

Asset Management Report

Aug 2022 Fiscal Period

from March 1, 2022 to August 31, 2022



GLP J-REIT

Securities code: 3281

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To Our Unitholders

On behalf of GLP J-REIT, I am pleased to present the financial results for the 21st fiscal period, ended in August 2022.

The dividend per unit (DPU) in the fiscal period under view totaled 3,051 yen, outperforming the forecast disclosed in April 2022. This reflects the steady implementation of the growth strategy being promoted by GLP J-REIT.

With the goal of equalization of DPUs, GLP J-REIT sold its trust beneficiary rights in GLP Fukusaki, dividing the sale between in the 20th fiscal period (ended February 2022) and the 21st fiscal period (ended August 2022). This reflected the property sales strategy of GLP J-REIT which is being continually implemented in a market environment where investment demand for logistics real estate remains strong. The gain of 3.0 billion yen ^(note) from this sale is still being distributed as dividends to its unitholders in the fiscal period under review.

In the internal growth front, owing to the proper management and operation of its portfolio with strong support from the GLP Group, which provides modern logistics facilities on a global basis, GLP J-REIT achieved a rent hike for the 20th consecutive fiscal period since its listing while maintaining a high average occupancy rate of 99%.

In the external growth front, GLP J-REIT acquired properties by utilizing its rich pipeline of properties and implementing the 10th capital boost since its listing in November 2022. Accordingly, investment demand from investors was confirmed to still be strong and six advanced logistics properties were purchased. Reflecting the property acquisitions made this time around, the scale of assets at GLP J-REIT on an appraisal price basis exceeded 1 trillion yen. In light of this, the portfolio has further enhanced stability and is large in scale and well distributed.

Note that, as scheduled, a fire insurance payout on GLP Maishima II was received. The goal going forward will be to further improve value through redevelopment of this property after the demolition and removal of buildings.

GLP J-REIT is determined to maximize investor value through its best-in-class asset management services, recognized both in Japan and around the world, by continuing to harness the GLP Group's extensive experience in operating logistics facilities in the future.

I would like to ask all our unitholders for their ongoing support and encouragements.



Yoshiyuki Miura
Executive Director, GLP J-REIT

(Note) The amount is calculated by deducting selling expenses from the difference between the sales price and the book value.



Yoshiyuki Miura
Executive Director, GLP J-REIT

Contents

Summary of Financial Results in the August 2022 Period	01	Statements of Changes in Net Assets	58
ASSET MANAGEMENT REPORT	14	Notes to Financial Statements	60
Balance Sheets	55	Statements of Distributions	80
Statements of Income	57	Statements of Cash Flows (Reference information)	83

Financial Highlights

	Aug 2022 Forecast (in Apr 2022)	Aug 2022 Actual	Differences
Dividend per unit	3,021 yen	3,051 yen	+30 yen (+1.0%)
NOI	19.03 bn yen	19.23 bn yen	+200 million yen (+1.1%)
Average occupancy rate ^(Note)	98.4%	99.0%	+0.6%

(Note) "Average occupancy rate" is calculated by rounding off the average occupancy as of the end of each month.



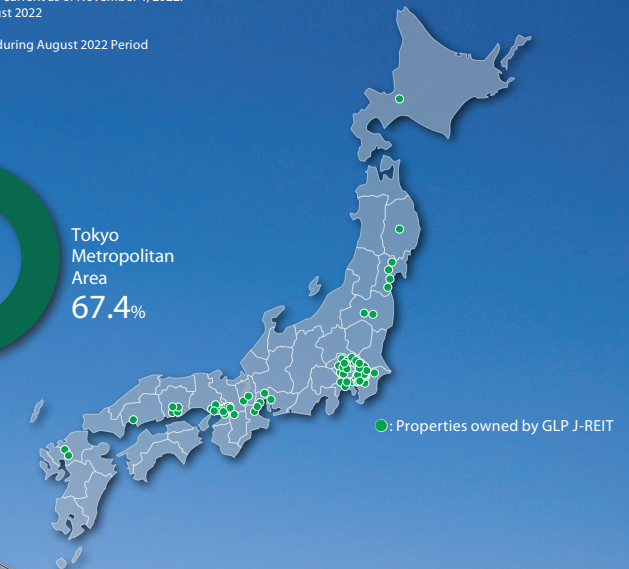
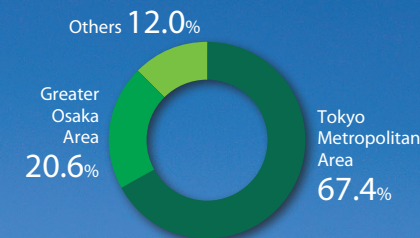
GLP Zama

Characteristics of GLP J-REIT

- ▶ Top-tier AUM among The Logistics J-REITs
- ▶ Ongoing support from GLP Japan, which possesses a track record in the operation and management of logistic facilities in Japan
- ▶ Properties are located throughout Japan, mainly in Tokyo Metropolitan & Greater Osaka areas where demand is robust.

AUM (Note 2)	Assets
1.08 trillion yen	90 properties
Occupancy rate	Rent increase rate (Note 3)
99.2%	6.3%
Credit Rating (JCR)	Loan-To-Value ratio (LTV)
AA (Stable)	44.2%

(Note 1) AUM and the number of property holdings is current as of November 1, 2022.
Other items are current as of the end of August 2022
(Note 2) An appraisal value basis
(Note 3) The rent increase rate for all leases matured during August 2022 Period





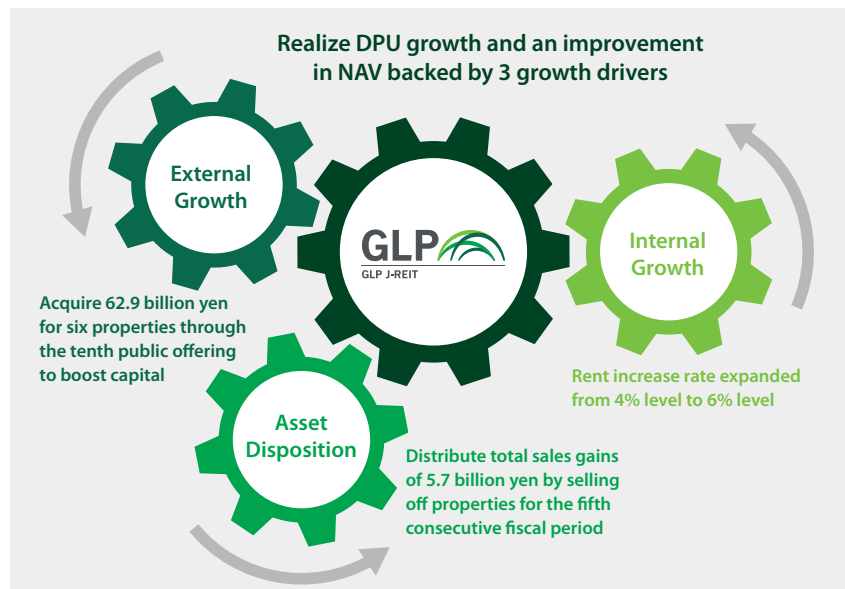
Top Interview

We interviewed Mr. Yoshiyuki Miura, Executive Director of GLP J-REIT, on the initiatives implemented in the August 2022 period as well as those recently implemented.

Yoshiyuki Miura
Executive Director of GLP J-REIT

Q1 Explain the key initiatives in line with your growth strategy in the fiscal period under review (August 2022 period) and thereafter.

A1 GLP J-REIT achieved steady growth of DPU also in the fiscal period under review, driven by the three growth drivers of our external growth, asset disposition and internal growth.



External Growth: External growth through timely public offering

GLP J-REIT is aiming to achieve a quality portfolio and enhance its profitability through the acquisition of new properties, by utilizing the abundant asset management knowhow and management resources of its sponsor, the GLP Group.

In October 2022, the tenth public offering was executed and in November of the same year a total of six properties were newly acquired (total acquisition price of 62.9 billion yen). (Refer to the pictures below)

In light of this, assets under management (AUM) at GLP J-REIT stood at 841.0 billion yen on an acquisition price basis.



Total acquisition price of the six new properties **62.9 billion yen**






Asset Disposition: Asset disposition analyzing transaction market

GLP J-REIT is implementing its asset disposition at the proper timing and price, comprehensively taking into account various factors, including property scale, building specs, and status of lease contracts, and location.

In tandem with the sale of GLP Fukusaki, which was purchased owing to ongoing brisk demand for logistics real estate, GLP J-REIT is equalizing the distribution of the 3 billion yen from this sale. The remaining gain on the sale of 1.51 billion yen was distributed to unitholders in the fiscal period under review.

Gain on asset sale in August 2022 period **1.51 billion yen** (Contribution to distribution per unit: **+284 yen**)

Feb. 2021 period		Aug. 2021 period		Feb. 2022 period	Aug. 2022 period
October 2020		May 2021		December 2021	March 2022
GLP Hatsukaichi		GLP Okegawa		GLP Fukusaki (50%) GLP Fukusaki (50%)	
					
Sale price vs. Appraisal value	+24%	Sale price vs. Appraisal value	+15%	Sale price vs. Appraisal value	+31%
Appraisal value	2.3 bn yen	Appraisal value	3.1 bn yen	Appraisal value	4.9 bn yen
Sale price	2.9 bn yen	Sale price	3.5 bn yen	Sale price	6.4 bn yen
Gain on asset sale	1.0 bn yen	Gain on asset sale	1.1 bn yen	Gain on asset sale	3.0 bn yen



Internal Growth: Realize strong internal growth

In internal growth, regarding a 410,000m² area for lease renewal, GLP J-REIT utilized the GLP Group's powerful leasing team and achieved a strong rent increase of +6.3% (Note), prior to lease renewal.

Reflecting this, the average rent increase rate for the most recent three-year period (for the most recent six fiscal periods) was 5.5%. Consequently, GLP J-REIT achieved rent increase for the 20th consecutive fiscal period since its IPO.

Rent increase in August 2022 period **+6.3%**

Average rent increase in the most recent three-year period **+5.5%**

(Note) The rent increase rate is calculated based on only warehouse area for multi-tenant type properties (a property being leased to several tenants), while for BTS (Build To Suit) type properties (a property constructed and leased in response to the needs of a specific tenant), it is calculated based on total leasable area.

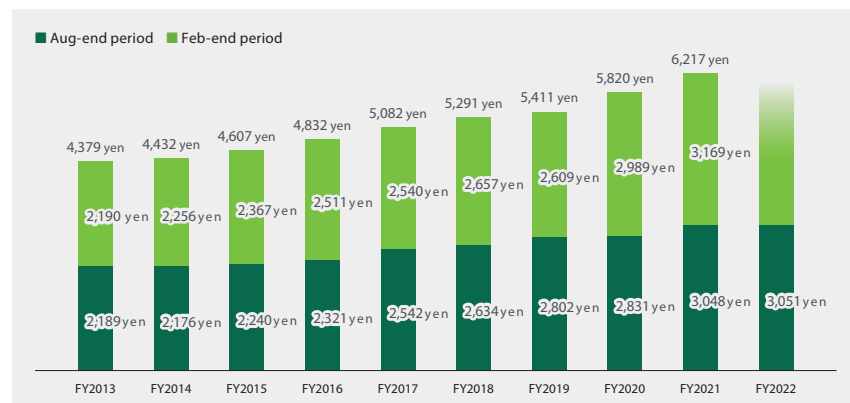
Q2 What was the actual for DPU and NAV per unit in the fiscal period under review?

A2 Owing to the results of initiatives, as explained in A1, DPU for the fiscal period stood at 3,051 yen. In comparison with the forecast disclosed in April 2022, this was an increase of 1.0% (versus a forecast of +12.9% disclosed in October 2021).

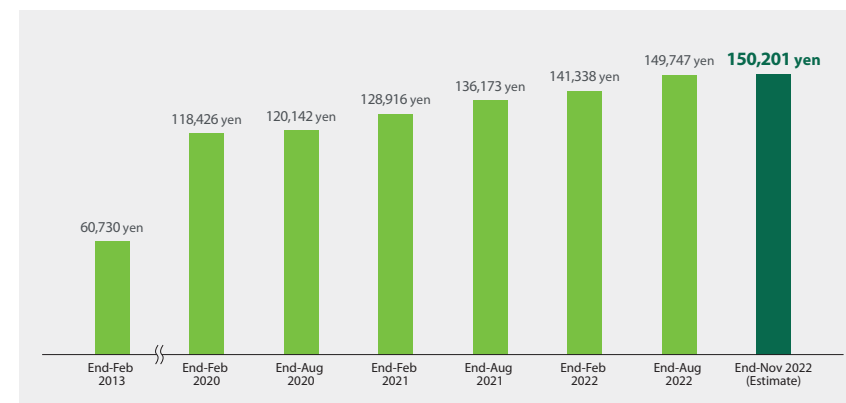
The DPU (annual amount) since going public (Note 1) has been steadily growing, as shown in the graph. GLP J-REIT aims for further growth moving forward.

Moreover, the NAV per unit (Note 2), which indicates the asset value per investment unit for unitholders, was 150,201 yen after property acquisitions made in November 2022, and is trending strongly since its IPO.

Dividend per unit (DPU)



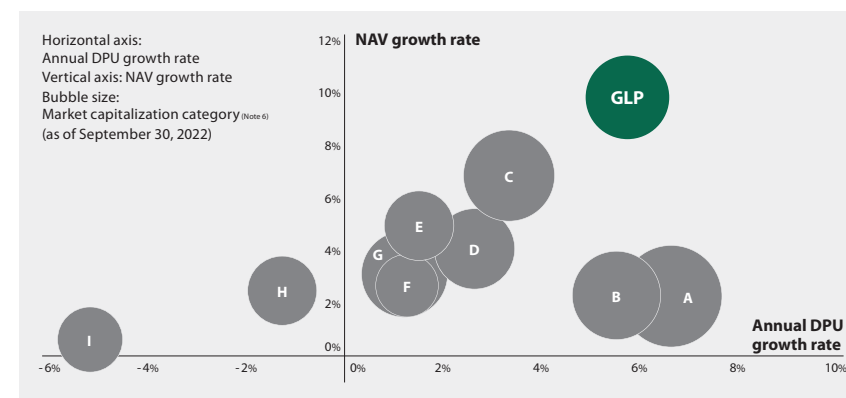
Net assets per unit (NAV)



The growth rates for distributions and NAV (net assets per unit) achieved top class growth among the top 10 J-REITs based on total market cap.

Going forward, GLP J-REIT aims to realize the enhancement of unitholder value through the expansion of distribution and NAV growth in accordance with its growth strategy.

Annual DPU growth rate (Note 3) and NAV growth rate (Note 4) (Top 10 J-REITs by Market Capitalization as of September 30, 2022 (Note 5))



(Note 1) The fiscal year is from April 1 to March 31 of the following year. The figures at the end of the August 2022 fiscal period denote figures for the end of 2022. Also, figures for each fiscal period denote the combined total of figures for the August and February fiscal periods in each year.

(Note 2) Per unit as of the end of fiscal period is calculated based on (Net assets - dividend + unrealized gains based on appraisal at the end of each fiscal period) / the number of investment units issued; the (estimated) net asset value (NAV) per unit as the end of November 2022 was calculated as follows: (NAV as of the end of August 2022 + estimated total issuance price reflecting the capital increase owing to the No. 10 public offering + unrealized gain based on the appraisal value as of the end of August for the newly acquired six properties) ÷ the number of estimated issued investment units after the capital increase owing to the No. 10 public offering.

(Note 3) This is the annual average growth rate for the most recent five fiscal years.

(Note 4) NAV per unit annual average growth rate for the most recent five fiscal years.

(Note 5) The top 10 J-REITs by market capitalization (excluding Japan Metropolitan Fund due to the merger)

Q3 Please explain initiatives to achieve further growth going forward.

A3 GLP J-REIT plans to implement the following initiatives while closely monitoring the market environment to realize further growth.



External Growth: Plan to generate steady external growth using an rich property pipeline (Note 1) as its revenue source

The policy of GLP Japan, the sponsor of GLP J-REIT, is to invest an annual average of around 200.0 billion yen-300.0 billion yen into development. GLP J-REIT possesses a pipeline worth approximately 1 trillion yen, consisting chiefly of properties in the Greater Tokyo (Kanto) and the Greater Osaka (Kansai) areas.

GLP J-REIT newly received preferential negotiation rights for GLP Fukuoka Kasuya in September 2022. Going forward, GLP J-REIT plans to continue achieving steady external growth, backed by its sponsor's rich pipeline as its source of growth.



GLP Fukuoka Kasuya (Note 2)

Preferential negotiation rights for
4 properties with an equivalent
worth of around **50** billion yen

Sponsor property pipeline Approx. **1** trillion yen

(Note 1) Property pipeline is the group of properties that are candidates for acquisition further out.

(Note 2) The properties in the photos above show 1 out of 4 preferential negotiable rights properties from the property pipeline.



Asset Disposition: Implement timely asset disposition

GLP J-REIT plans to return ample gains to unitholders through asset disposition, leveraging the number of properties it owns as the top logistics J-REIT.

Assets held **90** properties / Unrealized gain **275.7** billion yen



Internal Growth: Ongoing strong internal growth

While utilizing the strong leasing team of the GLP Group, GLP J-REIT, a top-class logistics REIT that boasts rent growth, aims to continue to increase rents by improving the value of its logistics facilities throughout Japan and pouring energies into its portfolio management.

Note that, the rent increase rate in the next fiscal period (ending February 2023) is expected to be approximately 6%-7%.

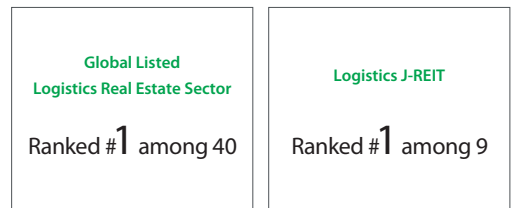
Rent increase forecast for Feb. 2023 period **+6%-7%**

Q4 Please discuss your recent ESG initiatives.

A4 GLP J-REIT is also actively implementing various initiatives for ESG as well.

GRESB Real Estate Assessment

GLP J-REIT was commended for its ESG initiatives. In the GRESB Real Estate Assessment, implemented in 2022, GLP J-REIT was given the top **"5 Star"** as well as a **"Green Star"** designation for the third year in a row. In the logistics real estate sector, GLP J-REIT was selected as a **"Global Sector Leader"** and **"Regional Sector Leader."**



In August 2022, GLP J-REIT received CASBEE real estate evaluation certification for seven properties

GLP J-REIT newly acquired CASBEE real estate evaluation certification ratings of "S," "A" or "B+" for the following properties it owns.

"GLP J-REIT is promoting a goal to acquire environmental certification for more than 80% on a total floor area basis by 2024." This percentage of properties that have acquired environmental certification this time around is 80.04%. Accordingly, GLP J-REIT is achieving its goal beforehand.



GLP Higashi Ogishima III
(S rank)



GLP Hirakata II (S rank)



GLP Tomisato (A rank)



GLP Higashi Ogishima II (A rank)



GLP Sakai (A rank)



GLP Rokko IV (A rank)



GLP Funabashi (B+ rank)

Initiatives for ESG

Environment

High rating in GRESB Real Estate Assessment

- In the 2022 GRESB Real Estate Assessment, received the top score, "5 Star" and "Green Star" for the third consecutive year
- Ranked #1 among 40 companies in the global listed logistics real estate sector, and #1 among 9 logistics J-REITs
- Selected as "Global Sector Leader" and "Regional Sector Leader" in the listed and unlisted logistics real estate sector



Green Lease (Note) Contracts: 100% in Aug. 2022 period

- All fixed-term leases signed in Aug. 2022 period met Green Lease Requirements
- Enhancement of cooperation with tenants in environmental action

(Note) "Green lease" is a contract or memorandum of understanding between a building owner and a tenant to reduce the environmental impact of real estate, such as energy conservation and improve working environment.



Become a TCFD supporter

- Implemented initiatives such as LED and solar panels installation to address climate change
- Became a TCFD supporter and joined the TCFD Consortium to further promote initiatives for a low carbon society



Participating in the Japan Climate Initiative

- GLP Japan Advisors, the asset management company, is now the first logistics J-REIT asset management company to participate in "Japan Climate Initiative," which is a network of companies, local governments, NGOs and others working on climate change measures for the purpose of sharing information and exchanging opinions.



GLP J-REIT, in collaboration with the GLP Group, gives the utmost consideration to environmental protection, and also fulfills its social responsibilities of ensuring the health of and providing safety for its customers, local communities and employees. As a demonstration of its comprehensive commitment to position its social responsibilities for the sustainable growth of society (sustainability) at the core of its business operations, GLP J-REIT has formulated proprietary environment, society and governance (ESG) guidelines and is pursuing various initiatives on a corporate and investment property basis.

Acquisition of environmental certification (Note 1)

Certification application ratio	BELS certification	CASBEE certification	LEED certification
80.04% (Note 2)	18 properties	50 properties	1 property

(Note 1) As of August 31, 2022
(Note 2) Total floor area base

Received BELS and ZEB certification (December 2021)

- GLP J-REIT has received BELS (Note) evaluation for GLP Niiza and GLP Sayama Hidaka I and secured the highest "5-star" rating as well as the "ZEB Ready" evaluation.

(Note) Building-Housing Energy-efficiency Labeling System

GLP Niiza



GLP Sayama Hidaka I



CASBEE certification (August 2022)

- GLP J-REIT received CASBEE real estate evaluation certification ratings of "S," "A" or "B+" respectively for seven properties, including GLP Higashi Ogishima III.



S rank



GLP Higashi Ogishima III



GLP Hirakata II

GLP J-REIT introduced the ESG check process for rating investments

- GLP J-REIT introduced a process to check the level of impact to ESG when conducting an investment rating. This process was applied to six properties (GLP Zama (30% of Co-ownership), GLP Joso, GLP Kitamoto, GLP Amagasaki III, GLP Yasu and GLP Suzuka) purchased by GLP J-REIT in November 2022. The process confirmed there were no issues therefore the purchase was carried out.

* Refer to the Environment (E) page on the GLP J-REIT website for details on initiatives for the environment.
<https://www.glpjreit.com/en/esg/environment.html>

Initiatives for ESG

Society

Contribution to local communities through cooperation agreements on disaster management with local governments

- During times of disaster, including flooding, GLP J-REIT plans to open its properties as temporary evacuation sites to evacuees from disasters.

Implement donations to local governments

- GLP Japan Advisors makes tax-deductible donations to local governments where GLP J-REIT properties are located
- Contribution to local communities through these donations to businesses working to promote employment and disaster management, etc.

Initiatives to ensure safety in anticipation of a disaster

- The GLP Group contributes to ensuring the safety of stored cargo and for all its tenant companies by providing buildings and services that give consideration to the safety of tenant companies and facility users.



