | GLP Brazil Income Partners I | GLP Brazil Development Partners I | GLP J-REIT | CLF I | GLP Brazil Income Partners II |
| Assets under Management[1] | US$2.2bn | US$1.0bn | US$1.1bn | US$1.5bn | US$3.3bn | US$3.0bn | US$1.1bn |
| Investment To- Date | US$800m | US$1.0bn | US$1.0bn | US$700m | US$3.3bn | US$900m | US$1.1bn |
| Joint Venture Partners | CPPIB | CIC & CBRE | CIC, CPPIB & GIC | CPPIB & GIC | Public | Various | CPPIB & Other Investor |
| Total Equity Commitment | US$1.2bn | US$500m | US$500m | US$1.0bn | US$1.5bn | US$1.5bn | US$600m |
| GLP Co- Investment | 50.0% | 33.3% | 34.2% | 40.0% | 15.0% | 55.9% | 40.0% |
| Investment Mandate | Opportunistic | Value-add | Value-add | Opportunistic | Core | Opportunistic | Value-add |

Note:
1. AUM based on cost for in-progress developments (does not factor in potential value creation) and latest appraised values for completed assets

# Diversified Exposure Across Industries

## Lease profile by End-user Industry (by Leased Area)




**E-commerce represents 25% of leased area in China, 11% in Japan and 19% in Brazil**

# Proforma Income Statement 1H FY2015

| (US$'m) | 1H FY2015 | | | 1H FY2014 | | | | | | Proforma Var | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | Non-recurring items[2] | Proforma | Actual (Restated)[1] | Non-recurring items[2] | China Transaction Adj[3] | J-REIT Adj[3] | FX Related[3] | Proforma | US$'m | % |
| **Revenue** | 362 | - | **362** | 290 | - | - | (2) | (4) | **285** | 78 | 27% |
| Change in fair value of invt prop | 261 | - | **261** | 248 | - | - | (12) | (2) | **233** | 28 | 12% |
| Non-operating (loss)/ income | (53) | 54 | **1** | 6 | (5) | - | 1 | - | **1** | 1 | 68% |
| **EBIT** | 473 | 54 | **527** | 482 | (5) | - | (15) | (6) | **455** | 72 | 16% |
| **EBIT (excld reval)** | 183 | 54 | **237** | 200 | (5) | - | (3) | (3) | **189** | 48 | 25% |
| Net Finance Cost | | | | | | | | | | | |
| *- Net borrowing cost / Int income* | *(53)* | *-* | ***(53)*** | *(40)* | *-* | *-* | *(2)* | *-* | ***(42)*** | *(11)* | *27%* |
| *- FX gain/(loss) / Fair value changes in financial derivatives* | *1* | *(4)* | ***(3)*** | *3* | *-* | *-* | *(5)* | *(1)* | ***(3)*** | *-* | *-* |
| **PATMI** | 269 | 50 | **319** | 349 | (5) | (31) | (21) | (7) | **285** | 35 | 12% |
| **PATMI (excld reval)** | 69 | 50 | **120** | 117 | (5) | (9) | (9) | (4) | **90** | 30 | 34% |

Note:
1. Comparatives are restated following the adoption of FRS 110 consolidated financial statements.

Proforma financials adjusted to enable a like-for-like comparison:-

2. Material non-recurring items in 1H FY2015 [US$54m FX loss on JPY-denominated and BRL-denominated investment, net with US$4m corresponding gain on forward derivatives] and in 1H FY2014 [US$5m gain on disposal of a China jointly-controlled entity]
3. Comparative period a) Investment of 33.8% in GLP China by the investor consortium, b) J-REIT and c) FX related effects

