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The attached supplemental offering circular is being distributed only to and directed only at (i) persons who are outside the United Kingdom, (ii) persons who have professional experience in matters relating to investments and who fall within Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or (iii) those persons to whom it may otherwise lawfully be distributed (all such persons together being referred to as "relevant persons"). The attached supplemental offering circular is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the attached supplemental offering circular relates is available only to relevant persons and will be engaged in only with relevant persons.

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SUPPLEMENTAL OFFERING CIRCULAR TO THE OFFERING CIRCULAR DATED 16 OCTOBER 2014

Global Logistic Properties Limited

(a limited liability company incorporated in Singapore)

U.S.$2,000,000,000

Euro Medium Term Note Programme

This Supplemental Offering Circular is a supplement to, and is to be read together with, the attached Offering Circular dated 16 October 2014 (the "Original Offering Circular" and together with this Supplemental Offering Circular, the "Offering Circular") relating to the U.S.$2,000,000,000 Euro Medium Term Note Programme (the "Programme") established by Global Logistic Properties Limited (the "Issuer"). This Supplemental Offering Circular adds the sections "Recent Developments", "Summary Consolidated Financial Information", "Capitalisation and Indebtedness" and "Unaudited Financial Statements and Announcement for the year ended 31 March 2015" to the Original Offering Circular. To the extent that the Original Offering Circular is inconsistent with this Supplemental Offering Circular, this Supplemental Offering Circular shall prevail. Terms defined in the Original Offering Circular shall, unless the context otherwise requires, bear the same meanings in this Supplemental Offering Circular.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks, see "Risk Factors" in the Original Offering Circular.

Notes to be issued under the Programme have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include bearer notes that are subject to U.S. tax law requirements. Notes to be issued under the Programme may not be offered or sold or, in the case of bearer notes, delivered within the United States. Accordingly, Notes to be issued under the Programme will be offered and sold only outside the United States in compliance with Regulation S under the Securities Act.

Arrangers

Citigroup Global Markets Singapore Pte. Ltd. **Goldman Sachs (Singapore) Pte.** **J.P. Morgan (S.E.A.) Limited**

Dealers

Citigroup Global Markets Singapore Pte. Ltd.
J.P. Morgan (S.E.A) Limited
Goldman Sachs (Singapore) Pte.
China International Capital Corporation (Singapore) Pte. Limited
Citicorp International Limited

The date of this Supplemental Offering Circular is 22 May 2015

To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information and the Issuer accepts responsibility accordingly.

This Supplemental Offering Circular is to be read in conjunction with the Original Offering Circular and any supplement hereto or thereto and with all documents which are incorporated herein or therein by reference. This Supplemental Offering Circular shall be read and construed on the basis that such documents are incorporated in, and form part of, this Supplemental Offering Circular and in relation to any Tranche (as defined under "Terms and Conditions of the Notes" in the Original Offering Circular) of Notes shall be read and construed together with the relevant Pricing Supplement.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Supplemental Offering Circular or any other information provided by the Issuer in connection with the Programme.

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RECENT DEVELOPMENTS

On 26 February 2015, the Issuer, through GLP US Income Partners I, acquired one of the largest logistics portfolios (the "U.S. Portfolio"), formerly known as IndCor Properties, in the United States for U.S.$8.0 billion from portfolio companies affiliated with The Blackstone Group L.P.. The U.S. Portfolio comprises approximately 115 million square feet (11 million square metres) of total gross floor area in 29 major submarkets of the United States, providing immediate scale in the world's largest logistics market. A subsidiary of the Issuer has been appointed manager to manage the assets of GLP US Income Partners I, subject to certain approval rights of the investors. As of 31 March 2015, the U.S. Portfolio was 92% leased and the Group is focused on increasing the lease ratio in the near term.

No historical or pro forma financial information relating to the U.S. Portfolio has been provided in the Offering Circular.

As of the date hereof, the Issuer owns a 55% interest in GLP US Income Partners I, which is expected to be reduced to 10% as described below.

The Issuer is in advanced negotiations to syndicate its stake in GLP US Income Partners I to other co-investors and, as a result of the syndication, the Issuer's stake in GLP US Income Partners I is expected to be reduced to 10%. Although there can be no assurance, the Issuer expects to announce the syndication in the near future. Closing of the syndication would be subject to customary closing conditions and regulatory approvals, although there can be no assurance that the closing will occur at such time or at all.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

On 14 May 2015, the Group announced its preliminary consolidated results of operations as of and for the year ended 31 March 2015. These announced results are preliminary financial information prepared by the Group and have not been audited or reviewed by the Group's independent auditors and may change. Accordingly, prospective investors should not place undue reliance on such information. See the Group's Unaudited Financial Statements and Announcement for the year ended 31 March 2015 (the "Unaudited 2015 Financial Statements") appearing elsewhere in this Offering Circular.

The following tables set forth the summary consolidated financial information of the Group as of and for the year ended 31 March 2015. The summary consolidated financial information of the Group as of and for the year ended 31 March 2015 have been derived from the Unaudited 2015 Financial Statements included in this Offering Circular and should be read together with such financial statements and the notes thereto.

The Group's financial statements are reported in U.S. dollars. The Group's financial statements contained in this Offering Circular were prepared and presented in accordance with Singapore Financial Reporting Standards ("SFRS"). SFRS reporting practices and accounting principles differ in certain respects from International Financial Reporting Standards.

As stated in item 4 of the Unaudited 2015 Financial Statements, the Group has adopted certain accounting standards which are applicable for the financial period beginning 1 April 2014, including FRS 110 Consolidated Financial Statements ("FRS 110"). The Group has therefore restated the consolidated financial statements as of and for the year ended 31 March 2014 presented as comparative information in the Unaudited 2015 Financial Statements appearing elsewhere in this Offering Circular to reflect the adjustments resulting from the changes made in connection with the adoption of FRS 110. Consolidated financial information as of and for the financial year ended 31 March 2014 reflecting the effects on the Group's financial information arising from the adoption of FRS 110 is presented in item 4 of the Unaudited 2015 Financial Statements. However, neither such comparative financial statements nor the consolidated financial information presented in item 4 of the Unaudited 2015 Financial Statements have been audited.

Summary Consolidated Income Statement Information

	For the year ended 31 March	
	2015	2014(1)
	U.S.$ (in thousands)	
		(restated)
Revenue	708,009	624,823
Other income	5,233	7,946
Property-related expenses	(138,510)	(114,248)
Other expenses	(169,935)	(136,739)
	404,797	381,782
Share of results (net of income tax) of joint ventures	71,426	125,978
Profit from operating activities after share of results of joint ventures	476,223	507,760
Net finance costs	(47,933)	(79,222)
Non-operating (costs)/income	(54,233)	4,992
Profit before changes in fair value of subsidiaries' investment properties	374,057	433,530
Changes in fair value of investment properties	488,178	433,252
Profit before tax	862,235	866,782
Tax expense	(194,265)	(142,063)
Profit for the year	667,970	724,719
Attributable to:		
Owners of the Company	486,199	685,150
Non-controlling interests	181,771	39,569
Profit for the year	667,970	724,719

Note:

(1) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited 2015 Financial Statements.

Summary Consolidated Statement of Financial Position Information

	As at 31 March	
	2015	2014[1]
	U.S.$ (in thousands)	
		(restated)
Non-current assets		
Investment properties[2]	11,331,778	10,164,715
Joint ventures[3]	1,544,017	1,163,752
Deferred tax assets	32,001	28,565
Plant and equipment	52,175	57,549
Intangible assets	487,723	491,198
Other investments[4]	467,831	412,337
Other non-current assets	159,660	113,185
	14,075,185	12,431,301
Current assets		
Financial derivative assets	—	3,452
Trade and other receivables	474,853	405,949
Cash and cash equivalents[5]	1,445,675	1,500,737
Asset classified as held for sale[6]	1,466,592	—
	3,387,120	1,910,138
Total assets	17,462,305	14,341,439
Equity attributable to owners of the Company		
Share capital	6,446,957	6,278,812
Capital securities	594,852	595,375
Reserves	1,738,110	1,883,568
	8,779,919	8,757,755
Non-controlling interests [7]	3,982,502	1,365,587
Total equity	12,762,421	10,123,342
Non-current liabilities		
Loans and borrowings[8]	2,476,453	2,503,677
Financial derivative liabilities	20,901	8,321
Deferred tax liabilities	849,078	716,635
Other non-current liabilities	149,407	165,318
	3,495,839	3,393,951
Current liabilities		
Loans and borrowings[8]	371,256	157,633
Trade and other payables	810,887	644,864
Financial derivative liabilities	2,272	4,444
Current tax payable	19,630	17,205
	1,204,045	824,146
Total liabilities	4,699,884	4,218,097
Total equity and liabilities	17,462,305	14,341,439

Notes:

(1) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited 2015 Financial Statements.

(2) Investment properties increased from U.S.$10,164.7 million as at 31 March 2014 to U.S.$11,331.8 million as at 31 March 2015 mainly due to land acquisitions, new developments and completions in China and increase in fair values arising from the reassessment of certain property values in China and Japan, partially offset by the sale of nine properties in Japan to GLP J-REIT and the weakening of the Japanese Yen against the U.S. dollar.

(3) Joint ventures increased from U.S.$1,163.8 million as at 31 March 2014 to U.S.$1,544.0 million as at 31 March 2015 mainly attributable to the inclusion of 10.0% interest of the new U.S. Portfolio acquired in February 2015, the inclusion of 40.0% interest of the Brazil portfolio acquired in June 2014, partially offset by the weakening of the Brazilian Real and Japanese Yen against the U.S. dollar. The remaining 45.0% interest in the U.S. Portfolio is held by the Group as assets classified as held for sale. See Note (6) below.

(4) Other investments mainly comprised equity investments in (i) 358,610 shares in GLP J-REIT, representing approximately 15.0% of total issued units of GLP J-REIT; (ii) 45,890,000 Class B shares in Shenzhen Chiwan Petroleum Supply Base Co., Ltd. ("Chiwan"), representing approximately 19.9% of the total issued share capital of Chiwan. Other investments were stated at fair value as at 31 March 2015.

(5) Cash and cash equivalents decreased from U.S.$1,500.7 million as at 31 March 2014 to U.S.$1,445.7 million as at 31 March 2015 mainly due to the acquisition of 55% interest of the U.S. Portfolio in February 2015, partially offset by proceeds from the first tranche and second tranche of investment by the consortium of investors in China Holdco.

(6) Assets classified as held for sale comprised 45.0% interest in the U.S. Portfolio acquired in February 2015 which the Group has the intention to dispose within 12 months from the date of acquisition. The remaining 10.0% interest is held by the Group as investment in joint ventures.

(7) Non-controlling interests increased from U.S.$1,365.6 million as at 31 March 2014 to U.S.$3,982.5 million as at 31 March 2015 mainly due to the completion of the first and second tranches of investment by the consortium of investors to own a 33.8% stake in China Holdco.

(8) Total amount of loans and borrowings increased from U.S.$2,661.3 million as at 31 March 2014 to U.S.$2,847.7 million as at 31 March 2015 primarily due to two new Japanese Yen denominated loans drawn down in February and March 2015, drawdown of short term credit facilities in March 2015 and new China loans drawn down, partially offset by the repayment of loans and borrowings pursuant to the sale of nine properties in Japan to GLP J-REIT and weakening of the Japanese Yen against the U.S. dollar. Loans and borrowings do not include indebtedness of the U.S. Portfolio.

Summary Consolidated Statement of Cash Flows Information

	For the year ended 31 March	
	2015	2014[1]
	U.S.$ (in thousands)	
		(restated)
Net cash from operating activities	444,410	291,054
Net cash used in investing activities	(3,408,926)	(824,296)
Net cash from financing activities[2]	2,917,536	83,110
Net decrease in cash and cash equivalents	(46,980)	(450,132)
Cash and cash equivalents at beginning of year	1,500,737	1,974,970
Effects of exchange rate changes on cash balances held in foreign currencies	(8,082)	(24,101)
Cash and cash equivalents at end of year	1,445,675	1,500,737

Notes:

(1) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited 2015 Financial Statements.

(2) Net cash from financing activities for the year ended 31 March 2015 includes net proceeds received pursuant to the completion of the share placement by the Issuer in connection with the completion of the first and second tranches of investment by the consortium of investors to own a 33.8% stake in China Holdco.

CAPITALISATION AND INDEBTEDNESS

The table below sets out the capitalisation and indebtedness of the Group as at 31 March 2015. The information set out in this table has been extracted from and should be read in conjunction with the Unaudited 2015 Financial Statements appearing elsewhere in this Offering Circular:

	As at 31 March 2015
	U.S.$ (in thousands)
Loans and borrowings[1]	
Non-current	2,476,453
Current	371,256
Total loans and borrowings	2,847,709
Equity attributable to owners of the Issuer	
Share capital	6,446,957
Capital securities[2]	594,852
Reserves	1,738,110
	8,779,919
Total capitalisation[3]	11,627,628

Notes:

(1) Loans and borrowings do not include indebtedness of the U.S. Portfolio.

(2) Capital securities aggregating S$750.0 million were issued by the Issuer on 7 December 2011 and 20 January 2012. The capital securities are perpetual, subordinated and the distribution of 5.5% on the securities may be deferred at the sole discretion of the Issuer. As such, the perpetual capital securities are classified as equity instruments and recorded in equity in the statement of financial position.

(3) "Total capitalisation" is defined as loans and borrowings plus equity attributable to owners of the Issuer.

GLOBAL LOGISTIC PROPERTIES LIMITED

(Registration Number : 200715832Z)

UNAUDITED FINANCIAL STATEMENTS AND ANNOUNCEMENT FOR THE YEAR ENDED MARCH 31, 2015

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Summary of Group Results

	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)[1]	Increase / (Decrease) %	Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000 (Restated)[1]	Increase / (Decrease) %
Revenue	166,757	156,972	6.2	708,009	624,823	13.3
Profit from operating activities after share of results of joint ventures	84,104	120,684	(30.3)	476,223	507,760	(6.2)
EBIT	213,765	229,660	(6.9)	910,168	946,004	(3.8)
PATMI	104,859	159,976	(34.5)	486,199	685,150	(29.0)
Profit for the period/year	174,856	172,065	1.6	667,970	724,719	(7.8)
Earnings Per Share (cents) – Basic	2.01	3.19	(37.0)	9.41	13.71	(31.4)
Earnings Per Share (cents) – Diluted	2.00	3.18	(37.1)	9.38	13.67	(31.4)

[1] The adoption of *FRS 110 Consolidated Financial Statements* requires retrospective adjustments which are detailed in item 4.

GLOBAL LOGISTIC PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS AND ANNOUNCEMENT FOR THE YEAR ENDED MARCH 31, 2015

1(a)(i) Consolidated Income Statement

	Note	Group					
		Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)[1]	Change %	Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000 (Restated)[1]	Change %
Revenue	**A**	**166,757**	**156,972**	**6.2**	**708,009**	**624,823**	**13.3**
Other income	B	701	962	(27.1)	5,233	7,946	(34.1)
Property-related expenses	C	(36,687)	(30,916)	18.7	(138,510)	(114,248)	21.2
Other expenses	D	(47,348)	(39,082)	21.2	(169,935)	(136,739)	24.3
		83,423	87,936	(5.1)	404,797	381,782	6.0
Share of results (net of income tax) of joint ventures	E	681	32,748	(97.9)	71,426	125,978	(43.3)
Profit from operating activities after share of results of joint ventures		**84,104**	**120,684**	**(30.3)**	**476,223**	**507,760**	**(6.2)**
Net finance income/(costs)	F	14,367	(29,798)	N.M.	(47,933)	(79,222)	(39.5)
Non-operating (costs)/income	G	(128)	(151)	(15.2)	(54,233)	4,992	N.M
Profit before changes in fair value of subsidiaries' investment properties		98,343	90,735	8.4	374,057	433,530	(13.7)
Changes in fair value of investment properties	H	129,789	109,127	18.9	488,178	433,252	12.7
Profit before income tax		228,132	199,862	14.1	862,235	866,782	(0.5)
Income tax expense	I	(53,276)	(27,797)	91.7	(194,265)	(142,063)	36.7
Profit for the period/year		**174,856**	**172,065**	**1.6**	**667,970**	**724,719**	**(7.8)**
Attributable to:							
Owners of the Company ("PATMI")		104,859	159,976	(34.5)	486,199	685,150	(29.0)
Non-controlling interests ("NCI")	J	69,997	12,089	479.0	181,771	39,569	359.4
Profit for the period/year		**174,856**	**172,065**	**1.6**	**667,970**	**724,719**	**(7.8)**

N.M.: Not meaningful

[1] The adoption of *FRS 110 Consolidated Financial Statements* requires retrospective adjustments which are detailed in item 4.

1(a)(ii) Explanatory Notes to Consolidated Income Statement – Three-month Period ended March 31, 2015 compared to Three-month Period ended March 31, 2014

(A) Revenue

Revenue increased by 6.2% from US$157.0 million during the three-month period ended March 31, 2014 to US$166.8 million during the three-month period ended March 31, 2015. The increase was mainly attributable to the completion and stabilisation of development projects in China with increasing rents and the inclusion of one month's management fee revenue from GLP US Income Partners I, partially offset by the sale of 11 properties in Japan to GLP J-REIT in March 2014 and September 2014 and the weakening of the Japanese Yen against the U.S. Dollar, with average rates decreasing by 16%.

(B) Other income

Other income consists mainly of net gain from tenant expense recoveries and government subsidies received.

(C) Property-related expenses

Property-related expenses increased by 18.7% from US$30.9 million during the three-month period ended March 31, 2014 to US$36.7 million during the three-month period ended March 31, 2015. The increase was mainly attributable to the completion of development projects in China which increased the leasable area and attributable expenses of the Group's properties in China, partially offset by the sale of 11 properties in Japan to GLP J-REIT in March 2014 and September 2014 and the weakening of the Japanese Yen against the U.S. Dollar.

(D) Other expenses

	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)
Included in other expenses:		
Depreciation and amortisation	(2,938)	(2,628)

Other expenses increased by 21.2% from US$39.1 million during the three-month period ended March 31, 2014 to US$47.3 million during the three-month period ended March 31, 2015. The increase was mainly due to the higher staff and business costs in the Group arising from an increased property portfolio and business expansion to the United States and in China.

(E) Share of results (net of income tax) of joint ventures

	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)
Share of operating results	6,848	4,546
Share of changes in fair value of investment properties (net of income tax)	(6,167)	28,202
Share of PATMI	681	32,748

The Group's share of operating results of joint ventures increased from US$4.5 million during the three-month period ended March 31, 2014 to US$6.8 million during the three-month period ended March 31, 2015. The increase was mainly due to inclusion of share of results of a new Brazil joint venture from November 2014 and completion of development activities of certain logistics facilities in Japan and Brazil, partially offset by the share of loss of a new US joint venture from February 2015. The loss arose from one-time transaction-related costs.

The Group's share of fair value gains of investment properties in joint ventures decreased from US$28.2 million during the three-month period ended March 31, 2014 to losses of US$6.2 million during the three-month period ended March 31, 2015. For the three-month period ended March 31, 2015, the Group's share of fair value losses from investment properties in Brazil joint ventures was US$26.6 million arising from capitalisation rate expansion of the portfolio, partially offset by gains from China and Japan of US$5.1 million and US$15.4 million respectively.

(F) Net finance income/(costs)

	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)
Interest income	6,354	1,904
Net borrowing costs	(18,227)	(22,286)
Foreign exchange gain/(loss)	26,045	(1,987)
Changes in fair value of financial derivatives	195	(7,429)
Net finance income/(costs)	14,367	(29,798)

The Group recorded net finance income of US$14.4 million during the three-month period ended March 31, 2015 as compared to net finance costs of US$29.8 million during the three-month period ended March 31, 2014, mainly due to foreign exchange gains of US$26.0 million, higher interest income and lower borrowing costs recorded for the three-month period ended March 31, 2015.

(G) Non-operating costs

Non-operating costs primarily comprised losses on disposal of investment properties.

(H) Changes in fair value of investment properties

Fair value gain on investment properties increased by 18.9% from US$109.1 million during the three-month period ended March 31, 2014 to US$129.8 million during the three-month period ended March 31, 2015. China and Japan contributed net fair value gain of US$128.2 million and US$1.6 million respectively, due to the reassessment of certain property values in China and Japan.

(I) Income tax expense

Income tax expense increased by 91.7% from US$27.8 million during the three-month period ended March 31, 2014 to US$53.3 million during the three-month period ended March 31, 2015. The increase was mainly attributable to higher deferred income tax expense arising from changes in fair value of investment properties and higher taxable income from operations in China.

(J) Profit attributable to non-controlling interests

Profit attributable to non-controlling interests increased from US$12.1 million during the three-month period ended March 31, 2014 to US$70.0 million during the three-month period ended March 31, 2015. The increase was mainly attributable to non-controlling interests' share of profits pursuant to the completion of investment by a consortium of investors in GLP China for the first tranche of 24.4% in June 2014 and for the second tranche of 9.4% in September 2014.

1(a)(iii) Consolidated Statements of Comprehensive Income

	Group					
	Three-month period ended Mar. 31, 2015 US$'000	**Three-month period ended Mar. 31, 2014 US$'000 (Restated)**	**Change %**	**Year ended Mar. 31, 2015 US$'000**	**Year ended Mar. 31, 2014 US$'000 (Restated)**	**Change %**
Profit for the period/year	**174,856**	**172,065**	**1.6**	**667,970**	**724,719**	**(7.8)**
Other comprehensive income:						
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	(26,190)	(40,537)	(35.4)	(321,049)	(134,197)	139.2
Effective portion of changes in fair value of cash flow hedges	209	(4,442)	N.M.	(12,249)	8,549	N.M.
Changes in fair value of available-for-sale investments	(33,106)	1,371	N.M.	65,021	32,780	98.4
Share of other comprehensive income of joint ventures	(88,486)	15,450	N.M.	(181,410)	(50,724)	257.6
Exchange differences reclassified to profit or loss	-	-	-	60,660	-	N.M.
Other comprehensive income for the period/year	(147,573)	(28,158)	424.1	(389,027)	(143,592)	170.9
Total comprehensive income for the period/year	**27,283**	**143,907**	**(81.0)**	**278,943**	**581,127**	**(52.0)**
Attributable to:						
Owners of the Company	(38,448)	156,390	N.M.	83,629	544,658	(84.6)
Non-controlling interests	65,731	(12,483)	N.M.	195,314	36,469	435.6
	27,283	**143,907**	**(81.0)**	**278,943**	**581,127**	**(52.0)**

N.M.: Not meaningful

GLOBAL LOGISTIC PROPERTIES LIMITED
UNAUDITED FINANCIAL STATEMENTS AND ANNOUNCEMENT FOR THE YEAR ENDED MARCH 31, 2015

1(b)(i) Statements of Financial Position

	Group			Company		
	Mar. 31, 2015 US$'000	Mar. 31, 2014 US$'000 (Restated)[1]	Change %	Mar. 31, 2015 US$'000	Mar. 31, 2014 US$'000	Change %
Non-current assets						
Investment properties (1)	11,331,778	10,164,715	11.5	-	-	-
Subsidiaries	-	-	-	8,442,085	7,113,933	18.7
Joint ventures (2)	1,544,017	1,163,752	32.7	-	-	-
Deferred tax assets	32,001	28,565	12.0	-	-	-
Plant and equipment	52,175	57,549	(9.3)	7,020	3,645	92.6
Intangible assets (3)	487,723	491,198	(0.7)	-	-	-
Other investments (4)	467,831	412,337	13.5	-	-	-
Other non-current assets (5)	159,660	113,185	41.1	-	-	-
	14,075,185	**12,431,301**	**13.2**	**8,449,105**	**7,117,578**	**18.7**
Current assets						
Financial derivative assets	-	3,452	(100.0)	-	3,452	(100.0)
Trade and other receivables	474,853	405,949	17.0	290,227	1,077,964	(73.1)
Cash and cash equivalents (6)	1,445,675	1,500,737	(3.7)	429,787	142,004	202.7
Assets classified as held for sale (7)	1,466,592	-	N.M.	-	-	-
	3,387,120	**1,910,138**	**77.3**	**720,014**	**1,223,420**	**(41.1)**
Total assets	**17,462,305**	**14,341,439**	**21.8**	**9,169,119**	**8,340,998**	**9.9**
Equity attributable to owners of the Company						
Share capital	6,446,957	6,278,812	2.7	6,446,957	6,278,812	2.7
Capital securities (8)	594,852	595,375	(0.1)	594,852	595,375	(0.1)
Reserves	1,738,110	1,883,568	(7.7)	606,043	775,405	(21.8)
	8,779,919	**8,757,755**	**0.3**	**7,647,852**	**7,649,592**	**-**
Non-controlling interests (9)	**3,982,502**	**1,365,587**	**191.6**	**-**	**-**	**-**
Total equity	**12,762,421**	**10,123,342**	**26.1**	**7,647,852**	**7,649,592**	**-**
Non-current liabilities						
Loans and borrowings (10)	2,476,453	2,503,677	(1.1)	943,746	626,485	50.6
Financial derivative liabilities	20,901	8,321	151.2	14,950	-	N.M.
Deferred tax liabilities	849,078	716,635	18.5	-	-	-
Other non-current liabilities	149,407	165,318	(9.6)	100	100	-
	3,495,839	**3,393,951**	**3.0**	**958,796**	**626,585**	**53.0**
Current liabilities						
Loans and borrowings (10)	371,256	157,633	135.5	180,000	-	N.M.
Trade and other payables	810,887	644,864	25.7	382,393	64,820	489.9
Financial derivative liabilities	2,272	4,444	(48.9)	78	-	N.M.
Current tax payable	19,630	17,205	14.1	-	1	(100.0)
	1,204,045	**824,146**	**46.1**	**562,471**	**64,821**	**N.M.**
Total liabilities	**4,699,884**	**4,218,097**	**11.4**	**1,521,267**	**691,406**	**120.0**
Total equity and liabilities	**17,462,305**	**14,341,439**	**21.8**	**9,169,119**	**8,340,998**	**9.9**

N.M.: Not meaningful

1 The adoption of *FRS 110 Consolidated Financial Statements* requires retrospective adjustments which are detailed in item 4.

(1) Investment properties increased from US$10,164.7 million as at March 31, 2014 to US$11,331.8 million as at March 31, 2015 mainly due to land acquisitions, new developments and completions in China and increase in fair values arising from the reassessment of certain property values in China and Japan; partially offset by the sale of 9 properties in Japan to GLP J-REIT and the weakening of the Japanese Yen against the U.S. Dollar.

(2) Joint ventures increased from US$1,163.8 million as at March 31, 2014 to US$1,544.0 million as at March 31, 2015 mainly attributable to the inclusion of 10% interest of the new US portfolio acquired in February 2015, the inclusion of 40% interest of the Brazil portfolio acquired in June 2014, partially offset by the weakening of the Brazilian Real and Japanese Yen against the U.S. Dollar.

(3) Intangible assets primarily comprised goodwill recognised from GLPH Acquisition of US$395.6 million, adjusted goodwill recognised from the acquisition of ACL of US$59.8 million, trademark and non-competition.

(4) Other investments comprised equity investments in (i) 358,610 shares in GLP J-REIT, representing approximately 15% of total issued units of GLP J-REIT; (ii) 45,890,000 Class B shares in Shenzhen Chiwan Petroleum Supply Base Co., Ltd. (“Chiwan”), representing approximately 19.9% of the total issued share capital of Chiwan. Other investments were stated at fair value as at March 31, 2015.

(5) Other non-current assets primarily comprised non-current rent receivables, loans to joint ventures, deposits and prepayments.

(6) Cash and cash equivalents decreased from US$1,500.7 million as at March 31, 2014 to US$1,445.7 million as at March 31, 2015 mainly due to the acquisition of 55% interest of the US portfolio in February 2015, partially offset by proceeds from the first tranche and second tranche of investment by the consortium of investors in GLP China.

(7) Assets classified as held for sale comprised 45% interests in the US portfolio acquired in February 2015 which the Group has the intention to dispose within 12 months from the date of acquisition. The remaining 10% interests is held by the Group as investment in joint ventures – refer to note 2.

(8) Capital securities aggregating S$750.0 million were issued by the Company on December 7, 2011 and January 20, 2012. The capital securities are perpetual, subordinated and coupon payment is optional in nature. These perpetual capital securities are classified as equity instruments and recorded in equity in the consolidated statement of changes in equity.

(9) Non-controlling interests increased from US$1,365.6 million as at March 31, 2014 to US$3,982.5 million as at March 31, 2015 mainly due to the completion of the first and second tranches of investment by the consortium of investors to own a 33.8% stake in GLP China.

(10) Total amount of loans and borrowings increased from US$2,661.3 million as at March 31, 2014 to US$2,847.7 million as at March 31, 2015 primarily due to 2 new Japanese Yen denominated loans drawn down in February and March 2015, drawdown of short term credit facilities in March 2015 and new China loans drawn down, partially offset by the repayment of loans and borrowings pursuant to the sale of 9 properties in Japan to GLP J-REIT and weakening of the Japanese Yen against the U.S. Dollar.

1(b)(ii) Group's Borrowings and Debt Securities

	Group	
	As at Mar. 31, 2015 US$'000	**As at Mar. 31, 2014 US$'000 (Restated)**
Amount repayable in one year or less, or on demand:-		
Secured	191,256	157,633
Unsecured	180,000	-
	371,256	157,633
Amount repayable after one year:-		
Secured	1,532,707	1,877,192
Unsecured	943,746	626,485
	2,476,453	2,503,677
Total Debt	**2,847,709**	**2,661,310**
Total Debt less Cash	**1,402,034**	**1,160,573**

Details of any collateral

Secured borrowings were generally secured by the borrowing companies' investment properties and assignment of all rights and benefits with respect to the properties.

1(c) Consolidated Statements of Cash Flows

	Group			
	Three-month period ended Mar. 31, 2015 US$'000	**Three-month period ended Mar. 31, 2014 US$'000 (Restated)**	**Year ended Mar. 31, 2015 US$'000**	**Year ended Mar. 31, 2014 US$'000 (Restated)**
Cash flows from operating activities				
Profit before income tax	**228,132**	**199,862**	**862,235**	**866,782**
Adjustments for:				
Depreciation of plant and equipment	2,076	1,765	8,107	5,050
Amortisation of intangible assets	862	863	3,451	3,452
(Gain)/Loss on disposal of subsidiaries	(254)	-	25,339	(64)
Loss/(Gain) on liquidation of subsidiary	304	-	(514)	-
Loss/(Gain) on disposal of asset classified as held for sale	-	-	31,639	(4,994)
(Gain)/Loss on disposal of plant and equipment	(3)	122	36	603
Goodwill written off on acquisition of subsidiaries	-	11	274	137
Share of results (net of income tax) of joint ventures	(681)	(32,748)	(71,426)	(125,978)
Changes in fair value of investment properties	(129,789)	(109,127)	(488,178)	(433,252)
(Reversal)/Recognition of impairment loss on trade and other receivables	(195)	252	(1,739)	731
Loss/(Gain) on disposal of investment properties	161	-	(2,436)	-
Equity-settled share-based payment transactions	3,510	2,083	12,655	8,390
Net finance (income)/costs	(14,367)	29,798	47,933	79,222
	89,756	**92,881**	**427,376**	**400,079**
Changes in working capital:				
Trade and other receivables	(38,825)	5,866	(26,519)	(37,887)
Trade and other payables	36,391	(6,298)	72,046	(57,284)
Cash generated from operations	**87,322**	**92,449**	**472,903**	**304,908**
Income tax paid	(6,842)	(3,210)	(28,493)	(13,854)
Net cash from operating activities	**80,480**	**89,239**	**444,410**	**291,054**
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	(2,093)	(27,190)	(728,181)	(26,414)
Acquisition of investment properties	(18,033)	-	(439,150)	-
Proceeds from disposal of investment properties	1,539	-	518,142	-
Acquisition of other investments	-	492	(48,647)	(35,814)
Development expenditure on investment properties	(315,941)	(282,204)	(1,195,717)	(966,526)
Disposal of subsidiaries, net of cash disposed	243	(32)	23,316	4,026
Proceeds from disposal of assets held for sale	-	283,640	356,753	338,037
Contribution to joint ventures	(286,290)	(17,462)	(414,215)	(86,472)
Return of capital from joint ventures	43,741	-	77,027	-
Loan to joint ventures	(62,893)	(1,918)	(84,820)	(675)

1(c) Consolidated Statements of Cash Flows (cont'd)

	Group			
	Three-month period ended Mar. 31, 2015 US$'000	**Three-month period ended Mar. 31, 2014 US$'000 (Restated)**	**Year ended Mar. 31, 2015 US$'000**	**Year ended Mar. 31, 2014 US$'000 (Restated)**
Cash flows from investing activities (cont'd)				
Purchase of plant and equipment	(1,592)	(28,279)	(9,872)	(52,172)
Proceeds from sale of plant and equipment	3	8	565	1,798
Acquisition of intangible assets	(4)	-	(6)	-
Interest income received	4,104	2,393	12,257	9,395
Dividends received from joint ventures	9,501	31,861	12,933	31,861
Acquisition of ownership interests of assets classified as held for sale	(1,242,318)	-	(1,466,592)	-
Withholding tax paid on dividend and interest income from subsidiaries	(3,926)	-	(22,719)	(41,340)
Net cash used in investing activities	**(1,873,959)**	**(38,691)**	**(3,408,926)**	**(824,296)**
Cash flows from financing activities				
Proceeds from issue of shares[1]	-	-	159,015	-
Acquisition of non-controlling interest	-	(164)	(14,379)	(23,821)
Contribution from non-controlling interests	19,915	18,184	35,816	38,288
Proceeds from disposal of interest in subsidiaries to non-controlling interests[1]	-	322,246	2,350,732	508,438
Proceeds from bank loans	728,051	49,196	1,173,618	139,880
Repayment of bank loans	(87,548)	(132,044)	(319,992)	(241,120)
Proceeds from issue of bonds, net of transaction costs	153,580	8,941	297,012	17,101
Settlement of financial derivative liabilities	(120)	(1,485)	(5,914)	(1,542)
Redemption of bonds	(174,038)	(73,811)	(464,075)	(82,370)
Interest paid	(16,005)	(20,333)	(82,957)	(88,410)
Dividends paid to shareholders	-	-	(174,441)	(150,162)
Dividends paid to non-controlling interests	(412)	-	(4,367)	-
Capital securities distribution	-	-	(32,532)	(33,172)
Net cash from financing activities	**623,423**	**170,730**	**2,917,536**	**83,110**
Net (decrease)/increase in cash and cash equivalents	**(1,170,056)**	**221,278**	**(46,980)**	**(450,132)**
Cash and cash equivalents at beginning of the period/year	2,618,645	1,286,291	1,500,737	1,974,970
Effect of exchange rate changes on cash balances held in foreign currencies	(2,914)	(6,832)	(8,082)	(24,101)
Cash and cash equivalents at end of period/year	**1,445,675**	**1,500,737**	**1,445,675**	**1,500,737**

[1] *Net proceeds received pursuant to the completion of the share placement by GLP Limited in relation to the selldown of 33.8% shareholdings in GLP China to the consortium of investors in June 2014 and September 2014.*

1(d)(i) Statements of Changes in Equity
As at years ended March 31, 2015 and 2014 – Group

	Share capital US$'000	Capital securities US$'000	Capital reserve US$'000	Equity compensation reserve US$'000	Currency translation reserve US$'000	Hedging reserve US$'000	Fair value reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total attributable to owners of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at April 1, 2014	**6,278,812**	**595,375**	**75,797**	**15,066**	**(179,211)**	**(21,315)**	**168,820**	**(699,778)**	**2,524,189**	**8,757,755**	**1,175,230**	**9,932,985**
Effect of change in accounting policy[1]	-	-	-	-	-	-	-	-	-	-	190,357	**190,357**
Balance as at April 1, 2014, as restated	**6,278,812**	**595,375**	**75,797**	**15,066**	**(179,211)**	**(21,315)**	**168,820**	**(699,778)**	**2,524,189**	**8,757,755**	**1,365,587**	**10,123,342**
Total comprehensive income												
Profit for the year	-	-	-	-			-	-	486,199	486,199	181,771	667,970
Other comprehensive income												
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	-	-	-	-	(334,592)	-	-	-	-	(334,592)	13,543	(321,049)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	(12,249)	-	-	-	(12,249)	-	(12,249)
Change in fair value of available-for-sale financial investments	-	-	-	-	-	-	65,021	-	-	65,021	-	65,021
Share of other comprehensive income of joint ventures	-	-	-	-	(181,177)	(233)	-	-	-	(181,410)	-	(181,410)
Exchange differences reclassified to profit or loss	-	-	-	-	60,660	-	-	-	-	60,660	-	60,660
Total other comprehensive income	-	-	-	-	(455,109)	(12,482)	65,021	-	-	(402,570)	13,543	(389,027)
Total comprehensive income	-	-	-	-	**(455,109)**	**(12,482)**	**65,021**	-	**486,199**	**83,629**	**195,314**	**278,943**
Transactions with owners, recorded directly in equity												
Issue of ordinary shares, net of transaction costs	168,145	-	-	(9,130)	-	-	-	-	-	159,015	-	**159,015**
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	35,816	**35,816**
Capital securities distribution paid	-	(32,532)	-	-	-	-	-	-	-	(32,532)	-	**(32,532)**
Accrued capital securities distribution	-	32,009	-	-	-	-	-	-	(32,009)	-	-	-
Acquisition of interest in subsidiaries from non-controlling interests	-	-	1,449	-	-	-	-	-	-	1,449	(15,828)	**(14,379)**
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	28,427	**28,427**
Disposal of interest in subsidiaries to non-controlling interests	-	-	38,773	-	(66,384)	-	-	-	-	(27,611)	2,377,623	**2,350,012**
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(70)	**(70)**
Share-based payment transactions	-	-	-	12,655	-	-	-	-	-	12,655	-	**12,655**
Tax-exempt (one-tier) dividends paid of S$0.045 per share	-	-	-	-	-	-	-	-	(174,441)	(174,441)	-	**(174,441)**
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(4,367)	**(4,367)**
Total contribution by and distribution to owners	**168,145**	**(523)**	**40,222**	**3,525**	**(66,384)**	-	-	-	**(206,450)**	**(61,465)**	**2,421,601**	**2,360,136**
Transfer to reserves	-	-	630	-	-	-	-	-	(630)	-	-	-
Balance as at March 31, 2015	**6,446,957**	**594,852**	**116,649**	**18,591**	**(700,704)**	**(33,797)**	**233,841**	**(699,778)**	**2,803,308**	**8,779,919**	**3,982,502**	**12,762,421**

[1] See Item 4.

1(d)(i) Statements of Changes in Equity (cont'd)
As at years ended March 31, 2015 and 2014 – Group (cont'd)

	Share capital US$'000	Capital securities US$'000	Capital reserve US$'000	Equity compensation reserve US$'000	Currency translation reserve US$'000	Hedging reserve US$'000	Fair value reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total attributable to owners of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at April 1, 2013	**6,274,886**	**595,844**	**81,182**	**10,602**	**5,327**	**(30,748)**	**136,040**	**(699,778)**	**2,024,924**	**8,398,279**	**648,388**	**9,046,667**
Effect of change in accounting policy[1]	-	-	-	-	-	-	-	-	-	-	148,471	**148,471**
Balance as at April 1, 2013, as restated	**6,274,886**	**595,844**	**81,182**	**10,602**	**5,327**	**(30,748)**	**136,040**	**(699,778)**	**2,024,924**	**8,398,279**	**796,859**	**9,195,138**
Total comprehensive income												
Profit for the year	-	-	-	-	-	-	-	-	685,150	**685,150**	39,569	**724,719**
Other comprehensive income												
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	-	-	-	-	(131,097)	-	-	-	-	**(131,097)**	(3,100)	**(134,197)**
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	8,549	-	-	-	**8,549**	-	**8,549**
Change in fair value of available-for-sale financial investments	-	-	-	-	-	-	32,780	-	-	**32,780**	-	**32,780**
Share of other comprehensive income of joint ventures	-	-	-	-	(51,608)	884	-	-	-	**(50,724)**	-	**(50,724)**
Total other comprehensive income	-	-	-	-	(182,705)	9,433	32,780	-	-	**(140,492)**	(3,100)	**(143,592)**
Total comprehensive income	-	-	-	-	**(182,705)**	**9,433**	**32,780**	-	**685,150**	**544,658**	**36,469**	**581,127**
Transactions with owners, recorded directly in equity												
Issue of ordinary shares under Share Plan, net of transaction costs	3,926	-	-	(3,926)	-	-	-	-	-	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	38,288	**38,288**
Capital securities distribution paid	-	(33,172)	-	-	-	-	-	-	-	**(33,172)**	-	**(33,172)**
Accrued capital securities distribution	-	32,703	-	-	-	-	-	-	(32,703)	-	-	-
Acquisition of interest in subsidiaries from non-controlling interests	-	-	(1,692)	-	-	-	-	-	-	**(1,692)**	(22,771)	**(24,463)**
Disposal of assets classified as held for sale	-	-	-	-	1,686	-	-	-	-	**1,686**	-	**1,686**
Disposal of interest in subsidiaries to non-controlling interests	-	-	(6,713)	-	(3,519)	-	-	-	-	**(10,232)**	516,742	**506,510**
Share-based payment transactions	-	-	-	8,390	-	-	-	-	-	**8,390**	-	**8,390**
Tax-exempt (one-tier) dividends paid of S$0.04 per share	-	-	-	-	-	-	-	-	(150,162)	**(150,162)**	-	**(150,162)**
Total contribution by and distribution to owners	**3,926**	**(469)**	**(8,405)**	**4,464**	**(1,833)**	-	-	-	**(182,865)**	**(185,182)**	**532,259**	**347,077**
Transfer to reserves	-	-	3,020	-	-	-	-	-	(3,020)	-	-	-
Balance as at March 31, 2014	**6,278,812**	**595,375**	**75,797**	**15,066**	**(179,211)**	**(21,315)**	**168,820**	**(699,778)**	**2,524,189**	**8,757,755**	**1,365,587**	**10,123,342**

[1] See Item 4.

1(d)(i) Statements of Changes in Equity (cont'd)

As at years ended March 31, 2015 and 2014 – Company

	Share capital US$'000	Capital securities US$'000	Equity compensation reserve US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total equity US$'000
Balance as at April 1, 2014	**6,278,812**	**595,375**	**15,066**	**-**	**760,339**	**7,649,592**
Total comprehensive income						
Profit for the year	-	-	-	-	48,590	**48,590**
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges	-	-	-	(15,027)	-	**(15,027)**
Total other comprehensive income	-	-	-	(15,027)	-	**(15,027)**
Total comprehensive income	**-**	**-**	**-**	**(15,027)**	**48,590**	**33,563**
Transactions with equity holders, recorded directly in equity						
Issue of ordinary shares, net of transaction costs	168,145	-	(9,130)	-	-	159,015
Capital securities distribution paid	-	(32,532)	-	-	-	(32,532)
Accrued capital securities distribution	-	32,009	-	-	(32,009)	-
Share-based payment transactions	-	-	12,655	-	-	12,655
Tax-exempt (one-tier) dividends paid of S$0.045 per share	-	-	-	-	(174,441)	(174,441)
Total contribution by and distribution to owners	**168,145**	**(523)**	**3,525**	**-**	**(206,450)**	**(35,303)**
Balance as at March 31, 2015	**6,446,957**	**594,852**	**18,591**	**(15,027)**	**602,479**	**7,647,852**
Balance as at April 1, 2013	**6,274,886**	**595,844**	**10,602**	**-**	**852,028**	**7,733,360**
Total comprehensive income						
Profit for the year	-	-	-	-	91,176	91,176
Total comprehensive income	**-**	**-**	**-**	**-**	**91,176**	**91,176**
Transactions with equity holders, recorded directly in equity						
Issue of ordinary shares under Share Plan, net of transaction costs	3,926	-	(3,926)	-	-	-
Capital securities distribution paid	-	(33,172)	-	-	-	(33,172)
Accrued capital securities distribution	-	32,703	-	-	(32,703)	-
Share-based payment transactions	-	-	8,390	-	-	8,390
Tax-exempt (one-tier) dividends paid of S$0.04 per share	-	-	-	-	(150,162)	(150,162)
Total contribution by and distribution to owners	**3,926**	**(469)**	**4,464**	**-**	**(182,865)**	**(174,944)**
Balance as at March 31, 2014	**6,278,812**	**595,375**	**15,066**	**-**	**760,339**	**7,649,592**

1(d)(ii) Changes in the Company's Issued Share Capital

Issued Share Capital

As at March 31, 2015, the Company's issued and fully paid up capital (excluding treasury shares) comprises 4,839,907,556 (As at March 31, 2014: 4,760,125,534) ordinary shares. The movement in the Company's issued and fully paid-up share capital during the three-month period ended March 31, 2015 are as follows:

	No. of Shares	Capital US$'000
As at January 1, 2015	4,839,569,556	6,446,457
Issuance of shares under Share Plans	338,000	500
As at March 31, 2015	4,839,907,556	6,446,957

Share Plans

The GLP Performance Share Plan ("GLP PSP") and GLP Restricted Share Plan ("GLP RSP") was approved by the shareholders of the Company on September 24, 2010. As at March 31, 2015, the number of outstanding shares awarded under the GLP PSP and GLP RSP were 8,928,000 and 8,264,334 respectively (As at March 31, 2014, GLP PSP: 6,666,000 and GLP RSP: 7,777,064).

1(d)(iii) Treasury Shares

The Company did not hold any treasury shares as at March 31, 2015 and March 31, 2014.

1(d)(iv) Changes in the Company's Treasury Shares

There were no sale, transfer, disposal, cancellation and/or use of treasury shares for the year ended March 31, 2015.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have neither been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year ended March 31, 2015 as compared with the audited financial statements for the year ended March 31, 2014, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning April 1, 2014.

FRS which became effective for the Group's financial period beginning April 1, 2014 are:

Amendments to FRS 32	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities;
FRS 110	Consolidated Financial Statements;
FRS 111	Joint Arrangements; and
FRS 112	Disclosures of Interests in Other Entities

Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 32 clarifies the existing criteria for net presentation on the face of the statement of financial position. Under the amendments, to qualify for offsetting, the right to set-off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. There was no material financial impact on the financial position from the adoption of this amendment.

FRS 110 Consolidated Financial Statements

FRS 110 establishes a single control model as the basis for determining the entities that will be consolidated. It also requires management to exercise significant judgement to determine which investees are controlled, and therefore are required to be consolidated by the Group.

The Group has evaluated its relationship with investees under the new control model. As a consequence, the Group has changed its control conclusion in respect of its investment in Suzhou Industrial Park Genway Factory Building Industrial Development Co., Ltd, GLP I-Park Xi'An Science & Technology Industrial Development Co., Ltd and Shenyang Jinpu Industrial Development Co., Ltd, which were previously accounted for as joint ventures using the equity method.

This standard is applied retrospectively and the prior periods in the Group's 2015 financial statements has been consequently restated. The effects of the Group's financial information arising from the adoption of FRS 110 are as follows:

	Mar. 31, 2014	
	As restated US$'000	As previously stated US$'000
Statements of financial position		
Investment properties	10,164,715	9,645,698
Joint ventures	1,163,752	1,328,761
Deferred tax assets	28,565	28,313
Plant and equipment	57,549	57,500
Other non-current assets	113,185	111,682
Trade and other receivables	405,949	382,228
Cash and cash equivalents	1,500,737	1,485,961
Total assets	**14,341,439**	**13,947,130**
Loans and borrowings	2,661,310	2,592,443
Deferred tax liabilities	716,635	656,708
Other non-current liabilities	165,318	160,159
Trade and other payables	644,864	575,976
Current tax payable	17,205	16,094
Total liabilities	**4,218,097**	**4,014,145**
Net assets	**10,123,342**	**9,932,985**
Non-controlling interests	1,365,587	1,175,230
Total equity attributable to owners of the Company	**8,757,755**	**8,757,755**

	Three-month period ended Mar. 31, 2014	
	As restated US$'000	As previously stated US$'000
Income statement		
Revenue	156,972	150,430
Property-related expenses	(30,916)	(28,756)
Other expenses	(39,082)	(38,961)
Share of results (net of tax expenses) of joint ventures	32,748	40,665
Net finance costs	(29,798)	(29,022)
Changes in fair value of investment properties	109,127	92,364
Income tax expense	(27,797)	(22,702)
Profit for the period	**172,065**	**164,818**
Profit attributable to non-controlling interests	12,089	4,842
PATMI	**159,976**	**159,976**

	Year ended Mar. 31, 2014	
	As restated US$'000	**As previously stated US$'000**
Income statement		
Revenue	624,823	598,288
Other income	7,946	7,901
Property-related expenses	(114,248)	(105,404)
Other expenses	(136,739)	(136,248)
Share of results (net of tax expenses) of joint ventures	125,978	140,334
Net finance costs	(79,222)	(76,160)
Changes in fair value of investment properties	433,252	408,519
Income tax expense	(142,063)	(132,251)
Profit for the year	**724,719**	**709,971**
Profit attributable to non-controlling interests	39,569	24,821
PATMI	**685,150**	**685,150**

FRS 111 Joint Arrangements

FRS 111 establishes the principles for classification and accounting of joint arrangements. Under this standard, interests in joint ventures is accounted for using the equity method whilst interests in joint operations will be accounted for using the applicable FRSs relating to the underlying assets, liabilities, revenue and expense items arising from the joint operations. As the Group is already applying the equity method of accounting for its joint ventures, the adoption of FRS 111 has no material impact to the Group's financial statements.

FRS 112 Disclosures of Interests in Other Entities

FRS 112 brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. FRS 112 requires the disclosure of information about the nature, risks and financial effects of these interests.

As FRS 112 is primarily a disclosure standard, there was no financial impact on the results and financial position of the Group and the Company upon adoption of this standard by the Group.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Please refer to Item 4 above.

6 Earnings per ordinary share (EPS) based on profit after tax & non-controlling interest attributable to the owners of the Company:

In computing the EPS, the weighted average number of shares for the period is used for the computation.

	Group			
	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000	Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000
PATMI	104,859	159,976	486,199	685,150
Less: accrued distribution to holders of capital securities	(7,492)	(7,991)	(32,009)	(32,703)
PATMI less capital securities distribution	97,367	151,985	454,190	652,447

EPS based on profit attributable to owners of the Company less distribution to holders of capital securities is as follows:

		Group			
		Three-month period ended Mar. 31, 2015	Three-month period ended Mar. 31, 2014	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014
6(a)	EPS based on weighted average number of ordinary shares in issue (in US cents)	2.01	3.19	9.41	13.71
	Weighted average number of ordinary shares (in thousands)	4,839,885	4,760,126	4,824,491	4,759,273
6(b)	EPS based on fully diluted basis (in US cents)	2.00	3.18	9.38	13.67
	Weighted average number of ordinary shares (in thousands)	4,857,077	4,773,841	4,840,028	4,772,091

7 Net asset value and net tangible assets per ordinary share based on issued share capital (excluding treasury shares) as at the end of the period:

In computing the NAV and NTA per ordinary share, the number of units as at the end of each period is used for the computation.

	Group		Company	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
NAV per ordinary share	US$1.81	US$1.84	US$1.58	US$1.61
NTA per ordinary share	US$1.71	US$1.74	US$1.58	US$1.61

8 Review of the Group's performance

Group Overview

	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)	Variance %	Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000 (Restated)	Variance %
Revenue	166,757	156,972	6.2	708,009	624,823	13.3
EBIT	213,765	229,660	(6.9)	910,168	946,004	(3.8)
Net finance income/(costs)	14,367	(29,798)	N.M.	(47,933)	(79,222)	(39.5)
Profit before income tax	228,132	199,862	14.1	862,235	866,782	(0.5)
Income tax expense	(53,276)	(27,797)	91.7	(194,265)	(142,063)	36.7
Profit for the period/year	174,856	172,065	1.6	667,970	724,719	(7.8)
EBIT excluding revaluation	90,143	92,332	(2.4)	391,311	411,276	(4.9)
PATMI	104,859	159,976	(34.5)	486,199	685,150	(29.0)
PATMI excluding revaluation	65,366	52,883	23.6	200,771	246,976	(18.7)

Three-month Period ended March 31, 2015 Compared to Three-month Period ended March 31, 2014

The higher revenue during the three-month period ended March 31, 2015 was mainly attributable to the completion and stabilisation of development projects in China with increasing rents and the inclusion of one month's management fee revenue from GLP US Income Partners I, partially offset by the sale of 11 properties in Japan to GLP J-REIT in March 2014 and September 2014 and the weakening of the Japanese Yen against the U.S. Dollar.

EBIT decreased to US$213.8 million during the three-month period ended March 31, 2015 from US$229.7 million during the three-month period ended March 31, 2014. The decrease was mainly due to lower share of results of joint ventures, higher operating expenses arising from an increased property portfolio and business expansion, partially offset by higher fair value gains of investment properties and higher revenue recognised during the three-month period ended March 31, 2015.

The decrease in Group's PATMI from US$160.0 million during the three-month period ended March 31, 2014 to US$104.9 million during the three-month period ended March 31, 2015 was mainly due to higher non-controlling interests' share of profits following the completion of investment by the consortium of investors to own a 33.8% stake in GLP China, lower EBIT and higher income tax expense recorded during the three-month period ended March 31, 2015.

Year ended March 31, 2015 Compared to Year ended March 31, 2014

The higher revenue during the year ended March 31, 2015 was mainly attributable to the completion and stabilisation of development projects in China with increasing rents, inclusion of the Brazil portfolio acquired in June 2014, higher management fee and dividend income, partially offset by the sale of 11 properties in Japan to GLP J-REIT in March 2014 and September 2014, the deferred rental revenue of Airport City Development Co., Ltd ("ACL") recognised upon reaching agreement with a tenant during the year ended March 31, 2014, and the weakening of the Japanese Yen against the U.S. Dollar.

EBIT decreased to US$910.2 million during the year ended March 31, 2015 from US$946.0 million during the year ended March 31, 2014. The decrease was mainly due to higher non-operating loss, lower share of results of joint ventures and higher operating expenses arising from an increased property portfolio and business expansion, partially offset by higher revenue recorded and higher share of fair value gains of investment properties during the year ended March 31, 2015.

The decrease in Group's PATMI from US$685.2 million during the year ended March 31, 2014 to US$486.2 million during the year ended March 31, 2015 was mainly due to higher non-controlling interests' share of profits, lower EBIT and higher income tax expense during the year ended March 31, 2015.

Country Performance

Three-month Period ended March 31, 2015 Compared to Three-month Period ended March 31, 2014

	Revenue			EBIT		
	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)	Variance %	Three-month period ended Mar. 31, 2015 US$'000	Three-month period ended Mar. 31, 2014 US$'000 (Restated)	Variance %
China	118,968	100,463	18.4	200,009	159,212	25.6
Japan	40,558	54,776	(26.0)	50,394	94,431	(46.6)
Brazil	3,098	1,733	78.8	(24,579)	(16,710)	47.1
US	4,133	-	N.M.	(3,720)	-	N.M.
Others	-	-	-	(8,339)	(7,273)	14.7
Total	**166,757**	**156,972**	**6.2**	**213,765**	**229,660**	**(6.9)**

Year ended March 31, 2015 Compared to Year ended March 31, 2014

	Revenue			EBIT		
	Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000 (Restated)	Variance %	Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000 (Restated)	Variance %
China	444,218	386,026	15.1	682,797	598,932	14.0
Japan	207,109	231,541	(10.6)	305,657	389,480	(21.5)
Brazil	52,549	7,256	N.M.	(13,901)	(18,468)	(24.7)
US	4,133	-	N.M.	(3,720)	-	N.M.
Others	-	-	-	(60,665)	(23,940)	153.4
Total	**708,009**	**624,823**	**13.3**	**910,168**	**946,004**	**(3.8)**

China

The increase in revenue during the three-month ended March 31, 2015 as compared to the three-month ended March 31, 2014 was mainly due to the completion and stabilization of the Group's development projects, with increasing rents. The increase in revenue during the year ended March 31, 2015 as compared to the year ended March 31, 2014 was mainly due to the completion and stabilization of the Group's development projects, with increasing rents, partially offset by the deferred rental revenue in ACL recognised upon reaching agreement with a tenant during the year ended March 31, 2014.

EBIT increased during the three-month and year ended March 31, 2015 as compared to the three-month and year ended March 31, 2014 primarily due to an increase in fair value gain from the reassessment of certain property values.

Japan

The lower revenue during the three-month and year ended March 31, 2015 as compared to the three-month and year ended March 31, 2014 was mainly due to the sale of 11 properties in Japan to GLP J-REIT in March 2014 and September 2014 and the weakening of the Japanese Yen against the U.S. Dollar.

The lower EBIT during the three-month and year ended March 31, 2015 as compared to the three-month and year ended March 31, 2014 was mainly due to lower share of results from joint ventures, decrease in fair value gain from the reassessment of certain property values and lower revenue.

Brazil

The increase in revenue during the three-month and year ended March 31, 2015 as compared to the three-month and year ended March 31, 2014 was mainly due to the inclusion of the portfolio acquired from BR Properties in June 2014.

EBIT decreased during the three-month period ended March 31, 2015 as compared to the three-month period ended March 31, 2014 due to higher share of fair value loss of investment properties in joint ventures arising from capitalisation rate expansion of the portfolio. EBIT improved during the year ended March 31, 2015 as compared to the year ended March 31, 2014 due to the inclusion of the results of the portfolio acquired from BR properties in June 2014, partially offset by the share of fair value loss of investment properties in joint ventures for the year ended March 31, 2015.

US

Following the acquisition of the US portfolio and formation of GLP US Income Partners I in late February 2015, the Group recorded one month's management fee income for the three-month and year ended March 31, 2015. EBIT for the three-month and year ended March 31, 2015 is negative due to one-time transaction-related costs arising from the portfolio acquisition.

9 Variance from Prospect Statement

Not applicable.

10 Commentary on the significant trends and the competitive conditions of the industry in which the group operates in and any known factors or events that may affect the group in the next reporting period and the next 12 months

China

China's economic growth has moderated from previous years. China's GDP rose 7.0%[1] year-on-year in 1Q 2015 and is projected to grow 6.9%[2] in 2015. Retail sales rose 10.6%[1] year-on-year in 1Q 2015 and are forecast to grow by 11.4%[2] in 2015.

China continues to transition from an export-driven economy to a domestic-consumption led economy and the Central Government is using a number of fiscal and monetary policy tools to guide this transition. In April, the Central Bank lowered the reserve requirement ratio by 100 basis points to 18.5%. In May, it lowered the benchmark lending interest rate by 25 basis points to 5.1%, adding more liquidity to help counter slowing growth.

In line with the shift to domestic consumption, the market for modern logistics facilities is expected to remain stable. Expansion demand from repeat customers is a key driver of GLP's business. GLP continues to closely monitor market demand through proactive customer engagement and sees continued growth from the fast moving consumer goods, retail, cold storage and e-commerce industries, as well as customers moving from owner-occupied to leased logistics facilities.

In FY2015, GLP achieved US$1.64 billion of development starts and US$1.0 billion of development completions. GLP also signed a record 3.1 million sqm (34 million sq ft) of new and expansion leases in China, up 36% year-on-year. GLP's stabilized logistics portfolio lease ratio in China increased 170 basis points quarter-on-quarter to 91%, with over 81% of GLP's portfolio in China leased to domestic consumption related customers.

Japan

Japan's GDP grew 1.5%[3] during the December quarter and is forecast to grow 1.0%[2] for 2015. Further easing measures, including the postponement of a further sales tax hike from 2015 to 2017, are expected to provide support for private consumption and economic growth.

The Group continues to see solid customer demand in the Japanese market driven by growth of third party logistics providers and an increasing outsourcing trend. Supply of modern logistics remains limited, with modern logistics facilities making up only 3.1%[4] of total market supply. Vacancy in the markets of Greater Tokyo and Greater Osaka, where GLP's portfolio is focused, remain low at 3.4%[5] and 2.5%[5] respectively.

Japan (cont'd)

GLP's stabilized portfolio lease ratio in Japan remained high at 99%. Cash rents on leases renewed during the year increased 1.6% on average.

Subsequent to quarter end, GLP completed the sale of GLP Kobe Nishi, a 36,000 sqm (392,000 sq ft) property in Greater Osaka, to GLP J-REIT. The sale crystallized a 38% development value creation and net levered property IRR of 128% (before fees and promotes) within 14 months.

Brazil

Economic growth in Brazil has slowed. GDP growth was flat in 2014 and is forecast to contract by 1.1%[2] in 2015. Inflation is expected to reach 6.1%[6] after rising 6.2%[7] in 2014.

The macro-economic and political environment has resulted in the depreciation of the Brazilian Real. GLP's exposure to the Real has been partially offset by its debt financing which is local currency-denominated. Brazil makes up 6% of GLP's pro-forma[8] Net Asset Value.

GLP continues to benefit from steady outsourcing trends as companies move away from owning to leasing warehouses to seek supply chain efficiencies, as well as from companies consolidating their operations. The logistics sector in Brazil remains severely underserved, with approximately 80% of existing stock obsolete, according to CBRE. These trends are expected to continue driving demand for modern, master-planned facilities such as GLP's in the medium- and long-term.

While economic growth has moderated, GLP's business remains solid, with the Company's stabilized logistics portfolio lease ratio in Brazil remaining stable at 97%. During the quarter, GLP recorded 108,000 sqm (1.2 million sq ft) of new and expansion leases, with major new customer relationships including Sequóia Logística, Sanofi and Medley.

GLP Brazil Development Partners I was able to capitalize on market conditions to acquire a prime 76,000 sqm (818,000 sq ft) development site in Cajamar, one of the most important logistics sub-markets in São Paulo. During the quarter, GLP's average revenue yield in Brazil expanded 65 basis points to 10.0% on the back of interest rate hikes.

United States

US GDP rose 0.2%[9] year-on-year in 1Q 2015 and is projected to grow 2.9%[2] for 2015. Retail sales rose 4.0%[9] in 2014.

Improving economic indicators in the US have supported demand for industrial real estate. E-commerce, manufacturing output and trade volumes are all growing, signaling rising demand for industrial real estate, particularly in major port cities and adjoining inland distribution hubs.