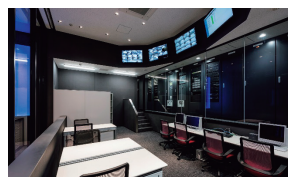
GLP Amagasaki



Conference with the Yokohama Disaster Risk Reduction Learning Center, which receives donations from GLP Japan Advisors



Seismic isolation structure



24-hour security



Distribution/installment of disaster-relief supplies

GLP Group social contribution activities

- The GLP Group actively implements social activities through support, including discovering the potential and talent of children.

Initiatives in Japan



Sports events



Providing opportunities to experience work

Initiatives Overseas



Founded GLP Hope School and provided educational opportunities to a total of 10,000 children



Governance

ESG Committee

- GLP J-REIT set up the ESG Committee. Under the leadership of the Chief Sustainability Officer (CSO), the Committee formulated a medium-to-long term ESG basic policy, prepared a policy related to green sustainability finance, and further promoted initiatives pertaining to sustainability.

Investment unit ownership program for directors and employees

- With the aim of reaping benefits from the alignment of with our sponsor, the directors and employees of the asset management company, unitholders, we established a investment unit ownership program ^(note)

(Note) Directors and employees of GLP Capital Partners Japan Inc., GLP Japan Inc., and GLP Japan Advisors Inc. are participating in this investment unit ownership program

*Refer to the Social Responsibility (S) page and Governance (G) page on the GLP J-REIT website for details on initiatives for society and governance.

<https://www.glpjreit.com/en/esg/social.html> / <https://www.glpjreit.com/en/esg/governance.html>

Targets

- GLP J-REIT is making smooth progress towards achieving ESG targets in their respective years. The GLP Group is rallying its full efforts to powerfully advance with measures for realizing carbon neutrality by 2050.
- We are achieving our 2024 target to secure environmental certification for more than 80% of our properties earlier than scheduled

ESG targets are on track to be achieved

Target	Progress
Achieve 100% ESG data coverage for properties managed by GLP J-REIT (Each Year)	(2022) Target achieved
Transition to 100% LED lighting in common areas in all properties (By 2022)	Target achieved in 15 out of 23 properties
Include a green lease clause in all fixed-term building lease contracts (By 2023)	61.1%
Acquire environmental certification for at least 80% of portfolio properties (By 2024)	Achieved ahead of schedule
Transition to 100% green energy as the source for electricity used in common areas (By 2025)	2022 35% (Expected)

ASSET MANAGEMENT REPORT

[Overview of Asset Management]

1. Trends in Key Indicators

		17th Period	18th Period	19th Period	20th Period	21st Period
		Mar. 1, 2020 to Aug. 31, 2020	Sept. 1, 2020 to Feb. 28, 2021	Mar. 1, 2021 to Aug. 31, 2021	Sept. 1, 2021 to Feb. 28, 2022	Mar. 1, 2022 to Aug. 31, 2022
Operating revenues	Million yen	19,893	21,978	23,855	24,786	24,875
Of which, Property-related revenues	Million yen	19,400	20,898	22,667	23,275	23,358
Operating expenses	Million yen	9,011	9,610	10,793	10,537	11,784
Of which, Property-related expenses	Million yen	6,739	7,159	8,014	8,017	8,371
Operating income	Million yen	10,881	12,367	13,062	14,249	13,090
Ordinary income	Million yen	9,693	11,156	11,763	12,937	11,760
Net income	Million yen	9,695	10,914	11,761	8,519	16,456
Total assets	Million yen	639,895	742,022	785,480	781,668	784,470
[Period-on-period changes]	%	[5.5]	[16.0]	[5.9]	[(0.5)]	[0.4]
Total net assets	Million yen	336,643	390,101	415,543	410,375	412,602
[Period-on-period changes]	%	[6.4]	[15.9]	[6.5]	[(1.2)]	[0.5]
Unitholders' capital, net (Note 2)	Million yen	326,945	379,183	403,779	401,853	400,559
Number of investment units issued and outstanding	Unit	3,982,980	4,343,664	4,490,369	4,490,369	4,490,369
Net assets per unit	Yen	84,520	89,809	92,541	91,390	91,886
Distributions	Million yen	11,275	12,983	13,686	14,229	13,700
Of which, Distributions of earnings	Million yen	9,694	10,915	11,760	8,522	12,038
Of which, Distributions in excess of retained earnings	Million yen	1,581	2,067	1,926	5,707	1,661
Distributions per unit	Yen	2,831	2,989	3,048	3,169	3,051
Of which, Distributions of earnings per unit	Yen	2,434	2,513	2,619	1,898	2,681
Of which, Distributions in excess of retained earnings from allowance for temporary difference adjustments per unit	Yen	—	—	—	983	—
Of which, Other distributions in excess of retained earnings per unit	Yen	397	476	429	288	370
Ordinary income to total assets (Note 3)	%	1.6	1.6	1.5	1.7	1.5
[Annualized ordinary income to total assets]	%	[3.1]	[3.3]	[3.1]	[3.3]	[3.0]
Return on unitholders' equity (Note 3)	%	3.0	3.0	2.9	2.1	4.0
[Annualized return on unitholders' equity]	%	[5.9]	[6.1]	[5.8]	[4.2]	[7.9]
Unitholders' equity to total assets (Note 3)	%	52.6	52.6	52.9	52.5	52.6
[Period-on-period changes]		[0.5]	[(0.0)]	[0.3]	[(0.4)]	[0.1]
Payout ratio (Note 3)	%	99.9	100.0	99.9	100.0	73.1
【Other Information】						
Number of operating days		184	181	184	181	184
Number of investment properties		78	83	86	86	85
Occupancy ratio	%	99.9	99.7	99.8	99.1	99.2
Depreciation expenses	Million yen	3,769	4,011	4,251	4,322	4,252
Capital expenditures	Million yen	712	1,094	1,119	1,612	1,349
Rental NOI (Net Operating Income) (Note 3)	Million yen	16,429	17,765	18,903	19,583	19,239
FFO (Funds From Operation) (Note 3)	Million yen	12,972	13,860	14,824	15,749	19,192
FFO per unit (Note 3)	Yen	3,256	3,191	3,301	3,507	4,274
Total distributions / FFO ratio (Note 3)	%	86.9	93.7	92.3	90.4	71.4
Debt service coverage ratio (Note 3)		13.2	14.4	14.1	10.4	19.0
The ratio of interest bearing liabilities to total assets	%	44.4	44.4	44.1	44.3	44.2

(Note 1) Any fraction is rounded down for monetary amounts unless otherwise stated. Ratios are rounded to the first decimal places. As to “Occupancy ratio,” however, when it may result in 100.0% after rounding, the figure is rounded down to the first decimal place and shown as 99.9%.

(Note 2) It represents the amount of unitholders’ capital, net of distributions in excess of retained earnings deducted from the total unitholders’ capital amount. It excludes changes in unitholders’ capital due to distributions in excess of retained earnings associated with allowance for temporary difference adjustments.

(Note 3) The following formulas are used for the calculation.

Ordinary income to total assets	$\text{Ordinary income} / [(\text{Total assets at beginning of period} + \text{Total assets at end of period}) / 2] \times 100$
Return on unitholders’ equity	$\text{Net income} / [(\text{Net assets at beginning of period} + \text{Net assets at end of period}) / 2] \times 100$
Unitholders’ equity to total assets	$\text{Net assets at end of period} / \text{Total assets at end of period} \times 100$
Payout ratio	$\text{Distributions per unit (excluding OPDs**)} / \text{Net income per unit} \times 100$ (Any fraction is rounded down to the first decimal place.) For the 17th, 18th and 19th Periods, the following formula is used due to the issuance of new units during the period. $\text{Total distributions (excluding OPDs**)} / \text{Net income} \times 100$
Rental NOI (Net Operating Income)	$\text{Property-related revenues} - \text{Property-related expenses} + \text{Depreciation expenses} + \text{Loss on retirement of noncurrent assets}$
FFO (Funds From Operation)	$\text{Net income} + \text{Depreciation expenses} + \text{Loss on retirement of noncurrent assets} - \text{Gain on sale of property and equipment}$ The amount of loss on fire at GLP Maishima II incurred in the 20th Period is included in Loss on retirement of noncurrent assets for calculation.
FFO per unit	$\text{FFO} / \text{Number of investment units issued and outstanding}$
Total distributions / FFO ratio	$\text{Total distributions (including OPDs**)} / \text{FFO} \times 100$
Debt service coverage ratio	$(\text{Net income} + \text{Interest expenses} + \text{Interest expenses on investment corporation bonds}) / (\text{Interest expenses} + \text{Interest expenses on investment corporation bonds})$

**: The “OPDs” stands for “Optimal Payable Distributions” that means distributions in excess of retained earnings.

2. Performance Review for the 21st Period

(1) Brief Background of GLP J-REIT

GLP J-REIT is a real estate investment corporation (“J-REIT”) specializing in logistics facilities, and it primarily invests in modern logistics facilities. GLP J-REIT was founded in accordance with the Act on Investment Trusts and Investment Corporations (hereinafter the “Investment Trust Act”) with GLP Japan Advisors Inc. (hereinafter the “Asset Manager”) as the founder. It had its units listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange on December 21, 2012 (securities code: 3281).

Having the GLP Group (Note) as the sponsor group and investing in highly functional modern logistics facilities while taking advantage of the wealth of experience and management resources, GLP J-REIT aims to earn stable income and achieve steady growth in assets under management over the medium and long term. Since starting its operation as a listed J-REIT with 30 properties (total acquisition price of 208,731 million yen) in January 2013, GLP J-REIT has been steadily expanding its assets through the continuous acquisition of properties. As of the end of the current fiscal period, GLP J-REIT owns 85 properties (total acquisition price of 778,098 million yen).

(Note) The GLP Group consists of GLP Holdings Limited, the holding company of the Sponsor of GLP J-REIT, and its group companies.

(2) Investment Environment and Business Performance

During the current fiscal period, the Japanese economy is gradually beginning to revitalize, following a pause in the spread of COVID-19. While the policy measures such as accepting more foreign tourists are expected to support the economy, there are concerns about the emergence of downside risks to the economy such as a slowdown in the pace of economic recovery due to rising resource prices and upward pressure on prices from the Japanese yen’s depreciation together with tighter monetary policies in the U.S. and other countries against a backdrop of such rising prices. As for the future, it is expected that restrictions on economic and social activities due to the spread of COVID-19 will be largely resolved and a gradual recovery trend in the economy, especially in personal consumption, will become clearer. On the other hand, it is also assumed that the situation will continue to require close monitoring of the economic impact of price hikes and monetary policies of various countries.

In the logistics facilities leasing market, we believe demand remains strong, reflecting logistics industry business concerns such as labor shortage and supply chain optimization, in addition to a trend of new expansion, consolidation and integration of logistics facilities among e-commerce service and third-party logistics (3PL) companies. Under these circumstances, the vacancy rate for large multi-tenant logistics facilities remains low at 4.4% in the Tokyo metropolitan area and 2.1% in the Greater Osaka area as of the end of June 2022 (Note 1).

In the logistics real estate market, reflecting continuing monetary easing in Japan, steady demand for properties and the prospect of stable rental income, both Japanese and overseas institutional investors remain eager to invest in the market, and their funds continue to flow in. As a result, capitalization rates continue to trend low while real estate prices stay high.

Under these circumstances, taking advantage of the strong demand for logistics properties, GLP J-REIT sold 50% Joint co-ownership interests of its trust beneficiary right of GLP Fukusaki on March 1, 2022, in order to return the gain on sale to unitholders as distributions (sales price: 3,225 million yen, gain on sale: 1,516 million yen (Note 2)).

As to internal growth, in collaboration with the leasing team of the GLP Group, the sponsor group, GLP J-REIT has achieved rent increases for 20 consecutive fiscal periods since its listing on the TSE, by closely monitoring tenant demand.

As a result of the above initiatives and the proper management and operation of its portfolio with strong support from the GLP Group, which provides modern logistics facilities on a global basis, GLP J-REIT operates 85 properties (total acquisition price of 778,098 million yen) while maintaining its portfolio occupancy rate at a high level of 99.2% as of August 31, 2022. The total appraisal value is 1,014,247 million yen with a total unrealized gain of 273,519 million yen and an unrealized gain ratio (Note 3) of 36.9 % as of August 31, 2022.

(Note 1) Source: CBRE K.K.

(Note 2) The amount is calculated by deducting selling expenses from the difference between the sales price and the book value.

(Note 3) Unrealized gain ratio = Unrealized gain (Appraisal value or research price at the fiscal period end – Book value) / Book value.

(3) Overview of Financing

GLP J-REIT operates by pursuing the optimal balance between financial stability and the enhancement of investor value. With strong relationships with financial institutions, GLP J-REIT delivers cost efficiency by lengthening debt maturities, proactively using or converting to fixed interest rates and diversifying repayment dates, and maintains an appropriate Loan-To-Value ratio (hereinafter “LTV”).

None of outstanding borrowings or investment corporation bonds was matured or refinanced in the current fiscal period.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 346,520 million yen (outstanding loans 292,520 million yen, outstanding investment corporation bonds 54,000 million yen) and the ratio of interest-bearing liabilities to total assets (LTV) was 44.2 %.

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

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

(Note) This is the rating for GLP J-REIT 2nd, 4th to 6th and 8th to 20th Unsecured Bonds.

(4) Overview of Financial Results and Cash Distributions

As a result of these management efforts, GLP J-REIT reported total operating revenues of 24,875 million yen, operating income of 13,090 million yen, ordinary income of 11,760 million yen and net income of 16,456 million yen for the current fiscal period.

As for a cash distribution for the current fiscal period, in accordance with the distribution policy set forth in its Articles of Incorporation, GLP J-REIT decided to distribute 12,038,679,289 yen. This cash distribution is eligible for the special tax treatment on investment corporations (Section 67.15 of the Special Taxation Measures Act) and represents the multiple of the number of investment units issued and outstanding (4,490,369 units) from unappropriated retained earnings. Accordingly, the distribution per unit for the current fiscal period was 2,681 yen.

In addition, GLP J-REIT intends to distribute funds in excess of the amount of retained earnings (OPD) for each fiscal period on a continuous basis (hereinafter, “continuous OPD”), in accordance with the distribution policy set forth in the Articles of Incorporation (Note). Furthermore, when it is anticipated that the amount of a distribution per unit would temporarily decrease to certain level as a result of the issuance of new investment units, the issuance of investment corporation bonds, financing through borrowings, disposal of buildings and facilities, major repairs or other matters, the distribution policy allows GLP J-REIT to make a temporary cash distribution in excess of retained earnings (hereinafter, “temporary OPD”), in addition to a continuous OPD, for the purposes of maintaining a stable level of distributions. Further, in addition to the continuous OPD and temporary OPD, GLP J-REIT can make a cash distribution in excess of retained earnings from allowance for temporary difference adjustments in accordance with laws and regulations including rules prescribed by the Investment Trusts Association, Japan.

Based on this, GLP J-REIT decided to distribute 1,275,264,796 yen as a continuous OPD, a refund of investment categorized as a distribution from unitholders’ capital for tax purposes, in an amount almost equivalent to 30% of the depreciation (4,252 million yen) for the current fiscal period. In addition, GLP J-REIT decided to distribute 386,171,734 yen as a temporary OPD, which is the amount roughly equivalent to the restoration of property damage sustained in the earthquake occurred off the coast of Fukushima in March 2022 and the lost earnings due to the fire at GLP Maishima II, after deducting the difference between fire insurance claim proceeds and reversal of allowance for temporary difference adjustments. Thus, the total amount of OPDs per unit is 370 yen.

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) that do not exceed the amount obtained by deducting capital expenditure for the operating period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 1,349 million yen of capital expenditure for the current fiscal period from 4,252 million yen of depreciation expenses for the period is 2,902 million yen.

For the time being, GLP J-REIT intends to make an OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) in the amount equal to approximately 30% of depreciation expenses for the operating period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) would have a negative impact on its long-term repair and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 85 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports, is 814 million yen.

3. Changes in Number of Investment Units Issued and Outstanding

Changes in number of investment units issued and outstanding and net unitholders' capital for the last five years are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Note 21) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
November 14, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(861)	208,665	(Note 2)
March 1, 2018	Public offering	529,922	3,383,000	56,095	264,760	(Note 3)
March 20, 2018	Issuance of new units through allocation to a third party	19,681	3,402,681	2,083	266,843	(Note 4)
May 15, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,402,681	(858)	265,985	(Note 5)
September 3, 2018	Public offering	411,013	3,813,694	42,620	308,605	(Note 6)
September 26, 2018	Issuance of new units through allocation to a third party	19,726	3,833,420	2,045	310,651	(Note 7)
November 14, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,017)	309,633	(Note 8)
May 21, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,134)	308,499	(Note 9)
November 18, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	307,372	(Note 10)
May 19, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	306,245	(Note 11)
June 29, 2020	International offering	149,560	3,982,980	20,700	326,945	(Note 12)
November 18, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,982,980	(1,581)	325,364	(Note 13)
December 7, 2020	Public offering	345,346	4,328,326	51,530	376,894	(Note 14)
January 5, 2021	Issuance of new units through allocation to a third party	15,338	4,343,664	2,288	379,183	(Note 15)
May 21, 2021	Distributions in excess of retained earnings (a refund of investment)	—	4,343,664	(2,067)	377,115	(Note 16)
July 6, 2021	Public offering	142,513	4,486,177	25,901	403,017	(Note 17)
August 3, 2021	Issuance of new units through allocation to a third party	4,192	4,490,369	761	403,779	(Note 18)
November 18, 2021	Distributions in excess of retained earnings (a refund of investment)	—	4,490,369	(1,926)	401,853	(Note 19)
May 20, 2022	Distributions in excess of retained earnings (a refund of investment)	—	4,490,369	(1,293)	400,599	(Note 20)

(Note 1) "Unitholders' capital, net" represents the amount of unitholders' capital, net of distributions in excess of retained earnings deducted from total unitholders' capital.

- (Note 2) At the Board of Directors' Meeting held on October 13, 2017, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 302 yen per unit for the 11th Fiscal Period (the period ended August 31, 2017). The payment of distributions was commenced on November 14, 2017.
- (Note 3) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the offer price of 109,372 yen per unit (the issue amount of 105,856 yen).
- (Note 4) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue amount of 105,856 yen.
- (Note 5) At the Board of Directors' Meeting held on April 13, 2018, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 301 yen per unit for the 12th Fiscal Period (the period ended February 28, 2018). The payment of distributions was commenced on May 15, 2018.
- (Note 6) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the offer price of 107,130 yen per unit (the issue amount of 103,697 yen).
- (Note 7) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue amount of 103,697 yen.
- (Note 8) At the Board of Directors' Meeting held on October 15, 2018, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 299 yen per unit for the 13th Fiscal Period (the period ended August 31, 2018). The payment of distributions was commenced on November 14, 2018.
- (Note 9) At the Board of Directors' Meeting held on April 15, 2019, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 296 yen per unit for the 14th Fiscal Period (the period ended February 28, 2019). The payment of distributions was commenced on May 21, 2019.
- (Note 10) At the Board of Directors' Meeting held on October 16, 2019, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 294 yen per unit for the 15th Fiscal Period (the period ended August 31, 2019). The payment of distributions was commenced on November 18, 2019.
- (Note 11) At the Board of Directors' Meeting held on April 15, 2020, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 294 yen per unit for the 16th Fiscal Period (the period ended February 29, 2020). The payment of distributions was commenced on May 19, 2020.
- (Note 12) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through an international offering at the offer price of 142,956 yen per unit (the issue amount of 138,407 yen).
- (Note 13) At the Board of Directors' Meeting held on October 13, 2020, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 397 yen per unit for the 17th Fiscal Period (the period ended August 31, 2020). The payment of distributions was commenced on November 18, 2020.
- (Note 14) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the offer price of 154,154 yen per unit (the issue amount of 149,214 yen).
- (Note 15) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue amount of 149,214 yen.
- (Note 16) At the Board of Directors' Meeting held on April 14, 2021, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 476 yen per unit for the 18th Fiscal Period (the period ended February 28, 2021). The payment of distributions was commenced on May 21, 2021.
- (Note 17) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the offer price of 187,768 yen per unit (the issue amount of 181,751 yen).
- (Note 18) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue amount of 181,751 yen.
- (Note 19) At the Board of Directors' Meeting held on October 13, 2021, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 476 yen per unit for the 19th Fiscal Period (the period ended February 28, 2022). The payment of distributions was commenced on May 21, 2022.

capital for tax purposes) of 429 yen per unit for the 19th Fiscal Period (the period ended August 31, 2021). The payment of distributions was commenced on November 18, 2021.

(Note 20) At the Board of Directors' Meeting held on April 13, 2022, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 288 yen per unit for the 20th Fiscal Period (the period ended February 28, 2022). The payment of distributions was commenced on May 20, 2022.

(Note 21) This excludes a change in unitholders' capital due to a distribution in excess of retained earnings associated with allowance for temporary difference adjustments.

[Changes in Unit Price at TSE]

The highest and lowest closing prices of the investment units listed on J-REIT section of the Tokyo Stock Exchange for each period are as follows:

(Unit: Yen)

Fiscal Period	17th Period	18th Period	19th Period	20th Period	21st Period
For the period ended	August 31, 2020	February 28, 2021	August 31, 2021	February 28, 2022	August 31, 2022
Highest	178,600	183,000	204,900	201,600	188,700
Lowest	80,600	153,500	155,800	169,800	154,200

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4. Distributions

Actual amount of distributions is as follows:

(Unit: Thousand yen, unless otherwise stated)

	17th Period Mar. 1, 2020 to Aug. 31, 2020	18th Period Sept. 1, 2020 to Feb. 28, 2021	19th Period Mar. 1, 2021 to Aug. 31, 2021	20th Period Sept. 1, 2021 to Feb. 28, 2022	21st Period Mar. 1, 2022 to Aug. 31, 2022
Unappropriated retained earnings	9,698,370	10,917,991	11,764,002	8,522,958	16,456,591
Retained earnings carried forward	3,797	2,363	3,726	238	3,879
Total distributions	11,275,816	12,983,211	13,686,644	14,229,979	13,700,115
[Distributions per unit]	[2,831 yen]	[2,989 yen]	[3,048 yen]	[3,169 yen]	[3,051 yen]
Of which, distributions of earnings	9,694,573	10,915,627	11,760,276	8,522,720	12,038,679
[Distributions of earnings per unit]	[2,434 yen]	[2,513 yen]	[2,619 yen]	[1,898 yen]	[2,681 yen]
Of which, total refund of investments	1,581,243	2,067,584	1,926,368	5,707,258	1,661,436
[Total refund of investments per unit]	[397 yen]	[476 yen]	[429 yen]	[1,271 yen]	[370 yen]
Of total refund of investments, total distributions from allowance for temporary difference adjustments	—	—	—	4,414,032	—
[Of total refund of investments per unit, distributions from allowance for temporary difference adjustments per unit]	[—yen]	[—yen]	[—yen]	[983 yen]	[—yen]
Of total refund of investments, total distributions from the unitholders' capital for tax purposes	1,581,243	2,067,584	1,926,368	1,293,226	1,661,436
[Of total refund of investments per unit, total distributions from the unitholders' capital for tax purposes per unit]	[397 yen]	[476 yen]	[429 yen]	[288 yen]	[370 yen]

(Note) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) that do not exceed the amount obtained by deducting capital expenditure for the operating period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 1,349 million yen of capital expenditure for the current fiscal period from 4,252 million yen of depreciation expenses for the period is 2,902 million yen.