# Proforma Income Statement 2Q FY2015

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| (US$'m) | 2Q FY2015 Actual | 2Q FY2015 Non-recurring items[2] | 2Q FY2015 Proforma | 2Q FY2014 Actual (Restated)[1] | 2Q FY2014 Non-recurring items[2] | 2Q FY2014 China Transaction Adj[3] | 2Q FY2014 J-REIT Adj[3] | 2Q FY2014 FX Related[3] | 2Q FY2014 Proforma | Proforma Var US$'m | Proforma Var % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | **193** | **-** | **193** | **147** | **-** | **-** | **(4)** | **(1)** | **141** | **52** | **37%** |
| Change in fair value of invt prop | 120 | - | 120 | 109 | - | - | (4) | - | **106** | 14 | 13% |
| Non-operating (loss)/ income | (53) | 54 | 1 | 6 | (5) | - | 1 | - | **1** | 0 | -9% |
| **EBIT** | **200** | **54** | **254** | **224** | **(5)** | **-** | **(9)** | **-** | **208** | **45** | **22%** |
| **EBIT (excld reval)** | **70** | **54** | **124** | **104** | **(5)** | **-** | **(6)** | **(1)** | **92** | **32** | **34%** |
| Net Finance Cost | | | | | | | | | | | |
| *- Net borrowing cost / Int income* | *(32)* | *-* | *(32)* | *(20)* | *-* | *-* | *(3)* | *-* | ***(23)*** | *(9)* | *40%* |
| *- FX gain/(loss) / Fair value changes in financial derivatives* | *6* | *(4)* | *2* | *(8)* | *-* | *-* | *(5)* | *15* | ***2*** | *-* | *-* |
| **PATMI** | **89** | **43** | **132** | **145** | **(5)** | **(19)** | **(16)** | **14** | **119** | **13** | **11%** |
| **PATMI (excld reval)** | **9** | **50** | **59** | **53** | **(5)** | **(7)** | **(13)** | **14** | **42** | **17** | **41%** |

Note:
1. Comparatives are restated following the adoption of FRS 110 consolidated financial statements.
2. Proforma financials adjusted to enable a like-for-like comparison:- Material non-recurring items in 2Q FY2015 [US$54m FX loss on JPY-denominated and BRL-denominated investment, net with US$4m corresponding gain on forward derivatives and minority interests true-up] and in 2Q FY2014 [US$5m gain on disposal of a China jointly-controlled entity]
3. Comparative period: a) Investment of 33.8% in GLP China by the investor consortium, b) J-REIT and c) FX related effects

# Consolidated Income Statements

| (US$'000) | Three-month period ended Sep 30, 2014 | Three-month period ended Sep 30, 2013 | Six-month period ended Sep 30, 2014 | Six-month period ended Sep 30, 2013 |
|---|---|---|---|---|
| Revenue | 192,934 | 146,626 | 362,230 | 290,093 |
| Other income | 721 | 2,108 | 1,578 | 3,419 |
| Property-related expenses | (35,670) | (27,507) | (66,761) | (52,875) |
| Other expenses | (44,276) | (32,574) | (80,846) | (62,994) |
| | 113,709 | 88,653 | 216,201 | 177,643 |
| Share of results (net of income tax) of jointly-controlled entities | 19,393 | 20,352 | 48,379 | 50,950 |
| *Share of results* | *9,335* | *9,560* | *19,149* | *17,255* |
| *Share of changes in fair value of investment properties* | *10,058* | *10,792* | *29,230* | *33,695* |
| **Profit from operating activities after share of results of jointly-controlled entities** | **133,102** | **109,005** | **264,580** | **228,593** |
| Net finance costs | (26,017) | (28,578) | (52,379) | (37,336) |
| *Interest income* | *4,599* | *2,227* | *7,610* | *4,108* |
| *Net borrowing costs* | *(36,280)* | *(22,401)* | *(60,741)* | *(44,439)* |
| *Foreign exchange gain* | *10,581* | *7,021* | *9,519* | *12,827* |
| *Changes in fair value of financial derivatives* | *(4,917)* | *(15,425)* | *(8,767)* | *(9,832)* |
| Non-operating (costs) / income | (53,301) | 5,609 | (52,743) | 5,568 |
| **Profit before changes in fair value of subsidiaries' investment properties** | **53,784** | **86,036** | **159,458** | **196,825** |
| Changes in fair value of investment properties | 120,007 | 109,008 | 261,459 | 247,537 |
| **Profit before income tax** | **173,791** | **195,044** | **420,917** | **444,362** |
| Income tax expense | (51,626) | (42,127) | (93,821) | (80,140) |
| **Profit for the period** | **122,165** | **152,917** | **327,096** | **364,222** |
| **Attributable to:** | | | | |
| Owners of the company | 89,470 | 144,997 | 268,892 | 348,950 |
| Non-controlling interests | 32,695 | 7,920 | 58,204 | 15,272 |
| **Profit for the period** | **122,165** | **152,917** | **327,096** | **364,222** |

Note:
1. Comparatives are restated following the adoption of FRS 110 consolidated financial statements.

