

Asset Management Report

Feb 2022 Fiscal Period

from September 1, 2021 to February 28, 2022



To Our Unitholders

On behalf of GLP J-REIT, I am pleased to present the financial results for the 20th fiscal period, ended in February 2022.

In the 20th fiscal period ended February 2022, taking into account ongoing strong demand trends for logistics real estate, GLP J-REIT sold its trust beneficiary rights in GLP Fukusaki. In addition to posting sales of 3.1 billion yen ^(Note), the sale will be spread over the February 2022 (20th) fiscal period and the August 2022 (21st) fiscal period, so that the gain on this sale can be distributed to unitholders over fiscal periods.

In the internal growth front, as a result of 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 rent increases for the 19th consecutive fiscal period since its listing while maintaining a high average occupancy rate of 99%.

As for external growth, GLP J-REIT aims to enhance its unitholder value. Given the opportune environment in capital markets, GLP J-REIT moved to boost its capital in 2021 through speedy fundraising. This move was praised by market participants and won GLP J-REIT major “Deal of the Year” awards for implementing the best deal in J-REIT fundraising in 2021.

Owing to the results of these and other initiatives, DPU for the period totaled 3,169 yen, marking the highest DPU realized since going public.

It should be mentioned that on November 29, 2021, a fire broke out at GLP Maishima II. GLP J-REIT apologizes for the concern and inconvenience this incident caused many of its stakeholders. GLP J-REIT posted an extraordinary loss in the February 2022 fiscal period as a consequence of the fire. However, this will not impact the amount of distribution to unitholders in the fiscal period under review. GLP J-REIT plans to dip into and distribute its profit surplus (distribution of in excess of profit from the allowance for one-off difference adjustments). Also, GLP J-REIT plans to receive an insurance payout as it is covered by fire insurance and insurance for business interruption. In light of this, the impact to earnings in the next fiscal period and thereafter is expected to be limited. GLP J-REIT is scheduled to embark on the demolition and removal of GLP Maishima II. The goal will be to further improve value through redevelopment of this property.

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 thank you for your ongoing support.



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

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Financial Highlights

	Feb 2022 Forecast (in Oct 2021)	Feb 2022 Actual	Differences
Dividend per unit	2,748 yen	3,169 yen	+15.3%
NOI (excl. impact of Maishima II fire)	19.56 bn yen	19.58 bn yen (19.75 bn yen)	+0.01% (+1.0%)
Average occupancy rate ^(Note)	99.0%	99.0%	—

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



Characteristics of GLP J-REIT

Top-tier AUM among The Logistics

Ongoing support from GLP Japan, logistic facilities in Japan

Properties are located throughout Osaka areas where demand is robust.

AUM (Note 2)	Assets
780.0 bn yen	86 properties
Occupancy rate	Rent increase rate (Note 3)
99.0%	5.3%
Credit Rating (JCR)	Loan-To-Value ratio (LTV)
AA (Stable)	44.3%

(Note 1) Unless otherwise stated, current as of the end of February 2022

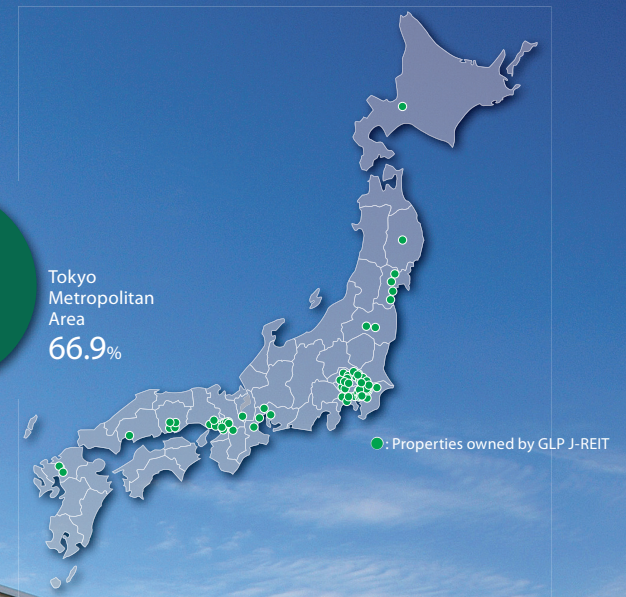
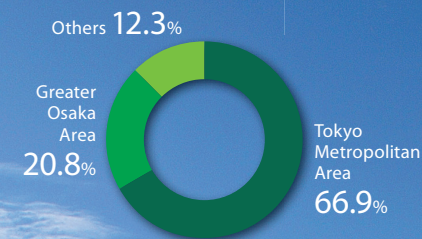
(Note 2) Based on acquisition price