For the time being, GLP J-REIT intends to make an OPD (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) in the amount equal to approximately 30% of depreciation expenses for the operating period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) would have a negative impact on its long-term repair and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 85 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports, is 814 million yen.

Furthermore, when it is anticipated that the amount of a distribution per unit would temporarily decrease to certain level as a result of the issuance of new investment units, the issuance of investment corporation bonds, financing through borrowings, disposal of buildings and facilities, major repairs or other matters, the distribution policy allows GLP J-REIT to make a temporary cash distribution in excess of retained earnings ("temporary OPD"), in addition to

a continuous OPD, for the purposes of maintaining a stable level of distributions.

Further, in addition to the continuous OPD and temporary OPD, GLP J-REIT can make a cash distribution in excess of retained earnings from allowance for temporary difference adjustments in accordance with laws and regulations including rules prescribed by the Investment Trusts Association, Japan.

For the current period, GLP J-REIT has declared a temporary OPD of 386 million yen in total, assuming that the amount of distributions per unit decreases by 86 yen as a result of the restoration of property damage sustained in the earthquake occurred off the coast of Fukushima in March 2022 and the lost earnings due to the fire at GLP Maishima II.

5. Future Management Policy and Matters to be Addressed

GLP J-REIT is committed to implementing the following measures to advance growth over the medium to long term:

- (1) In terms of its internal growth strategy, while enjoying the stable cash flows that characterize its portfolio of assets, GLP J-REIT will aim to maintain both the profitability and high occupancy rate of its facilities. In particular, when renewing leases upon the expirations of lease periods, GLP J-REIT will collaborate with the in-house leasing team from the GLP Group, the sponsor group, with consideration of the market rents and market trends of modern logistics facilities. At the same time, GLP J-REIT will seek to enhance the value of existing assets through appropriate maintenance of such assets and capital expenditures.
- (2) With regard to its external growth strategy, while utilizing the bridge approach through the Optimal Takeout Arrangement (“OTA”) (Note), GLP J-REIT will pursue further expansion of its portfolio focusing on both the improvement of profitability and portfolio quality by acquiring both properties developed by the GLP Group as well as third-party properties. GLP J-REIT will seek acquisition opportunities through the sponsor pipeline, which consists of properties held by a joint venture partnership formed by the GLP Group with a third party, in addition to the properties subject to the Rights-of-First-Look agreement.
- (3) With regard to property sales strategy, GLP J-REIT will continue its activities to sell properties at the appropriate timing based on trends in the logistics real estate market.
- (4) As to financial strategy, GLP J-REIT will examine such financing activities as extending debt maturities through refinancing, issuing investment corporation bonds and raising funds through public offerings of units, while closely monitoring trends in the financing environment. By doing so, GLP J-REIT will work to achieve an optimal balance of financing methods and financing costs.

(Note) Optimal Takeout Arrangement (“OTA”) refers to the arrangement under which GLP J-REIT acquires an asset at the timing designated by GLP J-REIT within the scheduled acquisition period, and with an acquisition price which may be reduced to some degree depending on the timing of acquisition. The assets subject to the OTA are referred to as the OTA assets.

6. Significant Subsequent Events

- (1) Issuance of new investment units

At the Board of Directors’ Meeting held on October 12, 2022, GLP J-REIT resolved to issue the following new investment units and conduct the secondary offering of investment units.

Details such as offer price will be determined in the Board of Directors’ Meeting to be held in the future.

[Issuance of new investment units through domestic public offering and overseas offering]

Number of investment units to be issued: 215,962 units (maximum) (Note 1)
Issue amount (amount to be paid in): To be determined (Note 2)
Payment date: Any day from October 21, 2022 to October 25, 2022 (Note 3)

(Note 1) Total of 211,210 units to be underwritten and 4,752 units subject to the right to purchase additional units to be issued which is granted to the overseas underwriters.

(Note 2) The issue amount will be determined on any day between October 17, 2022 and October 19, 2022 (the Offer Price Determination Date).

(Note 3) The date shall be the date which is four (4) business days after the Offer Price Determination Date.

[Secondary offering of investment units (Offering through over-allotment)]

Number of investment units to be offered: 5,809 units

(Note) As to domestic public offering described in “Issuance of new investment units through domestic public offering and overseas offering,” Nomura Securities Co., Ltd., the lead managing underwriter for the domestic offering, may conduct a secondary offering in Japan of investment units borrowed from GLP J-REIT’s unitholders (“Borrowed Investment Units”), after taking into consideration the demand for the offering and other conditions. The number of investment units to be offered in the secondary offering through over-allotment is the maximum number and may decrease depending on demand and other conditions, or the secondary offering through over-allotment itself may be cancelled.

[Issuance of new investment units through a third-party allotment] (Note 1)

Number of investment units to be issued: 5,809 units (maximum)
Issue amount (amount to be paid in): To be determined (Note 2)
Payment date: November 21, 2022
Underwriter: Nomura Securities Co., Ltd.

(Note 1) In connection with the “Secondary offering of investment units (Offering through over-allotment)” described above, this issuance is being made to allow Nomura Securities Co., Ltd. to acquire the investment units necessary to return the Borrowed Investment Units. The number of units to be issued may not be subscribed in whole or in part, which may result in the final number of units to be issued under the third-party allotment being reduced to that extent or the issuance itself not taking place at all due to forfeiture.

(Note 2) This will be the same amount as issue amount in “Issuance of new investment units through domestic public offering and overseas offering.”

[Purpose of funding]

The fund raised through the public offering will be partially applied to the acquisition of beneficiary rights of real estate in trust as described in “(2) Acquisition of assets” below. The fund raised through the third-party allotment will be held as cash on hand and will be applied to a part of funds for the future repayment of borrowings, redemption of investment corporation bonds or acquisition of specified assets.

(Note) The fund will be deposited in financial institutions until disbursed.

(2) Acquisition of assets

On October 12, 2022, GLP J-REIT decided to acquire trust beneficiary rights of the following six properties (“Assets to Be

Acquired”) effective November 1, 2022 and concluded the Purchase and Sales Contracts of Beneficiary Rights of Real Estate in Trust (“Purchase and Sales Contracts”). The planned acquisition price below presents the price stated in each Purchase and Sales Contract, which is the amount excluding incidental expenses (acquisition expenses, property taxes, city planning taxes, consumption taxes, etc.).

(Unit: Million yen)

Name of property	Planned acquisition date	Location	Seller	Planned acquisition price
GLP Zama (30% joint co-ownership ratio)	November 1, 2022	Zama, Kanagawa	Reo GK	13,460
GLP Joso	November 1, 2022	Joso, Ibaraki	Reo GK	16,350
GLP Kitamoto	November 1, 2022	Kitamoto, Saitama	Reo GK	15,649
GLP Amagasaki III	November 1, 2022	Amagasaki, Hyogo	Reo GK	6,665
GLP Yasu	November 1, 2022	Yasu, Shiga	Reo GK	5,820
GLP Suzuka	November 1, 2022	Suzuka, Mie	Suzuka Holdings GK	5,030
Total	—	—	—	62,974

(3) Additional borrowings

GLP J-REIT decided to borrow funds as follows to partially cover acquisition costs of beneficiary rights of real estate in trust as stated in “(2) Acquisition of assets” and its related expenses.

(Unit: Million yen)

Lender	Planned amount (Note 2)	Interest rate	Repayment date (Note 3)	Repayment method	Use	Collateral
Sumitomo Mitsui Banking Corporation	10,994	Base rate + 0.170% (Note 4)	October 31, 2023	Lump-sum	Part of acquisition costs of the Assets to Be Acquired and its related expenses	No collateral or guarantee
MUFG Bank, Ltd.	7,329	Base rate + 0.170% (Note 4)	October 31, 2023			
Mizuho Bank, Ltd.	6,107	Base rate + 0.170% (Note 4)	October 31, 2023			

(Note 1) The above borrowings are subject to the fulfillment of all lending preconditions stipulated in the individual revolving loan agreements concluded with respective lenders.

(Note 2) The actual amount of borrowings will be determined after taking into consideration the amount raised through the aforementioned offering. Therefore, the amount stated in the “Planned amount” may differ from the actual amount of borrowings.

(Note 3) The “Repayment date” above is the scheduled date as of the date of this document and is subject to change prior to the final drawdown of the borrowings.

(Note 4) The base rate is the one-month Japanese Yen TIBOR (Tokyo Interbank Offered Rate) published by the JBA TIBOR Administration as of two business days prior to the drawdown date. Such base rate will be reviewed every interest payment date.

[Profile of GLP J-REIT]

1. Status of Unitholders' Capital

	17th Period As of August 31, 2020	18th Period As of February 28, 2021	19th Period As of August 31, 2021	20th Period As of February 28, 2022	21st Period As of August 31, 2022
Number of investment units authorized (Units)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Number of investment units issued and outstanding (Units)	3,982,980	4,343,664	4,490,369	4,490,369	4,490,369
Unitholders' capital, net (Million yen) (Note)	326,945	379,183	403,779	401,853	400,559
Number of unitholders	15,980	17,477	17,905	17,737	17,790

(Note) It represents the amount of unitholders' capital, net of accumulated distributions in excess of retained earnings deducted from total unitholders' capital amount. It excludes changes in unitholders' capital due to distributions in excess of retained earnings associated with allowance for temporary difference adjustments.

2. Matters Concerning Investment Units

The following is a list of major unitholders as of August 31, 2022.

Name	Location	Number of units held (Units)	Ratio to total number of units issued and outstanding (%) (Note)
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	980,791	21.84
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3, Hamamatsucho, Minato-ku, Tokyo	726,228	16.17
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2, Otemachi, Chiyoda-ku, Tokyo	193,962	4.31
GLP CAPITAL JAPAN 2 PRIVATE LIMITED Standing proxy: Mizuho Securities Co., Ltd., Retail Operations Department (Note 2)	Otemachi First Square, 1-5-1, Otemachi, Chiyoda-ku, Tokyo	132,240	2.94
SSBTC CLIENT OMNIBUS ACCOUNT Standing proxy: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch, Custody Department	3-11-1, Nihonbashi, Chuo-ku, Tokyo	120,498	2.68
STICHTING PENSIOENFONDS ZORG EN WELZIJN Standing proxy: Citibank, N.A., Tokyo Branch, Direct Custody Clearing Department	6-27-30, Shinjuku, Shinjuku-ku, Tokyo	102,413	2.28
STATE STREET BANK WEST CLIENT – TREATY 505234 Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	Building A, Shinagawa Intercity, 2-15-1, Konan, Minato-ku, Tokyo	86,305	1.92
Mizuho Securities Co., Ltd.	1-5-1 Otemachi, Chiyoda-ku, Tokyo	80,583	1.79
SMBC Nikko Securities Inc.	3-3-1, Marunouchi, Chiyoda-ku, Tokyo	58,350	1.29

Name	Location	Number of units held (Units)	Ratio to total number of units issued and outstanding (%) (Note)
JP MORGAN CHASE BANK 385781 Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	Building A, Shinagawa Intercity, 2-15-1, Konan, Minato-ku, Tokyo	55,797	1.24
Total		2,537,167	56.50

(Note 1) “Ratio to total number of units issued and outstanding” is rounded down to the second decimal place.

(Note 2) GLP CAPITAL JAPAN 2 PRIVATE LIMITED is a group company of GLP, the Sponsor of GLP J-REIT, and holds 34,000 units in addition to the above. Thus, GLP CAPITAL JAPAN 2 PRIVATE LIMITED holds 166,240 units in total (ratio to total number of units issued and outstanding as of August 31, 2022: 3.70%).

3. Matters Concerning Directors and Auditors

(1) Names of Directors and Independent Auditor for the current period

Title	Name	Other concurrent title	Total amount of fees paid during the Period (Thousand yen)
Executive Director (Notes 1 and 2)	Yoshiyuki Miura	President, GLP Japan Advisors Inc.)	—
Supervisory Director (Note 2)	Toraki Inoue	Representative CPA, Toraki Inoue CPA Firm President, Accounting Advisory Co., Ltd.	1,980
	Kota Yamaguchi	Partner, Kimura Takushima & Yamaguchi Law Firm Outside Director, Heiwa Corporation	1,980
	Agasa Naito (Note 3)	Partner, Tanabe&Partners External Director, Nitto Boseki Co., Ltd. Outside Audit & Supervisory Board Member, BOOKOFF GROUP HOLDINGS Limited	990
Independent Auditor	KPMG AZSA LLC	—	13,000

(Note 1) Yoshiyuki Miura does not own investment units of GLP J-REIT under his own name nor the name of another person.

(Note 2) Executive Directors and Supervisory Directors may be an officer of entities other than the above; however, any of such entities including the above has no interest with GLP J-REIT.

(Note 3) Ms. Agasa Naito took office as Supervisory Director of GLP J-REIT on June 1, 2022.

(2) Policy on dismissal and non-reappointment of Independent Auditor

The dismissal and non-reappointment of Independent Auditor is to be resolved by the Board of Directors’ Meeting of GLP J-REIT after comprehensively considering various circumstances.

4. Matters Concerning Directors and Officers Liability Insurance Policy

GLP J-REIT has the Directors and Officers Liability Insurance policy in place as follows:

Scope of insured persons	Overview of the Directors and Officers Liability Insurance policy
All Directors of GLP J-REIT, including Executive Director and Supervisory Directors	<p>(Overview of insured events)</p> <p>GLP J-REIT has entered into the Directors and Officers Liability Insurance contract, as prescribed in Article 116-3-1 of Act on Investment Trusts and Investment Corporations, with an insurance company. The insurance shall cover damages that may arise from the insured person being held liable for the performance of his/her duties or being subject to a claim for such liability.</p> <p>(Premium sharing ratio)</p> <p>GLP J-REIT bears the entire amount.</p> <p>(Measures not to impair appropriateness of execution of duties by Directors and Officers)</p> <p>Damages caused by the insured person due to criminal acts or acts committed with knowledge of violation of laws are excluded from the coverage.</p>

5. Asset Management Company, Custodian and General Administrators

The asset management company, the custodian and administrators as of the current period end are as follows:

Operational role	Company name
Asset Management Company	GLP Japan Advisors Inc.
Custodian, General Administrator, Transfer Agent for Investment Units	Mitsubishi UFJ Trust and Banking Corporation
Administrator for Investment Corporation Bonds	Sumitomo Mitsui Banking Corporation
Administrator for Investment Corporation Bonds	MUFG Bank, Ltd.
Administrator for Investment Corporation Bonds	Resona Bank, Limited.

[Status on Investment Properties]

1. Investment Status

Type of asset	Use of asset	Area (Note 1)	20th Period As of February 28, 2022		21st Period As of August 31, 2022	
			Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)	Total amount held (Million yen) (Note 2)	Ratio to total assets (%) (Note 3)
Property and equipment in trust (Note 4)	Logistics facility	Tokyo metropolitan area	503,102	64.4	501,400	63.9
		Greater Osaka area	154,298	19.7	151,867	19.4
		Other	87,920	11.2	87,459	11.1
Subtotal			745,320	95.3	740,727	94.4
Deposits and other assets			36,348	4.7	43,743	5.6
Total assets (Note 5)			781,668 [745,320]	100.0 [95.3]	784,470 [740,727]	100.0 [94.4]

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

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

(Note 3) “Ratio to total assets” is rounded to the first decimal place.

(Note 4) The amount of “Property and equipment in trust” does not include the amount of construction in progress and construction in progress in trust. The amount of “Property and equipment in trust” in the Tokyo metropolitan area includes the book value of vehicles.

(Note 5) The total assets above are stated at the book value. In addition, the figures in square brackets represent the holding properties portion to total assets.

2. Major Properties Owned

The major components of assets (the 10 largest properties by book value) as of the current period end are as follows:

Name of properties	Book value (Million yen)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy ratio (%) (Note 3)	Ratio to total rental revenues (%) (Note 3)	Primary use
GLP Yokohama	40,534	95,312.41	95,312.41	100.0	4.1	Logistics facility
GLP Osaka	34,717	128,520.37	128,342.94	99.9	4.0	Logistics facility
GLP Tokyo II	33,983	79,073.21	79,073.21	100.0	4.9	Logistics facility
GLP Zama (Note 5)	29,668	79,908.14	77,872.27	97.5	3.1	Logistics facility
GLP Amagasaki	22,515	110,268.03	110,268.03	100.0	3.9	Logistics facility
GLP Sayama Hidaka II	21,380	75,719.13	75,719.13	100.0	(Note 4)	Logistics facility
GLP Tokyo	21,283	56,757.92	56,757.92	100.0	3.2	Logistics facility
GLP Atsugi II	19,833	74,176.27	74,176.27	100.0	(Note 4)	Logistics facility
GLP Maishima I	18,306	72,948.78	72,948.78	100.0	(Note 4)	Logistics facility
GLP Shinsuna	18,193	44,355.46	44,355.46	100.0	2.1	Logistics facility
Total	260,416	817,039.73	814,826.43	99.7	32.5	

(Note 1) “Leasable area” is the area of property or property in trust that is available for lease in accordance with relevant lease agreements or architectural drawings. The figures are rounded down to the second decimal place. Leasable area may change upon renewal of agreements.

(Note 2) “Leased area” is the total area leased to building tenants in accordance with the relevant lease agreements of each property or property in trust. The figures are rounded down to the second decimal place. When a property or property in trust is leased through a master lease agreement, the leased area represents the total space actually leased based on the lease agreement concluded with end-tenants.

(Note 3) “Occupancy ratio” and “Ratio to total rental revenues” are rounded to the first decimal place. As to “Occupancy ratio,” however, when it may result in 100.0% after rounding, the figure is rounded down to the first decimal place and shown as 99.9%.

(Note 4) Not disclosed because the tenants’ consent is not obtained.

(Note 5) GLP Zama is a property under joint co-ownership which GLP J-REIT holds 70% beneficiary right of real estate in trust. “Leasable area” and “Leased area” stated above are computed by multiplying 70% of the joint co-ownership ratio.

3. Summary of Portfolio Properties

The following table summarizes the investment properties held by GLP J-REIT as of the current period end.

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Tokyo	2-1-2, Tokai, Ota-ku, Tokyo	Beneficiary right of real estate in trust	56,757.92	34,800	21,283
GLP Higashi-Ogishima	23-9, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		34,582.00	8,410	4,749
GLP Akishima	4-13-41, Mihori-cho, Akishima, Tokyo 4-13-42, Mihori-cho, Akishima, Tokyo		27,356.63	10,900	7,221
GLP Tomisato	3-1, Misawa, Tomisato, Chiba		27,042.59	7,110	4,357
GLP Narashino II	3-6-3, Akanehama, Narashino, Chiba		101,623.60	20,200	14,363
GLP Funabashi	1-1389-2, Kaijincho-Minami, Funabashi, Chiba		10,465.03	2,360	1,852
GLP Kazo	1-5-1, Minami-shinozaki, Kazo, Saitama		76,532.71	16,600	10,207
GLP Fukaya	1900-2, Mizugahara, Orinokuchi, Fukaya, Saitama		19,706.00	3,280	2,091
GLP Sugito II	398-2, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		101,272.40	29,600	16,817
GLP Iwatsuki	2-9-10, Kokaba, Iwatsuki-ku, Saitama, Saitama		31,839.99	11,200	6,278
GLP Kasukabe	1155, Anzai, Suikaku, Kasukabe, Saitama		18,460.73	6,550	3,783
GLP Koshigaya II	2-2-1, Ryutsu-Danchi, Koshigaya, Saitama		43,533.28	16,100	8,964
GLP Misato II	3-2-1, Lala-city, Shinmisato, Misato, Saitama		59,208.59	25,000	13,662
GLP Tatsumi	3-11-10, Tatsumi, Koto-ku, Tokyo		12,925.58	7,430	4,770
GLP Hamura	4-9-8, Shinmeidai, Hamura, Tokyo		40,277.93	11,000	7,088
GLP Funabashi III	2-15-11, Nishiura, Funabashi, Chiba		18,281.84	5,440	2,906
GLP Sodegaura	385-18, Shiinomori, Sodegaura, Chiba		45,582.06	9,250	5,464
GLP Urayasu III	15-27, Chidori, Urayasu, Chiba		64,198.11	26,500	17,387
GLP Tatsumi Ila	3-8-10, Tatsumi, Koto-ku, Tokyo		17,108.52	9,410	6,543
GLP Tokyo II	3-4-11 Shinsuna, Koto-ku, Tokyo		79,073.21	55,500	33,983
GLP Shinkiba	1-10-9, Shinkiba, Koto-ku, Tokyo		18,341.73	15,500	11,494
GLP Narashino	2-6-6, Shibazono, Narashino, Chiba		23,548.03	6,140	5,235
GLP Sugito	398-13, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		58,918.12	11,300	8,037
GLP Matsudo	520-1, Kamihongo, Matsudo, Chiba		14,904.60	3,550	2,429
GLP-MFLP Ichikawa Shiohama (Note 4)	1-6-3, Shiohama, Ichikawa, Chiba		50,813.07	19,450	14,888
GLP Atsugi II	4022-2, Sakurada, Nakatsu, Aikawa-machi, Aiko, Kanagawa		74,176.27	28,100	19,833
GLP Yoshimi	603-1, Nishi-Yoshimi, Yoshimi-machi, Hiki, Saitama		62,362.89	13,800	10,391
GLP Noda-Yoshiharu	722-2, Aza Tameshita, Yoshiharu, Noda, Chiba		26,631.40	5,930	4,297
GLP Urayasu	76-4, Minato, Urayasu, Chiba		25,839.60	8,890	7,370
GLP Funabashi II	6-1, Shiomi-cho, Funabashi, Chiba		34,699.09	9,600	7,650
GLP Misato	3-1-3, Izumi, Misato, Saitama		46,892.00	20,400	16,576
GLP Shinsuna	2-5-20, Shinsuna, Koto-ku, Tokyo		44,355.46	21,500	18,193
GLP Shonan	16, Kirihara-cho, Fujisawa, Kanagawa		23,832.60	6,920	5,791
GLP Yokohama	2-2-26, Namamugi, Tsurumi-ku, Yokohama, Kanagawa		95,312.41	46,200	40,534
GLP Kawajima	3001, Mishima, Kamiigusa, Kawajima-machi, Hiki, Saitama		42,187.92	13,500	11,985
GLP Funabashi IV	3-3-2, Hamacho, Funabashi, Chiba		31,576.60	9,110	7,748
GLP Higashi-Ogishima II	29-5, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		11,362.32	2,850	2,517
GLP Sayama Hidaka II	788-1, Aza Myougasawa, Oaza Kamikayama, Hidaka, Saitama		75,719.13	24,100	21,380
GLP Higashi-Ogishima III	18-5, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		29,787.10	7,680	6,506