GLP completed the acquisition of one of the largest logistics portfolios in the United States for US$8.0 billion on 27 February 2015 and is in advanced negotiations with other capital partners to pare down its stake from 55% to 10%. Investor demand is strong and the fund syndication process is in the final documentation phase, with GLP expecting to make an announcement on the new investors soon.

Since the acquisition, GLP recorded 126,000 sqm (1.4 million sq ft) of new and expansion leases in the US, with an additional 128,000 sqm (1.4 million sq ft) of renewal leasing executed. Net effective rents[10] for leases signed during the quarter increased 11.8%. GLP's logistics portfolio lease ratio in the US was 92% as of 31 March 2015, with the ability to further increase occupancy.

Fund Management

GLP's fund management platform encompasses US$20.0 billion of assets under management. Fund management is a growing and important part of GLP's business. Through the fund management platform, GLP is able to efficiently leverage capital to support long-term growth while enhancing returns on its equity. The continued strong support from GLP's capital partners is expected to sustain the Company's growing fund management platform.

General

The markets that GLP are in have attractive supply and demand dynamics for logistics facilities in the medium and long-term. GLP remains mindful of the near-term challenges in the local and global economic environments. The Company believes its market leading positions, strong management team and solid balance sheet position it well for continued profitable growth.

General (cont'd)

Since GLP operates in multiple countries and is exposed to different currencies, the Group believes that a natural hedge is the best means to hedge against its foreign exchange exposure.

GLP remains focused on being the best operator in each of its markets, creating value through developments and expanding its fund management platform.

[1] National Bureau of Statistics of China – macroeconomic data as of March 2015
[2] Consensus Forecasts published by Consensus Economics Inc. as of April 2015
[3] Japan Cabinet Office
[4] Estimated by CBRE using the Survey of the Outline of Fixed Asset Prices as well as the Yearbook of Construction Statistics
[5] January 2015 Market Report issued by Ichigo Real Estate Service
[6] Banco Santander (Brasil) S.A, April 2015
[7] Instituto Brasileiro de Geografia e Estatística (IBGE)/Brazilian Institute of Geography and Statistics
[8] Pro-forma NAV assuming GLP's ultimate 10% stake in GLP US Income Partners I
[9] US Census Bureau and the US. Bureau of Economic Analysis
[10] Net effective rent refers to the estimated cash rent to be received over the lease term (including base rent and expense reimbursements) on an annualized basis

11 Dividend

11(a) Any dividend declared for the present financial period? Yes. Please refer to item 17.

11(b) Any dividend declared for the previous corresponding period? Yes. Please refer to item 17.

11(c) Date payable: 20 August 2015

11(d) Books closing date: 6 August 2015

11(e) If no dividend has been declared/recommended, a statement to that effect

Not applicable.

12 Interested Person Transactions ("IPT")

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

13 Negative Confirmation Pursuant to Rule 705(5) of the Listing Manual

Not applicable.

14 Segmental Revenue & Results

	Year ended March 31, 2015					
	China US$'000	Japan US$'000	Brazil US$'000	US US$'000	Others US$'000	Total US$'000
Revenue	444,218	207,109	52,549	4,133	-	708,009
EBIT excluding revaluation	265,103	174,754	15,839	(3,720)	(60,665)	391,311
Changes in fair value of investment properties held by subsidiaries	405,307	82,871	-	-	-	488,178
Share of changes in fair value of investment properties (net of income tax) held by joint ventures	12,387	48,032	(29,740)	-	-	30,679
EBIT	682,797	305,657	(13,901)	(3,720)	(60,665)	910,168
Net finance (costs)/income	(28,975)	(25,688)	(16,847)	2,390	21,187	(47,933)
Profit/(Loss) before tax	653,822	279,969	(30,748)	(1,330)	(39,478)	862,235
Income tax expense	(167,209)	(15,420)	(10,048)	(55)	(1,533)	(194,265)
Profit/(Loss) after tax	486,613	264,549	(40,796)	(1,385)	(41,011)	667,970

	Year ended March 31, 2014				
	China US$'000 (Restated)	Japan US$'000	Brazil US$'000	Others US$'000	Total US$'000 (Restated)
Revenue	386,026	231,541	7,256	-	624,823
EBIT excluding revaluation	244,865	193,819	(3,468)	(23,940)	411,276
Changes in fair value of investment properties held by subsidiaries	330,944	102,308	-	-	433,252
Share of changes in fair value of investment properties (net of income tax) held by joint ventures	23,123	93,353	(15,000)	-	101,476
EBIT	598,932	389,480	(18,468)	(23,940)	946,004
Net finance costs	(42,604)	(25,785)	(333)	(10,500)	(79,222)
Profit/(Loss) before tax	556,328	363,695	(18,801)	(34,440)	866,782
Income tax expense	(132,124)	(15,108)	(447)	5,616	(142,063)
Profit/(Loss) after tax	424,204	348,587	(19,248)	(28,824)	724,719

15 In the review of performance, the factors leading to any material changes in contributions to revenue and earnings by the business or geographical segments

Please refer to Item 8.

16 Breakdown of Group's revenue and profit after tax for first half year and second half year

		Year ended Mar. 31, 2015 US$'000	Year ended Mar. 31, 2014 US$'000 (Restated)	Variance %
(a)	**Revenue**			
	- first half	362,230	290,093	24.9
	- second half	345,779	334,730	3.3
	Total	**708,009**	**624,823**	**13.3**
(b)	**Profit after tax**			
	- first half	327,096	364,222	(10.2)
	- second half	340,874	360,497	(5.4)
	Total	**667,970**	**724,719**	**(7.8)**

17 Breakdown of Total Annual Dividend (in Dollar value) of the Company

The Directors are pleased to propose a final one-tier tax exempt ordinary dividend of 5.5 Singapore cents per share for the financial year ended 31 March 2015, subject to shareholders' approval.

Name of dividend	Year ended Mar. 31, 2015
	Ordinary
Type of dividend	Cash
Dividend per share	5.5 Singapore cents
Annual dividend (S$'000)	266,195
Annual dividend in US$ equivalent (US$'000)	199,861

The above dividend amount is estimated based on the number of issued shares (excluding treasury shares) as at 31 March 2015. The actual dividend payment can only be determined on books closure date.

This report does not reflect the estimated dividend payable of US$199,861,000, which will be accounted for in the Shareholders' Equity as an appropriation of "Retained Earnings" in the next financial year ending 31 March 2016.

Dividends declared for previous corresponding period

Name of dividend	Year ended Mar. 31, 2014 Ordinary
Type of dividend	Cash
Dividend per share	4.5 Singapore cents
Annual dividend (S$'000)	219,569
Annual dividend in US$ equivalent (US$'000)	174,441

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

BY ORDER OF THE BOARD

Fang Xie, Heather
Chief Financial Officer
May 13, 2015

This announcement may contain forward-looking statements that involve risks and uncertainties. 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 current view of management on future events.

Offering Circular dated 16 October 2014

Global Logistic Properties Limited

(a limited liability company incorporated in Singapore)

U.S.$2,000,000,000
Euro Medium Term Note Programme

This Offering Circular supersedes any previous Offering Circulars issued in respect of the Programme (as defined below). Any Notes (as defined below) issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This Offering Circular does not affect any Notes already in issue.

Under the U.S.$2,000,000,000 Euro Medium Term Note Programme described in this Offering Circular (the "Programme"), Global Logistic Properties Limited (the "Issuer") may from time to time issue notes (the "Notes") denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Notes may be issued in bearer or registered form (respectively "Bearer Notes" and "Registered Notes"). The maximum aggregate nominal amount of all Notes outstanding under the Programme will not at any time exceed U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these see "Risk Factors".

An application has been made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for permission to deal in and the listing and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made or opinions expressed or reports contained in this Offering Circular. There is no assurance that the application to the SGX-ST for the listing and quotation of the Notes will be approved. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or the Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in a pricing supplement (each a "Pricing Supplement") which, with respect to Notes to be listed on the SGX-ST, will be delivered to the SGX-ST before the date of listing of Notes of such Tranche.

Each Series (as defined on page 9) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "Temporary Bearer Global Note") or a permanent global note in bearer form (each a "Permanent Bearer Global Note") (collectively, the "Bearer Global Note"). Each Series of Notes in registered form will be represented on issue by a registered global note (each, a "Registered Global Note"). Bearer Global Notes and Registered Global Notes (together with the Bearer Global Notes, the "Global Notes") may be deposited on the issue date with a common depositary on behalf of Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg") or with a sub-custodian for the Central Moneymarkets Unit Service, operated by the Hong Kong Monetary Authority (the "CMU"). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "Form of the Notes".

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include bearer notes that are subject to U.S. tax law requirements. The Notes may not be offered or sold or, in the case of bearer notes, delivered within the United States. Accordingly, the Notes are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act. For a description of certain restrictions on offers, sales and transfers of Notes and distribution of this Offering Circular see "Subscription and Sale".

Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued.

Arrangers

Citigroup Global Markets Singapore Pte. Ltd. **Goldman Sachs (Singapore) Pte.** **J.P. Morgan (S.E.A.) Limited**

Dealers

Citigroup Global Markets Singapore Pte. Ltd.
J.P. Morgan (S.E.A) Limited
Goldman Sachs (Singapore) Pte.
China International Capital Corporation (Singapore) Pte. Limited
Citicorp International Limited

To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information and the Issuer accepts responsibility accordingly.

Copies of each Pricing Supplement relating to Notes issued under the Programme will be available to Noteholders upon request from the registered office of the Issuer and the specified office of the Fiscal Agent.

This Offering Circular is to be read in conjunction with any supplement hereto and with all documents which are incorporated herein by reference. This Offering Circular shall be read and construed on the basis that such documents are incorporated in, and form part of, this Offering Circular and in relation to any Tranche of Notes shall be read and construed together with the relevant Pricing Supplement.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme.

Subject as provided in the applicable Pricing Supplement, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the persons named in the applicable Pricing Supplement as the relevant Dealer, the Managers or the person named in or identifiable in the applicable Pricing Supplement as the financial intermediaries (the "Financial Intermediaries"), as the case may be.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition, results of operations and affairs, and its own appraisal of the creditworthiness, of the Issuer. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and in the Pricing Supplement of the relevant Tranche of Notes and reach their own views, based upon their own judgement and upon advice from such financial, legal and tax advisers as they have deemed necessary, prior to making any investment decision. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer of, or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for, or to purchase, any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that there has been no change in the affairs of the Issuer or the Issuer and its subsidiaries taken as a whole (the "Group") since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the

Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom), Hong Kong, Singapore, The People's Republic of China ("China" or the "PRC") and Japan, see "Subscription and Sale".

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States.

This Offering Circular is not a prospectus for the purposes of European Union Directive 2003/74/EC, as amended.

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes described herein have not been approved or disapproved by the United States Securities and Exchange Commission or any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Offering Circular. Any representation to the contrary is unlawful.

None of the Dealers, nor the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The Group's audited consolidated financial statements for the financial years ended 31 March 2013 and 2014 (the "Audited Financial Statements") and unaudited consolidated financial statements for the three-month period ended 30 June 2014 (the "Unaudited Interim Financial Statements") contained in this Offering Circular were prepared and presented in accordance with Singapore Financial Reporting Standards ("SFRS"). SFRS reporting practices and accounting principles differ in certain respects from International Financial Reporting Standards ("IFRS"). Unless the context otherwise requires, financial information in this Offering Circular is presented on a consolidated basis.

As stated in item 4 of the Unaudited Interim Financial Statements, the Group has adopted certain accounting standards which are applicable for the financial period beginning 1 April 2014, including FRS 110 *Consolidated Financial Statements* ("FRS 110"). The Group has therefore restated the consolidated financial statements as of 31 March 2014 and as of and for the three-month period ended 30 June 2013 presented as comparative information in the Unaudited Interim Financial Statements to reflect the adjustments resulting from the changes made in the Unaudited Interim Financial Statements in connection with the adoption of FRS 110. In addition, consolidated financial information as of and for the financial year ended 31 March 2014 and the three-month period ended 30 June 2013 reflecting the effects on the Group's financial information arising from the adoption of FRS 110 is presented in item 4 of the Unaudited Interim Financial Statements. However, neither such comparative financial statements nor the consolidated financial information presented in item 4 of the Unaudited Interim Financial Statements have been audited.

The Audited Financial Statements have not been restated to reflect the adoption of FRS 110 because such adoption became applicable after the date of the audit. Accordingly, the Audited Financial Statements are not comparable to the Unaudited Interim Financial Statements.

See "Risk Factors—The Group's financial statements are not comparable to one another" and item 4 of the Unaudited Interim Financial Statements included in this Offering Circular for further details on the effects on the Group's financial information arising from the adoption of FRS 110.

Selected financial data from the Audited Financial Statements and the Unaudited Interim Financial Statements (collectively, the "Financial Statements") are set out in the section entitled "Selected Consolidated Financial Information" of this Offering Circular. Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are included in this Offering Circular.

Market data, industry forecasts and industry statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer believes this information to be reliable, it has not been independently verified by the Issuer or the Dealers or their respective directors and advisors, and neither the Issuer, the Dealers nor their respective directors and advisors make any representation as to the accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. Due to possibly inconsistent collection methods and other problems, such statistics herein may be inaccurate. Investors should not unduly rely on such market data, industry forecasts and industry statistics.

In this Offering Circular, all references to "US$" and "U.S. dollars" are to United States dollars, the official currency of the United States of America (the "United States" or "U.S."), all references to "RMB" or "Renminbi" are to Renminbi, the official currency of the PRC, all references to "¥" or "Yen" are to Japanese Yen, the official currency of Japan and all references to "BRL" are to Brazilian Real, the official currency of Brazil. All references to "Singapore dollars" and "S$" are to Singapore dollars, the official currency of the Republic of Singapore and all references to "€" or "Euro" are to the official currency introduced at the third state of the Economic and Monetary Union pursuant to the Treaty on European Union.

The Group's financial statements are published in U.S. dollars.

References to "PRC" and "China," for the statistical purposes of this Offering Circular, except where the context otherwise requires, do not include the Hong Kong Special Administrative Region of the

PRC, the Macau Special Administrative Region of the PRC or Taiwan. "PRC government" or "State" means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governments) and instrumentalities thereof, or, where the context requires, any of them.

Totals presented in this Offering Circular may not total correctly because of rounding of numbers.

VALUATIONS, PROPERTY VALUES AND GROSS FLOOR AREA/GROSS LEASABLE AREA

Valuations of the Group's interests in properties are included in this Offering Circular. These valuations reflect the market value of the properties at the date of valuation, being generally the estimated amount at which an asset would be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction. The methodologies used by the Issuer and each of the independent valuers (the "Independent Valuers") of the Group's property interests may differ, and are based on assumptions by the Issuer and the Independent Valuers of facts particular to that property.

Where valuations are performed by Independent Valuers, valuation reports generally provide that the Independent Valuers have relied on information provided by the entity owning the relevant property (which may not be the Issuer's subsidiary or an entity over which the Group has control), and that they do not take responsibility for the accuracy of the information.

A parcel of land in land reserve is not reflected as part of the Group's assets unless and until the relevant PRC subsidiary and/or a jointly controlled entity acquires the relevant parcel. For more information about the definition of "land reserve", see "Description of the Group—The Group's Portfolio—Portfolio Summary".

There can be no assurance that valuations and property values reflect accurately the value of the Group's property interests and that the Group's property interests will be realised at such values. See "Risk Factors—Risks Relating to the Group's Business and Operations—The valuations of the Group's logistics facilities contain assumptions that may not materialise".

The gross floor area ("GFA") (in the case of the China Portfolio and the Japan Portfolio) and the gross leasable area ("GLA") (in the case of the Brazil Portfolio) of the Group's property interests are included in this Offering Circular. The Issuer determines GFA generally by reference to the built-up area of the property, excluding car park space, and determines GLA generally by reference to the total leasable rent area. For properties under development, the GFA or GLA (as the case may be) is based on the Issuer's estimation by reference to, among other things, construction plans, which may change. The GFA or GLA (as the case may be) of the Group's properties under development, in certain cases, is subject to final verification by survey and regulatory approval. For properties being repositioned, the GFA or GLA (as the case may be) is based on the current built-up area reflected in the title certificates or leasable area (as the case may be) as determined by the Issuer. For land held for future development and land reserve, the GFA or GLA (as the case may be) is assumed using certain planning parameters of the land, such as plot ratio and building coverage ratio. Unless otherwise expressly stated, the calculation of GFA or GLA (as the case may be) and the information derived from GFA or GLA amounts (e.g. weighted average contracted rental rate) set forth in this Offering Circular are based on 100 per cent. of the GFA or GLA (as the case may be) of the properties owned by the Issuer's subsidiaries and jointly controlled entities, and not just the Group's attributable interest in those properties. For more information about the GFA or GLA of properties held by the Issuer's subsidiaries and jointly-controlled entities, see "Description of the Group—The Group's Portfolio—Portfolio Summary".

Various operation ratios of the Group's property interests with regard to completed properties are also included in this Offering Circular:

- "Lease ratio" means the total floor area contracted to be leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be) divided by the total net leasable area as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be).

- "Average lease ratio" means the total floor area contracted to be leased over the fiscal years ended 31 March 2013 or 2014 or the three-month period ended 30 June 2014 divided by the total floor area available for lease over the same period.

- "WALE" means the weighted average lease expiry, or the average lease term remaining to expiry across the portfolio, weighted by leased space.

- "Weighted average lease terms (original)" means the sum of the product between each lease's floor area contracted to be leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be) and the full contractual term of the lease, divided by the total floor area leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be).

- "Weighted average lease terms (remaining)" means the sum of the product between each lease's floor area contracted to be leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be) and the remaining term of the lease, divided by the total floor area leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be).

- "Weighted average contracted rental rate" means, in the case of properties in the Japan Portfolio and the Brazil Portfolio, the sum of the product between the floor area of each property contracted to be leased and the contracted rent plus common area maintenance fee per sq.m. per month, divided by the total floor area leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be); and, in the case of properties in the China Portfolio, the sum of the product between the floor area of each property contracted to be leased and the contracted rent plus property management fee per sq.m. per day, divided by the total floor area leased as at 31 March 2013 or 2014 or 30 June 2014 (as the case may be).

CLASSIFICATION OF PROPERTIES

Prospective investors should note that the approach which the Issuer uses for classifying a property's development status may differ from that of independent valuers. The Issuer classifies the status of a property based on its internal definition of actual development start date and the estimated completion date and the commercial or business intention with which the property is or will be placed, whilst certain independent valuers may value and classify the status of a property based on its actual physical status/condition as at the date of valuation. As an example to illustrate this difference, if the Issuer had commenced construction on a site but then suspended construction because of adverse changes in the global economic outlook, the Issuer would treat the property as "Land held for future development", while certain independent valuers may treat the property as "Property under development".

Prospective investors should also note that any information derived from a particular category of properties such as the GFA or GLA (as the case may be) of the Group's completed and pre-stabilised portfolio in a particular city as a percentage of the total GFA or GLA (as the case may be) is calculated and presented based on the Issuer's classification of properties. Similarly, all derived information, such as the lease ratio, average lease ratio, weighted average lease term and weighted average contracted rental rate, are calculated and presented in the same way.

Notwithstanding the differences in the classification of properties, the total valuation of the Group's properties is not affected although the value of properties comprising a particular sub-category may be different because of the differences in classification described above.

STABILISATION

In connection with the issue and distribution of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (the "Stabilising Managers") (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of the Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Offering Circular, including, without limitation, those regarding the respective financial positions of the Issuer and the Group, their business strategy, plans and objectives of management for future operations (including their respective development plans and objectives relating to their businesses), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer and the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's and the Group's present and future business strategies and the environment in which the Issuer and the Group will operate in the future. Factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors". These forward-looking statements speak only as of the date of this Offering Circular. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in their respective expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, the most recently published audited annual accounts and any interim accounts (whether audited or unaudited) published subsequently to such annual accounts of the Issuer from time to time (if any) and all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and such accounts, amendments and supplements shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available free of charge during usual business hours on any weekday (Saturdays and public holidays excepted) from the specified offices of the Paying Agents set out at the end of this Offering Circular.

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SUMMARY

The Issuer is the holding company of the Group's portfolios of logistics facilities in China, Japan and Brazil, as well as the asset management companies that manage these facilities. The Issuer was listed on the Main Board of the SGX-ST on 18 October 2010, and has a market capitalisation of S$13.1 billion as at 30 June 2014.

The Group is the leading modern logistics facility provider in China, Japan and Brazil. Japan and China are Asia's two largest economies and China is one of Asia's largest logistics markets. In addition, Brazil is one of Latin America's fastest growing logistics markets. The Group's early mover advantage in these markets has allowed it to establish its presence in strategically located sites across key gateway cities in these countries.

The Group owns, manages and leases out an extensive network of 704 completed properties in China, Japan and Brazil within 301 GLP parks, with a combined GFA and GLA of approximately 15.9 million square metres as of 30 June 2014. The Group also has interests in an additional 5.7 million square metres of properties under development or being repositioned and approximately 5.4 million square metres of combined GFA and GLA under land held for future development as of 30 June 2014. In addition, the Group also has approximately 12.8 million square metres of GFA under land reserve in China. The Group's network is spread across 76 cities in China, Japan and Brazil. See "Description of the Group—The Group's Portfolio". Each of the Group's parks is strategically located within key logistics hubs and near major seaports, airports, transportation hubs or industrial zones in the greater metropolitan areas of China, Japan and Brazil.

The size and geographic reach of the Group's portfolio allows the Group to meet its customers' business and expansion needs in multiple locations.

In addition, the Group's fund management business continues to be an important source of growth and vehicle for capital recycling for the Group. As of 30 June 2014, the Group managed five third party pooled investment vehicles and one real estate investment trust listed on the Tokyo Stock Exchange, representing an aggregate of US$11.4 billion of assets under management when fully leveraged and invested, of which US$7.4 billion has been invested with a further US$4.0 billion of uncalled capital.

For the financial year ended 31 March 2014 and for the three-month period ended 30 June 2014, the Group had revenue of US$624.8 million and US$169.3 million, respectively. The Group recorded a net profit of US$724.7 million for the financial year ended 31 March 2014 and a net profit of US$204.9 million for the three-month period ended 30 June 2014. As at 31 March 2014 and 30 June 2014, the total assets of the Group amounted to US$14,341.4 million and US$16,875.5 million, respectively.

The Group's Strengths

- The Group is one of the leading providers of modern logistics facilities
- Leadership in leading global economies
- Strong balance sheet with defensive growth
- High quality and well diversified network
- High quality properties with strong lease profile
- Well-established brand and reputation
- Well-established track record
- Strong corporate governance and experienced management team

The Group's Strategy

- Strengthen the Group's market leadership position and capitalise on the significant market opportunities

- Increase economies of scale

- Strategically recycle capital to create and enhance shareholder value

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth the selected consolidated financial information of the Group as at and for the periods indicated.

The selected audited consolidated financial information of the Group as of and for the financial years ended 31 March 2013 and 2014 have been derived from the Audited Financial Statements included in this Offering Circular and should be read together with such financial statements and the notes thereto. The selected unaudited consolidated financial information of the Group for the three-month period ended 30 June 2014 has been derived from the Unaudited Interim Financial Statements included in this Offering Circular.

The Group's financial statements are reported in U.S. dollars. The Audited Financial Statements and the Unaudited Interim Financial Statements contained in this Offering Circular were prepared and presented in accordance with SFRS. SFRS reporting practices and accounting principles differ in certain respects from IFRS.

As stated in item 4 of the Unaudited Interim Financial Statements, the Group has adopted certain accounting standards which are applicable for the financial period beginning 1 April 2014, including FRS 110 Consolidated Financial Statements ("FRS 110"). The Group has therefore restated the consolidated financial statements as of 31 March 2014 and as of and for the three-month period ended 30 June 2013 presented as comparative information in the Unaudited Interim Financial Statements to reflect the adjustments resulting from the changes made in the Unaudited Interim Financial Statements in connection with the adoption of FRS 110. In addition, consolidated financial information as of and for the financial year ended 31 March 2014 and the three-month period ended 30 June 2013 reflecting the effects on the Group's financial information arising from the adoption of FRS 110 is presented in item 4 of the Unaudited Interim Financial Statements. However, neither such comparative financial statements nor the consolidated financial information presented in item 4 of the Unaudited Interim Financial Statements have been audited.

The Audited Financial Statements have not been restated to reflect the adoption of FRS 110 because such adoption became applicable after the date of the audit. Accordingly, the Audited Financial Statements are not comparable to the Unaudited Interim Financial Statements.

See "Risk Factors—The Group's financial statements are not comparable to one another" and item 4 of the Unaudited Interim Financial Statements included in this Offering Circular for further details on the effects on the Group's financial information arising from the adoption of FRS 110.

SELECTED CONSOLIDATED INCOME STATEMENT INFORMATION

	For the year ended 31 March			For the three-month period ended 30 June	
	2013(1)	2014(1)	2014	2013	2014
	U.S.$ (in thousands)				
			(restated)(2)	(restated)(2)	
Revenue	642,094(3)	598,288(3)	624,823	143,467(4)	169,296(4)
Other income	6,949	7,901	7,946	1,311	857
Property-related expenses	(104,794)	(105,404)	(114,248)	(25,368)(5)	(31,091)(5)
Other expenses	(119,403)	(136,248)	(136,739)	(30,420)	(36,570)
	424,846	364,537	381,782	88,990	102,492
Share of results (net of tax expense) of jointly-controlled entities	164,852	140,334	125,978	30,598	28,986
Profit from operating activities after share of results of jointly-controlled entities	589,689	504,871	507,760	119,588	131,478
Net finance costs	(66,725)	(76,160)	(79,222)	(8,758)	(26,362)
Non-operating income/(expenses)	9,167	4,992	4,992	(41)	558
Profit before changes in fair value of investment properties	532,140	433,703	433,530	110,789	105,674
Changes in fair value of investment properties	309,560	408,519	433,252	138,529	141,452
Profit before income tax	841,700	842,222	866,782	249,318	247,126
Tax expense	(126,421)	(132,251)	(142,063)	(38,013)	(42,195)
Profit for the year/period	715,279	709,971	724,719	211,305	204,931
Attributable to:					
Owners of the Company	684,281	685,150	685,150	203,953	179,422
Non-controlling interests	30,998	24,821	39,569	7,352	25,509
Profit for the year/period	715,279	709,971	724,719	211,305	204,931

Notes:

(1) The Audited Financial Statements have not been restated to reflect the adoption of FRS 110 and accordingly, the Audited Financial Statements are not comparable to the Unaudited Interim Financial Statements. See “Risk Factors—The Group’s financial statements are not comparable to one another”.

(2) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited Interim Financial Statements.

(3) The decrease in revenue of 6.8 per cent. from US$642.1 million during the financial year ended 31 March 2013 to US$598.3 million during the financial year ended 31 March 2014 was mainly attributable to a decrease in rental and related income arising from the sale of properties in Japan to GLP J-REIT and the weakening of the Japanese Yen against the U.S. dollar during the year ended 31 March 2014.

(4) The increase in revenue of 18.0 per cent. from US$143.5 million during the three-month period ended 30 June 2013 to US$169.3 million during the three-month period ended 30 June 2014 was mainly attributable to the completion and stabilisation of development projects in China with increasing rents, inclusion of a newly acquired portfolio of logistics assets from BR Properties in Brazil in June 2014 and higher dividend income from GLP J-REIT. The increase was partially offset by the sale of two properties in Japan to GLP J-REIT in March 2014.

(5) The increase in property-related expenses of 22.6 per cent. from US$25.4 million during the three-month period ended 30 June 2013 to US$31.1 million during the three-month period ended 30 June 2014 was mainly attributable to the completion of development projects which increased the leasable area and attributable expenses of the Group’s properties in China and the inclusion of expenses of the newly acquired portfolio of logistics assets from BR Properties in Brazil in June 2014. The increase was partially offset by the sale of two properties in Japan to GLP J-REIT in March 2014.

SELECTED STATEMENT OF FINANCIAL POSITION INFORMATION

	As at 31 March			As at 30 June
	2013(1)	2014(1)	2014	2014
	U.S.$ (in thousands)			
			(restated)(2)	
Non-current assets				
Investment properties(3)	8,721,995	9,645,698	10,164,715	11,772,351
Jointly-controlled entities	1,200,804	1,328,761	1,163,752	1,225,547
Deferred tax assets	25,382	28,313	28,565	29,014
Plant and equipment	13,985	57,500	57,549	59,002
Intangible assets	494,668	491,198	491,198	490,337
Other investments(4)	366,307	412,337	412,337	447,327
Other non-current assets	105,977	111,682	113,185	111,585
	10,929,118	12,075,489	12,431,301	14,135,163
Current assets				
Financial derivative assets	6,891	3,452	3,452	—
Trade and other receivables	304,099	382,228	405,949	394,333
Cash and cash equivalents(5)	1,957,457	1,485,961	1,500,737	2,345,964
Asset classified as held for sale	49,977	—	—	—
	2,318,424	1,871,641	1,910,138	2,740,297
Total assets	13,247,542	13,947,130	14,341,439	16,875,460
Equity attributable to owners of the Company				
Share capital	6,274,886	6,278,812	6,278,812	6,443,796
Capital securities	595,844	595,375	595,375	587,287
Reserves	1,527,549	1,883,568	1,883,568	2,117,553
	8,398,279	8,757,755	8,757,755	9,148,636
Non-controlling interests(6)	648,388	1,175,230	1,365,587	2,868,579
Total equity	9,046,667	9,932,985	10,123,342	12,017,215
Non-current liabilities				
Loans and borrowings	2,786,701	2,449,385	2,503,677	3,016,081
Financial derivative liabilities	19,778	8,321	8,321	13,341
Deferred tax liabilities	544,519	656,708	716,635	758,822
Other non-current liabilities	173,070	160,159	165,318	158,688
	3,524,068	3,274,573	3,393,951	3,946,932
Current liabilities				
Loans and borrowings(7)	95,442	143,058	157,633	205,945
Trade and other payables	529,224	575,976	644,864	686,573
Financial derivative liabilities	3,648	4,444	4,444	4,553
Current tax payable	48,493	16,094	17,205	17,242
	676,807	739,572	824,146	911,313
Total liabilities	4,200,875	4,014,145	4,218,097	4,858,245
Total equity and liabilities	13,247,542	13,947,130	14,341,439	16,875,460

Notes:

(1) The Audited Financial Statements have not been restated to reflect the adoption of FRS 110 and accordingly, the Audited Financial Statements are not comparable to the Unaudited Interim Financial Statements. See "Risk Factors—The Group's financial statements are not comparable to one another".

(2) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited Interim Financial Statements.

(3) Investment properties increased from US$10,164.7 million as at 31 March 2014 to US$11,772.4 million as at 30 June 2014 mainly due to (i) acquisition of portfolio of logistics assets from BR Properties in Brazil in June 2014; (ii) land acquisitions, new developments and completions in China; (iii) the increase in fair values arising from the reassessment of certain property values in Japan and China; and (iv) the strengthening of Japanese Yen and Brazilian Reals against the U.S. dollar.

(4) Other investments comprised equity investments in (i) 314,655 units in GLP J-REIT, representing approximately 15.0 per cent. of total issued units of GLP J-REIT; (ii) 45,890,000 Class B shares in Shenzhen Chiwan Petroleum Supply Base Co., Ltd. ("Chiwan"), representing approximately 19.9 per cent. of the total issued share capital of Chiwan. Other investments were stated at fair value as at 30 June 2014.

(5) Cash and cash equivalents increased from US$1,500.7 million as at 31 March 2014 to US$2,346.0 million as at 30 June 2014 mainly due to the proceeds from the first tranche of investment by the consortium of investors in the Issuer and China Holdco (as defined below). See "Description of the Group—The Group's Portfolio—The China Portfolio—China Consortium Transaction".

(6) Non-controlling interests increased from US$1,365.6 million as at 31 March 2014 to US$2,868.6 million as at 30 June 2014 mainly due to the completion of the first tranche of investment by the consortium of investors to own a 24.4% stake in China Holdco in June 2014.

(7) Total amount of loans and borrowings increased from US$2,661.3 million as at 31 March 2014 to US$3,222.0 million as at 30 June 2014 primarily due to inclusion of loans and borrowings from the new Brazil portfolio acquired in June 2014 and the strengthening of Japanese Yen and Brazilian Reals against the U.S. dollar.

SELECTED CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION

	For the year ended 31 March		For the Three-month Period Ended 30 June	
	2013[1]	2014[1]	2013	2014
	U.S.$ (in thousands)			
			(restated)[2]	
Net cash from operating activities	432,282	263,183	30,899	137,460
Net cash from/(used in) investing activities	954,414	(783,783)	(179,036)	(1,327,999)
Net cash used in/from financing activities	(1,005,384)	73,377	(19,002)	2,035,410[3]
Net increase/(decrease) in cash and cash equivalents	381,312	(447,223)	(167,139)	844,871
Cash and cash equivalents at beginning of year/period	1,616,112	1,957,457	1,974,970	1,500,737
Effects of exchange rate changes on cash balances held in foreign currencies	(39,967)	(24,273)	(12,209)	356
Cash and cash equivalents at end of year/period	1,957,457	1,485,961	1,795,622	2,345,964

Notes:

(1) The Audited Financial Statements have not been restated to reflect the adoption of FRS 110 and accordingly, the Audited Financial Statements are not comparable to the Unaudited Interim Financial Statements. See "Risk Factors—The Group's financial statements are not comparable to one another".

(2) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited Interim Financial Statements.

(3) Includes net proceeds received pursuant to the completion of the share placement by the Issuer and the selldown of 24.4% stake in China Holdco to the consortium of investors in June 2014.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement.

Words and expressions defined in "Terms and Conditions of the Notes" below shall have the same meanings in this overview.

Issuer	Global Logistic Properties Limited
Description	Euro Medium Term Note Programme
Size	Up to U.S.$2,000,000,000 (or the equivalent in other currencies at the date of issue) in aggregate nominal amount of Notes outstanding at any one time. The Issuer may increase the aggregate nominal amount of the Programme in accordance with the terms of the Programme Agreement.
Arrangers	J.P. Morgan (S.E.A.) Limited Goldman Sachs (Singapore) Pte. Citigroup Global Markets Singapore Pte. Ltd.
Dealers	China International Capital Corporation (Singapore) Pte. Limited J.P. Morgan (S.E.A.) Limited Goldman Sachs (Singapore) Pte. Citigroup Global Markets Singapore Pte. Ltd. Citicorp International Limited The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "Permanent Dealers" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "Dealers" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent	Citicorp International Limited
Registrar	Citigroup Global Markets Deutschland AG
Transfer Agent	Citibank, N.A., London Branch
CMU Fiscal Agent, Hong Kong Paying Agent and Lodging Agent	Citicorp International Limited

Method of Issue........................	The Notes will be issued on a syndicated or non- syndicated basis. The Notes will be issued in series (each a "Series") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "Tranche") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the pricing supplement (the "Pricing Supplement").
Issue Price...............................	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
Partly Paid Notes....................	Partly-paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Form of Notes..........................	The Notes may be issued in bearer form or in registered form as described in "Form of the Notes".
Initial Delivery of Notes..........	On or before the issue date for each Tranche, the Bearer Global Note representing Bearer Notes or the Registered Global Note representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or deposited with a sub-custodian for the CMU or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer(s). Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee or a sub-custodian for, such clearing systems.
Currencies...............................	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s).
Maturities................................	Such maturities as may be agreed between the Issuer and the relevant Dealer(s), subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws, regulations or directives applicable to the Issuer or the relevant Specified Currency.

Specified Denomination........... Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 ("FSMA") will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes to be admitted to trading on a regulated market (for the purposes of European Union Directive 2004/39/EC) or to be offered to the public in the European Union Area shall have the minimum denomination of €100,000 (or its equivalent in other currencies).

Currency Fallback.................... The applicable Pricing Supplement may provide that Currency fallback provisions apply, in which case, if by reason of certain circumstances as described in Condition 6(h) of the Terms and Conditions, the Issuer is not able, or it would be impractical for it, to satisfy payments in principal or interest (in whole or in part) in respect of Notes where the Specified Currency is Renminbi, when any payment on such Notes is due, the Issuer shall be entitled to satisfy its obligations in respect of such payment by making such payment in U.S. dollars on the basis of the then prevailing exchange rate, as further described in the Terms and Conditions "Currency Fallback".

Fixed Rate Notes...................... Fixed interest will be payable in arrear on such date or dates in each year specified in the relevant Pricing Supplement.

Floating Rate Notes.................. Floating Rate Notes will bear interest at a rate determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(iii) on such other basis as may be agreed between the Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Interest periods will be specified in the relevant Pricing Supplement.

Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the Issuer and the relevant Dealer may agree.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer may agree.
Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.
Redemption	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Other Notes	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, partly paid Notes and any other type of Note that the Issuer and any relevant Dealer(s) may agree to issue and subscribe respectively under the Programme will be set out in the relevant Pricing Supplement.
Optional Redemption	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Early Redemption	Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons.

Taxation	All payments in respect of the Notes will be made without deduction or withholding for or on account of tax imposed by any Tax Jurisdiction (as defined in Condition 8), as provided in Condition 8. In the event that any such deduction or withholding is made, the Issuer will, except in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.
Negative Pledge	The terms and conditions of the Notes will contain a negative pledge provision as further described in Condition 4.
Cross Default	The terms and conditions of the Notes will contain a cross default provision as further described in Condition 10.
Status of the Notes	The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4), unsecured obligations of the Issuer and will rank *pari passu* without any preference among themselves and at least equally with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, other than obligations, if any, that are mandatorily preferred by statute or by operation of law.
Rating	Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, reduction or withdrawal at any time by the assigning rating agency.
Listing and Admission to Trading	An application has been made to the SGX-ST for permission to deal in and the listing and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for the listing and quotation of the Notes will be approved. Notes may also be listed or admitted to trading on or by such other or further stock exchange(s) and/or competent listing authorities as may be agreed between the Issuer and the relevant Dealer and specified in the applicable Pricing Supplement. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies). Unlisted Notes may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed or admitted to trading and, if so, on or by which stock exchange(s) and/or competent listing authorities.
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and construed in accordance with, English law.

Clearing Systems	Euroclear, Clearstream, Luxembourg, the CMU and, in relation to any Tranche, any other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant dealer and specified in the relevant Pricing Supplement.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including the United Kingdom), the PRC, Hong Kong, Singapore and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "Subscription and Sale". In connection with the offering and sale of a particular Tranche of Notes, additional restrictions may be imposed which will be set out in the relevant Pricing Supplement. Each Tranche of Notes in bearer form will be issued either in compliance with U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D) or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") (the "TEFRA D Rules") or with U.S. Treas. Reg. section 1.163-5(c)(2)(i)(C) or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code (the "TEFRA C Rules") unless the Notes are only in registered form and/or the applicable Pricing Supplement specifies that the TEFRA Rules are not applicable.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other unknown reasons and the Issuer does not make any representation that the statements below regarding the risks of holding any Notes are exhaustive. There may be additional risks not described below or not presently known to the Issuer or that the Issuer currently deems immaterial that turn out to be material. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The actual results of the Group's operations could differ materially from those anticipated in these forward-looking statements due to a variety of factors, including the risks described below and elsewhere in this Offering Circular.

Risks Relating to the Group's Business and Operations

The Group is subject to the risks of the logistics and industrial facilities business.

The Group is subject to risks associated with the provision of logistics and industrial facilities. Some of the factors that may affect the Group's business include:

- local market conditions, such as oversupply of logistics or industrial facility space, reduction in demand for logistics or industrial facility space and the rents that the Group can charge for a completed logistics or industrial facility, which may make a logistics facility unprofitable;

- significant liabilities associated with logistics or industrial facility assets, such as mortgage payments, and real estate taxes, are generally fixed and need to be paid even when market conditions reduce income from the assets;

- the attractiveness of the Group's facilities to potential customers and investors;

- the Group's ability to maintain, refurbish and redevelop existing facilities;

- competition from other available logistics and industrial facilities and new entrants into the logistics market;

- the Group's ability to maintain, and obtain insurance for, its facilities;

- the Group's ability to control rents and variable operating costs;

- changes in labour laws;

- governmental regulations, including changes in zoning and usage, condemnation, redevelopment and tax laws and changes in these laws;

- difficulty in acquiring land to build logistics and industrial facilities;

- difficulty in finding a buyer for any land parcel that the Group seeks to sell or in achieving the sales price which may not allow the Group to recover its investment, resulting in additional impairment charges;

- construction costs (including labour cost) of a logistics or industrial facility may exceed original estimates, or construction may not be concluded on schedule, due to factors such as contract default, the effects of local weather conditions, the possibility of local or national strikes by construction-related labour and the possibility of shortages or an increase in the cost of materials, building supplies or energy and fuel for equipment as a result of rising commodity prices, inflation or otherwise, making the logistics or industrial facility less profitable than originally estimated or not profitable at all;

- delays in obtaining governmental permits and authorisations, and changes to and liability under all applicable zoning, building, occupancy and other laws; and

- changes in or abandonment of development opportunities, and the requirement to recognise an impairment charge for those investments.

Any of these factors could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's long-term growth will partially depend upon future acquisitions of logistics facilities and land upon which to build new logistics facilities, and the Group may be unable to consummate acquisitions at commercially attractive terms or at all, or any such acquisitions may not perform as well as it anticipates.

From time to time the Group has acquired, and intends to continue acquiring, existing logistics facilities or land to build new logistics facilities. The acquisition of these assets entails various risks, including the risk that (i) the Group may not be able to acquire land, (ii) the Group may be unable to complete acquisitions or develop facilities on the terms it originally anticipated, (iii) the Group's investments may not perform as well as it has expected, (iv) the Group may be unable to integrate its new acquisitions quickly and efficiently into its existing operations and (v) the Group's estimate of the cost required to upgrade an acquired logistics facility to its standards or to develop a new logistics facility may prove inaccurate. The Group makes its developmental and other decisions based on economic, demographic and other data from various sources in addition to published sources. There can be no assurance that these sources are always complete or reliable. The facilities which the Group acquires and/or develops may not perform commercially as well as it anticipates, and the actual costs for acquisition, renovation and improvements identified in the pre-acquisition due diligence process may exceed the Group's estimates.

The Group operates in a capital-intensive industry and may not have adequate funding resources to finance land acquisitions or logistics facilities, or to service or refinance its existing financing obligations.

The logistics facility business is capital intensive. The Group intends to obtain financing for its logistics facilities primarily through a combination of borrowings from banks, cash from operations and capital contributions. The Group is subject to risks normally associated with debt financing, including the risk that its cash flow will be insufficient to meet required payments of principal and interest. There can be no assurance that the Group will be able to refinance any maturing indebtedness, that any refinancing would be on terms as favourable as the terms of the maturing indebtedness, or that the Group will be able to otherwise obtain funds by selling assets or raising equity to repay maturing indebtedness.

The Group's ability to arrange adequate financing for land acquisitions or logistics facilities on terms that will allow it to earn reasonable returns depends on a number of factors that are beyond its control. For example:

- Changes in the reserve requirement ratio affect the amount of funds that banks must hold in reserve against deposits made by their customers. Any future increase in the reserve requirement ratio will further reduce the amount of commercial bank credit available to businesses including the Group.

- Under certain circumstances the Group's lending banks may be forced to reduce their loan portfolio, in which case there can be no assurance that the Group would be able to refinance its existing debt in full, and the Group may therefore be required to repay part of its loans. As a result, the Group may not have adequate resources to fund land acquisitions or logistics facilities, or to service its financing obligations.

The terms of the Group's various credit and/or project finance agreements for its China, Japan and Brazil businesses, including secured bank loans and notes, require it to comply with a number of customary financial covenants, such as in Japan, negative pledge, *pari passu* ranking, continued business, prohibition of amendments to material documents, restrictions on indebtedness, maintenance of loan-to-value and debt-service coverage ratios and mandatory redemption upon disposal of assets. These covenants may limit the Group's flexibility in its operations, and breaches of these covenants could result in defaults under the instruments governing the applicable indebtedness. If the Group were to default under its covenant provisions and were unable to cure the default, refinance its indebtedness or meet its payment obligations, it would have a material adverse effect on the Group's business, financial condition, results of operations and prospects. If the Group were unable to refinance its indebtedness at maturity or meet its payment obligations, it would have a material adverse effect on its business, financial condition, results of operations and prospects. The Group could be required to sell one or more logistics facilities at times or under circumstances that reduce the Group's return on those assets. In addition, if the maturing debt were secured, the lender may foreclose on the property securing that indebtedness.

The Group's secured loans and notes and certain other debt bear interest at variable rates. If debt is unavailable at commercially acceptable rates, the Group may be unable to finance the purchase of existing logistics facilities or land to develop new logistics facilities. If the Group incurs mortgage debt on properties, it bears the risk of being unable to refinance such debt when the loans become due, or of being unable to refinance such debt on favourable terms. Higher interest rates could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group is exposed to a range of risks relating to the construction or expansion of its logistics facilities.

The Group's ability to construct or expand a logistics facility, as well as the time and costs required to complete its construction or expansion, may be adversely affected by various factors, including, but not limited to:

- delays or inability to obtain all necessary zoning, land use, building, development and other required governmental and regulatory licenses, permits, approvals and authorisations;

- construction risks, which include delays in construction and cost overruns (for example, due to variation from original design plans, a shortage or increase in the cost of construction and building materials, equipment or labour as a result of rising commodity prices, inflation or otherwise), inclement weather conditions, unforeseen engineering, environmental or geological problems, defective materials or building methods, default by contractors and other third party service and goods providers of their obligations, or financial difficulties faced by such persons, disputes between counterparties to a construction or construction related contract, work stoppages, strikes or accidents;

- any land which the PRC government delivers to the Group failing to meet all its development or operational requirements, such as the lack of necessary infrastructure leading to the site, the lack of water and power supply, and unsuitable soil level and height of the land for construction. If the land delivered to the Group is not ready for construction or later suffers subsidence or similar damages, the Group would need to prepare its land for use before it commences construction. The costs involved in the preparation of the land may exceed the Group's budget;

- the failure to resolve land resettlement issues;

- the need to incur significant pre-operating costs, which the Group may not recover for some time, or a failure to budget adequately for these pre-operating costs;

- the need to expend significant capital long before the Group's logistics facilities begin to generate revenue;

- limited cash available to fund construction and capital improvements and the related possibility that financing for these capital improvements may not be available on commercially acceptable terms or at all; and

- insufficient market demand from customers after construction or expansion has begun, whether resulting from a downturn in the economy, a change in the surrounding environment of the project, including the location or operation of transportation hubs or the population density, or otherwise.

Other than as referred to in the risk factors entitled "The PRC government may require the Group to forfeit its land use rights or penalise the Group if it were to fail to comply with the terms of land grant contracts", "The Issuer may fail to contribute to the registered capital of its PRC subsidiaries or joint ventures or experience material delays in contributing to the registered capital of its PRC subsidiaries", "The Group may not have obtained all the land use rights certificates and building ownership certificates for certain of its facilities", "The Brazilian logistics and real estate development industries are subject to extensive regulation, which may lead to increased expenses or present obstacles to the development of certain logistics facilities, thereby adversely affecting the Group" and "Economic and market conditions in other emerging market countries", the Group has not experienced material occurrences of the risks listed above. However, there can be no assurance that the Group will complete any or all of its current or future logistics facilities within the anticipated time frame or budget, if at all, as a result of one or more of these risks. An inability to complete a logistics facility within the anticipated time frame and budget could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group faces increasing competition.

In recent years, a large number of logistics facility providers have begun to undertake investment projects and the logistics facility market is evolving rapidly. In addition, a number of international logistics facility providers and other new entrants to the market have expanded their operations and/or have entered or plan to enter the market in China, Japan and Brazil. The Issuer expects many of these providers have sufficient financial, managerial, marketing and other resources to be competitive, and may have more experience in logistics facility and land development.

Competition between logistics facility providers in China, Japan and Brazil is intense, and the Group faces significant competition for attractive investment opportunities from local and regional providers who may have better local knowledge and relationships as well as greater access to funding to acquire properties than the Group does, which may result in, among other things, difficulty in acquiring desirable investments or land at reasonable prices, increased costs for the acquisition of land for construction of logistics facilities, a reduced rate at which the relevant government authorities approve new logistics facilities, an increase in construction costs and difficulty in obtaining high quality contractors and qualified employees. Any such developments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. If the Group cannot respond to changes in market conditions more swiftly or effectively than its competitors do, it could have a material adverse effect on its business, financial condition, results of operations and prospects. For more details, please refer to the section headed "Description of the Group—Competition" in this Offering Circular.

The Group's lease revenues may decrease.

If a significant number of the Group's customers were unable to meet their lease obligations, the Group's operating results would be adversely affected. The Group is also subject to the risk that, upon the expiration of leases for space located in its facilities, existing customers may not renew their leases, and the Group may be unable to re-let vacant space to new customers, or the terms of re-leasing (including the cost of required renovations or concessions to customers) may be commercially less favourable to the Group than previous lease terms. If a significant number of the Group's customers were to default on their leases, it would likely experience delays in collecting rental payments or re-letting its facilities, and incur substantial costs in enforcing its rights as landlord.

The Group's customers are exposed to their own business and other risks, and if one or more significant customers were to experience downturns in their businesses, the Group could lose the customer, or the customer may fail to make rental payments when due and/or require a restructuring of rental payments that might reduce its cash flow from the lease. If a customer in such a logistics facility were not to renew its lease or were to default, the cash flow of the relevant logistics facility would decline significantly. It is not possible to predict when the Group would be able to re-let the logistics facility, the creditworthiness of the replacement customer or customers, or the rent it could charge the replacement customer. A customer may seek the protection of bankruptcy, insolvency or similar laws, which could result in the rejection and termination of such customer's lease and thereby reduce the Group's available cash flow. The occurrence of any of these events could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group faces risks inherent in concentrating its business in one asset class and in China, Japan and Brazil.

The Group's principal business strategy is to strengthen its market leadership position and capitalise on significant market opportunities. The Group's strategy rests on its belief that logistics facilities will benefit from significant economic growth, particularly domestic consumption in China and Brazil. See "Description of the Group—Overview" and "Description of the Group—Strategy". The Group's principal business strategy exposes it to the risks inherent in concentrating its business in one asset class and three countries. These risks include, but are not limited to, an economic downturn, which would in turn affect valuations of the Group's logistics facilities, decreases in rental or occupancy rates and insolvency of customers and other counterparties. This risk may also restrict the Group's ability to raise funds for its business and result in higher financing costs. If this were to occur, or the potential economic and domestic consumption growth in China and Brazil that the Group anticipates does not materialise, it could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group leases a significant portion of the leasable area under its facilities in each of China, Japan and Brazil to its key customers. As of 30 June 2014, the Group's top 10 customers in each of China, Japan and Brazil leased an aggregate of 23.8 per cent., 48.7 per cent. and 54.3 per cent., respectively, of the leasable area under the Group's facilities in these countries. While the Group would try to replace any key customers it were to lose with other customers, there can be no assurance that the Group would succeed. If any of the Group's largest customers were to stop leasing from it and the Group were unable to replace the revenue it generates from them, it would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Issuer may not have identified all material defects, breaches of laws and regulations and other deficiencies on its facilities.

There can be no assurance that the Group's reviews, surveys or inspections (or the relevant third party review, survey or inspection reports on which it has relied) would have revealed all defects or deficiencies affecting facilities in which the Group has interests or which it manages, including to the title thereof and existing environmental contamination or hazardous substances thereon. In particular, there can be no assurance that there are no latent or undiscovered defects, deficiencies or inaccuracies in such third party reviews, surveys or inspection reports or the Group's facilities, any of which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's insurance coverage does not include all potential losses.

The Group currently carries property all risk insurance and business interruption insurance which covers the potential property damage and/or rental loss resulting from accidents and natural hazards such as windstorms. The Group covers certain facilities and business operations against additional risks such as earthquakes and tsunamis under an extended coverage policy as the Group deems appropriate. In addition, the Group's China operations carry public liability insurance which covers the potential risks as the result of claims from the third parties due to its legal liability arising from its business operations. The insurance coverage contains policy specifications and insured limits customarily carried for similar facilities, business activities and markets. The Issuer believes the Group has insured its facilities in China, Japan and Brazil in line with industry practices in the respective markets; however, there can be no assurance that such insurance coverage will be sufficient. For example, there are certain losses, including losses from earthquakes, acts of war, acts of terrorism, riots or labour unrest, which are not customary to insure against in full or at all because it is not deemed economically feasible or prudent to do so. Moreover, in line with the industry practices in Japan referenced above, the Group does not maintain insurance against other personal injuries or property damage that might occur during the construction of new facilities in Japan. The Group also does not carry insurance coverage for the non-performance of contracts during construction and other risks associated with construction and installation work during the construction period. As is customary in Japan, the Group does not expect to obtain earthquake insurance coverage for its facilities of which "probable maximum loss" ("PML") is below a certain threshold percentage. For insured facilities, the Group obtains additional earthquake insurance to cover damages up to the PML value. See "Risk Factors—Risks Relating to the Group's Operations in Japan—The expert appraisals and reports upon which the Group relies are subject to significant uncertainties". If an uninsured loss or a loss in excess of insured limits were to occur with respect to one or more of its facilities, the Group could experience a significant loss of capital invested and potential revenues in these facilities, and could remain obligated under any recourse debt associated with the logistics facility. Any uninsured losses could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may suffer substantial losses in the event of a natural or man-made disaster, such as an earthquake or other casualty event in Japan, China or Brazil.

Natural disasters, severe weather conditions and the outbreak of epidemics, all of which are beyond the Group's control, may adversely affect the economy and infrastructure of China, Japan and Brazil. Some cities where the Group operates are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought, or epidemics such as Severe Acute Respiratory Syndrome ("SARS") and H5N1 avian flu or the human swine flu, also known as Influenza A (H1N1). Past occurrences of such phenomena, for instance the outbreak of SARS in 2003 and the Sichuan province earthquake in May 2008, have caused varying degrees of harm to business and the national and local economies.

Japan has experienced several large earthquakes that have caused extensive property damage. On 11 March 2011, an earthquake measuring 9.0 degrees on the Richter scale occurred in Tohoku district, which adversely affected the Group's operations in Japan. As a result of the earthquake and following an initiative to save electricity by the Japanese government due to the nuclear crisis in Fukushima Prefecture as well as the cessation and further possible cessation of operation of nuclear plants thereby creating concerns over the supply of electricity, there has been great uncertainty in the Japanese economy. It is anticipated that such uncertainty will continue over the short-term until the potential problems associated with the earthquake (such as the possibility of aftershocks, further leakage of radioactive materials and initiatives by the Japanese government to conserve electricity) have stabilised or settled.

The Issuer anticipates that the Japanese economy may remain volatile until the potential consequential events (such as the possibility of nuclear leakage) as a result of the earthquake and nuclear crisis have stabilised or settled in Japan. Any events resulting from the earthquake or a similar earthquake or nuclear crisis, such as aftershock, tsunami, nuclear power plant explosion, or radiation leakage could have a catastrophic effect on the Group's facilities in Japan, the businesses of the Group's customers in Japan, the Japanese economy in general and the global supply chain. This in turn, could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.

The Group's future success depends on its ability to hire and retain skilled personnel.

The Issuer believes that, as the Group expands, its future success depends, in large part, upon the Group's ability to hire and retain highly skilled managerial, investment, financing, operational and marketing personnel. Competition for such personnel in the markets where it operates is intense, and there can be no assurance that the Group will be successful in attracting and retaining skilled personnel. Failure to do so could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's facilities are exposed to various environmental risks that may result in unanticipated costs.

The Group's operations are subject to various environmental laws, including those relating to soil contamination, health and hygiene, air pollution control, water pollution control, waste disposal and noise pollution control and storage of hazardous materials. For example, under the Soil Contamination Countermeasures Act and related regulations, landowners in Japan are responsible for removal or remedy of several hazardous substances and Brazilian environmental laws also establish rules for the proper disposal of solid wastes, including those resulting from construction work. In China, the Environment Protection Law sets forth the general principles for pollution controls, and the Law on Prevention and Control of Atmospheric Pollution, the Law on Prevention and Control of Water Pollution and the Law on Prevention and Control of Environmental Pollution by Solid Waste provide more detailed rules on preventing and controlling these major types of pollutions. In addition, the Administration Regulations on Environmental Protection for Construction Projects and other relevant regulations of the PRC specifically regulate environmental issues related to construction activities. The costs of removal or remediation of pollutions could be substantial. These laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of hazardous substances.

There can be no assurance that potential environmental liabilities do not exist or will not arise in the future. The presence of contamination or hazardous substances on the Group's facilities could adversely affect its ability to lease or sell such facilities or to borrow using these facilities as collateral, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Foreign currency exchange rate fluctuations may have a material adverse effect on the Group's results of operations and the Group's hedging strategies may not reduce foreign exchange rate risk or interest rate risk.

The Group operates in China, Japan and Brazil and is naturally exposed to foreign exchange rate fluctuations. The Group's consolidated financial statements are presented in U.S. dollars and its pre-tax profit is also exposed to currency risks on revenue, expenses, borrowings and monetary balances that are denominated in currencies (such as Singapore dollar) other than the respective functional currencies of the Group's entities in these countries. Any significant depreciation of functional currencies of the Group's entities against these other currencies could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

Where necessary, the Group uses foreign exchange contracts to hedge and minimize net foreign exchange risk exposures. The Group also uses various derivative financial instruments to provide some protection against interest rate risks. These instruments involve risks, such as the risk that the counterparties may fail to honour their obligations under these arrangements, that these arrangements may not be effective in reducing the Group's exposure to foreign exchange rate and interest rate changes and that a court could rule that such agreements are not legally enforceable. In addition, the nature and timing of hedging transactions may influence the effectiveness of the Group's hedging strategies. There can be no assurance that the Group's hedging strategies and the derivatives that it uses will adequately offset the risk of foreign exchange rate or interest rate volatility, or that the Group's hedging transactions will not result in losses. Losses on hedging transactions could materially affect the Issuer's reported financial results.

The Group is subject to risks relating to foreign currency exchange rate fluctuations.

Because of the geographic diversity of its business, the Group receives income and incurs expenses in a variety of currencies, including Singapore dollars, Chinese Renminbi, Japanese Yen, Brazilian Real and U.S. dollars. Consequently, the Group's costs, profit margins and asset values are affected by fluctuations in the exchange rates among the above-mentioned currencies. It is not possible to predict the effect of future exchange rate fluctuations on the Group's assets, liabilities, income, cost of sales and margins. Some of the currencies used by the Group may not be readily convertible or exchangeable or may be subject to exchange controls.

In addition, the Issuer's financial information are presented in U.S. dollars. Exchange rate gains or losses will arise when the assets and liabilities in foreign currencies are translated or exchanged into U.S. dollars for financial reporting or repatriation purposes. Fluctuations in currency exchange rates could materially affect the Issuer's reported financial results.

Disputes or conflicts with third party investors or joint venture or project development partners may materially and adversely affect the Group's business.

The Group has entered into joint venture agreements with a number of counterparts and on 6 February 2014, has also entered into an agreement with a consortium of third party investors pursuant to which such consortium could be issued, in one or more tranches, shares representing up to 30.3% of the capital of the Issuer's wholly-owned subsidiary, Iowa China Offshore Holdings (Hong Kong) Limited ("China Holdco"), which holds all of the Group's existing subsidiaries and operations in China. Under the terms of these agreements, certain reserved matters in relation to China Holdco shall not generally be undertaken without the prior written consent of the consortium. The consortium and other joint venture parties could influence the outcome of certain corporate transactions in relation to China Holdco and consequently, the Group's business operations, and there can be no assurance that these entities will act solely in the Group's interest.

In addition, the Group carries out some of its business through joint ventures or in collaboration with other third parties. Such joint venture arrangements or collaboration involve a number of risks, including:

- disputes with the Group's partners in connection with the performance of its or their obligations under the relevant project, joint venture or investment agreements;

- disputes as to the scope of each party's responsibilities under these arrangements;

- financial difficulties encountered by the Group's partners affecting their ability to perform their obligations under the relevant project, joint venture or investment agreements; and/or

- conflicts between the policies or objectives adopted by the Group's partners and those adopted by the Group.

The occurrence of any of these events could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

From time to time, the Group may be involved in legal, regulatory and other proceedings arising out of its operations, and may incur substantial costs arising therefrom.

From time to time the Group is, and in the future may continue to be, involved in disputes with various parties involved in the development and lease of its facilities, including customers, contractors, suppliers and construction workers. These disputes may lead to legal or other proceedings and may result in substantial costs, delays in the Group's development schedule, and the diversion of resources and management's attention, regardless of the outcome. Furthermore, if the Group were to fail to win these disputes, it may incur substantial losses and face significant liabilities.

The Group may be subject to regulatory action in the course of its operations, which may subject it to administrative proceedings and unfavourable decisions that could result in penalties and/or delayed construction of new logistics facilities. In such cases, the Group's results of operations and cash flow could be materially and adversely affected. See "Description of the Group—Legal Proceedings".

The valuations of the Group's logistics facilities contain assumptions that may not materialise.

The Group's valuers use fair value for their valuation. In determining fair value, a combination of approaches were used, including the direct comparison, income capitalisation, discounted cash flow and residual approaches. The direct comparison approach involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The income capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates, the income stream used is adjusted to market rentals currently being achieved by comparable investment properties and recent leasing transactions achieved by the investment property. The discounted cash flow approach requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements. The residual approach values properties under development and land held for development by reference to its development potential and deducting development costs to be incurred, together with developers' profit margin, assuming it was completed as at the date of valuation. The Group's facilities are revalued on a quarterly basis and the most recent revaluation was conducted on 30 June 2014. The valuations are based on certain assumptions which, by their nature, are subjective and uncertain, and may differ materially from actual results.

Accordingly, the valuations may not reflect the actual value the Group eventually realises from these facilities. Unanticipated results or changes in particular logistics facilities, or changes in general or local economic conditions or other relevant factors, including changes in government regulations, could affect such values which could have a material adverse affect on the Group's business, financial condition, results of operations and prospects.

The interests of Recosia China Pte Ltd and its associates may differ from our own.