(Note 3) The rent increase rate for all leases matured during February 2022 Period

J-REITs

a leader in the operation and management of

Japan, mainly in Tokyo Metropolitan & Greater





Top Interview

We interviewed Mr. Yoshiyuki Miura, Executive Director of GLP J-REIT, on the initiatives implemented in the February 2022 period, and regarding the “initiatives for further growth going forward,” for which we have received much interest in the unitholder survey conducted in the previous period.

Yoshiyuki Miura
Executive Director of GLP J-REIT

Q1 Give us an overview of key initiatives in line with your growth strategy in the fiscal period under review (February 2022 period).


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.


With the goal of enhancing unitholder value, GLP J-REIT realized external growth by conducting new products methods, given the opportune environment in capital markets. These moves won praise and the following titles for the second consecutive year.



**Refinitiv
DEALWATCH AWARDS 2021**

<Stock category>

J-REIT Deal of the Year



**Capital Eye Awards
BEST DEALS OF 2021**

<Real Estate Investment Trusts category>

BEST DEAL OF 2021





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 the fiscal period under review, given the ongoing brisk demand for logistics real estate, of its existing properties, GLP J-REIT plans to implement the sale of GLP Fukusaki over two fiscal periods to equalize its distribution. The gain on the sale of this property of 3.06 billion yen (contribution to distribution per unit of +297 yen) was distributed to unitholders.

Gain on asset sale **3.1** billion yen (Contribution to distribution per unit: +297 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	6.5 bn yen
Gain on asset sale	1.0 bn yen	Gain on asset sale	1.1 bn yen	Gain on asset sale	3.1 bn yen



Internal Growth: Realize strong internal growth

In internal growth, regarding a 280,000m² area for lease renewal, GLP J-REIT utilized the GLP Group's powerful leasing team and achieved a strong rent increase of +5.3% (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 4.8%. Consequently, GLP J-REIT achieved rent increase for the 19th consecutive fiscal period since its IPO.

Rent increase in February 2022 period **+5.3%**

Average rent increase in the most recent three-year period **+4.8%**

(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.

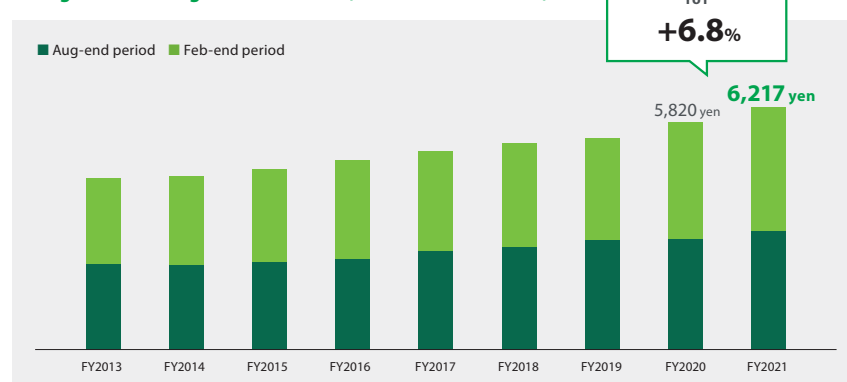
Q2 What was the actual for DPU and NAV per unit in the fiscal period under review?

A2 Owing to the results of initiatives, as explained in A1, DPU for the fiscal period totaled 3,169 yen. In comparison with the forecast disclosed in April 2021, this was an increase of 19.2% and was an all-time high since going public.