# Consolidated Statement of Financial Position

| (US$'000) | As at Sep 30, 2014 | As at Mar 31, 2014 |
|---|---|---|
| Investment properties | 10,553,472 | 10,164,715 |
| Jointly-controlled entities | 1,413,414 | 1,163,752 |
| Deferred tax assets | 28,934 | 28,565 |
| Plant and equipment | 56,423 | 57,549 |
| Intangible assets | 489,461 | 491,198 |
| Other investments | 512,365 | 412,337 |
| Other non-current assets | 110,043 | 113,185 |
| **Non-current assets** | **13,164,112** | **12,431,301** |
| Financial derivative assets | - | 3,452 |
| Trade and other receivables | 356,464 | 405,949 |
| Cash and cash equivalents | 2,971,505 | 1,500,737 |
| Assets classified as held for sale | 669,555 | - |
| **Current assets** | **3,997,524** | **1,910,138** |
| **Total assets** | **17,161,636** | **14,341,439** |
| Share capital | 6,445,911 | 6,278,812 |
| Capital securities | 595,594 | 595,375 |
| Reserves | 1,908,124 | 1,883,568 |
| Equity attributable to equity holder of the company | 8,949,629 | 8,757,755 |
| Non-controlling interests | 3,809,474 | 1,365,587 |
| **Total equity** | **12,759,103** | **10,123,342** |
| Loans and borrowings | 2,223,848 | 2,503,677 |
| Financial derivative liabilities | 13,973 | 8,321 |
| Deferred tax liabilities | 774,437 | 716,635 |
| Other non-current liabilities | 153,393 | 165,318 |
| **Non-current liabilities** | **3,165,651** | **3,393,951** |
| Loans and borrowings | 160,383 | 157,633 |
| Trade and other payables | 773,098 | 644,864 |
| Financial derivative liabilities | 2,678 | 4,444 |
| Current tax payable | 18,781 | 17,205 |
| Liability classified as held for sale | 281,942 | - |
| **Current liabilities** | **1,236,882** | **824,146** |
| **Total liabilities** | **4,402,533** | **4,218,097** |
| **Total equity and liabilities** | **17,161,636** | **14,341,439** |

Note:
1. Comparatives are restated following the adoption of FRS 110 consolidated financial statements.

# Notes to the Results Presentation

## Notes to Financial Information

1. **Comparative proforma income statement adjusting for China Transaction, J-REIT / FX related and material non-recurring adjustments** are prepared to present the results on a like-for-like comparable basis. The China Transaction adjustment accordingly adjust for first tranche of 24.4% and second tranche of 9.4% shareholdings in GLP China sold to the consortium of investors as if the dilution had been completed in June 2013 and September 2013. The J-REIT adjustment adjust for the revenue and expenses from the properties disposed to J-REIT since 4Q FY2013, the resultant J-REIT management fee and dividend income received subsequent to the transaction, as if they were disposed off at the beginning of the comparative period. The FX related adjustments include FX translation effects, FX gain/loss and fair value changes in financial derivatives. The material non-recurring adjustments include non-operating gain or loss on disposal and any corresponding gain on forward derivatives.
2. **Country NAV** refers to GLP share of the consolidated net asset value of the entities representing its operations in China, Japan and Brazil. **Segment NAV** refers to Country NAV and adjusted to exclude intercompany loans from GLP, and bonds attributable to China and Brazil segments to reflect the usage of proceeds in China and Brazil. Country NAV accounts for intercompany loans from GLP as liability while Segment NAV considers them as equity.
3. **EBIT or PATMI ex-revaluation** refers to EBIT or PATMI excluding changes in fair value of investment properties of subsidiaries and share of changes in fair value of investment properties of jointly-controlled entities, net of deferred taxes.
4. **EBITDA** is defined as earnings before net interest expense, income tax, amortization and depreciation, excluding revaluation. Gross Interest is computed before deductions of capitalized interest and interest income.
5. **Exchange rates** used in the preparation of the financial information and the portfolio summary are as follows:

| Balance sheet items | As at 30 Sep 14 | As at 30 Sep 13 |
|---|---|---|
| **Month end closing rates: -** | | |
| RMB / USD | 6.15 | 6.14 |
| JPY / USD | 108.98 | 98.25 |
| SGD / USD | 1.27 | 1.26 |
| BRL / USD | 2.39 | 2.25 |

| Income statement items | 1 Jul 14 to 30 Sep 14 | 1 Jul 13 to 30 Sep 13 | 1 Apr 14 to 30 Sep 14 | 1 Apr 13 to 30 Sep 13 |
|---|---|---|---|---|
| **Reporting period average rates:-** | | | | |
| RMB / USD | 6.17 | 6.17 | 6.16 | 6.19 |
| JPY / USD | 103.65 | 98.90 | 102.85 | 98.76 |
| SGD / USD | 1.25 | 1.27 | 1.25 | 1.26 |
| BRL / USD | 2.26 | 2.29 | 2.25 | 2.18 |