As at 30 June 2014, Recosia China Pte Ltd ("Recosia China") and its associates own 33.8 per cent. of the Issuer's shares. Recosia China and its associates could influence the outcome of any corporate transactions or other matters submitted to the shareholders for approval, including mergers, consolidations and the sale of all or substantially all of the Issuer's assets, the election of directors and other significant corporate actions. In addition, Recosia China and its associates hold interests in assets or other companies that may compete (or could in the future compete) with the Issuer. There can be no assurance that Recosia China or its associates will act solely in the Issuer's interest, or that any differences of interest will be resolved in the Issuer's favour. There can be no assurance that conflicts of interest will not arise between Recosia China, its associates and the Issuer, or that any such conflicts can be resolved.

The Group's financial statements are not comparable to one another.

As stated in item 4 of the Unaudited Interim Financial Statements, the Group has adopted certain accounting standards which are applicable for the financial period beginning 1 April 2014, including FRS 110 *Consolidated Financial Statements* ("FRS 110"). The Group has therefore restated the consolidated financial statements as of 31 March 2014 and as of and for the three-month period ended 30 June 2013 presented as comparative information in the Unaudited Interim Financial Statements to reflect the adjustments resulting from the changes made in the Unaudited Interim Financial Statements in connection with the adoption of FRS 110. In addition, consolidated financial information as of and for the financial year ended 31 March 2014 and the three-month period ended 30 June 2013 reflecting the effects on the Group's financial information arising from the adoption of FRS 110 is presented in item 4 of the Unaudited Interim Financial Statements. However, neither such comparative financial statements nor the consolidated financial information presented in item 4 of the Unaudited Interim Financial Statements have been audited.

The Audited Financial Statements have not been restated to reflect the adoption of FRS 110 because such adoption became applicable after the date of the audit. Accordingly, the Audited Financial Statements are not comparable to the Unaudited Interim Financial Statements.

See item 4 of the Unaudited Interim Financial Statements included in this Offering Circular for further details on the effects on the Group's financial information arising from the adoption of FRS 110.

The Issuer's subsidiaries and jointly controlled entities are subject to restrictions on the payment of dividends

The Issuer is a holding company and is dependent on the receipt of dividends from its subsidiaries and jointly controlled entities to satisfy its obligations, including its obligations under the Notes. The ability of the Issuer's subsidiaries and jointly controlled entities to pay dividends to their shareholders is subject to, among other things, applicable laws and restrictions contained in the debt instruments and loan agreements of such companies. For example, subsidiaries and jointly controlled entities that are foreign invested enterprises in the PRC are subject to PRC laws and regulations governing distribution of dividends and may pay dividends only from accumulated after-tax profits, if any, determined in accordance with PRC accounting standards and regulations. The Issuer's subsidiaries and jointly controlled entities may also be restricted from paying dividends under the terms of loan agreements to which they are party. Some of the Issuer's subsidiaries and jointly controlled entities in China are required by banks not to pay dividends unless all principal and interest then due have been fully paid off. There can be no assurance that profits of the Issuer's subsidiaries and jointly controlled entities will be distributable.

Adverse economic conditions could negatively affect the Group's business

The Group could be affected by market and economic challenges which may arise from a continued or exacerbated general economic slowdown experienced by the global markets, the local economies where its facilities are located, or the logistics industry. Accordingly, the Group's business could face challenges including, among others:

- an economic slowdown affecting consumer behaviour, which may in turn negatively affect the businesses of the Group's customers and their demand for logistics facilities;

- poor economic conditions resulting in customers defaulting on leases, or increasing vacancy rates;

- reduced demand that requires the Group to lower rents or make other contractual concessions under new and existing leases;

- adverse capital and credit market conditions that restrict the Group's development and redevelopment activities including development of its existing land bank; and

- restricted access to credit that results in the inability of potential buyers to acquire the Group's facilities offered for sale, including facilities held through joint ventures.

The pervasive and fundamental disruptions in the global financial markets in recent years have led to extensive and unprecedented governmental intervention in those markets. It is not possible to predict when governmental intervention will end or what, if any, additional temporary or permanent restrictions and/or increased regulation governments may impose on the financial markets. Any further government intervention, restrictions or regulation could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. It is not possible to predict with any certainty the likelihood or duration of any economic slowdown or downturn, and any such economic slowdown or downturn could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

General economic, political and social conditions and government policies in the places where the Group now operates or may in the future operate could affect its business.

The Group's business, financial condition, results of operations and prospects are subject to economic, political and legal developments in China, Japan and Brazil and any other jurisdiction in which it may in the future operate. There are and will be variations in economic, political, governmental and regulatory structure among the jurisdictions in which it operates. The Group's business, financial condition and results of operations will depend in large part on its ability to adapt to economic, political, governmental and regulatory developments in these jurisdictions, especially as they undergo rapid growth or demographic or other change. The Group's business, earnings and prospects may be materially and adversely affected by a variety of conditions and developments in each of these countries, including:

- inflation, interest rates, and general economic conditions;

- the structure of the economy, such as in China where the economy has been transitioning from a planned economy to a market-oriented economy but where the government still controls a substantial portion of productive assets, continues to play a significant role in regulating industries through industrial policies and exercises significant control over growth through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies;

- the introduction of economic policies to control inflation or stimulate growth, change the rate or method of taxation or impose additional restrictions on currency conversions and remittances abroad, such as in China where the government has periodically taken measures to slow economic growth to a more manageable level, in response to concerns about China's historical high growth rate in industrial production, bank credit, fixed investment and money supply;

- demographic factors, for instance in Japan which has an aging and shrinking population or the PRC which has a rapidly growing population requiring rapid economic growth to assure employment and stability;

- governmental policies, laws and regulations, including, without limitation, those relating to foreign investment or classification of industries, and changes to such policies, laws and regulations and their implementation and interpretation, which could prevent, delay, increase the cost of or otherwise adversely affect the Group's ability to invest in, acquire or divest, develop, operate or manage its facilities. For example, in Brazil, the government frequently intervenes in the Brazilian economy and occasionally makes significant changes in policy and regulations. The Brazilian government's actions to control inflation and other policies and regulations have often involved, among other measures, increases in interest rates, changes in tax policies, price controls, currency devaluations, capital controls and limits on imports;

- certain recent changes in China tax law and proposed application and/or interpretation of these laws could increase the Group's China tax liability, and potentially adverse tax consequences from changes to or introduction of tax laws and tax treaties or their interpretation or application, or revocation of tax incentives, including Tokutei Mokuteki Kaisha ("TMK") laws in Japan, which may increase the Group's cost of investment or carrying on of business, or adversely affect the Issuer's ability to receive dividends or other distributions from entities in which it has made investments;

- the risk of nationalisation and expropriation of assets;

- currency controls and other regulations, which may affect the Issuer's ability to receive distributions or other dividends from the Issuer's subsidiaries or other entities in which it may have any interest, to borrow onshore or offshore where the facility or the relevant subsidiary or entity is located, or to carry out acquisition, divestment and capital expenditure plans; and

- political and other conditions.

Such conditions and developments, many of which are outside of the Group's control, may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group's interests in the unlisted entities holding the properties and the properties that underlie such holdings are illiquid.

Other than the Group's investment in GLP J-REIT and other listed securities, its logistics real estate investments are generally illiquid. In addition, the properties that underlie such holdings may be illiquid depending on, among other things, the prevailing property market conditions. Such illiquidity may affect the Group's ability to vary the size and mix of its investment portfolios or the Group's ability to liquidate part of its assets in response to changes in economic, real estate market or other conditions. These factors could affect the Group's gains from realization of its investments in retail real estate assets, including the value at which the Group may dispose of its holdings in entities that hold the retail real estate assets, the income or other distributions received by the Group from its holdings in GLP J-REIT, private real estate funds or other vehicles which the Group has invested in, which in turn would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Risks Relating to the Group's Fund Management Business

A portion of the Group's revenue and income is derived from its management of GLP J-REIT and several private real estate funds. The Group's fund management business would be adversely affected if the performance of GLP J-REIT or private real estate funds deteriorates.

The Group currently manages GLP J-REIT, a real estate investment trust ("REIT") listed on the Tokyo Stock Exchange. The Group's fees from the management of GLP J-REIT comprise (i) three types of asset management fees, (ii) acquisition and disposition fees, which are based on the purchase or disposition price of any property purchased or sold by GLP J-REIT, (iii) reimbursement of certain administrative and other costs and (iv) property and facility management fees which are generally based on the net operating income generated by the properties. A decrease in the values of the properties held by GLP J-REIT or the gross revenue and net property incomes of GLP J-REIT would result in a corresponding decrease in such fees. Any condition which might have a material adverse effect on GLP J-REIT's operating performance and financial condition, or termination of the Group's management services by GLP J-REIT, could materially reduce the Group's revenues derived from managing GLP J-REIT. See "Description of the Group —The Group's Fund Management Business" for more details on the fees the Group earns for management of REITs.

The Group also currently manages five private real estate funds, namely, CLF Fund I, GLP Japan Development Venture, GLP Japan Income Partners I, GLP Brazil Development Partners I and GLP Brazil Income Partners I. Fee-based income from the management of these private real estate funds depends on the particular fund and may include acquisition and development fees, asset management fees and investment management fees. In some cases, the Group is also entitled to earn an incentive fee of a certain percentage of the investment return on the aggregate of contributed capital in excess of a specified net internal rate of return and there is no assurance that this fee will be earned at all. See "Description of the Group—The Group's Fund Management Business" for more details of the private real estate funds.

The Group's existing contracts for the provision of fund management services for GLP J-REIT are for an indefinite period of time unless the Group resigns or is removed as manager. The Group may be removed by the trustee of GLP J-REIT, typically in the event of a resolution passed by a majority of the votes cast by unitholders of GLP J-REIT, present and voting, or in the event the Group fails to perform any of its material obligations under the trust deed constituting GLP J-REIT. The Group's fund management services for the private real estate funds are generally for the life of the private real estate funds, unless the Group resigns or its services are terminated. Some of the Group's private fund agreements specifically provide that the Group's property and fund management services may be terminated generally as a result of its wilful default, gross negligence or material violation of the provisions of the applicable agreement. In the event that the Group's services are terminated prior to the expiry of the applicable contract, or the Group is removed as manager in accordance with the terms of the applicable contracts or applicable law, or the Group is unable to renew contracts that have expired, and on terms that are commercially reasonable to us, this would adversely affect the Group's business, financial condition, results of operations and prospects.

Additionally, the Group may grow its fee-based income through the establishment of new private real estate funds or REITs or through the expansion of the capital base of its existing private real estate funds and REIT. There can be no assurance that the Group will be successful in raising capital to establish such funds or that the Group is able to compete against other funds, REITs or REIT managers to raise funds and find new investors for new or its existing private real estate funds or REITs, or that the level of fees that the Group may generate from such new funds or REITs will be comparable to those of its existing private real estate funds or REIT.

Fund management is subject to significant regulation and supervision by the regulatory authorities in certain jurisdictions, and compliance failures and changes in regulation could adversely affect us.

The fund management industry is subject to siginificant regulation and supervision by regulatory authorities in certain jurisdictions. For instance, the REIT management industry is subject to extensive regulation and supervision in Japan and the Japanese regulatory authorities have in the past taken actions on a number of occasions, including issuing administrative orders against several J-REITs and their asset managers for corporate governance issues, such as the failure by an asset manager to perform its duties of care or comply with its fiduciary duties owed to J-REITs, as well as failure to take proper appraisal measures when arranging for a J-REIT to purchase properties owned by an asset manager's group company, thus resulting in the properties being acquired by the J-REIT at possibly high prices. The Group's failure to comply with the applicable regulations or the terms or restrictions of any licence, or exemption from licensing, that it currently relies on or may in the future rely on, could result in investigations, sanctions, such as the termination of its licences and exemptions, reputational damage, or the Group being unable to continue to manage GLP J-REIT or private fund. If such an event were to occur, the Group's business, financial condition, results of operations and prospects will be adversely affected.

The Group may also be adversely affected if new or revised legislation or regulations are enacted, or if there are changes in the interpretation or enforcement of existing rules and regulations that apply to the Group. Such events could increase the Group's costs of doing business, require the Group to restructure the way in which it carries on its business, or render the Group unable to continue all or part of its business, which in turn could adversely affect the Group's business, financial condition, results of operations and prospects.

Risks Relating to the Group's Operations in China

The PRC government may require the Group to forfeit its land use rights or penalise the Group if it were to fail to comply with the terms of land grant contracts.

Under PRC laws and regulations, if a property owner fails to develop land according to the terms of the land grant contract (including those relating to payment of fees, designated use of land and time for commencement and completion of the development of the land), or to obtain the relevant governmental approval to extend the development period, the relevant government authorities may issue a warning to, or impose a penalty on, the property owner or require the property owner to forfeit the land. Specifically, according to the Rules on Treatment of Idle Lands (闲置土地处置办法) effective as of 28 April 1999, if the Group were to fail to commence development for one year or more but less than two years from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may serve a notice on it and impose an "idle" land fee on the land of up to 20 per cent. of the land premium. If the Group were to fail to commence development for two years or more from the commencement date stipulated in the land grant contract, and the relevant government authority did not grant it an extension of time, the land use right would be subject to forfeiture by the PRC government without compensation unless the delay in development were caused by government actions, force majeure or necessary preparatory work. The policy was reinforced in the "Notice on Enhancing the Economical and Intensive Use of Land" promulgated by the State Council on 3 January 2008 which states, among other things, that (i) policies in relation to the forfeiture of land use rights without compensation for land which has remained "idle" for two years or more shall be strictly implemented; (ii) if any land remains "idle" for one year or more but less than two years, an "idle" land fee of 20 per cent. of the relevant land premium will be levied; and (iii) financial institutions are required to exercise caution when approving financing for any property owner who, after one year from the commencement date stipulated in the land grant contract, fails to complete at least one-third of the development of the land or provide at least 25 per cent. of the total funds for investment in the project. Some of the Group's land grant contracts stipulate a minimum amount it has to invest in the relevant project, which may exceed the amount the Group deems commercially reasonable.

In response to the principles set forth in the "Notice on Enhancing the Economical and Intensive Use of Land", the Ministry of Land and Resources promulgated the amended Rules on Treatment of Idle Lands, effective as of 1 July 2012, which sets forth clearer definitions on idle lands. Pursuant to the new rules, "idle lands" refer to state-owned construction lands (i) for which development has failed to commence for at least one year from the commencement date stipulated in the land grant contract or (ii) for which development has commenced but the developed land accounts for less than one-third of the total land obligated for development or the invested amount accounts for less than 25 per cent. of the total investment amount, and the development has been suspended for at least one year. According to the new rules, "commencement of development" means, subject to the issuance of the construction permit, the completion of the excavation of foundation for projects requiring foundation pit, or the driving of all piles for projects using pile foundation, or the completion of one-third of the foundation for other projects. In addition, the new rules require that the land premium, relevant taxes and governmental charges shall be excluded from the invested amount and the total investment amount when calculating whether the investment commitment for the land has been satisfied. Further, according to the new rules, where land remains idle for at least one year but less than two years, the idle land fee shall be 20% of the land premium, as opposed to "up to 20%" under the previous rules promulgated in 1999. In addition, a holder of land use right cannot count the idle land fee into its production costs. There is no assurance that each of the Issuer's PRC subsidiaries and joint ventures will commence and/or complete a development within the time limits prescribed in its respective land grant contracts. This particularly applies to subsidiaries and joint ventures acquired by the Issuer where the land held by such subsidiaries or joint ventures became idle before the Issuer's acquisition.

On 31 January 2013, the local land bureau issued a notice to a joint venture of the Group in Zhuhai, Guangdong Province that it may commence investigation on a parcel of land acquired by the joint venture on 7 May 2008 to ascertain if it constitutes "idle" land. As of the date of this Offering Circular, the joint venture is in the process of applying for various permits and approvals for commencement of development on the land, and no further action has been taken by the competent land authority.

There can be no assurance that the government will not impose the "idle" land fee and/or forfeit the land in respect of which the Group did not begin timely construction. If the relevant government authorities impose the "idle" land fee and/or forfeit the land, it may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, any other breach of the terms of the land grant contracts, including without limitation, failure to adhere to the commencement date of the development of the land or the development period may subject the Group to further liabilities and penalties under the land grant contracts. If the government authorities impose penalties or other liabilities on it for failure to adhere to the strict terms and conditions of the land grant contracts, it may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

The Issuer may fail to contribute to the registered capital of its PRC subsidiaries or joint ventures or experience material delays in contributing to the registered capital of its PRC subsidiaries and despite recent amendments to the Company Law of PRC, there is no clear PRC law or regulation on governmental penalties in connection with the failure of making such capital contribution and more stringent requirements and liabilities may be imposed in the future.

Following the recent amendments to the Company Law of PRC, which came into force on 1 March 2014, foreign invested enterprises ("FIEs") are no longer subject to any major statutory restrictions in terms of capital contribution, except for companies in certain industries which are subject to special requirements in respect of paid-in capital. For FIEs established before 1 March 2014, the shareholders are entitled to amend the constitutional documents (e.g. joint venture contracts and articles of association) if such constitutional documents set forth any time schedule in connection with capital contribution. In contrast, for FIEs in specially-regulated industries, the failure to contribute capital pursuant to legal requirements may still subject the company to governmental penalties.

Most of the Issuer's PRC subsidiaries were established before 1 March 2014. Such companies may apply to the competent subordinates of the Ministry of Commerce of PRC (the "MOC") to amend their joint venture contracts and/or articles of association in respect of the schedule for capital contribution. For those PRC subsidiaries which are or will be established after 1 March 2014, it is possible that local government authorities may still request that the joint venture contracts and/or articles of association specify time limits and/or minimum amount for capital contribution.

Currently, there is no clear PRC law or regulation on governmental penalties in connection with failure of making capital contribution pursuant to joint venture contracts and/or articles of association for companies outside the specially-regulated industries. It is possible that new PRC laws or regulations may be promulgated in the future imposing more stringent requirements and liabilities, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The PRC government may redesignate the usage of land that has been granted to the Group.

The Group is subject to the Urban and Rural Planning Law of the PRC, pursuant to which relevant local governments may, from time to time, redesignate the usage of certain land for local planning and development purposes. When a government re-zones land that has been granted to the Group, it may be required to exchange its original land use right for the land use right of another parcel of land or accept a refund from the local government for the land premium that it paid for the original land use right, thereby affecting the Group's original development plans. There can be no assurance that relevant local governments will not change the zoning of certain land that the Group has already acquired, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The actual or intended usage of some land or properties may not be in full compliance with legal zoning or usage requirements.

Part of the land held by some of the Issuer's PRC subsidiaries and joint ventures for developing the logistic facilities are zoned for "industrial use" or other usages rather than "logistic use", and part of the properties owned by some of the Issuer's PRC subsidiaries and joint ventures, although categorized as "factory building" or "others" rather than "warehouse", are actually used by the relevant subsidiaries and joint ventures or by the tenants for logistics and warehousing purposes. Although the relevant PRC subsidiaries and joint ventures have obtained comfort letters from the relevant local governmental authorities of such intended development and such actual use, it cannot preclude the possibility that such intended development or actual use may be found by the government to be incompatible with the zoning or other legal designation. The value of land zoned or permitted for use as a warehouse or logistics facility may in some cases be greater than land that is designated for general manufacturing, agricultural, residential or other forms of use. As such, loss of such designation may have an immediate economic impact on the value of such property. Moreover, fines or other penalties may be imposed on the relevant subsidiaries and joint ventures, including administrative actions taken by relevant government departments to prevent continued non-conforming uses.

The Group may fail to obtain, or experience material delays in obtaining, requisite governmental approvals, licenses and filings.

To establish a logistics facility in China, the Issuer's PRC subsidiaries and joint ventures must go through various PRC governmental approval and filing processes and obtain the requisite approvals and licenses for its investment in such logistics facility and related business operations. To construct a logistics facility, the Issuer's relevant PRC subsidiaries and joint ventures must obtain permits, licenses, certificates and other approvals from the relevant administrative authorities at various stages of land acquisition and construction, including land use rights certificates, construction land planning permits, construction works planning permits, construction works commencement permits and filing forms of completion inspection. Each approval is dependent on the satisfaction of a set of conditions.

There can be no assurance that the Group will not encounter significant problems in satisfying the conditions to the approvals necessary for the development of its logistics facilities, or that the Group will be able to adapt itself to new laws, regulations or policies, or the particular processes related to the granting of the approvals. There may also be delays on the part of the administrative bodies in reviewing the Group's applications and granting approvals. If the Group were to fail to obtain, or experience material delays in obtaining, the requisite governmental approvals, licenses and filings, the Issuer's investment in its PRC subsidiaries and joint ventures and the schedule of development and commencement of the Group's leasing operations could be substantially disrupted, resulting in a material adverse effect on the Group's business, financial condition and results of operations.

The Group may not have obtained all the land use rights certificates and building ownership certificates for certain of its facilities.

Some of the PRC subsidiaries of the Issuer have not obtained the land use rights certificates and/or building ownership certificates for certain properties. The Group's PRC legal advisor, AllBright Law Offices, has advised it that because of the lack of land use rights certificates and/or building ownership certificates and the related title defects for the relevant facilities, (i) the users of the relevant facilities may claim against the Group for losses they suffer, (ii) the Group may be required to vacate the relevant facilities which, to the extent that any of the relevant facilities are leased to its customers, may also affect the Group's ability to continue to perform its obligations under the lease agreements and/or (iii) the relevant PRC government authority may demolish the buildings or foreclose on the relevant properties. In addition, if the failure to obtain such certificate is due to violation of any other law or regulation, the competent PRC government authority may impose liabilities on the relevant PRC subsidiaries pursuant to the applicable law or regulation. Any such consequences could have an adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may face penalties for the non-registration of its lease agreements with customers in China.

A majority of the Group's lease agreements with customers in China have not been registered with the relevant local authorities in China. Non-registration does not affect the Group's rights or entitlements to lease out the facilities to customers, or the legality and effectiveness of the lease agreements between the parties to the agreements. However, pursuant to the requirements of the PRC Administrative Measures of Commodity Property Leases and relevant local rules, the Group may be subject to penalties for the non-registration of lease agreements imposed by the local authorities and/or requests by the local authorities to complete the registration formalities. As of 30 June 2014, the Group has neither been penalised for the non-registration of its lease agreements nor received a request from any government authority to complete the registration formalities. The Group intends to register future lease agreements to the extent practicable. Nevertheless, there can be no assurance that the Group would not be subject to such penalties and/or requests for undertaking the registration formalities in the future, any of which could increase its costs.

The PRC logistics facility industry is susceptible to the macro-economic policies and austerity measures of the PRC government.

The PRC government has exercised and continues to exercise significant influence over the PRC's economy. From time to time, the PRC government adjusts its monetary and economic policies to prevent and curtail the overheating of the national and provincial economies, which may affect the markets in which the Group operates. Any action by the PRC government concerning the economy or the real estate industry in particular could have a material adverse effect on the business, financial condition and results of operations of the Group.

Macroeconomic policies and austerity measures previously implemented by the PRC government in respect of the PRC real estate market have focused on the residential property market. Such measures have included regulations to limit mortgage loans on residential properties and increases in residential mortgage interest rates. There can be no assurance that macroeconomic policies and austerity measures introduced in the future will not adversely affect the Group's ability to fund future acquisitions of land upon which to build new logistics facilities, or to service or refinance its existing financing obligations.

The People's Bank of China (the "PBOC") has adjusted the deposit reserve ratio for commercial banks several times commencing from 1 January 2008. The deposit reserve refers to the amount of funds that banks must hold in reserve against deposits made by their customers. The increase of the deposit reserve ratio may negatively impact the amount of funds available to be lent to business, including the Group, by commercial banks in the PRC. The central and local authorities in PRC may continuously adjust interest rates and other economic policies or impose other regulations or restrictions which may adversely affect the business, financial condition and results of operations of the Group.

Risks Relating to the Group's Operations in Japan

The expert appraisals and reports upon which the Group relies are subject to significant uncertainties.

The Group may obtain appraisals as well as engineering, environmental and seismic reports to help it assess whether to acquire new logistics facilities, and how to operate logistics facilities it already owns. However, these reports cannot give a precise assessment of the past, present or future value or engineering, environmental or seismic conditions of the relevant logistics facilities. Furthermore, the appraisers and other experts use a variety of different review methodologies or different sets of assumptions, which could affect the results of such appraisals, reports and the conclusions that the appraisers, other experts and the Group can draw from them. Thus, different experts reviewing the same logistics facility could reach significantly different conclusions.

Although the engineering, environmental and seismic reports the Group has obtained for its logistics facilities have not revealed any material risks or liabilities, because such risks are often hidden or difficult to evaluate, the reports the Group has obtained may not be an accurate reflection of such risks. If the Group were to discover any significant, unidentified engineering, environmental or seismic liabilities, the value of the affected logistics facility could fall, it may be required to incur additional costs and discharge of the liability could be time consuming.

In addition, in accordance with customary practice in Japan, the Group discloses certain information relating to a logistics facility's PML based on reports it receives from third parties. PML percentages are based on numerous assumptions. The Group is not an expert in assessing earthquake risk, and cannot independently verify the PML percentages provided to it, and the uncertainties inherent in such reports limit the value of them to the Group. An earthquake could severely damage or otherwise adversely offset the Group's logistics facilities and if its customers were to suffer significant uninsured losses due to earthquake damage to one or more of the Group's facilities, it could reduce their demand for the Group's facilities and therefore have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Several of the Group's facilities in Japan are in port areas, and are subject to regulation by the Port Labour Law.

Several of the Group's facilities in Japan are located in port areas as defined by the Port Labour Law, and are therefore subject to regulation by the Port Labour Law and other related laws and regulations, and are also affected by certain business practices. For example, employers face constraints on the workers they may hire to work in affected facilities, and as a result, the Group's customers' labour and other operational costs for affected facilities may be higher than for unaffected facilities. There can be no assurance that such port area regulations will not affect the businesses of the Group's customers, which could consequently have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Some of the Group's logistics facilities violate the Construction Standards Law and related laws and regulations.

The Construction Standards Law and related laws and regulations (collectively, "Construction Standards Laws") establish the building codes for building properties in Japan. Currently, several of the Group's logistics facilities in Japan are not in compliance with Construction Standards Laws. In order to increase the GFA, Japanese customers occasionally retrofit a mezzanine level into the logistics facility, as a result of which the relevant facility may exceed maximum GFA limits imposed by the Construction Standards Laws. In addition, some customers or previous owners of the Group's facilities have installed other ancillary structures such as office space, corridors between facilities or sheds in the Group's properties in order to meet their specific business needs. In case of non-compliance with Construction Standards Laws, the relevant administrative agency would normally take preliminary actions first to assess the property in question and, if the violation is not cured, may issue a written announcement to set forth the actions that the owner of the property needs to take. If the violation remains uncured, the relevant administrative agency may then issue a corrective order for the owner of the property to take corrective action, including removal of the illegal structures. Although the timing of issuance of corrective orders and their content, as well as the decision as to whether such corrective orders should be issued in the first place, are determined by the relevant administrative agency at its discretion, the relevant administrative agency normally opts for the most feasible solution, and a corrective action to require the property owner to demolish the entire property in question without a justifiable reason is seen as an abuse of discretionary power by the authorities and such order is likely to be void. The Group intends to rectify the properties that do not comply with Construction Standards Laws as soon as practicable (rectification may be difficult when the customer occupies the relevant property). The Group has also made provision of ¥822.5 million for the removal costs reserve amount for the 15 properties owned by Azalea Special Purpose Company, one of the TMKs owning the warehouses most affected by these non-compliance issues, of which ¥243 million has been spent on removals. The Group may draw from these funds as necessary for the payment of costs and expenses to remove the illegal constructions in the Group's facilities.

There can be no assurance that the government will not order the Group to remove such additional structures or take more severe regulatory action. If any of these events were to occur, it may increase costs, as well as result in a loss of utility space for the Group's customers, which could have an adverse effect on its business, financial condition, results of operations and prospects.

Climate change regulation could increase the Group's capital and operating expenses.

The national and various local governments in Japan have adopted (and may adopt further) regulations intended to limit activities they deem to contribute to global warming. For example, in April 2010, the Tokyo Metropolitan Government amended the Tokyo Metropolitan Ordinance on Environmental Preservation to impose on owners of large properties an obligation to decrease carbon dioxide emissions. The Group's capital and operating expenses could increase in the future by, for example, the imposition of stricter energy efficiency standards for buildings or the cost of environmentally-friendly building materials. The Group's customers' businesses are heavily reliant on trucks to transport their goods. Increased regulation, such as municipal restrictions on vehicular emissions of nitrogen oxide and particulate matters, could increase its customers' costs and consequently reduce demand for the Group's facilities.

The Japanese real property registration system may not accurately reflect the ownership of the real property-related title or right.

Japan has a system of registering the ownership of real property (which includes land and buildings) as well as certain other real property-related rights, such as security rights over real property and easements, pursuant to which an unregistered owner of real property or an unregistered holder of certain other rights cannot assert its title or such rights against a third party. However, the real property register does not necessarily reflect the true owner of the real property-related title or right. In practice, parties who plan to enter into a real property transaction usually rely upon the register, as it is generally the best indication of the true owner of the real property-related title or right. However, a party has no recourse to anyone but the seller if, relying on the register, it purchases the property or a related right from a seller and the information contained in the register turns out to be incorrect. The purchaser may claim for damages against the seller pursuant to statutory warranties or contractual warranties, but, in general, cannot acquire the ownership of or title to the real property. Imperfect title to one or more of the Group's facilities in Japan could have a material adverse effect on its business, financial condition, results of operations and prospects.

Risks Relating to the Group's Operations in Brazil

The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy. This involvement, as well as Brazilian political and economic conditions, could adversely affect the Group.

The Brazilian government frequently intervenes in the Brazilian economy and occasionally makes significant changes in policies and regulations. The Brazilian government's actions to control inflation, monetary, credit and other policies and regulations have often involved, among other measures, wage and and price controls, blocking access to bank accounts, variations in interest rates, changes in tax policies, price controls, currency devaluations, capital controls and limits on imports. The Group has no control over, nor can it predict, any measures or policies that the Brazilian government may adopt in the future. The Group's business, financial condition and results of operations may be adversely affected by changes in policies or regulations involving or affecting factors such as:

- monetary and exchange policies and amendments to banking legislation and regualtions;
- currency fluctuations;
- interest rates;
- changes in governmental policies applicable to our business, especially related to tax matters;
- exchange controls and restrictions on remittances abroad and on foreign investments in the country;
- inflation;
- economic and social instability;
- liquidity of the domestic capital and lending markets;

- fiscal policies;
- expropriation of privately-owned land;
- rationing of electricity; and
- other political, social and economic developments in or affecting Brazil.

Uncertainty over whether the Brazilian government will implement changes in policy or regulation affecting these or other factors in the future may contribute to economic uncertainty in Brazil. Therefore, these uncertainties and developments in the Brazilian economy may adversely affect the Group.

Government efforts to combat inflation may hinder the growth of the Brazilian economy and could harm the Group's business.

Brazil has in the past experienced extremely high rates of inflation and has therefore followed monetary policies that have contributed to one of the highest interest rates in the world. According to the General Market Price Index (*Índice Geral de Preços — Mercado)*, or "IGP-M", a general price inflation index, the inflation rates in Brazil were 7.75% in 2007, 9.81% in 2008, deflation of 1.71% in 2009, 11.32% in 2010, 5.10% in 2011, 7.81% in 2012 and 5.53% in 2013. Inflation and the Brazilian government's measures to fight it have had and may have significant effects on the Brazilian economy and the Group's business. Strict monetary policies with high interest rates and high compulsory deposit requirements may restrict Brazil's growth and the availability of credit. Conversely, more lenient government and Central Bank policies and interest rate decreases may trigger increases in inflation and consequently, growth volatility and the need for sudden and significant interest rate increases. Inflation, measures to curb inflation and speculation over possible measures can also contribute to significant uncertainty about the Brazilian economy and weaken confidence of investors, thereby adversely affecting the Group's business, financial condition, results of operations and prospects.

Future Brazilian government measures, including reductions in interest rates, intervention in the foreign exchange market and actions to adjust or fix the value of the Brazilian Real may trigger increases in inflation, adversely affecting the overall performance of the Brazilian economy. If Brazil should experience high inflation again, the Group may not be able to adjust the rents it charges its tenants in Brazil sufficiently to offset the impact of inflation on the Group's cost structure, which could increase its costs and reduce its net operating margins.

Since a number of the Group's key tenants in Brazil are in the retail industry and the Group's business is consequently closely linked to the performance of retail in Brazil, the Group is exposed to the risk of inflation to the extent it affects household income, thus reducing retail consumption. In addition, inflation may increase the cost of the Group's debt and the cost of incurring new indebtedness in Brazil, in light of higher interest rates. These factors may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

Exchange rate instability may adversely affect the Brazilian economy and, consequently, the Group.

The Brazilian currency has been devalued periodically. The Brazilian government has implemented various economic plans and utilized a number of exchange-rate policies, including sudden devaluations, periodic mini-devaluations during which the frequency of adjustments has ranged from daily to monthly, floating exchange rate systems, exchange controls and dual exchange rate markets. From time to time, there have been significant fluctuations in the exchange rate between the Brazilian Real and the U.S. dollar and other currencies. Depreciations of the Brazilian Real in relation to the U.S. dollar could create additional inflationary pressures in Brazil and lead to increases in interest rates, which may negatively affect the Brazilian economy as a whole and, in particular, the Group's results of operations. On the other hand, the appreciation of the Brazilian Real in relation to the U.S. dollar may impact Brazil's current accounts and balance of payments, as well as reduce the gross domestic product resulting from exports. The volatility of the Brazilian Real in relation to the U.S. dollar may adversely affect the Brazilian economy and, consequently, the Group.

The Brazilian logistics and real estate development industries are subject to extensive regulation, which may lead to increased expenses or present obstacles to the development of certain logistics facilities, thereby adversely affecting the Group.

The Group's business in Brazil is subject to federal, state and municipal laws and to regulations and licensing requirements with respect to construction, zoning, soil use, occupancy permit, environmental protection, leases, consumer protection and taxation, all of which affect the Group's ability to acquire land, develop, construct and negotiate with customers. The Group is required to obtain licenses and permits from different governmental authorities to carry out its logistics and real estate developments. The Group cannot ensure that it will obtain the necessary licenses and permits, or respective renewals, for its operations and projects. The absence or delay in obtaining or renewing any of these licenses or permits in a timely manner, or the violation or non-compliance with these laws, regulations, licenses and permits, administrative sanctions such as fines, project delays and shutdowns, cancellation of licenses and revocation of authorizations, as well as other civil and criminal penalties, may materially adversely affect the Group.

Any failure to comply with environmental laws and regulations at the Group's logistics facilites in Brazil may result in an obligation for the Group to remediate any environmental damage occurring on the property where its facilities are located and result in criminal, civil and administrative sanctions. In Brazil, civil liability for the remediation of environmental damages follows a strict liability system that may be imposed on the property owner. Therefore, the property owner may incur costs if environmental recovery related to damages caused by tenants or previous owners of the land is not performed accordingly by them. Given that environmental law and enforcement by the Brazilian authorities are becoming more severe, the Group may incur additional environmental compliance costs. Furthermore, delays or refusals to issue or renew licenses by the environmental licensing agencies may harm the Group's business.

Moreover, public authorities may issue new and stringent standards, or interpret existing laws and regulations in a more restrictive manner, which may require companies in the logistics and real estate development industries, including the Group, to incur additional expense to comply with these new rules or interpretations. Any such action on the part of public authorities may materially adversely affect the Group.

Widespread uncertainties relating to ownership of real estate may adversely affect the Group's business.

There are widespread uncertainties relating to title ownership of real estate in Brazil. In Brazil, ownership of real property is conveyed through filing of deeds before the relevant land registry. In certain cases, land registry recording errors, including duplicate and/or fraudulent entries, and deed challenges frequently occur, leading to judicial actions. Property disputes over title ownership are frequent, and, as a result, there is a risk that errors or challenges could adversely affect the Group, causing the loss of all or substantially all of the Group's properties.

In addition, the Group's land may be subject to expropriation by the Brazilian government. An expropriation could materially impair the normal use of the Group's lands or have a material adverse effect on its results of operations. In addition, social movements, such as *Movimento dos Trabalhadores Rurais Sem Terra and Comissão Pastoral da Terra,* are active in Brazil. Such movements advocate land reform and mandatory property redistribution by the government. Land invasions and occupations of rural areas by a large number of individuals is common practice for these movements, and, in certain areas, including some of those in which the Group is likely to invest, police protection and effective eviction proceedings are not available to land owners. As a result, the Group cannot give any assurance that its properties will not be subject to invasion or occupation by these groups. A land invasion or occupation could materially impair the normal use of the Group's lands or have a material adverse effect on its business.

Economic and market conditions in other emerging market countries.

Economic conditions and markets in other countries, including the United States, other countries in Latin America and other emerging market countries, may affect the Brazilian economy. Although economic conditions in these countries may differ significantly from those in Brazil, reactions to developments in these other countries may adversely affect the availability of credit for Brazilian companies, resulting in a significant outflow of resources from Brazil and a reduction in the level of foreign currency invested in Brazil.

If any such political, economic and social events in other countries were to affect the Brazilian economy, the Group, its investment strategy and financial performance may be affected.

Risks Related to the Market Generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally.

There can be no assurance as to the liquidity of the Notes or that an active trading market will develop. If a market does develop, it may not be liquid and the Notes may trade at prices that may be higher or lower than the initial offering price, depending upon many factors, including prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Group. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for the Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls.

An investment in Notes denominated in, or the payment of which is related to the value of, a specified currency (the "Specified Currency") other than the currency of the country in which a purchaser is resident or in the currency (including any composite currency) in which a purchaser conducts its business (the "Home Currency") entails significant risks not associated with a similar investment in a security denominated in the Home Currency. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the Home Currency and the Specified Currency and the possibility of the imposition or modification of foreign exchange controls with respect to the Specified Currency. Such risks generally depend on factors over which the Issuer and Noteholders have no control, such as economic and political events and the supply of and demand for the relevant currencies. In recent years, rates of exchange for certain currencies have been highly volatile, and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in the rate that may occur during the term of any Note. Depreciation of the Specified Currency in which a Note is payable against the relevant Home Currency would result in a decrease in the effective yield of such Note below its stated rate of interest, and in certain circumstances, could result in a loss to an investor on a Home Currency basis. In addition, depending on the specific terms of a Note, changes in exchange rates relating to any of the currencies involved may result in a decrease in its effective yield and, in certain circumstances, could result in a loss to the investor of all or a substantial portion of the principal of a Note.

Governments have from time to time imposed, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of a Specified Currency on an interest payment date, maturity date or in the redemption month, as the case may be. There can be no assurances that exchange controls will not restrict or prohibit payments of principal or interest in any such currency or composite currency. Even if there are no actual exchange controls, it is possible that on an interest payment date, maturity date or in a redemption month, as the case may be, a Specified Currency for such Note would not be available to the Issuer to make payments of interest and principal then due.

This Offering Circular does not describe all the risks of an investment in Notes denominated in, or the payment of which is related to the value of, a currency other than a prospective purchaser's Home Currency, and the Issuer disclaims any responsibility to advise prospective purchasers of such risks as they exist at the date of this Offering Circular or as such risks may change from time to time. Prospective purchasers should consult their own financial, legal and tax advisers as to the risks entailed by an investment in Notes denominated in, or the payment of which is related to the value of currencies (including composite currencies) other than the particular Home Currency. Such Notes are not an appropriate investment for persons who are unsophisticated with respect to foreign currency transactions.

Interest rate risks.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks.

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Risks Relating to Notes Issued under the Programme

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Notes are structurally subordinated to any and all existing and future liabilities and obligations of the Issuer's subsidiaries, associated companies and joint ventures.

Most of the Issuer's assets are shareholdings (direct and indirect) in its subsidiaries, associated companies and joint ventures. Both the timing and the ability of certain subsidiaries, associated companies and joint ventures to pay dividends may be constrained by applicable laws. In the event that the Issuer's subsidiaries, associated companies and joint ventures do not pay any dividends or do so irregularly, the Issuer's cash flow may be adversely affected.

As a result of the holding company structure of the Group, the Notes are structurally subordinated to any and all existing and future liabilities and obligations of the Issuer's subsidiaries, associated companies and joint ventures. Generally, claims of creditors, including trade creditors, and claims of preferred shareholders, if any, of such companies will have priority with respect to the assets and earnings of such companies over the claims of the Issuer and its creditors, including the holders of the Notes. The Notes will not be guaranteed by any current or future subsidiaries.

Noteholders are bound by decisions of defined majorities in respect of any modification, waivers and substitution.

The terms and conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Noteholders are subject to the risk of a change of law.

The terms and conditions of the Notes are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular. Furthermore, no assurance can be given as to the impact of any possible judicial decision or change to taxation law in the United States, United Kingdom, Ireland, Germany, Japan, Luxembourg or any other applicable taxation law in connection with this Programme or any issue of Notes after the date of this Offering Circular.

In addition, changes in PRC laws between the date on which an agreement is reached to issue Renminbi denominated Notes and the issue date of such Renminbi denominated Notes may prevent the Issuer from issuing such Renminbi denominated Notes.

Payments on the Notes may be subject to withholding tax pursuant to the EU Savings Directive.

Under Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments, each Member State is required to provide to the tax or other relevant authorities of another Member State details of payments of interest or other similar income made by a person within its jurisdiction to an individual or certain other types of person resident in that other Member State; however, for a transitional period, Austria and Luxembourg have instead opted to apply a withholding system in relation to such payments, deducting tax at the rate of 35.0 per cent., unless during that period they elect otherwise. The transitional period is to terminate following agreement by certain non-EU countries to the exchange of information relating to such payments. A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding). Luxembourg has announced that it will no longer apply the withholding system as from 1 January 2015 and will provide details of payments of interest and other similar income as from that date.

On 24 March 2014, the Council of the European Union adopted a directive amending Council Directive 2003/48/EC, which, when implemented, will amend and broaden the scope of the requirements above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with this amending directive.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax, were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

Noteholders may be subject to Singapore taxation.

The Notes to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2018 are intended to be “qualifying debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (“ITA”), subject to the fulfilment of certain conditions more particularly described in the section “Singapore Taxation”. However, there is no assurance that such Notes will continue to enjoy the tax concessions should the relevant tax laws be amended or revoked at any time.

The Qualifying Debt Securities Plus Scheme (“**QDS Plus Scheme**”) has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain qualifications and conditions, income tax exemption is granted on interest, discount income (not including discount income from secondary trading), “prepayment fee”, “redemption premium” and “break cost” (as such terms are defined in the ITA) derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

(i) are issued during the period from 16 February 2008 to 31 December 2018;

(ii) have an original maturity of not less than 10 years;

(iii) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(iv) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

With respect to any tranche of the Notes issued with an original maturity of at least 10 years and which are "qualifying debt securities", there is no assurance that holders of such Notes would enjoy any tax exemption under the QDS Plus Scheme should the relevant tax laws be amended or revoked at any time, which amendment or revocation may be prospective or retroactive.

Risks related to the structure of a particular issue of Notes.

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or indirectly, or other factors (each, a "Relevant Factor"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

(i) the market price of such Notes may be volatile;

(ii) they may receive no interest;

(iii) payment of principal or interest may occur at a different time or in a different currency than expected;

(iv) they may lose all or a substantial portion of their principal;

(v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(vi) neither the current nor the historical value of a Relevant Factor should be taken as an indication of future performance of the Relevant Factor during the term of any Note;

(vii) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and

(viii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Notes. Accordingly, potential investors should consult their own financial and legal advisers about the risk entailed by an investment in any Index Linked Notes and the suitability of such Notes in light of their particular circumstances.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Additional Risks Relating to Renminbi-denominated Notes

Notes denominated in RMB ("RMB Notes") may be issued under the Programme. RMB Notes contain particular risks for potential investors.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC.

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of RMB trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in 2011 to cover all provinces and cities in the PRC.

Since 2011, the PRC government has promoted the liberation of Renminbi in cross-border transactions and investment. For example, in July 2011, the pilot programme of Renminbi settlement of cross-border trade transactions was expanded to all provinces of the PRC. In the same year, the State Administration of Foreign Exchange ("SAFE") and the People's Bank of China ("PBOC") promulgated several rules respectively for regulating and facilitating foreign direct investment with Renminbi. In December 2013, MOC authorized local commerce authorities to examine and approve foreign direct investment projects using cross-border Renminbi, without requiring prior consent from MOC. See "PRC Currency Controls and Exchange Rates" for more details.

However, there can be no assurance that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the Issuer is not able to repatriate funds outside the PRC in Renminbi to service its shareholder's loan, the Issuer will need to source Renminbi offshore to finance its obligations under the RMB Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and the Issuer's ability to source Renminbi outside the PRC to service such RMB Notes.

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Since February 2004, in accordance with arrangements between the PRC Central Government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The PBOC, the central bank of China, has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of RMB Business (the "Settlement Agreement") between the PBOC and Bank of China (Hong Kong) Limited (the "RMB Clearing Bank") to further expand the scope of RMB business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open RMB accounts in Hong Kong; there is no longer any limit on the ability of corporations to convert RMB; and there will no longer be any restriction on the transfer of RMB funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As of 30 June 2014, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately RMB 925.9 billion. In addition, participating banks are also required by the HKMA to maintain a total amount of Renminbi (in the form of cash and its settlement account balance with the RMB Clearing Bank) of no less than 25 per cent. of their Renminbi deposits, which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The RMB Clearing Bank only has access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for individual customers of up to RMB20,000 per person per day. The RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of its RMB Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in RMB Notes is subject to exchange rate risks.

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. All payments of interest and principal will be made with respect to RMB Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of investment in U.S. dollar or other applicable foreign currency terms will decline.

Payments in respect of RMB Notes will only be made to investors in the manner specified in such RMB Notes.

All payments to investors in respect of RMB Notes will be made solely by (i) when RMB Notes are represented by global certificates, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures, or (ii) when RMB Notes are in definitive form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below), each Definitive Bearer Note (as defined below) and each Definitive Registered Note (as defined below), but in the case of Definitive Bearer Notes and Definitive Registered Notes, only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Bearer Note or Definitive Registered Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Form of the Notes" for a description of the content of Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by Global Logistic Properties Limited (the "**Issuer**"). This Note is issued pursuant to the Agency Agreement (as defined below).

References herein to the "Notes" shall be references to the Notes of this Series and shall mean:

(i) in relation to any Notes represented by a global Note (a "**Global Note**"), units of the lowest Specified Denomination in the Specified Currency;

(ii) any Global Note in bearer form (each a "**Bearer Global Note**");

(iii) any Global Note in registered form (each a "**Registered Global Note**");

(iv) any definitive Notes in bearer form ("**Definitive Bearer Notes**" and together with the Bearer Global Notes, the "**Bearer Notes**") issued in exchange for a Global Note in bearer form; and

(v) any definitive Notes in registered form ("**Definitive Registered Notes**" and together with the Registered Global Notes, the "**Registered Notes**") (whether or not issued in exchange for a Global Note in registered form).

An amended and restated agency agreement (the "**Agency Agreement**") dated 16 October 2014 has been entered into between the Issuer, Citicorp International Limited as fiscal agent and agent bank (the "**Fiscal Agent**", which expression shall include any successor fiscal agent) and the other paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents), Citibank, N.A., London Branch as transfer agent (the "**Transfer Agent**", which expression shall include any additional or successor transfer agent), Citicorp International Limited as CMU fiscal agent (the "**CMU Fiscal Agent**"), Citicorp International Limited as CMU lodging and paying agent (the "**CMU Lodging and Paying Agent**"), and Citigroup Global Markets Deutschland AG as registrar (the "**Registrar**", which expression shall include any successor registrar).

For the purposes of these Conditions, all references to the Paying Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent, all references to the Fiscal Agent shall be deemed to be a reference to the CMU Fiscal Agent and all references to the Agency Agreement shall be to the CMU Agency Agreement to between the Issuer and the CMU Fiscal Agent and all such references shall be construed accordingly.

Interest bearing Definitive Bearer Notes have interest coupons ("**Coupons**") and, if indicated in the applicable Pricing Supplement, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Bearer Notes repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Note and supplement these Terms and Conditions (the "**Conditions**") and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify these Conditions for the purposes of this Note. References to the "applicable Pricing Supplement" are to Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to "**Receiptholders**" shall mean the holders of the Receipts and any reference herein to "Couponholders" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders, the Receiptholders and the Couponholders are entitled to the benefit of the Deed of Covenant (the "**Deed of Covenant**") dated 16 October 2014 and made by the Issuer. The original of the Deed of Covenant is held by the Fiscal Agent.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the registered office of each of the Fiscal Agent, the Registrar and the other Paying Agents and Transfer Agent (such Agents and the Registrar being together referred to as the "**Agents**"). Copies of the applicable Pricing Supplement are available for viewing and obtainable during normal business hours at the registered office of the Issuer and the specified office of each of the Agents and copies may be obtained from those offices provided that, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the relevant Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Pricing Supplement which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

1 Form, Denomination and Title

The Notes are either in bearer form or in registered form as specified in the applicable Pricing Supplement and, in the case of Definitive Bearer Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law or ordered by a court having jurisdiction or an official authority) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Bearer Global Note held on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, société anonyme ("**Clearstream**, Luxembourg") and/or the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the "**CMU**"), each person (other than Euroclear, Clearstream, Luxembourg or the CMU) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or the CMU as the case may be, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg or the CMU as the case may be, as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg, or the CMU as applicable. References to Euroclear, Clearstream, Luxembourg and the CMU shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

2 Transfers of Registered Notes

(a) Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear, Clearstream, Luxembourg, or the CMU as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear, Clearstream, Luxembourg, the CMU as the case may be and in accordance with the terms and conditions specified in the Agency Agreement.

(b) Transfers of Registered Notes in definitive form

Subject as provided in paragraphs (e) and (f) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Definitive Registered Note may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or the Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the Transfer Agent and (ii) the Registrar or, as the case may be, the Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent by uninsured mail to the address of the transferor.

(c) Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(d)) or (ii) during the period from (and including) the date of the giving of notice to Noteholders by the Issuer to (and including) the date fixed for redemption pursuant to Condition 7(c) or (iii) after a Change of Control Redemption Notice (as defined in Condition 7(d)) has been deposited in respect of such Note.

(f) Exchanges and transfers of Registered Notes generally

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

3 Status of the Notes

The Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least equally with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, other than obligations, if any, that are mandatorily preferred by statute or by operation of law.

4 Negative Pledge

For so long as any of the Notes remains outstanding (as defined in the Agency Agreement), the Issuer will not permit to subsist, and the Issuer will ensure that none of its Material Subsidiaries (as defined below) will create or permit to subsist, any mortgage, lien, pledge or other charge upon the whole or any part of its assets or revenues, present or future, to secure any Relevant Indebtedness (as defined below) unless:

(a) the same security shall forthwith be extended equally and rateably to the Notes, the Receipts and the Coupons; or

(b) such other security as shall be approved by an Extraordinary Resolution of the Noteholders shall previously have been or shall forthwith be extended equally and rateably to the Notes, the Receipts and the Coupons.

As used herein:

"**Japan Funds**" means Japan Logistic Properties 1 Private Limited, Japan Logistic Properties 2 Pte. Ltd., Japan Logistic Properties 3 Pte. Ltd. and such other funds through which the Group's properties in Japan are from time to time held;

"**Material Subsidiary**" means any Subsidiary of the Issuer:

(a) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited balance sheet, are at least 5 per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole (the "Group"), as shown by the Group's latest published audited consolidated balance sheet; or

(b) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, provided that the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary and the Subsidiary to which the assets are so transferred shall become a Material Subsidiary at the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Material Subsidiary on the basis of such accounts by virtue of the provisions of paragraph (a) above;

provided that, in relation to paragraph (a) above:

(i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

(ii) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for such purpose by the Issuer;

(iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for such purpose by the Issuer; and

(iv) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer.

A certificate prepared by the Directors of the Issuer, that in their opinion, a Subsidiary is or is not, or was or was not, a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Noteholders.

"**Relevant Indebtedness**" means any present or future indebtedness for borrowed money of the Issuer or any of its Material Subsidiaries which is in the form of, or represented by, bonds, notes, debentures or other securities and which is or are intended to be quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other established securities market (whether or not publicly offered) provided that Relevant Indebtedness shall not include TMK Bonds;

"**Subsidiary**" means a "subsidiary" as such term is defined under the Companies Act, Chapter 50 of Singapore;

"**TMK**" means refers to a special-purpose securitisation vehicle established under the TMK Law;

"**TMK Bonds**" means asset-backed securities issued by the TMK subsidiaries of the Japan Funds; and

"**TMK Law**" means the Law concerning the Liquidation of Assets of Japan (Law No. 105 of 1998).

5 Interest

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in the Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a):

(iii) if "**Actual/Actual (ICMA)**" is specified in the applicable Pricing Supplement:

(A) in the case of Notes where the number of days in the relevant period one, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(iv) if "**30/360**" is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y_2 - Y_1)] + [30 \text{ x } (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

"**Actual/365 (Fixed)**" means the actual number of days in the Interest Period divided by 365.

In the Conditions:

"**Determination Period**" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) *Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest from (and including) the Interest Commencement Date at the rate per annum equal to the Rate of Interest and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or

(B) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, "**Business Day**" means a day which is both:

(C) a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre specified in the applicable Pricing Supplement; and

(D) either (1) in relation to any sum payable in a Specified Currency other than euro and Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which launched on 19 November 2007 or any successor thereto (the "**TARGET System**") is open or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets in Hong Kong are open for business and settlement of Renminbi payments.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent under an interest rate swap transaction if the Fiscal Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

(1) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(2) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London interbank offered rate ("**LIBOR**") or on the Euro-zone interbank offered rate ("**EURIBOR**"), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes

(1) Save where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the applicable Reference Rate is specified in the applicable Pricing Supplement to be SHIBOR (defined below), the Rate of Interest for each Interest Period will, subject as provided below, be either:

(a) the offered quotation; or

(b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11:00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Fiscal Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(2) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the applicable Reference Rate is specified in the applicable Pricing Supplement to be SHIBOR (defined below), the Rate of Interest for each Interest Period will, subject as provided below, be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined at 11:30 am (Beijing time) on the business day prior to the commencement of each Interest Period (the "**SHIBOR Determination Date**") of the offered quotations (expressed as a percentage rate per annum) for SHIBOR for a period corresponding to the relevant Interest Period as at 11:30 a.m. (Beijing time) on each of the 5 business days ending on the SHIBOR Determination Date in question, plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Fiscal Agent. For the purposes of these Conditions, "**SHIBOR**" means the Shanghai Interbank Offered Rate as published on http://www.shibor.org by China Foreign Exchange Trade System & National Interbank Funding Centre under the authorisation of the People's Bank of China, at around 11.30 a.m. (Beijing time) on each business day. If for any reason SHIBOR is not published in respect of a certain business day, the rate for SHIBOR for a period corresponding to the relevant Interest Period in respect of the business day immediately preceding that business day shall be applied in place thereof.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being a rate other than SHIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

The Fiscal Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Fiscal Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Fiscal Agent in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Notes will calculate the amount of interest (the "**Interest Amount**") in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(C) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(D) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(E) if "**Actual/365 (Sterling)**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(F) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(G) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(H) if "**30E/360**" or "Eurobond Basis" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30;

(I) if "**30E/360 (ISDA)**" is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

(v) *Notification of Rate of Interest and Interest Amounts*

The Fiscal Agent or, if applicable, the Calculation Agent, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be given in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b), whether by the Fiscal Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, the Calculation Agent (if applicable), the other Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) Interest on Dual Currency Interest Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Pricing Supplement.

(d) Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

(e) Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(1) the date on which all amounts due in respect of such Note have been paid; and

(2) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 14.

6 Payments

(a) Method of payment

Subject as provided below:

(i) payments in a Specified Currency other than euro and Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency;

(ii) payments in euro will be made by credit or transfer to a euro denominated account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro denominated cheque; and

(iii) payments in Renminbi will be made by credit or transfer to a Renminbi denominated account maintained by or on behalf of a Noteholder with a bank in Hong Kong.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(b) Presentation of Definitive Bearer Notes, Receipts and Coupons

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case only at the specified office of any Paying Agent outside the United States and its possessions (as defined for the purposes of the TEFRA D and TEFRA C rules).

Payments of instalments of principal (if any) in respect of Definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Bearer Note to which it appertains. Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes, Index Linked Notes or Long Maturity Notes (as defined below) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "Long Maturity Note" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

(c) Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Bearer Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note only at the specified office of any Paying Agent outside the United States and its possessions.

A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.

(d) ***Payments in respect of Registered Notes***

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "**Register**") at the close of business on the business day (in the case of Notes in global form) or the fifth (in the case of payments in Renminbi) or 15th (in the case of payments in a currency other than Renminbi) business day (in the case of Notes in definitive form) (a business day being for this purpose a day on which banks are open for general business in the city where the specified office of the Registrar is located) before the relevant due date (the "**Record Date**"). For these purposes, "**Designated Account**" means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (i) in the case of payment in a Specified Currency other than euro and Renminbi, a bank in the principal financial centre of the country of such Specified Currency and (ii) in the case of a payment in euro, any bank which processes payments in euro and (iii) in the case of a payment in Renminbi, a bank in Hong Kong.

Payments of interest and payments of instalments of principal (other than the final instalment) payable otherwise than in Renminbi in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payments of interest and payments of instalments of principal (other than the final instalment) payable in Renminbi in respect of each Registered Note will be made by transfer on the due date in the manner provided in the preceding paragraph. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the Issuer and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or the CMU as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or the CMU, as the case may be, for his share of each payment so made by the Issuer to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(f) Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 9) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

  (A) the relevant place of presentation (if presentation and/or surrender of such Note, Receipt or Coupon is required);

  (B) each Additional Financial Centre specified in the applicable Pricing Supplement; and

(ii) (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency or (2) in relation to any sum payable in euro, a day on which the TARGET System is open or (3) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets in Hong Kong are open for the business of settlement of Renminbi payments.

(g) Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 8;

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) in relation to Notes redeemable in instalments, the Instalment Amounts;

(vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(e)); and

(vii) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

(h) Currency Fallback

If by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able, or it would be impracticable for it, to satisfy payments of principal or interest (in whole or in part) in respect of Notes where the Specified Currency is Renminbi when any payment on the Notes is due, the Issuer shall give the notice specified in Condition 6(i) and satisfy its obligations in respect of such payment by making such payment in U.S. dollars on the basis of the Spot Rate on the Rate Calculation Date. Any payment made under such circumstances in U.S. dollars, will constitute valid payment and will not constitute a default in respect of the Notes.

In the event of a payment pursuant to this Condition 6(h), the following modifications shall be made in respect of the Conditions:

(i) the following language shall be included at the end of Condition 6(a)(iii):

“unless Condition 6(h) applies, in which case payments will be made by credit or transfer to a U.S. dollar denominated account with a bank in New York City; and

(ii) for the purposes of Condition 6(f)(ii), the Specified Currency will be deemed to be U.S. dollars.

For the purposes of this Condition 6(h):

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of the PRC or Hong Kong (including the Hong Kong Monetary Authority or any successor to it);

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Illiquidity**" means the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the relevant Series of Notes and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

"**Independent Investment Bank**" means an independent investment bank of international repute (acting as an expert) selected by the Issuer;

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the relevant Series of Notes and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**PRC**" means the People's Republic of China, excluding Hong Kong, Macau or Taiwan;

"**Rate Calculation Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and in New York City;

"**Rate Calculation Date**" means the day which is two Rate Calculation Business Days before the due date of the relevant amount under these Conditions; and

"**Spot Rate**", for a Rate Calculation Date, means the spot Renminbi/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Rate Calculation Date Business Days, as determined by an Independent Investment Bank at or around 11:00 a.m. (Hong Kong time) on the Rate Calculation Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Independent Investment Bank will determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Rate Calculation Date as the most recently available Renminbi/U.S. dollar official fixing rate for settlement in two Rate Calculation Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

All determinations, calculations and quotations given, made or obtained for the purposes of this 6(h) by the Independent Investment Bank will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and holders of the Notes of that Series.

(i) Notice

In the event of a payment pursuant to Condition 6(h) being required, the Issuer shall give not less than ten days' or more than 30 days' irrevocable notice to the Fiscal Agent prior to the due date for payment. For the avoidance of doubt, the requirement to make such payment shall not be conditional on the giving of any such notice.

7 Redemption and Purchase

(a) Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note and Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

(b) Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is neither a Floating Rate Note, an Index Linked Interest Note nor a Dual Currency Interest Note) or on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

(i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing in a Tax Jurisdiction (as defined in Condition 8) to the effect that the Issuer has or will become obliged, as aforesaid, to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

(c) Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and

(ii) not less than 15 days before the giving of the notice referred to in (i) above, notice to the Fiscal Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or the CMU (to be reflected in the records of Euroclear, Clearstream, Luxembourg and the CMU as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

(d) Redemption upon Change of Control

(i) If a Change of Control Put is specified in the applicable Pricing Supplement, following the occurrence of a Change of Control (as defined below), the holder of any Note will have the right at such holder's option, to require the Issuer to redeem all, or some only, of that holder's Notes on the applicable Change of Control Redemption Date (as defined below) at a price equal to 101% of their principal amount together, if applicable, with accrued interest. If this Note is in definitive form, to exercise the right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, accompanied by a duly completed and signed notice of redemption in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (the "**Change of Control Redemption Notice**") and in which the holder must specify a bank account (or, if payment is required or permitted to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b) by no later than 30 days following the Change of Control, or, if later, 30 days following the date upon which notice thereof is given to holders of Notes in accordance with Condition 14. The "**Change of Control Redemption Date**" shall be the fourteenth day after the expiry of such period of 30 days after the later of a Change in Control or the date upon which notice of a Change of Control is given to the holders of Notes by the Issuer in accordance with Condition 14 as referred to above. If this Note is represented by a Global Note or is in definitive form and held through Euroclear, Clearstream, Luxembourg, or the CMU to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear, Clearstream, Luxembourg or the CMU as the case may be (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg or the CMU or any common depositary, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear, Clearstream, Luxembourg or the CMU from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

(ii) A Change of Control Redemption Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Notes the subject of Change of Control Redemption Notices delivered as aforesaid on the Change of Control Redemption Date.

(iii) The Issuer shall give notice to Noteholders in accordance with Condition 14 by not later than 14 days following the first day on which it becomes aware of the occurrence of a Change of Control, which notice shall specify the procedure for exercise by holders of their rights to require redemption of the Notes pursuant to this Condition and shall give brief details of the Change of Control.