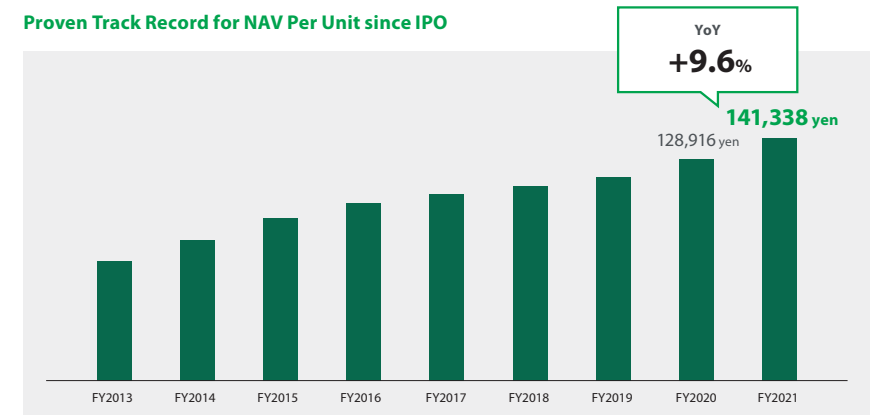
The DPU (annual amount) since going public (Note 1) has been steadily growing, as shown in the graph below. In FY2021, DPU grew 6.8% year-on-year. GLP J-REIT aims for further growth moving forward.

Moreover, the NAV Per Unit (Note 2), which indicates the asset value per investment unit for unitholders, was up 9.6% versus FY2020, and has been trending strongly since its IPO.

Change in YoY DPU growth since IPO (Annual total amount)



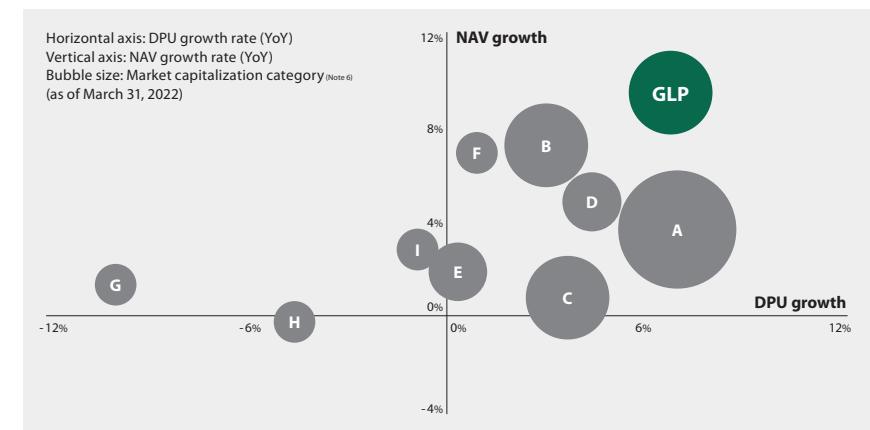
Proven Track Record for NAV Per Unit since IPO



The growth rates for distributions and NAV (net assets per unit) were both top class 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.

DPU growth (Note 3) and NAV growth (Note 4) (Market Cap top 10 J-REITs (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 February 2022 fiscal period denote figures for the end of 2021. 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 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.

(Note 3) DPU growth rate compares total DPU for the latest one-year period as of March 31, 2022 with the one-year total DPU of the previous year.

(Note 4) NAV growth rate compares the appraisal value at the end of the most recent fiscal period as of March 31, 2022 with the appraisal value at the end of the fiscal period one year earlier.

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

(Note 6) Categorized according to the market capitalization

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 Tokyo Metropolitan and the Greater Osaka areas.

In addition to the seven properties for which it was granted preferential negotiable rights, GLP J-REIT plans to achieve steady external growth, backed by its sponsor's rich pipeline as its source of growth.

Examples of properties with preferential negotiable rights ^(Note 2)



(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 2 out of 7 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 **86** properties / Unrealized gain **238.5** 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 August 2022) is expected to be approximately 4%-6%.

