



For Immediate Release

GLP 2Q FY17 EARNINGS UP 52%; CONTINUED HEALTHY CUSTOMER DEMAND

- **2Q FY17 earnings up 52% led by growth of fund management platform**
 - **Operations: 1H FY17 Same-property net operating income up 7.5%**
 - **Development: US\$63m development profit; on track to meet US\$200m development profit for the full year**
 - **Fund management: Fees up 25%; US\$12bn of further investment capacity**

US\$ million	2Q FY17	2Q FY16	YoY Change	1H FY17	1H FY16	YoY Change
Revenue	214	189	13%	420	379	11%
Earnings (PATMI)	173	114	52%	376	382	(2%)
Core Earnings ¹	152	119	28%	298	255	17%
Core Earnings (ex reval) ¹	68	44	53%	137	101	36%

Singapore, 8 November 2016 – GLP, the leading global provider of modern logistics facilities, reported a 52% increase in earnings (PATMI) for the three months ended 30 September 2016 (2Q FY17). Results were driven by the continued expansion of GLP’s fund management platform.

Mr. Ming Z. Mei, Chief Executive Officer of GLP said: “The team achieved strong results underpinned by recurring income from operations, development and fund management. Our business is supported by long-term structural trends in domestic consumption. We maintain

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 2Q FY17 supplemental for further information

strong investment discipline and see room for cap rates to compress further in this financial year.”

1H FY17 earnings were US\$376 million, 2% lower than the prior year period due to foreign exchange losses. On a core basis (adjusted for non-recurring items), 1H FY17 earnings were up 17% year-on-year, driven by growth in China operations and the continued expansion of GLP’s fund management platform.

Operational Highlights

Group same-property net operating income (“NOI”) was up 7.5% in 1H FY17. GLP’s average lease ratio increased 1% quarter-on-quarter to 92%, driven by a higher lease ratio in China. Leasing demand remained stable globally, with 3.3 million sqm (36 million square feet) of new and renewal leases signed in 2Q FY17, up 21% year-on-year. Rent growth on renewal leases was up 11.3% globally, led by US and China. Customer retention increased 2% quarter-on-quarter to 73%.

GLP’s lease ratio in China was 87%, up from 86% last quarter. GLP expects its China operations to remain stable in the near term. The mid to long term outlook for China remains positive, supported by strong secular drivers such as e-commerce and organized retail.

GLP’s lease ratios in Japan and US remain high at 98% and 94% respectively, with high effective rent growth of 19.6% and 4.5%. GLP’s lease ratio in Brazil stood at 89% and is expected to remain stable. In 2Q FY17, average cap rates in Brazil and US compressed by 25 and 7 basis points respectively.

Development Highlights

In 2Q FY17, GLP started US\$459 million of developments and completed US\$428 million of projects, 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 2Q FY17 were located in markets that had an average lease ratio of 92%.

GLP generated US\$63 million of development profit in 2Q FY17 and has met 64% of its full year development profit target of US\$200 million². The Company generated a 30% development profit margin³ in 1H FY17.

Fund Management Highlights

GLP's fund management business represents a recurring source of income that is growing consistently every year. 2Q FY17 fund management fees were US\$47 million, up 25% year-on-year. This comprised asset and property management fees of US\$31 million and development fees of US\$16 million, generated from approximately US\$26 billion of invested capital. GLP's fund management platform has US\$12 billion of uncalled capital, which will generate additional fund management fees as it is invested.

GLP's US\$38 billion AUM platform comprises 15 private capital partners. The fund management business provides GLP with a platform to monetize development profit and

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

³ Based on development stabilizations during the period and reflects total development profit upon stabilization

recycle capital. Demand from institutional investors to partner with GLP remains strong and the Company expects to continue leveraging its fund management platform for strategic expansion.

In September 2016, GLP announced that it would be acquiring its third US logistics portfolio. Fund syndication for the US\$1.1 billion portfolio is oversubscribed on the back of strong investor demand. GLP remains on track to complete its initial closing of the portfolio in December 2016 with capital partners⁴.

Capital Management Highlights

GLP held US\$1.8 billion of cash as of September 2016, with net debt to assets of 15% (look through: 27%). The Company's policy is to naturally hedge by financing operations in local currency including issuing additional RMB-denominated bonds in the near future.

GLP's SFRS book value NAV increased 6% year-on-year to SGD 2.66/share. NAV growth was mainly driven by value creation from development and NOI growth. SFRS 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 Tuesday, 8 November 2016 at 9.00 am Singapore time. Please visit our website (ir.gjprop.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.

⁴ Syndication is subject to customary regulatory approvals in investors' respective home countries and the US (as applicable)

About GLP (www.glprop.com)

GLP is a fund manager, developer and owner-operator of modern logistics facilities. As of 30 September 2016, GLP owns and operates a global portfolio of 52 million square meters (561 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\$38 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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