(iv) For the purposes of this Condition 7(d):

"**Control**" means (1) the ownership or control of more than 50 per cent. of the voting rights of the issued share capital of the Issuer or (2) the right to appoint and/or remove all or the majority of the members of the Issuer's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;

a "**Change of Control**" occurs when:

(1) any Person or Persons acting together acquires or acquire Control of the Issuer if such Person or Persons does not or do not have, and would not be deemed to have, Control of the Issuer on the Issue Date;

(2) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Issuer or the successor entity; or

(3) one or more Persons (other than any Person referred to in sub-paragraph (1) above) acquires the legal or beneficial ownership of all or substantially all of the Issuer's issued share capital.

"**Person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer's board of directors or any other governing board and does not include the Issuer's wholly-owned direct or indirect Subsidiaries.

(e) Early Redemption Amounts

For the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

(i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its nominal amount; or

(iii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

Early Redemption Amount = RP $\times$ (1 x AY) y

where:

"**RP**" means the Reference Price;

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Pricing Supplement.

(f) Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (f) above.

(g) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

(h) Purchases

The Issuer or any Subsidiaries may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are attached or surrendered therewith) in the open market or by tender or by private agreement at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

(i) Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Fiscal Agent and cannot be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), or (d) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 14.

8 Taxation

8.1 All payments of principal, premium (if any) and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal, premium (if any) and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) presented for payment in any Tax Jurisdiction (as defined below); or

(b) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon; or

(c) presented for payment by, or on behalf of, a holder who would be able to avoid such withholding or deduction by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so; or

(d) presented for payment by, or on behalf of, a holder who would be able to avoid such withholding or deduction by presenting the relevant Note and/or Coupon to another Paying Agent in a Member State of the European Union; or

(e) where such withholding or deduction is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusion of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(f) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such 30th day assuming that day to have been a Payment Day (as defined in Condition 6(f)); or

(g) subject to any tax, assessment, withholding or deduction required by Sections 1471 through 1474 of the Code ("FATCA"), any current or future U.S. Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA.

As used herein:

(i) "**Tax Jurisdiction**" means the Republic of Singapore or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject; and

(ii) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Fiscal Agent or the Registrar on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

8.2 If the Issuer is, or becomes, subject at any time to any taxing jurisdiction(s) other than or in addition to the Tax Jurisdiction, references in Condition 7(b) and this Condition 8 to Tax Jurisdiction shall be read and construed as including references to such other taxing jurisdiction(s).

9 Prescription

The Notes (whether in bearer or registered form), Receipts and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

10 Events of Default

If any one or more of the following events (each an "**Event of Default**") shall occur and be continuing:

(a) a default is made in the payment of principal of or any interest in respect of the Notes or any of them and the default continues for a period of 7 days in the case of principal or 14 days in the case of interest; or

(b) default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on the Issuer under the Notes in relation to, or in respect of, the Notes (other than any obligation for payment of any principal or interest in respect of the Notes) and (except in any case where the default is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) such default continues for 45 days after written notice thereof addressed to the Issuer by any Noteholder and requiring the same to be remedied has been delivered to the Issuer or to the specified office of the Fiscal Agent; or

(c) (i) any Indebtedness for Borrowed Money of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any Indebtedness for Borrowed Money of the Issuer or a Material Subsidiary becomes due and payable prior to its stated maturity otherwise than (x) as a result of a failure by the Issuer or relevant Material Subsidiary to make payment when due or within any originally applicable grace period or (y) at the option of the Issuer, the relevant Material Subsidiary or (*provided that* no event of default, howsoever declared, has occurred) any Person entitled to such Indebtedness for Borrowed Money; or

(iii) the Issuer any of its Material Subsidiaries fails to pay any amount payable by it under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person (as extended by any originally applicable grace period);

provided that no such event shall constitute an Event of Default unless (1) the amount of Indebtedness for Borrowed Money referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under sub-paragraph (iii) above individually or in the aggregate exceeds U.S.$25,000,000 (or its equivalent in any other currency) and (2), in the case of an event referred to in sub-paragraph (i) above which occurs solely as a result of a Change in PRC Law, (x) such failure to pay continues for a period of 90 days and (y) no other creditors of the Issuer or any Material Subsidiary declares any Indebtedness for Borrowed Money of the Issuer or any Material Subsidiary to be due and payable within such period of 90 days; or

(d) the Issuer or any of its Material Subsidiaries fails to pay any one or more final judgments of a court of competent jurisdiction which individually or in aggregate exceeds U.S.$25,000,000 (or its equivalent in any other currency) within 30 days from the receipt of notice that such final judgment has been entered against it or an execution is levied on or enforced upon or sued out in pursuance of any such judgment against the assets or property of the Issuer; or

(e) (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due;

(ii) an administrator or liquidator of the Issuer or any of its Material Subsidiaries or the whole or a substantial part of the undertaking, assets or revenues of the Issuer or any of its Material Subsidiaries is appointed (or application for any such appointment is made where such application is not revoked, discharged or dismissed within 60 days of such application);

(iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations (save for any such readjustment or deferment while the Issuer or the relevant Material subsidiary, as applicable, is solvent) or makes a general assignment or an arrangement or composition with or for the benefit of creditors in respect of Indebtedness for Borrowed Money or declares a moratorium in respect of Indebtedness for Borrowed Money or any guarantee of Indebtedness for Borrowed Money given by it; or

(iv) the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (except, in the case of a Material Subsidiary, for the purposes of a reconstruction, union, transfer, merger or amalgamation or other analogous process pursuant to which all or a substantial part of its property, assets and undertaking are transferred to the Issuer or another Subsidiary); or

(f) an order is made by a court of competent jurisdiction or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (except, in the case of a Material Subsidiary, for the purposes of a reconstruction, union, transfer, merger or amalgamation or other analogous process pursuant to which all or a substantial part of its property, assets and undertaking are transferred to the Issuer or another Subsidiary); or

(g) any step is taken by any judicial, governmental, administrative or regulatory authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer; or

(h) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes; or

(i) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (d) to (f) inclusive,

then any holder of a Note may, by written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of this Condition:

"**Change in PRC law**" means the coming into force of any change in law, regulation, policy, decision or directive of the PRC or any governmental or regulatory authority thereof which has jurisdiction over the Issuer or any Material Subsidiary and which change has a material adverse impact on the ability of the Issuer or any such Material Subsidiary to make payments when due on the relevant Indebtedness for Borrowed Money of the Issuer or such Material Subsidiary;

"**Indebtedness for Borrowed Money**" means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of:

(i) money borrowed; or

(ii) any notes, bonds, debentures, debenture stock, loan stock, hybrid securities or redeemable preference shares or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash; and

"**material part of the assets of the Issuer**" means assets which represent at least 5 per cent. of the total assets of the Issuer.

11 Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes, Receipts or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12 Agents

The names of the initial Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) there will at all times be (i) a Principal Paying Agent, (ii) a Registrar and a Transfer Agent in relation to Registered Notes, and (iii) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU;

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(c) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

13 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

14 Notices

(a) To holders of Bearer Notes

Notices to holders of Bearer Notes will, save where another means of effective communication has been specified herein or in the Pricing Supplement, be deemed to be validly given if:

(i) published in a leading daily newspaper having general circulation in Asia (which is expected to be *The Wall Street Journal Asia*); or

(ii) if such publication is not practicable, published in a leading English language daily newspaper having general circulation in Europe; or

(iii) if permitted by the rules of the relevant competent listing authority and/or stock exchange, in the case of Notes represented by a Global Note, delivered to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to the persons shown in their respective records as having interests therein; or

(iv) in the case of Notes represented by a Global Note which is held in the CMU, given to the persons shown in a "CMU Instrument Position Report" issued by the CMU on the Business Day immediately before the preceding Interest Payment Date, or (in the case of notices given pursuant to Condition 7(c) (*Redemption at the option of the Issuer*)) on the Business Day immediately before the date on which such notices are given, or any other date as agreed between Citicorp International Limited as Hong Kong Paying Agent and Lodging Agent and the CMU holding interests in the relevant Temporary Global Note or Permanent Global Note, as the case may be.

The Issuer shall also ensure that notices are duly published in compliance with the requirements of each competent listing authority and/or stock exchange on or by which the Notes are listed and/or traded. Any notice so given will be deemed to have been validly given: (a) on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or (b) unless it has been specified otherwise in the Pricing Supplement on the date of such delivery to Euroclear and/or Clearstream, Luxembourg and/or such other clearing system or the persons shown in the "CMU Instrument Position Report". Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition. A copy of each notice given pursuant to this Condition will in any event be delivered to Euroclear, Clearstream, Luxembourg, the CMU and/or any other relevant clearing system.

(b) To holders of Registered Notes

Notices to holders of Registered Notes will be deemed to be validly given if:

(i) sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day; or

(ii) to the extent such Registered Notes are Registered Global Notes, given in accordance with the provisions of Conditions 14(a)(iii) or 14(a)(iv) as applicable.

For so long as any Registered Notes are listed on a stock exchange or are admitted to listing by another relevant authority and the rules of stock exchange (or relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

15 Meetings of Noteholders, Modification and Waiver

(a) Meetings

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than one-tenth in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than one-half in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, the Receipts or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

An Extraordinary Resolution may also be effected in writing executed by or on behalf of the persons holding or representing not less than 90 per cent. of the nominal amount of the Notes for the time being outstanding.

(b) Modification and Waiver without consent of the Noteholders etc.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

(i) any modification (except as mentioned above) of the Notes, the Receipts, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or

(ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

16 Substitution

The Issuer may at any time, without the consent of the Noteholders, the Receiptholders or the Couponholders, substitute for itself as principal debtor under the Notes, the Receipts and the Coupons, any company (the "**Substitute**") that is a Subsidiary of the Issuer, provided that no payment in respect of the Notes, the Receipts or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the "**Substitution Deed Poll**") and may take place only if:

(i) the Issuer shall, by means of the Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note, Receipt or Coupon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and (B) any cost or expense, relating to the substitution;

(ii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Substitution Deed Poll, the Notes, Receipts, Coupons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute, and in the case of the Substitution Deed Poll, of the Issuer, have been taken, fulfilled and done and are in full force and effect;

(iii) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;

(iv) Confirmation from the relevant credit rating agencies, if any, that the rating(s) assigned to the relevant series of notes shall not be downgraded following such substitution; and

(v) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified office of each of the Paying Agents.

References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the Substitution Deed Poll.

17 Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

18 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19 Governing Law and Submission to Jurisdiction

(a) Governing law

The Agency Agreement, the Programme Agreement, the Deed of Covenant, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with them shall be governed by, and shall be construed in accordance with, English law.

(b) Submission to jurisdiction

In relation to any legal action or proceedings arising out of or in connection with Covenant ("Proceedings"), the Issuer irrevocably submits to the jurisdiction of the courts of England and waive any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders, the Receiptholders and the Couponholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) to the extent permitted by law.

(c) Appointment of Process Agent

The Issuer appoints Hackwood Secretaries Limited at its registered office at One Silk Street, London EC2Y 8HQ, United Kingdom as its agent in England to receive service of process in any Proceedings in England based on any of the Notes, the Receipts, the Coupons, the Agency Agreement and the Deed of Covenant. If for any reason such process agent ceases to act as such or no longer has an address in England, the Issuer agrees to appoint a substitute agent for service of process and to give notice to the Noteholders of such appointment in accordance with Condition 14.

(d) Other documents

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons ("Coupons") attached, or registered form, without Coupons attached. Bearer Notes and Registered Notes will be issued outside the United States in reliance on Regulation S under the Securities Act ("Regulation S").

Bearer Notes

Each Tranche of Bearer Notes will be initially issued in the form of either a Temporary Bearer Global Note or a Permanent Bearer Global Note as indicated in the applicable Pricing Supplement, which, will be delivered on or prior to the original issue date of the Tranche to a common depositary (the "Common Depositary") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg") or lodged on or prior to the original issue date of the Tranche with a sub-custodian for CMU.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note) outside the United States and its possessions and only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury Regulations, has been received by the Hong Kong Paying Agent (in the case of a Temporary Bearer Global Note lodged with a sub-custodian for the CMU) or by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg has given a like certification (based on the certifications it has received) to the Fiscal Agent.

On and after the date (the "Exchange Date") which is 40 days after a Temporary Bearer Global Note is issued, beneficial interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Pricing Supplement and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Pricing Supplement), in each case against certification of beneficial ownership thereof as required by U.S. Treasury Regulations as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The CMU may require that any such exchange for a Permanent Bearer Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Fiscal Agent by the CMU) have so certified. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made outside the United States and its possessions and through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note) without any requirement for certification.

In respect of a Permanent Bearer Global Note held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Permanent Bearer Global Note are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Fiscal Agent by the CMU) and, save in the case of final payment, no presentation of the relevant Permanent Bearer Global Note shall be required for such purpose.

The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, receipts, interest coupons and talons attached upon either (a) not less than 60 days' written notice (i) in the case of Notes held by a Common Depositary for Euroclear and Clearstream, Luxembourg, from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Fiscal Agent as described therein or (ii) in the case of Notes held through a sub-custodian for the CMU, from the relevant account holders therein to the CMU Fiscal Agent as described therein or (b) only upon the occurrence of an Exchange Event or (c) at any time at the request of the Issuer. For these purposes, "Exchange Event" means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have, or in the case of Notes cleared through the CMU, the CMU has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, (a) in the case of Notes held by a Common Depositary for Euroclear and Clearstream, Luxembourg, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or, (b) in the case of Notes held through a sub- custodian for the CMU, the relevant account holders therein may give notice to the Fiscal Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Fiscal Agent or as the case may be, the CMU Fiscal Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Fiscal Agent or, as the case may be, the CMU Fiscal Agent.

The following legend will appear on all Bearer Notes with a maturity of more than one year and on all receipts, interest coupons or talons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The provisions of the Code referred to in the legend generally provide that any United States person who holds a Bearer Note with a maturity of more than one year, with certain exceptions, will not be allowed to deduct any loss sustained on the sale, exchange or other disposition of such Bearer Note, and will be subject to tax at ordinary income rates (as opposed to capital gain rates) on any gain recognised on such sale, exchange or other disposition.

Notes which are represented by a Temporary Bearer Global Note and/or Permanent Bearer Global Note will only be transferable in accordance with the then current rules and procedures of Euroclear or Clearstream, Luxembourg or the CMU, as the case may be.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold outside the United States, will initially be represented by a global note in registered form, without Receipts or Coupons (a "Registered Global Note").

Registered Global Notes will be deposited with a common depositary for, and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg and/or deposited with a sub-custodian for the CMU (if applicable) as specified in the applicable Pricing Supplement.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6(d)) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent and the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, "Exchange Event" means that (i) an Event of Default has occurred and is continuing, (ii) in the case of Notes registered in the name of a common depositary for Euroclear or Clearstream, Luxembourg or the sub- custodian in relation to the CMU, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg or the CMU, as the case may be, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, (a) in the case of Notes registered in the name of a nominee for a Common Depositary for Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) and/or (b) in the case of Notes held through a sub-custodian for the CMU, the relevant account holders therein may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the relevant Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of the CMU, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

General

For so long as any of the Notes is represented by a Bearer Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg or the CMU, as the case may be, each person (other than Euroclear or Clearstream, Luxembourg or the CMU) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg or the CMU (as applicable) as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg or the CMU as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly.

Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU, any payment that is made in respect of such Note shall be made at the direction of the bearer or the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU in accordance with the CMU Rules (as defined in the Fiscal Agency Agreement) at the relevant time as notified to the CMU Fiscal Agent by the CMU in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the Issuer in respect of that payment under such Note.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or the CMU shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

A Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 10. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or the CMU, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream, Luxembourg and the CMU on and subject to the terms of a deed of covenant (the "Deed of Covenant") dated 16 October 2014 and executed by the Issuer.

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a Paying Agent in Singapore (where such Notes may be presented or surrendered for payment or redemption) in the event that any of the Global Notes representing such Notes is exchanged for definitive Notes. In addition, in the event that any of the Global Notes is exchanged for definitive Notes, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the Paying Agent in Singapore unless the Issuer obtains an exemption from SGX-ST.

USE OF PROCEEDS

The net proceeds of any Notes issued under the Programme shall be used for general corporate purposes or as may otherwise be disclosed in the relevant Pricing Supplement.

CAPITALISATION AND INDEBTEDNESS

The table below sets out the capitalisation and indebtedness of the Group as at 30 June 2014. The information set out in this table has been extracted from and should be read in conjunction with the Group's unaudited interim financial statements appearing elsewhere in this Offering Circular:

	As at 30 June 2014
	U.S.$ (in thousands)
Loans and borrowings	
Non-current	3,016,081
Current	205,945
Total loans and borrowings	3,222,026
Equity attributable to owners of the Issuer	
Share capital	6,443,796
Capital securities[1]	587,287
Reserves	2,117,553
	9,148,636
Total capitalisation[2]	12,164,717

Notes:

(1) Capital securities aggregating S$750.0 million were issued by the Issuer on 7 December 2011 and 20 January 2012. The capital securities are perpetual, subordinated and coupon payment is optional in nature. These perpetual capital securities are classified as equity instruments and recorded in equity.

(2) "Total capitalisation" is defined as long-term borrowings and equity attributable to owners of the Issuer.

DESCRIPTION OF THE GROUP

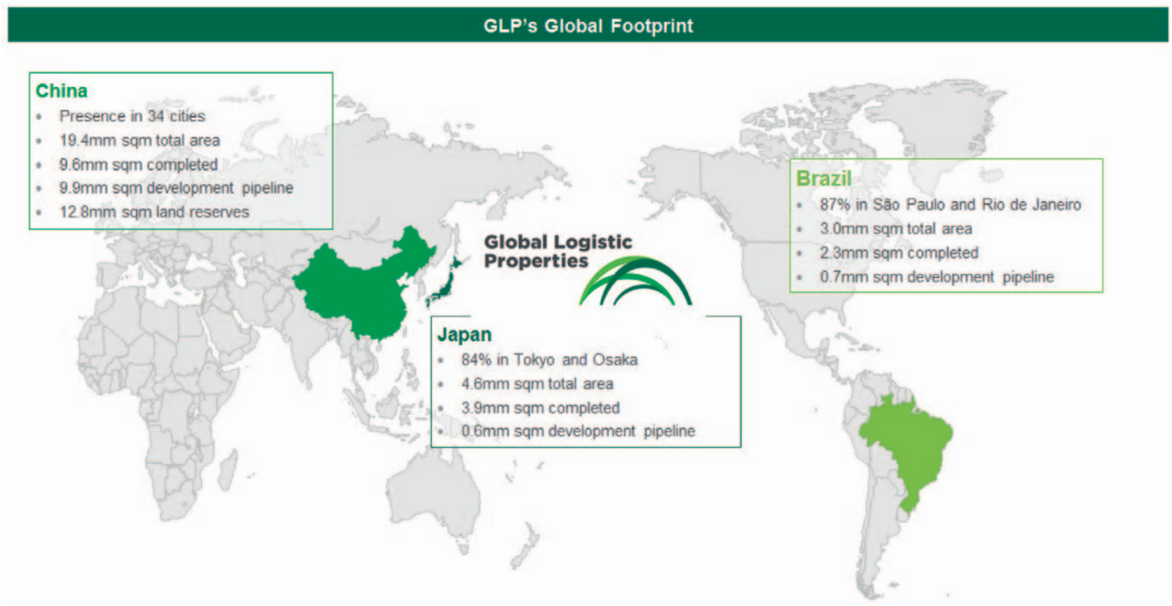
OVERVIEW

The Issuer is the holding company of the Group's portfolios of logistics facilities in China, Japan and Brazil, as well as the asset management companies that manage these facilities. The Issuer was listed on the Main Board of the SGX-ST on 18 October 2010, and has a market capitalisation of S$13.5 billion as at 1 August 2014.

The Group is one of the leading modern logistics facility provider in China, Japan and Brazil. Japan and China are Asia's two largest economies and China is one of Asia's largest logistics markets. In addition, Brazil is one of Latin America's fastest growing logistics markets. The Group's early mover advantage in these markets has allowed it to establish its presence in strategically located sites across key gateway cities in these countries.

The Group owns, manages and leases out an extensive network of 704 completed properties in China, Japan and Brazil within 301 GLP parks, with a combined GFA and GLA of approximately 15.9 million square metres as of 30 June 2014. The Group also has interests in an additional 5.7 million square metres of properties under development or being repositioned and approximately 5.4 million square metres of combined GFA and GLA under land held for future development as of 30 June 2014. In addition, the Group also has approximately 12.8 million square metres of GFA under land reserve in China. The Group's network is spread across 76 cities in China, Japan and Brazil. See "—The Group's Portfolio". Each of the Group's parks is strategically located within key logistics hubs and near major seaports, airports, transportation hubs or industrial zones in the greater metropolitan areas of China, Japan and Brazil.

The size and geographic reach of the Group's portfolio allows the Group to meet its customers' business and expansion needs in multiple locations.



In addition, the Group's fund management business continues to be an important source of growth and a vehicle for capital recycling for the Group. As of 30 June 2014, the Group managed five third party pooled investment vehicles and one real estate investment trust listed on the Tokyo Stock Exchange, representing an aggregate of US$11.4 billion of assets under management when fully leveraged and invested, of which US$7.4 billion has been invested with a further US$4.0 billion of uncalled capital.

For the financial year ended 31 March 2014 and for the three-month period ended 30 June 2014, the Group had revenue of US$624.8 million and US$169.3 million, respectively. The Group recorded a net profit of US$724.7 million for the financial year ended 31 March 2014 and a net profit of US$204.9 million for the three-month period ended 30 June 2014. As at 31 March 2014 and 30 June 2014, the total assets of the Group amounted to US$14,341.4 million and US$16,875.5 million, respectively.

THE GROUP'S STRENGTHS

The Group is one of the leading providers of modern logistics facilities

The Group is one of the leading providers of modern logistics facilities in China, Japan and Brazil, with its facilities characterised by large floor plates, high ceilings, wide column spacing, spacious and modern loading docks as well as enhanced safety systems and other value-added features. The Issuer believes that being a leading provider of modern logistics facilities offers the Group a number of strategic benefits:

- "Network effect"—the geographic reach of the Group's network and the number, size, location and quality of its facilities allows customers to expand within its logistics parks as well as across the Group's network locations as their businesses grow.

- Diversified earnings base—the scale of the Group's network helps it to achieve revenue diversity, with over 780 established customers spread over eight end-user industry sectors as of 30 June 2014, as well as geographic coverage within China, Japan and Brazil.

- Economies of scale—being one of the leading providers of modern logistics facilities in China, Japan and Brazil offers the Group cost efficiencies in terms of negotiating construction contracts and facility management contracts and optimising personnel resources and information systems.

Leadership in leading global economies

Leadership in China—one of Asia's fastest growing logistics markets

China offers an attractive market opportunity, driven by strong demand for and limited supply of modern logistics facilities:

- **Strong growth in GDP and disposable income translates into strong demand for logistics facilities**: With a large and rapidly growing middle-income population, China is becoming one of the world's largest consumer markets. The China portfolio (the "China Portfolio") is located in 34 cities as of 30 June 2014. As of 30 June 2014, approximately 81.0 per cent. of the Group's logistics facilities in China, by leased area, catered to domestic demand. Most of the end-industry sectors that the Group's customers serve are closely related to domestic consumption.

- **Limited supply of logistics facilities, in particular modern logistics facilities in China**: The Issuer believes that the current supply of logistics facilities in China is insufficient, in terms of both quantity and quality, to address the strong demand, in particular as the current supply of logistics facilities in terms of GFA per capita in the United States is currently approximately 12 times that of China. As of 30 June 2014, major modern logistics facility providers accounted for approximately 15.0 to 20.0 per cent. of the total supply of logistics facilities in China.

- **Growth of E-Commerce in China**: The Issuer expects growth in e-commerce in China to drive demand for modern logistics facilities and increase the focus on last-mile deliveries. The share of total logistics leased area of e-commerce customers has increased from 4.0 per cent. in the financial year ended 31 March 2010 to approximately 25.0 per cent. in the three-month period ended 30 June 2014. Transportation / express customers driven by e-commerce have also expanded rapidly within the GLP platform from nearly 0 per cent. in the financial year ended 31 March 2010 to 8.0 per cent. in the financial year ended 30 March 2014.

Leadership in the well-established Japan logistics market

The Group is the leading modern logistics facility provider in Japan. The well-established logistics market in Japan allows the Group to derive from its Japan portfolio (the "Japan Portfolio") positive and stable cash flows and a recurrent source of capital for expansion. The Group's modern logistics facilities in Japan have experienced consistently high occupancy rates, averaging approximately 99.0 per cent. since the Group's inception in 2002. At the same time, the Japan logistics market also presents an attractive opportunity for growth for the Group, driven by the following factors:

- **Scarcity of modern logistics facilities**: The majority of existing logistics facilities are small and old and modern logistics facilities account for less than 2.8 per cent. of current supply. Older logistics facilities often have restricted accessibility for vehicles, insufficient ceiling height, narrow column spacing within the warehousing area and a lack of loading docks and office space. In contrast, modern logistics facilities carry features such as large floor areas, high ceilings, high load tolerances, elevators with large capacities, wide column spacing within the warehousing area, modern loading docks and enhanced safety systems which provide greater accessibility and efficiency, thereby better serving customers' needs.

- **Continued growth in the 3PL market**: There has been a growing emphasis by corporates to focus on core operations and cost reductions, resulting in an overall 88 per cent. growth in the third party logistics ("3PL") market from 2005 to 2012. Industries such as internet/mail order services which have grown strongly in recent years have further fuelled the demand for large, modern and efficient facilities.

- **E-commerce growth**: Internet/mail order sales have grown significantly as more and more consumers have taken their shopping online. Between 2005 and 2012 alone, the e-commerce industry, a portion of which the Group serves, has grown by 175 per cent., with total sales of approximately JPY 9.5 trillion.

Leadership in Brazil—one of Latin America's fastest growing logistics markets

Brazil offers an attractive market opportunity, driven by strong demand for and limited supply of modern logistics facilities:

- **Strong growth in customer driven demand translates into strong demand for logistics facilities**: Brazil is one of the world's growth markets for logistics facilities. The Brazil portfolio (the "Brazil Portfolio") is expanding geographically in the key markets and as of 30 June 2014, 87.2 per cent. of the Brazil Portfolio is located in the markets of São Paulo and Rio de Janiero, the two most populous states of Brazil, which together generate greater than 40.0 per cent. of Brazil's GDP. Demand for modern logistics facilities in Brazil has historically been underpinned by a growing consumer market and a continued drive to improve supply chain efficiency. In the financial year ended 31 March 2014 and the three-month period ended 30 June 2014, approximately 87.0 per cent. and 92.0 per cent., respectively, of the Brazil Portfolio was leased to domestic consumption related customers.

- **Limited supply of logistics facilities, in particular modern logistics facilities in Brazil**: The Issuer believes that the current supply of logistics facilities in Brazil is insufficient, in terms of both quantity and quality, to address the strong demand, in particular as the current supply of logistics facilities in terms of GFA per capita in the United States is approximately 15 times that of Brazil.

Strong balance sheet with defensive growth

Compared to commercial property segments, the inherent characteristics of the modern logistics facility sector, coupled with the Group's efficient development practices, result in shorter gestation and cash conversion cycles. In the Group's experience, the cost and time required to develop and stabilise a typical logistics facility is substantially less than the cost and time required to develop and stabilise typical retail and office properties. As such, the Group is able to realise its cash returns earlier compared to commercial property segments, and these recurring cash flows can be re-invested to accelerate growth in the business. This lowers the risk exposure of the Group's business to exogenous factors such as economic cycles. A shorter cash conversion cycle also provides the Group with the advantage of being able to be adequately funded and have the flexibility to adjust its operations according to demand conditions.

The Issuer's fund management business offers a fund management platform based on the Issuer's longstanding relationships with numerous global institutional investors and its senior management's extensive years of experience in private capital management. As of 30 June 2014, the Issuer managed five third party pooled investment vehicles and one publicly-listed J-REIT, representing in aggregate US$11.4 billion of assets under management when fully leveraged and invested and US$5.8 billion in total equity commitments. The Group also intends to continue to leverage its fund management platform by establishing funds with third-party investors, capitalising on the Group's development capabilities to build its fee-based income.

Rental contribution for the Group's China Portfolio, Japan Portfolio and Brazil Portfolio was 60.1 per cent., 38.7 per cent. and 1.2 per cent. of total revenue, respectively, for the financial year ended 31 March 2014 and 59.2 per cent., 36.2 per cent. and 4.6 per cent. of total revenue, respectively, for the three month-period ended 30 June 2014.

High quality and well diversified network

For the financial year ended 31 March 2014 and for the three-month period ended 30 June 2014, the Group's top 10 customers in China contributed to approximately 23.7 per cent. and 23.8 per cent., respectively, of leased area of the China Portfolio, the Group's top 10 customers in Japan contributed to approximately 49.4 per cent. and 48.7 per cent., respectively, of leased area of the Japan Portfolio and the Group's top 10 customers in Brazil contributed to approximately 66.9 per cent. and 54.3 per cent., respectively, of leased area of the Brazil Portfolio.

The Group's network is well diversified by tenant mix as well as by geographical presence. The Group leases its facilities to a broad range of large and mid-sized, multi-national and domestic customers, including third-party logistics providers, retailers, manufacturers, importers/exporters and others. These customers serve end-users in a large variety of industries, including electronics, fast-moving consumer goods, retail/fast food chains, general logistics services, auto and parts, pharmaceuticals/medical instruments and machinery. For the financial year ended 31 March 2014 and for the three month period ended 30 June 2014, E-commerce also represented 25 per cent. of leased area in China, 10 per cent. of leased area in Japan and 21 per cent. and 18.0 per cent., respectively, of leased area in Brazil. In terms of geographical presence, the Group has properties located across 34 cities nationwide in China, with 537 completed properties as of 30 June 2014.

As of 30 June 2014, 84.3 per cent. of the Group's facilities in Japan are located in Tokyo and Osaka and 87.0 per cent. of the Group's facilities in Brazil are located in São Paulo and Rio de Janeiro, the two most populous cities in Brazil, which together generate more than 40 per cent. of Brazil's GDP.

High quality properties with strong lease profile

The Group's modern logistics facilities are characterised by large floor plates, high ceilings, wide column spacing, spacious and modern loading docks as well as enhanced safety systems and other value-added features. For example, in Japan, demand for our state-of-the-art seismic resistant facilities is strong and GLP Misato III has raised the benchmark in sustainable development by becoming the first LEED Platinum certified facility in Japan.

The Group has a strong lease expiry profile for its portfolio by revenue. As of 30 June 2014, approximately 53.0 per cent. of the Group's leases expire in the financial year ending 31 March 2018 and later.

With respect to the Group's Japan Portfolio, the average lease ratios for completed and stabilised logistics properties for the financial years ended 31 March 2014, 2013 and 2012 and for the three-month period ended 30 June 2014 were 99.0 per cent., 99.0 per cent., 99.0 per cent. and 99.0 per cent., respectively. Rental rates were stable throughout these periods, with the weighted average contracted rate ranging between JPY 1,077 and JPY 1,091 per square metre per month during this period. The WALE for such completed and stabilised properties as at 30 June 2014 was 5.0 years.

With respect to the Group's China Portfolio, the average lease ratios for completed and stabilised logistics properties for the financial years ended 31 March 2014, 2013 and 2012 and for the three-month period ended 30 June 2014 were 91.0 per cent., 90.0 per cent., 90.0 per cent. and 90.0 per cent., respectively. Rental rates were stable throughout these periods, with the weighted average contracted rental rate ranging between 1.03 and 1.12 per square metre per day during this period. The WALE for such completed and stabilised logistics properties as at 30 June 2014 was 2.7 years.

With respect to the Group's Brazil Portfolio, the average lease ratios for completed and stabilised logistics and industrial properties for the financial years ended 31 March 2014 and 2013 and for the three-month period ended 30 June 2014 were 96.0 per cent., 98.0% per cent., and 97.0 per cent., respectively. Rental rates were stable throughout these periods, with the weighted average contracted rental rate ranging between BRL 16.8 and BRL 19.1 per square metre per day during this period. The WALE for such completed and stabilised properties as at 30 June 2014 was 5.9 years.

Well-established brand and reputation

As a leading provider of modern logistics facilities in China, Japan and Brazil, the Group has a strong reputation with logistics facilities customers in these markets which helps promote brand recognition. The Group's brand helps it attract both international and domestic customers. The extensive experience of the Issuer's management team and their in-depth understanding of the Group's customers allows the Group to also respond swiftly to customers' needs.

The Group sets itself high standards, both in terms of the quality of its logistics facilities as well as the service it provides to its customers. As a result, the Global Logistic Properties brand is associated with quality, responsiveness and excellence. This is reflected by the Group's high historical customer retention ratios, which, in turn, reflects customer demand for the facilities and services that the Group provides.

Well-established track record

The Group has a well-established track record, a commitment to excellence and in-depth local market knowledge. The Group adopts a research driven, disciplined, institutionalised investment process for each development. The Issuer's investment committee evaluates projects according to a pre-agreed and consistent set of investment criteria. As part of the Group's master planned approach to development, the Group conducts extensive feasibility studies and fosters close working relationships with local governments to develop master plans for logistics parks in the markets where it operates.

The Group is closely involved in the project development process of each development to ensure adherence to development schedules and that facilities are built up in line with specifications. Post development, the Group provides ongoing asset and property management, customer services and maintenance checks.

During the financial years ended 31 March 2004 and 2005, the Group established its presence in Tokyo and Nagoya, set up its first China logistic park in Suzhou and entered the Shanghai and Guangzhou markets. By the end of the financial year ended 31 March 2008, the Group had established its network in six major markets in Japan (including Osaka, Sendai and Fukuoka) and 18 major logistics hubs in China, expanding its Chinese network by entering Beijing and Tianjin markets in northern China. By 30 June 2014, the Group had 704 completed properties in China, Japan and Brazil within 301 GLP parks, with a combined GFA and GLA of approximately 15.9 million square metres. The Group's completed portfolio has grown from 0.19 million square metres and 6 properties at the end of the financial year ended 31 March 2004 to 15.9 million square metres and 704 completed properties as of 30 June 2014.

The Issuer's management team has been recognised and validated by independent third party agencies globally. The Issuer's current management team was awarded the "Best Overall Developer in Asia" in the Euromoney 2013 Real Estate awards.

In 2013, the Group was also recognised by Euromoney's Real Estate Awards as "Best Industrial Developer in Asia," "Best Industrial Developer in China" and "Best Overall Developer in China". The Group recently attained global recognition in the 2014 PERE 50 Ranking as the "Largest Real Estate Fund Manager Headquartered in Asia and the 10th Largest in the World". The GLP Misato II was also awarded the First LEED Platinum Logistics Facility in Japan in the financial year ended 31 March 2014.

Strong corporate governance and experienced management team

The Issuer has high standards of corporate governance in place with a majority independent board and operates in accordance with global industry best practices. In addition to audit, nomination and compensation committees, the Issuer has an investment committee that evaluates projects according to a pre-agreed and consistent set of investment criteria.

The Issuer's management team comprises industry specialists with public company experience and knowledge of global industry best practices:

- Jeffrey H. Schwartz, the Deputy Chairman of the Issuer's Board, Chairman of the Executive Committee and Executive Director, joined ProLogis, a NYSE-listed fortune 500 company, in 1994, and held various executive roles, rising to Chief Executive Officer in 2005 as well as Chairman of the Board in 2007. While at ProLogis, Mr. Schwartz spearheaded ProLogis' entry into the European markets in 1997, and also established ProLogis' Asia platform in 2002, initially in Japan and eventually progressing to China and Korea.

- Ming Z. Mei, the Chief Executive Officer and Executive Director of the Issuer, was formerly the Chief Executive Officer of ProLogis for China and Asian Emerging Markets. He opened ProLogis' first China office in 2003 and built up the Group's China operations to their current scale. Mr Mei has approximately 15 years of experience in real estate, land acquisition, construction and asset acquisitions.

- Yoshiyuki Chosa, the President of the Group's Japan operations, is in charge of the Group's business in Japan. Mr. Chosa was formerly Senior Vice President of Investment Management at ProLogis Japan where he launched and expanded its acquisition business.

- Mauro Dias, the President of the Group's Brazil operations, is in charge of the Group's business in Brazil. Mr. Dias was formerly Chief Executive Officer of Synergy Group's Shipyards and Shipping Divisions and prior to that, Chief Executive Officer of Log-In Logistica Intermodal, a Brazilian logistics company, where he spearheaded their restructuring and IPO.

- Higashi Michihiro, the Chief Investment Officer of the Group's China operations, is in charge of overseeing and setting overall investment strategies for GLP China. He is also responsible for managing and establishing strategic alliances in China. Mr. Michihiro was formerly Senior Vice President and Head of Investment of GLP China and helped to grow the Group's business relating to Japanese customers.

- Masato Miki, President and CEO of GLP Japan Advisors, asset manager of GLP J-REIT, is responsible for developing and executing the GLP J-REIT growth strategy. Previously, Mr. Miki served as President of GLP Japan until the initial public offering of the J-REIT in 2012. Mr. Miki was formerly President and Co-Chief Executive Officer of ProLogis Japan where he steered the company to become one of the most prominent players in the Japan logistics space.

- Stephen Schutte, the Chief Operating Officer of the Issuer, is responsible for the Group's global operations, legal services, strategic risk management, human resources and key initiatives to enhance shareholder value. Mr. Schutte also focuses on developing the Group's future strategy, new market entries, large portfolio transactions and global investment funds. Mr. Schutte joined the Issuer in 2011 and was formerly General Counsel and Chief Administrative Officer. Mr. Schutte was formerly Senior Vice President, General Counsel and Secretary at DCT Industrial Trust Inc. where he oversaw all legal services, risk management and emerging markets. Additionally, he served as a market officer responsible for all investment and leasing matters in Seattle, Mexico and Northern California. Prior to that, Mr. Schutte was Associate General Counsel of ProLogis overseeing joint ventures, acquisitions, complex loan transactions and developments in excess of US$1 billion annually and was responsible for structuring and overseeing operations across multiple foreign countries.

- Kazuhiro Tsutsumi, the Global Treasurer for the Group and Chief Financial Officer for the Group's Japan operations, is responsible for management of the Group's capital, cash and treasury risks and oversees treasury activities of each country. He is in charge of corporate finance, tax and human resource matters at GLP Japan. Mr. Tsutsumi, was formerly Managing Director and Chief Financial Officer of Asia at ProLogis, where he was overseeing the fund management business for its Japan portfolio.

- Ralf Wessel, the Head of Fund Management and Business Development for the Group, is responsible for managing and growing the Issuer's fund management platform, which currently has $11 billion assets under management. He also manages long-standing relationships with some of the world's leading institutional investors, enabling the Issuer to scale the business and consistently deliver value to its investors. Mr. Wessel was formerly Managing Director, Global Investment Management at ProLogis where he was responsible for an investment platform valued at US$21 billion. Mr. Wessel was formerly Managing Director, Global Investment Management at ProLogis where he was responsible for an investment platform worth around US$21 billion.

- Heather Xie, the Chief Financial Officer of the Issuer, is responsible for group-wide corporate finance including treasury, financial planning and reporting, controllership, tax and investor relations. Ms. Xie spearheads the Issuer's financial strategy and oversees the Group's capital structure. Ms. Xie was formerly Managing Director and Chief Financial Officer of ProLogis China.

- Kent Yang, the President of the Group's China operations, leads the China strategy and is in charge of the Group's business in China. Mr. Yang was formerly the General Manager responsible for the overall operation of GLP Park Lingang, Shanghai, a three square kilometer logistic park joint-venture by Global Logistic Properties and Shanghai Lingang Group.

- Teresa Zhuge, the Chief Financial Officer for the Group's China operations, is responsible for finance, treasury and tax of the China business. Ms. Zhuge oversees capital deployment and leads negotiations for the GLP China's acquisitions and strategic projects. Ms. Zhuge was formerly the Fund Management Director and successively the Assistant Chief Financial Officer of ProLogis China.

All of the Issuer's senior management have significant international logistics and industrial property development and management experience.

STRATEGY

Strengthen the Group's market leadership position and capitalise on the significant market opportunities

The Group intends to continue to focus on its core markets of China, Japan and Brazil. The Group's strategy in these and other potential markets is as follows:

- **Continue to build on the Group's "network effect"**. The Group has an extensive base of multi-national and domestic customers, many of whom are lessees in more than one of its logistics facilities. With a growing presence in 76 cities across the world as of 30 June 2014, the Group's customers can benefit from the Group's ability to offer them logistics solutions in multiple cities to which they plan to expand. This "network effect" allows the Group to expand together with its clients to achieve greater customer loyalty and higher occupancy rates for the Group's properties. The Issuer expects a significant part of this growth to be driven by the expansion of the Group's customer base, giving the Group a network advantage compared to other operators that lack its diverse and high-quality customer base.

- **Focus on stability, asset enhancements and selective acquisition and development opportunities in Japan**. The Group intends to continue to focus its activities in Japan on maintaining high lease ratios for its well-designed facilities and proactively managing debt to secure stable cash flows. Further, the Group intends to continue to focus its activities in Japan on capitalising on the insufficient supply of modern logistics facilities, the continued growth of the third party logistics provider industry, and the expansion of specific sectors such as internet and mail order services. When the Group deems the market conditions appropriate, it will consider developing new facilities in Japan in locations that the Issuer believes would enhance the Group's current network and complement its customers' business and expansion plans.

- **Further develop the Group's portfolio to leverage on the rapid growth in domestic consumption in China and Brazil**. The Group intends to expand its business by developing new facilities in accordance with its research driven, disciplined investment process as well as its master planned approach to development. The Group plans to acquire additional land bank in strategic locations and cities, targeting logistics hubs in both developed and high growth areas in order to capture the growth in China's domestic consumption. In Brazil, the Group plans to expand organically in the key markets of São Paulo and Rio de Janeiro, while selectively exploring opportunities in certain secondary markets.

- **Global growth**. Explore the possibility of accelerating the Group's growth elsewhere in the world through selective developments and acquisitions in high growth markets, leveraging on its strong management expertise and diverse existing network of customer relationships.

Increase economies of scale

The Group intends to focus on increasing economies of scale and cost efficiency via the following key initiatives:

- continue to focus on the Group's master-planned approach to logistics parks in the markets where it operates, with larger-scale, multi-building parks to lower incremental costs of development and operation;

- streamline sales and marketing expenses by leveraging on the Group's large and growing base of global customers and continue to promote cross-border marketing initiatives between the markets in which it operates;

- continue to increase the Group's negotiation leverage with respect to key supplier contracts;

- explore direct procurement of raw materials to minimise costs introduced by third party intermediaries; and

- optimise centralised and headquarters expenses.

Strategically recycle capital to create and enhance shareholder value

The Group plans to strategically recycle capital to create and enhance shareholder value. In addition, the Group intends to utilise the strong recurring income streams from its completed facilities, to drive near-term expansion and growth. The Group also intends to continue to leverage its fund management platform by establishing funds with third-party investors, capitalising on the Group's development capabilities to build its fee-based income. This will also provide an additional source of funds to spur the Group's growth. In the medium to long term, subject to market conditions and at the appropriate time, the Group aims to establish listed investment vehicles through which it can selectively monetise part of its portfolio.

THE GROUP'S PORTFOLIO

All the properties that the Group develops are modern logistics facilities, characterised by large floor plates, high ceilings, wide column spacing, spacious and modern loading docks as well as enhanced safety systems and other value-added features. They are designed to allow flexibility to add multiple tenants or provide a platform for expansion of a single tenant, with energy-efficient technology and features to reduce its customers' costs. The Group also provides a build-to-suit service that includes site selection, construction and management of dedicated facilities customised to a single customer's specifications. The Group oversees the construction and management of its facilities and hires sub-contractors for the various aspects of construction and management where appropriate.

Portfolio Summary

The Group's property interests are held through a combination of direct holdings and associated entities such as a REIT, private real estate funds and joint ventures. As of 30 June 2014, the Group's portfolio consisted of the following:

- China: 537 completed logistics and light assembly facilities with a GFA of approximately 9.6 million square metres, approximately 4.9 million square metres of GFA under development or being repositioned and over approximately 4.9 million square metre of GFA under land held for future development within 156 integrated parks (comprising 151 logistics parks and 5 light assembly facilities parks) across 34 major cities. In addition, the Group also has approximately 12.8 million square metres of GFA under land reserve.

- Japan: 87 completed logistics facilities with a GFA of approximately 3.9 million square metres, approximately 0.5 million square metres of GFA under development or being repositioned and approximately 0.1 million square metres of GFA under land held for future development across seven major cities.

- Brazil: 80 completed logistics facilities with a GLA of approximately 2.4 million square metres, approximately 0.3 million square metres of GLA under development or being repositioned and approximately 0.4 million square metres of GLA under land held for future development across six major cities.

The following table summarises the China Portfolio (excluding land reserves), the Japan Portfolio and the Brazil Portfolio as of 30 June 2014:

Portfolio overview as of 30 June 2014

	Number of Properties	GFA/GLA ('000 sq.m.)	Effective Interest GFA/GLA ('000 sq.m.)(1)	Total Valuation (Local Currency Millions)(2)	Total Valuation (US$ Millions)(3)	Effective Interest Valuation (US$ Millions)(1),(2)	Proportion of Total GFA/GLA (%)
China							
Completed and Stabilised properties	470	7,601	4,766	33,270	5,350	3,285	28.2%
Completed and Pre-Stabilised properties	57	1,295	806	5,400	868	499	4.8%
Other facilities(4)	10	723	295	1,203	193	77	2.7%
Properties under development or pending repositioning(5)	290	4,862	2,381	7,063	1,136	588	18.0%
Land held for future development(6)	69	4,884	2,543	6,797	1,093	523	18.1%
China total(7)	896	19,364	10,790	53,733	8,641	4,973	71.8%
Japan							
Completed and Stabilised properties	86	3,818	1,945	753,582	7,431	3,935	14.2%
Completed and Pre-Stabilised properties	1	122	61	26,700	263	132	0.5%
Properties under development or pending repositioning(5)	7	548	274	24,624	243	121	2.0%
Land held for future development(6)	1	88	88	4,087	40	40	0.3%
Japan total	95	4,576	2,368	808,994	7,978	4,228	17.0%
Brazil							
Completed and Stabilised properties	71	2,220	1,292	5,550	2,524	1,535	8.2%
Completed and Pre-Stabilised properties	9	131	95	301	137	107	0.5%
Properties under development or pending repositioning(5)	8	261	104	259	118	47	1.0%
Land held for future development(6)	16	398	147	356	162	61	1.5%
Brazil total	104	3,010	1,638	6,466	2,940	1,749	11.2%
Total	1,095	26,950	14,796		19,559	10,950	100.0%

Notes:

(1) Effective Interest GFA/GLA: Adjusted for the Group's effective interest in non-wholly owned entities.

(2) Total Valuation Local Currency Millions: As determined by internal valuation. For China, currency used is RMB, for Japan, currency used is ¥ and for Brazil, currency used is BRL. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area". In particular, the valuations of land reserve in the China Portfolio are indicative only. The Group does not treat a parcel of land in its land reserve as part of its assets as reflected in the Group's financial statements unless and until the relevant PRC subsidiary and/or a jointly-controlled entity acquires the relevant parcel.

(3) Total Valuation US$ Millions: For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(4) "Other facilities" includes container yard and parking lot facilities.

(5) "Properties under development or pending repositioning" consists of five sub-categories of properties: (i) properties that the Group has commenced development; (ii) logistics facilities which 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 three months of major renovation.

(6) "Land held for future development" refers to land which the Group has signed the land grant contract and/or the Group has obtained the land certificate.

(7) Excludes land reserves. "Land reserves" refer to parcels of land in respect of which the relevant PRC subsidiaries and/or their jointly-controlled entities have signed a master agreement, letter of intent or memorandum of understanding (as the case may be). The acquisition of the relevant parcels of land is subject to (i) a public bidding process, the signing of land grant agreements with the governmental authorities and obtaining of land and/or property title certificates, where the land is to be granted directly from the government authorities; or (ii) the signing of sale and purchase agreement and obtaining of land and/or property title certificates, where the vendor is not a governmental authority.

In addition to the properties and land held for future development described in the table above, the Group also has approximately 12.8 million square metres of GFA under land reserve as of 30 June 2014.

The Group's revenue by geographical segment of its operations for the years ended 31 March 2013 and 2014 and for the three months ended 30 June 2013 and 2014 are set out below:

	Year ended 31 March		**Three months ended 30 June**	
	2013	**2014**	**2013**	**2014**
	(US$ million)	**(US$ million)**	**(US$ million) (restated)[(1)]**	**(US$ million)**
China	252.1	359.5	85.2	100.3
Japan	387.9	231.5	56.4	61.3
Brazil	2.2	7.3	1.8	7.7
Total	642.1	598.3	143.5	169.3

Note:

(1) Restated to reflect the adoption of FRS 110. See item 4 of the Unaudited Interim Financial Statements.

The Group has a strong lease expiry profile for its portfolio. 15.0 per cent. of the Group's leases expire in the financial year ending 31 March 2015, 18.0 per cent. expire in the financial year ending 31 March 2016, 13.0 per cent. expire in the financial year ending 31 March 2017, 12.0 per cent. expire in the financial year ending 31 March 2018, 16.0 per cent. expire in the financial year ending 31 March 2019 and the remaining 25.0 per cent. expire in the financial year ending 31 March 2019 and later.

The China Portfolio

The China Portfolio was set up in 2003 and the Group has since built up a significant land bank of strategically located sites within key logistics hubs and near major seaports, airports, transportation hubs or industrial zones. The China Portfolio was initially focused on the cities of Shanghai, Beijing, Guangzhou and Shenzhen, as well as the industrial city of Suzhou, which represented the major hubs of economic activity in China. The Group has since gradually expanded into key gateway cities such as Qingdao, Tianjin, Hangzhou, Nanjing, Shenyang and Chengdu, where demand for modern logistics facilities is supported by rapid growth in local GDP and consumption.

In China, the Group tries to acquire the best locations available to build logistics facilities. On occasion, it also purchases existing facilities, generally with a view towards refurbishing, expanding and modernising or replacing them, or forms joint ventures with local governments, economic zones or port authorities to secure rights to large, strategically located sites. At times, the Group has also acquired and leased out facilities without additional renovation.

The Group's modern logistics facilities in China are situated within 87 dedicated logistics parks, which it has developed and is currently managing, with generally three to 10 facilities per park. To build these parks, the Group works closely with the relevant local governments to zone the locations that it has selected for logistics use, purchase the land and construct its facilities to modern specifications. The Group's largest logistics park, which is in Suzhou, comprises 40 buildings, totalling more than 543,795 square metres. As of 30 June 2014, the WALE of the Group's completed and stabilised logistics properties in China was approximately 2.7 years.

At present, major modern logistics facility providers account for approximately 13.0 per cent. of the total supply of logistics facilities in China. Most of the Group's properties in China offer the following key features that the Issuer believes characterises modern logistics facilities:

- storage safety: Security and surveillance features, proper ventilation and basic fire-fighting features such as sprinkler systems;
- optimal space utilisation: Large floor plates, high ceilings and wide column spacing;
- high operating efficiency: Spacious loading and parking areas equipped with modern loading docks; and
- flexibility to provide customised features such as office space, air-conditioning and refrigeration/freezing.

The following table summarises key operational statistics for the Group's completed and stabilised logistics properties in China as of or for the financial years ended 31 March 2013 and 2014 and for the three-month period ended 30 June 2014:

	As of or for the Year/Three-month Period Ended		
	31 March		30 June
	2013	2014	2014
Completed and stabilised logistics properties			
Total GFA ('000 sq. m.)	5,042	6,403	6,592
Lease ratio	90.0%	91.0%	90.0%
Average lease ratio	90.0%	89.0%	89.0%
Weighted average lease terms (years):			
Original	5.4	5.3	5.3
Remaining	3.1	2.8	2.7
Weighted average contracted rental rate including management fee (RMB/sq. m./Day)	1.07	1.11	1.12

Other Properties

88 existing facilities in the China Portfolio are light assembly facilities. These facilities were purchased subject to existing leases, and the lessees continue to conduct their assembly activities in these facilities. These facilities contributed 725,310 square metres or 8.0 per cent. of GFA to the China Portfolio and US$12.7 million to the Group's revenue in the financial year ended 31 March 2014. In addition, the Group also owns seven container yards in China. These yards were purchased as empty lots, and it currently leases them as staging and storage areas for containers to individual corporate customers or to operators that specialise in container handling. In the near term, this usage allows the Group to generate revenue from the property with minimal capital and operating expenditure. In the longer term, the Group plans to shift the staging and storage activities to other sites and to re-develop the properties for logistics use.

Depending on the future margins that the Issuer expects the Group to realise under the leases for the assembly facilities or container yards and on the circumstances prevailing at the time, the Group may renew the current leases on these properties or refurbish the relevant facility or develop container yards for use as a logistics facility.

The following table summarises the completed properties (which includes completed and stabilised, completed and pre-stabilised and other facilities) in the China Portfolio by city as of 30 June 2014.

	As of 30 June 2014				
	Number of Properties	GFA	Property Valuation	Shares of GFA	Lease Ratio[1]
		('000 sq. m.)	(Millions of USD)	(%)	(%)
Completed portfolio					
East	316	4,946	3,103	51.4	86.0
Changzhou	4	33	16	0.3	
Greater Hangzhou	14	403	199	4.2	
Greater Jinan	4	86	33	0.9	
Hefei	4	78	38	0.8	
Nanjing	3	70	36	0.7	
Ningbo	7	146	86	1.5	
Qingdao	14	187	103	1.9	
Shanghai	95	1,946	1,473	20.2	
Suzhou	166	1,913	1,078	19.9	
Wuxi	2	39	22	0.4	
Yangzhou	3	45	18	0.5	
North	113	2,055	1,839	21.4	88.0
Beijing	46	828	1,147	8.6	
Dalian	11	246	130	2.6	
Harbin	4	91	45	0.9	
Langfang	7	135	81	1.4	
Shenyang	6	129	67	1.3	
Tianjin	39	626	368	6.5	
South	39	877	601	9.1	99.0
Greater Guangzhou-Foshan	33	631	396	6.6	
Greater Xiamen	1	12	4	0.1	
Shenzhen	5	234	201	2.4	
Mid-West	69	1,740	870	18.1	100.0
Changsha	12	171	87	1.8	
Chongqing	10	129	71	1.3	
Greater Chengdu	16	824	342	8.6	
Greater Wuhan	15	266	141	2.8	
Xi'an	11	246	177	2.6	
Zhengzhou	5	104	52	1.1	
Total	537	9,619	6,412	100.0	90.0

Note:

(1) Stabilised logistics properties only.

The following tables delineate the Group's properties under development or being repositioned in China, as of 30 June 2014.

	As of 30 June 2014				
	Number of Properties	GFA	Effective Interest GFA	Total Valuation	Effective Interest Valuation
		('000 sq. m.)	('000 sq. m.)	(Millions of USD)	(Millions of USD)
Properties Under Development or Being Repositioned					
East	128	2,246	1,120	675	356
Changzhou	3	36	27	10	8
Greater Hangzhou	27	202	90	23	11
Greater Jinan	5	93	51	11	6
Hefei	4	61	44	11	8
Nanjing	7	163	83	42	21
Nantong	5	62	23	9	3
Qingdao	8	67	51	26	20
Shanghai	14	634	329	270	152
Suzhou	36	615	297	186	93
Wenzhou	4	45	19	12	5
Wuhu	3	37	8	7	2
Wuxi	8	154	65	46	20
Yangzhou	4	77	32	21	9
North	69	969	430	190	81
Beijing	5	89	37	47	20
Changchun	3	54	23	11	5
Dalian	7	81	41	7	4
Shenyang	39	424	194	72	31
Tianjin	15	322	136	52	22
South	47	779	387	131	67
Dongguan	8	151	81	33	17
Greater Fuzhou	3	56	24	4	2
Greater Guangzhou-Foshan	14	212	112	30	17
Greater Xiamen	8	122	64	21	12
Nanning	5	59	25	12	5
Shenzhen	4	92	35	9	3
Zhuhai	5	86	46	22	12
Mid-West	46	868	443	141	83
Chongqing	7	118	89	27	21
Greater Chengdu	8	181	99	34	21
Greater Wuhan	11	209	92	30	15
Xi'an	20	360	163	49	27
Total	290	4,862	2,381	1,136	588

Title

Except as otherwise disclosed in "Risk Factors—Risks Relating to the Group's Operations in China—The Group may not have obtained all the land use rights certificates and building ownership certificates for certain of its facilities, and one of its properties is subject to a land tender process" and "The PRC government may require the Group to forfeit its land use rights or penalise the Group if it were to fail to comply with the terms of land grant contracts", the Group holds substantially all of its properties in China under long-term land use rights granted by the Chinese government that convey the right to derive profit from and dispose of the property and the land use rights.

Leases

Due to the growth that it anticipates in the Chinese logistics facilities market, the Group generally prefers leases with shorter terms in China than it would in other more developed markets. Leases typically have one to 10-year terms, with a weighted average original term for all of its completed facilities of 5.3 years as at 30 June 2014. As at 30 June 2014, approximately 26.0 per cent. of the Group's leases in China have a term of one to three years, approximately 25.0 per cent. have a term of three to five years and approximately 41.0 per cent. a term of five to 10 years and approximately 3.0 per cent. a term of more than 10 years, while approximately 5.0 per cent. are short-term (i.e., less than one year) or seasonal leases. Leases under build-to-suit arrangements generally have longer terms, and include a rental premium for the specific customisation requested by the customer. As of 30 June 2014, the WALE of the Group's completed and stabilised properties in China was approximately 2.7 years. All of the lease payments for the properties in the China Portfolio are denominated in Renminbi.

China Consortium Transaction

On 18 February 2014, the Issuer announced that it had entered into agreements involving an investment in the Group by a consortium of investors. This consortium includes Bank of China Group Investment Limited, China Life Insurance Company Limited, HOPU Logistics Investment Management Company Limited and other state-owned companies and institutional investors that are investors in the Hopu Master Fund II, which is investing in the Group via Khangai Company Limited, an exempted company incorporated in the Cayman Islands and wholly owned by a fund vehicle, for which the general partner is HOPU Logistics Investment Management Company Limited and the limited partners of the fund comprise the Investor Consortium (the "Investor Consortium Subscriber").

The first tranche issuance of US$1.6 billion of new ordinary shares in the capital of the Issuer ("New GLP Shares") and new ordinary shares in the capital of Iowa China Offshore Holdings (Hong Kong) Limited ("New China Holdco Shares") was completed on 6 June 2014, pursuant to which:

(i) the Issuer issued to the nominee of the Investor Consortium Subscriber an aggregate of 74,278,292 New GLP Shares representing 1.5 per cent. of the issued and outstanding share capital of the Issuer on a fully diluted basis; and

(ii) Iowa China Offshore Holdings (Hong Kong) Limited ("China Holdco") issued to the Investor Consortium Subscriber an aggregate of 1,316,250,000 New China Holdco Shares representing approximately 21.6 per cent. of the issued and outstanding share capital of China Holdco on a fully diluted basis. At the same time, China Holdco has also issued to entities representing certain existing and future employees of the Issuer, China Holdco and subsidiaries of the Issuer in China an aggregate of 166,250,000 New China Holdco Shares representing approximately 2.7 per cent. of the issued and outstanding share capital of China Holdco on a fully diluted basis. Immediately following such issuances, the shareholding interest of the Issuer in China Holdco was approximately 75.6 per cent.

The second tranche issuance of up to US$875 million of new shares in China Holdco was completed on 24 September 2014.

The Japan Portfolio

The Japan Portfolio positions the Group to maintain its leadership in a market that increasingly demands modern facilities built to satisfy customers' requirements, which the Issuer believes are currently still in short supply. While modern leased facilities with a GFA of more than 10,000 square metres account for approximately 2.8 per cent. of all logistics facilities in Japan, most of the facilities in the Japan Portfolio have a GFA of more than 10,000 square metres. The end-users serviced by the Group's customers operate in diversified industries, and the Group's network of facilities in Japan covers the greater metropolitan areas of all major Japanese cities, including the three major regions of Kanto (which includes Tokyo), Kansai (which includes Osaka) and Chubu (which includes Nagoya). As of 30 June 2014, the WALE of the Group's completed and stabilised properties in Japan was approximately 5.0 years.

The Japan Portfolio has grown in terms of GFA by a compound annual growth rate ("CAGR") of 3.9 per cent. from the financial year ended 31 March 2004 to the quarter ended 30 June 2014, mainly due to the Group's customers increasingly outsourcing their logistics requirements and their need for modern logistics facilities.

Most of the facilities in the Japan Portfolio offer the following features, which the Issuer believes helps to differentiate the Group's product offering and allows the Group to maintain its leading market position:

- multi-story facilities with convenient loading docks and double-spiral ramps, permitting direct truck access to each floor;
- large floor plates, wide column spacing and high ceilings ideal for customers looking for supply chain consolidation;
- environmentally friendly and energy-saving features such as large landscaping and use of energy-efficient materials; and
- additional features such as seismic isolators, 24-hour security/surveillance and on-site restaurants/cafeterias, which are increasingly valued by design- and safety-conscious customers.

In the financial year ended 31 March 2014, the Group completed the development of GLP Misato III, the first Leadership in Energy and Environmental Design ("LEED®") Platinum certified logistics facility in Japan. The certification, which is the highest level possible, is the world's most widely recognised and used standard for measuring the performance of energy efficient buildings. Many prospective tenants were attracted by GLP Misato III's strong environmental and business continuity features including light-emitting diode ("LED") lighting and thermal insulation. GLP Misato III is 100 per cent. leased.

The Group has also installed solar panels on the rooftops of 22 of its properties in Japan. In addition to promoting the generation of renewable energy, the solar panels create a new, sustainable revenue stream for the Issuer, with the generated electricity being sold to utility companies.

The Group reviews its product designs frequently, and undertakes continuous improvements to improve efficiency for its customers.

The following table summarises certain operational statistics for the Group's completed and stabilised logistics properties in Japan as of or for the financial years ended 31 March 2013 and 2014 and the three-month period ended 30 June 2014.