Rent increase forecast for Aug. 2022 period **+4%-6%**

Q4 Please discuss your recent ESG initiatives.

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

Cooperation agreement on disaster management

Newly entered into cooperation agreements on disaster management with five local governments, respectively, where five designated properties are located.

In addition, Kanagawa Prefecture, the GLP Japan Inc. and GLP J-REIT entered into an agreement ^(Note) concerning the establishment of a wide-area cargo transport base in the event of a disaster.

Increased the number of properties subject to agreements to 11.



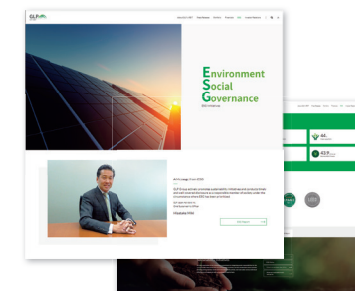
(Note) In the event of a disaster, GLP J-REIT and GLP Japan will utilize their facilities in Kanagawa Prefecture to receive, store and transport emergency supplies from the national government to disaster-stricken municipalities.

Issue 2021 ESG Report/Expand website

GLP J-REIT revised its goal to make it easier for investors to acquire information.



GLP J-REIT published 2021 ESG Report



Newly establish a site that provides direct access to ESG information

Initiatives for ESG

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.

Environment

High rating in GRESB Real Estate Assessment

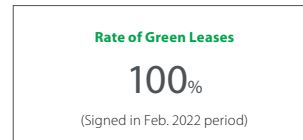
- In the 2021 GRESB Real Estate Assessment, received the top score, "5 Star" and "Green Star" for the second consecutive year
- Ranked #1 among 34 companies in the global listed logistics real estate sector, and #1 among 9 logistics J-REITs
- Selected as "Global Sector Leader" in the listed logistics real estate sector and "Regional Sector Leader" in the listed and unlisted logistics real estate sector



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

- All fixed-term leases signed in Feb. 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.



Acquisition of environmental certification (Note 1)

Certification application ratio	BELS certification	CASBEE certification	LEED certification
76% (Note 2)	18 properties	43 properties	1 property

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

Received BELS and ZEB certification

- 8 properties including GLP Kawajima have received BELS (Note) certification. 7 of the properties have received five star rating, the highest rating under BELS and "ZEB Ready" certification.



(Note) Building-Housing Energy-efficiency Labeling System



CASBEE certification

- 13 properties including GLP Urayasu received "Rank S" and "Rank A" under "CASBEE Real Estate Valuation Certification."



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 four properties (GLP Zama, GLP Niiza, GLP Sayama Hidaka I and GLP Rokko IV) purchased by GLP J-REIT in June 2021. 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.
- New cooperation agreements on disaster management have been concluded with 5 local governments



GLP Amagasaki

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.



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

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.



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.

ESOP for officers and employees of GLP Japan

- An ESOP was established for the directors and employees of GLP Japan, our sponsor, and GLP Japan Advisors, an asset management company. The goal is to further strengthen the alignment of interests with unitholders.

* 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 achieved its data coverage rate in line with its target. The data coverage rate is one of the ESG targets GLP J-REIT established in FY2021. Steady progress is being made toward the achievement of targets, including coverage to Green Leases and the percentage of ESG certifications.
- Established new targets to further promote ESG initiatives

Progress of ESG targets set in FY2021

Target	Year of target achievement	Progress
Achieve 100% in data coverage for properties with management authority	2021	Achieved
Achieve 100% in ratio of green lease contracts	2023	44%
Achieve more than 80% in ratio of assets with environmental certification	2024	76%

New ESG targets

Target	Year of target achievement
Achieve 100% in ratio of LED lighting in all common areas of the portfolio	2022
Achieve 100% in ratio of renewable energy to energy consumption in common areas	2025

ASSET MANAGEMENT REPORT

[Overview of Asset Management]