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Urayasu II	77-5, Minato, Urayasu, Chiba		47,192.44	18,700	16,784
GLP Kashiwa II	2-18-6, Oshimata, Kashiwa, Chiba		32,363.57	9,400	8,024
GLP Yachiyo II	8-7-2, 3, Midorigaoka-Nishi, Yachiyo, Chiba		54,240.25	15,200	12,857
GLP Zama (Note 5)	2-10-10, Hironodai, Zama, Kanagawa		79,908.14	32,340	29,668
GLP Niiza	3-6-22, Owada, Niiza, Saitama		30,017.25	8,870	7,158
GLP Sayama Hidaka I	473-2, Aza Shinuehara, Oaza Tagi, Hidaka, Saitama		39,579.04	12,400	10,266
GLP Hirakata	3-2-27, Minami-Nakaburi, Hirakata, Osaka 3-2-7, Minami-Nakaburi, Hirakata, Osaka		29,829.56	6,940	4,473
GLP Hirakata II	3-3-1, Minami-Nakaburi, Hirakata, Osaka		43,283.01	11,700	7,370
GLP Maishima II (Note 6)	2-1-92, Hokusoryokuchi, Konohana-ku, Osaka, Osaka		—	4,680	3,298
GLP Tsumori	2-1-30, Minami-Tsumori, Nishinari-ku, Osaka, Osaka		16,080.14	3,070	1,998
GLP Rokko	3-10, Koyochō-Higashi, Higashinada-ku, Kobe, Hyogo		39,339.00	7,250	4,882
GLP Amagasaki	231-2, Nishi-Mukojima-cho, Amagasaki, Hyogo		110,268.03	36,100	22,515
GLP Amagasaki II	16, Nishi-Takasu-cho, Amagasaki, Hyogo		12,315.21	2,890	1,972
GLP Nara	6-4, Imago-cho, Yamatokoriyama, Nara		19,545.35	3,100	1,921
GLP Sakai	1-63, Chikkoyawatamachi, Sakai-ku, Sakai, Osaka		10,372.10	2,530	1,722
GLP Rokko II	4-15-1, Koyochō-Higashi, Higashinada-ku, Kobe, Hyogo		20,407.30	4,770	2,965
GLP Kadoma	4-2-1, Shinomiya, Kadoma, Osaka		12,211.73	3,760	2,384
GLP Kobe-Nishi	7-1-1, Mitsugaoka, Nishi-ku, Kobe, Hyogo		35,417.31	8,330	6,336
GLP Fukaehama	34-1, Fukaehama-cho, Higashinada-ku, Kobe, Hyogo		19,386.00	5,300	4,428
GLP Maishima I	2-1-66, Hokusoryokuchi, Konohana-ku, Osaka, Osaka		72,948.78	21,800	18,306
GLP Osaka	2-4-43, Nanko Minami, Suminoe, Osaka, Osaka		128,520.37	44,900	34,717
GLP Settsu	2-1-62, Torikainaka, Settsu, Osaka		38,997.24	8,310	7,320
GLP Nishinomiya	1-52, Hanshin Ryutsu Center, Yamaguchi-cho, Nishinomiya, Hyogo		19,766.00	3,040	2,733
GLP Shiga	2-6-56, Noji Higashi, Kusatsu, Shiga 2-6-50, Noji Higashi, Kusatsu, Shiga 2-6-55, Noji Higashi, Kusatsu, Shiga 2-2349-24, Azakamegaya, Noji Higashi, Kusatsu, Shiga	Beneficiary right of real estate in trust	29,848.70	4,940	4,584
GLP Neyagawa	10-10, Shoji Minami-machi, Neyagawa, Osaka		26,938.02	9,610	7,788
GLP Rokko III	6-14, Koyochō-Nishi, Higashinada-ku, Kobe, Hyogo		31,239.46	9,520	7,880
GLP Rokko IV	6-6, Koyo-cho Nishi, Higashinada-ku, Kobe, Hyogo		12,478.46	2,940	2,264
GLP Morioka	59, Urata, Sakuramachi, Shiwa-cho, Shiwa, Iwate		10,253.80	867	681
GLP Tomiya	9-1-2, Narita, Tomiya, Miyagi		20,466.98	4,120	2,756
GLP Koriyama I	3-2-2, Oroshi, Kikuta-machi, Koriyama, Fukushima		24,335.96	4,860	3,571
GLP Koriyama III	5-12, Mukaihara, Horinouchi, Kikuta-machi, Koriyama, Fukushima		27,671.51	3,020	2,597
GLP Tokai	2-47, Asayama, Tokai, Aichi		32,343.31	9,460	5,745
GLP Hayashima	823, Yao, Hayashima-cho, Tsukubo, Okayama		13,527.76	1,860	1,171
GLP Hayashima II	4507-40, Hayashima, Hayashima-cho, Tsukubo, Okayama		14,447.48	3,190	2,039
GLP Kiyama	2950-1, Urata, Sonobe, Kiyama-cho, Miyaki, Saga		23,455.96	6,720	4,253
GLP Sendai	2-5-2, Sendaikou Kita, Miyagino-ku, Sendai, Miyagi		37,256.23	8,210	5,087
GLP Ebetsu	69-3, Kakuyama, Ebetsu, Hokkaido		18,489.25	2,530	1,360
GLP Kuwana	3646-1, Kanegaya, Mizono, Tado-cho, Kuwana, Mie		20,402.12	4,650	3,145
GLP Komaki	1-31, Shinkoki, Komaki, Aichi		52,709.97	16,400	9,739
GLP Ogimachi	1-8-5, Ogimachi, Miyagino-ku, Sendai, Miyagi		13,155.28	1,690	1,361

Name of property	Location (Note 1)	Type of ownership	Leasable area (m ²) (Note 2)	Appraisal value (Million yen) (Note 3)	Book value (Million yen)
GLP Hiroshima	2-7-11, Kusatsukou, Nishi-ku, Hiroshima, Hiroshima 2-7-4, Kusatsukou, Nishi-ku, Hiroshima, Hiroshima	Beneficiary right of real estate in trust	21,003.04	4,810	3,454
GLP Tosu I	1715, Hirata, Hatazaki-machi, Tosu, Saga		74,860.38	11,500	8,777
GLP Tomiya IV	9-7-3, Narita, Tomiya, Miyagi 9-7-7, Narita, Tomiya, Miyagi		32,562.60	6,880	5,574
GLP Soja I	4-10, Nagara, Soja, Okayama		63,015.53	13,900	12,153
GLP Soja II	4-1, Nagara, Soja, Okayama		63,234.92	13,700	12,039
GLP Fujimae	2-201-8, Fujimae, Minato, Nagoya, Aichi		12,609.00	2,330	1,947
Total			3,265,382.62	1,014,247	740,727

- (Note 1) “Location” represents the indication of residential address. If no indication of residential address exists, the location of the building (one of those if there are multiple buildings) shown on the registry is stated.
- (Note 2) “Leasable area” is the area of property or property in trust that is available for lease in accordance with relevant lease agreements or architectural drawings. The figures are rounded down to the second decimal place. The leasable area may be changed upon renewal of lease agreements.
- (Note 3) “Appraisal value” represents the appraisal value or research price as set forth on the relevant study reports by real estate appraisers as of the balance sheet date in accordance with the policy prescribed in the Articles of Incorporation of GLP J-REIT and the rules of the Investment Trusts Association, Japan.
- (Note 4) GLP-MFLP Ichikawa Shiohama is a property under joint co-ownership which GLP J-REIT holds 50% beneficiary right of real estate in trust. “Leasable area” stated above is computed by multiplying 50% of the joint co-ownership ratio.
- (Note 5) GLP Zama is a property under joint co-ownership which GLP J-REIT holds 70% beneficiary right of real estate in trust. “Leasable area” stated above is computed by multiplying 70% of the joint co-ownership ratio.
- (Note 6) GLP Maishima II was significantly destroyed by the fire accident in the fiscal period ended February 28, 2022. The above “Appraisal value” and “Book value” for this property are stated only for the land portion in trust.

The trend of property-related business of GLP J-REIT is as follows.

Name of property	20th Period From September 1, 2021 To February 28, 2022				21st Period From March 1, 2022 To August 31, 2022			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Tokyo	3	100.0	734	3.2	3	100.0	739	3.2
GLP Higashi-Ogishima	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Akishima	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
GLP Tomisato	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Narashino II	3	74.3	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
GLP Funabashi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kazo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukaya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sugito II	5	99.1	693	3.0	4	99.1	697	3.0
GLP Iwatsuki	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kasukabe	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koshigaya II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Misato II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tatsumi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hamura	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Funabashi III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sodegaura	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Urayasu III	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tatsumi Ila	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tokyo II	6	100.0	1,118	4.8	6	100.0	1,143	4.9
GLP Shinkiba	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Narashino	3	100.0	174	0.7	3	100.0	175	0.8
GLP Sugito	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Matsudo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP-MFLP Ichikawa Shiohama	5	100.0	479	2.1	5	100.0	492	2.1
GLP Atsugi II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Yoshimi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Noda-Yoshiharu	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Urayasu	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Funabashi II	1	99.0	(Note 3)	(Note 3)	1	99.0	(Note 3)	(Note 3)
GLP Misato	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Shinsuna	5	100.0	479	2.1	5	100.0	479	2.1
GLP Shonan	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Yokohama	5	100.0	961	4.1	5	100.0	966	4.1
GLP Kawajima	3	100.0	315	1.4	3	100.0	325	1.4
GLP Funabashi IV	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Higashi-Ogishima II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sayama Hidaka II	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Higashi-Ogishima III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Urayasu II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	20th Period From September 1, 2021 To February 28, 2022				21st Period From March 1, 2022 To August 31, 2022			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Kashiwa II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Yachiyo II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Zama	19	99.9	684	2.9	19	97.5	721	3.1
GLP Niiza	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sayama Hidaka I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hirakata	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hirakata II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Maishima II	1	100.0	(Note 3)	(Note 3)	—	—	(Note 3)	(Note 3)
GLP Tsumori	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Amagasaki	7	100.0	874	3.8	8	100.0	902	3.9
GLP Amagasaki II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Nara	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sakai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kadoma	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukusaki (Note 4)	1	100.0	(Note 3)	(Note 3)	—	—	(Note 3)	(Note 3)
GLP Kobe-Nishi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukaehama	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Maishima I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Osaka	11	99.9	926	4.0	11	99.9	935	4.0
GLP Settsu	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Nishinomiya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Shiga	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Neyagawa	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Rokko III	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Rokko IV	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Morioka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tomiya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama III	4	100.0	124	0.5	4	100.0	125	0.5
GLP Tokai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hayashima	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hayashima II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kiyama	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sendai	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Ebetsu	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kuwana	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Komaki	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Ogimachi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hiroshima	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tosu I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	20th Period From September 1, 2021 To February 28, 2022				21st Period From March 1, 2022 To August 31, 2022			
	At Period End		Rental revenues (Million yen)	Ratio to total rental revenues (%) (Note 2)	At Period End		Rental revenues (Million yen)	Ratio to total rental revenue (%) (Note 2)
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)			Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)		
GLP Tomiya IV	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Soja I	5	95.7	400	1.7	6	89.0	376	1.6
GLP Soja II	5	99.6	380	1.6	4	77.7	327	1.4
GLP Fujimae	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total	170	99.1	23,275	100.0	168	99.2	23,358	100.0

(Note 1) “Number of tenants” represents the total number of building tenants stated on the lease agreement of each property or property in trust.

(Note 2) “Occupancy ratio” and “Ratio to total rental revenues” are rounded to the first decimal place. As to “Occupancy ratio,” however, when it may result in 100.0% after rounding, the figure is rounded down to the first decimal place and shown as 99.9%.

(Note 3) Not disclosed because the tenants’ consent is not obtained.

(Note 4) GLP Fukusaki was sold to a third party on March 1, 2022.

4. Specified Transaction

As of the current period end, the contract amount and fair value of the outstanding transaction under the specified transaction account of GLP J-REIT are as follows.

	Type	Contract amount (Million yen) (Note 1)		Fair value (Million yen) (Note 2)
			Due after one year	
OTC	Interest rate swaps: Receive floating/ Pay fix	282,070	240,370	1,178
Total		282,070	240,370	1,178

(Note 1) The contract amount of interest rate swaps is based on its notional principal.

(Note 2) Fair value is the amount measured by the counterparty of the transaction based on data such as market rates.

(Note 3) For the financial reporting purpose, the transaction is not measured at fair value but accounted for under special treatment for interest rate swaps based on “Accounting Standards for Financial Instruments” under Japanese GAAP.

5. Investments and Other Assets

(1) Investment securities – Equity securities

Name of stock	Number of share	Acquisition cost (Thousand yen)		Fair value (Thousand yen)		Unrealized gain/loss (Thousand yen)	Remarks
		Per share	Total	Per share	Total		
Okayama General Distribution Center Co., Ltd.	16 shares	100	1,600	100	1,600	—	(Note)

(Note) The book value is used as its fair value for the unlisted equity securities.

(2) Details of other specified assets

Beneficiary rights of real estate in trust held by GLP J-REIT are disclosed in aforementioned “3. Summary of Portfolio Properties.”

GLP J-REIT has no other specified assets.

[Capital Expenditure for Properties Owned]

1. Future Plan for Capital Expenditure

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

Property name	Location	Purpose	Planned period	Estimated construction cost (Million yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Osaka	Osaka, Osaka	Installation of solar power generation equipment	From October 2023 To December 2023	305	—	—
GLP Shinkiba	Koto, Tokyo	Installation of solar power generation equipment	From June 2022 To October 2022	101	—	—
GLP Tosu	Tosu, Saga	Replacement with LED lighting	From April 2023 To August 2023	70	—	—
GLP Tokyo	Ota, Tokyo	Renewal of water chiller/heater, R-1 system	From June 2022 To August 2023	70	—	—
GLP Kazo	Kazo, Saitama	Renewal of air conditioner systems (2nd floor, warehouses), Phase I	From July 2023 To August 2023	60	—	—
GLP Rokko	Kobe, Hyogo	Replacement with LED lighting in warehouses	From September 2022 To February 2023	51	—	—
GLP Tokai	Tokai, Aichi	Renovation of North-side exterior walls	From July 2023 To August 2023	50	—	—
GLP Fukaya	Fukaya, Saitama	Restoration of hail damage	From June 2022 To December 2022	54	—	—
GLP Sodegaura	Sodegaura, Chiba	Replacement with LED lighting in warehouses	From September 2022 To October 2022	44	—	—
GLP Kazo	Kazo, Saitama	Renewal of air conditioner systems (3rd floor, warehouses), Phase III	From November 2022 To December 2022	40	—	—
GLP Tokyo II	Koto, Tokyo	Renewal of security monitoring equipment	From October 2022 To February 2023	34	—	—
GLP Funabashi III	Funabashi, Chiba	Renewal of LED lighting in warehouses	From December 2022 To February 2023	34	—	—
GLP Koriyama I	Koriyama, Fukushima	Replacement of foam fire extinguishing systems (3rd floor, Warehouse C)	From March 2022 To February 2023	32	—	—
GLP Yokohama	Yokohama, Kanagawa	Renewal of air conditioning equipment, Phase II	From December 2022 To February 2023	30	—	—
GLP Tokyo	Ota, Tokyo	Renewal of air conditioning systems, Phase IV	From December 2022 To December 2022	26	—	—
GLP Koshigaya II	Koshigaya, Saitama	Renewal of air conditioning equipment, Phase II	From December 2022 To February 2023	25	—	—
GLP-MFLP Ichikawa Shiohama	Ichikawa, Chiba	Renewal of LED lighting in common area	From December 2022 To February 2023	24	—	—

Property name	Location	Purpose	Planned period	Estimated construction cost (Million yen)		
				Total amount	Amount paid during the period	Total amount paid
GLP Shiga	Kusatsu, Shiga	Building No. 2, Renewal of elevators	From September 2022 To February 2023	23	—	—
GLP Higashi-Ogishima II	Kawasaki, Kanagawa	3rd floor South, Renewal of air conditioner systems, Phase I	From January 2023 To February 2023	19	—	—
GLP Matsudo	Matsudo, Chiba	Renewal of air conditioner systems, Warehouses	From August 2022 To September 2022	18	—	—

2. Capital Expenditure Incurred for the Period

The following table summarizes the major constructions to holding properties that resulted in capital expenditure for the current period. Capital expenditure for the current period was 1,349 million yen. The total construction cost amounted to 1,423 million yen, including repair and maintenance of 73 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Sendai	Sendai, Miyagi	Restoration of earthquake damage	From March 2022 To August 2022	59
GLP Koriyama I	Koriyama, Fukushima	Warehouses A and B, 3rd floor, Replacement of foam fire extinguishing systems	From March 2022 To August 2022	52
GLP Tokyo	Ota, Tokyo	Renewal of air conditioner systems, Phase III	From February 2022 To June 2022	52
GLP Shinkiba	Koto, Tokyo	Replacement with LED lighting	From August 2022 To August 2022	52
GLP Kazo	Kazo, Saitama	Renewal of air conditioner systems (3rd floor, warehouses), Phase II	From August 2022 To August 2022	51
GLP Amagasaki	Amagasaki, Hyogo	Renewal of redundancy of EHPF-32 air conditioner systems	From June 2022 To July 2022	39
GLP Higashi-Ogishima II	Kawasaki, Kanagawa	Restoration of eaves	From May 2022 To August 2022	28
GLP Shinkiba	Koto, Tokyo	Installation of digital signage	From August 2022 To August 2022	25
GLP Tomiya IV	Tomiya, Miyagi	Office buildings, warehouses, Restoration of earthquake damage	From March 2022 To August 2022	24
GLP Shinkiba	Koto, Tokyo	Renewal of air conditioner systems	From June 2022 To June 2022	20
GLP Ogimachi	Sendai, Miyagi	Renovation of roofs and exterior walls	From August 2022 To August 2022	13
Other	—	—	—	929
Total				1,349

3. Funds Reserved for Long-Term Repair Plans

Based on the long-term repair plan established for each property, GLP J-REIT accounted for the following reserves from the operating cash flows to be appropriated for the large-scale engineering works in the mid- to long-term future.

(Unit: Million yen)

Operating period	17th Period Mar. 1, 2020 to Aug. 31, 2020	18th Period Sept. 1, 2020 to Feb 28, 2021	19th Period Mar. 1, 2021 to Aug. 31, 2021	20th Period Sept. 1, 2021 to Feb 28, 2022	21st Period Mar. 1, 2022 to Aug. 31, 2022
Balance brought forward from the previous period	—	—	—	—	—
Amount reserved during the period	—	—	—	—	—
Amount used during the period	—	—	—	—	—
Balance to be carried forward to the next period	—	—	—	—	—

(Note 1) GLP J-REIT intends not to account for reserves if the estimated amount of capital expenditure of the following period does not exceed the amount equivalent to 70% of the estimated depreciation expenses for the same period. GLP J-REIT estimates the amount of capital expenditure for the 22nd period (for the period ending February 28, 2023) to be 1,748 million yen, which does not exceed 3,095 million yen, the amount equivalent to 70% of 4,421 million yen, which is the estimated depreciation expenses for the same period.

(Note 2) GLP J-REIT intends to distribute funds in excess of the amount of retained earnings that do not exceed the amount obtained by deducting capital expenditure for the operating period immediately before the period in which the distribution is made from an amount equal to depreciation expenses for the corresponding period. The amount obtained by deducting 1,349 million yen of capital expenditure for the current fiscal period from 4,252 million yen of depreciation expenses for the period is 2,902 million yen.

For the time being, GLP J-REIT intends to make an OPD (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) in the amount equal to approximately 30% of depreciation expenses for the operating period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment would have a negative impact on its long-term repair and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan.

With respect to all 85 properties held as of the end of the current fiscal period, the six-month period average of the total amount of the emergency repair and maintenance expenses and the medium- to long-term repair and maintenance expenses, which are set forth in the Engineering Reports, is 814 million yen. Please refer to the "Summary of Engineering Due Diligence Report" below for the emergency repair and maintenance expenses and the mid-to-long term repair and maintenance expenses for each asset.