	As of or for the Year/Three-month Period Ended		
	31 March		30 June
	2013	2014	2014
Completed and stabilised logistics properties			
Total GFA ('000 sq. m.)	3,549	3,678	3,818
Lease ratio(1)	99.0%	99.0%	99.0%
Average Lease Ratio(1)	98.0%	99.0%	98.0%
Weighted average lease terms (years):			
Original	9.7	10.0	9.6
Remaining	5.1	5.1	5.0
Weighted average contracted rental rate (Y/sq. m./month)	1,083	1,087	1,091

Note:

(1) Stabilised logistics properties only.

The following table summarises the completed properties in the Japan Portfolio by city as of 30 June 2014.

	As of 30 June 2014				
	Number of Properties	GFA	Percentage of Total Operating Portfolio	Property Valuation(2)	Lease Ratio(3)
		('000 sq. m.)	(%)	(Millions of Yen)	(%)
Japanese City(1)					
Tokyo	44	2,377	60.3	526,292	95.9
Osaka	20	947	24.0	165,120	100.0
Sendai	7	175	4.4	23,641	100.0
Fukuoka	5	140	3.6	17,879	100.0
Nagoya	4	122	3.1	23,170	100.0
Hiroshima	5	143	3.6	20,510	79.2
Sapporo	2	35	0.9	3,670	100.0
Total Operating Portfolio	87	3,940	100.0	780,282	96.8

Notes:

(1) "Tokyo" includes cities located in Kanto region; "Osaka" includes cities located in Kansai region; "Sendai" includes cities located in Tohoku region; "Fukuoka" includes cities located in Kyushu region; "Nagoya" includes cities located in Chubu region; "Hiroshima" includes cities located in Chugoku region; "Sapporo" includes cities located in Hokkaido region.

(2) As determined by internal valuation. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(3) Stabilised logistics properties only.

The following table summarises the completed properties in Japan by GFA as of 30 June 2014.

	As of 30 June 2014				
	Number of Properties	GFA	Percentage of Total Operating Portfolio	Property Valuation(1)	Lease Ratio(2)
		('000 sq. m.)	(%)	(Millions of Yen)	(%)
GFA					
≥ 100,000 sq. m.	11	1,422	36.1	290,410	94.0
≥ 50,000 sq. m. < 100,000 sq. m.	15	1,032	26.2	205,630	96.7
≥ 30,000 sq. m. < 50,000 sq. m.	19	733	18.6	142,660	98.9
≥ 10,000 sq. m. < 30,000 sq. m.	39	733	18.6	138,020	99.7
< 10,000 sq. m.	3	19	0.5	3,562	100.0
Total Operating Portfolio	87	3,940	100.0	780,282	96.8

Notes:

(1) As determined by internal valuation. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(2) Stabilised logistics properties only.

The following table summarises the Japan Portfolio of completed properties as of 30 June 2014 by building age.

	As of 30 June 2014				
	Number of Properties	GFA	Percentage of Total Operating Portfolio	Property Valuation(1)	Lease Ratio(2)
		('000 sq. m.)	(%)	(Millions of Yen)	(%)
Building age					
< 5 years	5	419	10.6	85,960	74.5
≥5 < 10 years	37	2,262	57.4	447,630	99.4
≥10 < 20 years	13	397	10.1	97,790	98.5
≥20 < 30 years	21	630	16.0	110,992	98.7
≥30 years	11	232	5.9	37,910	100.0
Total Portfolio	87	3,940	100.0	780,282	96.8

Notes:

(1) As determined by internal valuation. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(2) Stabilised logistics properties only.

The following tables delineate the Group's properties under development in Japan, as of 30 June 2014.

Property Name	**City**	**Asset Type**	**GFA**	**Effective Interest GFA**	**Development Start Date**	**Estimated Completion Date**
			('000 sq. m.)	**('000 sq. m.)[1]**		
GLP Ayase	Tokyo	Logistic Facility	69	34	February 2013	April 2015
GLP Zama	Tokyo	Logistic Facility	132	66	October 2013	July 2015
GLP Yachiyo	Tokyo	Logistic Facility	72	36	December 2013	October 2015
GLP Sayama Hidaka I	Tokyo	Logistic Facility	43	22	December 2013	December 2015
GLP Sayama Hidaka II	Tokyo	Logistic Facility	86	43	December 2013	May 2016
GLP Naruohama	Osaka	Logistic Facility	110	55	January 2014	August 2015
GLP Kobe Nishi	Osaka	Logistic Facility	36	18	April 2014	January 2015
Total			548	274		

Note:

(1) Effective Interest GFA: Adjusted for the Group's effective interest in non-wholly owned entities.

Title

The Group and GLP J-REIT hold all 87 of their properties in Japan under freehold or trust beneficiary arrangements.

Leases

Leases for the properties in the Japan Portfolio typically run for a fixed term of five years for multi-tenant facilities and for 10 years or more for build-to-suit arrangements. The weighted average lease term of leases for the properties in the Japan Portfolio as of 30 June 2014 is 9.6 years, based on net leasable area. Approximately 4.2 per cent. of the leases have a term of up to three years, 13.9 per cent. have a term of three to five years and 25.3 per cent. a term of five to 10 years, while approximately 56.6 per cent. are 10 years or longer. Some of the Group's leases contain provisions for rental adjustments every three years based on the corresponding change in the consumer price index. As of 30 June 2014, the WALE of the Group's completed and stabilised properties in Japan was approximately 5.0 years. All of the lease payments for the properties in the Japan Portfolio are denominated in Japanese Yen.

Sale of Properties to GLP J-REIT

The Group sold nine properties to GLP J-REIT for US$564 million in the financial year ended March 31, 2014. GLP J-REIT provides the Group with a long-term capital vehicle for capital recycling in Japan. The Group retains a 15.0% interest in the J-REIT and continue to act as its property and asset manager. See "—The Group's Fund Management Business—GLP J-REIT".

The Brazil Portfolio

The Group's footprint in Brazil was significantly enlarged with the acquisition of 26 assets from BR Properties on 11 June 2014 for a consideration of approximately BRL2.4 billion, with the acquisition of an additional eight assets to be completed subject to the satisfaction of the conditions precedent for the acquisition, including receipt of required regulatory and third party approvals. As of 30 June 2014, 87.2 per cent. of the Brazil Portfolio is located in the markets of São Paulo and Rio de Janeiro, the two most populous states in Brazil. As of 30 June 2014, the WALE of the Group's completed and stabilised properties in Brazil was approximately 5.9 years. A substantial portion of the Group's properties in Brazil are held through joint controlled entities.

The following table summarises certain operational statistics for the Group's completed and stabilised properties in Brazil as of or for the financial years ended 31 March 2013 and 2014 and the three-month period ended 30 June 2014.

	As of or for the Year/Three-month Period Ended		
	31 March		**30 June**
	2013	**2014**	**2014**
Completed and stabilised properties			
Total GLA ('000 sq. m.)	1,281	1,430	2,220
Lease ratio(1)	98.0%	96.1%	97.3%
Average Lease Ratio(1)	98.0%	96.1%	97.3%
Weighted average lease terms (years):			
Original	11.7	11.2	10.6
Remaining	8.3	7.5	5.9
Weighted average contracted rental rate (BRL/sq. m./month)	16.8	17.8	19.1

Note:

(1) Logistics and industrial properties.

The following table summarises the completed properties in the Brazil Portfolio by city as of 30 June 2014.

	As of 30 June 2014				
	Number of Properties	**GLA**	**Percentage of Total Operating Portfolio**	**Property Valuation[1]**	**Lease Ratio[2]**
		('000 sq. m.)	**(%)**	**(Millions of BRL)**	**(%)**
Brazilian City					
São Paulo	56	1,665	70.8	4,250	93.7
Rio de Janeiro	9	392	16.6	1,015	100.0
Brasilia	1	10	0.4	20	100.0
Espirito Santo	1	17	0.7	35	100.0
Goiãnia	1	4	0.2	5	100.0
Minas Gerais	2	25	1.0	50	100.0
Paraiba	1	11	0.5	21	100.0
Paraná	2	49	2.1	129	100.0
Pernambuco	2	43	1.8	50	100.0
Rio Grande do Sul	4	88	3.7	156	59.1
Sergipe	1	48	2.1	120	100.0
Total Operating Portfolio	80	2,352	100.0	5,851	94.0

Notes:

(1) As determined by internal valuation. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(2) Logistics and industrial properties.

The following table summarises the completed properties in Brazil by GLA as of 30 June 2014.

	As of 30 June 2014				
	Number of Properties	**GLA**	**Percentage of Total Operating Portfolio**	**Property Valuation[1]**	**Lease Ratio[2]**
		('000 sq. m.)	**(%)**	**(Millions of BRL)**	**(%)**
GLA					
≥ 100,000 sq. m.	4	485	20.6	774	100.0
≥ 50,000 sq. m. < 100,000 sq. m.	10	548	23.3	1,621	98.0
≥ 30,000 sq. m. < 50,000 sq. m.	18	581	24.7	1,467	99.1
≥ 10,000 sq. m. < 30,000 sq. m.	35	657	28.0	1,758	83.6
< 10,000 sq. m.	13	81	3.4	231	97.9
Total Operating Portfolio	80	2,352	100.0	5,851	94.0

Notes:

(1) As determined by internal valuation. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(2) Logistics and industrial properties.

The following table summarises the Brazil Portfolio of completed properties as of 30 June 2014 by building age.

	As of 30 June 2014				
	Number of Properties	GLA	Percentage of Total Operating Portfolio	Property Valuation(1)	Lease Ratio(2)
		('000 sq. m.)	(%)	(Millions of BRL)	(%)
Building age					
< 5 years	33	840	35.7	2,249	87.4
≥5 < 10 years	33	950	40.4	2,594	98.2
≥10 < 20 years	7	183	7.8	384	100.0
≥20 > 30 years	2	46	2.0	104	61.3
≥30 years	5	333	14.1	520	100.0
Total Portfolio	80	2,352	100.0	5,851	94.0

Notes:

(1) As determined by internal valuation. For more information on the basis of the valuation, see "Valuations, Property Values and Gross Floor Area/Gross Leasable Area".

(2) Logistics and industrial properties.

The following table summarises the Group's properties under development in Brazil by city as of 30 June 2014.

	As of 30 June 2014			
	Number of Properties	GLA	Effective Interest GLA(1)	Percentage of Total Under Development
		('000 sq. m.)	('000 sq. m.)	(%)
Brazilian City				
São Paulo	8	267	104	100.0
Total	8	267	104	100.0

Notes:

(1) Effective Interest GLA: Adjusted for the Group's effective interest in non-wholly owned entities.

Title

The Group is the owner or holds a stake in 102 of the properties in Brazil and is the holder of surface rights for the other two properties.

Leases

Leases for the properties in the Brazil Portfolio typically run for a fixed term of five years for multi-tenant facilities and for 10 years or more for build-to-suit arrangements. The weighted average lease term of leases for the properties in the Brazil Portfolio as of 30 June 2014 is 10.6 years, based on net leasable area. Approximately 19.7 per cent. of the leases have a term of up to three years, 27.2

per cent. have a term of three to five years and 47.9 per cent. a term of five to 10 years, while approximately 5.1 per cent. are 10 years or longer. As of 30 June 2014, the remaining WALE of the Group's completed and stabilised properties in the Brazil Portfolio was approximately 5.9 years. All of the lease payments for the properties in the Brazil Portfolio are denominated in BRL.

THE GROUP'S FUND MANAGEMENT BUSINESS

The Group holds a substantial portion of its property interests through its investments in GLP J-REIT and private real estate funds that it manages.

The Group's fund management platform covers six funds across China, Japan and Brazil. As of 30 June 2014, total assets under management stood at US$11.4 billion, up 40.7 per cent. from US$8.1 billion as of 30 June 2013. Of this, US$7.4 billion has been invested, with a further US$4.0 billion of uncalled capital.

Significant milestones include launching CLF Fund I, the world's largest China-focused real estate fund, further asset sales to GLP J-REIT and expansion of GLP Brazil Development Partners I. Fund management revenue in the financial year ended 31 March 2014 was US$68.0 million, up 112.0 per cent. from 31 March 2013. This comprised asset and property management fees of US$40.0 million and development and acquisition fees of US$28.0 million.

CLF Fund I

As of 30 June 2014, the Group has an interest of 55.9 per cent. in CLF Fund I, which was established in September 2013. CLF Fund I is the world's largest China-focused real estate fund, with US$3.0 billion of assets under management as of 30 June 2014. Six leading global institutions from Asia, Europe and North America have partnered the Group to develop these modern logistics facilities in China over a three-year period. The Group is the asset manager and retains a 55.9 per cent. stake in the fund. As of 30 June 2014, US$700.0 million under CLF Fund I has been invested.

GLP Japan Development Venture

As of 30 June 2014, the Group has an interest of 50.0 per cent. in GLP Japan Development Venture, which was established in August 2011. GLP Japan Development Venture is a 50:50 joint venture between the Issuer and Canada Pension Plan Investment Board ("CPPIB"), with US$1.9 billion of assets under management as of 30 June 2014. GLP Japan Development Venture focuses on building modern, large-scale logistics facilities in the Greater Tokyo and Greater Osaka regions in Japan. As of 30 June 2014, US$0.8 billion under the venture has been invested.

GLP J-REIT

GLP J-REIT is a REIT focused on owning and operating logistics properties in Japan. GLP J-REIT was listed on the Tokyo Stock Exchange in December 2012 and was at that time Japan's largest real estate initial public offering in U.S dollar terms. As of 30 June 2014, GLP J-REIT has an asset size of US$3.0 billion. The Group retains an interest of approximately 15.0 per cent. in GLP J-REIT and continues to manage the assets as GLP J-REIT's property and asset manager. As of 30 June 2014, US$3.0 billion under GLP J-REIT has been invested.

GLP Japan Income Partners I

As of 30 June 2014, the Group has an interest of 33.3 per cent. in GLP Japan Income Partners I, which was established in December 2011. GLP Japan Income Partners I, a joint venture between the Issuer (33.3 per cent.), China Investment Corporation ("CIC") (50.0 per cent.) and CBRE Global Multi Manager ("CBRE") (16.7 per cent.), sold seven properties to GLP J-REIT in September 2013 and has

US$1.1 billion of assets under management as of 30 June 2014. The Group continues to manage the remaining portfolio of modern logistics properties which are located within the prime Greater Tokyo and Greater Osaka regions. As of 30 June 2014, US$1.1 billion under GLP Japan Income Partners I has been invested.

GLP Brazil Income Partners I

As of 30 June 2014, the Group has an interest of 34.2 per cent. in GLP Brazil Income Partners I, which was established in November 2012. GLP Brazil Income Partners I is a joint venture between the Issuer (34.2 per cent.), CIC (34.2 per cent.), GIC (20.0 per cent.) and CPPIB (11.6 per cent.), with US$1.2 billion of assets under management as of 30 June 2014. The Group is the asset manager of the portfolio comprising 1.2 million sqm, of which 87.1 per cent. is located in the primary logistics markets of São Paulo and Rio de Janeiro, which together generate greater than 40.0 per cent. of Brazil's GDP. As of 30 June 2014, US$1.1 billion under GLP Brazil Income Partners I has been invested.

GLP Brazil Development Partners I

As of 30 June 2014, the Group has an interest of 40.0 per cent. in GLP Brazil Development Partners I, which was established in November 2012. GLP Brazil Development Partners I is a joint venture between the Issuer (40.0 per cent.), CPPIB (39.6 per cent.), GIC (20.4 per cent.), with US$1.2 billion of assets under management as of 30 June 2014. As of 30 June 2014, US$700 million under GLP Brazil Development Partners I has been invested.

CUSTOMERS

The Group leases its facilities to a broad range of large and mid-sized, multi-national and domestic customers who need logistics and distribution facilities, including third-party logistics providers, retailers, manufacturers, importers/exporters and others. These customers serve end-users in a large variety of industries, including electronics, fast-moving consumer goods, retail / fast food chains, general logistics services, auto and parts, pharmaceuticals / medical instruments and machinery. The Group seeks to be a partner and a "one-stop shop" for its customers, so that they will need only one point of contact to design and build a multi-market distribution network throughout China, Japan or Brazil. The Group generates most of its revenue from multi-national customers. However, the number of the Group's domestic customers in China and Brazil has increased rapidly, as Chinese and Brazilian consumption has increased.

China

As of 30 June 2014, approximately 81.0 per cent. of the leased area of the Group's logistics facilities in China catered to domestic demand, and the Issuer expects that domestic consumption will be the primary driver of growth for the Group's Chinese operations. In recent years the Group has focused increasingly on the domestic customer market (in particular domestic 3PLs) in order to track the growing domestic consumption market, which is, and the Issuer believes will continue to be, an increasing driver of economic growth in China. In addition, the Issuer expects that the continued growth of the e-commerce industry, a portion of which the Group serves, will be another driver of growth for the Group's Chinese operations. Online retail sales have increased roughly 70-fold since 2006 and the Issuer believes they may further triple from 2013 to 2017 to RMB5.6 trillion (US$910 billion), and online retail volume accounted for 7.9% of total retail sales in China in 2013. Approximately 57.0 per cent. (by leased area) of the Group's customers in China are 3PLs, while another 28.0 per cent. are retailers and 12.0 per cent. are manufacturers. These customers serve end-users in a large variety of industries, including electronics, fast-moving consumer goods, retail, autos and auto parts and others.

The Group's top 10 customers in China (by leased area) as of 30 June 2014 are set out in the table below.

	As of 30 June 2014	
Name	**Industry**	**Per cent. of Total Leased Area**
Deppon	3PL	4.1%
Amazon[1]	Retailer	4.0%
Vipshop[1]	Retailer	2.8%
Best Logistics[1]	3PL	2.8%
Nice Talent	3PL	2.7%
J.D.com (360buy) [1]	Retailer	1.6%
Schenker	3PL	1.5%
DHL	3PL	1.5%
Tmall.com	Retailer	1.4%
Toll Warehouse	3PL	1.4%
Total		23.8%

Note:

(1) E-commerce related customers.

Japan

The Group's customers in Japan comprise primarily of large Japanese companies that operate across a wide variety of industries, as well as other multi-national companies. There has been a growing emphasis by corporates to focus on core operations and cost reductions, resulting in an overall 88.1 per cent. growth in the 3PL market from 2005 to 2012. Approximately 73.9 per cent. (by leased area) of its customers in Japan are 3PLs, while another 12.1 per cent. are retailers and 7.5 per cent. are manufacturers. These customers serve end-users in a large variety of industries, including fast-moving consumer goods, electronics, retail, general logistics services, pharmaceutical and medical instruments, auto and parts, and others.

The Group's top 10 customers in Japan (by leased area) as of 30 June 2014 are set out in the table below.

	As of 30 June 2014	
Name	**Industry**	**Per cent. of Total Leased Area**
Nippon Express Co., Ltd	3PL	13.7%
Hitachi Transport System[1]	3PL	12.7%
ASKUL Corporation	Retailer	4.0%
DHL	3PL	3.2%
Renown Incorporated	Manufacturer	2.9%
Mitsui Soko Logistics Co., Ltd	3PL	2.8%
Senko Co., Ltd	3PL	2.8%
Yamato Logistics Co., Ltd	3PL	2.7%
Arata Corporation	Retailer	2.0%
Japan Logistic Systems Corporation	3PL	1.9%
Total		48.7%

Note:

(1) Includes affiliates.

Brazil

The Group's customers in Brazil comprise primarily large Brazilian companies with a focus on the retail business as well as other multi-national companies. Domestic consumption is an important driver of demand for the Group's business in Brazil, with approximately 92.0% of the Brazil Portfolio leased to domestic consumption related customers. The Issuer believes that amid a drive to improve logistics efficiency, companies in Brazil are increasingly outsourcing logistics and shifting from a strategy of owning warehouses to leasing them. Approximately 51.5 per cent. (by leased area) of the Group's customers in Brazil are retailers, while another 26.4 per cent. are 3PLs and 22.0 per cent. are manufacturers. These customers serve end-users in a large variety of industries, including fast-moving consumer goods, general logistics services, retail, machinery, pharmaceutical and medical instruments and others.

The Group's top 10 customers in Brazil (by leased area) as of 30 June 2014 are set out in the table below.

	As of 30 June 2014	
Name	**Industry**	**Per cent. of Total Leased Area**
Tavex Algodonera	Manufacturer	9.5%
DHL Logistics	3PL	8.2%
Major FMCG Company	Retailer	7.9%
Nova PontoCom Comericio Electronico S/A	Retailer	6.3%
Riachuelo	Retailer	5.2%
AGV Logistics	3PL	4.3%
Major Retail Company	Retailer	3.4%
Mabe	Retailer	3.3%
Procter & Gamble	Retailer	3.3%
Colgate	Retailer	2.9%
Total		54.3%

INSURANCE

The Issuer believes that the Group has insured its properties and facilities in accordance with industry practice in China, Japan and Brazil, respectively. The Issuer believes that the Group's insurance coverage in China, Japan and Brazil is commercially reasonable and appropriate for a logistics facility company operating in those markets. Notwithstanding the Group's insurance coverage, damage to its facilities, equipment, machinery or buildings could have a material adverse effect on the Group's financial condition and results of operations, to the extent that this disrupts the normal operation of its properties or its businesses. See "Risk Factors—The Group's insurance coverage does not include all potential losses".

China

The Group's insurance policies in China cover loss of rental, fire, flood, malicious damage, other material damage to property and development sites, business interruption and public liability (including third parties' property damage and/or personal injury). The Group also maintains other insurance policies for its employees in accordance with applicable laws and regulations, including workmen's compensation and personal accident insurance, as well as group hospitalisation insurance. There are certain types of risks that are not covered by these insurance policies, including acts of war, environmental damage and breaches of environmental laws and regulations.

Japan

The Group's insurance policies in Japan cover damage to facilities and business interruption caused by fire, windstorm, electrical breakdown, earthquake, public liability (including personal injury), corporate asset insurance and movables insurance. The Group also maintains other insurance policies for its employees in accordance with applicable laws and regulations, including life insurance, personal liability, health, accidental death and long-term disability. There are certain types of risks that are not covered by these insurance policies, including acts of war, environmental damage and breaches of environmental laws and regulations.

Brazil

The Group has insured its properties and facilities with property all risk insurance and business interruption insurance against loss of income and physical damage caused by fire, windstorm, flood, electrical breakdown and earthquake. In addition, the Group holds public liability insurance which covers the potential risks against third party claims arising from its business operations. The Group also maintains other insurance policies for its employees in accordance with applicable laws and regulations, including workmen compensation and group hospitalisation insurance. There are certain types of risks that are not covered by these insurance policies, including acts of war, terrorism, breaches of environmental laws and regulations.

SOURCES OF FUNDS

The Group generated a surplus of cash from operations amounting to US$263 million during the financial year ended 31 March 2014.

The Group maintains a diversified and balanced source of funding from reputable banks and capital markets. The Group borrows from local and foreign banks in the form of short-term and long-term loans, project loans and bonds. Total borrowings as at 31 March 2014 were US$2.6 billion, of which 94.0 per cent. are due after one year. The Group reviews its debt maturity profile on an on-going basis and proactively works with reputable banks to refinance existing borrowings. The Group's weighted average debt maturity remains long at 4.3 years.

The Group also manages interest rate exposure through a combination of fixed rate and floating rate borrowings. Fixed rate borrowings constituted 73.0 per cent. of the Group's total borrowings as at 31 March 2014. Where necessary, the Group hedges its short to medium term interest rate exposure by using interest rate swaps.

Under the Programme, the Group issued in 2011 RMB3 billion of fixed rate notes ("RMB bonds"), of which RMB2.65 billion at 3.375 per cent. per annum are due in 2016 and RMB0.35 billion at 4.0 per cent. per annum are due in 2018, and issued in 2012 JPY15 billion fixed rate notes ("JPY bonds") at 2.7 per cent. per annum are due in 2027. These unsecured bonds constituted 24.0 per cent. of the Group's borrowings as of 31 March 2014, with the remaining of the Group's borrowings secured by mortgages on the respective subsidiary companies' investment properties. The carrying value of the investment properties mortgaged to banks and bondholders amounted to approximately US$5.1 billion.

In 2011 and early 2012, the Group also issued S$750 million Perpetual Capital Securities ("PCS") at a 5.5 per cent. distribution rate. The PCS are subordinated, do not have any fixed maturity and distribution payment may be deferred at the sole discretion of the Group. For the purpose of accounting, these PCS are classified as equity instruments.

During the financial year ended 31 March 2014, the Group entered into a landmark consortium agreement with a group of leading Chinese state-owned enterprises and financial institutions to invest up to US$2.5 billion in the Group. The transaction was approved by the shareholders of GLP at an extraordinary general meeting held in April 2014. See "—The Group's Portfolio—The China Portfolio—China Consortium Transaction". The Group also launched CLF Fund I, with 44.1 per cent. owned by six leading global institutional investors. See "——The Group's Fund Management Business". Both of these transactions will provide the Group access to a significant source of third party equity capital. Additionally, the Group continued recycling its capital with divestments of its Japan properties to GLP J-REIT. See "—The Group's Fund Management Business".

COMPETITION

While the Group is one of the leading providers of modern logistics facilities in each of China, Japan and Brazil, it faces competition from other large domestic and, to a lesser extent, international owners and operators of other logistics facilities and, within any specific individual market, also from smaller, local players. The Group competes with other providers for locations and sites for future logistics facilities. In China, potential customers may also compare the Group's products, services and rents to those of large state-owned logistics facilities providers. While the Issuer believes that those providers generally do not provide modern facilities, potential customers may choose these providers over the Group on the basis of rent if they do not need the modern specifications offered by the Group's facilities.

The Issuer believes that, in choosing a provider of logistics facilities, the Group's customers focus primarily on the size of a provider's network and on the quality of the service provided. Lease rates are generally determined by the market. The Issuer believes that the size of the Group's network and the Group's focus on customer service and on assisting its customers in establishing and maintaining their logistics networks allows the Group to compete favourably with many of its competitors.

EMPLOYEES

The following tables summarise the number of the Group's employees by location and function as at 31 March 2013 and 2014 and 30 June 2014:

Employees by Geographical Location

	As of		
	31 March		30 June
	2013	2014	2014
Japan	84	92	100
China	476	542	556
Brazil	42	63	71
Singapore/Other	24	29	31
Total	626	726	758

Employees by Function

	As of		
	31 March		30 June
	2013	2014	2014
Investment/Divestment	73.5	95	101.5
Project Development Management	130	151	151
Leasing/Marketing	88.5	100.5	107.5
Asset/Property Management	70.5	79.5	89
Finance/Accounting	122	139	143
General Management/Administration	141.5	161	166
Sub-Total	626	726	758

None of the Group's employees in Japan or China is a member of a labour union. In Brazil, all of the Group's employees are represented by a labour union as required by law. The Group has not experienced any strikes or disruptions to its operations due to labour disputes. The Issuer believes the Group's relationships with its employees are good.

LEGAL PROCEEDINGS

The Issuer is not, and none of its subsidiaries or joint ventures is, a party to any litigation, arbitration or administrative proceedings that the Issuer believes would, individually or taken as a whole, have a material adverse effect on the Group's business, financial condition or results of operations, and, in so far as the Issuer is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

The Group's operations are subject to regulatory requirements and potential liabilities arising under applicable environmental, health or safety-related laws and regulations in each of the countries in which it has operations.

The Issuer believes that the Group is in compliance in all material respects with applicable environmental regulations in China, Japan and Brazil. To date, no material environmental, health or safety-related incident involving the Issuer or any of its subsidiaries has occurred. The Issuer is not aware of any material environmental, health or safety-related proceedings or investigations to which the Group might become a party. As the Group does not undertake construction work for its development projects and asset enhancement initiatives itself, the responsibility for ensuring the health or safety of workmen at the Group's development project or asset enhancement worksites generally rests with the contractors it appoints.

MARKETING ACTIVITIES

The Group engages in various marketing initiatives in order to attract new customers and expand its market recognition. In Japan, most of the Group's leasing contracts are procured by its in-house leasing team, which deals directly with customers and potential customers. In China, the Group is increasingly relying to a large extent on professional brokers to procure customers. In China, the Group also leverages its relationships with some of its leading customers by undertaking co-branded advertisement campaigns. Co-branded advertising allows the Group to capitalise on the positive experiences of its customers, utilising the numerous testimonials and feedback it has received for marketing purposes. In Brazil, the Group develops and strengthens relationships with large national and international firms with important logistic operations to present its facilities, and undertakes dedicated media campaigns to enhance and promote its parks in addition to working with local and internationally known brokers to procure customers. The Group also engages in traditional "banner" advertising and publishes a periodic electronic newsletter targeted at existing and prospective customers and markets its facilities through the Group's website. The Group endeavours to increase its brand exposure through event-specific media coverage and media briefings, such as signing ceremonies related to the establishment of strategic relationships, and the sponsorship of events such as athletic tournaments for trade associations and other groups whose membership is comprised of our target customers. On occasion, the Group joins with brokers to organise "open house" events at some of its facilities, and the Group regularly attends large conventions and trade shows and conducts customer events, such as the seminar in Tokyo for Japanese customers seeking logistics facilities in China.

INFORMATION TECHNOLOGY

The Issuer leverages the latest information technology to support sustainable and efficient daily operations. Oracle JD Edwards EnterpriseOne has been adopted as the Issuer's core enterprise resource planning application to capture, in an integrated approach, business activities such as project cost management, real estate management, expense management and financial management. CRM on Demand is a top customer relationship management system the Group has adopted which helps the leasing team to manage their pre-lease activities and gain instant access to space availability. From a people resources perspective, the Issuer uses the Platinum HRM system which offers comprehensive human resource management functionality.

INTELLECTUAL PROPERTY

As of 6 August 2014, the Group had 41 registered trademarks relating to "Global Logistic Properties", "GLP" and "GLOBAL LOGISTIC PROPERTIES" and their respective accompanying designs as well as the GLP logo in various jurisdictions including China, Japan, Brazil, India, the European Union, Canada and the United States.

MANAGEMENT

Board of Directors

The Board of Directors of the Issuer is entrusted with the responsibility for the overall management and direction of the Issuer.

The Board of Directors of the Issuer comprises:

Name	Age	Position
Dr. Seek Ngee Huat	64	Chairman
Jeffrey H. Schwartz	55	Deputy Chairman
Ming Z. Mei	42	Chief Executive Officer
Lim Swe Guan	60	Director
Tham Kui Seng	56	Director
Wei Benhua	67	Director
Yoichiro Furuse	72	Director
Steven Lim Kok Hoong	67	Director
Dr. Dipak Jain	57	Director
Paul Cheng Ming Fun	77	Director
Luciano Lewandowski	55	Director
Fang Fenglei	62	Director

Dr. Seek Ngee Huat

Dr. Seek Ngee Huat is the Chairman of the Board and Non-Executive Independent Director of the Issuer. Dr. Seek also serves as the Chairman of the Investment Committee and Human Resource and Compensation Committee. Dr. Seek retired as President of GIC Real Estate Private Limited in June 2011 after 15 years of service. He continued to serve as a director of GIC Real Estate Private Limited and as an Advisor to the GIC Group Executive Committee and Chairman of GIC Latin America Business Group until his resignation on 30 June 2003. Dr. Seek is a director on the boards of Brookfield Asset Management Inc., Canada and Chongbang Holdings (International) Ltd. He also serves as a senior advisor to Frasers Centrepoint Limited and Pontiac Land Pte Ltd and is Chairman of the Institute of Real Estate Studies and is an Adjunct Professor, at the National University of Singapore, his alma mater. He served on the International Advisory Councils of the Guanghua School of Management, Peking University and Fundacao Dom Cabral in Brazil. Dr. Seek was a member of the real estate advisory boards of Cambridge University and Harvard University, a board director of the Pension Real Estate Association (USA), and the founding Chairman of the Property Council of Australia Property Index Committee. Prior to joining GIC, he was a senior partner with Jones Lang Wootton (now known as Jones Lang Lasalle), based in Sydney. Dr. Seek's appointments in the past included directorships at Fraser & Neave Limited, Banco BTG Pactual S.A. and BTG Pactual Participations Ltd. Dr. Seek graduated with a Master of Science (Business Administration) from the University of British Columbia in 1975 and a PhD in Urban Research from the Australian National University in 1981.

Jeffrey H. Schwartz

Jeffrey H. Schwartz is the Deputy Chairman and Executive Director of the Issuer, Chairman of the Executive Committee and the co-founder of Global Logistic Property Holdings Limited. Mr. Schwartz joined ProLogis, a NYSE-listed Fortune 500 company, in 1994, and held various executive roles, rising to Chief Executive Officer in 2005 as well as Chairman of the Board in 2007. While at ProLogis, Mr. Schwartz spearheaded ProLogis' entry into the European markets in 1997, and also established ProLogis' Asia platform in 2002, initially in Japan and eventually progressing to China and Korea. Mr. Schwartz has served on the advisory boards of the Guanghua School of Management, Peking

University and Fundacao Dom Cabral, Brazil. He is a member of the Board of Trustees of Emory University and a Treasurer of the Real Estate Roundtable, a non-profit public policy organisation. Mr. Schwartz graduated from Harvard Business School in 1985 with a Master of Business Administration. Mr. Schwartz graduated from Emory University in 1981 with a Bachelor of Business Administration.

Ming Z. Mei

Ming Z. Mei is the Chief Executive Officer and Executive Director of the Issuer, and the co-founder of Global Logistic Property Holdings Limited. He was formerly the Chief Executive Officer of ProLogis for China and Asian Emerging Markets. He opened ProLogis' first China office in 2003 and built up the Group's China operations to their current scale. Prior to joining ProLogis, Mr. Mei was with Owens Corning, a world leading construction materials manufacturer, where he held various key roles in finance, manufacturing, sales, marketing and strategic planning and general management. Mr. Mei graduated from J.L. Kellogg School of Management at Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology with a Master of Business Administration in 2002. Mr. Mei received his Bachelor of Science in Business from Indiana University School of Business in 1996. He attended the Advanced Management Program at Harvard Business School in 2009.

Lim Swe Guan

Lim Swe Guan is a Non-Executive Independent Director of the Issuer. Mr Lim was the Alternate Director to Dr. Seek Ngee Huat from 24 September 2010 to 14 August 2012. Mr. Lim joined GIC Real Estate Private Limited in 1997 and was a Managing Director of GIC Real Estate Private Limited, the real estate investment arm of GIC Private Limited before retiring on 18 February 2011. In November 1995, Mr. Lim joined SUNCORP Investments in Brisbane, Australia as Portfolio Manager, Property Funds. In June 1986, Mr. Lim was recruited by Jones Lang Wootton in Sydney, Australia to the position of Senior Research Analyst. He was appointed Manager in October 1987 and Director in 1989. Prior to that, he worked as a property consultant with Knight Frank, Cheong Hock Chye & Bailieu from 1985 to 1986. He also sits on the boards of Sunway City Berhad in Malaysia. Mr. Lim's past appointments included directorships in Thakral Holdings Limited and General Property Trust Group in Australia.He is also a CFA charter holder. Mr. Lim graduated with a Bachelor of Science in Estate Management in 1979 from the University of Singapore and a Master of Business Administration from the Colgate Darden Graduate School of Business, The University of Virginia in 1985. Mr. Lim obtained his CFA certification in 1991.

Tham Kui Seng

Tham Kui Seng is a Non-Executive Independent Director of the Issuer. Mr. Tham has held executive positions in various industries, including more than 10 years in real estate. His last executive position was as Chief Corporate Officer of CapitaLand Limited, overseeing the corporate services functions of the real estate group from 2002 to 2008. He also held the position of Chief Executive Officer of CapitaLand Residential Limited from 2000 to 2005. He is currently a non-executive director of The Straits Trading Company Limited, SembCorp Industries Ltd, Banyan Tree Holdings Limited, Maxwell Chambers Pte. Ltd. And Straits Real Estate Pte. Ltd.. He is also a member of the Board of The Housing & Development Board (HDB) and Chairman of E M Services Private Limited, a subsidiary of HDB. Mr. Tham is also a corporate advisor to Temasek International Advisors Pte. Ltd.. Mr. Tham received his Bachelor of Arts in Natural Science—Engineering Science from the University of Oxford, United Kingdom in 1979.

Wei Benhua

Wei Benhua is a Non-Executive Independent Director of the Issuer. Mr. Wei was last re-elected as a Director at the Issuer's Annual General Meeting on 18 July 2013. He is a member of the Issuer's Investment Committee. Mr. Wei was first appointed to the Issuer's Board as Independent Director on 24 September 2010 and stepped down on 2 May 2011 following his appointment as the first director of the ASEAN+3 (China, Japan and Korea) Macroeconomic Research Office (AMRO). On 14 August 2012, he was re-appointed as Independent Director of the Issuer's Board. Mr. Wei also serves as non-executive independent director of Citic Securities Company Limited. Mr. Wei received his Bachelor of Arts in English Language from the Inner Mongolia Normal University and his Master degree in International Finance from the Graduate School of the People's Bank of China.

Yoichiro Furuse

Yoichiro Furuse is a Non-Executive Independent Director of the Issuer. Mr. Furuse is currently the President of Evanston Corporation and a Senior Adviser of Permira Advisers K.K. Mr. Furuse also serves as Chairman of Genki Nogyo Kaihatsukikou, a non-profit agricultural development organization in Japan and Akindo Sushiro Co., Ltd. From 2001 to 2005, he was the Executive Director & Executive Vice President of SANYO Electric Co., Ltd where he was responsible for its corporate management functions and internal control. Prior to this, Mr. Furuse served as the Senior Managing Director of Mazda Motor Corporation from 1996 to 2000 where he was responsible for domestic marketing, financing and overseeing the relationship with Ford Motor Company. Mr. Furuse began his career with Sumitomo Bank Limited in 1964 where he served as an Executive Director of International Banking Unit, West Japan Region, Domestic Corporate Planning. His last position with Sumitomo Bank Limited was as the bank's Senior Executive Director where he oversaw all the business activities of the bank within Europe, Middle East and Africa. Mr. Furuse received his Master of Business Administration from Northwestern University's Kellogg School of Management in 1970 and his Bachelor of Laws from Osaka University in 1964.

Steven Lim Kok Hoong

Steven Lim Kok Hoong is a Non-Executive Independent Director of the Issuer. Mr Lim also serves as the Chairman of the Audit Committee. He has over 32 years of audit and financial consulting experience and was responsible for the audits of statutory boards and some of the largest multinational corporations in Singapore, Indonesia and Malaysia. Mr. Lim served as a Senior Partner of Ernst & Young Singapore from 2002 to 2003. He started his career in Arthur Andersen in 1971 and served as the Managing Partner of Arthur Andersen Singapore from 1990 to 2002 and as Regional Managing Partner for the ASEAN region in Arthur Andersen from 2000 to 2002. Mr. Lim is also Chairman of the board and member f the Audit Committee at Parkway Trust Management Limited. He is also an independent director and Audit Committee Chairman of Genting Singapore PLC. Mr. Lim also sits on the board of Hoe Leong Corporation Ltd and Amtek Engineering Ltd. Mr. Lim is a Member of the Institute of Certified Public Accountants of Singapore and the Institute of Chartered Accountants in Australia. He graduated with a Bachelor of Commerce Degree from the University of Western Australia in 1971.

Dipak Jain

Dr. Dipak Jain is a Non-Executive Independent Director of the Issuer. Dr. Jain is also Chairman of the Issuer's Nominating and Governance Committee and a member of the Issuer's Human Resource and Compensation Committee. Dr. Jain held the position as Dean of Insead, a European Business school with campuses in France, Singapore and Abu Dhabi from 1 May 2011 until 1 March 2013. Prior to this, Dr. Jain was the Sandy and Morton Goldman Professor in Entrepreneurial Studies and a professor of marketing at Kellogg School of Management at Northwestern University, where he has been a member of the faculty since 1986. From 2001 to 2009, Dr. Jain served as Dean of the Kellogg School of Management at Northwestern University. Prior to his appointment as Dean, he served as the Associate Dean of Academic Affairs for five years. Dr. Jain has been a visiting professor of marketing at the Sasin Graduate Institute of Business Administration at Chulalongkorn University in Bangkok, Thailand, since 1989. He taught at Gauhati University in India from 1980 to 1983. He also has a Master of Science in Management and Administrative Services and a PhD in management science at the University of Texas at Dallas in 1987.

Paul Cheng Ming Fun

Paul Cheng Ming Fun is a Non-Executive Independent Director of the Issuer. Mr. Cheng is currently the Deputy Chairman and independent non-executive director of Esprit Holdings Ltd., as well as the independent non-executive director of Pacific Alliance China Land Limited and Chow Tai Fook Jewellery Group Limited. Mr. Cheng was the Chairman of The Link Management Ltd. from 2005 to 2007, Chairman of Inchcape Pacific Limited from 1992 to 1998 and its Executive Director from 1987 to 1992, as well as the Chairman of N.M. Rothschild & Sons (Hong Kong) Ltd from 1996 to 1998. His other past directorships include Sino Hotel (Holdings) Ltd, Sino Land Co., Ltd, Tsim Sha Tsui Properties Ltd, Hutchison Harbour Ring Ltd. (formerly known as ICG Asia Ltd.), The Wharf (Holdings) Ltd, Kingboard Chemical Holdings Ltd, Hutchison Global Communications Holdings Ltd and Pou Sheng International (Holdings) Limited. Mr. Cheng was a member of the Legislative Council of Hong Kong from 1988 to 1991 and from 1995 to 1997 and, was a member of the Preparatory Committee established by the Central Government of Beijing from 1994 to 1998 in relation to Hong Kong's reversion to Chinese sovereignty. He also served as the Chairman of the American Chamber of Commerce in Hong Kong in 1987 and the Hong Kong General Chamber of Commerce from 1992 to 1994. He was also awarded the Independent Non-Executive Director of the Year Award from the Hong Kong Institute of Directors in 2009. Mr. Cheng has a Bachelor of Arts from Lake Forest University, Illinois, United States in 1958 and received his Master of Business Administration from The Wharton Business School at University of Pennsylvania, United States in 1961.

Luciano Lewandowski

Luciano Lewandowski is a Non-Executive Independent Director of the Issuer. Mr. Lewandowski is also the Principal and Founder of Agribusiness Investimentos Ltda ("AGB"), a private equity firm focused on agricultural-related investments in Brazil. Prior to AGB, Mr. Lewandowski was a founder of Prosperitas, a real estate private equity firm with approximately US$1.7 billion of assets under management in Brazil. At Prosperitas, Mr. Lewandowski had responsibilities for fund raising, investment and divestment in three different funds between 2006 and 2012. Mr Lewandowski still holds a residual interest in Prosperitas. Mr. Lewandowski has been in the fund management industry since 2003, when he led the group that created the predecessor fund to Prosperitas, GP II, a real estate private equity and receivables fund sponsored by GP Investimentos. Before leading the group that founded GP II, Mr. Lewandowski co-founded a group within Rio Bravo Investimentos which focused on structured product investment. Prior to that, Mr. Lewandowski was a managing director in UBF in charge of surety products and part of the team that oversaw the sale of UBF to Swiss Re. Mr. Lewandowski also sits on the board of Agribusiness Participacoes Ltda., Calaari Participacoes Ltda., Schedar Empr. E Participacoes Ltda. and Fazenda Itauna S.A. Mr. Lewandowski graduated from Universidade Presbiteriana Mackenzie in São Paulo in 1980 with a Bachelor of Economics.

Fang Fenglei

Fang Fenglei is a Non-Executive Non-Independent Director. Mr. Fang is also the Founding Partner and Chairman of HOPU Investments. He has been Non-Executive Chairman of Goldman Sachs Gao Hua Securities Company Limited since 2004. Previously, Mr. Fang served as Executive Vice President of China International Capital Corporation Limited, Chief Executive Officer of BOC International Holdings Limited and Chief Executive Officer of ICEA Finance Holdings Co., Ltd., China. Mr. Fang is a board member of Phoenix Satellite Television Holdings Limited, a company listed on the Hong Kong Stock Exchange since 13 March 2013. Mr. Fang's appointments in the past included directorships in Central China Real Estate Limited and China Mengniu Dairy Company Limited. Mr. Fang holds a Bachelor of Arts in Chinese Linguistic Literature from Sun Yat-sen University.

Senior Management

Set out below are the current executive officers of the Issuer:

Name	Age	Position
Jeffrey H. Schwartz	55	Deputy Chairman and Chairman of the Executive Committee
Ming Z. Mei	42	Chief Executive Officer
Yoshiyuki Chosa	44	President of Japan
Mauro Dias	51	President of Brazil
Higashi Michihiro	43	Chief Investment Officer of China
Masato Miki	50	President of Japan
Stephen Schutte	47	Chief Operating Officer
Kazuhiro Tsutsumi	46	Global Treasurer and Chief Financial Officer
Ralf Wessel..	42	Head of Fund Management and Business Development
Heather Xie	50	Chief Financial Officer
Kent Yang...	45	President of China
Teresa Zhuge	37	Chief Financial Officer for China

Jeffrey H. Schwartz

Details for Jeffrey H. Schwartz are set out under "Management—Board of Directors".

Ming Z. Mei

Details for Ming Z. Mei are set out under "Management—Board of Directors".

Yoshiyuki Chosa

Yoshiyuki Chosa is President of GLP Japan and is in charge of the Group's business in Japan. Mr. Chosa was formerly Senior Vice President of Investment Management at ProLogis Japan, where he launched and expanded its acquisition business. Prior to joining ProLogis Japan, Mr. Chosa held several key positions within Mitsui Fudosan Co., Ltd, and Mitsui Fudosan Investment Advisors, Inc., where he was involved in condominium and housing development projects, office leasing, asset management services and real estate investment advisory services to overseas institutional investors. Mr. Chosa holds a Bachelor of Laws from Keio University in 1992.

Mauro Dias

Mauro Dias is President of GLP Brazil and is in charge of the Group's business in Brazil. Mr. Dias was formerly Chief Executive Officer of Synergy Group's Shipyards and Shipping Divisions and prior to that, Chief Executive Officer of Log-In Logistica Intermodal, a Brazilian logistics company where he spearheaded their restructuring and IPO. From 1985 to 2007, Mr. Dias developed his career at VALE, one of the largest companies in Brazil, where he held various key roles in its logistics, shipping and transportation divisions, including Director of Logistics and Chairman and Chief Executive Officer of FCA Railway. Mr. Dias holds a B.S. in Mechanical Engineering and Economics from the Federal University of Espírito Santo and received his Master of Business Administration from the Anderson School at University of California-Los Angeles-UCLA.

Higashi Michihiro

Higashi Michihiro is Chief Investment Officer of GLP China and is in charge of overseeing and setting out overall investment strategies for GLP China. Mr. Michihiro was formerly Senior Vice President and Head of Investment of GLP China and helped to grow the Group's business relating to Japanese customers. Mr. Michihiro worked at Nomura Research Institute in Japan where he was responsible for corporate strategy consulting and Oita Bank where he was in charge of equity research. Mr. Michihiro received his Bachelor degree of Law from Wuhan University and a Master degree of Economics from Oita University.

Masato Miki

Masato Miki is President and Chief Executive Officer of GLP Japan Advisor. Mr. Miki is responsible for developing and executing the GLP J-REIT growth strategy. Previously, Mr. Miki served as President of GLP Japan till the initial public offering of GLP J-REIT 2012. Mr. Miki was formerly President and Co-Chief Executive Officer of ProLogis Japan. Prior to joining ProLogis in 20012, Mr. Miki held several key positions within Mitsui Fudosan Co. Ltd. In 1994, Mr. Miki relocated to New York to join Mitsui Fudosan America Inc. as Treasurer. He returned to Tokyo in 2000 to participate in the Group's J- REIT project team and contributed to the public offering of the first J-REIT in Japan, which was sponsored by Mitsui Fudosan Co. Ltd. Mr. Miki obtained his Master of Science in Real Estate Finance from New York University, and received his Bachelor of Arts in Political Science andEconomics from Waseda University.

Stephen Schutte

Stephen Schutte is Chief Operating Officer of the Issuer. Mr. Schutte is responsible for the Group's global operations, legal services, strategic risk management, human resources and key initiatives to enhance shareholder value. He also focuses on developing the Group's future strategy, new market entries, large portfolio transactions and global investment funds. Mr. Schutte joined the Issuer in 2011 and was formerly General Counsel and Chief Administrative Officer. Prior to joining the Issuer, Mr. Schutte was Senior Vice President at DCT Industrial Trust Inc. where he was a market officer responsible for operating and growing the markets in Northern California, Mexico and Seattle through capital investments, leasing and portfolio management. He also served on the investment and executive management committees and was General Counsel where he oversaw all legal services, human resources, risk management and emerging markets. Prior to that, Mr. Schutte was Associate General Counsel of ProLogis overseeing operations across multiple foreign countries and joint ventures, acquisitions, complex loan transactions and developments in excess of US$1 billion annually. Mr. Schutte received his Juris Doctor from the University of Iowa College of Law and his Bachelor of Arts from Creighton University.

Kazuhiro Tsutsumi

Kazuhiro Tsutsumi is Global Treasurer and Chief Financial Officer of GLP Japan. Mr. Tsutsumi is responsible for management of the Issuer's capital, cash and treasury risks and oversees treasury activities of each country. He is in charge of corporate finance, tax and human resource matters at GLP Japan. Previously, Mr. Tsutsumi was Managing Director and Chief Financial Officer of Asia at ProLogis, where he was overseeing the fund management business for its Japan portfolio. Prior to that, he served as Vice President for the Investment Management Division of Goldman Sachs from 1998 to 2002 and was responsible for financial management and strategic planning for its Japan and Asia operations. Mr. Tsutsumi started his career with Dai-ichi Life, where his responsibilities included portfolio management of US real estate, overseas financial management and corporate accounting/taxation. Mr. Tsutsumi received his Master of Business Administration from the University of Chicago, Graduate School of Business, CPA from the State of Illinois, and Bachelor of Arts in Law from Waseda University.

Ralf Wessel

Ralf Wessel is the Head of Fund Management and Business Development for the Group. Mr. Wessel is responsible for managing and growing the Group's fund management platform, which currently has $11 billion assets under management. He also manages long-standing relationships with some of the world's leading institutional investors to enable the Issuer to scale the business and consistently deliver value to its investors. Mr. Wessel was formerly Managing Director, Global Investment Management at ProLogis where he was responsible for an investment platform valued at US$21 billion. Previously, Mr. Wessel was a partner at Equity Estate, a private equity company managing various real estate funds. Mr. Wessel has more than 16 years of experience in the real estate sector and holds a Masters degree in Financial Management from the University of Amsterdam and a Masters in Science degree in Real Estate Investment from City University London.

Heather Xie

Heather Xie is Chief Financial Officer of the Issuer. Ms. Xie is responsible for group-wide corporate finance including treasury, financial planning and reporting, controllership, tax and investor relations. Ms. Xie spearheads the Group's financial strategy and oversees the Group's capital structure. Ms. Xie was Managing Director and Chief Financial Officer of ProLogis China, where she was responsible for finance, treasury, tax, human resources and information technology of the China business. Ms. Xie was the Chief Financial Officer of Momentive Performance Materials Shanghai from 2007 to 2008. Previously, Ms. Xie spent over a decade from 1994 to 2006 in the General Electric group of companies, and held various positions, including serving as the Chief Financial Officer of General Electric Toshiba Silicones and General Electric Infrastructure China/Asia, and the Treasurer and Controller of General Electric Asia Pacific. Ms. Xie received her Bachelor and Master degree from People's University of China and a Masters degree in Economics from Cornell University in New York.

Kent Yang

Kent Yang is the President of GLP China. Mr Yang leads the China strategy and is in charge of the Group's business in China. He was formally the Managing Director for GLP China and Chief Operating Officer for ProLogis China, Previously, Mr. Yang served as Chief Operating Officer for ProLogis China, where he was responsible for development and construction, leasing, property management and customer service. Prior to that, he was the General Manager responsible for the overall operation of GLP Park Lingang, Shanghai, a three square kilometer logistic park joint-venture by Global Logistic Properties and Shanghai Lingang Group. From 2002 to 2005, Mr. Yang was the Managing Director of Wuxi Hua Yang Hi-Tech Venture Capital Inc. where he was responsible for the development and overall operation of a two square kilometer hi-tech industrial park in Wuxi, Jiangsu Province, China. Mr. Yang received his Bachelor of Architecture degree from the University of Southern California and a Master of Science degree in Real Estate Development from Columbia University.

Teresa Zhuge

Teresa Zhuge is the Chief Financial Officer for GLP China and is responsible for finance, treasury and tax of the China business. Ms. Zhuge oversees capital deployment and leads negotiations for the GLP China's acquisitions and strategic projects. Ms. Zhuge was formerly the Fund Management Director and also served as Assistant Chief Financial Officer of ProLogis China. Prior to that, Ms. Zhuge was Deputy Chief Financial Officer of SZITIC Commercial Properties and also worked with Morgan Stanley Properties China and Deloitte. Ms. Zhuge graduated with a Master of Business Administration from the Kellogg School of Management at Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology. Ms. Zhuge received her bachelor's degree from Renmin University of China.

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, Luxembourg or the CMU (together, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer, nor any Arranger or Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

CMU

The CMU is a central depositary service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the "HKMA") for the safe custody and electronic trading between the members of this service ("CMU Members") of capital markets instruments ("CMU Instruments") which are specified in the CMU Service Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and "authorised institutions" under the Banking Ordinance (Cap. 155) of Hong Kong.

Compared to clearing services provided by Euroclear and Clearstream, Luxembourg, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike the European Clearing Systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Service Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging

CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Fiscal Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU.

Book-Entry Ownership

Bearer Notes

The Issuer has made applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Issuer may also apply to have Bearer Notes accepted for clearance through the CMU. In respect of Bearer Notes, a Temporary Bearer Global Note and/or a Permanent Bearer Global Note will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or a sub-custodian for the CMU. Transfers of interests in a Temporary Bearer Global Note or a Permanent Bearer Global Note will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream, Luxembourg. Each Global Note will have an International Securities Identification Number ("ISIN") and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Note only through Euroclear, Clearstream, Luxembourg or the CMU, as the case may be.

Registered Notes

The Issuer has made applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of Registered Global Notes. The Issuer may also apply to have Registered Global Notes accepted for clearance through the CMU. Each Registered Global Note will have an ISIN and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Registered Global Note only through Euroclear, Clearstream, Luxembourg or the CMU, as the case may be.

TAXATION

The statements herein regarding taxation are based on the laws in force as at the date of this Offering Circular and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid.

Singapore Taxation

The statements made herein regarding taxation are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by the Monetary Authority of Singapore ("MAS") in force as of the date of this Offering Circular and are subject to any changes in such laws or administrative guidelines or circulars, or in the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statement made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposition of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, Chapter 134 of Singapore (the "ITA") the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is:

  (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore), or

  (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently at 17 per cent where the payment is derived from operations carried out in Singapore.. The applicable rate for non-resident individuals is 20 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

Notwithstanding, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost (as such terms are defined in the ITA) from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

Coupon Payment

Qualifying Debt Securities

As the Programme as a whole is arranged by Citigroup Global Markets Singapore Pte. Ltd., which is a Financial Sector Incentive (Standard-Tier) Company (as defined in the ITA), and J.P. Morgan (S.E.A.) Limited and Goldman Sachs (Singapore) Pte., each of which is a Financial Sector Incentive (Bond Market) Company (as defined in the ITA), any tranche of the Notes which are debt securities issued under the Programme during the period from the date of this Offering Circular to 31 December 2018 ("Relevant Notes") would, pursuant to the ITA and the MAS circular FSD Cir 02/2013 titled "Extension and Refinement of Concession for Promoting the Debt Market" issued by the MAS on 28 June 2013 (the "MAS Circular"), be "qualifying debt securities" for the purposes of the ITA, to which the following treatment shall apply:

(a) subject to certain prescribed conditions having been fulfilled, including:

 (1) the furnishing by the Issuer, or such other person as the Comptroller of Income Tax in Singapore (the "Comptroller") may direct, of a return on debt securities in respect of the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require, to the MAS, and

 (2) the inclusion by the Issuer in all offering documents relating to the Relevant Notes a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment,

 interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "Qualifying Income") from the Relevant Notes, derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from the operation in Singapore, are exempt from Singapore tax;

(b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller may direct, of a return on debt securities in respect of the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the MAS), the Qualifying Income from the Relevant Notes derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10 per cent.; and

(c) subject to:

    (1) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

    (2) the Issuer or such other person as the Comptroller may direct, furnishing to the MAS a return on debt securities in respect of the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require,

    payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

(a) if during the primary launch of any tranche of the Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as "qualifying debt securities"; and

(b) even though a particular tranche of the Relevant Notes are "qualifying debt securities", if, at any time during the tenure of such tranche of Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, the Qualifying Income derived from such Relevant Notes by:

    (i) any related party of the Issuer; or

    (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

    shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "related party", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

In respect of the Qualifying Income derived from the Relevant Notes by any person who is not resident in Singapore and carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption under the ITA (as mentioned above) shall not apply to that person if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. In addition, notwithstanding that the Issuer is permitted to make payments of the interest, discount income, prepayment fee, redemption premium and break cost in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

“break cost”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

“prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to “break cost”, “prepayment fee” and “redemption premium” in this Singapore tax disclosure have the same meaning as defined in the ITA.

The Qualifying Debt Securities Plus Scheme (the “QDS Plus Scheme”) has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain conditions having been fulfilled (including the submission by the issuer or such other person as the Comptroller may direct, of a return on debt securities in respect of the qualifying debt securities within such period as the Comptroller may specify and such other particulars in connection with the qualifying debt securities as the Comptroller may require, to the MAS), income tax exemption is granted on interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

(a) are issued during the period from 16 February 2008 to 31 December 2018;

(b) have an original maturity of not less than 10 years;

(c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

However, even if a particular tranche of the Relevant Notes are “qualifying debt securities” which qualify under the QDS Plus Scheme, if, at any time during the tenure of such tranche of the Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, interest, discount income, prepayment fee, redemption premium and break cost from such Relevant Notes derived by:

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

Refinements were made to the QDS Plus Scheme in the MAS Circular, which states that with effect from 28 June 2013, the following would apply:-

i. Debt securities with standard early termination clauses will qualify for the QDS Plus Scheme at the point of issuance.

ii. There will be no clawback of tax benefits accorded under the QDS Plus Scheme for debt securities with standard early termination clauses that are redeemed prematurely. Instead, the QDS Plus Scheme will be revoked on a prospective basis for any outstanding debt securities. Any outstanding debt securities may qualify for the QDS tax benefit if the conditions for the QDS scheme are met.

It was also stated in the MAS Circular that, debt securities with embedded options with economic value (such as call, put, conversion or exchange options which can be triggered at specific prices or dates and are built into the pricing of such debt securities at the onset) which can be exercised within ten years from the date of issuance of such debt securities will continue to be excluded from the QDS Plus Scheme from such date of issuance.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be subject to tax in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who are adopting Singapore Financial Reporting Standard 39—Financial Instruments: Recognition and Measurement ("FRS 39") may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Adoption of FRS 39 Treatment for Singapore Income Tax Purposes".

Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39—Financial Instruments: Recognition and Measurement" (the "FRS 39 Circular"). The ITA has since been amended to give legislative effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Hong Kong Taxation

The statements below regarding taxation are based on the law and practice of Hong Kong at the date of this Offering Circular and are subject to any subsequent changes in law or practice (which could be made on a retroactive basis). The following statements do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and may not apply equally to all persons. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the tax consequences of their ownership of the Notes.

Withholding Tax

No withholding tax is payable in respect of payments of principal or interest on the Notes or any gains arising on the sale of the Notes.

Profits Tax

Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Cap. 112) of Hong Kong as it is currently applied, interest on the Notes may be subject to Hong Kong profits tax in the following circumstances:

- interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the

- financial institution of its business in Hong Kong, notwithstanding that the moneys in respect of which the interest is received or accrues are made available outside Hong Kong;

- interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong; or

- interest on the Notes is derived from Hong Kong and is received by or accrues to a company carrying on a trade, profession or business in Hong Kong.

Pursuant to the Exemption from Profits Tax (Interest Income) Order, interest income accruing on or after 22 June 1998, to a person other than a financial institution, on deposits (denominated in any currency) placed with an authorised institution in Hong Kong (within the meaning of Section 2 of the Banking Ordinance (Cap. 155) of Hong Kong) is exempt from the payment of Hong Kong profits tax. This exemption does not apply, however, to deposits that are used to secure or guarantee money borrowed in certain circumstances. The issue of the Notes should not constitute a deposit to which the above exemption will apply on the basis that the Issuer is not an authorised institution in Hong Kong. However, under current law and Inland Revenue Department practice, interest on such Notes generally would not be considered to arise in or be derived from Hong Kong[1] and therefore should not be subject to Hong Kong profits tax where derived by a person who is not a financial institution.

In addition, Hong Kong profits tax may be charged on profits arising on the sale, disposal or redemption of the Notes where such sale, disposal or redemption forms part of a trade, profession or business carried on in Hong Kong and is not capital in nature.

Stamp Duty

Stamp duty may be payable on the issue of the Notes if the Bearer Notes are issued in Hong Kong. Stamp duty should however not be payable provided that either:

- the Bearer Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstance in the currency of Hong Kong; or

- the Bearer Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable it is payable by the Issuer on issue of the Bearer Notes at a rate of 3 per cent. of the market value of the Notes.

No stamp duty will be payable on any subsequent transfer of the Bearer Notes.

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1 This assumes that the provision of credit is made outside of Hong Kong.

No stamp duty should be payable on the issue of the Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty should however not be payable provided either:

- the Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstance in the currency of Hong Kong; or

- the Registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable in respect of the transfer of the Registered Notes, it will be payable at the rate of 0.1 per cent. each by the seller and the purchaser by reference to the amount of the consideration or market value of the Registered Notes, whichever is the greater. If, in the case of either the sale or purchase of the Registered Notes, stamp duty is not paid, both the seller and the purchaser are liable jointly and severally to pay any unpaid stamp duty and also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

Estate Duty

Hong Kong estate duty has been abolished with respect to all deaths after 10 February 2006.