1. Trends in Key Indicators

		16th Period	17th Period	18th Period	19th Period	20th Period
		Sept. 1, 2019 to Feb. 29, 2020	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
Operating revenues	Million yen	18,841	19,893	21,978	23,855	24,786
Of which, Property-related revenues	Million yen	18,841	19,400	20,898	22,667	23,275
Operating expenses	Million yen	8,920	9,011	9,610	10,793	10,537
Of which, Property-related expenses	Million yen	6,747	6,739	7,159	8,014	8,017
Operating income	Million yen	9,920	10,881	12,367	13,062	14,249
Ordinary income	Million yen	8,841	9,693	11,156	11,763	12,937
Net income	Million yen	8,875	9,695	10,914	11,761	8,519
Total assets	Million yen	606,486	639,895	742,022	785,480	781,668
[Period-on-period changes]	%	[(0.7)]	[5.5]	[16.0]	[5.9]	[(0.5)]
Total net assets	Million yen	316,248	336,643	390,101	415,543	410,375
[Period-on-period changes]	%	[(0.6)]	[6.4]	[15.9]	[6.5]	[(1.2)]
Unitholders' capital, net (Note 2)	Million yen	307,372	326,945	379,183	403,779	401,853
Number of investment units issued and outstanding	Unit	3,833,420	3,982,980	4,343,664	4,490,369	4,490,369
Net assets per unit	Yen	82,497	84,520	89,809	92,541	91,390
Distributions	Million yen	10,001	11,275	12,983	13,686	14,229
Of which, Distributions of earnings	Million yen	8,874	9,694	10,915	11,760	8,522
Of which, Distributions in excess of retained earnings	Million yen	1,127	1,581	2,067	1,926	5,707
Distributions per unit	Yen	2,609	2,831	2,989	3,048	3,169
Of which, Distributions of earnings per unit	Yen	2,315	2,434	2,513	2,619	1,898
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	294	397	476	429	288
Ordinary income to total assets (Note 3)	%	1.5	1.6	1.6	1.5	1.7
[Annualized ordinary income to total assets]	%	[2.9]	[3.1]	[3.3]	[3.1]	[3.3]
Return on unitholders' equity (Note 3)	%	2.8	3.0	3.0	2.9	2.1
[Annualized return on unitholders' equity]	%	[5.6]	[5.9]	[6.1]	[5.8]	[4.2]
Unitholders' equity to total assets (Note 3)	%	52.1	52.6	52.6	52.9	52.5
[Period-on-period changes]		[0.0]	[0.5]	[(0.0)]	[0.3]	[(0.4)]
Payout ratio (Note 3)	%	100.0	99.9	100.0	99.9	100.0
【Other Information】						
Number of operating days		182	184	181	184	181
Number of investment properties		75	78	83	86	86
Occupancy ratio	%	99.4	99.9	99.7	99.8	99.1
Depreciation expenses	Million yen	3,766	3,769	4,011	4,251	4,322
Capital expenditures	Million yen	804	712	1,094	1,119	1,612
Rental NOI (Net Operating Income) (Note 3)	Million yen	15,872	16,429	17,765	18,903	19,583
FFO (Funds From Operation) (Note 3)	Million yen	12,654	12,972	13,860	14,824	15,749
FFO per unit (Note 3)	Yen	3,301	3,256	3,191	3,301	3,507
Total distributions / FFO ratio (Note 3)	%	79.0	86.9	93.7	92.3	90.4
Debt service coverage ratio (Note 3)		12.1	13.2	14.4	14.1	10.4
The ratio of interest bearing liabilities to total assets	%	44.6	44.4	44.4	44.1	44.3

(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.