(Reference) Summary of Engineering Due Diligence Report

Property number	Name of property	Engineering due diligence company	Date of report	Emergency repair and maintenance expenses (Thousand yen) (Note 1)	Mid- to Long-term repair and maintenance expenses (Thousand yen) (Note2)
Tokyo-1	GLP Tokyo	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	August 31, 2017	—	446,000
Tokyo-2	GLP Higashi-Ogishima			—	337,520
Tokyo-3	GLP Akishima (Note 3)			—	206,370
Tokyo-4	GLP Tomisato			—	90,060
Tokyo-5	GLP Narashino II			—	1,117,350
Tokyo-6	GLP Funabashi			—	167,750
Tokyo-7	GLP Kazo			—	392,050
Tokyo-8	GLP Fukaya			—	307,300
Tokyo-9	GLP Sugito II			—	406,640
Tokyo-10	GLP Iwatsuki			—	71,950
Tokyo-11	GLP Kasukabe			—	167,980
Tokyo-12	GLP Koshigaya II			—	139,890
Tokyo-13	GLP Misato II (Note 3)			—	168,620
Tokyo-14	GLP Tatsumi			—	54,520
Tokyo-15	GLP Hamura		August 31, 2018	—	61,540
Tokyo-16	GLP Funabashi III			—	127,980
Tokyo-17	GLP Sodegaura			—	63,000
Tokyo-18	GLP Urayasu III			—	296,600
Tokyo-19	GLP Tatsumi Ila		January 31, 2020	—	145,790
Tokyo-21	GLP Tokyo II (Note 3)			—	343,710
Tokyo-23	GLP Shinkiba		July, 9, 2021	—	359,540
Tokyo-24	GLP Narashino		June 30, 2021	—	338,880
Tokyo-26	GLP Sugito (Note 3)		July, 9, 2021	—	494,497
Tokyo-27	GLP Matsudo	Tokio Marine dR Co., Ltd.	December 13, 2021	—	175,631
Tokyo-28	GLP-MFLP Ichikawa Shiohama (Note 4)		March 31, 2022	—	266,920
Tokyo-29	GLP Atsugi II		July 29, 2022	—	231,553
Tokyo-30	GLP Yoshimi			—	188,734
Tokyo-31	GLP Noda-Yoshiharu	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	June 30, 2021	—	139,760
Tokyo-32	GLP Urayasu	Tokio Marine dR Co., Ltd.	August 18, 2017	—	82,849
Tokyo-33	GLP Funabashi II			—	262,847
Tokyo-34	GLP Misato			—	211,734
Tokyo-35	GLP Shinsuna		July 30, 2018	—	298,639
Tokyo-36	GLP Shonan			—	142,715
Tokyo-37	GLP Yokohama		November 4, 2020	—	849,750
Tokyo-38	GLP Kawajima		February 29, 2020	—	154,288
Tokyo-39	GLP Funabashi IV			—	376,392
Tokyo-40	GLP Higashi-Ogishima II			—	205,239
Tokyo-41	GLP Sayama Hidaka II		November 4, 2020	—	326,209
Tokyo-42	GLP Higashi-Ogishima III			—	318,721
Tokyo-43	GLP Urayasu II			—	412,952
Tokyo-44	GLP Kashiwa II			—	95,551
Tokyo-45	GLP Yachiyo II			—	194,082
Tokyo-46	GLP Zama (Note 5)		June 10, 2021	—	266,624
Tokyo-47	GLP Niiza			—	108,950
Tokyo-48	GLP Sayama Hidaka I			—	220,530

Property number	Name of property	Engineering due diligence company	Date of report	Emergency repair and maintenance expenses (Thousand yen) (Note 1)	Mid- to Long-term repair and maintenance expenses (Thousand yen) (Note2)	
Osaka-1	GLP Hirakata	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	August 31, 2017	—	376,400	
Osaka-2	GLP Hirakata II			—	236,350	
Osaka-3	GLP Maishima II (Note 6)			—	—	
Osaka-4	GLP Tsumori			—	143,330	
Osaka-5	GLP Rokko			—	406,840	
Osaka-6	GLP Amagasaki (Note 3)			—	204,430	
Osaka-7	GLP Amagasaki II			—	136,600	
Osaka-8	GLP Nara			—	146,790	
Osaka-9	GLP Sakai			—	39,800	
Osaka-10	GLP Rokko II		August 31, 2018	—	353,530	
Osaka-11	GLP Kadoma		July 10, 2020	—	111,490	
Osaka-14	GLP Kobe-Nishi	March 30, 2021	—	85,480		
Osaka-15	GLP Fukaehama (Note 3)	Tokio Marine dR Co., Ltd.	July 29, 2022	—	191,547	
Osaka-16	GLP Maishima I		August 18, 2017	—	407,302	
Osaka-17	GLP Osaka		July 30, 2018	—	459,059	
Osaka-18	GLP Settsu			—	413,785	
Osaka-19	GLP Nishinomiya			—	227,195	
Osaka-20	GLP Shiga			—	215,421	
Osaka-21	GLP Neyagawa			—	63,718	
Osaka-22	GLP Rokko III		November 4, 2020	—	122,535	
Osaka-23	GLP Rokko IV	Earth-Appraisal Co., Ltd.	June 10, 2021	100	162,225	
Other-1	GLP Morioka	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	August 31, 2017	—	52,660	
Other-2	GLP Tomiya (Note 3)			—	84,040	
Other-3	GLP Koriyama I			—	56,400	
Other-4	GLP Koriyama III			—	315,200	
Other-5	GLP Tokai			—	151,530	
Other-6	GLP Hayashima			—	144,200	
Other-7	GLP Hayashima II			—	51,550	
Other-8	GLP Kiyama (Note 3)			—	233,920	
Other-10	GLP Sendai			—	134,980	
Other-11	GLP Ebetsu		August 31, 2018	—	74,540	
Other-12	GLP Kuwana			—	126,470	
Other-14	GLP Komaki			—	227,250	
Other-15	GLP Ogimachi		July 10, 2020	—	101,303	
Other-16	GLP Hiroshima			—	198,710	
Other-19	GLP Tosu I (Note 3)		Tokio Marine dR Co., Ltd.	July 9, 2021	—	480,426
Other-20	GLP Tomiya IV			July 29, 2022	—	320,417
Other-21	GLP Soja I	January 15, 2018		—	161,102	
Other-22	GLP Soja II			—	161,224	
Other-23	GLP Fujimae	July 30, 2018		—	143,851	
Total				100	19,559,807	

- (Note 1) “Emergency repair and maintenance expenses” represents the repair costs deemed to be required within one year from the date of the report.
- (Note 2) “Mid- to Long-term repair and maintenance expenses” represents the total repair costs deemed to be required within 12 years from the date of the report.
- (Note 3) The amounts include repair and maintenance expenses reported in “Engineering Due Diligence Report (Solar Panels)” on January 15, 2018.
- (Note 4) GLP-MFLP Ichikawa Shiohama is a property under joint co-ownership which GLP J-REIT holds 50% beneficiary right of real estate in trust. “Emergency repair and maintenance expenses” and “Mid- to Long-term repair and maintenance expenses” stated above are computed by multiplying 50% of the joint co-ownership ratio.

(Note 5) GLP Zama is a property under joint co-ownership which GLP J-REIT holds 70% beneficiary right of real estate in trust. “Emergency repair and maintenance expenses” and “Mid- to Long-term repair and maintenance expenses” stated above are computed by multiplying 70% of the joint co-ownership ratio.

(Note 6) GLP Maishima II was significantly destroyed by the fire accident in the fiscal period ended February 28, 2022. “Mid- to Long-term repair and maintenance expenses” for this property are omitted and excluded from the total.

[Expenses and Liabilities]

1. Status of Expenses related to Asset Management

(Unit: Thousand yen)

	20th Period From September 1, 2021 To February 28, 2022	21st Period From March 1, 2022 To August 31, 2022
Asset management fee	2,352,885	3,242,029
Asset custody fee	9,859	9,825
Administrative service fees	29,198	30,013
Directors’ remuneration	3,960	4,950
Audit fee	13,000	13,000
Taxes and dues	11,371	13,418
Other operating expenses	99,878	99,887
Total	2,520,152	3,413,124

(Note) In addition to above, the amount of asset management fee included in the calculation of gain on sale of property and equipment was 16,125 thousand yen for the 20th Period and 16,125 thousand yen for the 21st Period.

2. Status of Borrowings

The following summarizes the outstanding loans payable by financial institutions as of the current period end.

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	March 3, 2014	1,470	1,470	1.56% (Note 4)	February 29, 2024	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,170	1,170					
	Development Bank of Japan Inc.		500	500					
	Sumitomo Mitsui Banking Corporation	June 30, 2014	500	500	1.48% (Note 4)	June 30, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		500	500					
	Sumitomo Mitsui Banking Corporation	September 2, 2014	3,890	3,890	0.86% (Note 4)	September 2, 2022	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		4,440	4,440					
	Mizuho Bank, Ltd.		2,830	2,830					
	The Bank of Fukuoka, Ltd.		610	610					
	Development Bank of Japan Inc.		650	650					
	The Norinchukin Bank		350	350					
	Resona Bank, Limited.		270	270					
	Sumitomo Mitsui Trust Bank, Limited		560	560					
	Sumitomo Mitsui Banking Corporation	September 2, 2014	1,530	1,530	1.85% (Note 4)	September 2, 2027	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,170	1,170					
	MUFG Bank, Ltd.	September 1, 2015	1,300	1,300	0.96% (Note 4)	September 1, 2025	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.	January 4, 2016	1,900	1,900	0.61% (Note 4)	February 29, 2024	Lump-sum	(Note 5)	Unsecured not guaranteed
	Resona Bank, Limited.		1,400	1,400					
	Mizuho Bank, Ltd.	January 4, 2016	1,500	1,500	0.93% (Note 4)	February 27, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2016	5,600	5,600	1.22% (Note 4)	December 21, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		5,100	5,100					
	Sumitomo Mitsui Banking Corporation	January 4, 2016	500	500	1.31% (Note 4)	December 20, 2027	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		400	400					
	Sumitomo Mitsui Banking Corporation	January 4, 2016	600	600	1.57% (Note 4)	December 20, 2028	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		400	400					
	MUFG Bank, Ltd.	September 1, 2016	3,780	3,780	0.29%	September 1, 2023	Lump-sum	(Note 6)	Unsecured not guaranteed
Sumitomo Mitsui Banking Corporation	September 1, 2016	4,100	4,100	0.32%	September 1, 2024	Lump-sum	(Note 6)	Unsecured not guaranteed	
Sumitomo Mitsui Banking Corporation	September 1, 2016	790	790	0.44%	March 1, 2024	Lump-sum	(Notes 5 and 6)	Unsecured not guaranteed	
MUFG Bank, Ltd.		2,000	2,000						
Mizuho Bank, Ltd.		1,280	1,280						
Citibank, N.A., Tokyo Branch		780	780						
The Bank of Fukuoka, Ltd.		500	500						
Development Bank of Japan Inc.		230	230						
The Norinchukin Bank		1,060	1,060						
Resona Bank, Limited.		490	490						
Aozora Bank, Ltd.		180	180						
Shinsei Bank, Limited		180	180						
Sumitomo Mitsui Trust Bank, Limited		480	480						
The 77 Bank, Ltd.		180	180						

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	September 1, 2016	2,170	2,170	0.57%	March 3, 2025	Lump-sum	(Notes 5 and 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,310	2,310					
	Mizuho Bank, Ltd.		1,110	1,110					
	The Bank of Fukuoka, Ltd.		740	740					
	Development Bank of Japan Inc.		550	550					
	Resona Bank, Limited.		650	650					
	Aozora Bank, Ltd.		370	370					
	Shinsei Bank, Limited		370	370					
	Sumitomo Mitsui Trust Bank, Limited		920	920					
	The Bank of Fukuoka, Ltd.	December 20, 2016	500	500	0.53%	December 20, 2022	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 20, 2016	1,150	1,150	0.56%	December 20, 2023	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	December 20, 2016	5,700	5,700	0.79%	September 1, 2025	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2017	870	870	0.46%	September 1, 2023	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.	September 1, 2017	580	580	0.46%	September 1, 2023	Lump-sum	(Note 6)	Unsecured not guaranteed
	Resona Bank, Limited.	January 4, 2018	1,300	1,300	0.48% (Note 4)	December 22, 2025	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2018	2,300	2,300	0.60% (Note 4)	October 30, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,300	2,300					
	Mizuho Bank, Ltd.		2,000	2,000					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	2,850	2,850	0.34% (Note 4)	February 28, 2023	Lump-sum	(Notes 5 and 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,600	2,600					
	Mizuho Bank, Ltd.		1,900	1,900					
	Citibank, N.A., Tokyo Branch		470	470					
	Development Bank of Japan Inc.		580	580					
	The Norinchukin Bank		530	530					
	Resona Bank, Limited.		260	260					
	Sumitomo Mitsui Trust Bank, Limited		440	440					
	Shinsei Bank, Limited		500	500					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	1,900	1,900	0.38% (Note 4)	February 29, 2024	Lump-sum	(Notes 5 and 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,900	1,900					
	Mizuho Bank, Ltd.		1,140	1,140					
	Development Bank of Japan Inc.		270	270					
	The Norinchukin Bank		220	220					
	Resona Bank, Limited.		60	60					
	Sumitomo Mitsui Trust Bank, Limited		220	220					
	Shinsei Bank, Limited		290	290					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	March 1, 2018	1,130	1,130	0.50% (Note 4)	February 27, 2026	Lump-sum	(Notes 5 and 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		830	830					
	Mizuho Bank, Ltd.		820	820					
	Resona Bank, Limited.		390	390					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	1,420	1,420	0.71% (Note 4)	February 29, 2028	Lump-sum	(Notes 5 and 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,110	1,110					
	Mizuho Bank, Ltd.		630	630					
	Sumitomo Mitsui Banking Corporation	September 3, 2018	1,690	1,690	0.36% (Note 4)	September 2, 2022	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,280	1,280					
	Mizuho Bank, Ltd.		2,530	2,530					
	Citibank, N.A., Tokyo Branch		1,200	1,200					
	The Norinchukin Bank		980	980					
	Resona Bank, Limited.		120	120					
	Sumitomo Mitsui Trust Bank, Limited		940	940					
	Shinsei Bank, Limited		1,230	1,230					
	Sumitomo Mitsui Banking Corporation	September 3, 2018	4,920	4,920	0.45% (Note 4)	September 1, 2024	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		4,770	4,770					
	Mizuho Bank, Ltd.		2,610	2,610					
	Development Bank of Japan Inc.		530	530					
	The Norinchukin Bank		600	600					
	Resona Bank, Limited.		540	540					
	Sumitomo Mitsui Trust Bank, Limited		540	540					
	Sumitomo Mitsui Banking Corporation	September 3, 2018	3,160	3,160	0.70% (Note 4)	September 2, 2027	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,840	2,840					
	Mizuho Bank, Ltd.		1,770	1,770					
	Development Bank of Japan Inc.		530	530					
	Resona Bank, Limited.		540	540					
	Development Bank of Japan Inc.	December 20, 2018	1,250	1,250	0.31% (Note 4)	December 20, 2023	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 20, 2018	1,250	1,250	0.31% (Note 4)	December 20, 2023	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2019	350	350	0.37% (Note 4)	February 27, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,034	1,034					
	Mizuho Bank, Ltd.		2,007	2,007					
	The Bank of Fukuoka, Ltd.		1,223	1,223					
	Development Bank of Japan Inc.		73	73					
	The Norinchukin Bank		296	296					
	Resona Bank, Limited.		262	262					
	Shinsei Bank, Limited		14	14					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	February 28, 2019	2,100	2,100	0.63% (Note 4)	February 28, 2029	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,100	2,100					
	Mizuho Bank, Ltd.		1,800	1,800					
	Sumitomo Mitsui Banking Corporation	July 23, 2019	1,350	1,350	0.19% (Note 4)	July 31, 2023	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,930	1,930					
	Mizuho Bank, Ltd.		1,261	1,261					
	Citibank, N.A., Tokyo Branch		310	310					
	The Bank of Fukuoka, Ltd.		613	613					
	Development Bank of Japan Inc.		2,236	2,236					
	The 77 Bank, Ltd.		300	300					
	Sumitomo Mitsui Banking Corporation	July 23, 2019	3,000	3,000	0.44% (Note 4)	July 31, 2028	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		4,170	4,170					
	Mizuho Bank, Ltd.		2,730	2,730					
	The Bank of Fukuoka, Ltd.		460	460					
	Development Bank of Japan Inc.		1,680	1,680					
	MUFG Bank, Ltd.	January 31, 2020	3,250	3,250	0.32% (Note 4)	January 29, 2027	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	May 29, 2020	650	650	0.26% (Note 4)	May 29, 2025	Lump-sum	(Note 5)	Unsecured not guaranteed
	Citibank, N.A., Tokyo Branch		1,870	1,870					
	MUFG Bank, Ltd.	May 29, 2020	4,150	4,150	0.33% (Note 4)	May 28, 2027	Lump-sum	(Note 5)	Unsecured not guaranteed
	Mizuho Bank, Ltd.		3,230	3,230					
	The Bank of Fukuoka, Ltd.		2,900	2,900					
	The Norinchukin Bank		2,440	2,440					
	Sumitomo Mitsui Banking Corporation	May 29, 2020	4,100	4,100	0.44% (Note 4)	May 29, 2029	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		3,320	3,320					
	Mizuho Bank, Ltd.		1,720	1,720					
	THE NISHI-NIPPON CITY BANK, LTD.		270	270					
	Development Bank of Japan Inc.		200	200					
	Citibank, N.A., Tokyo Branch	October 13, 2020	420	420	0.25% (Note 4)	October 13, 2025	Lump-sum	(Note 5)	Unsecured not guaranteed
	The Bank of Fukuoka, Ltd.		400	400					
	Sumitomo Mitsui Trust Bank, Limited		330	330					
	Sumitomo Mitsui Banking Corporation	October 13, 2020	3,000	3,000	0.34% (Note 4)	October 13, 2028	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,500	2,500					
	Mizuho Bank, Ltd.		2,200	2,200					
	The Norinchukin Bank		650	650					
	Resona Bank, Limited.		500	500					
	Shinsei Bank, Limited		400	400					
	THE NISHI-NIPPON CITY BANK, LTD.		400	400					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	MUFG Bank, Ltd.	December 11, 2020	1,330	1,330	0.25% (Note 4)	October 14, 2025	Lump-sum	(Note 6)	Unsecured not guaranteed
	Mizuho Bank, Ltd.		1,130	1,130					
	Citibank, N.A., Tokyo Branch		1,250	1,250					
	Sumitomo Mitsui Trust Bank, Limited		670	670					
	The Gunma Bank, Ltd.		450	450					
	The Bank of Fukuoka, Ltd.		330	330					
	Sumitomo Mitsui Banking Corporation	December 11, 2020	3,590	3,590	0.29% (Note 4)	December 10, 2027	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,310	1,310					
	Mizuho Bank, Ltd.		4,040	4,040					
	The Norinchukin Bank		1,000	1,000					
	THE NISHI-NIPPON CITY BANK, LTD.		880	880					
	The Yamanashi Chuo Bank, Ltd.		870	870					
	Resona Bank, Limited.		400	400					
	Sumitomo Mitsui Banking Corporation	December 11, 2020	1,930	1,930	0.33% (Note 4)	October 13, 2028	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,580	2,580					
	Mizuho Bank, Ltd.		1,700	1,700					
	The Norinchukin Bank		460	460					
	Sumitomo Mitsui Banking Corporation	December 11, 2020	5,040	5,040	0.42% (Note 4)	December 11, 2029	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		4,900	4,900					
	Mizuho Bank, Ltd.		2,480	2,480					
	San ju San Bank, Ltd.		1,880	1,880					
	Development Bank of Japan Inc.		1,250	1,250					
	THE NISHI-NIPPON CITY BANK, LTD.		880	880					
	Sumitomo Mitsui Trust Bank, Limited		660	660					
	Shinsei Bank, Limited		420	420					
	The 77 Bank, Ltd.		250	250					
	Sumitomo Mitsui Banking Corporation	July 15, 2021	940	940	0.23% (Note 4)	June 30, 2026	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		900	900					
	Mizuho Bank, Ltd.		820	820					
	Citibank, N.A., Tokyo Branch		370	370					
	Resona Bank, Limited.		370	370					
	The Bank of Fukuoka, Ltd.		210	210					
	THE NISHI-NIPPON CITY BANK, LTD.		210	210					
	The Bank of Yokohama, Ltd.		370	370					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	July 15, 2021	790	790	0.37% (Note 4)	July 12, 2030	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		760	760					
	Mizuho Bank, Ltd.		690	690					
	The Norinchukin Bank		370	370					
	Development Bank of Japan Inc.		210	210					
	Resona Bank, Limited.		140	140					
	Aozora Bank, Ltd.		1,950	1,950					
	Sumitomo Mitsui Trust Bank, Limited		430	430					
	Shinsei Bank, Limited		290	290					
	The 77 Bank, Ltd.		200	200					
	THE NISHI-NIPPON CITY BANK, LTD.		530	530					
	San ju San Bank, Ltd.		430	430					
	The Yamanashi Chuo Bank, Ltd.		330	330					
	Kansai Mirai Bank, Limited		740	740					
	The Bank of Yokohama, Ltd.		370	370					
	Sumitomo Mitsui Banking Corporation	July 15, 2021	640	640	0.44% (Note 4)	April 30, 2031	Lump-sum	(Note 6)	Unsecured not guaranteed
	MUFG Bank, Ltd.		550	550					
	Mizuho Bank, Ltd.		530	530					
	Development Bank of Japan Inc.		300	300					
	Sumitomo Mitsui Banking Corporation	September 1, 2021	120	120	0.22% (Note 4)	June 30, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		150	150					
	Mizuho Bank, Ltd.		210	210					
	The Norinchukin Bank		40	40					
	Sumitomo Mitsui Trust Bank, Limited		340	340					
	Citibank, N.A., Tokyo Branch		140	140					
	Sumitomo Mitsui Banking Corporation	September 1, 2021	420	420	0.37% (Note 4)	July 12, 2030	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		550	550					
	Mizuho Bank, Ltd.		720	720					
	The Norinchukin Bank		150	150					
	Resona Bank, Limited.		130	130					
	Shinsei Bank, Limited		200	200					
	Sumitomo Mitsui Banking Corporation	December 20, 2021	2,500	2,500	0.30% (Note 4)	December 10, 2027	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		500	500					
	The Norinchukin Bank		1,000	1,000					
	Aozora Bank, Ltd.		300	300					
	Sumitomo Mitsui Banking Corporation	December 20, 2021	2,600	2,600	0.50% (Note 4)	December 19, 2031	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		800	800					
	Mizuho Bank, Ltd.		500	500					
	The Yamaguchi Bank, Ltd.		1,000	1,000					
	Sumitomo Mitsui Banking Corporation	January 14, 2022	980	980	0.31% (Note 4)	December 21, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	MUFG Bank, Ltd.	January 14, 2022	1,460	1,460	0.31% (Note 4)	December 21, 2026	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	1,850	1,850	0.31% (Note 4)	February 28, 2025	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,700	1,700					
	The Norinchukin Bank		390	390					
	The Bank of Fukuoka, Ltd.		950	950					
	Sumitomo Mitsui Trust Bank, Limited		480	480					
	Citibank, N.A., Tokyo Branch		1,190	1,190					
	The 77 Bank, Ltd.		120	120					
	The Gunma Bank, Ltd.		420	420					
	Mizuho Bank, Ltd.	February 28, 2022	3,000	3,000	0.35% (Note 4)	February 26, 2027	Lump-sum	(Note 5)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	580	580	0.49% (Note 4)	February 28, 2029	Lump-sum	(Note 5)	Unsecured not guaranteed
	MUFG Bank, Ltd.		580	580					
	Development Bank of Japan Inc.		280	280					
	Resona Bank, Limited.		370	370					
	Shinsei Bank, Limited		140	140					
	Subtotal		292,520	292,520					
Total			292,520	292,520					

(Note 1) “Long-term loans payable” includes the current portion of long-term loans payable as of each period end.

(Note 2) “Average rate” represents the weighted average interest rate during the fiscal period and is rounded to the second decimal place.

(Note 3) When the repayment date falls on a day other than a business day, it shall be the next business day.

(Note 4) GLP J-REIT uses interest rate swaps to hedge the interest rate risk exposure. The rate stated above is the effective rate of interest after interest rate swaps.

(Note 5) The fund was used to make repayments of bank borrowings.

(Note 6) The fund was used to acquire properties or beneficiary rights of real estate in trust.

3. Status of Investment Corporation Bonds

The following summarizes the status of investment corporation bonds issued as of the current period end.

Description	Issued date	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Interest rate (Note 1)	Maturity date	Maturity method	Use	Remarks
GLP J-REIT 2nd Unsecured Bonds	July 30, 2014	2,000	2,000	0.98%	July 30, 2024	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 4th Unsecured Bonds	December 26, 2014	1,500	1,500	0.68%	December 26, 2022	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 5th Unsecured Bonds	December 26, 2014	3,000	3,000	1.17%	December 25, 2026	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 6th Unsecured Bonds	June 30, 2015	1,500	1,500	0.89%	June 30, 2025	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 8th Unsecured Bonds	November 28, 2016	1,100	1,100	0.45%	November 27, 2026	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 9th Unsecured Bonds	February 27, 2017	1,000	1,000	0.47%	February 26, 2027	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 10th Unsecured Bonds	July 9, 2018	2,000	2,000	0.23%	July 7, 2023	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 11th Unsecured Bonds	July 9, 2018	1,000	1,000	0.56%	July 7, 2028	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 12th Unsecured Bonds (Green Bonds)	December 20, 2018	5,100	5,100	0.68%	December 20, 2028	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 13th Unsecured Bonds (Green Bonds)	July 8, 2019	8,000	8,000	0.61%	July 6, 2029	Lump-sum	(Note 2)	(Note 5)
GLP J-REIT 14th Unsecured Bonds (Green Bonds)	November 27, 2019	5,000	5,000	0.55%	November 27, 2029	Lump-sum	(Note 3)	(Note 4)
GLP J-REIT 15th Unsecured Bonds (Sustainability Bonds)	September 25, 2020	5,000	5,000	0.51%	September 25, 2030	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 16th Unsecured Bonds (Sustainability Bonds)	December 23, 2020	3,500	3,500	0.75%	December 21, 2035	Lump-sum	(Note 3)	(Note 4)
GLP J-REIT 17th Unsecured Bonds (Sustainability Bonds)	March 23, 2021	5,000	5,000	0.97%	March 22, 2041	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 18th Unsecured Bonds (Green Bonds) (Sustainability-Linked Bonds)	September 28, 2021	6,000	6,000	0.28% (Note 7)	September 28, 2028	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 19th Unsecured Bonds (Sustainability Bonds)	February 25, 2022	2,000	2,000	0.13%	February 25, 2025	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 20th Unsecured Bonds (Sustainability Bonds)	February 25, 2022	1,300	1,300	0.52%	February 25, 2032	Lump-sum	(Note 2)	(Note 4)
Total		54,000	54,000					

(Note 1) "Interest rate" is rounded to the second decimal place.