PRC Taxation

Holders of the Notes, which are not viewed as PRC tax resident individuals or enterprises, will not be subject to withholding tax, income tax or any other taxes imposed by any governmental authority in the PRC in respect of the Notes or any repayment of principal and payment of interest made thereon.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments, each Member State is required to provide to the tax or other relevant authorities of another Member State details of payments of interest or other similar income made by a person within its jurisdiction to an individual or certain other types of person resident in that other Member State; however, for a transitional period, Austria and Luxembourg have instead opted to apply a withholding system in relation to such payments, deducting tax at the rate of 35%, unless during that period they elect otherwise. The transitional period is to terminate following agreement by certain non-EU countries to the exchange of information relating to such payments. A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding). Luxembourg has announced that it will no longer apply the withholding system as from 1 January 2015 and will provide details of payments of interest and other similar income as from that date.

On 24 March 2014, the Council of the European Union adopted a directive amending Council Directive 2003/48/EC, which, when implemented, will amend and broaden the scope of the requirements above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with this amending directive.

PRC CURRENCY CONTROLS AND EXCHANGE RATES

Remittance of Renminbi into and outside the PRC

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

Current Account Items

Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. Since July 2009, the PRC has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Programme of Renminbi Settlement of Cross-Border Trades (Yin Fa (2010) No. 186) (the "Circular"), pursuant to which (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover 20 provinces including Beijing, Shanghai, Tianjin, Chongqing, Guangdong, Jiangsu, Zhejiang, Liaoning, Shandong and Sichuan, and (iii) the restriction on designated offshore districts was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle any current account items between them (except in the case of payments for exports of goods from the PRC, such Renminbi remittance may only been effected by approved pilot enterprises in 16 provinces within the designated pilot districts in the PRC).

On 27 July 2011, the PRC government promulgated the Notice on Expanding the Areas of the Pilot Programme of Renminbi Settlement of Cross-Border Trade Transactions (in Chinese: 关于扩大跨境贸易人民币结算地区的通知) (Yin Fa [2011] 203), pursuant to which enterprises located in all provinces of the PRC are permitted to settle import of goods, cross-border services and other current account items in Renminbi, while settlement in Renminbi for export of goods is permitted for approved pilot enterprises in 15 provinces.

It is possible that local authorities may adopt different practices in applying the regulations and impose additional conditions for settlement of current account items.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of the relevant PRC authorities.

Generally there were no PRC rules that expressly permitted the cross-border remittance of Renminbi for capital account payments. Instead, capital account items were generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) were generally required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or any other relevant PRC parties were also generally required to make capital account item payments including proceeds from liquidation, transfer of shares, reduction of capital and principal repayment under foreign debt to foreign investors in a foreign currency. That said, the relevant PRC authorities might approve a foreign entity to make a capital contribution or shareholder's loan to a foreign invested enterprise with

Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. The foreign invested enterprise might also be required to complete registration and verification process with the relevant PRC authorities before such RMB remittances.

On 3 December 2013, MOC promulgated the Circular on Cross-Border Renminbi Direct Investment (in Chinese: 关于跨境人民币直接投资有关问题的公告) (Circular 2013 No. 87). According to this circular, as of 1 January 2014, foreign direct investment projects using cross-border Renminbi will be examined and approved by local commerce authorities pursuant to existing laws and regulations, and the prior consent by MOC is no longer required.

On 7 April 2011, SAFE issued the Notice on Regulating Issues Concerning Process of Cross-Border Renminbi Capital Account Trades (in Chinese: 国家外汇管理局综合司关于规范跨境人民币资本项目业务操作有关问题的通知) (Hui Zong Fa [2011] 38). According to this notice, as of 1 May 2011, (i) capital contribution by foreign investors in Renminbi to FIEs shall be registered with the local competent branch of SAFE with the approvals of the competent commerce authorities on the capital contribution in Renminbi, and other formalities shall be handled by reference to those for foreign direct investment with foreign currencies; (ii) Renminbi debts to be borrowed by domestic entities from outside China shall be regulated pursuant to the existing provisions on foreign debts.

On 13 October 2011, PBOC promulgated the Administration Rules on Foreign Direct Investment Renminbi Settlement Operations (in Chinese: 外商直接投资人民币结算业务管理办法) (Circular [2011] 23). The rules stipulate that (i) if any registered capital of an FIE will be contributed by a foreign investor in Renminbi, the FIE shall open a special Renminbi capital account in the PRC to receive such Renminbi funds; (ii) when remitting Renminbi capital to the FIE with Renminbi, the foreign investor shall submit to the bank of the FIE the approval or filing record of the competent PRC government authority on the investment; (iii) if a foreign investor intends to remit its Renminbi profits out of China, the relevant bank may process it directly after reviewing supporting documents such as the resolutions of the FIE on profit distribution and the tax clearance proofs; (iv) if an FIE intends to borrow Renminbi loans from abroad, it shall open an Renminbi deposit account in the PRC to keep the borrowed Renminbi funds; and (v) if the FIE intends to repay the Renminbi foreign loan with Renminbi, it may apply to the remitting bank directly with supporting documents such as the loan agreement, the request for repayment and the tax clearance proofs.

However, there can be no assurance that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC, and it is possible that local authorities may adopt different practices in applying the regulations and impose additional conditions for settlement of capital account items. In the event that the Issuer is not able to repatriate funds outside the PRC in Renminbi to service its shareholder's loan, the Issuer will need to source Renminbi offshore to finance its obligations under the RMB Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Exchange Rates

Since 1 January 1994, the PBOC has set and published daily a base exchange rate with reference primarily to the supply and demand of Renminbi against the U.S. dollar in the market during the prior day. On 21 July 2005, the PBOC announced a reform of its exchange rate system and revalued the Renminbi to CNY8.11 to U.S.$1.00. Under the reform, the Renminbi is no longer effectively linked to the U.S. dollar but instead is allowed to fluctuate within a narrow and managed band against a basket of foreign currencies, according to market demand and supply conditions. The PBOC announces the Renminbi's closing price each day, and that rate serves as the midpoint of the next day's trading band. On 18 May 2007, the PBOC announced that, effective from 21 May 2007, it would widen the daily trading band of the Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. As a result, the Renminbi is now permitted to rise or fall 0.5 per cent. each day from the midpoint set each morning. The PRC government may make further adjustments to the exchange rate system in the future.

The following table sets forth information concerning exchange rates between the RMB and the U.S. dollar for the periods indicated.

	Exchanges Rate			
Period	**Period End**	**Average(1)**	**Low**	**High**
	(RMB per U.S.$1.00)			
2009	6.827	6.831	6.811	6.856
2010	6.607	6.761	6.590	6.835
2011	6.295	6.448	6.295	6.637
2012	6.231	6.299	6.214	6.396
2013	6.054	6.142	6.049	6.249
2014 (through September 2014)				
January	6.061	6.052	6.039	6.064
February	6.145	6.081	6.057	6.176
March	6.217	6.174	6.101	6.233
April	6.260	6.225	6.186	6.267
May	6.247	6.239	6.218	6.264
June	6.203	6.231	6.200	6.258
July	6.174	6.199	6.171	6.219
August	6.144	6.155	6.135	6.183
September (through 12 September 2014)	6.135	6.139	6.128	6.149

Source: Bloomberg

Note:

(1) Annual averages are calculated from month-end rates. Monthly averages are calculated using the average of the daily rates during the relevant period.

SUBSCRIPTION AND SALE

Summary of Programme Agreement

Subject to the terms and on the conditions contained in the amended and restated programme agreement (the "Programme Agreement") dated 16 October 2014 between the Issuer, the Arrangers and the Permanent Dealers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The Issuer will pay each Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arrangers for certain of their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions payable in respect of an issue of a Tranche of Notes on a syndicated basis will be stated in the relevant Subscription Agreement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes under the Programme. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act. Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S. Accordingly, neither it nor its affiliates or any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, in respect of Bearer Notes where TEFRA D is specified in the applicable Pricing Supplement:

(a) except to the extent permitted under U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D) or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code (the "D Rules"), each Dealer (i) has represented and agreed and each further Dealer will be required to represent and agree that it has not offered or sold, and that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) has represented and agreed and each further Dealer will be required to represent and agree that it has not delivered and that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(b) each Dealer has represented and agreed and each further Dealer will be required to represent and agree that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, each Dealer has represented and agreed and each further Dealer will be required to represent and agree that it is acquiring the Notes for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. section l.163-5(c)(2)(i)(D)(6) or any successor rule in substantially the same form that is applicable for purposes of Section 4701 of the Code ;

(d) with respect to each affiliate that acquires Notes from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in paragraphs (a), (b) and (c) above on such affiliate's behalf or agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in paragraphs (a), (b) and (c); and

(e) each Dealer has agreed and each further Dealer will be required to agree that it will obtain from any distributor (within the meaning of U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D)(4)(ii) or any successor rule in substantially the same form that is applicable for purposes of Section 4701 of the Code) that purchases any Notes from it pursuant to a written contract with such Dealer (except a distributor that is one of its affiliates or is another Dealer), for the benefit of the Issuer and each other Dealer, the representations contained in, and such distributor's agreement to comply with, the provisions of paragraphs (a), (b), (c) and (d) above insofar as they relate to the D Rules, as if such distributor were a Dealer hereunder.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the U.S. Treasury Regulations thereunder, including the D Rules.

In respect of Bearer Notes where TEFRA C is specified in the applicable Pricing Supplement, such Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Bearer Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer represents and agrees in connection with the original issuance of such Bearer Notes that it has not negotiated or communicated, and will not negotiate or communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office or any agent in the United States in the offer or sale of such Bearer Notes. Each Dealer also represents and agrees that it has not advertised, and will not advertise or otherwise promote Bearer Notes within the United States or its possessions. Terms used in this paragraph have the meanings given to them by the Code, and the U,S. Treasury Regulations thereunder, including the C Rules.

European Economic Area—Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the applicable Pricing Supplement in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Law No. 25 of 1948, as amended; the "FIEL"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly offer or sell any

Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, or regulations and ministerial guidelines of Japan.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and any rules made under that Ordinance or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Singapore

Each Dealer acknowledges that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer represents and agrees, and each future Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes, whether directly or indirectly, to any persons in Singapore other than (i) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "Securities and Futures Act"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the Securities and Futures Act, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the Securities and Futures Act except:

(1) to an institutional investor or to a relevant person defined under Section 275(2) of the Securities and Futures Act, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the Securities and Futures Act; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

PRC

Each Dealer has represented and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Region or Taiwan), except as permitted by the securities laws of the People's Republic of China.

General

These selling restrictions may be modified by the agreement of the Issuer and the relevant Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will (to the best of its knowledge and belief) comply with all applicable laws, regulations and directives in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular any other offering material or any Pricing Supplement, in all cases at its own expense, and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer and any other Dealer shall have any responsibility therefor.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the applicable Pricing Supplement.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Notes issued under the Programme.

[Date]

Global Logistic Properties Limited, a limited liability company incorporated in Singapore

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] issued under the US$2,000,000,000 Euro Medium Term Note Programme

PART A
CONTRACTUAL TERMS

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 16 October 2014 [and the Supplemental Offering Circular dated [●]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular [as so supplemented]. The Offering Circular [and the Supplemental Offering Circular] [is] [are] available for viewing at [website][and] during normal business hours at [address], and copies may be obtained from, the Issuer at its registered office.

[The following language applies if any tranche of the Notes is issued by Global Logistics Properties Limited and is intended to be "qualifying debt securities" (as defined in the Income Tax Act, Chapter 134 of Singapore):

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "**ITA**"), shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.*]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the Conditions) contained in the Agency Agreement dated [original date] and set forth in the Offering Circular dated [original date] [and the Supplemental Offering Circular dated [●]]. This document contains the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Circular dated [●] 2014 [and the Supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] [and the Supplemental Offering Circular dated [original date]] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circulars dated [●] 2011 and [previous date] [and the Supplemental Offering Circulars dated [●]]. Copies of such Offering Circulars [and the Supplemental Offering Circulars] are available for viewing [at [website] and during normal business hours at [address] and copies may be obtained free of charge at the registered office of the Issuer.

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.*]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1		Issuer:	[●]
2	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
			(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
3	(i)	Specified Currency or Currencies:	[●]
	(ii)	Currency Fallback:	[Applicable/Not Applicable]
4		Aggregate Nominal Amount:	
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
5	(i)	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case offungible issues only, if applicable*)]
	(ii)	Net Proceeds:	[●] (*Required only for listed issues*)
6	(i)	Specified Denominations: (*In the case of Registered Notes, this means the minimum integral amount in which transfers can be made*)	[●]
			(*N.B. If an issue of Notes is to be (i) admitted to trading on a European Economic Area exchange; and/or (ii) offered to the public in the European Economic Area the minimum denomination of €100,000 is required.*)
			(*N.B. Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies.*)
	(ii)	Calculation Amount (*Applicable to Notes in definitive Form.*)	(*If only one Specified Denomination, insert the Specified Denomination.*
			If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

7	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[specify/Issue Date/Not Applicable] (*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.*)
8		Maturity Date:	[*Fixed rate—specify date/Floating rate—Interest Payment Date falling in or nearest to [specify month]*][1]
9		Interest Basis:	[[●] per cent. Fixed Rate] [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Dual Currency Interest] [*specify other*] (further particulars specified below)
10		Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Dual Currency Redemption] [Partly Paid] [Instalment] *[specify other]*
11		Change of Interest Basis or Redemption/Payment Basis:	[*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis*]
12		Put/Call Options:	[Change of Control Put] [Issuer Call] [(further particulars specified below)]
13	(a)	Status of the Notes:	Senior
	(b)	Date [Board] approval for issuance of Notes obtained:	[●] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes*)
14		Method of distribution:	[Syndicated/Non-syndicated]

Provisions Relating to Interest (if any) Payable

15		Fixed Rate Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate(s) of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/other (specify)] in arrear] (*If payable other than annually, consider amending Condition 5*)
	(ii)	Interest Payment Date(s):	[●] in each year up to and including the Maturity Date/[specify other] (*NB: This will need to be amended in the case of long or short coupons*)

	(iii)	Fixed Coupon Amount(s): (*Applicable to Notes in definitive form*)	[●] per Calculation Amount[2]
	(iv)	Broken Amount(s): (*Applicable to Notes in definitive form*)	[●] per Calculation Amount, payable on the Interest Payment Date falling on [●]
	(v)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA) or specify other]
	(vi)	Determination Date(s):	[●] in each year [*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon (NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration) (NB: Only relevant where Day Count Fraction is Actual/ Actual (ICMA))*]
	(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None/Give details]
16	Floating Rate Note Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Specified Period(s)/Specified Interest Payment Dates:	[●]
	(ii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ [*specify other*]]
	(iii)	Additional Business Centre(s):	[●]
	(iv)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination/specify other]
	(v)	Party responsible for calculating the Rate of interest and Interest Amount (if not the Agent):	
	(vi)	Screen Rate Determination:	
		• Reference Rate:	[●] (*Either LIBOR, EURIBOR or other, although additional information is required if other — including fallback provisions in the Agency Agreement*)

	• Interest Determination Date(s):	[●]
		(*Second day in London on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) prior to the start of each Interest Period if LIBOR (other than Sterling or Euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or Euro LIBOR*)
	• Relevant Screen Page:	[●]
		(*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
	(vii) ISDA Determination:	
	• Floating Rate Option:	[●]
	• Designated Maturity:	[●]
	• Reset Date:	[●]
	• ISDA Definitions	[2000/2006]
	(vii) Margin(s):	[+/-][●] per cent. per annum
	(ix) Minimum Rate of Interest:	[●] per cent. per annum
	(x) Maximum Rate of Interest:	[●] per cent. per annum
	(xi) Day Count Fraction:	[Actual/Actual (ISDA) Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA) [Other] (*See Condition 5 for alternatives*)
	(xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Accrual Yield:	[●] per cent. per annum
	(ii) Reference Price:	[●]

	(iii)	Any other formula/basis of determiningamount payable:	[●]
	(iv)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 7(e)(iii) and 7(j) apply/specify other] (*Consider applicable day count fraction if not U.S. dollar denominated*)
18	Index Linked Interest Note Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Index/Formula:	[*give or annex details*]
	(ii)	Calculation Agent:	[*give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)*]
	(iii)	Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent):	[●]
	(iv)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●] *[If appropriate, include a description of market disruption or settlement disruption events and adjustment provisions]*
	(v)	Specified Period(s)/Specified Interest Payment Dates:	[●]
	(vi)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ *specify other*]
	(vii)	Additional Business Centre(s):	[●]
	(viii)	Minimum Rate of Interest:	[●] per cent. per annum
	(ix)	Maximum Rate of Interest:	[●] per cent. per annum
	(x)	Day Count Fraction:	[●]
19	Dual Currency Interest Note Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate of Exchange/method of calculating Rate of Exchange:	[*give details*]
	(ii)	Party, if any, responsible for calculating the principal and/or interest due (if not the Agent):	[●]

(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●] [*If appropriate, include a description of market disruption or settlement disruption events and adjustment provisions*]
(iv)	Person at whose option Specified Currency(ies) is/are payable:	[●]

Provisions Relating to Redemption

20	Issuer Call:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[●] per Calculation Amount/*specify other*/see Appendix]
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[●]
	(b) Maximum Redemption Amount:	[●]
	(iv) Notice period (if other than as set out in the Conditions):	[●] (*N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
21	Change of Control Put:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	Notice period (if other than as set out in the Conditions):	[●] (*N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
22	Final Redemption Amount:	[[●] per Calculation Amount/specify other/see Appendix]

23	Early Redemption Amount payable on redemption for taxation reasons or on Event of Default and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)):	[[●] per Calculation Amount/*specify other*/see Appendix]

General Provisions Applicable to the Notes

24	Form of Notes:	[Bearer Notes: [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/ only upon an Exchange Event/at any time at the request of the Issuer]] [Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date] [Permanent Bearer Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/ only upon an Exchange Event/at any time at the request of the Issuer]] Registered Note ([●] nominal amount) registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a sub-custodian for the CMU]
25	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/*give details*] (*Note that this paragraph relates to the place of payment and not Interest Period end dates to which paragraphs 16(iii) and 18(vi) relate*)
26	Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	[Yes/No. *If yes, give details*]
27	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/*give details. NB: new forms of Global Notes may be required for Partly Paid issues.*]
28	Details relating to Instalment Notes:	
	(i) Instalment Amount(s):	[Not Applicable/*give details*]
	(ii) Instalment Date(s):	[Not Applicable/*give details*]

29	Redenomination applicable:	Redenomination [not] applicable (*if Redenomination is applicable, specify the terms of Redenomination in an Annex to the Pricing Supplement*)
30	Other final terms:	[Not Applicable/*give details*] (*Consider including a term providing for tax certification if required to enable interest to be paid gross by issuer.*)

Distribution

31	(i)	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	[*Not Applicable/give names [and addresses and underwriting commitments]] (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.*)
	(ii)	Date of [Subscription] Agreement:	[●]
	(iii)	Stabilising Manager (if any):	[Not Applicable/*give name*]
32		If non-syndicated, name of relevant Dealer:	[●]
33		Total commission and concession:	[●] per cent. of the Aggregate Notional Amount
34		U.S. Selling Restrictions:	[Reg. S Category 1; TEFRA D/TEFRA C/TEFRA not applicable]
35		Additional selling restrictions:	[Not Applicable/*give details*]

Purpose of Pricing Supplement

This Pricing Supplement comprise the final terms required for issue and admission to trading on the SGX-ST of the Notes described herein pursuant to the U.S.$2,000,000,000 Euro Medium Term Note Programme of Global Logistic Properties Limited.

Responsibility

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [*Relevant third party information in relation to an index or its components has been extracted from [specify source]*.] The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

By: ____________________________

Duly authorised

PART B
OTHER INFORMATION

1	**Listing and Admission to Trading**	[Application has been made by the Issuer (or on its behalf) for the Notes to be listed and quoted on the SGX-ST with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed and quoted on the SGX-ST with effect from [●].] [Not Applicable.]
2	**Ratings**	The Notes to be issued have been rated:
	Ratings:	[Moody's: [●]] [Fitch: [●]] [[Other]: [●] [*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*] (*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)
3	**Operational Information**	
	(i) ISIN Code:	[●]
	(ii) Common Code:	[●]
	(iii) CUSIP:	[●]
	(iv) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the CMU and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
	(v) Delivery:	Delivery [against/free of] payment
	(vi) Names and addresses of additional Fiscal Agent(s) (if any):	[●]

GENERAL INFORMATION

(1) The establishment of the Programme and the issue of Notes thereunder have been duly authorised by a resolution of the Board of Directors of the Issuer dated 25 April 2011 and the update of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 4 October 2014.

(2) Except as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Group since 30 June 2014 and no material adverse change in the financial position or prospects of the Group since 30 June 2014.

(3) The Issuer is not involved in any litigation, arbitration or administrative proceedings relating to claims which are material in the context of the issue of the Notes and, so far as it is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

(4) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

(5) Application has been made to the SGX-ST for permission to deal in and the listing and quotation of any Notes which are agreed at the time of issue to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or such Notes. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. The Notes will trade on the SGX-ST in a minimum board lot size of S$200,000 or its equivalent in other currencies so long as any of the Notes remain listed on the SGX-ST. There can be no assurance that an application to the SGX-ST for the listing and quotation of the Notes will be approved. So long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where such Notes may be presented or surrendered for payment or redemption, in the event that any of the Global Notes representing such Notes is exchanged for definitive Notes. In addition, if any of the Global Notes is exchanged for definitive Notes, announcement of such exchange shall be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

(6) For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Issuer and the specified office of the Paying Agents:

(i) the Agency Agreement;

(ii) the Programme Agreement;

(iii) the Deed of Covenant;

(iv) the Memorandum and Articles of Association of the Issuer;

(v) the audited consolidated financial statements of the Group in respect of the financial years ended 31 March 2013 and 2014;

(vi) the unaudited interim consolidated financial statements of the Group for the three-month periods ended 30 June 2013 and 2014; and

(vii) a copy of this Offering Circular together with any supplement (including any Pricing Supplement save that a Pricing Supplement relating to an unlisted series of Notes will only be available for inspection by a holder of any such Notes and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of Notes and identity) to this Offering Circular or further Offering Circular.

Copies of the documents referred to in sub-paragraphs (vi) to (vii) above will also be available free of charge during the hours referred to above from the specified office of the Paying Agents so long as any of the Notes is outstanding.

(7) The appropriate Common Code and ISIN for each Tranche of Notes and Notes to be listed on the SGX-ST allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. The relevant Issuer may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

(8) KPMG LLP have reviewed the unaudited interim consolidated financial statements of the Group for the three-month period ended 30 June 2014, without qualification, in accordance with Singapore Standards on Review Engagements 2410 — *Review of Interim Financial Information Performed by the Independent Auditor of the Entity.*

INDEX TO FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

Members of the Company
Global Logistic Properties Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Global Logistic Properties Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 March 2014, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 17 to 96.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2014 and the results, changes in equity and cash flows of the Group for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and Chartered Accountants

SINGAPORE
3 June 2014

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2014

	Note	GROUP 2014 US$'000	GROUP 2013 US$'000	COMPANY 2014 US$'000	COMPANY 2013 US$'000
Non-current assets					
Investment properties	4	**9,645,698**	8,721,995	**–**	–
Subsidiaries	5	**–**	–	**7,113,933**	6,646,824
Jointly-controlled entities	6	**1,328,761**	1,200,804	**–**	–
Deferred tax assets	7	**28,313**	25,382	**–**	–
Plant and equipment	8	**57,500**	13,985	**3,645**	1,168
Intangible assets	9	**491,198**	494,668	**–**	–
Other investments	10	**412,337**	366,307	**–**	–
Other non-current assets	11	**111,682**	105,977	**–**	–
		12,075,489	10,929,118	**7,117,578**	6,647,992
Current assets					
Financial derivative assets	12	**3,452**	6,891	**3,452**	6,891
Trade and other receivables	13	**382,228**	304,099	**1,077,964**	878,131
Cash and cash equivalents	14	**1,485,961**	1,957,457	**142,004**	927,245
Asset classified as held for sale	15	**–**	49,977	**–**	–
		1,871,641	2,318,424	**1,223,420**	1,812,267
Total assets		**13,947,130**	13,247,542	**8,340,998**	8,460,259
Equity attributable to owners of the Company					
Share capital	16	**6,278,812**	6,274,886	**6,278,812**	6,274,886
Capital securities	16	**595,375**	595,844	**595,375**	595,844
Reserves	17	**1,883,568**	1,527,549	**775,405**	862,630
		8,757,755	8,398,279	**7,649,592**	7,733,360
Non-controlling interests	18	**1,175,230**	648,388	**–**	–
Total equity		**9,932,985**	9,046,667	**7,649,592**	7,733,360
Non-current liabilities					
Loans and borrowings	19	**2,449,385**	2,786,701	**626,485**	632,539
Financial derivative liabilities	12	**8,321**	19,778	**–**	–
Deferred tax liabilities	7	**656,708**	544,519	**–**	–
Other non-current liabilities	20	**160,159**	173,070	**100**	102
		3,274,573	3,524,068	**626,585**	632,641
Current liabilities					
Loans and borrowings	19	**143,058**	95,442	**–**	–
Trade and other payables	21	**575,976**	529,224	**64,820**	91,501
Financial derivative liabilities	12	**4,444**	3,648	**–**	–
Current tax payable		**16,094**	48,493	**1**	2,757
		739,572	676,807	**64,821**	94,258
Total liabilities		**4,014,145**	4,200,875	**691,406**	726,899
Total equity and liabilities		**13,947,130**	13,247,542	**8,340,998**	8,460,259

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2014

	Note	GROUP 2014 US$'000	GROUP 2013 US$'000
Revenue	23	**598,288**	642,094
Other income	24	**7,901**	6,949
Property-related expenses		**(105,404)**	(104,794)
Other expenses		**(136,248)**	(119,403)
		364,537	424,846
Share of results (net of tax expense) of jointly-controlled entities		**140,334**	164,852
Profit from operating activities after share of results of jointly-controlled entities		**504,871**	589,698
Net finance costs	25	**(76,160)**	(66,725)
Non-operating income	26	**4,992**	9,167
Profit before changes in fair value of investment properties		**433,703**	532,140
Changes in fair value of investment properties		**408,519**	309,560
Profit before tax	26	**842,222**	841,700
Tax expense	27	**(132,251)**	(126,421)
Profit for the year		**709,971**	715,279
Profit attributable to:			
Owners of the Company		**685,150**	684,281
Non-controlling interests		**24,821**	30,998
Profit for the year		**709,971**	715,279
Earnings per share (US cents)			
- Basic	28	**13.71**	13.99
- Diluted	28	**13.67**	13.95

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2014

	GROUP 2014 US$'000	2013 US$'000
Profit for the year	**709,971**	715,279
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	**(135,165)**	(420,905)
Effective portion of changes in fair value of cash flow hedges[1]	**8,549**	(21,337)
Change in fair value of available-for-sale financial investments	**32,780**	159,648
Share of other comprehensive income of jointly-controlled entities	**(50,724)**	8,621
Other comprehensive income for the year[2]	**(144,560)**	(273,973)
Total comprehensive income for the year	**565,411**	441,306
Total comprehensive income attributable to:		
Owners of the Company	**544,658**	405,714
Non-controlling interests	**20,753**	35,592
Total comprehensive income for the year	**565,411**	441,306

1 Includes income tax effects of US$450,000 (2013: US$1,123,000), refer to Note 7.

2 Except for income tax effects relating to effective portion of changes in fair value of cash flow hedges, there are no income tax effects relating to other components of other comprehensive income.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2014

GROUP	Share capital US$'000	Capital securities US$'000	Capital reserve US$'000	Equity compensation reserve US$'000	Currency translation reserve US$'000	Hedging reserve US$'000	Fair value reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total attributable to owners of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 April 2012	5,942,724	590,115	78,098	5,755	418,734	(5,940)	(23,608)	(699,778)	1,481,805	7,787,905	520,322	8,308,227
Total comprehensive income for the year												
Profit for the year	–	–	–	–	–	–	–	–	684,281	684,281	30,998	715,279
Other comprehensive income												
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	–	–	–	–	(425,499)	–	–	–	–	(425,499)	4,594	(420,905)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(21,337)	–	–	–	(21,337)	–	(21,337)
Change in fair value of available-for-sale financial investments	–	–	–	–	–	–	159,648	–	–	159,648	–	159,648
Share of other comprehensive income of jointly-controlled entities	–	–	–	–	12,092	(3,471)	–	–	–	8,621	–	8,621
Total other comprehensive income	–	–	–	–	(413,407)	(24,808)	159,648	–	–	(278,567)	4,594	(273,973)
Total comprehensive income for the year	–	–	–	–	(413,407)	(24,808)	159,648	–	684,281	405,714	35,592	441,306
Transactions with owners, recorded directly in equity												
Issue of ordinary shares, net of transaction costs	332,162	–	–	(1,645)	–	–	–	–	–	330,517	–	330,517
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	–	–	–	29,618	29,618
Capital securities distribution paid	–	(27,456)	–	–	–	–	–	–	–	(27,456)	–	(27,456)
Accrued capital securities distribution	–	33,185	–	–	–	–	–	–	(33,185)	–	–	–
Acquisition of interests in subsidiaries	–	–	1,327	–	–	–	–	–		1,327	85,050	86,377
Acquisition of interests in subsidiaries from non-controlling interests	–	–	1,713	–	–	–	–	–	–	1,713	(33,205)	(31,492)
Reclassification from assets held for sale (Note 15)	–	–	–	–	–	–	–	–	–	–	11,011	11,011
Share-based payment transactions	–	–	–	6,492	–	–	–	–	–	6,492	–	6,492
Tax-exempt (one-tier) dividends paid of S$0.03 per share	–	–	–	–	–	–	–	–	(107,933)	(107,933)	–	(107,933)
Total contribution by and distribution to owners	332,162	5,729	3,040	4,847	–	–	–	–	(141,118)	204,660	92,474	297,134
Transfer to reserves	–	–	44	–	–	–	–	–	(44)	–	–	–
At 31 March 2013	6,274,886	595,844	81,182	10,602	5,327	(30,748)	136,040	(699,778)	2,024,924	8,398,279	648,388	9,046,667

GROUP	Share capital US$'000	Capital securities US$'000	Capital reserve US$'000	Equity compensation reserve US$'000	Currency translation reserve US$'000	Hedging reserve US$'000	Fair value reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total attributable to owners of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 April 2013	6,274,886	595,844	81,182	10,602	5,327	(30,748)	136,040	(699,778)	2,024,924	8,398,279	648,388	9,046,667
Total comprehensive income for the year												
Profit for the year	–	–	–	–	–	–	–	–	685,150	685,150	24,821	709,971
Other comprehensive income												
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	–	–	–	–	(131,097)	–	–	–	–	(131,097)	(4,068)	(135,165)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	8,549	–	–	–	8,549	–	8,549
Change in fair value of available-for-sale financial investments	–	–	–	–	–	–	32,780	–	–	32,780	–	32,780
Share of other comprehensive income of jointly-controlled entities	–	–	–	–	(51,608)	884	–	–	–	(50,724)	–	(50,724)
Total other comprehensive income	–	–	–	–	(182,705)	9,433	32,780	–	–	(140,492)	(4,068)	(144,560)
Total comprehensive income for the year	–	–	–	–	(182,705)	9,433	32,780	–	685,150	544,658	20,753	565,411
Transactions with owners, recorded directly in equity												
Issue of ordinary shares under Share Plan, net of transaction costs	3,926	–	–	(3,926)	–	–	–	–	–	–	–	–
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	–	–	–	12,118	12,118
Capital securities distribution paid	–	(33,172)	–	–	–	–	–	–	–	(33,172)	–	(33,172)
Accrued capital securities distribution	–	32,703	–	–	–	–	–	–	(32,703)	–	–	–
Acquisition of interests in subsidiaries from non-controlling interests	–	–	(1,692)	–	–	–	–	–	–	(1,692)	(22,771)	(24,463)
Disposal of assets classified as held for sale (Note 15)	–	–	–	–	1,686	–	–	–	–	1,686	–	1,686
Disposal of interest in subsidiaries to non-controlling interests	–	–	(6,713)	–	(3,519)	–	–	–	–	(10,232)	516,742	506,510
Share-based payment transactions	–	–	–	8,390	–	–	–	–	–	8,390	–	8,390
Tax-exempt (one-tier) dividends paid of S$0.04 per share	–	–	–	–	–	–	–	–	(150,162)	(150,162)	–	(150,162)
Total contribution by and distribution to owners	3,926	(469)	(8,405)	4,464	(1,833)	–	–	–	(182,865)	(185,182)	506,089	320,907
Transfer to reserves	–	–	3,020	–	–	–	–	–	(3,020)	–	–	–
At 31 March 2014	6,278,812	595,375	75,797	15,066	(179,211)	(21,315)	168,820	(699,778)	2,524,189	8,757,755	1,175,230	9,932,985

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2014

	Note	2014 US$'000	2013 US$'000
Cash flows from operating activities			
Profit before tax		**842,222**	841,700
Adjustments for:			
Depreciation of plant and equipment		**5,032**	3,046
Amortisation of intangible assets		**3,452**	3,455
Gain on disposal of subsidiaries		**(64)**	(1,128)
Loss on disposal of plant and equipment		**603**	69
Gain on disposal of assets held for sale		**(4,994)**	(6,834)
Gain on disposal of investment properties		**-**	(173)
Loss/(negative goodwill) on acquisition of subsidiaries and jointly-controlled entities		**137**	(1,018)
Share of results (net of income tax) of jointly-controlled entities		**(140,334)**	(164,852)
Changes in fair value of investment properties		**(408,519)**	(309,560)
Recognition of impairment losses on trade and other receivables		**731**	1,008
Equity settled share-based payment transactions		**8,390**	6,492
Net finance costs		**76,160**	66,725
		382,816	438,930
Changes in working capital:			
Trade and other receivables		**(38,268)**	(88,092)
Trade and other payables		**(68,967)**	117,615
Cash generated from operations		**275,581**	468,453
Tax paid		**(12,398)**	(36,171)
Net cash from operating activities		**263,183**	432,282
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	29	**(26,414)**	(149,232)
Acquisition of non-controlling interests		**(23,821)**	(31,492)
Development expenditure on investment properties		**(893,077)**	(812,268)
Proceeds from disposal of investment properties		**–**	634
Disposal of subsidiaries, net of cash disposed	29	**4,026**	(173)
Proceeds from disposal of assets held for sale		**338,037**	2,645,608
Loans to jointly-controlled entities		**(675)**	(1,456)
Contribution to jointly-controlled entities		**(95,412)**	(491,673)
Proceeds from disposal of plant and equipment		**1,798**	3
Deposits paid for acquisition of investment properties		**–**	(3,426)
Payments for purchase of plant and equipment		**(52,172)**	(6,074)
Acquisition of other investments		**(35,814)**	(198,864)
Interest income received		**9,220**	12,218
Dividends received from jointly-controlled entities		**31,861**	11,776
Withholding tax paid on dividend income from subsidiaries		**(41,340)**	(21,167)
Net cash (used in)/from investing activities		**(275,345)**	954,414
Cash flows from financing activities			
Net proceeds from issue of ordinary shares		**–**	330,517
Capital contribution from non-controlling interests		**12,118**	29,618
Proceeds from disposal of interests in subsidiaries to non-controlling interests		**508,438**	–
Proceeds from bank loans		**121,191**	566,976
Repayment of bank loans		**(232,829)**	(575,699)
Proceeds from issue of bonds, net of transation costs		**17,101**	962,427
Redemption of bonds		**(82,370)**	(2,071,965)
Settlement of financial derivative liabilities		**(1,542)**	(3,411)
Repayment of loans from jointly-controlled entities		**(405)**	(79)
Interest paid		**(84,991)**	(108,379)
Capital securities distribution		**(33,172)**	(27,456)
Dividends paid		**(150,162)**	(107,933)
Net cash used in financing activities		**(435,061)**	(1,005,384)
Net (decrease)/increase in cash and cash equivalents		**(447,223)**	381,312
Cash and cash equivalents at beginning of year		**1,957,457**	1,616,112
Effect of exchange rate changes on cash balances held in foreign currencies		**(24,273)**	(39,967)
Cash and cash equivalents at end of year	14	**1,485,961**	1,957,457

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 March 2014

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 3 June 2014.

1 DOMICILE AND ACTIVITIES

Global Logistic Properties Limited (the "Company") is incorporated in the Republic of Singapore and has its registered office at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623.

The principal activities of the Company and its subsidiaries are those of an investment holding and provision of distribution facilities and services respectively.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in jointly-controlled entities.

2 BASIS OF PREPARATION

(a) Statement of compliance

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") issued by the Singapore Accounting Standards Council.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain assets and liabilities which are measured at fair value as described below.

(c) Functional and presentation currency

The financial statements are presented in United States dollars ("US dollars" or "US$"), which is the Company's functional currency. All financial information presented in US dollars has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note 7 – Utilisation of tax losses

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 4 – Determination of fair value of investment properties

Note 9 – Measurement of recoverable amount of goodwill

Note 29 – Valuation of assets and liabilities acquired in business combination

Note 32 – Determination of fair value of financial instruments

(e) Changes in accounting policy

(i) Fair value measurement

FRS 113 *Fair Value Measurement* establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other FRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other FRSs, including FRS 107 *Financial Instruments: Disclosures.*

From 1 April 2013, in accordance with the transitional provisions of FRS 113, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Group's assets and liabilities. The additional disclosures necessary as a result of the adoption of this standard has been included in Note 32.

(ii) *Presentation of items of other comprehensive income*

From 1 April 2013, as a result of the amendments to FRS 1 *Presentation of Financial Statements*, the Group has modified the presentation of items of other comprehensive income in its statement of comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information has also been re-presented accordingly. The adoption of the amendment to FRS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

(i) *Business combinations*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities,that the Group incurs in connection with a business combination are expensed as incurred.

For non-controlling interests that are present ownership interest and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on a transaction-by-transaction basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value. If the business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

(ii) *Subsidiaries*

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Group's acquisition of those subsidiaries, which are special purpose vehicles established for the sole purpose of holding assets are primarily accounted for as acquisitions of assets.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(iii) *Special purpose entities*

The Group has established a number of special purpose entities ("SPE") for investment purposes. The Group may not have any direct or indirect shareholdings in these entities. A SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group, and the SPE's risks and rewards, the Group concludes that it controls the SPE. SPEs controlled by the Group were established under terms that impose strict limitations on the decision-making powers of the SPEs' management and that result in the Group receiving the majority of the benefits related to the SPEs' operations and net assets, being exposed to the majority of risks incident to the SPEs' activities, and retaining the majority of the residual or ownership risks related to the SPEs or their assets.

(iv) *Acquisitions of entities under common control*

For acquisition of entities under common control, the identifiable assets and liabilities were accounted for at their historical costs, in a manner similar to the "pooling-of-interests" method of accounting. Any excess or deficiency between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount recorded for the share capital acquired is recognised directly in equity.

(v) *Investments in jointly-controlled entities*

Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Jointly-controlled entities are accounted using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs. The Group's investments in jointly-controlled entities include goodwill identified on acquisition, net of any accumulated impairment losses.

The consolidated financial statements include the Group's share of the income, expenses and equity movements of jointly-controlled entities, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its interest in a jointly-controlled entity, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(vi) *Acquisitions of non-controlling interests*

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(vii) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(viii) *Accounting for subsidiaries and jointly-controlled entities by the Company*

Investments in subsidiaries and jointly-controlled entities are stated in the Company's statement of financial position at cost less accumulated impairment losses.

(b) **Foreign currencies**

(i) *Foreign currency transactions*

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency").

Transactions in foreign currencies are translated to the respective functional currencies of Group's entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical costs are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation (see 3.2(iii) below), or qualifying cash flow hedges, which are recognised in other comprehensive income.

(ii) *Foreign operations*

The assets and liabilities of foreign operations, including fair value adjustments arising from the acquisition, are translated to US dollars at exchange rates prevailing at the end of the reporting period. The income and expenses of foreign operations are translated to US dollars at exchange rates prevailing at the dates of the transactions. Fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve ("translation reserve") in equity. However, if the operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed off such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is transferred to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or jointly-controlled entity that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income, and are presented in the translation reserve in equity.

(iii) *Hedge of a net investment in foreign operation*

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the Company's functional currency (US dollars), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent the hedge is effective, and presented within equity in the foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed off, the relevant amount in the foreign currency translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

(c) **Financial instruments**

(i) *Non-derivative financial assets*

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables, except prepayments.

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the other categories of financial assets. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses (see Note 3.7) and foreign exchange differences on available-for-sale monetary items are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Investment in equity securities whose fair value cannot be reliably measured are measured at cost less impairment loss.

(ii) *Non-derivative financial liabilities*

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. Financial liabilities for contingent consideration payable in a business combination are recognised at the acquisition date. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies its non-derivative financial liabilities, comprising loans and borrowings and trade and other payables, into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

(iii) *Share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(iv) *Derivative financial instruments and hedging activities*

The Group holds derivative financial instruments mainly to hedge its interest rate risk exposures.

On initial designation of the derivative as the hedging instrument, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80% – 125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Cash flow hedges
When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the profit or loss.

When the hedged item is a non-financial asset, the amount accumulated in equity is included in the carrying amount of the asset when the asset is recognised. In other cases, the amount accumulated in equity is reclassified to profit or loss in the same period that the hedged item affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in equity is reclassified to profit or loss.

Other non-trading derivatives
When a derivative financial instrument is not held for trading, and is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in profit or loss.

(d) **Investment properties**
Investment properties are properties held either to earn rental income or for capital appreciation or both. Investment properties comprise completed investment properties, investment properties under re-development, properties under development and land held for development. They are not for sale in the ordinary course of business, used in the production or supply of goods or services, or for administrative purposes.

Land held for development represents lease prepayments for acquiring rights to use land in the People's Republic of China ("PRC") with periods ranging from 40 to 50 years. Such rights granted with consideration are recognised initially at acquisition cost.

(i) Completed investment properties and investment properties under re-development
Completed investment properties and investment properties under re-development are measured at fair value with any changes therein recognised in profit or loss. Rental income from investment properties is accounted for in the manner described in Note 3.12.

(ii) Properties under development and land held for development
Property that is being constructed or developed for future use as investment property is initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in profit or loss.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss is the difference between net disposal proceeds and the carrying amount of the property.

(e) **Plant and equipment**
Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure
is recognised as an expense in the period in which it is incurred.

Depreciation is recognised in profit or loss, from the date the asset is ready for its intended use, on a straight-line basis over the estimated useful lives of furniture, fittings and equipment ranging from 2 to 20 years.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if necessary, at each reporting date.

(f) **Intangible assets**
(i) Goodwill

For business combinations on or after 1 April 2010, the Group measures goodwill as at acquisition date based on the fair value of the consideration transferred (including the fair value of any previously-held equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the amount is negative, a bargain purchase gain is recognised in the profit or loss. Goodwill is subsequently measured at cost less accumulated impairment losses.

For acquisitions prior to 31 March 2010, goodwill is measured at cost less accumulated impairment loss. Negative goodwill is credited to profit or loss in the period of the acquisition.

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets. Goodwill arising on the acquisition of jointly-controlled entities is presented together with investments in jointly-controlled entities.

(ii) *Other intangible assets*

Other intangible assets that are acquired by the Group and have finite useful lives are measured at costs less accumulated amortisation and accumulated impairment losses.

(iii) *Amortisation*

Amortisation is calculated over the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most clearly reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives of intangible assets are as follows:

Trademarks	20 years
Non-competition	over the term of relevant agreement

(g) **Impairment**

(i) *Financial assets (including receivables)*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

All individually significant financial assets are assessed for specific impairment on an individual basis. All individually significant financial assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. The remaining financial assets that are not individually significant are collectively assessed for impairment by grouping together such instruments with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale financial asset are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than investment properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount are estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in jointly-controlled entity is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in a jointly-controlled entity is tested for impairment as a single asset when there is objective evidence that the investment may be impaired.

(h) **Non-current assets held for sale**

Non-current assets that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are measured in accordance with the Group's accounting policies. Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of jointly-controlled entities ceases once classified as held for sale or distribution.

(i) **Employee benefits**

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) *Employee leave entitlement*
Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

(iv) *Share-based payment*
For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the date of the grant. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is remeasured at each reporting date and at the date of settlement, with any changes in fair value recognised as an expense for the period.

The proceeds received from the exercise of the equity instruments, net of any directly attributable transaction costs, are credited to share capital when the equity instruments are exercised.

(j) **Provision**
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(k) **Leases**
When entities within the Group are lessees of an operating lease
Where the Group has the use of assets under operating leases, payments made under the leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

When entities within the Group are lessors of an operating lease
Assets subject to operating leases are included in investment properties (see Note 3.4).

(l) **Revenue recognition**
Rental income
Rental income receivable under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Management fee income
Management fee income is recognised in profit or loss as and when services are rendered.

Dividend income
Dividend income is recognised on the date that the Group's right to receive payment is established.

(m) **Government grants**
Grants that compensate the Group for expenses already incurred or for purpose of giving immediate financial support with no future related costs are recognised in profit or loss in the period in which it becomes receivable.

(n) **Finance income and expenses**

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on disposal of available-for-sale financial assets and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance costs depending on whether foreign currency movements are in a net gain or net loss position.

(o) **Tax**

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and equity accounted investees to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made

(p) **Earnings per share**

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, and the effects of all dilutive potential ordinary shares, which comprise awards of performance and restricted shares granted to employees.

(q) **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are reviewed and used by the management for strategic decision making and resources allocation.

(r) **Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

4 INVESTMENT PROPERTIES

	GROUP	
	2014	**2013**
	US$'000	**US$'000**
At 1 April	**8,721,995**	10,228,084
Additions	**936,842**	799,692
Disposals	**–**	(16,189)
Acquisition of subsidiaries	**55,149**	544,778
Disposal of subsidiaries	**(8,391)**	–
Borrowing cost capitalised	**3,982**	3,759
Changes in fair value	**408,519**	309,560
Reclassification to asset held for sale	**(289,229)**	(2,689,722)
Effect of movements in exchange rates	**(183,169)**	(457,967)
At 31 March	**9,645,698**	8,721,995
Comprising:		
Completed investment properties	**8,064,279**	7,034,297
Investment properties under re-development	**108,210**	269,794
Properties under development	**576,736**	620,976
Land held for development	**896,473**	796,928
	9,645,698	8,721,995

Investment properties reclassified as asset held for sale pertains to the 2 (2013:33) properties in Japan that were approved to be disposed to GLP J-REIT and stated at the agreed consideration. The disposals of these investment properties were completed in March 2014 (2013: January and February 2013) (Note 15).

Investment properties are held mainly for use by external customers under operating leases. Generally, the leases contain an initial non-cancellable period of one to twenty years. Subsequent renewals are negotiated with the lessees. There are no contingent rents arising from the lease of investment properties.

Investment properties with carrying value totalling approximately US$5,114,451,000 as at 31 March 2014 (2013: US$5,808,200,000) were mortgaged to banks and bondholders to secure credit facilities for the Group (Note 19). Interest capitalised as costs of investment properties amounted to approximately US$3,982,000 (2013: US$3,759,000) during the year.

In determining fair value, a combination of approaches were used, including the direct comparison, income capitalisation, discounted cash flow and residual approaches. The direct comparison approach involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The income capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates, the income stream used is adjusted to market rentals currently being achieved within comparable investment properties and recent leasing transactions achieved within the investment property. The discounted cash flow approach requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements. The residual approach values properties under development and land held for development by reference to its development potential and deducting development costs to be incurred, together with developers' profit margin, assuming it was completed as at the date of valuation.

In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

Investment properties with fair value of US$9,645,698,000 (2013: US$8,721,995,000) as at 31 March 2014 were measured based on valuation by independent valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the respective investment property being valued.

5 SUBSIDIARIES

	Note	COMPANY 2014 US$'000	COMPANY 2013 US$'000
Unquoted equity shares, at cost		**6,647,972**	5,697,812
Loans to subsidiaries:			
- Interest-free	(a)	**465,961**	949,012
		7,113,933	6,646,824

(a) The interest-free loans to subsidiaries are unsecured. The settlement of these amounts is neither planned nor likely to occur in the foreseeable future. As these amounts are, in substance, a part of the Company's net investment in subsidiaries, they are stated at cost less accumulated impairment losses.

(b) Details of significant subsidiaries are set out in Note 35.

6 JOINTLY-CONTROLLED ENTITIES

	GROUP 2014 US$'000	GROUP 2013 US$'000
Interests in jointly-controlled entities	**1,328,761**	1,200,804

See Note 35 for details of significant jointly-controlled entities.

The following amounts represent the Group's proportionate share of results, assets and liabilities of the jointly- controlled entities:

	GROUP 2014 US$'000	GROUP 2013 US$'000
Assets and liabilities		
Non-current assets	**2,072,602**	1,902,266
Current assets	**156,583**	186,466
Total assets	**2,229,185**	2,088,732
Non-current liabilities	**(670,583)**	(730,101)
Current liabilities	**(247,583)**	(171,070)
Total liabilities	**(918,166)**	(901,171)
Results		
Revenue	**97,931**	100,391
Changes in fair value of investment properties (net of tax)	**109,037**	115,325
Expenses	**(66,634)**	(50,864)
Profit for the year	**140,334**	164,852
Capital commitments in relation to interests in jointly-controlled entities	**378,492**	462,958
Proportionate interest in jointly-controlled entities' commitments	**24,114**	157,617

7 DEFERRED TAX

Movements in deferred tax assets and liabilities during the year are as follows:

GROUP	At 1 April US$'000	Acquisition of subsidiaries US$'000	Effect of movements in exchange rates US$'000	Recognised in other comprehensive income US$'000	Recognised in profit or loss (Note 27) US$'000	At 31 March US$'000
2014						
Deferred tax assets						
Unutilised tax losses	15,347	–	132	–	2,409	**17,888**
Investment properties	6,239	–	(445)	–	(1,154)	**4,640**
Interest rate swaps	1,171	–	(82)	(450)	(1)	**638**
Others	3,675	–	(112)	–	2,340	**5,903**
	26,432	–	(507)	(450)	3,594	**29,069**
Deferred tax liabilities						
Investment properties	(540,089)	(203)	2,878	–	(112,284)	**(649,698)**
Others	(5,480)	–	432	–	(2,718)	**(7,766)**
	(545,569)	(203)	3,310	–	(115,002)	**(657,464)**
Total	(519,137)	(203)	2,803	(450)	(111,408)	**(628,395)**
2013						
Deferred tax assets						
Unutilised tax losses	12,974	205	99	–	2,069	15,347
Investment properties	6,013	–	(920)	–	1,146	6,239
Interest rate swaps	593	–	(169)	1,123	(376)	1,171
Others	3,262	–	(173)	–	586	3,675
	22,842	205	(1,163)	1,123	3,425	26,432
Deferred tax liabilities						
Investment properties	(443,403)	(49,806)	4,691	–	(51,571)	(540,089)
Others	(4,635)	–	747	–	(1,592)	(5,480)
	(448,038)	(49,806)	5,438	–	(53,163)	(545,569)
Total	(425,196)	(49,601)	4,275	1,123	(49,738)	(519,137)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the statement of financial position as follows:

	GROUP	
	2014 US$'000	2013 US$'000
Deferred tax assets	**28,313**	25,382
Deferred tax liabilities	**(656,708)**	(544,519)

Deferred tax assets have not been recognised in respect of the following items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom:

	GROUP	
	2014 US$'000	2013 US$'000
Tax losses	**140,445**	117,857

Tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. Unrecognised tax losses amounting to US$140,445,000 (2013: US$117,857,000) will expire within 1 to 5 years.

8 PLANT AND EQUIPMENT

GROUP	Furniture, fittings and equipment US$'000	Software under development US$'000	Total US$'000
Cost			
At 1 April 2012	15,013	–	15,013
Additions	6,074	–	6,074
Acquisition of subsidiaries	4,164	–	4,164
Disposals	(174)	–	(174)
Effect of movements in exchange rates	(462)	–	(462)
At 31 March 2013	24,615	–	24,615
Additions	50,810	1,362	52,172
Acquisition of subsidiaries	6	–	6
Disposals	(3,350)	–	(3,350)
Effect of movements in exchange rates	(1,254)	–	(1,254)
At 31 March 2014	**70,827**	**1,362**	**72,189**
Accumulated depreciation			
At 1 April 2012	6,904	–	6,904
Depreciation charge for the year	3,046	–	3,046
Acquisition of subsidiaries	820	–	820
Disposals	(102)	–	(102)
Effect of movements in exchange rates	(38)	–	(38)
At 31 March 2013	10,630	–	10,630
Depreciation charge for the year	5,032	–	5,032
Acquisition of subsidiaries	6	–	6
Disposals	(949)	–	(949)
Effect of movements in exchange rates	(30)	–	(30)
At 31 March 2014	**14,689**	**–**	**14,689**
Carrying amounts			
At 1 April 2012	8,109	–	8,109
At 31 March 2013	13,985	–	13,985
At 31 March 2014	**56,138**	**1,362**	**57,500**

COMPANY	Furniture, fittings and equipment US$'000	Software under development US$'000	Total US$'000
Cost			
At 1 April 2012	1,282	–	1,282
Additions	292	–	292
At 31 March 2013	1,574	–	1,574
Additions	1,886	1,362	3,248
Disposals	(496)	–	(496)
At 31 March 2014	**2,964**	**1,362**	**4,326**
Accumulated depreciation			
At 1 April 2012	144	–	144
Depreciation charge for the year	262	–	262
At 31 March 2013	406	–	406
Depreciation charge for the year	704	–	704
Disposals	(429)	–	(429)
At 31 March 2014	**681**	**–**	**681**
Carrying amounts			
At 1 April 2012	1,138	–	1,138
At 31 March 2013	1,168	–	1,168
At 31 March 2014	**2,283**	**1,362**	**3,645**

9 INTANGIBLE ASSETS

GROUP	Goodwill US$'000	Trademark US$'000	Non-competition US$'000	Total US$'000
Cost				
At 1 April 2012	455,367	40,690	7,100	503,157
Effect of movements in exchange rates	–	(35)	–	(35)
At 31 March 2013	455,367	40,655	7,100	503,122
Effect of movements in exchange rates	–	(18)	–	(18)
At 31 March 2014	**455,367**	**40,637**	**7,100**	**503,104**
Accumulated amortisation				
At 1 April 2012	–	2,937	2,062	4,999
Amortisation for the year	–	2,035	1,420	3,455
At 31 March 2013	–	4,972	3,482	8,454
Amortisation for the year	–	2,032	1,420	3,452
At 31 March 2014	**–**	**7,004**	**4,902**	**11,906**
Carrying amounts				
At 1 April 2012	455,367	37,753	5,038	498,158
At 31 March 2013	455,367	35,683	3,618	494,668
At 31 March 2014	**455,367**	**33,633**	**2,198**	**491,198**

Impairment test for goodwill

For the purpose of goodwill impairment testing, the aggregate carrying amount of goodwill allocated to each cash- generating unit ("CGU") as at 31 March 2014 and the key assumptions used in the calculation of recoverable amounts in respect of terminal growth rate and discount rate are as follows:

	Carrying amount		Discount rate		Terminal growth rate	
GROUP	2014 US$'000	2013 US$'000	2014 %	2013 %	2014 %	2013 %
GLP China[1]	**254,114**	254,114	8.5	8.0	3.0	3.0
GLP Japan[2]	**141,467**	141,467	5.0	5.0	1.0	1.0
Airport City Development Group ("ACL Group")	**59,786**	59,786	8.5	8.0	3.0	3.0
Total	**455,367**	455,367				

1 Relates to the leasing of logistic facilities and provision of asset management services in China and excludes the ACL Group.
2 Relates to the leasing of logistic facilities and provision of asset management services in Japan.

The recoverable amount of the CGUs is determined based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecasts approved by management covering five years. Cash flows beyond these periods are extrapolated using the estimated terminal growth rates stated in the table above. The discount rate applied is the weighted average cost of capital from the relevant business segment.

The terminal growth rate used for each CGU does not exceed management's expectation of the long term average growth rate of the respective industry and country in which the CGU operates.

The Group believes that any reasonably possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount.

10 OTHER INVESTMENTS

	GROUP	
	2014 US$'000	2013 US$'000
Available-for-sale investments	**412,337**	366,307

Available-for-sale investments mainly comprise a 15% (2013: 15%) equity interest in GLP J-REIT which is listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange and 19.9% (2013: 19.9%) equity interest in Shenzhen Chiwan Petroleum Supply Base Co., Ltd. ("SCPSB"), which is listed on the Shenzhen Stock Exchange. During the year, the Group acquired additional shares in GLP J-REIT for a consideration of JPY3,585,738,000 (equivalent to approximately US$35,814,000) in September 2013. These investments were stated at their fair values at the reporting date.

The Group's exposure to credit and market risks and fair value information related to other investments are disclosed in Notes 31 and 32.

11 OTHER NON-CURRENT ASSETS

	GROUP	
	2014 US$'000	2013 US$'000
Trade receivables	**24,377**	22,029
Deposits	**2,673**	2,459
Prepayments	**7,275**	5,955
Amounts due from:		
- jointly-controlled entities	**24,423**	30,573
- an investee entity	**52,657**	44,689
Others	**277**	272
	111,682	105,977

Trade receivables comprise non-current rent receivables. Management has assessed that no allowance for impairment losses is required in respect of the Group's non-current rent receivables.

The amounts due from jointly-controlled entities and an investee entity arose from the transfer of tenant security deposits to these entities.

12 FINANCIAL DERIVATIVE INSTRUMENTS

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Financial derivative assets				
Forward foreign exchange contracts (current)	**3,452**	6,891	**3,452**	6,981
Financial derivative liabilities				
Interest rate swaps (non-current)	**(8,321)**	(19,778)	**–**	–
Interest rate swaps (current)	**(4,444)**	(3,648)	**–**	–
	(12,765)	(23,426)	**–**	–

13 TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Trade receivables	**62,944**	27,915	**–**	–
Impairment losses	**(2,101)**	(1,464)	**–**	–
Net trade receivables	**60,843**	26,451	**–**	–
Amounts due from subsidiaries (non-trade and interest-bearing)	**–**	–	**1,076,455**	870,489
Amounts due from jointly-controlled entities:				
- trade	**46,885**	20,560	**–**	–
- non-trade and interest-free	**6,275**	37,110	**359**	250
Amount due from a related party (non-trade and interest-free)	**–**	1,037	**–**	1,037
Amounts due from an investee entity:				
- trade	**9,045**	4,477	**–**	–
- non-trade and interest-free	**11,824**	12,903	**–**	–
Amounts due from non-controlling interests (non-trade and interest-free)	**6,389**	6,804	**–**	–
Loans to jointly-controlled entities	**3,988**	6,530	**–**	3,174
	84,406	89,421	**1,076,814**	874,950
Deposits	**93,385**	95,549	**200**	255
Other receivables	**40,915**	26,186	**443**	2,485
Impairment losses	**(113)**	(10)	**–**	–
	40,802	26,176	**443**	2,485
Prepayments	**102,792**	66,502	**507**	441
	382,228	304,099	**1,077,964**	878,131

The non-trade amounts due from subsidiaries, jointly-controlled entities, an investee entity and non-controlling interests are unsecured and repayable on demand. The effective interest rates of non-trade amounts due from subsidiaries at the reporting date is 3.38% to 4.79% (2013: 3.38% to 4.79%) per annum.

The amount due from a related party and loan from the Company to a jointly-controlled entity were unsecured, interest- free and repaid in full in March 2014. The loan by a subsidiary to a jointly-controlled entity is unsecured, bears fixed interest at the reporting date of 4.0% (2013: 6.40%) per annum.

Deposits include an amount of US$92,379,000 (2013: US$94,877,000) in relation to the acquisition of new investments. Other receivables comprise principally interest receivables and other recoverables. Prepayments include prepaid construction costs of US$94,189,000 (2013: US$53,918,000).

(a) The maximum exposure to credit risk for loans and receivables at the reporting date (by country) is:

	Gross 2014 US$'000	Allowance for doubtful receivables 2014 US$'000	Gross 2013 US$'000	Allowance for doubtful receivables 2013 US$'000
GROUP				
PRC	**206,640**	**(2,214)**	187,750	(1,474)
Japan	**38,134**	**–**	23,563	–
Singapore	**36,349**	**–**	27,312	–
Others	**527**	**–**	446	–
	281,650	**(2,214)**	239,071	(1,474)
COMPANY				
Singapore	**1,077,457**	**–**	877,690	–

(b) The ageing of loans and receivables at the reporting date is:

	Gross 2014 US$'000	Allowance for doubtful receivables 2014 US$'000	Gross 2013 US$'000	Allowance for doubtful receivables 2013 US$'000
GROUP				
Not past due	**250,282**	**–**	208,587	–
Past due 1 – 30 days	**15,444**	**–**	11,099	–
Past due 31 – 90 days	**10,234**	**–**	4,292	–
More than 90 days	**5,690**	**(2,214)**	15,093	(1,474)
	281,650	**(2,214)**	239,071	(1,474)
COMPANY				
Not past due	**1,077,457**	**–**	877,690	–

The Group's historical experience in the collection of accounts receivables falls within the recorded allowances. The Group believes that no additional credit risk beyond the amounts provided for collection losses is inherent in the Group's trade receivables, based on historical payment behaviours and the security deposits held.

The majority of the trade receivables are mainly from tenants that have good credit records with the Group. The allowance account in respect of trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts are considered irrecoverable and are written off against the financial asset directly.

(c) The movement in allowances for impairment losses in respect of loans and receivables during the year is as follows:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
At April 1	**1,474**	263	**–**	–
Impairment losses recognised	**731**	1,008	**–**	–
Acquisition of subsidiaries	**–**	192	**–**	–
Effect of movements in exchange rates	**9**	11	**–**	–
At March 31	**2,214**	1,474	**–**	–

14 CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Fixed deposits	246,974	744,562	90,356	642,485
Cash at bank	1,238,987	1,212,895	51,648	284,760
Cash and cash equivalents in the statement of cash flows	1,485,961	1,957,457	142,004	927,245

The effective interest rates relating to fixed deposits and certain cash at bank balances at the reporting date for the Group and Company ranged from 0.03% to 3.05% (2013: 0.03% to 3.05%) and 0.05% to 2.60% (2013: 0.05% to 2.57%) per annum respectively. Interest rates reprice at intervals of one to twelve months.