(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	Distributions per unit (excluding OPD**) / Net income per unit x 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. $\text{Total distributions (excluding OPD**)} / \text{Net income} \times 100$
Rental NOI (Net Operating Income)	Property-related revenues – Property-related expenses + Depreciation expenses + Loss on retirement of noncurrent assets
FFO (Funds From Operation)	Net income + Depreciation expenses + Loss on retirement of noncurrent assets – 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	$\text{Total distributions (including OPD**)} / \text{FFO} \times 100$
Debt service coverage ratio	$(\text{Net income} + \text{Interest expenses} + \text{Interest expenses on investment corporation bonds}) / (\text{Interest expenses} + \text{Interest expenses on investment corporation bonds})$

**: “OPD” stands for “Optimal Payable Distribution” that means distributions in excess of retained earnings.

2. Performance Review for the 20th 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 1) 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 86 properties (total acquisition price of 780,062 million yen) (Note 2).

(Note 1) The GLP Group consists of GLP Holdings Limited, the holding company of the Sponsor of GLP J-REIT, and its group companies.

(Note 2) The sale of GLP Fukusaki was completed on March 1, 2022, and thus the total acquisition price as of March 31, 2022 became 778,098 million yen.

(2) Investment Environment and Business Performance

During the current fiscal period, while the Japanese economy showed a recovery trend toward the second half of last year with learning to coexist with COVID-19, there are downward risks due to price increases such as the surge in crude oil prices as a result of economic sanctions against Russia triggered by the Ukraine crisis in addition to the implementation of pre-emergency measures and supply-side constraints caused by the infection spread by the Omicron variants. On the other hand, the Bank of Japan is expected to maintain its accommodative monetary policy even amid rising U.S interest rates, and the economic recovery trend is expected to gradually become more visible in the future, mainly in consumer spending, due to the increase in people’s mobility following the lifting of pre-emergency measures and the easing of supply-side constraints with containing the spread of the COVID-19 infection.

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 balance of supply and demand for modern logistics facilities remains stable, as shown by the pre-leased ratio (Note 1) for large multi-tenant logistics facilities newly supplied in 2021, which is approximately 90% in both the Tokyo metropolitan area and the Greater Osaka area as of the end of December 2021.

In the logistics real estate market, reflecting continuing monetary easing, steady demand for properties and the prospect of stable rental income, institutional investors such as pension funds and insurance companies 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 December 28, 2021, in order to return the gain on sale to unitholders as distributions (sales price: 3,225 million yen, gain on sale: 1,511 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 19 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 86 properties (total acquisition price of 780,062 million yen) while maintaining its portfolio occupancy rate at a favorable level of 99.1% as of February 28, 2022. The total appraisal value is 983,838 million yen with a total unrealized gain of 238,517 million yen and an unrealized gain ratio (Note 3) of 32.0 % as of February 28, 2022.

Note that, a fire broke out at GLP Maishima II (hereinafter, the “Property”) owned by GLP J-REIT on November 29, 2021 and the fire was extinguished on December 4, 2021. The report of the construction company indicated that the Property was no longer usable even repair and maintenance works were carried out going forward. Thus, GLP J-REIT and the tenant, Hitachi Transport System West Japan Co., Ltd. agreed to terminate the lease contract at the Property as of February 28, 2022. The future redevelopment of the Property has been discussed by the Asset Manager.

(Note 1) The “pre-leased ratio” represents the ratio of lease contracts signed or granted as of each survey date; in other words, the ratio of the total floor area for which it is possible to assume no further need to seek tenants as of each survey date to the total floor area of each new logistics facility constructed and planned to be supplied in each year.

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

(Note 3) $\text{Unrealized gain ratio} = \frac{\text{Unrealized gain (Appraisal value or research price at the fiscal period end} - \text{Book value)}}{\text{Book value}}$.

(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”).

In the current fiscal period, GLP J-REIT carried out several refinancing transactions. First, 3,170 million yen of bank borrowings matured on September 1, 2021 was refinanced with bank borrowings of the same amount on the same date. Next, 3,800 million yen of bank borrowings made on April 30, 2021 and 2,200 million yen out of 2,500 million yen of bank borrowings made on July 15, 2021 were repaid before respective repayment dates, and refinanced by 6,000 million yen of GLP J-REIT 18th Unsecured Bonds issued on September 28, 2021 (the world’s first Reward-type Sustainability-Linked Bonds in the public bond markets). Then, bank borrowings of 9,200 million yen and 2,440 million yen with the repayment dates of December 20, 2021 and January 14, 2022, respectively, were refinanced with bank borrowings of the same amounts on the respective repayment dates. And finally, bank borrowings of 15,050 million yen and 300 million yen with the repayment dates of February 28, 2022 and July 15, 2022, respectively, were refinanced by 2,000 million yen of GLP J-REIT 19th Unsecured Bonds (Sustainability Bonds) issued on February 25, 2022, 1,300 million yen of GLP J-REIT 20th Unsecured Bonds (Sustainability Bonds) issued on February 25,