(Note 2) The fund was used to make repayment of bank borrowing.

(Note 3) The fund was used to redeem the investment corporation bonds.

(Note 4) The bond is subject to the special pari passu clause among specified investment corporation bonds.

(Note 5) The bond is subject to the special pari passu clause among investment corporation bonds.

(Note 6) The "Sustainability-Linked Bonds" refer to bonds whose terms and conditions may change depending on whether or not the predetermined targeted KPI (Key Performance Indicator) or SPTs (Sustainability Performance Targets) are

achieved.

(Note 7) The interest rate from the following day of September 28, 2021 to September 28, 2025 is 0.284% annum. If GLP J-REIT achieves the SPTs on each verification day after December 31, 2024, the interest rate will become 0.234% annum on the following day of September 28, 2025 and thereafter.

4. Status of Short-Term Investment Corporation Bonds

None

5. Status of Subscription Rights to New Investment Units

None

[Acquisition and Disposition]

1. Acquisition and Disposition of Real Estate Properties & Asset-Backed Securities and Infrastructure & Infrastructure Related Assets

Type of asset	Name of property	Acquisition		Disposition			
		Acquisition date	Acquisition price (Million yen) (Note)	Disposition date	Disposition price (Million yen) (Note)	Book value (Million yen)	Gain / Loss (Million yen)
Beneficiary right of real estate in trust	GLP Fukusaki (50% Joint co-ownership ratio)	—	—	March 1, 2022	3,225	1,690	1,516
Total			—		3,225	1,690	1,516

(Note) “Acquisition price” or “Disposition price” represents the purchase/sales amount of beneficiary right of real estate in trust as stated in the Purchase and Sales Contract of Beneficiary Rights of Real Estate in Trust. The amounts exclude acquisition/disposition costs and consumption taxes.

2. Acquisition and Disposition of Other Assets

Other assets except real estate properties & asset-backed securities and infrastructure & infrastructure related assets mentioned above mostly consist of cash and deposits and cash and deposits in trust.

3. Appraisal Values of Specified Assets

(1) Real estate properties

Acquisition or disposition	Name of property	Acquisition or disposition date	Acquisition or disposition price (Million yen) (Note 1)	Appraisal value (Million yen) (Note 2)	Name of appraiser	Date of appraisal
Disposition	GLP Fukusaki (50% Joint co-ownership ratio)	March 1, 2022	3,225	2,460	Japan Real Estate Institute	August 31, 2021

(Note 1) “Acquisition price” or “Disposition price” represents the purchase/sales amount of beneficiary right of real estate in trust as stated in the Purchase and Sales Contract of Beneficiary Rights of Real Estate in Trust. The amounts exclude acquisition/disposition costs and consumption taxes.

(Note 2) “Appraisal value” of specified assets above was determined in accordance with the “Real Estate Appraisal Standards,

Specific Standards Chapter 3, Appraisal of Securitized Properties” or the “General Guideline for Real Estate Appraisers on Determination of Purpose and Scope of Valuation and Contents of Report” issued by Ministry of Land, Infrastructure, Transport and Tourism of Japan.

(2) Other

(a) Name of the party who performed the investigation

KPMG AZSA LLC

(b) Overview of the method and results of the investigation

The transaction subject to the investigation for the period from March 1, 2022 to August 31, 2022 is three interest rate swap transactions. For the transaction, GLP J-REIT entrusted KPMG AZSA LLC to perform the investigation of comparable price, name of its counterparty, contract amount, duration of transaction etc. based on the Article 201-2 of the Act on Investment Trusts and Investment Corporations, and obtained the report on agreed-upon procedures based on Professional Practice Guidelines 4460, the “Practical Guidelines on Agreed-Up Upon Procedures for the Investigation of Values, etc. of Specified Assets held by Investment Trusts or Investment Corporations” issued by the Japanese Institute of Certified Public Accountants.

This investigation is neither a part of the financial audit nor an attestation engagement on the reasonableness of values or the internal control system.

4. Transactions with Interested Parties

(1) Transactions

None to report.

(2) Amounts of fees paid

	Total fees (A) (Thousand yen)	Name of interested parties and major shareholders and the amount of transactions		(B)/(A) (%)
		Paid to	Amount paid (B) (Thousand yen)	
Property management fee	438,037	GLP Capital Partners Japan Inc. (Former trade name: GLP Japan Inc.)	438,037	100.0
Royalty fee	195,966	GLP Capital Partners Japan Inc. (Former trade name: GLP Japan Inc.)	195,966	100.0
Leasing commission	7,500	GLP Japan Inc.	7,500	100.0

(Note) The term “interested parties” refers to interested parties of Asset Management Company (Asset Manager) as stipulated by Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations and Article 26, Paragraph 1, Item 27 of the Regulations Concerning Investment Reports of Investment Trusts and Investment Corporations issued by The Investment Trust Association, Japan.

5. Status on Transactions with Asset Manager in connection with Concurrent Business conducted by the Asset Manager

No item to report since GLP Japan Advisors Inc., the Asset Manager of GLP J-REIT, does not concurrently engaged in any of the Type I Financial Instruments Business, Type II Financial Instruments Business, Building Lots and Buildings Transaction Business or Real Estate Specified Joint Business.

[Accounting]

1. Status on Assets, Liabilities, Principals, and Income and Losses

Please refer to the “Balance Sheets,” “Statements of Income,” “Statements of Changes in Net Assets,” “Notes to Financial Statements” and “Statements of Distributions” presented later in this report.

2. Change in Calculation of Depreciation

None

3. Change in Valuation of Real Estate Properties and Infrastructure Assets

None

4. Status of Beneficiary Certificates of Investment Trust Established by Self

None

[Other Information]

1. Notice

The following summarizes an overview of major contracts that the Board of Directors of GLP J-REIT approved to conclude or modify for the current period.

Date of approval	Item	Summary
July 27, 2022	Conclusion of Memorandum relating to Transfer Agency Agreement	Based on the provision of the Companies Act (Act No. 86 of 2005), as applied mutatis mutandis pursuant to Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951), it is required to electronically provide reference materials for a unitholders' meeting through the website. Accordingly, GLP J-REIT concluded a memorandum to entrust administrative processes relating to a system to electronically provide reference materials for a unitholders' meeting on and after September 1, 2022 to Mitsubishi UFJ Trust and Banking Corporation.

2. Other

In this report, any fraction is rounded down for monetary amounts and rounded off for ratios unless otherwise stated.

[Disclosure regarding Investments in Real Estate Holding Companies in Foreign Countries]

None

[Disclosure regarding Properties Held by above Mentioned Real Estate Holding Companies in Foreign Countries]

None

Balance Sheets

(Unit: Thousand yen)

	Prior Period (Reference) As of February 28, 2022	Current Period As of August 31, 2022
Assets		
Current assets		
Cash and deposits	19,457,679	27,259,200
Cash and deposits in trust	11,459,939	11,505,573
Operating accounts receivable	1,719,392	1,753,375
Prepaid expenses	813,722	669,089
Other current assets	2,075	8,891
Total current assets	33,452,808	41,196,130
Noncurrent assets		
Property and equipment		
Vehicles	1,016	1,016
Accumulated depreciation	(1,016)	(1,016)
Vehicles, net	—	—
Buildings in trust	310,805,601	310,611,794
Accumulated depreciation	(49,298,911)	(53,033,782)
Buildings in trust, net	261,506,689	257,578,011
Structures in trust	6,857,065	6,960,974
Accumulated depreciation	(2,771,692)	(2,947,925)
Structures in trust, net	4,085,372	4,013,048
Machinery and equipment in trust	62,988	64,234
Accumulated depreciation	(54,222)	(54,948)
Machinery and equipment in trust, net	8,765	9,285
Tools, furniture and fixtures in trust	304,538	311,495
Accumulated depreciation	(191,856)	(205,907)
Tools, furniture and fixtures in trust, net	112,681	105,588
Land in trust	476,733,980	476,148,359
Total property and equipment, net	742,447,490	737,854,294
Intangible assets		
Land leasehold interests in trust	2,872,902	2,872,902
Total intangible assets	2,872,902	2,872,902
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	2,484,072	2,198,713
Deferred tax assets	1	27
Security deposits	10,646	10,646
Other	1,400	1,400
Total investments and other assets	2,497,720	2,212,386
Total noncurrent assets	747,818,113	742,939,583
Deferred assets		
Investment unit issuance expenses	154,302	109,751
Investment corporation bond issuance costs	243,662	224,839
Total deferred assets	397,964	334,590
Total Assets	781,668,886	784,470,304

(Unit: Thousand yen)

	Prior Period (Reference) As of February 28, 2022	Current Period As of August 31, 2022
Liabilities		
Current liabilities		
Operating accounts payable	342,863	536,063
Current portion of investment corporation bonds	1,500,000	3,500,000
Current portion of long-term loans payable	34,200,000	42,200,000
Accounts payable	3,000,026	4,285,005
Accrued expenses	171,589	212,511
Income taxes payable	615	1,148
Consumption taxes payable	1,926,255	573,186
Advances received	3,875,820	3,987,764
Current portion of tenant leasehold and security deposits	474,388	429,018
Total current liabilities	45,491,558	55,724,698
Noncurrent liabilities		
Investment corporation bonds	52,500,000	50,500,000
Long-term loans payable	258,320,000	250,320,000
Tenant leasehold and security deposits	14,408,438	14,704,482
Tenant leasehold and security deposits in trust	572,891	618,751
Total noncurrent liabilities	325,801,329	316,143,233
Total Liabilities	371,292,888	371,867,932
Net Assets		
Unitholders' equity		
Unitholders' capital	419,126,862	419,126,862
Deduction from unitholders' capital		
Allowance for temporary difference adjustments *2	—	(4,414,032)
Other deduction from unitholders' capital	(17,273,823)	(18,567,050)
Total deduction from unitholders' capital	(17,273,823)	(22,981,082)
Unitholders' capital, net	401,853,039	396,145,780
Retained earnings		
Unappropriated retained earnings	8,522,958	16,456,591
Total retained earnings	8,522,958	16,456,591
Total unitholders' equity	410,375,998	412,602,372
Total Net Assets *3	410,375,998	412,602,372
Total Liabilities and Net Assets	781,668,886	784,470,304

Statements of Income

(Unit: Thousand yen)

	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
Operating revenues		
Rental revenues *1	21,941,161	21,660,096
Other rental revenues *1	1,333,891	1,698,769
Gain on sale of property and equipment *2	1,511,937	1,516,239
Total operating revenues	24,786,990	24,875,105
Operating expenses		
Rental expenses *1	8,017,034	8,371,735
Asset management fee	2,352,885	3,242,029
Asset custody fee	9,859	9,825
Administrative service fees	29,198	30,013
Directors' remuneration	3,960	4,950
Audit fee	13,000	13,000
Taxes and dues	11,371	13,418
Other operating expenses	99,878	99,887
Total operating expenses	10,537,187	11,784,859
Operating income	14,249,802	13,090,245
Non-operating income		
Interest income	130	157
Reversal of distributions payable	954	554
Miscellaneous income	420	17
Total non-operating income	1,504	729
Non-operating expenses		
Interest expense	744,792	743,322
Interest expenses on investment corporation bonds	160,382	169,733
Amortization of investment corporation bond issuance costs	16,732	18,823
Borrowing related expenses	344,995	351,027
Amortization of investment unit issuance expenses	44,551	44,551
Others	2,836	2,759
Total non-operating expenses	1,314,291	1,330,217
Ordinary income	12,937,016	11,760,757
Extraordinary income		
Insurance income *3	—	4,876,080
Total extraordinary income	—	4,876,080
Extraordinary losses		
Loss on disaster *4	—	179,337
Loss on fire *4	4,417,096	—
Total extraordinary losses	4,417,096	179,337
Income before income taxes	8,519,919	16,457,500
Income taxes-current	635	1,172
Income taxes-deferred	51	(25)
Total income taxes	687	1,146
Net income	8,519,232	16,456,353
Accumulated earnings brought forward	3,726	238
Unappropriated retained earnings	8,522,958	16,456,591

Statements of Changes in Net Assets

Prior period (From September 1, 2021 to February 28, 2022) (Reference)

(Unit: Thousand yen)

	Unitholders' equity						Total Net Assets
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Retained earnings		Total unitholders' equity	
				Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	419,126,862	(15,347,455)	403,779,407	11,764,002	11,764,002	415,543,410	415,543,410
Changes of items during the period							
Distributions in excess of retained earnings		(1,926,368)	(1,926,368)			(1,926,368)	(1,926,368)
Distributions of earnings				(11,760,276)	(11,760,276)	(11,760,276)	(11,760,276)
Net income				8,519,232	8,519,232	8,519,232	8,519,232
Total changes of items during the period	—	(1,926,368)	(1,926,368)	(3,241,043)	(3,241,043)	(5,167,412)	(5,167,412)
Balance at the end of the period *1	419,126,862	(17,273,823)	401,853,039	8,522,958	8,522,958	410,375,998	410,375,998

Current period (From March 1, 2022 to August 31, 2022)

(Unit: Thousand yen)

	Unitholders' equity				
	Unitholders' capital	Deduction from unitholders' capital			Unitholders' capital, net
		Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	
Balance at the beginning of the period	419,126,862	—	(17,273,823)	(17,273,823)	401,853,039
Changes of items during the period					
Distributions in excess of retained earnings from allowance for temporary difference adjustments		(4,414,032)		(4,414,032)	(4,414,032)
Other distributions in excess of retained earnings			(1,293,226)	(1,293,226)	(1,293,226)
Distributions of earnings					
Net income					
Total changes of items during the period	—	(4,414,032)	(1,293,226)	(5,707,258)	(5,707,258)
Balance at the end of the period *1	419,126,862	(4,414,032)	(18,567,050)	(22,981,082)	396,145,780

	Unitholders' equity			Total Net Assets
	Retained earnings		Total unitholders' equity	
	Unappropriated retained earnings	Total retained earnings		
Balance at the beginning of the period	8,522,958	8,522,958	410,375,998	410,375,998
Changes of items during the period				
Distributions in excess of retained earnings from allowance for temporary difference adjustments			(4,414,032)	(4,414,032)
Other distributions in excess of retained earnings			(1,293,226)	(1,293,226)
Distributions of earnings	(8,522,720)	(8,522,720)	(8,522,720)	(8,522,720)
Net income	16,456,353	16,456,353	16,456,353	16,456,353
Total changes of items during the period	7,933,633	7,933,633	2,226,374	2,226,374
Balance at the end of the period *1	16,456,591	16,456,591	412,602,372	412,602,372

Notes to Financial Statements

(Notes Concerning Significant Accounting Policies)

By period Item	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
1. Basis and method of valuation of assets	Securities Available-for-sale securities with no readily determinable market price are stated at cost. Cost of securities sold is determined by the moving-average method.	Securities Available-for-sale securities with no readily determinable market price are stated at cost. Cost of securities sold is determined by the moving-average method.
2. Depreciation of noncurrent assets	Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows: Buildings 2 to 77 years Structures 2 to 60 years Machinery and equipment 6 to 12 years Vehicles 4 years Tools, furniture and fixtures 2 to 18 years	Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows: Buildings 2 to 77 years Structures 2 to 60 years Machinery and equipment 6 to 12 years Vehicles 4 years Tools, furniture and fixtures 2 to 18 years
3. Accounting treatment for deferred assets	(1) Investment unit issuance expenses are amortized over three years using the straight-line method. (2) Investment corporation bond issuance costs are amortized over the respective terms of the bonds using the straight-line method.	(1) Investment unit issuance expenses are amortized over three years using the straight-line method. (2) Investment corporation bond issuance costs are amortized over the respective terms of the bonds using the straight-line method.

By period Item	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
5. Revenue and expense recognition	<p>(1) Taxes on property and equipment With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant operating period are accounted for as rental expenses. Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses.</p> <p>(2) Revenue Recognition Details of major performance obligations related to revenue from contracts with customers and a typical point in time at which GLP J-REIT satisfies a performance obligation and recognizes revenue are as follows:</p> <p>(a) Sale of properties, etc. As to sale of properties, etc., GLP J-REIT recognizes revenue when a buyer, who is a customer, obtains control of a property by GLP J-REIT's satisfying the performance obligation to transfer the property as prescribed in the sales and purchase contract of the property. As for the presentation in the statements of income, "Gain on sale of property and equipment" or "Loss on sale of property and equipment" presents the amount calculated by subtracting "Costs of property and equipment sold," a book value of the property and equipment, and "Other selling expenses," direct expenses incurred for the sale, from the "Sales proceeds," sales proceeds received in connection with the sale of property and equipment.</p> <p>(b) Utilities charges revenue As to utilities charges revenue, GLP J-REIT recognizes revenue based on the supply amount of electricity, water, etc. to a tenant, who is a customer, in accordance with the property lease contract and related agreements.</p>	<p>(1) Taxes on property and equipment With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant operating period are accounted for as rental expenses. Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses.</p> <p>(2) Revenue Recognition Details of major performance obligations related to revenue from contracts with customers and a typical point in time at which GLP J-REIT satisfies a performance obligation and recognizes revenue are as follows:</p> <p>(a) Sale of properties, etc. As to sale of properties, etc., GLP J-REIT recognizes revenue when a buyer, who is a customer, obtains control of a property by GLP J-REIT's satisfying the performance obligation to transfer the property as prescribed in the sales and purchase contract of the property. As for the presentation in the statements of income, "Gain on sale of property and equipment" or "Loss on sale of property and equipment" presents the amount calculated by subtracting "Costs of property and equipment sold," a book value of the property and equipment, and "Other selling expenses," direct expenses incurred for the sale, from the "Sales proceeds," sales proceeds received in connection with the sale of property and equipment.</p> <p>(b) Utilities charges revenue As to utilities charges revenue, GLP J-REIT recognizes revenue based on the supply amount of electricity, water, etc. to a tenant, who is a customer, in accordance with the property lease contract and related agreements.</p>

By period Item	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
6. Hedge accounting	<p>GLP J-REIT enters into derivative transactions in order to hedge against risks defined in its Articles of Incorporation in compliance with their general risk management policy. GLP J-REIT uses interest rate swaps for the purpose of hedging its risk exposure associated with interests on floating rate loans payable. Where deferral accounting is generally adopted for hedge transactions, GLP J-REIT applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense.</p> <p>The hedge effectiveness test for interest rate swaps is omitted since all interest rate swaps of GLP J-REIT meet the specific matching criteria for the special accounting treatment as permitted under the Japanese GAAP.</p>	<p>GLP J-REIT enters into derivative transactions in order to hedge against risks defined in its Articles of Incorporation in compliance with their general risk management policy. GLP J-REIT uses interest rate swaps for the purpose of hedging its risk exposure associated with interests on floating rate loans payable. Where deferral accounting is generally adopted for hedge transactions, GLP J-REIT applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense.</p> <p>The hedge effectiveness test for interest rate swaps is omitted since all interest rate swaps of GLP J-REIT meet the specific matching criteria for the special accounting treatment as permitted under the Japanese GAAP.</p>
7. Other significant matters which constitute the basis for preparation of financial statements	<p>(1) Accounting treatment of beneficiary right of real estate in trust As to beneficiary rights of real estate in trust, all accounts of assets and liabilities for assets in trust as well as the related income generated and expenses incurred are recorded in the relevant balance sheet and statement of income accounts. The following significant trust assets are shown separately on the balance sheets.</p> <p>(a) Cash and deposits in trust</p> <p>(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and land leasehold interests in trust</p> <p>(c) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment for consumption taxes Consumption taxes withheld and paid are not included in the accompanying statements of income.</p>	<p>Accounting treatment of beneficiary right of real estate in trust As to beneficiary rights of real estate in trust, all accounts of assets and liabilities for assets in trust as well as the related income generated and expenses incurred are recorded in the relevant balance sheet and statement of income accounts. The following significant trust assets are shown separately on the balance sheets.</p> <p>(1) Cash and deposits in trust</p> <p>(2) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and land leasehold interests in trust</p> <p>(3) Tenant leasehold and security deposits in trust</p>

(Notes to Changes in Accounting Policies)

Prior Period (Reference) As of February 28, 2022	Current Period As of August 31, 2022
<p>(Accounting Standard for Revenue Recognition and its Implementation Guidance)</p> <p>Effective from the beginning of the fiscal period ended February 28, 2022, GLP J-REIT has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 29, March 31, 2020) (hereinafter, the “Accounting Standard for Revenue Recognition”) and its implementation guidance. GLP J-REIT recognizes revenue when GLP J-REIT satisfies a performance obligation by transferring control of a promised good or service to a customer, at the amount of consideration to which GLP J-REIT expects to be entitled in exchange for transferring promised goods or services. There is no material impact from this change on the financial statements for the current fiscal period.</p> <p>(Accounting Standards for Fair Value Measurement and their Implementation Guidance)</p> <p>Effective from the beginning of the fiscal period ended February 28, 2022, GLP J-REIT has applied Accounting Standards including the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and their implementation guidance (collectively hereinafter, the “Accounting Standards for FVM”). In accordance with the transitional treatment prescribed in Item 19 of the Accounting Standards for FVM and Item 44-2 of “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), GLP J-REIT implemented the Accounting Standards for FVM as GLP J-REIT’s new accounting policy prospectively. There is no material impact from this change on the financial statements for the current fiscal period.</p>	—

(Notes to Accounting Estimates)