15 ASSET CLASSIFIED AS HELD FOR SALE

	GROUP	
	2014 US$'000	2013 US$'000
Asset classified as held for sale	–	49,977

In September 2013, the Group entered into a sale and purchase agreement with GLP J-REIT, to dispose 2 properties located in Japan to the investee for a consideration of US$289.2 million (Note 4). The sale was completed in March 2014.

During the previous financial year, the Group entered into a sale and purchase agreement with a third party to dispose its 50% equity interests in a jointly-controlled entity. The Group had two subsidiaries in which the jointly-controlled entity held the remaining 30% equity interests, and the Group's 15% effective interests in these two subsidiaries amounting to US$11,011,000 was reclassified to non-controlling interests. The sale was completed in August 2013.

16 SHARE CAPITAL, CAPITAL SECURITIES AND CAPITAL MANAGEMENT

(a) Share capital

	No. of shares	
	2014 '000	2013 '000
Fully paid ordinary shares, with no par value:		
At April 1	**4,757,509**	4,596,267
Issued for cash	**–**	160,000
Issue of shares pursuant to the Restricted Share Plan	**2,617**	1,242
At March 31	**4,760,126**	4,757,509

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

(b) Capital securities

During the financial year ended 31 March 2012, the Company issued capital securities with a nominal amount of S$750,000,000 (equivalent to US$587,490,000) for cash. The capital securities are perpetual, subordinated and the distribution of 5.5% on the securities may be deferred at the sole discretion of the Company. As such, the perpetual capital securities are classified as equity instruments and recorded in equity in the statement of financial position. Transaction costs incurred in connection with the issuance of perpetual capital securities amounted to US$7,764,000. As at 31 March 2014, the Group has accrued capital securities distribution of US$32,703,000 (2013: US$33,185,000).

(c) Capital management

The Group's objectives when managing capital are to build a strong capital base so as to sustain the future developments of its business and to maintain an optimal capital structure to maximize shareholder's value. The Group defines "capital" as including all components of equity.

The Group's capital structure is regularly reviewed. Adjustments are made to the capital structure in light of changes in economic conditions, regulatory requirements and business strategies affecting the Group.

The Group also monitors capital using a net debt to equity ratio, which is defined as net borrowings divided by total equity (including non-controlling interests).

	GROUP	
	2014 US$'000	2013 US$'000
Gross borrowings	**2,592,443**	2,882,143
Less: Cash and cash equivalents	**(1,485,961)**	(1,957,457)
Net debt	**1,106,482**	924,686
Total equity	**9,932,985**	9,046,667
Net debt to equity ratio	**0.11**	0.10

The Group seeks to strike a balance between the higher returns that might be possible with higher levels of borrowings and the liquidity and security afforded by a sound capital position.

There were no changes in the Group's approach to capital management during the year.

Except for the requirement on the maintenance of statutory reserve fund by subsidiaries incorporated in the PRC, there are no externally imposed capital requirements.

17 RESERVES

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Capital reserve	**75,797**	81,182	**–**	–
Equity compensation reserve	**15,066**	10,602	**15,066**	10,602
Currency translation reserve	**(179,211)**	5,327	**–**	–
Hedging reserve	**(21,315)**	(30,748)	**–**	–
Fair value reserve	**168,820**	136,040	**–**	–
Other reserve	**(699,778)**	(699,778)	**–**	–
Retained earnings	**2,524,189**	2,024,924	**760,339**	852,028
	1,883,568	1,527,549	**775,405**	862,630

The capital reserve comprises mainly capital contributions from shareholders and the Group's share of the statutory reserve of its PRC-incorporated subsidiaries. Subsidiaries incorporated in the PRC are required by the Foreign Enterprise Law to contribute and maintain a non-distributable statutory reserve fund whose utilization is subject to approval by the relevant PRC authorities.

The equity compensation reserve comprises the cumulative value of employee services received for the issue of the shares under the Company's Performance Share Plan and Restricted Share Plan.

The currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Group's net investments in foreign operations.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

Other reserve comprises the pre-acquisition reserves of those common control entities that were acquired in connection with the group reorganization which occurred immediately prior to the initial public offering of the Company.

18 NON-CONTROLLING INTERESTS

	GROUP	
	2014 US$'000	2013 US$'000
Share of net assets of non-controlling shareholders	**1,175,230**	648,388

Share of net assets of non-controlling shareholders pertains to non-controlling shareholders of the Group's subsidiaries in the PRC.

19 LOANS AND BORROWINGS

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Non-current liabilities				
Secured bank loans	**751,408**	926,052	**–**	–
Secured bonds	**1,071,492**	1,228,110	**–**	–
Unsecured bonds	**626,485**	632,539	**626,485**	632,539
	2,449,385	2,786,701	**626,485**	632,539
Current liabilities				
Secured bank loans	**128,209**	76,910	**–**	–
Secured bonds	**14,849**	12,159	**–**	–
Unsecured bank loans	**–**	6,373	**–**	–
	143,058	95,442	**–**	–

(a) **Secured and unsecured bank loans**

The secured bank loans are secured by mortgages on the borrowing subsidiaries' investment properties with a carrying amount of US$2,916,856,000 (2013: US$3,426,204,000) (Note 4).

The effective interest rates for bank borrowings (taking into account the effects of interest rate swaps) ranged from 0.71% to 6.88% (2013: 0.77% to 7.76%) per annum.

Maturity of bank loans:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Within 1 year	**128,209**	83,283	**–**	–
From 1 to 5 years	**426,469**	538,783	**–**	–
After 5 years	**324,939**	387,269	**–**	–
After 1 year	**751,408**	926,052	**–**	–
	879,617	1,009,335	**–**	–

Analysis of bank loans by geographic regions:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
PRC	**606,471**	624,106	**–**	–
Japan	**273,146**	385,229	**–**	–
	879,617	1,009,335	**–**	–

(b) **Secured bonds**

The bonds are issued by certain subsidiaries in Japan and are fully secured by investment properties with carrying amounts of US$2,197,595,000 (2013: US$2,381,996,000) (Note 4) owned by these subsidiaries.

The effective interest rates as at 31 March 2014 for secured bonds (taking into account the effects of interest rate swaps) ranged from 0.61% to 2.04% (2013: 0.61% to 2.04%) per annum.

Maturity of secured bonds:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Within 1 year	**14,849**	12,159	**–**	–
From 1 to 5 years	**684,701**	767,931	**–**	–
After 5 years	**386,791**	460,179	**–**	–
After 1 year	**1,071,492**	1,228,110	**–**	–
	1,086,341	1,240,269	**–**	–

(c) **Unsecured bonds**

The bonds are issued by the Company and bear fixed interests ranging from 2.70% to 4.00% (2013: 2.70% to 4.00%) per annum.

Maturity of unsecured bonds:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
From 1 to 5 years	**480,716**	419,688	**480,716**	419,688
After 5 years	**145,769**	212,851	**145,769**	212,851
	626,485	632,539	**626,485**	632,539

20 OTHER NON-CURRENT LIABILITIES

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Security deposits received	**137,363**	150,535	**–**	–
Payables for acquisition of investment properties	**11,248**	11,136	**–**	–
Provision for reinstatement costs	**414**	409	**100**	102
Advance rental received	**11,134**	10,990	**–**	–
	160,159	173,070	**100**	102

21 TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Trade payables	**1,289**	2,802	**–**	–
Accrued development expenditure	**227,036**	168,967	**–**	–
Accrued operating expenses	**51,930**	41,782	**10,577**	10,030
Advance rental received	**34,919**	34,332	**–**	–
Security deposits received	**54,591**	39,042	**–**	–
Amounts due to:				
- subsidiaries (non-trade)	**–**	–	**46,948**	74,330
- non-controlling interests (trade)	**962**	1,672	**–**	–
- non-controlling interests (non-trade)	**40,316**	34,356	**–**	–
- jointly-controlled entities (non-trade)	**207**	7	**–**	–
Loan from a jointly-controlled entity	**–**	457	**–**	–
Interest payable	**10,643**	11,331	**7,235**	7,131
Consideration payable for acquisition of subsidiaries	**54,186**	87,604	**–**	–
Deposits received and accrued expenses for disposal of investment properties	**59,659**	59,063	**–**	–
Other payables	**40,238**	47,809	**60**	10
	575,976	529,224	**64,820**	91,501

The non-trade amounts due to subsidiaries, non-controlling interests and jointly-controlled entities are unsecured, interest-free and are repayable on demand.

The loan from a jointly-controlled entity was unsecured, repayable within 1 year and had an effective interest rate at reporting date of 6.40% (2012: 6.35%) per annum. The loan was repaid in full during the year.

Other payables relate principally to retention sums, advance payments received and amounts payable in connection with capital expenditure incurred.

22 EQUITY COMPENSATION BENEFITS

GLP Share Plans

The Company currently has share-based incentive plans, comprising the GLP Performance Share Plan ("GLP PSP") and the GLP Restricted Share Plan ("GLP RSP", together with GLP PSP, hereinafter referred to as the "GLP Share Plans"), whereby performance shares have been conditionally awarded to the employees of the Group. The GLP Share Plans are administered by the Company's Compensation Committee comprising Mr. Ang Kong Hua, Dr. Seek Ngee Huat and Dr. Dipak Chand Jain.

GLP PSP

This relates to compensation costs of the GLP PSP reflecting the benefits accruing to certain employees of the Group. Awards under the GLP PSP represent the right of a participant to receive fully paid shares free of charge, upon the achievement of prescribed performance conditions within the time period prescribed by the Compensation Committee. Awards are released once the performance conditions specified on the date on which the award is to be granted have been achieved. There is no vesting period beyond the performance achievement periods.

Details of the share awards under the GLP PSP are as follows:

	GROUP	
	2014 '000	2013 '000
At 1 April	**4,074**	1,073
Granted during the year	**2,697**	3,001
Lapsed during the year	**(105)**	–
Balance at 31 March	**6,666**	4,074

The fair value of shares are determined using Monte Carlo simulation at the measurement date which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory. The fair value and assumptions are set out below:

Year of Award	GROUP 2014	2013
Weighted average fair value at measurement date	**S$1.34**	S$1.07
Volatility from listing date to valuation date	**16.66%**	17.49%
Weighted average share price at grant date	**S$2.71**	S$2.12
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	**0.79%**	0.26%
Expected dividend yield	**1.67%**	1.19%

GLP RSP

This relates to compensation costs of the GLP RSP reflecting the benefits accruing to certain employees of the Group and directors of the Company over the service period to which the performance criteria relate. Awards under the GLP RSP represent the right of a participant to receive fully paid shares free of charge. Awards granted under the GLP RSP will be subject to vesting periods but, unlike awards granted under the performance share plan, will not be subject to performance targets.

Details of the share awards under the GLP RSP are as follows:

	GROUP 2014 '000	2013 '000
At 1 April	**6,425**	3,869
Granted during the year	**4,069**	4,064
Vested during the year	**(2,542)**	(1,316)
Lapsed during the year	**(175)**	(192)
Balance at 31 March	**7,777**	6,425

The fair value of shares are determined using Monte Carlo simulation at the measurement date which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory. The fair value and assumptions are set out below:

Year of Award	GROUP 2014	2013
Weighted average fair value at measurement date	**S$2.62**	S$2.07
Volatility from listing date to valuation date	**28.42%**	30.43%
Weighted average share price at grant date	**S$2.71**	S$2.12
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	**0.31% - 0.79%**	18% - 0.29%
Expected dividend yield	**1.67%**	1.19%

The Group recognised total expenses of US$8,390,000 (2013: US$6,492,000) related to equity settled share-based payment transactions during the year.

23 REVENUE

	GROUP 2014 US$'000	2013 US$'000
Rental and related income	**529,727**	602,384
Management fee income	**60,398**	36,911
Dividend income from other investments	**8,163**	2,799
	598,288	642,094

24 OTHER INCOME

	GROUP 2014 US$'000	2013 US$'000
Government grant	**5,345**	3,634
Utility income	**1,241**	2,465
Others	**1,315**	850
	7,901	6,949

25 NET FINANCE COSTS

	NOTE	GROUP 2014 US$'000	GROUP 2013 US$'000
Interest income on:			
- fixed deposits and cash at bank		**7,129**	6,804
- loans to non-controlling interests		**263**	167
- loans to jointly-controlled entities		**201**	2,664
- others		**27**	1,024
Interest income		**7,620**	10,659
Amortisation of transaction costs of bonds and bank loans		**(7,230)**	(14,913)
Interest expenses on:			
- bonds		**(36,965)**	(55,774)
- bank loans		**(43,092)**	(43,713)
- loans from non-controlling interests		**(2,083)**	(2,089)
- loan from a jointly-controlled entity		**(23)**	(116)
- others		**(3)**	(6)
Total borrowing costs		**(89,396)**	(116,611)
Less: Borrowing costs capitalised in investment properties	4	**3,982**	3,759
Net borrowing costs		**(85,414)**	(112,852)
Foreign exchange gain		**6,505**	24,459
Changes in fair value of financial derivatives		**(4,871)**	11,009
Net finance costs recognised in profit or loss		**(76,160)**	(66,725)

26 PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	GROUP 2014 US$'000	GROUP 2013 US$'000
(a) Non-operating income		
Gain on disposal of subsidiaries	**64**	1,128
Gain on disposal of investment properties	**–**	173
Gain on disposal of assets held for sale	**4,994**	6,834
(Loss)/negative goodwill on acquisition of subsidiaries	**(137)**	1,018
Loss on disposal of plant and equipment	**(603)**	(69)
Others	**674**	83
	4,992	9,167
(b) Staff costs		
Wages and salaries	**47,884**	(38,643)
Contributions to defined contribution plans, included in wages and salaries	**5,079**	(3,402)
Share-based expenses:		
- Directors	**(2,491)**	(2,155)
- Staff	**(5,899)**	(4,337)
	(8,390)	(6,492)
(c) Other expenses		
Depreciation of plant and equipment	**(5,032)**	(3,046)
Amortisation of intangible assets	**(3,452)**	(3,455)
Operating expenses arising from investment properties[1]	**(160,270)**	(147,775)
Recognition of impairment losses on trade and other receivables	**(731)**	(1,008)
Operating lease expense	**(6,570)**	(5,405)
Asset management fees	**(1,188)**	(1,375)
Audit fees paid to:		
- Auditors of the Company	**(834)**	(778)
- Overprovision of 2012 fees reversed in 2013	**–**	250
	(834)	(528)
- Other auditors	**(2,202)**	(2,066)
Non-audit fees paid to:		
- Auditors of the Company	**(677)**	(431)
- Other auditors	**(907)**	(1,923)

1 Comprise property-related expenses, wages and salaries, share-based expenses of staff, asset management fees and property management fees.

27 TAX EXPENSE

	GROUP 2014 US$'000	GROUP 2013 US$'000
Current tax	**20,031**	14,512
Withholding tax	**10,565**	60,700
(Overprovision)/underprovision of prior years tax	**(9,753)**	1,471
	20,843	76,683
Deferred tax		
Origination and reversal of temporary differences	**111,408**	49,738
	132,251	126,421

Reconciliation of expected to actual tax

	GROUP 2014 US$'000	GROUP 2013 US$'000
Profit before tax	**842,222**	841,700
Less: Share of results of jointly-controlled entities	**(140,334)**	(164,852)
Profit before share of results of jointly-controlled entities and tax expense	**701,888**	676,848
Tax expense using Singapore tax rate of 17%	**119,321**	115,064
Effect of tax rates in foreign jurisdictions	**7,930**	(55,697)
Net income not subjected to tax	**(362)**	(559)
Non-deductible expenses	**2,399**	3,163
Deferred tax assets not recognised	**7,424**	5,041
Recognition of previously unrecognised tax losses	**(5,749)**	(1,161)
Withholding tax on foreign-sourced income	**10,565**	60,700
(Overprovision)/underprovision of prior years tax	**(9,753)**	1,471
Others	**476**	(1,601)
	132,251	126,421

28 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the years ended 31 March 2014 and 2013 were based on the profit attributable to ordinary shareholders less accrued distribution to holders of capital securities of US$652,447,000 and US$651,096,000 and a weighted average number of ordinary shares outstanding of 4,759,273,000 and 4,655,616,000 respectively, calculated as follows:

	GROUP 2014 US$'000	GROUP 2013 US$'000
Profit attributable to ordinary shareholders	**685,150**	684,281
Less: Accrued distribution to holders of capital securities	**(32,703)**	(33,185)
	652,447	651,096

Weighted average number of ordinary shares

	GROUP Number of shares 2014 ('000)	GROUP Number of shares 2013 ('000)
Issued ordinary shares at April 1	4,757,509	4,596,267
Issue of ordinary shares during the year	–	58,692
Issue of shares under the GLP Share Plans	1,764	657
Weighted average number of shares at March 31	4,759,273	4,655,616

(b) Diluted earnings per share

The diluted earnings per share for the years ended 31 March 2014 and 2013 was based on the profit attributable to ordinary shareholders less accrued distribution to holders of capital securities of US$652,447,000 and US$651,096,000 and a weighted average number of ordinary shares outstanding of 4,772,091,000 and 4,665,762,000 respectively, calculated as follows:

	GROUP 2014 US$'000	GROUP 2013 US$'000
Profit attributable to ordinary shareholders	**685,150**	684,281
Less: Accrued distribution to holders of capital securities	**(32,703)**	(33,185)
	652,447	651,096

Weighted average number of ordinary shares (diluted)

	GROUP	
	Number of shares	
	2014 ('000)	2013 ('000)
Weighted average number of ordinary shares (basic)	**4,759,273**	4,655,616
Weighted average number of unissued ordinary shares from shares under the GLP Share Plans	**12,818**	10,146
Weighted average number of ordinary shares (diluted) at 31 March	**4,772,091**	4,665,762

29 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Acquisition of subsidiaries

The primary reason for the Group's acquisitions of subsidiaries is to expand its portfolio of investment properties held in the PRC.

(i) The list of subsidiaries acquired during the year ended 31 March 2014 is as follows:

Name of subsidiaries	Date acquired	Equity interest acquired %
GLP Hubei Greenfield Logistics Facilities Co., Ltd.	May 2013	100
Yachiyo Logistic TMK	June 2013	100
Soja Two Logistic Special Purpose Company ("SPC")	June 2013	100
Tomisato Two Logistic SPC	June 2013	100
Kobe Nishi Logistic TMK (f.k.a Shiodome Nine Logistic SPC)	June 2013	100
Shiodome Ten Logistic SPC	June 2013	100
Vailog HK SPV 4 Limited	October 2013	90
Weilong (Shenyang) Storage Services Co., Ltd	October 2013	90
Shanghai Apeloa Pharmaceutical Research Co., Ltd	March 2014	55.88
Buffalo Logistic Limited	March 2014	90

Effects of acquisitions

The cash flow and the net assets of subsidiaries acquired during the year ended 31 March 2014 are provided below:

	Recognised values on acquisition US$'000
Investment properties	55,149
Trade and other receivables	1,085
Cash and cash equivalents	2,086
Trade and other payables	(22,262)
Deferred tax liabilities	(203)
Net assets acquired	35,855
Loss on acquisition of subsidiaries	137
Total purchase consideration	(35,992)
Purchase consideration payable	7,492
Purchase consideration satisfied in cash	(28,500)
Cash of subsidiaries acquired	2,086
Cash outflow on acquisition of subsidiaries	(26,414)

The total related acquisition costs for the above-mentioned subsidiaries amounted to US$35,992,000. From the dates of acquisitions to 31 March 2014, the above-mentioned acquisitions contributed net profit of US$757,000 to the Group's results for the year, before accounting for financing costs attributable to the acquisitions. If the acquisitions have occurred on 1 April 2013, management estimates that consolidated revenue would have been US$598,288,000 and consolidated profit after tax for the year would have been US$707,357,000.

(ii) The list of subsidiaries acquired during the year ended 31 March 2013 is as follows:

Name of subsidiaries	Date acquired	Equity interest acquired %
Suzhou Yuhang Logistics Co., Ltd	April 2012	35[1]
Naruohama Logistic Special Purpose Company ("SPC") (f.k.a Morioka Logistic Special Purpose Company)	June 2012	100
Sayama Hidaka One Logistic SPC (f.k.a Shiodome Two Logistic SPC)	June 2012	100
Shiodome Three Logistic SPC	June 2012	100
Shiodome Four Logistic SPC	June 2012	100
Shiodome Five Logistic SPC	June 2012	100
GLP Shanghai Liantang Logistics Facilities Co., Ltd	July 2012	100
Kong Hwa International Holding Company Limited	August 2012	100
Ever Wealth Industrial Limited (Hong Kong)	August 2012	100
GLP Suzhou Development Co., Ltd	October 2012	30[2]
LPP Empreendimentos E Participacoes Ltda (Brazil)	November 2012	100
Vailog Hong Kong DC13 Limited	November 2012	95
Weilong (Chongqing) Storage Facilities Co., Ltd	November 2012	95
Qianli Industry Co., Ltd	December 2012	95
Vailog Hong Kong DC 12 Limited	Janurary 2013	90
Vailog (Beijing) Storage Service Co., Ltd	Janurary 2013	100
Vailog Hong Kong DC 14 Limited	March 2013	95
Weilong (Nanjing) Storage Facilities Co., Ltd.	March 2013	100
Suzhou GLP Wangting Development Co., Ltd	March 2013	50[3]

1 The Group held 50% equity interest and acquired an additional 35% equity interest in April 2012.
2 The Group held 50% equity interest and acquired additional 20% and 10% equity interests in October 2012 and February 2013 respectively.
3 The Group held 50% equity interest and acquired the remaining 50% equity interest in March 2013.

Effects of acquisitions
The cash flow and the net assets of subsidiaries acquired during the year ended 31 March 2013 are provided below:

	Recognised values on acquisition US$'000
Investment properties	544,778
Deferred tax assets	205
Plant and equipment	3,344
Other non-current assets	1,231
Trade and other receivables	16,426
Cash and cash equivalents	8,126
Trade and other payables	(26,981)
Loans and borrowings	(55,591)
Deferred tax liabilities	(49,806)
Non-controlling interests	(85,050)
Net assets acquired	356,682
Negative goodwill on acquisition of subsidiaries	(1,018)
Total purchase consideration	(355,664)
Purchase consideration payable	38,440
Carrying amount of equity interest held previously	159,867
Purchase consideration satisfied in cash	(157,357)
Cash of subsidiaries acquired	8,125
Cash outflow on acquisition of subsidiaries	(149,232)

The total related acquisition costs for the above-mentioned subsidiaries amounted to US$355,664,000. From the dates of acquisitions to 31 March 2013, the above-mentioned acquisitions contributed net profit of US$11,258,000 to the Group's results for the year, before accounting for financing costs attributable to the acquisitions. If the acquisitions have occurred on 1 April 2012, management estimates that consolidated revenue would have been US$664,355,000 and consolidated profit after tax for the year would have been US$724,379,000.

(b) **Disposal of subsidiaries**

(i) The list of subsidiaries disposed during the year ended 31 March 2014 is as follows:

Name of subsidiaries	Date disposed	Equity interest Disposed %
Sayama Hidaka Two Pte Ltd (f.k.a Shiodome Three Logistic Pte Ltd)	May 2013	100
Sayama Hidaka Two Logistic SPC (f.k.a Shiodome Three Logistic SPC)	May 2013	100
Zama Logistic Pte. Ltd. (f.k.a Shiodome Five Logistic Pte. Ltd.)	July 2013	100
Zama Logistic TMK (f.k.a Shiodome Five Logistics TMK)	July 2013	100
Yachiyo Logistic Pte. Ltd. (f.k.a Shiodome Six Pte. Ltd.)	July 2013	100
Yachiyo Logistic TMK	July 2013	100
Suzhou Reien Logistics Co., Ltd.	September 2013	60
Kobe Nishi Pte. Ltd. (f.k.a Shiodome Nine Logistic Pte. Ltd.)	December 2013	100
Kobe Nishi Logistic TMK (f.k.a Shiodome Nine Logistic TMK)	December 2013	100

Effects of disposals

The cash flow and the net assets of subsidiaries disposed during the year ended 31 March 2014 are provided below:

	Recognised values on disposal US$'000
Investment properties	8,391
Trade and other receivables	13
Cash and cash equivalents	3,760
Trade and other payables	(46)
Net assets disposed	12,118
Disposal consideration	12,182
Disposal consideration receivable	(10)
Cash of subsidiaries disposed	(3,760)
Satisfied in shares	(4,386)
Cash inflow on disposals of subsidiaries	4,026

From 1 April 2013 to the date of disposal, the above subsidiaries contributed net loss of US$36,000 to the Group's results for the year. The subsidiaries did not record any revenue during the period.

(ii) The list of subsidiaries disposed during the year ended 31 March 2013 is as follows:

Name of subsidiaries	Date disposed	Equity interest Disposed %
Ayase Pte Ltd (f.k.a. Yachiyo Pte Ltd)	September 2012	100
Ayase Logistic Special Purpose Company (f.k.a.Yachiyo Special Purpose Company)	September 2012	100
GLP J-REIT (f.k.a GLP Investment Corporation)	December 2012	100
Naruohama Logistic Special Purpose Company (f.k.a Morioka Logistic Speical Purpose Company)	March 2013	100
Naruohama Pte Ltd (f.k.a Shiodome One Logistic Pte Ltd)	March 2013	100
Sayama Hidaka One Logistic Special Purpose Company (f.k.a Shiodome Two Logistic Special Purpose Company)	March 2013	100
Sayama Hidaka One (f.k.a Shiodome Two Logistic Pte Ltd)	March 2013	100
GLP-MC Wuhan Logistics Property Development Pte. Ltd. ("GLP-MC Wuhan")[1]	March 2013	51[1]

1 Equity interest in GLP-MC Wuhan was reduced to 49% following the issue and allotment of 6,325,000 ordinary shares to a third party. As such, there was no cash inflow arising from the Group's dilution of interest in the entity.

Effects of disposals

The cash flow and the net assets of subsidiaries disposed during the year ended 31 March 2013 are provided below:

	Recognised values on disposal US$'000
Trade and other receivables	5,275
Cash and cash equivalents	189
Trade and other payables	(4,205)
Net assets disposed	1,259
Disposal consideration	51
Disposal consideration receivable	(35)
Cash of subsidiaries disposed	(189)
Cash outflow on disposals of subsidiaries	(173)

From 1 April 2012 to the date of disposal, the above subsidiaries contributed net loss of US$3,000 to the Group's results for the year. The subsidiaries did not record any revenue during the period.

30 OPERATING SEGMENTS

The Group has three reportable segments, representing its operations in the PRC, Japan and Brazil, which are managed separately due to the different geographical locations. The Group's Chief Operating Decision Maker reviews internal management reports on these segments on a quarterly basis, at a minimum, for strategic decisions making, performance assessment and resources allocation purposes.

Performance of each reportable segment is measured based on segment revenue and segment earnings before net interest expense, tax expense, and excluding changes in fair value of investment properties held by subsidiaries and jointly-controlled entities (net of tax) ("EBIT excluding revaluation"). EBIT excluding revaluation is used to measure performance as management believes that such information is the most relevant in evaluating the results of these segments relative to other entities that operate within the logistic industry. Segment assets and liabilities are presented net of inter-segment balances.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. There are no transactions between reportable segments.

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Information regarding the Group's reportable segments is presented in the tables below.

Information about reportable segments

	PRC		JAPAN		BRAZIL		OTHERS		TOTAL	
GROUP	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Revenue and expenses										
External revenue	**359,491**	252,065	**231,541**	387,853	**7,256**	2,176	**–**	–	**598,288**	642,094
EBIT excluding revaluation	**234,415**	156,027	**193,819**	339,932	**(3,468)**	14,985	**(23,940)**	(27,404)	**400,826**	483,540
Changes in fair value of investment properties held by subsidiaries	**306,211**	263,573	**102,308**	45,987	**–**	–	**–**	–	**408,519**	309,560
Share of changes in fair value of investment properties (net of tax) held by jointly-controlled entities	**30,684**	11,769	**93,353**	37,327	**(15,000)**	66,229	**–**	–	**109,037**	115,325
EBIT	**571,310**	431,369	**389,480**	423,246	**(18,468)**	81,214	**(23,940)**	(27,404)	**918,382**	908,425
Net finance (costs)/ income	**(39,542)**	(31,455)	**(25,785)**	(49,527)	**(333)**	(195)	**(10,500)**	14,452	**(76,160)**	(66,725)
Profit/(loss) before tax	**531,768**	399,914	**363,695**	373,719	**(18,801)**	81,019	**(34,440)**	(12,952)	**842,222**	841,700
Tax (expense)/credit	**(122,312)**	(97,590)	**(15,108)**	(19,460)	**(447)**	(477)	**5,616**	(8,894)	**(132,251)**	(126,421)
Profit/(loss) after tax	**409,456**	302,324	**348,587**	354,259	**(19,248)**	80,542	**(28,824)**	(21,846)	**709,971**	715,279
Assets and liabilities										
Investment properties	**6,876,952**	5,558,452	**2,768,746**	3,163,543	**–**	–	**–**	–	**9,645,698**	8,721,995
Jointly-controlled entities	**425,931**	371,136	**462,465**	338,424	**440,365**	491,244	**–**	–	**1,328,761**	1,200,804
Other segment assets	**1,949,713**	1,372,119	**821,712**	974,555	**14,611**	11,279	**186,635**	966,790	**2,972,671**	3,324,743
Reportable segment assets	**9,252,596**	7,301,707	**4,052,923**	4,476,522	**454,976**	502,523	**186,635**	966,790	**13,947,130**	13,247,542
Loans and borrowings	**(1,232,956)**	(1,256,645)	**(1,359,487)**	(1,625,498)	**–**	–	**–**	–	**(2,592,443)**	(2,882,143)
Other segment liabilities	**(1,145,604)**	(987,331)	**(254,726)**	(305,567)	**(2,349)**	(2,257)	**(19,023)**	(23,577)	**(1,421,702)**	(1,318,732)
Reportable segment liabilities	**(2,378,560)**	(2,243,976)	**(1,614,213)**	(1,931,065)	**(2,349)**	(2,257)	**(19,023)**	(23,577)	**(4,014,145)**	(4,200,875)
Other information										
Depreciation and amortisation	**(5,300)**	(4,492)	**(7,949)**	(15,272)	**(461)**	(139)	**(2,004)**	(1,511)	**(15,714)**	(21,414)
Interest income	**5,061**	8,616	**36**	143	**111**	32	**2,412**	1,868	**7,620**	10,659
Capital expenditure[1]	**924,507**	786,221	**63,380**	22,503	**1,861**	–	**3,248**	292	**992,996**	809,016

1 Capital expenditure includes acquisition, borrowing costs and development expenditure in investment properties and acquisition of plant and equipment.

31 FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

(a) **Risk management framework**

The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. Risk management policies and guidelines are reviewed regularly to reflect changes in market conditions and the Group's activities.

(b) **Credit risk**

Credit risk is the risk of financial loss resulting from the failure of a customer or a counterparty to meet its contractual obligations. Financial transactions are restricted to counterparties that meet appropriate credit criteria that are approved by the Group and are being reviewed on a regular basis. In respect of trade receivables, the Group has guidelines governing the process of granting credit and outstanding balances are monitored on an ongoing basis. Concentration of credit risk relating to trade receivables is limited due to the Group's many varied customers. These customers are engaged in a wide spectrum of activities and operate in a variety of markets.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Loans and receivables (non-current and current)	**383,843**	337,619	**1,077,457**	877,690
Cash and cash equivalents	**1,485,961**	1,957,457	**142,004**	927,245
	1,869,804	2,295,076	**1,219,461**	1,804,935

The maximum exposure to credit risk for financial assets at the reporting date by geographic region is as follows:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
PRC	**1,384,929**	807,859	**–**	–
Japan	**294,706**	514,305	**–**	–
Singapore	**178,794**	963,547	**1,219,461**	1,804,935
Others	**11,375**	9,365	**–**	–
	1,869,804	2,295,076	**1,219,461**	1,804,935

(c) **Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. The Group maintains a level of cash and cash equivalents deemed adequate by management to meet the Group's working capital requirement. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position.

As far as possible, the Group will constantly raise committed funding from both capital markets and financial institutions and prudently balance its portfolio with some short term funding so as to achieve overall cost effectiveness.

As at 31 March 2014, the Group has unutilised credit facilities amounting to US$2,069,551,000 (2013: US$1,608,932,000).

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount US$'000	Contractual cash flows US$'000	CASH FLOW Within 1 year US$'000	From 1 to 5 years US$'000	After 5 years US$'000
GROUP					
2014					
Non-derivative financial liabilities					
Bank loans	**879,617**	**1,029,814**	**165,033**	**513,123**	**351,658**
Bonds	**1,712,826**	**1,853,593**	**45,105**	**1,234,235**	**574,253**
Trade and other payables[1]	**690,082**	**690,082**	**541,057**	**85,264**	**63,761**
	3,282,525	**3,573,489**	**751,195**	**1,832,622**	**989,672**
Derivative financial liabilities					
Interest rate swaps	**12,765**	**12,765**	**4,444**	**11,957**	**(3,636)**
	3,295,290	**3,586,254**	**755,639**	**1,844,579**	**986,036**
2013					
Non-derivative financial liabilities					
Bank loans	1,009,335	1,160,306	122,080	628,105	410,121
Bonds	1,872,808	2,063,853	44,601	1,293,736	725,516
Trade and other payables[1]	656,972	694,559	498,701	98,426	97,432
	3,539,115	3,918,718	665,382	2,020,267	1,233,069
Derivative financial liabilities					
Interest rate swaps	23,426	25,393	3,631	15,160	6,602
	3,562,541	3,944,111	669,013	2,035,427	1,239,671
COMPANY					
2014					
Non-derivative financial liabilities					
Bonds	**626,485**	**729,317**	**20,613**	**528,205**	**180,499**
Trade and other payables	**64,920**	**64,920**	**64,820**	**100**	**–**
	691,405	**794,237**	**85,433**	**528,305**	**180,499**
2013					
Non-derivative financial liabilities					
Bonds	632,539	761,018	20,767	483,962	256,289
Trade and other payables	91,603	91,603	91,501	102	–
	724,142	852,621	112,268	484,064	256,289

1 Excludes advance rental received

(d) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group operates mainly in the PRC, Japan and Brazil. Other than the respective functional currency of the Group's subsidiaries, the foreign currency which the Group has exposure to at the reporting date is the US Dollar.

The Group maintains a natural hedge, wherever possible, by borrowing in the currency of the country in which the investment is located. Foreign exchange exposures in transactional currencies other than the functional currencies of the operating entities are kept to an acceptable level.

The Group also monitors any surplus cash held in currencies other than the functional currency of the respective companies and uses sensitivity analysis to measure the foreign exchange risk exposure. Where necessary, the Group will use foreign exchange contracts to hedge and minimise net foreign exchange risk exposures. In relation to its overseas investments in foreign subsidiaries whose net assets are exposed to currency translation risk and which are held for long term investment purposes, the differences arising from such translation are captured under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

The Group's and Company's exposures to foreign currencies as at 31 March 2014 and 31 March 2013 are as follows:

GROUP	United States Dollar US$'000	Japanese Yen US$'000	Singapore Dollar US$'000	Hong Kong Dollar US$'000	Chinese Renminbi US$'000
2014					
Financial assets					
Cash and cash equivalents	**258,625**	**2,204**	**1,917**	**–**	**57,774**
Trade and other receivables	**–**	**203,386**	**435**	**–**	**879,038**
Available-for-sale investments	**–**	**–**	**–**	**92,337**	**–**
	258,625	**205,590**	**2,352**	**92,337**	**936,812**
Financial liabilities					
Bonds	**–**	**(145,769)**	**–**	**–**	**(453,212)**
Trade and other payables	**–**	**(50,466)**	**(8,905)**	**–**	**(77,111)**
	–	**(196,235)**	**(8,905)**	**–**	**(530,323)**
Net financial assets/(liabilities)	**258,625**	**9,355**	**(6,553)**	**92,337**	**406,489**
Less: Forward foreign exchange contracts	**–**	**(100,682)**	**–**	**–**	**–**
Currency exposure of net financial assets/(liabilities)	**258,625**	**(91,327)**	**(6,553)**	**92,337**	**406,489**

GROUP	United States Dollar US$'000	Japanese Yen US$'000	Singapore Dollar US$'000	Hong Kong Dollar US$'000	Chinese Renminbi US$'000
2013					
Financial assets					
Cash and cash equivalents	219,910	25,931	9,178	–	234,021
Trade and other receivables	–	174,543	334	–	685,385
Available-for-sale investments	–	–	–	80,408	–
	219,910	200,474	9,512	80,408	919,406
Financial liabilities					
Bonds	–	(157,506)	–	–	(475,033)
Trade and other payables	–	(74,203)	(11,399)	–	(102,094)
	–	(231,709)	(11,399)	–	(577,127)
Net financial assets/(liabilities)	219,910	(31,235)	(1,887)	80,408	342,279
Less: Forward foreign exchange contracts	–	(136,019)	–	–	–
Currency exposure of net financial assets/(liabilities)	219,910	(167,254)	(1,887)	80,408	342,279

COMPANY	Japanese Yen US$'000	Singapore Dollar US$'000	Chinese Renminbi US$'000
2014			
Financial assets			
Cash and cash equivalents	**1,962**	**1,916**	**57,520**
Trade and other receivables	**162,396**	**400**	**879,033**
	164,358	**2,316**	**936,553**
Financial liabilities			
Bonds	**(145,769)**	**–**	**(453,212)**
Trade and other payables	**(50,393)**	**(8,378)**	**(5,777)**
	(196,162)	**(8,378)**	**(458,989)**
Net financial (liabilities)/ assets	**(31,804)**	**(6,062)**	**447,564**
Less: Forward foreign exchange contracts	**(100,682)**	**–**	**–**
Currency exposure of net financial (liabilities)/assets	**(132,486)**	**(6,062)**	**447,564**

COMPANY	Japanese Yen US$'000	Singapore Dollar US$'000	Chinese Renminbi US$'000
2013			
Financial assets			
Cash and cash equivalents	16,963	9,178	233,972
Trade and other receivables	162,927	334	685,385
	179,890	9,512	919,357
Financial liabilities			
Bonds	(157,506)	–	(475,033)
Trade and other payables	(74,203)	(8,132)	(6,322)
	(231,709)	(8,132)	(481,355)
Net financial (liabilities)/assets	(51,819)	1,380	438,002
Less: Forward foreign exchange contracts	(136,019)	–	–
Currency exposure of net financial (liabilities)/assets	(187,838)	1,380	438,002

Sensitivity analysis

A 10% strengthening of US Dollar against the respective functional currencies of the subsidiaries at the reporting date would have increased/(decreased) profit before tax by the amounts shown below. The Group's outstanding forward foreign exchange contracts have been included in this calculation. The analysis assumes that all other variables, in particular interest rates, remain constant.

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
US Dollar[1]	**25,863**	21,991	**–**	–
Japanese Yen[2]	**9,133**	16,725	**13,247**	18,784
Singapore Dollar[2]	**655**	189	**606**	(138)
Hong Kong Dollar[2]	**(9,234)**	(8,041)	**–**	–
Chinese Renminbi[2]	**(40,649)**	(34,228)	**(44,756)**	(43,800)

1 as compared to functional currency of Renminbi
2 as compared to functional currency of US Dollar

A 10% weakening of US Dollar against the respective functional currencies of the subsidiaries at the reporting date would have the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Group's interest rate risk arises primarily from the interest-earning financial assets and interest-bearing financial liabilities.

The Group manages its interest rate exposure by maintaining a mix of fixed and variable rate borrowings. Where necessary, the Group hedges a portion of its interest rate exposure within the short to medium term by using interest rate derivatives.

At 31 March 2014, the Group has interest rate swaps, with an aggregate notional contract amount of US$1,312,289,000 (2013: US$1,348,070,000). After taking into account the effects of the interest rate swaps, the Group pays fixed interest rates ranging from 0.28% to 1.71% (2013: 0.28% to 1.18%) per annum and receives a variable rate equal to the Swap Offer Rate on the notional amounts. The Group has designated certain interest rate swaps with an aggregate notional contract amount of US$1,295,494,000 (2013: US$1,330,761,000) as cash flow hedges. The aggregate fair value of interest rate swaps held by the Group as at 31 March 2014 is a net liability of US$12,765,000 (2013: US$23,426,000); of which, the fair value of interest rate swaps designated as cash flow hedges is a net liability of US$12,628,000 (2013: US$23,189,000). During the years ended 31 March 2014 and 2013, there was no ineffectiveness of cash flow hedges recognised in profit or loss.

At the reporting date, the interest rate profile of interest-bearing financial liabilities (after taking into account the effects of the interest rate swaps) are as follows:

	GROUP		COMPANY	
	Carrying amount US$'000	Principal/ notional amount US$'000	Carrying amount US$'000	Principal/ notional amount US$'000
2014				
Fixed rate instruments				
Loans and borrowings	**1,888,603**	**1,903,842**	**626,485**	**629,677**
Variable rate instruments				
Loans and borrowings	**703,840**	**704,342**	**–**	**–**
2013				
Fixed rate instruments				
Loans and borrowings	2,142,738	2,164,241	632,539	636,738
Loan from a jointly controlled entity	457	398	–	–
	2,143,195	2,164,639	632,539	636,738
Variable rate instruments				
Loans and borrowings	739,405	740,272	–	–

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financials assets and liabilities at fair value through the profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments
A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	GROUP		COMPANY	
	100 bp Increase US$'000	100 bp Decrease US$'000	100 bp Increase US$'000	100 bp Decrease US$'000
2014				
Loans and borrowings	**(7,043)**	**7,043**	**–**	**–**
Cash flow sensitivity (net)	**(7,043)**	**7,043**	**–**	**–**
2013				
Loans and borrowings	(7,403)	7,403	–	–
Cash flow sensitivity (net)	(7,403)	7,403	–	–

Other market price risk
Equity price risk arises from available-for-sale equity securities held by the Group. Management of the Group monitors the equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Risk Management Committee.

An increase/(decrease) in 5% of the equity price of available-for-sale equity securities held by the Group at the reporting date would have increased/(decreased) fair value reserve by US$20.6 million (2013: US$$18.3 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(e) **Offsetting financial assets and financial liabilities**
The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Group and the Company's statement of financial position; or
- are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the statement of financial position.

Financial instruments such as trade receivables and trade payables are not disclosed in the tables below unless they are offset in the statement of financial position.

The Group's derivative transactions that are not transacted on an exchange are entered into under International Swaps and Derivatives Association (ISDA) Master Netting Agreements. In general, under such agreements the amounts owed by each counterparty that are due on a single day in respect of all transactions outstanding in the same currency under the agreement are aggregated into a single net amount being payable by one party to the other. In certain circumstances, for example when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Financial assets and financial liabilities subject to offsetting and enforceable master netting arrangements

GROUP	Gross amounts of recognised financial assets/ (liabilities) US$'000	Gross amounts of recognised financial (liabilities)/ assets offset in the statement of financial position US$'000	Net amounts of financial assets/ (liabilities) presented in the statement of financial position US$'000	Related amounts not offset in the statement of financial position - Financial instruments US$'000	Net amount US$'000
31 March 2014					
Financial assets					
Forward exchange contracts	**3,452**	**–**	**3,452**	**–**	**3,452**
Financial liabilities					
Interest rate swaps	**(12,765)**	**–**	**(12,765)**	**–**	**(12,765)**
31 March 2013					
Financial assets					
Forward exchange contracts	6,891	–	6,891	–	6,891
Financial liabilities					
Interest rate swaps	(23,426)	–	(23,426)	–	(23,426)

COMPANY	Gross amounts of recognised financial assets/ (liabilities) US$'000	Gross amounts of recognised financial (liabilities)/ assets offset in the statement of financial position US$'000	Net amounts of financial assets/ (liabilities) presented in the statement of financial position US$'000	Related amounts not offset in the statement of financial position - Financial instruments US$'000	Net amount US$'000
31 March 2014					
Financial assets					
Forward exchange contracts	**3,452**	**–**	**3,452**	**–**	**3,452**
31 March 2013					
Financial assets					
Forward exchange contracts	6,891	–	6,891	–	6,891

The gross amounts of financial assets and financial liabilities and their net amounts as presented in the statement of financial position that are disclosed in the above tables are measured in the statement of financial position on the following basis:

- derivative assets and liabilities – fair value; and
- trade receivables and trade payables – amortised cost.

The amounts in the above tables that are offset in the statements of financial position are measured on the same basis.

32 FAIR VALUE OF ASSETS AND LIABILITIES

(a) Determining fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods and processes. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investment properties

The Group's investment property portfolio is generally valued by independent external valuers every three months. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value as at the reporting date, the valuers have considered valuation techniques including direct comparison method, capitalisation approach, discounted cash flows and residual method, which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield and discount rate.

Properties under development is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction, financing costs and a reasonable profit margin on construction and development. The estimated cost to complete is determined based on the construction cost per square metre in the pertinent area.

(ii) *Available-for-sale investments*
The fair values of quoted available-for-sale investments are determined by reference to their quoted closing bid price in an active market at the measurement date.

(iii) *Derivatives*
Forward currency contracts and interest rate swaps are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forwards pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate and forward rate curves.

(iv) *Other non-derivative financial liabilities*
Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

(v) *Share-based payment transactions*
The fair value of GLP PSP and GLP RSP is measured using Monte Carlo Simulation. Measurement inputs include the share price on grant date, expected volatility (based on an evaluation of the historic volatility of the Company's share price), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(vi) *Other financial assets and liabilities*
The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine its fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument.

Interest rates used for determining the fair value
Interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread, and were as follows:

	GROUP		COMPANY	
	2014	2013	2014	2013
	%	%	%	%
Security deposits and loans and borrowings denominated in:				
- Japanese Yen	**0.62**	0.61	**0.62**	0.69
- Chinese Renminbi	**5.75**	6.40	**5.75**	6.40

(b) **Fair value hierarchy**
The tables below analyses fair value measurements for various assets and liabilities, by the levels in the fair value hierarchy based on the inputs to valuation techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets and liabilities carried at fair value

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
GROUP				
31 March 2014				
Investment properties	**–**	**–**	**9,645,698**	**9,645,698**
Available-for-sale investments	**412,283**	**–**	**54**	**412,337**
Forward foreign exchange contracts	**–**	**3,452**	**–**	**3,452**
Interest rate swaps	**–**	**(12,765)**	**–**	**(12,765)**
31 March 2013				
Investment properties	–	–	8,721,995	8,721,995
Available-for-sale investments	366,252	–	55	366,307
Forward foreign exchange contracts	–	6,891	–	6,891
Interest rate swaps	–	(23,426)	–	(23,426)
COMPANY				
31 March 2014				
Forward foreign exchange contracts	**–**	**3,452**	**–**	**3,452**
31 March 2013				
Forward foreign exchange contracts	–	6,891	–	6,891

Assets and liabilities not carried at fair value but for which fair values are disclosed[1]

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
GROUP				
31 March 2014				
Loans and borrowings	**–**	**2,604,705**	**–**	**2,604,705**
31 March 2013				
Loans and borrowings	–	2,881,129	–	2,881,129
COMPANY				
31 March 2014				
Loans and borrowings	**–**	**638,747**	**–**	**638,747**
31 March 2013				
Loans and borrowings	–	631,525	–	631,525

1 Excludes financial instruments whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

During the year ended 31 March 2014, there were no transfers between Level 1 and Level 2 of the fair value hierarchy.

(c) **Accounting classifications and fair values**

Fair values versus carrying amounts

GROUP	Note	Fair value – hedging instruments US$'000	Designated at fair value US$'000	Loans and receivables US$'000	Available -for-sale US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
2014								
Available-for-sale equity securities	**10**	**–**	**–**	**–**	**412,337**	**–**	**412,337**	**412,337**
Financial derivative instruments	**12**	**–**	**3,452**	**–**	**–**	**–**	**3,452**	**3,452**
Other non-current assets[1]	**11**	**–**	**–**	**104,407**	**–**	**–**	**104,407**	**104,407**
Trade and other receivables[1]	**13**	**–**	**–**	**279,436**	**–**	**–**	**279,436**	**279,436**
Cash and cash equivalents	**14**	**–**	**–**	**1,485,961**	**–**	**–**	**1,485,961**	**1,485,961**
		–	**3,452**	**1,869,804**	**412,337**	**–**	**2,285,593**	**2,285,593**
Secured loans	**19**	**–**	**–**	**–**	**–**	**(879,617)**	**(879,617)**	**(879,617)**
Secured bonds	**19**	**–**	**–**	**–**	**–**	**(1,086,341)**	**(1,086,341)**	**(1,086,341)**
Unsecured bonds	**19**	**–**	**–**	**–**	**–**	**(626,485)**	**(626,485)**	**(638,747)**
Interest rate swaps	**12**	**(12,628)**	**(137)**	**–**	**–**	**–**	**(12,765)**	**(12,765)**
Other non-current liabilities[2]	**20**	**–**	**–**	**–**	**–**	**(149,025)**	**(149,025)**	**(141,316)**
Trade and other payables[2]	**21**	**–**	**–**	**–**	**–**	**(541,057)**	**(541,057)**	**(541,057)**
		(12,628)	**(137)**	**–**	**–**	**(3,282,525)**	**(3,295,290)**	**(3,299,843)**
2013								
Available-for-sale equity securities	10	–	–	–	366,307	–	366,307	366,307
Financial derivative instruments	12	–	6,891	–	–	–	6,891	6,891
Other non-current assets[1]	11	–	–	100,022	–	–	100,022	100,022
Trade and other receivables[1]	13	–	–	237,597	–	–	237,597	237,597
Cash and cash equivalents	14	–	–	1,957,457	–	–	1,957,457	1,957,457
		–	6,891	2,295,076	366,307	–	2,668,274	2,668,274
Secured loans	19	–	–	–	–	(1,002,962)	(1,002,962)	(1,002,962)
Unsecured loans	19	–	–	–	–	(6,373)	(6,373)	(6,373)
Secured bonds	19	–	–	–	–	(1,240,269)	(1,240,269)	(1,240,269)
Unsecured bonds	19	–	–	–	–	(632,539)	(632,539)	(631,525)
Interest rate swaps	12	(23,189)	(237)	–	–	–	(23,426)	(23,426)
Other non-current liabilities[2]	20	–	–	–	–	(162,080)	(162,080)	(152,727)
Trade and other payables[2]	21	–	–	–	–	(494,892)	(494,892)	(494,892)
		(23,189)	(237)	–	–	(3,539,115)	(3,562,541)	(3,552,174)

1 excludes prepayments
2 excludes advance payment received

COMPANY	Note	Loans and receivables US$'000	Designated at fair value US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
2014						
Trade and other receivables[1]	**13**	**1,077,457**	**–**	**–**	**1,077,457**	**1,077,457**
Financial derivative instruments	**12**	**–**	**3,452**	**–**	**3,452**	**3,452**
Cash and cash equivalents	**14**	**142,004**	**–**	**–**	**142,004**	**142,004**
		1,219,461	**3,452**	**–**	**1,222,913**	**1,222,913**
Unsecured bonds	**19**	**–**	**–**	**(626,485)**	**(626,485)**	**(638,747)**
Other non-current liabilities	**20**	**–**	**–**	**(100)**	**(100)**	**(100)**
Trade and other payables	**21**	**–**	**–**	**(64,820)**	**(64,820)**	**(64,820)**
		–	**–**	**(691,405)**	**(691,405)**	**(703,667)**
2013						
Trade and other receivables[1]	13	877,690	–	–	877,690	877,690
Financial derivative instruments	12	–	6,891	–	6,891	6,891
Cash and cash equivalents	14	927,245	–	–	927,245	927,245
		1,804,935	6,891	–	1,811,826	1,811,826
Unsecured bonds	19	–	–	(632,539)	(632,539)	(631,525)
Other non-current liabilities	20	–	–	(102)	(102)	(102)
Trade and other payables	21	–	–	(91,501)	(91,501)	(91,501)
		–	–	(724,142)	(724,142)	(723,128)

1 excludes prepayments

(d) **Level 3 fair value measurements**

(i) Reconciliation of Level 3 fair value

The reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy for investment properties is presented in Note 4.

The following table shows a reconciliation from the beginning balances to the ending balances for available-for-sale investments:

GROUP	Available-for-sale investments US$'000
At 1 April 2013	55
Purchases	10
Total unrealised gains and losses recognised in profit or loss	(11)
At 31 March 2014	**54**

(ii) Valuation techniques and significant unobservable inputs

The following table shows the key unobservable inputs used in the various valuation models that the Group uses to value its investment properties and available-for-sale investments:

31 March 2014

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation approach	***Capitalisation rate:*** PRC: 6.25% to 7.50% Japan: 5.40% to 7.50%	The estimated fair value varies inversely against the capitalisation rate.
Discounted cashflow mode	***Discount rate:*** PRC: 10.50% to 12.00% Japan: 5.25% to 6.60%	The estimated fair value varies inversely against the discount rate.
	Terminal yield rate: PRC: 6.25% to 7.75% Japan: 5.00% to 6.35%	The estimated fair value varies inversely against the terminal yield rate.
Residual land model	***Capitalisation rate[1]:*** PRC: 6.25% to 7.75%	The estimated fair value and gross development value vary inversely against the capitalisation rate.
	Estimated development costs to complete	The estimated fair value varies inversely against the development costs to complete.
Net asset value	**Net asset value**	The estimated fair value would increase if

	net asset value was higher

1 Capitalisation approach is applied to derive the total gross development value under residual land method.

Sensitivity analysis for key unobservable inputs

Investment properties and properties under development

The significant unobservable inputs used in the fair value measurement are capitalisation rate, discount rate, terminal yield rate and estimated development costs to complete. A significant decrease in the capitalisation rate, discount rate, terminal yield rate and estimated development costs to complete in isolation would result in a significantly higher fair value measurement, and conversely, a significant increase would result in a significantly lower fair value measurement.

Available-for-sale investments

The significant unobservable input used in the fair value measurement is net asset value of the investment. A significant decrease in the net asset value in isolation would result in significantly lower fair value measurement, and conversely, a significant increase would result in a significantly higher fair value measurement.

33 COMMITMENTS

The Group had the following commitments as at the reporting date:

(a) **Operating lease commitments**

(i) Operating lease rental payable

Future minimum lease payments for the Group on non-cancellable operating leases are as follows:

	GROUP		COMPANY	
	2014 US$'000	2013 US$'000	2014 US$'000	2013 US$'000
Lease payments payable:				
- Within 1 year	**4,452**	4,109	**696**	446
- After 1 year but within 5 years	**5,733**	4,083	**1,392**	37
	10,185	8,192	**2,088**	483

(ii) Operating lease rental receivable

Future minimum lease rental receivable for the Group on non-cancellable operating leases from investment properties are as follows:

	GROUP	
	2014 US$'000	2013 US$'000
Lease rentals receivable:		
- Within 1 year	**465,129**	431,728
- After 1 year but within 5 years	**1,070,936**	1,052,295
- After 5 years	**777,393**	727,599
	2,313,458	2,211,622

(b) **Other commitments**

	GROUP	
	2014 US$'000	2013 US$'000
Commitments in relation to share capital of subsidiaries due but not provided for	**667,707**	73,666
Commitments in relation to share capital of subsidiaries not yet due and not provided for	**199,588**	575,502
Development expenditure contracted but not provided for	**455,856**	177,162

In March 2014, the Group entered into a conditional agreement with a third-party to acquire a portfolio of investment properties in Brazil for approximately Brazilian Real 3.18 billion (equivalent to approximately US$1.4 billion).

34 SIGNIFICANT RELATED PARTY TRANSACTIONS

Remuneration of key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The members of the executive committee of the Company are considered key management personnel of the Group.