# Notes to the Results Presentation

## Notes to Financial Information

6. **Net Debt to Assets ratio** – total assets used for computation excludes cash balances
7. **RMB3 billion fixed note notes and JPY15 billion fixed rate note** issued by Listco are allocated to China and Brazil segments to reflect the usage of these funds in China and Brazil.
8. **Weighted average interest cost** includes the amortization of transaction costs for bonds and loans.
9. **Comparative financial information** has been restated following the adoption of FRS 110 consolidated financial statements. The effects of the Group's financial information arising from the adoption of FRS 110 are as follows:

| Statement of Financial Position | 31 March 2014 Increase/(Decrease) US$'m | 30 September 2014 Increase/(Decrease) US$'m |
|---|---|---|
| Total assets | 394 | 411 |
| Cash and cash equivalents | 15 | 27 |
| Loans and borrowings | 69 | 68 |

| Income statement | 2Q FY2014 Increase/(Decrease) US$'m | 2Q FY2015 Increase/(Decrease) US$'m | 1H FY2014 Increase/(Decrease) US$'m | 1H FY2015 Increase/(Decrease) US$'m |
|---|---|---|---|---|
| Revenue | 7 | 8 | 13 | 16 |
| EBIT | 5 | 1 | 10 | 11 |
| EBIT ex-revaluation | 3 | 3 | 5 | 7 |

# Notes to the Results Presentation (cont'd)

## Notes to Portfolio Assets under Management information

1. **Completed Asset Value** relates to carrying value of the completed properties, expected completed value of the properties under development and/or targeted completed properties value based on approved investment plans which do not factor in any potential value creation. Any amounts denominated in currencies other than USD are translated based on the exchange rate as of reporting date.
2. **Total Area and Total valuation** refer to GFA/GLA and valuation of properties in GLP Portfolio. These includes completed and stabilized properties, completed and pre-stabilized properties, other facilities, properties under development or being repositioned, and land held for future development but exclude land reserves.
3. **GLP Portfolio** comprises all assets under management which includes all properties held by subsidiaries, jointly-controlled entities and GLP J-REIT on a 100% basis, but excludes Blogis, unless otherwise indicated.
4. **Land held for future development** refers to land which we have signed the land grant contract and/or we have land certificate, including non-core land and properties occupied by Air China and the Government or its related entities, that GLP doesn't wish to own and will sell. The total area is computed based on estimated buildable area.
5. **Land reserves** are not recognized on the balance sheet and there is a possibility that it may not convert into land bank. The total area is computed based on estimated buildable area.
6. **Lease ratios** of China and Japan relate to stabilized logistics portfolio. Lease ratio of Brazil relates to stabilized portfolio including both logistics and industrial properties.
7. **Lease profile by End-user Industry** analysis includes contracted leases for completed logistics properties and pre-leases for logistics properties under development as at reporting date.
8. **New and Expansion Leases** include logistic facilities, light industry, industrial and container yards and pre-leases signed by customers.
9. **Other facilities** includes container yard and parking lot facilities, which are in various stages of completion.

# Notes to the Results Presentation (cont'd)

## Notes to Portfolio Assets under Management information (cont'd)

10. **Properties under development or being repositioned** consists of five sub-categories of properties: (i) properties that we have commenced development; (ii) logistics facilities that are being converted from bonded logistics facilities to non-bonded logistics facilities; (iii) a logistics facility which will be upgraded into a standard logistics facility; (iv) a logistic facility which is waiting for heating and power supply from government and (v) logistics facilities which are undergoing more than 3 months of major renovation.
11. **Pro-rata area and Pro-rata valuation** refer to area and valuation of properties in GLP Portfolio, pro-rated based on our interest in these entities.
12. **Stabilized properties** relate to properties with more than 93% lease ratio or more than one year after completion or acquisition.
13. Any discrepancy between sum of individual amounts and total is due to rounding.

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