Prior Period (Reference) As of February 28, 2022	Current Period As of August 31, 2022												
<p>(Impairment of noncurrent assets)</p> <p>(1) Amounts on financial statements</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <table border="1" data-bbox="188 365 826 465"> <thead> <tr> <th></th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Property and equipment</td><td>742,447,490</td></tr> <tr> <td>Intangible assets</td><td>2,872,902</td></tr> </tbody> </table> <p>(2) Information on details of accounting estimates regarding identified items</p> <p>In accordance with the accounting standard for impairment of noncurrent assets, GLP J-REIT adopts an accounting treatment to reduce the book value of noncurrent assets to the recoverable amount when it is no longer expected to recover the investment amount due to a decline in profitability.</p> <p>In adopting the accounting treatment, GLP J-REIT considers each property owned as one asset group and determines the necessity of recognizing an impairment loss when there is any indication of impairment due to continuous operating deficits, a significant decline in market value or a significant deterioration in the business environment.</p> <p>GLP J-REIT uses the amount of estimated future cash flows to determine whether an impairment loss should be recognized. When it is determined that an impairment loss should be recognized, the book value is reduced to the recoverable amount estimated based on a third-party real estate appraisal, and the amount of the reduction is accounted for as an impairment loss.</p> <p>In estimating the future cash flows, GLP J-REIT determines the assumptions, including rents, occupancy ratio, rental expenses, by comprehensively taking into account market trends, transaction cases of similar properties, etc.</p> <p>The operating performance and market value of each property may be affected by trends in the real estate leasing market and the real estate trading market. Therefore, any change in the assumptions for the estimate may affect the status of properties and operating results of GLP J-REIT in the following fiscal period.</p>		Amount	Property and equipment	742,447,490	Intangible assets	2,872,902	<p>(Impairment of noncurrent assets)</p> <p>(1) Amounts on financial statements</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <table border="1" data-bbox="866 365 1505 465"> <thead> <tr> <th></th><th>Amount</th></tr> </thead> <tbody> <tr> <td>Property and equipment</td><td>737,854,294</td></tr> <tr> <td>Intangible assets</td><td>2,872,902</td></tr> </tbody> </table> <p>(2) Information on details of accounting estimates regarding identified items</p> <p>In accordance with the accounting standard for impairment of noncurrent assets, GLP J-REIT adopts an accounting treatment to reduce the book value of noncurrent assets to the recoverable amount when it is no longer expected to recover the investment amount due to a decline in profitability.</p> <p>In adopting the accounting treatment, GLP J-REIT considers each property owned as one asset group and determines the necessity of recognizing an impairment loss when there is any indication of impairment due to continuous operating deficits, a significant decline in market value or a significant deterioration in the business environment.</p> <p>GLP J-REIT uses the amount of estimated future cash flows to determine whether an impairment loss should be recognized. When it is determined that an impairment loss should be recognized, the book value is reduced to the recoverable amount estimated based on a third-party real estate appraisal, and the amount of the reduction is accounted for as an impairment loss.</p> <p>In estimating the future cash flows, GLP J-REIT determines the assumptions, including rents, occupancy ratio, rental expenses, by comprehensively taking into account market trends, transaction cases of similar properties, etc.</p> <p>The operating performance and market value of each property may be affected by trends in the real estate leasing market and the real estate trading market. Therefore, any change in the assumptions for the estimate may affect the status of properties and operating results of GLP J-REIT in the following fiscal period.</p>		Amount	Property and equipment	737,854,294	Intangible assets	2,872,902
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(Notes to Balance Sheets)

Prior Period (Reference) As of February 28, 2022	Current Period As of August 31, 2022
<p>*1. Commitment line agreement GLP J-REIT has entered into a commitment line agreement with three financial institutions.</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>Total amount of commitment line 15,000,000</p> <p>Balance executed as loans —</p> <p>Unused line of credit <u>15,000,000</u></p>	<p>*1. Commitment line agreement GLP J-REIT has entered into a commitment line agreement with three financial institutions.</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>Total amount of commitment line 15,000,000</p> <p>Balance executed as loans —</p> <p>Unused line of credit <u>15,000,000</u></p>

***2. Allowance for temporary difference adjustments**

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

None

Current Period (From March 1, 2022 to August 31, 2022)

(1) Reasons for allowance/ reversal, assets subject to allowance/ reversal and amounts of allowance/ reversal

(Unit: Thousand yen)

Assets	Reason	Amounts	Balance at beginning of the period	Amounts accounted for the period	Amounts reversed for the period	Balance at end of the period	Reason for reversal
Buildings in trust, facilities attached to buildings in trust (GLP Maishima II)	Loss on fire	4,414,032	—	4,414,032	—	4,414,032	—

(2) Concrete procedures for reversal

Item	Concrete procedures for reversal
Buildings in trust, facilities attached to buildings in trust (GLP Maishima II)	The allowance will be reversed when the receipt of fire insurance claim proceeds for the respective fire loss is confirmed.

Prior Period (Reference) As of February 28, 2022	Current Period As of August 31, 2022
*3. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.	*3. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.

(Notes to Statements of Income)

<p>Prior Period (Reference) From September 1, 2021 To February 28, 2022</p>	<p>Current Period From March 1, 2022 To August 31, 2022</p>																																																																
<p>*1. The breakdown of operating income from property leasing is as follows:</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>A. Property-related revenues</p> <p>Rental revenues:</p> <table> <tr> <td>Rental revenues</td><td>21,157,992</td></tr> <tr> <td>Common area charges</td><td>783,168</td></tr> <tr> <td>Total</td><td><u>21,941,161</u></td></tr> </table> <p>Other revenues related to property leasing</p> <table> <tr> <td>Utility charges</td><td>697,399</td></tr> <tr> <td>Parking lots</td><td>115,618</td></tr> <tr> <td>Solar panel leasing</td><td>457,224</td></tr> <tr> <td>Others</td><td>63,649</td></tr> <tr> <td>Total</td><td><u>1,333,891</u></td></tr> </table> <p>Total property-related revenues <u>23,275,053</u></p> <p>B. Property-related expenses</p> <p>Rental expenses:</p> <table> <tr> <td>Taxes and dues</td><td>1,828,092</td></tr> <tr> <td>Property and facility management fees</td><td>863,528</td></tr> <tr> <td>Utilities</td><td>574,268</td></tr> <tr> <td>Repairs and maintenance</td><td>105,896</td></tr> <tr> <td>Casualty insurance</td><td>101,021</td></tr> <tr> <td>Depreciation</td><td>4,322,820</td></tr> <tr> <td>Others</td><td>221,406</td></tr> <tr> <td>Total property-related expenses</td><td><u>8,017,034</u></td></tr> </table> <p>C. Operating income from property leasing <u>15,258,018</u></p> <p>(A – B)</p>	Rental revenues	21,157,992	Common area charges	783,168	Total	<u>21,941,161</u>	Utility charges	697,399	Parking lots	115,618	Solar panel leasing	457,224	Others	63,649	Total	<u>1,333,891</u>	Taxes and dues	1,828,092	Property and facility management fees	863,528	Utilities	574,268	Repairs and maintenance	105,896	Casualty insurance	101,021	Depreciation	4,322,820	Others	221,406	Total property-related expenses	<u>8,017,034</u>	<p>*1. The breakdown of operating income from property leasing is as follows:</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>A. Property-related revenues</p> <p>Rental revenues:</p> <table> <tr> <td>Rental revenues</td><td>20,867,867</td></tr> <tr> <td>Common area charges</td><td>792,229</td></tr> <tr> <td>Total</td><td><u>21,660,096</u></td></tr> </table> <p>Other revenues related to property leasing</p> <table> <tr> <td>Utility charges</td><td>861,396</td></tr> <tr> <td>Parking lots</td><td>111,875</td></tr> <tr> <td>Solar panel leasing</td><td>641,843</td></tr> <tr> <td>Others</td><td>83,653</td></tr> <tr> <td>Total</td><td><u>1,698,769</u></td></tr> </table> <p>Total property-related revenues <u>23,358,866</u></p> <p>B. Property-related expenses</p> <p>Rental expenses:</p> <table> <tr> <td>Taxes and dues</td><td>1,918,219</td></tr> <tr> <td>Property and facility management fees</td><td>874,903</td></tr> <tr> <td>Utilities</td><td>812,617</td></tr> <tr> <td>Repairs and maintenance</td><td>73,921</td></tr> <tr> <td>Casualty insurance</td><td>101,795</td></tr> <tr> <td>Depreciation</td><td>4,252,314</td></tr> <tr> <td>Others</td><td>337,964</td></tr> <tr> <td>Total property-related expenses</td><td><u>8,371,735</u></td></tr> </table> <p>C. Operating income from property leasing <u>14,987,130</u></p> <p>(A – B)</p>	Rental revenues	20,867,867	Common area charges	792,229	Total	<u>21,660,096</u>	Utility charges	861,396	Parking lots	111,875	Solar panel leasing	641,843	Others	83,653	Total	<u>1,698,769</u>	Taxes and dues	1,918,219	Property and facility management fees	874,903	Utilities	812,617	Repairs and maintenance	73,921	Casualty insurance	101,795	Depreciation	4,252,314	Others	337,964	Total property-related expenses	<u>8,371,735</u>
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<p>—</p>	<p>*3 Details of extraordinary income A fire accident occurred at GLP Maishima II for the prior period. GLP J-REIT received insurance proceeds for the damage and recognized insurance income of 4,876,080 thousand yen under extraordinary income.</p>																																																																
<p>*4 Details of extraordinary losses A fire accident occurred at GLP Maishima II and the buildings were significantly destroyed. GLP J-REIT recognized the loss on fire of 4,417,096 thousand yen, an amount equivalent to the book value of buildings in trust, etc. excluding land in trust.</p>	<p>*4 Details of extraordinary losses GLP J-REIT recognized loss on disaster of 179,337 thousand yen for the restoration of property damage sustained in the earthquake occurred off the coast of Fukushima in March 2022.</p>																																																																

(Notes to Statements of Changes in Net Assets)

Prior Period (Reference) From September 1, 2021 To February 28, 2022		Current Period From March 1, 2022 To August 31, 2022	
*1. Number of investment units authorized and number of investment units issued and outstanding		*1. Number of investment units authorized and number of investment units issued and outstanding	
Number of investment units authorized	16,000,000 units	Number of investment units authorized	16,000,000 units
Number of investment units issued and outstanding	4,490,369 units	Number of investment units issued and outstanding	4,490,369 units

(Deferred Tax Accounting)

Prior Period (Reference) From September 1, 2021 To February 28, 2022		Current Period From March 1, 2022 To August 31, 2022	
1. Significant components of deferred tax assets and liabilities (Unit: Thousand yen)		1. Significant components of deferred tax assets and liabilities (Unit: Thousand yen)	
(Deferred tax assets)		(Deferred tax assets)	
Loss on fire, not deductible for tax purposes	1,389,618	Enterprise tax payable	27
Enterprise tax payable	1	Total	27
Total	1,389,619	Valuation allowance	—
Valuation allowance	(1,389,618)	Net deferred tax assets	27
Net deferred tax assets	1		
2. Reconciliation between Japanese statutory tax rate and the actual income tax rate with respect to pre-tax income reflected in the accompanying statement of income for each period is as follows.		2. Reconciliation between Japanese statutory tax rate and the actual income tax rate with respect to pre-tax income reflected in the accompanying statement of income for each period is as follows.	
(Unit: %)		(Unit: %)	
Statutory effective tax rate	31.46	Statutory effective tax rate	31.46
(Adjustments)		(Adjustments)	
Distributions deductible for tax purposes	(47.77)	Distributions deductible for tax purposes	(23.01)
Valuation allowance	16.31	Valuation allowance	(8.44)
Other	0.01	Other	0.00
Actual tax rate	0.01	Actual tax rate	0.01

(Property and Equipment under Capital Lease)

Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
—	—

(Financial Instruments)

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

1. Status of financial instruments

(1) Policy for financial instruments

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

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

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

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

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

Bank loans and investment corporation bonds are mainly made to procure funds for acquisition of properties and refinancing of bank loans or investment corporation bonds upon their maturities. GLP J-REIT mitigates the liquidity risk exposure upon repayment and redemption of loans by diversifying the maturities and lending institutions and by entering into commitment line agreements with financial institutions, and manages such liquidity risk by preparing and monitoring the forecasted cash flows.

Certain loans are floating rate and exposed to the risk of rising interest rates. GLP J-REIT mitigates such risk by maintaining a prudent loan-to-value ratio and stabilizing its financial costs with the use of derivative transactions (interest rate swaps) as a hedge. All interest rate swaps meet the specific matching criteria to qualify for the special accounting treatment, thus the hedge effectiveness test is omitted. Derivative transactions are executed and managed under the Management Guidelines of the Asset Manager.

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust are deposits received from tenants. GLP J-REIT is obligated to repay the deposits upon the tenant's termination of the leased property, and is thus exposed to liquidity risk. GLP J-REIT generally minimizes and manages such risk by holding sufficient funds to make the repayments and monitoring its cash flows.

(3) Supplemental explanation regarding fair values of financial instruments

In estimating the fair value of financial instruments, various factors are considered; therefore, different assumptions and factors could result in a range of fair values.

2. Estimated fair value of financial instruments

Book value, fair value and differences between the values as of February 28, 2022 are as stated below. The disclosure for "Cash and deposits" and "Cash and deposits in trust" is omitted since their fair value approximates their book value due to short maturity. The disclosure for "Current portion of tenant leasehold and security deposits," "Tenant leasehold and security deposits" and "Tenant leasehold and security deposits in trust" is also omitted due to immateriality.

(Unit: Thousand yen)			
	Book value	Fair value	Difference
(1) Current portion of investment corporation bonds	1,500,000	1,504,800	4,800
(2) Current portion of long-term loans payable	34,200,000	34,257,416	57,416
(3) Investment corporation bonds	52,500,000	52,309,090	(190,910)
(4) Long-term loans payable	258,320,000	258,371,545	51,545
Total liabilities	346,520,000	346,442,852	(77,147)
Derivative transactions	—	—	—

(Note 1) Methods to estimate fair value of financial instruments and matters regarding derivative transactions

- (1) Current portion of investment corporation bonds and (3) Investment corporation bonds

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

- (2) Current portion of long-term loans payable and (4) Long-term loans payable

With respect to long-term loans payable, interest rates of floating-rate loans are periodically adjusted or renewed by contract. Thus, the book value of these instruments is deemed a reasonable approximation of the fair value, and the book value is, therefore, used as the fair value. The fair value of fixed-rate loans is measured by discounting the total principal and interest amount at the current rates that are reasonably estimated to be applicable if GLP J-REIT enters into new similar loans. The fair value of interest rate swaps under the special accounting treatment is included in long-term loans payable designated as a hedged item.

Derivative transactions:

- (1) Derivative transactions for which hedge accounting is not applied

None

- (2) Derivative transactions for which hedge accounting is applied

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

(Unit: Thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ Pay fix	Long-term loans payable	258,500,000	224,800,000	*1	*2

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

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

(Note 2) Redemption schedule for long-term loans payable and investment corporation bonds

(Unit: Thousand yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	1,500,000	2,000,000	4,000,000	1,500,000	5,100,000	39,900,000
Long-term loans payable	34,200,000	29,320,000	33,860,000	36,250,000	32,180,000	126,710,000
Total	35,700,000	31,320,000	37,860,000	37,750,000	37,280,000	166,610,000

Current Period (From March 1, 2022 to August 31, 2022)

1. Status of financial instruments

(1) Policy for financial instruments

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

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

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

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

Deposits are used for investment of GLP J-REIT's surplus funds. These deposits are exposed to credit risk, such as bankruptcy

of the depository financial institution. GLP J-REIT limits credit risk by using only short-term deposits in financial institutions with high credit ratings.

Bank loans and investment corporation bonds are mainly made to procure funds for acquisition of properties and refinancing of bank loans or investment corporation bonds upon their maturities. GLP J-REIT mitigates the liquidity risk exposure upon repayment and redemption of loans by diversifying the maturities and lending institutions and by entering into commitment line agreements with financial institutions, and manages such liquidity risk by preparing and monitoring the forecasted cash flows.

Certain loans are floating rate and exposed to the risk of rising interest rates. GLP J-REIT mitigates such risk by maintaining a prudent loan-to-value ratio and stabilizing its financial costs with the use of derivative transactions (interest rate swaps) as a hedge. All interest rate swaps meet the specific matching criteria to qualify for the special accounting treatment, thus the hedge effectiveness test is omitted. Derivative transactions are executed and managed under the Management Guidelines of the Asset Manager.

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust are deposits received from tenants. GLP J-REIT is obligated to repay the deposits upon the tenant's termination of the leased property, and is thus exposed to liquidity risk. GLP J-REIT generally minimizes and manages such risk by holding sufficient funds to make the repayments and monitoring its cash flows.

(3) Supplemental explanation regarding fair values of financial instruments

In estimating the fair value of financial instruments, various factors are considered; therefore, different assumptions and factors could result in a range of fair values.

2. Estimated fair value of financial instruments

Book value, fair value and differences between the values as of August 31, 2022 are as stated below. The disclosure for "Cash and deposits" and "Cash and deposits in trust" is omitted since their fair value approximates their book value due to short maturity. The disclosure for "Current portion of tenant leasehold and security deposits," "Tenant leasehold and security deposits" and "Tenant leasehold and security deposits in trust" is also omitted due to immateriality.

	(Unit: Thousand yen)		
	Book value	Fair value	Difference
(1) Current portion of investment corporation bonds	3,500,000	3,500,350	350
(2) Current portion of long-term loans payable	42,200,000	42,218,268	18,268
(3) Investment corporation bonds	50,500,000	49,784,870	(715,130)
(4) Long-term loans payable	250,320,000	249,217,496	(1,102,503)
Total liabilities	346,520,000	344,720,985	(1,799,014)
Derivative transactions	—	(28,498)	(28,498)

(Note 1) Methods to estimate fair value of financial instruments and matters regarding derivative transactions

(1) Current portion of investment corporation bonds and (3) Investment corporation bonds

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

(2) Current portion of long-term loans payable and (4) Long-term loans payable

With respect to long-term loans payable, interest rates of floating-rate loans are periodically adjusted or renewed by contract. Thus, the book value of these instruments is deemed a reasonable approximation of the fair value, and the book value is, therefore, used as the fair value. The fair value of fixed-rate loans is measured by discounting the total principal and interest amount at the current rates that are reasonably estimated to be applicable if GLP J-REIT enters into new similar loans. The fair value of interest rate swaps under the special accounting treatment is included in long-term loans payable designated as a hedged item.

Derivative transactions:

(1) Derivative transactions for which hedge accounting is not applied

None

(2) Derivative transactions for which hedge accounting is applied

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

(Unit: Thousand yen)						
Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/ Pay fix	Long-term loans payable	282,070,000 *1	240,370,000 *1	(28,498) *2	*3

*1 The amount includes 23,570 million yen of the interest swap contract entered into on August 31, 2022. The execution date of long-term loans payable, its hedged item, is September 2, 2022.

*2 Concerning the aforementioned interest rate swap entered into on August 31, 2022, the fair value as of the end of the fiscal period (August 31, 2022) is stated since it is not accounted for as an integral component of long-term loans payable under the special accounting treatment due to the fact that no such loans payable is recognized as of the fiscal period then ended. Interest rate swaps under the special accounting treatment, except for those aforementioned, are accounted for as an integral component of long-term loans payable designated as hedged items. Thus, their fair value is included in that of long-term loans payable disclosed in aforementioned “Liabilities” (2) and (4).

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

(Note 2) Redemption schedule for long-term loans payable and investment corporation bonds

(Unit: Thousand yen)						
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	3,500,000	2,000,000	3,500,000	—	5,100,000	39,900,000
Long-term loans payable	42,200,000	29,470,000	37,420,000	30,730,000	38,710,000	113,990,000
Total	45,700,000	31,470,000	40,920,000	30,730,000	43,810,000	153,890,000

(Investment and Rental Properties)

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

Property and equipment consist of leasable logistic facilities for the purpose of earning rental revenues. The following table summarizes the book value, including changes during the fiscal periods and fair value of these rental properties.

(Unit: Thousand yen)			
Book value			Fair value at the end of the period
At the beginning of the period	Increase (decrease)	At the end of the period	
754,145,944	(8,825,551)	745,320,392	984,563,000

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

(Note 2) Of the change in book value during the period, the major increase was primarily due to capital expenditure, whereas the major decrease was due to loss on fire at GLP Maishima II in the amount of 4,417,096 thousand yen, the sale of a property (GLP Fukusaki (50% joint co-ownership ratio)) in the amount of 1,693,643 thousand yen and depreciation of 4,322,820 thousand yen.

(Note 3) The fair value of investment and rental properties was determined based on third-party appraisals or research price. Of the fair value as of February 28, 2022, that of GLP Fukusaki (50% joint co-ownership ratio) was based on sales price (3,225,000 thousand yen) stated in the Sales and Purchase Contract on December 13, 2021. For GLP Maishima II, the property was significantly destroyed by the fire accident and thus only the appraisal value of the land portion of the property is included in fair value at the end of the period.

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

Current Period (From March 1, 2022 to August 31, 2022)

Property and equipment consist of leasable logistic facilities for the purpose of earning rental revenues. The following table summarizes the book value, including changes during the fiscal periods and fair value of these rental properties.

(Unit: Thousand yen)

Book value			Fair value at the end of the period
At the beginning of the period	Increase (decrease)	At the end of the period	
745,320,392	(4,593,196)	740,727,196	1,014,247,000

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

(Note 2) Of the change in book value during the period, the major increase was primarily due to capital expenditure, whereas the major decrease was due to the sale of a property (GLP Fukusaki (50% joint co-ownership ratio)) in the amount of 1,690,384 thousand yen and depreciation of 4,252,314 thousand yen.

(Note 3) The fair value of investment and rental properties was determined based on third-party appraisals or research price. Of the fair value as of August 31, 2022, for GLP Maishima II, the property was significantly destroyed by the fire accident and thus only the appraisal value of the land portion of the property is included in fair value at the end of the period.

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

(Restriction on Asset Management)

Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
—	—

(Related Party Transactions)

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

Classification	Name of the company	Type of business	% of voting rights (owned)	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Interested party	GLP Japan Inc.	Investment advisory/ agency	—	Property management fee	445,919	Operating accounts payable	97,182
				Leasing commission	91,662		
				Royalty fee (Note 2)	7,500	—	—
Interested party	Light Year Special Purpose Company	Real estate	—	Rental income from rooftop leasing (Note 2)	3,822	Advances received	700
Interested party	GLP J-REIT Master Lease GK	Real estate	—	Rental income from solar panel leasing	236,128	Operating accounts receivable	51,132
Interested party	Ichikawashiohama Godo Kaisha	Equipment leasing	—	Rental income from solar panel leasing	18,310	Operating accounts receivable	6,157
Interested party	GLP Tosu One GK	Equipment leasing	—	Rental income from solar panel leasing	37,569	Operating accounts receivable	7,475
Interested party	GLP Sugito Y.K.	Equipment leasing	—	Rental income from solar panel leasing	9,786	Operating accounts receivable	2,059
Interested party	GLP Urayasu Three Y.K.	Equipment leasing	—	Rental income from solar panel leasing	28,803	Operating accounts receivable	5,922
Interested party	GLP Tokyo Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	13,929	Operating accounts receivable	2,857
Interested party	GLP Komaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	23,253	Operating accounts receivable	4,297
Interested party	GLP Fukusaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	12,464	Operating accounts receivable	1,517
Interested party	GLP Amagasaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	24,416	Operating accounts receivable	4,715
Interested party	GLP Misato Two GK	Equipment leasing	—	Rental income from solar panel leasing	15,726	Operating accounts receivable	3,341
Interested party	GLP Maishima Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	8,904	Operating accounts receivable	—
Interested party	GLP Kiyama GK	Equipment leasing	—	Rental income from solar panel leasing	27,932	Operating accounts receivable	5,607
Asset custody company	Mitsubishi UFJ Trust and Banking Corporation	Trust and Banking	—	Trust fee	12,259	Operating accounts payable	4,432
				Administrative service fee	29,198	Accounts payable	14,061

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

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

- The royalty fee was mutually agreed after negotiation between both parties, based on the initial formula proposed by GLP Japan Inc.
- The rental income from rooftop leasing was mutually agreed after negotiation between both parties, based on the initial formula proposed by Light Year Special Purpose Company.
- Other transactions are determined based on market conditions.