The key management personnel compensation included as part of staff costs for those key management personnel employed by the Group are as follows:

	GROUP	
	2014 US$'000	2013 US$'000

Salaries, bonuses, contributions to defined contribution plans and other benefits	**17,959**	15,061

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant related party transactions which were carried out in the normal course of business on terms agreed between the parties during the financial year:

	GROUP	
	2014 US$'000	2013 US$'000
Jointly-controlled entities		
Asset management fees received/receivable	**4,632**	3,569
Investment management fees received/receivable	**18,493**	7,383
Development management fees received/receivable	**16,893**	14,049
Other management fees and commissions received/receivable	**2,503**	3,783
Asset management fees paid/payable	**(1,188)**	(1,375)
Subsidiaries of the intermediate holding company		
Operating lease expenses paid/payable	**(3,668)**	(3,296)
A company in which two directors of the Company have substantial financial interests		
Reimbursement of office expenses and allocation of expenses	**(336)**	(473)

35 SIGNIFICANT INVESTMENTS

Direct/Indirect jointly-controlled entities/ subsidiaries of the Group	Principal activities	Country of incorporation and place of business	Effective interest held by the Group 2014 %	2013 %
Japan Logistic Properties 1 Private Limited				
and its subsidiaries:	Investment holding	Japan	100	100
Shinkiba Logistics SPC	Property investment	Japan	100	100
Urayasu Logistics SPC	Property investment	Japan	100	100
Shinsuna Logistics SPC	Property investment	Japan	100	100
Narita Logistics SPC	Property investment	Japan	100	100
Urayasu Two Logistics SPC	Property investment	Japan	100	100
Fukusaki Logistics SPC	Property investment	Japan	100	100
Narashino Logistics SPC	Property investment	Japan	100	100
Osaka Logistics SPC	Property investment	Japan	100	100
Yokohama Logistics SPC	Property investment	Japan	100	100
GLP Urayasu Two YK	Property management	Japan	100	100
Tatsumi Logistic SPC	Property investment	Japan	–[6]	100
Tokyo Logistic SPC	Property investment	Japan	–[6]	100
Tokai Logistic SPC	Property investment	Japan	–[6]	100
Kazo Logistic SPC	Property investment	Japan	–[6]	100
Funabashi Logistic SPC	Property investment	Japan	–[6]	100
Kasukabe Logistic SPC	Property investment	Japan	–[6]	100
Japan Logistic Properties 2 Pte Ltd				
and its subsidiaries:	Investment holding	Japan	100	100
Cosmos SPC	Property investment	Japan	100	100
Fukaehama Logistic SPC	Property investment	Japan	100	100
Funabashi Two Logistic SPC	Property investment	Japan	100	100
Seishin Logistic SPC	Property investment	Japan	100	100
Maishima One Logistic SPC	Property investment	Japan	100	100
Narita Two Logistic SPC	Property investment	Japan	100	100
Okegawa Logistic SPC	Property investment	Japan	100	100
Misato Logistic SPC	Property investment	Japan	100	100
Sugito Logistic SPC	Property investment	Japan	100	100
Tokyo Two Logistic SPC	Property investment	Japan	100	100
Urayasu Three Logistic SPC	Property investment	Japan	100	100
Tosu One Logistic SPC	Property investment	Japan	100	100
Komaki Logistic SPC	Property investment	Japan	100	100
GLP Solar SPC	Generation and supply of electric energy	Japan	100	100
Amagasaki Logistic SPC	Property investment	Japan	–[6]	100
Amagasaki Two Logistic SPC	Property investment	Japan	–[6]	100

Sakai Logistic SPC	Property investment	Japan	–[6]	100
Hayashima Two Logistic SPC	Property investment	Japan	–[6]	100
Hirakata Logistic SPC	Property investment	Japan	–[6]	100
Hirakata Two Logistic SPC	Property investment	Japan	–[6]	100
Koshigaya Two Logistic SPC	Property investment	Japan	–[6]	100

Direct/Indirect jointly-controlled entities/ subsidiaries of the Group	Principal activities	Country of incorporation and place of business	Effective interest held by the Group 2014 %	2013 %
Maishima Two Logistic SPC	Property investment	Japan	–[6]	100
Narashino Two Logistic SPC	Property investment	Japan	–[6]	100
Hayashima Logistic SPC	Property investment	Japan	–[6]	100
Sendai Logistic SPC	Property investment	Japan	–[6]	100
Tomiya Logistic SPC	Property investment	Japan	–[6]	100
Tomisato Logistic SPC	Property investment	Japan	–[6]	100
Sugito Two Logistic SPC	Property investment	Japan	–[6]	100
Tsumori Logistic SPC	Property investment	Japan	–[6]	100
Iwatsuki Logistic SPC	Property investment	Japan	–[6]	100
Koritama One Logistic SPC	Property investment	Japan	–[6]	100
Kiyama Logistic SPC	Property investment	Japan	–[6]	100
Akishima Logistic SPC	Property investment	Japan	–[6]	100
Misato Two Logistic SPC	Property investment	Japan	–[6]	100
Japan Logistic Properties 3 Pte Ltd and its subsidiaries:	Investment holding	Japan	100	100
Azalea SPC	Property investment	Japan	100	100
Japan Logistic Properties 4 Pte Ltd				
and its jointly-controlled entities:	Investment holding	Singapore	100	100
Ichikawashiohama SPC	Property investment	Japan	50[2]	50[2]
GLP Japan Development Investors Pte Ltd				
and its jointly-controlled entities:	Investment holding	Singapore	100	100
Misato Three Logistic TMK (f.k.a. Atsugi SPC)	Property investment	Japan	50[2]	50[2]
Soja Logistic TMK (f.k.a. Koshigaya Three Logistic SPC)	Property investment	Japan	50[2]	50[2]
Atsugi Logistic TMK (f.k.a. Hakozaki Logistic SPC)	Property investment	Japan	50[2]	50[2]
Naruohama Logistic TMK (f.k.a Morioka Logistic SPC)	Property investment	Japan	50[2]	50[2]
Sayama Hidaka One Logistic TMK (f.k.a Shiodome Two Logistic SPC)	Property investment	Japan	50[2]	50[2]
Ayase Logistic TMK	Property investment	Japan	50[2]	50[2]
Yachiyo Logistic TMK	Property investment	Japan	50[2,3]	–
Sayama Hidaka Two Logistic TMK (f.k.a Shiodome Three Logistic TMK)	Property investment	Japan	50[2]	100
Zama Logistic TMK (f.k.a Shiodome Five Logistic TMK)	Property investment	Japan	50[2]	100
Kobe Nishi Logistic TMK (f.k.a Shiodome Nine Logistic TMK)	Property investment	Japan	50[2,3]	–
Neptune Solar GK	Generation and supply or electric energy	Japan	50[1,2]	–
GLP Light Year Investment Pte Ltd				
and its jointly-controlled entities:	Investment holding	Singapore	100	100
Light Year One TMK (f.k.a. Tosu Five Logistic SPC)	Property investment	Japan	33.33[2]	33.33[2]
Light Year Solar GL	Generation and supply of electric energy	Japan	33.33[1,2]	–
BLH (1) Pte Ltd and its jointly-controlled entities:	Investment holding	Singapore	100	100
Rec Gravatai S.A.	Property investment	Brazil	32.48[2]	33.56[2]
Rec Guarulhos S.A.	Property investment	Brazil	40.00[2]	41.34[2]
Rec Dom Pedro S.A.	Property investment	Brazil	40.00[2]	41.34[2]
Rec Ribeirao Preto S.A.	Property investment	Brazil	36.80[2]	38.03[2]
Rec Embu das Artes S.A.	Property investment	Brazil	40.00[2]	41.34[2]
GLP Imigrantes Empreendimentos Imobiliários S.A	Property investment	Brazil	20.00[2]	20.67[2]
BLH (2) Pte Ltd and its jointly-controlled entities:	Investment holding	Singapore	100	100
Rec Cachoeirinha S.A.	Property investment	Brazil	24.8[2]	24.8[2]

Rec MG 10 S.A.	Property investment	Brazil	34.2[2]	34.2[2]
REC Log 331 Empreendimentos Imobiliarios S.A.	Property investment	Brazil	34.2[2]	34.2[2]
REC Log 411 S.A.	Property investment	Brazil	34.2[2]	34.2[2]
REC Log 551 Empreendimentos Imobiliarios S.A.	Property investment	Brazil	34.2[2]	34.2[2]
REC Log 111 Empreendimentos Imobiliarios S.A.	Property investment	Brazil	34.2[2]	34.2[2]
REC Log 114 Empreendimentos Imobiliarios S.A.	Property investment	Brazil	34.2[2]	34.2[2]
GLP Imigrantes Empreendimentos Imobiliários S.A	Property investment	Brazil	17.1[2]	17.1[2]

Direct/Indirect jointly-controlled entities/ subsidiaries of the Group	**Principal activities**	**Country of incorporation and place of business**	**Effective interest held by the Group 2014 %**	**2013 %**
CLH Limited and its jointly-controlled entities/subsidiaries:	Investment holding	Cayman Islands	100	100
GLP Shanghai Pujin Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
Zhongbao Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Chapu Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Puyun Warehousing Services Co., Ltd.	Property investment	PRC	100	100
GLP Guangzhou Bonded Development Co., Ltd.	Property investment	PRC	100	100
GLP Beijing Airport Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP Foshan Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Hangzhou Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Jiading Development Co., Ltd.	Property investment	PRC	100	100
GLP Beijing Majuqiao Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Songjiang Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Minhang Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP (Qingdao) Airport International Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP (Qingdao) Qianwan Harbor International Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP (Qingdao) Jiaonan International Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP Nanjing Jiangning Development Co., Ltd.	Property investment	PRC	100	100
GLP (Guangzhou) Baopu Development Co., Ltd.	Property investment	PRC	100	100
GLP Jiaxing Development Co., Ltd.	Property investment	PRC	100	100
GLP Chongqing Development Co., Ltd.	Property investment	PRC	100	100
GLP Wuxi Logistics Development Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Fengmin Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP (Tianjin) Industry Development Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Fengjia Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Fengsong Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Xujing Logistics Co., Ltd.	Property investment	PRC	100	100
Pushun Logistics Park Development Co., Ltd.	Property investment	PRC	100	100
Qingdao Shuangyi Logistics Co., Ltd.	Property investment	PRC	100	100
Tianjin Puqing Logistics Park Co., Ltd.	Property investment	PRC	100	100
GLP (Ningbo Beilun) Warehousing Co., Ltd.	Property investment	PRC	100	100
GLP Jiashan Pujia Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Pumin Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Chengdu Hi-Tech Co., Ltd.	Property investment	PRC	100	100
GLP Pujiang Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Wanqing Logistics Co., Ltd.	Property investment	PRC	100	100
Jiangsu Beisheng Technology Co., Ltd.	Property investment	PRC	100	100
GLP Luoxin Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Laogang Development Co., Ltd.	Property investment	PRC	100	100
GLP Guangzhou Warehousing Co., Ltd.	Property investment	PRC	100	100
Kunshan GLP Dianshanhu Logistics Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Shenjiang Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Tianjin Development Co., Ltd.	Property investment	PRC	80	80
Beijing City Power Warehousing Co., Ltd.	Property investment	PRC	60	60
Zhuhai GLP-ZPH Logistics Park Co., Ltd.	Property investment	PRC	70	70
Dalian GLP-Jifa Development Co., Ltd.	Property investment	PRC	60	60
Shen Yang GLP Jifa Logistics Development Co., Ltd.	Property investment	PRC	60	60
SZITIC Shenzhen Commercial Property Co., Ltd.	Property investment	PRC	51	51
GLP Suzhou Development Co., Ltd.	Property investment	PRC	80	80

Shanghai Lingang GLP International Logistics Development Co., Ltd.	Property investment	PRC	50[2]	50[2]
Shenzhen GLP-Yantian Port Logistics Co., Ltd.	Property investment	PRC	50[2]	50[2]
Shanghai Lingang GLP Warehousing & Logistics Development Co., Ltd.	Property investment	PRC	50[2]	50[2]
Suzhou GLP Wangting Development Co., Ltd.	Property investment	PRC	100	100
Suzhou Industrial Park Genway Factory Building Industrial Development Co., Ltd.	Property investment	PRC	50[2]	50[2]
Tianjin Puling Warehousing Service Co., Ltd.	Property investment	PRC	50[2]	50[2]

Direct/Indirect jointly-controlled entities/ subsidiaries of the Group	Principal activities	Country of incorporation and place of business	Effective interest held by the Group 2014 %	2013 %
CLH Limited (cont'd)				
Tianjin Puling Warehousing Service Co., Ltd.	Property investment	PRC	50[2]	50[2]
Shenyang Jinfute Industrial & Logistic Facilities Co., Ltd.	Property investment	PRC	50[4]	50[4]
Dongguan Humen Port GLP Modern Logistics Co., Ltd.	Property investment	PRC	50[2]	50[2]
Shenyang Puling Warehousing Services Co., Ltd.	Property investment	PRC	50[2]	51[2]
Wuhan Puling Warehousing Services Co., Ltd.	Property investment	PRC	50[2]	49[2]
GLP I-Park Xi'An Science & Technology Industrial Development Co., Ltd	Property investment	PRC	40.41[2]	40.41[2]
Quanzhou Pufa Logistics Facilities Co., Ltd.	Property investment	PRC	51	51
GLP Tianjin Pujia Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
Kunshan Puxing Logistics Dev Co., Ltd	Property investment	PRC	100	100
GLP Shenyang Punan Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP (Hangzhou) Warehousing Co., Ltd	Property investment	PRC	100	100
Langfang GLP Warehousing Co., Ltd.	Property investment	PRC	100	100
Zhongshan GLP Logistics Co., Ltd	Property investment	PRC	100	100
Vailog (Kunshan) Storage Co., Ltd.	Property investment	PRC	100	100
Tianjin Trade Year Investment Co., Ltd.	Investment holding	PRC	100	100
Beijing Handa Investment Co., Ltd.	Investment holding	PRC	87.59	87.59
Airport City Development Co., Ltd.	Property investment	PRC	53.14	53.14
Beijing Airport Bluesky Property Management Co., Ltd.	Property management	PRC	53.14	53.14
Beijing Shidai Tonghang International Logistics Co., Ltd.	Property investment	PRC	53.14	53.14
GLP Tianjin Pugang Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
Xiamen Jade Logistics Investment Co., Ltd.	Property investment	PRC	99	99
GLP Changzhou High-tech District Logistics facilities Co., Ltd.	Property investment	PRC	100	100
Tianjin Puya Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Harbin Hanan Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Puxin Xi'an Warehousing Service Co., Ltd.	Property investment	PRC	100	100
GLP Wuhan Huangpi Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Hefei Hi-Tech Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
Beijing Airport Xinke Logistics Services Co., Ltd.	Property investment	PRC	23.91[2]	23.91[2]
GLP Qihe Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Chongqing Banan Logistics facilities Co., Ltd.	Property investment	PRC	100	100
GLP Wuhan Puxia Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Waigaoqiao Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Yangzhou Economic Development Zone Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Zhongshan Puxi Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Zhengzhou ILZ Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Changsha Jinzhou Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Shanghai Liantang Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Pukai Xi An Warehousing Service Co., Ltd.	Property investment	PRC	100	100
Dealwin (Shanghai) Warehouse Co., Ltd.	Property investment	PRC	100	100
GLP Nanjing Lishui Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Pugao Logistics Co., Ltd.	Property investment	PRC	100	100
GLP (Changchun) Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Kunshan Lujia Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Beijing Puma Logistics Facilties Co., Ltd.	Property investment	PRC	55.88[7]	100
Tianjin Pujin Warehousing Service Co. Ltd.	Property investment	PRC	55.88[7]	100
GLP Zhangjiagang Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100
Wuhan Punan Storage Co., Ltd.	Property investment	PRC	100	100

GLP CSNZ Logistics Facilities Co., Ltd	Property investment	PRC	55.88[7]	100
GLP Nanjing Longtan Logistics Facilities Co., Ltd	Property investment	PRC	55.88[7]	100
GLP Shanghai International Supply Chain Management Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Wuhan Pucai Logistics Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Wuxi Puer Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP TPDZ Logistics Facilities Co. Ltd.	Property investment	PRC	55.88[7]	100
GLP Dongguan Xiegang Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Hangzhou Puhang Warehousing Co., Ltd.	Property investment	PRC	100	100
GLP (Fuzhou) Logistics Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Yangzhou ETDZ Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100

Direct/Indirect jointly-controlled entities/ subsidiaries of the Group	Principal activities	Country of incorporation and place of business	Effective interest held by the Group 2014 %	2013 %
CLH Limited (cont'd)				
GLP Huzhou Logistics Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Feidong Logistics Facilities Co. Ltd.	Property investment	PRC	95[5]	70
GLP Xiaogan Puxiao Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[7]	100
GLP Changsha Puwang Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
GLP Suzhou Hi-Tech Logistics Facilities Co., Ltd.	Property investment	PRC	90	90
GLP Puzhu Logistics Co., Ltd.	Property investment	PRC	85[5]	70
Weilong Storage Service (Shanghai) Co., Ltd.	Property investment	PRC	100	100
Weilun Storage Services Co., Ltd.	Property investment	PRC	100	100
Weicheng (Shanghai) Storage Co., Ltd.	Property investment	PRC	90	90
Weishang Storage Services Co., Ltd.	Property investment	PRC	90	90
Zhong Rong Logistics Facilities Co., Ltd.	Property investment	PRC	90	90
GLP Chengdu Xindu Logistics Facilities Co., Ltd.	Property investment	PRC	100	100
Global Logistic Properties (ChengDu) Warehousing Facilities Co., Ltd.	Property investment	PRC	95	95
Weilong (Chongqing) Storage Facilities Co., Ltd.	Property investment	PRC	95	95
Vailog (Beijing) Storage Service Co., Ltd.	Property investment	PRC	90	90
Weilong (Nanjing) Storage Facilities Co., Ltd.	Property investment	PRC	95	95
Shanghai Yupei Group Co., Ltd.	Property investment	PRC	–[6]	50[2]
Shanghai Yuhang Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Chuzhou Yuhang Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Binzhou Yupei Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Guangzhou Yupei Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Wuhan Yupei Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Suzhou Yuhang Logistics Co., Ltd.	Property investment	PRC	100[5]	85
Shanghai Yuhang Anting Logistics Co., Ltd.	Property investment	PRC	100[5]	85
Shenyang Yuhang Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Beijing Linhaitan Trading Co., Ltd.	Property investment	PRC	–[6]	50[2]
Shenyang Yupei Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Suzhou Yupei Logistics Co., Ltd.	Property investment	PRC	–[6]	50[2]
Zhejiang Transfar Logistics Base Co., Ltd.	Property investment	PRC	60	60
Suzhou Transfar Logistics Base Co., Ltd.	Property investment	PRC	60	60
Chengdu Transfar Logistics Base Co., Ltd.	Property investment	PRC	45	45
Qingdao Transfar Logistics Base Co., Ltd.	Property investment	PRC	60	60
Chongqing Transfar Logistics Base Co., Ltd.	Property investment	PRC	60	60
Shenyang Transfar Logistics Base Co., Ltd.	Property investment	PRC	60[1]	-
Tianjin Transfar Logistics Base Co., Ltd.	Property investment	PRC	60[1]	-
GLP Jiangyin Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Hubei Greenfield logistics facilities Co., Ltd.	Property investment	PRC	100[3]	-
Ruian GLP Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Kunshan Gaoxin Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Shaoxing Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Xiamen Pulong Logistics Facilities Co., Ltd.	Property investment	PRC	100[1]	-
GLP Guanghan Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Jinan Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Dongguan Shipai Dongli-GLP Logistics Co., Ltd.	Property investment	PRC	100[1]	-
GLP Changshu Pujiang Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Wuxi Pumei Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-

GLP Shenyang Yuhong Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Kunshan Bacheng Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Tianjin Puchen Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Nanning Pugui Logistics Facilities Co., Ltd	Property investment	PRC	55.88[1,7]	-
GLP Zhaoqing High-Tech Zone Logistics Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP (Lianjiang) Logistics Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Changsha Puyong Logistics Facilities Co., Ltd	Property investment	PRC	55.88[1,7]	-
GLP (Putian) Logistics Warehouses Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Dongguan Dalingshan Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Puhang Shaanxi Warehousing Service Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Tianjin Puning Logistics Facilities Co., Ltd	Property investment	PRC	55.88[1,7]	-
GLP Changsha Puhang Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Chongqing Nanpu Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Tianjin Punan Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Shenyang Pusheng Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Suzhou Tongli Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Shanghai Apeloa Pharmaceutical Research Co., Ltd	Property investment	PRC	55.88[1,7]	-
Dalian Auto Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Langfang Puyong Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Quanzhou Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Chongqing Puzu Logistics Facilities Co., Ltd.	Property investment	PRC	55.88[1,7]	-
Qingdao Puhe Warehousing Service Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Pugang (Xixian) Warehousing Service Co., Ltd.	Property investment	PRC	55.88[1,7]	-
GLP Wuhu Puhua Logistics Facilities Co., Ltd.	Property investment	PRC	30[1,2]	-
Nantong Puling Warehousing Service Co., Ltd.	Property investment	PRC	50[1,2]	-
Shenyang Jinpu Industrial Development Co., Ltd.	Property investment	PRC	25.5[1,2]	-
Suzhou Industrial Park Chuangpu Asset Management Co., Ltd.	Property investment	PRC	50[1,2]	-
Shaoxing Pujian Science & Technology Industrial Development Co., Ltd.	Property investment	PRC	50[1,2]	-
Dalian Huanpu Development Co., Ltd.	Property investment	PRC	100[1]	-
Buffalo (Jinan) Warehousing Co., Ltd.	Property investment	PRC	90[3]	-
Chongqing Puqing Logistics Facilities Co., Ltd.	Property investment	PRC	100[1]	-
Weilong (Shenyang) Storage Services Co., Ltd.	Property investment	PRC	90[3]	-
Global Logistic Properties Holdings Limited and its subsidiaries:	Investment holding and property management	Cayman Islands	100	100
GLP Suzhou Share Service Co., Ltd.	Property management	PRC	100	100
GLP Investment Management (China) Co., Ltd.	Property management	PRC	100	100
China-Singapore Suzhou Industrial Park Jiaye Investment Management Co., Ltd.	Property management	PRC	51	51
Global Logistic Properties Inc.	Property management	Japan	100	100
GLP Japan Advisors Inc.	Property management	Japan	100	100
GLP Investment Management Pte Ltd and its subsidiaries:	Investment holding and property management	Singapore	100	100
LPP Empreendimentos E Participacoes Ltda	Property management	Brazil	100	100
GLP Brasil Empreendimentos E Participações Ltda	Property management	Brazil	100	100

KPMG LLP is the auditor of all significant Singapore-incorporated subsidiaries. Other member firms of KPMG International are auditors of significant foreign-incorporated subsidiaries. For this purpose, a subsidiary is considered significant as defined under the Singapore Exchange Limited Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

Notes:
1 Incorporated during the year ended 31 March 2014.
2 Jointly-controlled entities of the Group, and thus, equity-accounted by the Group.
3 Acquired during the year ended 31 March 2014.
4 Although the Group owns 50% equity interest in this entity, the Group has more than 50% of the voting power by virtue of a co-operative agreement with the other investor, and therefore, the Group consolidates its investment in the entity.
5 Additional interest in the subsidiary was acquired from non-controlling interests during the year.

6 Disposed/ liquidated during the year ended 31 March 2014.
7 During the year, 44.12% equity interest in the entities held by the Group through CLF Fund I, LP was disposed to non-controlling interests.

36 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2013, and have not been applied in preparing these financial statements. Those new standards, amendments to standards and interpretations are set out below.

Applicable for the Group's 2015 financial statements

- Amendments to FRS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*, which clarifies the existing criteria for net presentation on the face of the statement of financial position. Under the amendments, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

  The Group currently offsets receivables and payables due from/to the same counterparty if the Group has the legal right to set off the amounts when it is due and payable based on the contractual terms of the arrangement with the counterparty, and the Group intends to settle the amounts on a net basis. Based on the local laws and regulations in certain jurisdictions in which the counterparties are located, the set-off rights are set aside in the event of bankruptcy of the counterparties.

  The amendments will be applied retrospectively and prior periods in the Group's 2015 financial statements will be restated. On adoption of the amendments, the Group will have to present the respective receivables and payables on a gross basis as the right to set-off is not enforceable in the event of bankruptcy of the counterparty.

  The Group does not expect any material financial impact on the financial position from the adoption of this amendment.

- FRS 110 *Consolidated Financial Statements* introduces a new control model that is applicable to all investees, by focusing on whether the Group has power over an investee, exposure, or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. In particular, FRS 110 requires the Group to consolidate investees that it controls on the basis of de facto circumstances.

  The Group has evaluated its relationship with investees under the new control model. As a consequence, the Group would change its control conclusion in respect of its investment in Suzhou Industrial Park Genway Factory Building Industrial Development Co., Ltd, GLP I-Park Xi'An Science & Technology Industrial Development Co., Ltd and Shenyang Jinpu Industrial Development Co., Ltd, which were previously accounted for as jointly-controlled entities using the equity method.

  This standard will be applied retrospectively and prior periods in the Group's 2015 financial statements will be restated. Based on FY2014 financial information, the estimated effect of the application of FRS 110 is as follows:

	Group 2014 US$'000
Increase in Revenue	**34,047**
Increase in Profit for the Year	**14,817**
Increase in Non-Controlling Interest (Income Statement)	**(14,817)**
Increase in Total Assets	**399,173**
Increase in Total Liabilities	**208,816**
Increase in Non-Controlling Interest (Statement of Financial Position)	**190,357**

  There is no change in Total Equity, Profit Attributable to Owners of the Company, Equity Attributable to Owners of the Company and Return on Equity.

- FRS 111 *Joint Arrangements*, which establishes the principles for classification and accounting of joint arrangements. The adoption of this standard would require the Group to re-assess and classify its joint arrangements as either joint operations or joint ventures based on its rights and obligations arising from the joint arrangements. Under this standard, interests in joint ventures will be accounted for using the equity method whilst interests in joint operations will be accounted for using the applicable FRSs relating to the underlying assets, liabilities, revenue and expense items arising from the joint operations. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

  As the Group is currently applying the equity method of accounting for its joint ventures, there will be no material impact to the Group's financial statements when the Group adopts FRS 111 in 2015.

- FRS 112 *Disclosure of Interests in Other Entities* brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Group is currently assessing the disclosure requirements for interests in subsidiaries, interests in joint arrangements and associates and unconsolidated structured entities in comparison with the existing disclosures. FRS 112 requires the disclosure of information about the nature, risks and financial effects of these interests.

  As FRS 112 is primarily a disclosure standard, there will be no financial impact on the results and financial position of the Group and the Company upon adoption of this standard by the Group in 2015.

37 SUBSEQUENT EVENTS

Subsequent to the year ended 31 March 2014, the directors proposed a final dividend of 4.5 Singapore cents per share in respect of the financial year ended 31 March 2014, which is subject to approval at the Annual General Meeting of shareholders.

At the Extraordinary General Meeting of the Company held on 24 April 2014, the shareholders approved the issuance of 74,278,292 new ordinary shares of the Company and 2,357,500,000 new ordinary shares of an indirect wholly-owned subsidiary, Iowa China Offshore Holdings (Hong Kong) Limited to a consortium of investors.

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The Board of Directors
Global Logistic Properties Limited
501 Orchard Road
#18-01 Wheelock Place
Singapore 238880

Dear Sirs

Review of Interim Financial Information

Introduction

We have reviewed the accompanying interim financial information of Global Logistic Properties Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statement of financial position of the Group as at 30 June 2014, the related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the three-month period ended 30 June 2014 and certain explanatory notes (the "Interim Financial Information"). Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with Singapore Financial Reporting Standards ("FRS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with the Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with FRS 34 *Interim Financial Reporting.*

Restriction of use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company's announcement of its Interim Financial Information for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
4 August 2014

Global Logistic Properties
普洛斯

GLOBAL LOGISTIC PROPERTIES LIMITED AND ITS SUBSIDIARIES

(Registration Number : 200715832Z)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014

Consolidated Income Statement

	Group	
	Three-month period ended Jun. 30, 2014 US$'000	**Three-month period ended Jun. 30, 2013 US$'000 (Restated)**
Revenue	169,296	143,467
Other income	857	1,311
Property-related expenses	(31,091)	(25,368)
Other expenses	(36,570)	(30,420)
	102,492	88,990
Share of results (net of income tax) of jointly-controlled entities	28,986	30,598
Profit from operating activities after share of results of jointly-controlled entities	**131,478**	**119,588**
Net finance costs	(26,362)	(8,758)
Non-operating income / costs	558	(41)
Profit before changes in fair value of subsidiaries' investment properties	105,674	110,789
Changes in fair value of investment properties	141,452	138,529
Profit before income tax	247,126	249,318
Income tax expense	(42,195)	(38,013)
Profit for the period	**204,931**	**211,305**
Attributable to:		
Owners of the Company ("PATMI")	179,422	203,953
Non-controlling interests ("NCI")	25,509	7,352
Profit for the period	**204,931**	**211,305**

Consolidated Statement of Comprehensive Income

	Group	
	Three-month period ended Jun. 30, 2014 US$'000	**Three-month period ended Jun. 30, 2013 US$'000 (Restated)**
Profit for the period	**204,931**	**211,305**
Other comprehensive income:		
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	31,547	(13,816)
Effective portion of changes in fair value of cash flow hedges	(5,439)	22,588
Change in fair value of available-for-sale financial investments	32,336	(9,369)
Share of other comprehensive income of jointly-controlled entities	11,718	(40,651)
Other comprehensive income for the period	70,162	(41,248)
Total comprehensive income for the period	**275,093**	**170,057**
Attributable to:		
Owners of the Company	250,665	152,337
Non-controlling interests	24,428	17,720
	275,093	**170,057**

GLOBAL LOGISTIC PROPERTIES LIMITED AND ITS SUBSIDIARIES
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014

Statements of Financial Position

	Group		Company	
	Jun. 30, 2014 US$'000	Mar. 31, 2014 US$'000 (Restated)	Jun. 30, 2014 US$'000	Mar. 31, 2014 US$'000
Non-current assets				
Investment properties	11,772,351	10,164,715	–	–
Subsidiaries	–	–	7,026,015	7,113,933
Jointly-controlled entities	1,225,547	1,163,752	–	–
Deferred tax assets	29,014	28,565	–	–
Plant and equipment	59,002	57,549	5,339	3,645
Intangible assets	490,337	491,198	–	–
Other investments	447,327	412,337	–	–
Other non-current assets	111,585	113,185	–	–
	14135,163	**12,431,301**	**7,031,354**	**7,117,578**
Current assets				
Financial derivative assets	–	3,452	–	3,452
Trade and other receivables	394,333	405,949	1,073,535	1,077,964
Cash and cash equivalents	2,345,964	1,500,737	754,601	142,004
	2,740,297	**1,910,138**	**1,828,136**	**1,223,420**
Total assets	**16,875,460**	**14,341,439**	**8,859,490**	**8,340,998**
Equity attributable to owners of the Company				
Share capital	6,443,796	6,278,812	6,443,796	6,278,812
Capital securities	587,287	595,375	587,287	595,375
Reserves	2,117,553	1,883,568	873,207	775,405
	9,148,636	**8,757,755**	**7,904,290**	**7,649,592**
Non-controlling interests	**2,868,579**	**1,365,587**	**–**	**–**
Total equity	**12,017,215**	**10,123,342**	**7,904,290**	**7,649,592**
Non-current liabilities				
Loans and borrowings	3,016,081	2,503,677	627,398	626,485
Financial derivative liabilities	13,341	8,321	–	–
Deferred tax liabilities	758,822	716,635	–	–
Other non-current liabilities	158,688	165,318	–	100
	3,946,932	**3,393,951**	**627,398**	**626,585**
Current liabilities				
Loans and borrowings	205,945	157,633	–	–
Trade and other payables	683,573	644,864	327,382	64,820
Financial derivative liabilities	4,553	4,444	420	–
Current tax payable	17,242	17,205	–	1
	911,313	**824,146**	**327,802**	**64,821**
Total liabilities	**4,858,245**	**4,218,097**	**955,200**	**691,406**
Total equity and liabilities	**16,875,460**	**14,341,439**	**8,859,490**	**8,340,998**

Consolidated Statement of Cash Flows

	Group	
	Three-month period ended Jun. 30, 2014 US$'000	**Three-month period ended Jun. 30, 2013 US$'000 (Restated)**
Cash flows from operating activities		
Profit before income tax	**247,126**	**249,318**
Adjustments for:		
Depreciation of plant and equipment	1,941	862
Amortisation of intangible assets	863	863
Gain on disposal of subsidiaries	(65)	(24)
Gain on liquidation of subsidiary	(760)	–
Gain on disposal of asset classified as held for sale	–	(60)
Loss on disposal of plant and equipment	4	4
Goodwill written off on acquisition of subsidiaries	250	125
Share of results (net of income tax) of jointly-controlled entities	(28,986)	(30,598)
Changes in fair value of investment properties	(141,452)	(138,529)
Recognition of impairment loss on trade and other receivables	363	625
Equity-settled share-based payment transactions	2,863	1,807
Net finance costs	26,362	8,758
	108,509	**93,151**
Changes in working capital:		
Trade and other receivables	43,188	**(40,389)**
Trade and other payables	(2,570)	**(19,533)**
Cash generated from operations	**149,127**	33,229
Income tax paid	(11,667)	**(2,330)**
Net cash from operating activities	**137,460**	**30,899**
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(625,603)	**7**
Acquisition of investment properties	(422,492)	**–**
Development expenditure on investment properties	(273,277)	**(147,454)**
Disposal of subsidiaries, net of cash disposed	23,430	**–**
Proceeds received in advance for disposal of assets held for sale	–	**52,695**
Loan to jointly-controlled entities	(3,332)	**(3,221)**
Contribution to jointly-controlled entities	(18,911)	**(29,536)**
Deposits paid for acquisition of investment properties	–	**(11,273)**
Purchase of plant and equipment	(3,548)	**(1,062)**
Proceeds from sale of plant and equipment	564	**–**
Interest income received	1,935	**2,148**
Withholding tax paid on dividend income from subsidiaries	(6,765)	**(41,340)**
Net cash used in investing activities	**(1,327,999)**	(179,036)

Consolidated Statement of Cash Flows (cont'd)

	Group	
	Three-month period ended Jun. 30, 2014 US$'000	**Three-month period ended Jun. 30, 2013 US$'000 (Restated)**
Cash flows from financing activities		
Proceeds from issue of shares	159,016	–
Acquisition of non-controlling interest	(9,979)	(1,247)
Contribution from non-controlling interests	11,060	4,019
Proceeds from disposal of interests in subsidiaries to non-controlling interests	1,478,605	–
Proceeds from bank loans	437,134	40,207
Repayment of bank loans	(17,359)	(20,549)
Proceeds from issue of bonds, net of transaction costs	23,027	1,493
Redemption of bonds	(979)	(2,050)
Interest paid	(24,923)	(24,263)
Dividends paid to non-controlling interests	(3,903)	–
Capital securities distribution	(16,289)	(16,612)
Net cash from / (used) in financing activities	**2,035,410**	**(19,002)**
Net increase / (decrease) in cash and cash equivalents	**844,871**	**(167,139)**
Cash and cash equivalents at beginning of the period	1,500,737	1,974,970
Effect of exchange rate changes on cash balances held in foreign currencies	356	(12,209)
Cash and cash equivalents at end of the period	**2,345,964**	**1,795,622**

Statement of Changes in Equity

As at periods ended June 30, 2014 and 2013 (Restated) – Group

	Share capital US$'000	Capital securities US$'000	Capital reserve US$'000	Equity compensation reserve US$'000	Currency translation reserve US$'000	Hedging reserve US$'000	Fair value reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total attributable to owners of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at April 1, 2014	**6,278,812**	**595,375**	**75,797**	**15,066**	**(179,211)**	**(21,315)**	**168,820**	**(699,778)**	**2,524,189**	**8,757,755**	**1,175,230**	**9,932,985**
Effect of change in accounting policy	–	–	–	–	–	–	–	–	–	–	**190,357**	**190,357**
Balance as at April 1, 2014, as restated	**6,278,812**	**595,375**	**75,797**	**15,066**	**(179,211)**	**(21,315)**	**168,820**	**(699,778)**	**2,524,189**	**8,757,755**	**1,365,587**	**10,123,342**
Total comprehensive income												
Profit for the period	–	–	–	–	–	–	–	–	179,422	179,422	25,509	204,931
Other comprehensive income												
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	–	–	–	–	32,628	–	–	–	–	32,628	(1,081)	31,547
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(5,439)	–	–	–	(5,439)	–	(5,439)
Change in fair value of available-for-sale financial investments	–	–	–	–	–	–	32,336	–	–	32,336	–	32,336
Share of other comprehensive income of jointly-controlled entities	–	–	–	–	11,718	–	–	–	–	11,718	–	11,718
Total other comprehensive income	–	–	–	–	44,346	(5,439)	32,336	–	–	71,243	(1,081)	70,162
Total comprehensive income	–	–	–	–	44,346	(5,439)	32,336	–	**179,422**	**250,665**	**24,428**	**275,093**
Transactions with owners, recorded directly in equity												
Issue of ordinary shares, net of transaction costs	164,984	–	–	(5,968)	–	–	–	–	–	159,016	–	159,016
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	–	–	–	11,060	11,060
Capital securities distribution paid	–	(16,289)	–	–	–	–	–	–	–	(16,289)	–	(16,289)
Accrued capital securities distribution	–	8,201	–	–	–	–	–	–	(8,201)	–	–	–
Acquisition of interest in subsidiaries from non-controlling interests	–	–	1,865	–	–	–	–	–	–	1,865	(11,844)	(9,979)
Disposal of interest in subsidiaries to non-controlling interests	–	–	(7,239)	–	–	–	–	–	–	(7,239)	1,483,321	1,476,082
Disposal of subsidiaries	–	–	–	–	–	–	–	–	–	–	(70)	(70)
Share-based payment transactions	–	–	–	2,863	–	–	–	–	–	2,863	–	2,863
Dividends paid	–	–	–	–	–	–	–	–	–	–	(3,903)	(3,903)
Total contribution by and distribution to owners	**164,984**	**(8,088)**	**(5,374)**	**(3,105)**	–	–	–	–	**(8,201)**	**140,216**	**1,478,564**	**1,618,780**
Transfer to reserves	–	–	196	–	–	–	–	–	(196)	–	–	–
Balance as at June 30, 2014	**6,443,796**	587,287	**70,619**	**11,961**	**(134,865)**	**(26,754)**	**201,156**	**(699,778)**	**2,695,214**	**9,148,636**	**2,868,579**	**12,017,215**

Statement of Changes in Equity (cont'd)

As at periods ended June 30, 2014 and 2013 (Restated) – Group (cont'd)

	Share capital US$'000	Capital securities US$'000	Capital reserve US$'000	Equity compensation reserve US$'000	Fair value reserve US$'000	Hedging reserve US$'000	Currency translation reserve US$'000	Other reserve US$'000	Retained earnings US$'000	Total attributable to owners of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at April 1, 2013	**6,274,886**	**595,844**	**81,182**	**10,602**	**5,327**	**(30,748)**	**136,040**	**(699,778)**	**2,024,924**	**8,398,279**	**648,388**	**9,046,667**
Effect of change in accounting policy											**148,471**	**148,471**
Balance as at April 1, 2013, as restated	**6,274,886**	**595,844**	**81,182**	**10,602**	**5,327**	**(30,748)**	**136,040**	**(699,778)**	**2,024,924**	**8,398,279**	**796,859**	**9,195,138**
Total comprehensive income												
Profit for the period	–	–	–	–	–	–	–	–	203,953	203,953	7,352	211,305
<u>Other comprehensive income</u>												
Exchange differences arising from consolidation of foreign operations and translation of foreign currency loans	–	–	–	–	(24,184)	–	–	–	–	(24,184)	10,368	(13,816)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	22,588	–	–	–	22,588	–	22,588
Change in fair value of available-for-sale financial investments	–	–	–	–	–	–	(9,369)	–	–	(9,369)	–	(9,369)
Share of other comprehensive income of jointly-controlled entities	–	–	–	–	(42,635)	1,984	–	–	–	(40,651)	–	(40,651)
Total other comprehensive income	–	–	–	–	(66,819)	24,572	(9,369)	–	–	(51,616)	10,368	(41,248)
Total comprehensive income	–	–	–	–	**(66,819)**	**24,572**	**(9,369)**	–	**203,953**	**152,337**	**17,720**	**170,057**
Transactions with owners, recorded directly in equity												
Issue of ordinary shares under Share Plan, net of transaction costs	2,808	–	–	(2,808)	–	–	-	–	–	–	–	–
Capital contribution from non-controlling interests	–	–	–	–	–	–	-	–	–	–	4,019	4,019
Capital securities distribution paid	–	(16,612)	–	–	–	–	-	–	–	(16,612)	–	(16,612)
Accrued capital securities distribution	–	8,176	–	–	–	–	–	–	(8,176)	–	–	–
Acquisition of interest from non-controlling interests subsidiaries	–	–	(1,247)	–	–	–	–	–	–	(1,247)	(22,410)	(23,657)
Disposal of interest in subsidiaries to non-controlling interests	–	–	–	–	–		–	–	–	–	(631)	(631)
Share-based payment transactions	–	–	–	1,807	–	–	–	–	–	1,807	–	1,807
Total contribution by and distribution to owners	**2,808**	**(8,436)**	**(1,247)**	**(1,001)**	**–**	**–**	**–**	**–**	**(8,176)**	**(16,052)**	**(19,022)**	**(35,074)**
Balance as at June 30, 2013	**6,277,694**	**587,408**	**79,935**	**9,601**	**(61,492)**	**(6,176)**	**126,671**	**(699,778)**	**2,220,701**	**8,534,564**	**795,557**	**9,330,121**

Basis of preparation

The interim financial statements of Global Logistic Properties Limited (the "Company") and its subsidiaries (collectively, the "Group") have been prepared on a condensed basis in accordance with the Singapore Financial Reporting Standards 34 *Interim Financial Reporting*.

The interim financial statements, which do not include all of the information required for full annual financial statements, should be read in conjunction with the last issued audited annual financial statements of the Group as at and for the year ended 31 March 2014.

The accounting policies applied by the Group in these condensed interim financial statements are the same as those applied by the Group in its audited annual financial statements as at and for the year ended 31 March 2014, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning April 1, 2014.

FRS which became effective for the Group's financial period beginning April 1, 2014 are:

Amendments to FRS 32	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities;
FRS 110	Consolidated Financial Statements;
FRS 111	Joint Arrangements; and
FRS 112	Disclosures of Interests in Other Entities

Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 32 clarifies the existing criteria for net presentation on the face of the statement of financial position. Under the amendments, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. There was no material financial impact on the financial position from the adoption of this amendment.

FRS 110 Consolidated Financial Statements

FRS 110 establishes a single control model as the basis for determining the entities that will be consolidated. It also requires management to exercise significant judgement to determine which investees are controlled, and therefore are required to be consolidated by the Group.

The Group has evaluated its relationship with investees under the new control model. As a consequence, the Group has changed its control conclusion in respect of its investment in Suzhou Industrial Park Genway Factory Building Industrial Development Co., Ltd, GLP I-Park Xi'An Science & Technology Industrial Development Co., Ltd and Shenyang Jinpu Industrial Development Co., Ltd, which were previously accounted for as jointly-controlled entities using the equity method.

This standard is applied retrospectively and the prior periods in the Group's 2015 financial statements will be consequently restated. Accordingly, the effects of the Group's financial information arising from the adoption of FRS 110 are as follows:

	Mar. 31, 2014	
	As restated US$'000	As previously stated US$'000
Statement of financial position		
Investment properties	10,164,715	9,645,698
Jointly-controlled entities	1,163,752	1,328,761
Deferred tax assets	28,565	28,313
Plant and equipment	57,549	57,500
Other non-current assets	113,185	111,682
Trade and other receivables	405,949	382,228
Cash and cash equivalents	1,500,737	1,485,961
Total assets	**14,341,439**	**13,947,130**
Loans and borrowings	2,661,310	2,592,443
Deferred tax liabilities	716,635	656,708
Other non-current liabilities	165,318	160,159
Trade and other payables	644,864	575,976
Current tax payable	17,205	16,094
Total liabilities	**4,218,097**	**4,014,145**
Net assets	**10,123,342**	**9,932,985**
Non-controlling interests	1,365,587	1,175,230
Total equity attributable to owners of the Company	**8,757,755**	**8,757,755**

	3 months period ended Jun. 30, 2013	
	As restated US$'000	**As previously stated US$'000**
Income statement		
Revenue	143,467	137,156
Property-related expenses	(25,368)	(23,351)
Other expenses	(30,420)	(30,335)
Share of results (net of tax expenses) of jointly-controlled entities	30,598	32,971
Net finance costs	(8,758)	(7,970)
Changes in fair value of investment properties	138,529	135,029
Income tax expense	(38,013)	(36,279)
Profit for the period	**211,305**	**208,491**
Profit attributable to non-controlling interests	7,352	4,538
PATMI	**203,953**	**203,953**

	Year ended Mar. 31, 2014	
	As restated US$'000	**As previously stated US$'000**
Income statement		
Revenue	624,823	598,288
Other income	7,946	7,901
Property-related expenses	(114,248)	(105,404)
Other expenses	(136,739)	(136,248)
Share of results (net of tax expenses) of jointly-controlled entities	125,978	140,334
Net finance costs	(79,222)	(76,160)
Changes in fair value of investment properties	433,252	408,519
Income tax expense	(142,063)	(132,251)
Profit for the year	**724,719**	**709,971**
Profit attributable to non-controlling interests	39,569	24,821
PATMI	**685,150**	**685,150**

FRS 111 Joint Arrangements

FRS 111 establishes the principles for classification and accounting of joint arrangements. Under this standard, interests in joint ventures will be accounted for using the equity method whilst interests in joint operations will be accounted for using the applicable FRSs relating to the underlying assets, liabilities, revenue and expense items arising from the joint operations. As the Group is currently applying the equity method of accounting for its joint ventures, the adoption of FRS 111 has no material impact to the Group's financial statements.

FRS 112 Disclosures of Interests in Other Entities

FRS 112 brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. FRS 112 requires the disclosure of information about the nature, risks and financial effects of these interests.

As FRS 112 is primarily a disclosure standard, there was no financial impact on the results and financial position of the Group and the Company upon adoption of this standard by the Group.

Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

Group's Borrowings and Debt Securities

	Group	
	As at Jun. 30, 2014 US$'000	As at Mar. 31, 2014 US$'000 (Restated)
Amount repayable in one year or less, or on demand:-		
Secured	205,945	157,633
Unsecured	–	–
	205,945	157,633
Amount repayable after one year:-		
Secured	2,388,683	1,877,192
Unsecured	627,398	626,485
	3,016,081	2,503,677
Total Debt	**3,222,026**	**2,661,310**
Total Debt less Cash	**876,062**	**1,160,573**

Details of any collateral

Secured borrowings were generally secured by the borrowing companies' investment properties and assignment of all rights and benefits with respect to the properties.

Issued Share Capital

The movements in the Company's issued and fully paid-up share capital during the financial period are as follows:

	No. of shares	Capital US$'000
As at March 31, 2014	4,760,125,534	6,278,812
Share placement	74,278,292	159,016
Issuance of shares under Share Plans	3,029,666	5,968
As at June 30, 2014	4,837,433,492	6,443,796

Share Plans

The GLP Performance Share Plan ("GLP PSP") and GLP Restricted Share Plan ("GLP RSP") was approved by the shareholders of the Company on September 24, 2010. As at June 30, 2014, the number of outstanding shares awarded under the GLP PSP and GLP RSP were 10,001,000 and 9,144,398 respectively (As at June 30, 2013, GLP PSP: 6,771,000 and GLP RSP: 8,428,128).

Earnings per share (EPS)

In computing the EPS, the weighted average number of shares for the period is used for the computation.

	Group	
	Three-month perio ended Jun. 30, 2014 US$'000	Three-month period ended Jun. 30, 2013 US$'000
PATMI	179,422	203,953
Less: accrued distribution to holders of capital securities	(8,201)	(8,176)
PATMI less capital securities distribution	171,221	195,777

EPS based on profit attributable to owners of the Company without adjusting for distribution to holders of capital securities is as follows:

		Group	
		Three-month period ended Jun. 30, 2014	Three-month period ended Jun. 30, 2013
6(a)	EPS based on weighted average number of ordinary shares in issue (in US cents)	3.58	4.11
	Weighted average number of ordinary shares (in thousands)	4,780,160	4,757,820
6(b)	EPS based on fully diluted basis (in US cents)	3.57	4.11
	Weighted average number of ordinary shares (in thousands)	4,793,246	4,768,574

Acquisition of subsidiaries

The primary reason for the Group's acquisitions of subsidiaries is to expand its portfolio of investment properties held in the PRC.

(i) The list of subsidiaries acquired during the period ended 30 June 2014 is as follows:

Name of subsidiaries	Date acquired	Effective equity interest acquired
		%
Shiodome Eleven Logistic TMK	June 2014	100%
Shiodome Twelve Logistic TMK	June 2014	100%
Shiodome Thirteen Logistic TMK	June 2014	100%
Shiodome Fourteen Logistic TMK	June 2014	100%
Shiodome Fifteen Logistic TMK	June 2014	100%
Shiodome Sixteen Logistic TMK	June 2014	100%
Shiodome Seventeen Logistic TMK	June 2014	100%
Shiodome Eighteen Logistic TMK	June 2014	100%
Shiodome Nineteen Logistic TMK	June 2014	100%
Shiodome Twenty Logistic TMK	June 2014	100%
Rec 81 Empreendimentos e Participações Ltda.	June 2014	100%
Rec 84 Empreendimentos e Participações Ltda.	June 2014	100%
Rec 815 Empreendimentos e Participações Ltda.	June 2014	100%
Rec 816 Empreendimentos e Participações Ltda.	June 2014	100%
Rec 823 Empreendimentos e Participações Ltda.	June 2014	100%
Rec 826 Empreendimentos e Participações Ltda.	June 2014	100%
Rec 841 Empreendimentos Imobiliários e Participações Ltda.	June 2014	100%
Rec 844 Securitizadora de Créditos Imobiliários S.A.	June 2014	100%
Rec 848 Empreendimentos Imobiliários e Participações Ltda.	June 2014	100%
Rec 849 Empreendimentos Imobiliários e Participações Ltda.	June 2014	100%
Rec 858 Empreendimentos Imobiliários e Participações Ltda.	June 2014	100%
Rec 859 Empreendimentos Imobiliários e Participações Ltda.	June 2014	100%
Rec 860 Empreendimentos Imobiliários e Participações Ltda.	June 2014	100%
Beijing Dream Land Industrial Development Co., Ltd	April 2014	100%

Effects of acquisitions

The cash flow and the net assets of subsidiaries acquired during the period ended 30 June 2014 are provided below:

	Recognised values on acquisition US$'000
Investment properties	752,642
Trade and other receivables	23,290
Other assets	135
Cash and cash equivalents	6,057
Trade and other payables	(9,772)
Loans and borrowings	(119,362)
Current tax payable	(1,923)
Deferred tax liabilities	(19,657)
Net assets acquired	631,410
Goodwill on acquisition of subsidiaries	250
Total purchase consideration	631,660
Purchase consideration satisfied in cash	(631,660)
Cash of subsidiaries acquired	6,057
Cash outflow on acquisition of subsidiaries	(625,603)

The total related acquisition costs for the above-mentioned subsidiaries amounted to US$631,660,000. From the dates of acquisitions to 30 June 2014, the above-mentioned acquisitions contributed net profit of US$1,111,000 to the Group's results for the three-month period, before accounting for financing costs attributable to the acquisitions. If the acquisitions have occurred on 1 April 2014, management estimates that consolidated revenue and profit for the three-month period would not be materially different from those that were disclosed.

(ii) The list of subsidiaries acquired during the period ended 30 June 2013 is as follows:

Name of subsidiaries	**Date acquired**	**Effective equity interest acquired %**
GLP Hubei Greenfield Logistics Facilities Co., Ltd.	May 2013	100
Yachiyo Logistic Special Purpose Company ("SPC")	June 2013	100
Soja Two Logistic SPC	June 2013	100
Tomisato Two Logistic SPC	June 2013	100
Shiodome Nine Logistic SPC	June 2013	100
Shiodome Ten Logistic SPC	June 2013	100

Acquisition of subsidiaries (cont'd)

Effects of acquisitions

The cash flow and the net assets of subsidiaries acquired during the period ended 30 June 2013 are provided below:

	Recognised values on acquisition US$'000
Investment properties	24,361
Trade and other receivables	78
Cash and cash equivalents	7
Trade and other payables	(19,536)
Deferred tax liabilities	(1)
Net assets acquired	4,909
Goodwill on acquisition of subsidiaries	125
Total purchase consideration	5,034
Carrying amount of equity interest held previously	–
Purchase consideration satisfied in cash	–
Cash of subsidiaries acquired	7
Cash outflow on acquisition of subsidiaries	7

The total related acquisition costs for the above-mentioned subsidiaries amounted to US$5,034,000. From the dates of acquisitions to 30 June 2013, the above-mentioned acquisitions contributed net loss of US$972,000 to the Group's results for the three-month period, before accounting for financing costs attributable to the acquisitions. If the acquisitions have occurred on 1 April 2013, management estimates that consolidated revenue and profit for the three-month period would not be materially different from those that were disclosed.

Disposal of subsidiaries

(i) The list of subsidiaries disposed during the period ended 30 June 2014 is as follows;

Name of subsidiaries	Date disposed	Effective equity interest disposed %
Yoshimi Logistic TMK (f.k.a Shiodome Ten Logistic TMK)	April 2014	100
Xiamen Jade Logistics Investment Co., Ltd	April 2014	99

Effects of disposals

The cash flow and the net assets of subsidiaries disposed during the period ended 30 June 2014 are provided below:

	Recognised values on disposal US$'000
Investment properties	35,179
Trade and other receivables	12
Cash and cash equivalents	69
Other assets	22
Trade and other payables	(9,061)
Current tax payable	(67)
Deferred tax liabilities	(2,638)
Non-Controlling Interests	(72)
Net assets disposed	23,444
Disposal consideration	23,509
Disposal consideration receivable	(10)
Cash of subsidiaries disposed	(69)
Cash inflow on disposal of subsidiaries	23,430

From 1 April 2014 to date of disposals, the above-mentioned subsidiaries did not record any revenue and profit during the period.

Operating segments

The Group has three reportable segments, representing its operations in the PRC, Japan and Brazil, which are managed separately due to the different geographical locations. The Group's Chief Operating Decision Maker reviews internal management reports on these segments on a quarterly basis, at a minimum, for strategic decisions making, performance assessment and resources allocation purposes.

Performance of each reportable segment is measured based on segment revenue and segment earnings before net finance costs, income tax, and excluding changes in fair value of investment properties held by subsidiaries and jointly-controlled entities ("EBIT excluding revaluation"). EBIT excluding revaluation is used to measure performance as management believes that such information is the most relevant in evaluating the results of these segments relative to other entities that operate within the logistic industry. Segment assets and liabilities are presented net of inter-segment balances.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. There are no transactions between reportable segments.

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Information about reportable segments
Three-month period ended 30 June 2014 and 30 June 2013

	PRC		Japan		Brazil		Others		Total	
	Three-month period ended									
Group	**30 June 2014 US$'000**	**30 June 2013 US$'000 (Restated)**	**30 June 2014 US$'000**	**30 June 2013 US$'000**	**30 June 2014 US$'000**	**30 June 2013 US$'000**	**30 June 2014 US$'000**	**30 June 2013 US$'000**	**30 June 2014 US$'000**	**30 June 2013 US$'000 (Restated)**
Revenue and expenses										
External revenue	100,284	85,220	61,336	56,399	7,676	1,848	–	–	169,296	143,467
EBIT excluding revaluation	61,326	53,389	52,239	46,938	6,412	2,297	(7,113)	(5,980)	112,864	96,644
Changes in fair value of investment properties held by subsidiaries	69,500	59,856	71,952	78,673	–	–	–	–	141,452	138,529
Share of changes in fair value of investment properties (net of income tax) held by jointly-controlled entities	1,380	1,488	18,744	21,415	(952)	–	–	–	19,172	22,903
EBIT	132,206	114,733	142,935	147,026	5,460	2,297	(7,113)	(5,980)	273,488	258,076
Net finance (costs)/income	(7,518)	(13,030)	(4,824)	(5,815)	(2,123)	119	(11,897)	9,968	(26,362)	(8,758)
Profit before income tax	124,688	101,703	138,111	141,211	3,337	2,416	(19,010)	3,988	247,126	249,318
Income tax expense	(32,874)	(27,381)	(7,197)	(9,183)	(1,258)	(688)	(866)	(761)	(42,195)	(38,013)
Profit for the period	91,814	74,322	130,914	132,028	2,079	1,728	(19,876)	3,227	204,931	211,305
Other information										
Depreciation and amortisation	1,441	1,248	1,734	1,279	124	115	909	442	4,208	3,084
Interest income	1,951	1,099	4	9	596	–	460	773	3,011	1,881
Capital expenditure*	273,682	167,260	44,580	3,029	410,808	165	2,081	48	731,151	170,502

* Capital expenditure includes acquisition of and borrowing costs and development expenditure capitalised in investment properties and acquisition of plant and equipment.

Group	PRC 30 June 2014 US$'000	PRC 31 March 2014 US$'000 (Restated)	Japan 30 June 2014 US$'000	Japan 31 March 2014 US$'000	Brazil 30 June 2014 US$'000	Brazil 31 March 2014 US$'000	Others 30 June 2014 US$'000	Others 31 March 2014 US$'000	Total 30 June 2014 US$'000	Total 31 March 2014 US$'000 (Restated)
Assets and liabilities										
Investment properties	7,766,797	7,395,970	2,907,072	2,768,745	1,098,482	–	–	–	11,772,351	10,164,715
Jointly-controlled entities	270,987	260,922	488,512	462,465	466,048	440,365	–	–	1,225,547	1,163,752
Other segment assets	2,190,356	1,990,014	755,257	821,712	127,751	14,611	804,198	186,635	3,877,562	3,012,972
Reportable segment assets	10,228,140	9,646,906	4,150,841	4,052,922	1,692,281	454,976	804,198	186,635	16,875,460	14,341,439
Loans and borrowings	(1,200,084)	(1,301,822)	(1,390,688)	(1,359,488)	(631,254)	–	–	–	(3,222,026)	(2,661,310)
Other segment liabilities	(1,319,633)	(1,280,690)	(254,209)	(254,725)	(44,607)	(2,349)	(17,770)	(19,023)	(1,636,219)	(1,556,787)
Reportable segment liabilities	(2,519,717)	(2,582,512)	(1,644,897)	(1,614,213)	(675,861)	(2,349)	(17,770)	(19,023)	(4,858,245)	(4,218,097)

Commitments

The Group had the following commitments as at the reporting date:

(a) Operating lease commitments

(i) Operating lease rental payable

Future minimum lease payments for the Group on non-cancellable operating leases are as follows:

	Group	
	30 June 2014 US$'000	**31 March 2014 US$'000**
Lease payments payable:		
- Within 1 year	5,643	4,452
- After 1 year but within 5 years	6,986	5,733
	12,629	10,185

(ii) Operating lease rental receivable

Future minimum lease rental receivable for the Group on non-cancellable operating leases from investment properties are as follows:

	Group	
	30 June 2014 US$'000	**31 March 2014 US$'000**
Lease rentals receivable:		
- Within 1 year	505,944	465,129
- After 1 year but within 5 years	110,387	1,070,936
- After 5 years	617,614	777,393
	2,233,945	2,313,458

Commitments (cont'd)

(b) Other commitments

	Group	
	30 June 2014 US$'000	**31 March 2014 US$'000**
Commitments in relation to share capital of subsidiaries due but not provided for	739,769	199,588
Commitments in relation to share capital of subsidiaries not yet due and not provided for	195,488	667,707
Development expenditure contracted but not provided for	619,815	455,856

Fair value of assets and liabilities

(a) Determining fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods and processes. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investment properties

The Group's investment property portfolio is generally valued by independent external valuers every three months. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value as at the reporting date, the valuers have considered valuation techniques including direct comparison method, capitalisation approach, discounted cash flows and residual method, which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield and discount rate.

Fair value of assets and liabilities (cont'd)

(a) Determining fair value (cont'd)

(i) Investment properties (cont'd)

Properties under development is valued by estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete construction, financing costs and a reasonable profit margin on construction and development. The estimated cost to complete is determined based on the construction cost per square metre in the pertinent area.

(ii) Available-for-sale investments

The fair values of quoted available-for-sale investments are determined by reference to their quoted closing bid price in an active market at the measurement date.

(iii) Derivatives

Forward currency contracts and interest rate swaps are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forwards pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate and forward rate curves.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

Fair value of assets and liabilities (cont'd)

(a) Determining fair value (cont'd)

(v) Share-based payment transactions

The fair value of GLP PSP and GLP RSP is measured using Monte Carlo Simulation. Measurement inputs include the share price on grant date, expected volatility (based on an evaluation of the historic volatility of the Company's share price), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(vi) Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine its fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument.

Interest rates used for determining the fair value

Interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread, and were as follows:

	Group		Company	
	30 June 2014 US$'000 %	**31 March 2014 US$'000** %	**30 June 2014 US$'000** %	**31 March 2014 US$'000** %
Security deposits and loans and borrowings denominated in:				
- Japanese Yen	0.62	0.62	0.62	0.62
- Chinese Renminbi	5.76	5.75	5.76	5.75

Fair value of assets and liabilities (cont'd)

(b) Fair value hierarchy

The tables below analyses fair value measurements for various assets and liabilities, by the levels in the fair value hierarchy based on the inputs to valuation techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets and liabilities carried at fair value

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Group				
30 June 2014				
Investment properties	–	–	11,772,351	11,772,351
Available-for-sale investments	447,283	–	44	447,327
Forward foreign exchange contracts	–	(420)	–	(420)
Interest rate swaps	–	(17,475)	–	(17,475)
31 March 2014				
Investment properties	–	–	9,645,698	9,645,698
Available-for-sale investments	412,283	–	54	412,337
Forward foreign exchange contracts	–	3,452	–	3,452
Interest rate swaps	–	(12,765)	–	(12,765)
Company				
30 June 2014				
Forward foreign exchange contracts	–	(420)	–	(420)
31 March 2014				
Forward foreign exchange contracts	–	3,452	–	3,452

Fair value of assets and liabilities (cont'd)

(b) Fair value hierarchy (cont'd)

Assets and liabilities not carried at fair value but for which fair values are disclosed*

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Group				
30 June 2014				
Loans and borrowings	–	3,232,975	–	3,232,975
31 March 2013				
Loans and borrowings	–	2,604,705	–	2,604,705
Company				
30 June 2014				
Loans and borrowings	–	638,347	–	638,347
31 March 2013				
Loans and borrowings	–	638,747	–	638,747

* *Excludes financial instruments whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.*

During the year ended 30 June 2014, there were no transfers between Level 1 and Level 2 of the fair value hierarchy.

Fair value of assets and liabilities (cont'd)

(c) Accounting classifications and fair values

Fair values versus carrying amounts

Group	Fair value – hedging instruments US$'000	Designated at fair value US$'000	Loans and receivables US$'000	Available -for-sale US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
30 June 2014							
Available-for-sale equity securities	–	–	–	447,327	–	447,327	447,327
Other non-current assets[1]	–	–	103,626	–	–	103,626	103,626
Trade and other receivables[1]	–	–	288,016	–	–	288,016	288,016
Cash and cash equivalents	–	–	2,345,964	–	–	2,345,964	2,345,964
	–	–	2,737,606	447,327	–	3,184,933	3,184,933
Secured loans	–	–	–	–	(1,477,295)	(1,477,295)	(1,477,295)
Secured bonds	–	–	–	–	(1,117,333)	(1,117,333)	(1,117,333)
Unsecured bonds	–	–	–	–	(627,398)	(627,398)	(638,347)
Financial derivative instruments	–	(420)	–	–	–	(420)	(420)
Interest rate swaps	(17,204)	(271)	–	–	–	(17,475)	(17,475)
Other non-current liabilities[2]	–	–	–	–	(147,986)	(147,986)	(149,025)
Trade and other payables[2]	–	–	–	–	(642,034)	(642,034)	(642,034)
	(17,204)	(691)	–	–	(4,012,046)	(4,029,941)	(4,041,929)

[1] excludes prepayments

[2] excludes advance payment received

Fair value of assets and liabilities (cont'd)

(c) Accounting classifications and fair values (cont'd)

Group	Fair value – hedging instruments US$'000	Designated at fair value US$'000	Loans and receivables US$'000	Available -for-sale US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
31 March 2014							
Available-for-sale equity securities	–	–	–	412,337	–	412,337	412,337
Financial derivative instruments	–	3,452	–	–	–	3,452	3,452
Other non-current assets[1]	–	–	104,407	–	–	104,407	104,407
Trade and other receivables[1]	–	–	279,436	–	–	279,436	279,436
Cash and cash equivalents	–	–	1,485,961	–	–	1,485,961	1,485,961
	–	3,452	1,869,804	412,337	–	2,285,593	2,285,593
Secured loans	–	–	–	–	(879,617)	(879,617)	(879,617)
Secured bonds	–	–	–	–	(1,086,341)	(1,086,341)	(1,086,341)
Unsecured bonds	–	–	–	–	(626,485)	(626,485)	(638,747)
Interest rate swaps	(12,628)	(137)	–	–	–	(12,765)	(12,765)
Other non-current liabilities[2]	–	–	–	–	(149,025)	(149,025)	(141,316)
Trade and other payables[2]	–	–	–	–	(541,057)	(541,057)	(541,057)
	(12,628)	(137)	–	–	(3,282,525)	(3,295,290)	(3,299,843)

[1] excludes prepayments

[2] excludes advance payment received

Fair value of assets and liabilities (cont'd)

(c) Accounting classifications and fair values (cont'd)

	Loans and receivables US$'000	Designated at fair value US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Company					
30 June 2014					
Trade and other receivables[1]	1,072,978	–	–	1,077,457	1,077,457
Cash and cash equivalents	754,601	–	–	142,004	142,004
	1,827,579	–	–	1,219,461	1,219,461
Unsecured bonds	–	–	(627,398)	(627,398)	(638,347)
Financial derivative instruments	–	(420)	–	(420)	(420)
Trade and other payables	–	–	(327,382)	(327,382)	(327,382)
	–	(420)	(954,780)	(955,200)	(966,149)
31 March 2014					
Trade and other receivables[1]	1,077,457	–	–	1,077,457	1,077,457
Financial derivative instruments	–	3,452	–	3,452	3,452
Cash and cash equivalents	142,004	–	–	142,004	142,004
	1,219,461	3,452	–	1,222,913	1,222,913
Unsecured bonds	–	–	(626,485)	(626,485)	(638,747)
Other non-current liabilities	–	–	(100)	(100)	(100)
Trade and other payables	–	–	(64,820)	(64,820)	(64,820)
	–	–	(691,405)	(691,405)	(703,667)

1 excludes prepayments

Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements

(i) Reconciliation of Level 3 fair value

The reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy for investment properties is presented in Note 4.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy for available-for-sale investments:

	Group Available-for-sale investments US$'000
At 31 March 2014	54
Disposal	(10)
Total unrealised gains and losses recognised in profit or loss	–
At 30 June 2014	44

(ii) Valuation techniques and significant unobservable inputs

The following table shows the key unobservable inputs used in the various valuation models that the Group uses to value its investment properties and available-for-sale investments:

30 June 2014

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation approach	***Capitalisation rate:*** PRC: 6.00% to 8.00% Japan: 4.50% to 6.25%	The estimated fair value varies inversely against the capitalisation rate.
Discounted cashflow model	***Discount rate:*** PRC: 10.00% to 12.00% Japan: 5.00% to 6.75%	The estimated fair value varies inversely against the discount rate.
	Terminal yield rate: PRC: 6.00% to 8.50% Japan: 4.75% to 6.75%	The estimated fair value varies inversely against the terminal yield rate.

Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

(ii) Valuation techniques and significant unobservable inputs (cont'd)

30 June 2014

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Residual land model	***Capitalisation rate[1]:*** PRC: 6.00% to 8.50%	The estimated fair value and gross development value vary inversely against the capitalisation rate.
	Estimated development costs to complete	The estimated fair value varies inversely against the development costs to complete.

[1] *Capitalisation approach is applied to derive the total gross development value under the residual land method*

Sensitivity analysis for key unobservable inputs

Investment properties and properties under development

The significant unobservable inputs used in the fair value measurement are capitalisation rate, discount rate, terminal yield rate and estimated development costs to complete. A significant decrease in the capitalisation rate, discount rate, terminal yield rate and estimated development costs to complete in isolation would result in a significantly higher fair value measurement, and conversely, a significant increase would result in a significantly lower fair value measurement.

Available-for-sale investments

The significant unobservable input used in the fair value measurement is net asset value of the investment. A significant decrease in the net asset value in isolation would result in a significantly lower fair value measurement, and conversely, a significant increase would result in a significantly higher fair value measurement.

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