2022 and 12,050 million yen of bank borrowings executed on February 28, 2022.

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 44.3 %.

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 24,786 million yen, operating income of 14,249 million yen, ordinary income of 12,937 million yen and net income of 8,519 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 8,522,720,362 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 1,898 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 1). 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 1,293,226,272 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 (4,322 million yen) for the current fiscal period. In addition, GLP J-REIT will distribute 4,414,032,727 yen as a distribution from allowance for temporary difference adjustments for the purpose of minimizing the burden of taxation that would be incurred due to a difference between accounting income and taxable income (Note 2) in connection with recognizing the extraordinary loss on fire (the “Loss on fire”) at GLP Maishima II for the financial accounting purposes, in the amount equivalent to the book value of assets destroyed in the fire. Thus, the total amount of OPD per unit is 1,271 yen.

(Note 1) 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 1,612 million yen of capital expenditure for the current fiscal period from 4,322 million yen of depreciation expenses for the period is 2,710 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution (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 86 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 809 million yen.

- (Note 2) For tax purposes, the Loss on fire will not be deductible until GLP J-REIT will recognize the relevant insurance income upon the receipt of insurance claim proceeds based on the fire insurance policy on the insured property. Accordingly, GLP J-REIT's taxable income would exceed accounting income by the amount of the Loss on fire, which would result in a difference between taxable income and accounting income.

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) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
May 16, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(867)	209,526	(Note 2)
November 14, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(861)	208,665	(Note 3)
March 1, 2018	Public offering	529,922	3,383,000	56,095	264,760	(Note 4)
March 20, 2018	Issuance of new units through allocation to a third party	19,681	3,402,681	2,083	266,843	(Note 5)
May 15, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,402,681	(858)	265,985	(Note 6)
September 3, 2018	Public offering	411,013	3,813,694	42,620	308,605	(Note 7)
September 26, 2018	Issuance of new units through allocation to a third party	19,726	3,833,420	2,045	310,651	(Note 8)
November 14, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,017)	309,633	(Note 9)
May 21, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,134)	308,499	(Note 10)
November 18, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	307,372	(Note 11)
May 19, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	306,245	(Note 12)
June 29, 2020	International offering	149,560	3,982,980	20,700	326,945	(Note 13)

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
November 18, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,982,980	(1,581)	325,364	(Note 14)
December 7, 2020	Public offering	345,346	4,328,326	51,530	376,894	(Note 15)
January 5, 2021	Issuance of new units through allocation to a third party	15,338	4,343,664	2,288	379,183	(Note 16)
May 21, 2021	Distributions in excess of retained earnings (a refund of investment)	—	4,343,664	(2,067)	377,115	(Note 17)
July 6, 2021	Public offering	142,513	4,486,177	25,901	403,017	(Note 18)
August 3, 2021	Issuance of new units through allocation to a third party	4,192	4,490,369	761	403,779	(Note 19)
November 18, 2021	Distributions in excess of retained earnings (a refund of investment)	—	4,490,369	(1,926)	401,853	(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 April 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 304 yen per unit for the 10th Fiscal Period (the period ended February 28, 2017). The payment of distributions was commenced on May 16, 2017.

(Note 3) 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 4) 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 5) 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 6) 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 7) 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 8) 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 9) 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 10) 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 11) 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 12) 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 13) 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 14) 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 15) 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 16) 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 17) 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 18) 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 19) 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 20) 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 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.