Current Period (From March 1, 2022 to August 31, 2022)

Classification	Name of the company	Type of business	% of voting rights (owned)	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Interested party	GLP Capital Partners Japan Inc. (Former trade name: GLP Japan Inc.)	Investment advisory/ agency	—	Property management fee	438,037	Operating accounts payable	86,820
				Leasing commission	195,966		
Interested party	GLP Japan Inc.	Real estate	—	Royalty fee (Note 2)	7,500	—	—
Interested party	Light Year Special Purpose Company	Real estate	—	Rental income from rooftop leasing (Note 2)	3,822	Advances received	700
Interested party	GLP J-REIT Master Lease GK	Real estate	—	Rental income from solar panel leasing	338,896	Operating accounts receivable	65,714
Interested party	Ichikawashiohama Godo Kaisha	Equipment leasing	—	Rental income from solar panel leasing	27,512	Operating accounts receivable	3,748
Interested party	GLP Tosu One GK	Equipment leasing	—	Rental income from solar panel leasing	55,705	Operating accounts receivable	10,696
Interested party	GLP Sugito Y.K.	Equipment leasing	—	Rental income from solar panel leasing	14,176	Operating accounts receivable	2,463
Interested party	GLP Urayasu Three Y.K.	Equipment leasing	—	Rental income from solar panel leasing	43,799	Operating accounts receivable	7,885
Interested party	GLP Tokyo Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	21,137	Operating accounts receivable	3,668
Interested party	GLP Komaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	36,230	Operating accounts receivable	6,017
Interested party	GLP Amagasaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	39,035	Operating accounts receivable	7,304
Interested party	GLP Misato Two GK	Equipment leasing	—	Rental income from solar panel leasing	24,471	Operating accounts receivable	4,208
Interested party	GLP Kiyama GK	Equipment leasing	—	Rental income from solar panel leasing	40,860	Operating accounts receivable	6,943
Asset custody company	Mitsubishi UFJ Trust and Banking Corporation	Trust and Banking	—	Trust fee	12,090	Operating accounts payable	4,432
				Administrative service fee	30,013	Accounts payable	14,004

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

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

- (a) The royalty fee was mutually agreed after negotiation between both parties, based on the initial formula proposed by GLP Japan Inc.
- (b) The rental income from rooftop leasing was mutually agreed after negotiation between both parties, based on the initial formula proposed by Light Year Special Purpose Company.
- (c) Other transactions are determined based on market conditions.

(Per Unit Information)

Prior Period (Reference) From September 1, 2021 To February 28, 2022		Current Period From March 1, 2022 To August 31, 2022	
Net assets per unit	91,390 yen	Net assets per unit	91,886 yen
Net income per unit	1,897 yen	Net income per unit	3,664 yen
Net income per unit is calculated by dividing net income for the period by the weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated as no dilutive securities were outstanding.		Net income per unit is calculated by dividing net income for the period by the weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated as no dilutive securities were outstanding.	

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

	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
Net income	8,519,232 thousand yen	16,456,353 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	8,519,232 thousand yen	16,456,353 thousand yen
Average number of investment units outstanding	4,490,369 units	4,490,369 units

(Significant Subsequent Events)

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

Sale of assets

GLP J-REIT sold the asset as described below.

GLP Fukusaki

- Type of specified asset Beneficiary right of real estate in trust (50% joint co-ownership ratio)
- Contract date December 13, 2021
- Closing date March 1, 2022
- Sales price 3,225 million yen (Note 1)
- Buyer Not disclosed (Note 2)

(Note 1) “Sales price” excludes asset transfer costs, property taxes, city planning taxes, consumption taxes and local consumption taxes.

(Note 2) The Buyer’s profile including the company form is not disclosed since the Buyer’s consent has not been obtained. As of today, there is no capital, personnel or transactional relationship to be disclosed between the Buyer and GLP J-REIT or its Asset Manager. In addition, the Buyer is not a related party of GLP J-REIT or its Asset Manager.

From this transaction, GLP J-REIT will recognize approximately 1,518 million yen of gain on sale of property and equipment for the fiscal period ending August 31, 2022 (from March 1, 2022 to August 31, 2022).

Current Period (From March 1, 2022 to August 31, 2022)

1. Issuance of new investment units

At the Board of Directors' Meeting held on October 12, 2022, GLP J-REIT resolved to issue the following new investment units and conduct the secondary offering of investment units.

Details such as offer price will be determined in the Board of Directors' Meeting to be held in the future.

[Issuance of new investment units through domestic public offering and overseas offering]

Number of investment units to be issued: 215,962 units (maximum) (Note 1)

Issue amount (amount to be paid in): To be determined (Note 2)

Payment date: Any day from October 21, 2022 to October 25, 2022 (Note 3)

(Note 1) Total of 211,210 units to be underwritten and 4,752 units subject to the right to purchase additional units to be issued which is granted to the overseas underwriters.

(Note 2) The issue amount will be determined on any day between October 17, 2022 and October 19, 2022 (the Offer Price Determination Date).

(Note 3) The date shall be the date which is four (4) business days after the Offer Price Determination Date.

[Secondary offering of investment units (Offering through over-allotment)]

Number of investment units to be offered: 5,809 units

(Note) As to domestic public offering described in "Issuance of new investment units through domestic public offering and overseas offering," Nomura Securities Co., Ltd., the lead managing underwriter for the domestic offering, may conduct a secondary offering in Japan of investment units borrowed from GLP J-REIT's unitholders ("Borrowed Investment Units"), after taking into consideration the demand for the offering and other conditions. The number of investment units to be offered in the secondary offering through over-allotment is the maximum number and may decrease depending on demand and other conditions, or the secondary offering through over-allotment itself may be cancelled.

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

Number of investment units to be issued: 5,809 units (maximum) (Note 1)

Issue amount (amount to be paid in): To be determined (Note 2)

Payment date: November 21, 2022

Underwriter: Nomura Securities Co., Ltd.

(Note 1) In connection with the "Secondary offering of investment units (Offering through over-allotment)" described above, this issuance is being made to allow Nomura Securities Co., Ltd. to acquire the investment units necessary to return the Borrowed Investment Units. The number of units to be issued may not be subscribed in whole or in part, which may result in the final number of units to be issued under the third-party allotment being reduced to that extent or the issuance itself not taking place at all due to forfeiture.

(Note 2) This will be the same amount as issue amount in "Issuance of new investment units through domestic public offering and overseas offering."

[Purpose of funding]

The fund raised through the public offering will be partially applied to the acquisition of beneficiary rights of real estate in trust as described in "2. Acquisition of assets" below. The fund raised through the third-party allotment will be held as cash on hand and will be applied to a part of funds for the future repayment of borrowings, redemption of investment corporation bonds or acquisition of specified assets.

(Note) The fund will be deposited in financial institutions until disbursed.

2. Acquisition of assets

On October 12, 2022, GLP J-REIT decided to acquire trust beneficiary rights of the following six properties (“Assets to Be Acquired”) effective November 1, 2022 and concluded the Purchase and Sales Contracts of Beneficiary Rights of Real Estate in Trust (“Purchase and Sales Contracts”). The planned acquisition price below presents the price stated in each Purchase and Sales Contract, which is the amount excluding incidental expenses (acquisition expenses, property taxes, city planning taxes, consumption taxes, etc.).

(Unit: Million yen)

Name of property	Planned acquisition date	Location	Seller	Planned acquisition price
GLP Zama (30% joint co-ownership ratio)	November 1, 2022	Zama, Kanagawa	Reo GK	13,460
GLP Joso	November 1, 2022	Joso, Ibaraki	Reo GK	16,350
GLP Kitamoto	November 1, 2022	Kitamoto, Saitama	Reo GK	15,649
GLP Amagasaki III	November 1, 2022	Amagasaki, Hyogo	Reo GK	6,665
GLP Yasu	November 1, 2022	Yasu, Shiga	Reo GK	5,820
GLP Suzuka	November 1, 2022	Suzuka, Mie	Suzuka Holdings GK	5,030
Total	—	—	—	62,974

3. Additional borrowings

GLP J-REIT decided to borrow funds as follows to partially cover acquisition costs of beneficiary rights of real estate in trust as stated in “2. Acquisition of assets” and its related expenses.

(Unit: Million yen)

Lender	Planned amount (Note 2)	Interest rate	Repayment date (Note 3)	Repayment method	Use	Collateral
Sumitomo Mitsui Banking Corporation	10,994	Base rate + 0.170% (Note 4)	October 31, 2023	Lump-sum	Part of acquisition costs of the Assets to Be Acquired and its related expenses	No collateral or guarantee
MUFG Bank, Ltd.	7,329	Base rate + 0.170% (Note 4)	October 31, 2023			
Mizuho Bank, Ltd.	6,107	Base rate + 0.170% (Note 4)	October 31, 2023			

(Note 1) The above borrowings are subject to the fulfillment of all lending preconditions stipulated in the individual revolving loan agreements concluded with respective lenders.

(Note 2) The actual amount of borrowings will be determined after taking into consideration the amount raised through the aforementioned offering. Therefore, the amount stated in the “Planned amount” may differ from the actual amount of borrowings.

(Note 3) The “Repayment date” above is the scheduled date as of the date of this document and is subject to change prior to the final drawdown of the borrowings.

(Note 4) The base rate is the one-month Japanese Yen TIBOR (Tokyo Interbank Offered Rate) published by the JBA TIBOR Administration as of two business days prior to the drawdown date. Such base rate will be reviewed every interest payment date.

(Revenue Recognition)

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

Information on Disaggregated Revenue from Contracts with Customers

Please refer to “(Notes to Statements of Income), *1. The breakdown of operating income from property leasing” and “*2. The breakdown of gain on sale of property and equipment” for information on disaggregated revenue from contracts with customers. “*1. The breakdown of operating income from property leasing shows revenue subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13).” Revenue from contracts with customers consists mostly of “Sales proceeds” and “Utilities charges revenue.”

Current Period (From March 1, 2022 to August 31, 2022)

Information on Disaggregated Revenue from Contracts with Customers

Please refer to “(Notes to Statements of Income), *1. The breakdown of operating income from property leasing” and “*2. The breakdown of gain on sale of property and equipment” for information on disaggregated revenue from contracts with customers. “*1. The breakdown of operating income from property leasing shows revenue subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13).” Revenue from contracts with customers consists mostly of “Sales proceeds” and “Utilities charges revenue.”

(Matters regarding allowance for temporary difference adjustments and the reversal)

Prior Period (From September 1, 2021 to February 28, 2022) (Reference)

1. Reasons for allowance, assets subject to allowance and amounts of allowance

Assets subject to allowance	Reasons for allowance	Allowance for temporary difference adjustments (Note)
Buildings in trust, facilities attached to buildings in trust (GLP Maishima II)	Loss on fire	4,414,032 thousand yen

(Note) Regarding the fire accident at GLP Maishima II, GLP J-REIT recognized the extraordinary loss on fire for the accounting purposes by writing down the book value of impaired assets, and it resulted in the difference between taxable income and accounting income. For the purpose of minimizing the burden of taxation that would be incurred from such difference, GLP J-REIT will account for the difference as allowance for temporary difference adjustments and distribute the amount as distributions in excess of retained earnings.

2. Concrete procedures for reversal

Assets subject to allowance	Concrete procedures for reversal
Buildings in trust, facilities attached to buildings in trust (GLP Maishima II)	The allowance will be reversed when the receipt of fire insurance claim proceeds for the respective fire loss is confirmed.

Current Period (From March 1, 2022 to August 31, 2022)

1. Reasons for reversal, assets subject to reversal and amounts of reversal

Assets subject to reversal	Reasons for reversal	Allowance for temporary difference adjustments (Note)
Buildings in trust, facilities attached to buildings in trust (GLP Maishima II)	Insurance income	(4,414,032) thousand yen

(Note) Since the difference between taxable income and accounting income has been resolved in the current period, the total amount of allowance for temporary difference adjustments will be reversed and the same amount will be deducted from the distribution amount.

2. Concrete procedures for reversal

Assets subject to allowance	Concrete procedures for reversal
Buildings in trust, facilities attached to buildings in trust (GLP Maishima II)	The allowance will be reversed since the receipt of fire insurance claim proceeds for the respective fire loss has been confirmed.

Statements of Distributions

(Unit: Yen)

	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
I Unappropriated retained earnings	8,522,958,915	16,456,591,969
II Distributions in excess of retained earnings	5,707,258,999	1,661,436,530
Of which, allowance for temporary difference adjustments	4,414,032,727	—
Of which, other deduction from unitholders' capital	1,293,226,272	1,661,436,530
III Amounts included in unitholders' capital	—	4,414,032,727
Of which, reversal of allowance for temporary difference adjustments	—	4,414,032,727
IV Distributions	14,229,979,361	13,700,115,819
[Distributions per unit]	[3,169]	[3,051]
Of which, distributions of earnings	8,522,720,362	12,038,679,289
[Of which, distributions of earnings per unit]	[1,898]	[2,681]
Of which, distributions in excess of retained earnings from allowance for temporary difference adjustments	4,414,032,727	—
[Of which, distributions in excess of retained earnings from allowance for temporary difference adjustments per unit]	[983]	[—]
Of which, other distributions in excess of retained earnings	1,293,226,272	1,661,436,530
[Of which, other distributions in excess of retained earnings per unit]	[288]	[370]
V Retained earnings carried forward	238,553	3,879,953

Calculation method of distribution amount

In accordance with Section 34.1 of the Article of Incorporation set forth by GLP J-REIT for distributions of cash dividends, the amount of the distributions shall be more than 90% of income available for dividends defined in Section 67.15 of the Special Taxation Measures Act.

Accordingly, GLP J-REIT declared a distribution amount of 8,522,720,362 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period but not exceeding the amount of unappropriated retained earnings.

In accordance with Section 34.1 of the Article of Incorporation set forth by GLP J-REIT for distributions of cash dividends, the amount of the distributions shall be more than 90% of income available for dividends defined in Section 67.15 of the Special Taxation Measures Act.

Accordingly, GLP J-REIT declared a distribution amount of 12,038,679,289 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period but not exceeding the amount of unappropriated retained earnings after deducting 4,414,032,727 yen of reversal of allowance for temporary difference adjustments.

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Furthermore, based on the distribution policy as defined in Section 34.2 of its Article of Incorporation, GLP J-REIT will make an Optimal Payable Distribution (the “OPD”), which represents a distribution of funds in excess of retained earnings in each fiscal period on a continuous basis (“continuous OPD”). In addition, when the amount of a distribution per unit temporarily decreases to certain level, the distribution policy allows GLP J-REIT to make a temporary distribution of funds in excess of retained earnings (“temporary OPD”) for the purpose of maintaining a stable level of distributions. In addition, for the purpose of minimizing the burden of taxation that would be incurred due to a difference between accounting income and taxable income, GLP J-REIT can make a cash distribution in excess of retained earnings from allowance for temporary difference adjustments in accordance with laws and regulations including rules prescribed by the Investment Trusts Association, Japan.

Thus, GLP J-REIT declared a continuous OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 1,293,226,272 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,710,479,350 yen calculated by deducting capital expenditure of 1,612,340,660 yen from depreciation expense of 4,322,820,010 yen, and (2) approximately 30% of the depreciation expense of 4,322,820,010 yen for the period.

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(Continued)

Furthermore, based on the distribution policy as defined in Section 34.2 of its Article of Incorporation, GLP J-REIT will make an Optimal Payable Distribution (the “OPD”), which represents a distribution of funds in excess of retained earnings in each fiscal period on a continuous basis (“continuous OPD”). In addition, when the amount of a distribution per unit temporarily decreases to certain level, the distribution policy allows GLP J-REIT to make a temporary distribution of funds in excess of retained earnings (“temporary OPD”) for the purpose of maintaining a stable level of distributions. In addition, for the purpose of minimizing the burden of taxation that would be incurred due to a difference between accounting income and taxable income, GLP J-REIT can make a cash distribution in excess of retained earnings from allowance for temporary difference adjustments in accordance with laws and regulations including rules prescribed by the Investment Trusts Association, Japan.

Thus, GLP J-REIT declared a continuous OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 1,275,264,796 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,902,811,789 yen calculated by deducting capital expenditure of 1,349,502,856 yen from depreciation expense of 4,252,314,645 yen, and (2) approximately 30% of the depreciation expense of 4,252,314,645 yen for the period.

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In addition, GLP J-REIT decided to distribute 4,414,032,727 yen, calculated by excluding fractions of less than one yen per unit, as a distribution from allowance for temporary difference adjustments (as prescribed in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations), in an amount almost equivalent to the difference between accounting income and taxable income in connection with recognizing the loss on fire at GLP Maishima II for the financial accounting purposes.

(Continued)

In addition, for the current period, GLP J-REIT declared a temporary OPD (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 386,171,734 yen, which is the amount roughly equivalent to the restoration of property damage sustained in the earthquake occurred off the coast of Fukushima in March 2022 and the lost earnings due to the fire at GLP Maishima II.

(Note) For the time being, GLP J-REIT intends to make an OPD (a refund of its investment categorized as a distribution from unitholders' capital for tax purposes) in the amount equal to approximately 30% of the depreciation expenses for the operating period immediately before the period in which the distribution is made, unless GLP J-REIT determines that the OPD payment (a refund of its investment categorized as a distribution from unitholders' capital for tax purposes) would have a negative impact on its long-term repair and maintenance plan or financial conditions in light of the estimated amount of capital expenditure for each fiscal period based on the plan ("continuous OPD"). Furthermore, when it is anticipated that the amount of a distribution per unit would temporarily decrease to certain level as a result of the issuance of new investment units, the issuance of investment corporation bonds, financing through borrowings, disposal of buildings and facilities, major repairs or other matters, the distribution policy allows GLP J-REIT to make a temporary cash distribution in excess of retained earnings ("temporary OPD," a refund of its investment categorized as a distribution from unitholders' capital for tax purposes), in addition to a continuous OPD, for the purposes of maintaining a stable level of distributions.

Statements of Cash Flows (Reference information)

	(Unit: Thousand yen)	
	Prior Period (Reference)	Current Period
	From September 1, 2021	From March 1, 2022
	To February 28, 2022	To August 31, 2022
Operating activities:		
Income before income taxes	8,519,919	16,457,500
Depreciation	4,322,820	4,252,314
Loss on retirement of noncurrent assets	2,231	—
Amortization of investment corporation bond issuance costs	16,732	18,823
Amortization of investment unit issuance expenses	44,551	44,551
Interest income	(130)	(157)
Reversal of distributions payable	(954)	(554)
Interest expense	905,175	913,056
Insurance income	—	(4,876,080)
Loss on disaster	—	179,337
Loss on fire	4,417,096	—
Decrease (increase) in operating accounts receivable	85,442	(33,983)
Decrease (increase) in prepaid expenses	(112,561)	144,632
Decrease (increase) in other current assets	16,046	(6,815)
Decrease (increase) in long-term prepaid expenses	2,694	285,359
Increase (decrease) in operating accounts payable	(63,251)	193,199
Increase (decrease) in accounts payable	(322,369)	911,680
Increase (decrease) in consumption taxes payable	1,898,292	(1,353,069)
Increase (decrease) in advances received	(181,881)	111,944
Increase (decrease) in deposits received	(105,930)	—
Decrease in property and equipment in trust due to sale	1,693,643	1,690,384
Subtotal	21,137,566	18,932,123
Interest received	130	157
Interest paid	(906,797)	(872,134)
Income taxes paid	(1,584)	(639)
Proceeds from insurance income	—	4,876,080
Net cash provided by (used in) operating activities	20,229,314	22,935,587
Investing activities:		
Purchase of property and equipment in trust	(1,555,585)	(1,156,803)
Proceeds from tenant leasehold and security deposits	159,635	545,920
Repayments of tenant leasehold and security deposits	(80,589)	(249,386)
Net cash provided by (used in) investing activities	(1,476,539)	(860,269)
Financing activities:		
Repayments of short-term loans payable	(6,300,000)	—
Proceeds from long-term loans payable	26,860,000	—
Repayments of long-term loans payable	(29,860,000)	—
Proceeds from issuance of investment corporation bonds	9,300,000	—
Payments of investment corporation bond issuance costs	(51,012)	—
Payment of distributions of earnings	(11,761,846)	(8,521,161)
Payment of distributions in excess of retained earnings	(1,926,428)	(5,707,001)
Net cash provided by (used in) financing activities	(13,739,287)	(14,228,162)
Net increase (decrease) in cash and cash equivalents	5,013,488	7,847,155
Cash and cash equivalents at beginning of period	25,904,130	30,917,618
Cash and cash equivalents at end of period *1	30,917,618	38,764,774

(Note) “Statements of Cash Flows” are prepared based on the “Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements” (Ordinance of the Ministry of Finance No. 59 of 1963) and attached for reference purpose only. These statements are unaudited since they are out of scope of independent audit under Article 130 of the Act on Investment Trusts and Investment Corporations.

(Notes Concerning Significant Accounting Policies)

	Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
Cash and cash equivalents as stated in the Statements of Cash Flows	Cash and cash equivalents consist of cash on hand and cash in trust, readily-available bank deposits, readily-available bank deposits in trust and short-term investments that are liquid and realizable with a maturity of three months or less when purchased and that are subject to an insignificant risk of changes in value.	Cash and cash equivalents consist of cash on hand and cash in trust, readily-available bank deposits, readily-available bank deposits in trust and short-term investments that are liquid and realizable with a maturity of three months or less when purchased and that are subject to an insignificant risk of changes in value.

(Notes to Statements of Cash Flows)

Prior Period (Reference) From September 1, 2021 To February 28, 2022	Current Period From March 1, 2022 To August 31, 2022
*1. Reconciliation of cash and cash equivalents in the Statement of Cash Flows to accounts and amounts in the accompanying balance sheet (As of February 28, 2022) <div style="text-align: right;">(Unit: Thousand yen)</div> Cash and deposits 19,457,679 Cash and deposits in trust 11,459,939 Cash and cash equivalents <u>30,917,618</u>	*1. Reconciliation of cash and cash equivalents in the Statement of Cash Flows to accounts and amounts in the accompanying balance sheet (As of August 31, 2022) <div style="text-align: right;">(Unit: Thousand yen)</div> Cash and deposits 27,259,200 Cash and deposits in trust 11,505,573 Cash and cash equivalents <u>38,764,774</u>