



For Immediate Release

GLP REPORTS SOLID OPERATIONAL PERFORMANCE AND CONTINUED FUND MANAGEMENT GROWTH

- **Group core earnings¹ up 7%**
 - **Operations: Same-property net operating income up 7.9%**
 - **Development: US\$65 million development profit; 32% of FY17 target**
 - **Fund management: Fund fees up 17%**
- **China operations expected to remain stable**

US\$ million	1Q FY17	1Q FY16	YoY Change
Revenue	207	190	9%
Earnings	203	268	(24%)
Core Earnings	146	137	7%
Core Earnings (ex reval)	69	57	23%

Singapore, 12 August 2016 – GLP, the leading global provider of modern logistics facilities, reported 7% core earnings¹ growth for the three months ended 30 June 2016 (“1Q FY17”).

Mr. Ming Z. Mei, Chief Executive Officer of GLP, said: “GLP’s well-located facilities are benefitting from long-term structural trends in domestic consumption. We will maintain strong investment discipline and focus on markets with high customer demand and limited supply. Demand from institutional investors to partner with GLP remains strong, and we will continue leveraging our fund management platform for strategic expansion.”

¹ Core earnings includes revaluation changes related to development profit (recurring part of GLP’s earnings stream) and NOI growth. To enable comparability, core earnings adjusts for non-recurring items such as revaluation changes related to cap rate and discount rate adjustments, foreign exchange gains/losses and gains/losses from dispositions. Please refer to page 11 of the 1Q FY17 supplemental for further information

Financial Highlights

1Q FY17 earnings (PATMI) were US\$203 million, 24% lower year-on-year largely due to FX losses and lower revaluation gains compared to a year earlier. On a core basis (adjusted for non-recurring items), earnings were up 7% year-on-year, driven by growth in China operations and continued expansion of GLP's fund management platform in Japan and the US.

Operational Highlights

Group same-property net operating income was up 7.9% in 1Q FY17. Leasing demand remained stable globally, with 2.5 million sqm (27 million square feet) of new and renewal leases signed in 1Q FY17, up 17% year-on-year. Rent growth on renewed leases was up 9.6% globally, led by US and China. Customer retention remained stable at 71% but slower leasing of development projects in China and Brazil led to a 1% drop in GLP's average lease ratio, which stood at 91% as of 30 June 2016.

GLP's lease ratio in China was 86%, down from 87% last quarter. China operations are expected to remain stable in the near term, supported by strong secular drivers such as e-commerce and organized retail. The mid to long term outlook for China remains positive, with excess supply in the weaker sub-markets expected to be absorbed over the next 12 to 18 months.

GLP has continued to see robust leasing and rent growth in its Japan and US portfolios, driven by ongoing strong customer demand and limited supply of modern logistics facilities. In Japan, leasing of development projects remained strong while the US saw high effective rent growth of 20.7% on renewal leases. Same-property net operating income was up 2.1%

and 7.2% in Japan and US respectively.

Development Highlights

GLP generated US\$65 million of development profit (pre-tax) in 1Q FY17, which reflects a 30% profit margin on development completions. This included GLP Atsugi II (total investment cost: US\$153 million), a Greater Tokyo facility completed in June 2016 which is fully leased.

GLP started US\$404 million of developments in 1Q FY17, mainly in China. The Company maintains strong investment discipline with a focus on locations that are seeing solid demand and limited supply. The new developments GLP started in China in 1Q FY17 were located in markets that had an average lease ratio of 87%.

GLP expects to meet its global development targets for FY17 and generate approximately US\$200 million² of development profit for the full year.

Fund Management Highlights

GLP's fund management business represents a very valuable recurring source of income that is growing consistently every year. 1Q FY17 fund management fees were US\$42 million, up 17% year-on-year. This comprised asset and property management fees of US\$28 million and development fees of US\$14 million, generated from approximately US\$25 billion of invested capital. GLP's fund management platform has US\$12 billion of uncalled capital, which will generate additional fund management fees.

² Based on expected completions of US\$800 million (GLP share) and 25% target development profit margin

GLP has announced the sale of its 50% share of GLP-MFLP Ichikawa Shiohama to GLP J-REIT for approximately US\$151 million or a 4.5% cap rate. This transaction, expected to be completed in September 2016, crystallizes US\$48 million of development profit for GLP, representing a 46% development profit margin. The fund management business provides GLP with a platform to monetize development profit and recycle capital.

GLP's US\$37 billion AUM platform comprises 15 private capital partners, up from 11 a year earlier.

Capital Management Highlights

GLP held US\$1.3 billion of cash as of June 2016 and expects to receive a further US\$500 million this quarter upon final syndication closing of its second US portfolio. The Group's proforma net debt to assets stands at 28% on a look through basis.

GLP China issued RMB1.5 billion (US\$224 million) of RMB-denominated bonds at an average weighted coupon rate of 3.27% in July 2016. The Group expects to continue growing its natural hedge policy of financing operations in local currency including issuing more RMB-denominated bonds in the near future.

Including the 52 million shares repurchased in 1Q FY17, GLP has bought back a total of 169 million shares (3.5% of outstanding shares) since 4 August 2015 at an average of SGD2.05/share. The price represents a P/B of 0.8x over SFRS book value. SFRS book value does not include the full value of GLP's fund management platform and future value creation from development.

Earnings Call/Webcast Information

A briefing for investors and analysts is scheduled for Friday, 12 August 2016 at 9.00 am Singapore time. Please visit our website (ir.glprop.com) to access our webcast for the event. Questions may be submitted during the live webcast and a replay of the briefing will also be available on our website.

About GLP (www.glprop.com)

GLP is a fund manager, developer and owner-operator of modern logistics facilities. As of 30 June 2016, GLP owns and operates a global portfolio of 52 million square meters (560 million square feet) that caters primarily to domestic consumption. GLP's 4,000 customers include some of the world's most dynamic manufacturers, retailers and third party logistics companies. GLP's US\$37 billion fund management platform is a key area of growth going forward.

GLP is listed on the Mainboard of Singapore Exchange Securities Trading Limited (SGX stock code: MC0.SI; Reuters ticker: GLPL.SI; Bloomberg ticker: GLP SP).

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Similarly, statements that describe objectives, plans or goals also are forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes, and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events and speak only as of the date of this press release. GLP does not undertake to revise forward-looking statements to reflect future events or circumstances. No assurance can be given that future events will occur, that projections will be achieved, or that GLP's assumptions are correct.