[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	16th Period	17th Period	18th Period	19th Period	20th Period
For the period ended	February 29, 2020	August 31, 2020	February 28, 2021	August 31, 2021	February 28, 2022
Highest	153,800	178,600	183,000	204,900	201,600
Lowest	131,400	80,600	153,500	155,800	169,800

4. Distributions

Actual amount of distributions is as follows:

(Unit: Thousand yen, unless otherwise stated)

	16th Period Sept. 1, 2019 to Feb. 29, 2020	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
Unappropriated retained earnings	8,876,762	9,698,370	10,917,991	11,764,002	8,522,958
Retained earnings carried forward	2,395	3,797	2,363	3,726	238
Total distributions	10,001,392	11,275,816	12,983,211	13,686,644	14,229,979
[Distributions per unit]	[2,609 yen]	[2,831 yen]	[2,989 yen]	[3,048 yen]	[3,169 yen]
Of which, distributions of earnings	8,874,367	9,694,573	10,915,627	11,760,276	8,522,720
[Distributions of earnings per unit]	[2,315 yen]	[2,434 yen]	[2,513 yen]	[2,619 yen]	[1,898 yen]
Of which, total refund of investments	1,127,025	1,581,243	2,067,584	1,926,368	5,707,258
[Total refund of investments per unit]	[294 yen]	[397 yen]	[476 yen]	[429 yen]	[1,271 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]	[— yen]	[983 yen]
Of total refund of investments, total distributions from the unitholders' capital for tax purposes	1,127,025	1,581,243	2,067,584	1,926,368	1,293,226
[Of total refund of investments per unit, total distributions from the unitholders' capital for tax purposes per unit]	[294 yen]	[397 yen]	[476 yen]	[429 yen]	[288 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 1,612 million yen of capital expenditure for the current fiscal period from 4,322 million yen of depreciation expenses for the period is 2,710 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution (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 86 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 809 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 will distribute 4,414,032,727 yen as a distribution from allowance for temporary difference adjustments for the purpose of minimizing the burden of taxation that would be incurred due to a difference between accounting income and taxable income in connection with recognizing the loss on fire at GLP Maishima II for the financial accounting purposes.

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) 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

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).

[Profile of GLP J-REIT]

1. Status of Unitholders’ Capital

	16th Period As of February 29, 2020	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
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)	3,833,420	3,982,980	4,343,664	4,490,369	4,490,369
Unitholders’ capital, net (Million yen) (Note)	307,372	326,945	379,183	403,779	401,853
Number of unitholders	16,031	15,980	17,477	17,905	17,737

(Note) It represents the amount of unitholders’ capital, net of accumulated distributions in excess of retained earnings deducted from total unitholders’ capital amount.

2. Matters Concerning Investment Units

The following is a list of major unitholders as of February 28, 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	779,392	17.35
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3, Hamamatsucho, Minato-ku, Tokyo	763,471	17.00
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2, Otemachi, Chiyoda-ku, Tokyo	202,622	4.51
STICHTING PENSIOENFONDS ZORG EN WELZIJN Standing proxy: Citibank, N.A., Tokyo Branch, Direct Custody Clearing Department	6-27-30, Shinjuku, Shinjuku-ku, Tokyo	190,140	4.23
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	158,253	3.52

Name	Location	Number of units held (Units)	Ratio to total number of units issued and outstanding (%) (Note)
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	103,338	2.30
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	84,496	1.88
Mizuho Securities Co., Ltd.	1-5-1 Otemachi, Chiyoda-ku, Tokyo	76,677	1.70
SMBC Nikko Securities Inc.	3-3-1, Marunouchi, Chiyoda-ku, Tokyo	73,219	1.63
Total		2,563,848	57.09

(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 February 28, 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
Independent Auditor (Note 3)	KPMG AZSA LLC	—	16,000

(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) The amount of fees paid to Independent Auditor includes the fees for the preparation of a comfort letter (Total 3,000 thousand yen).

(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)	19th Period As of August 31, 2021		20th Period As of February 28, 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	504,526	64.2	503,102	64.4
		Greater Osaka area	161,094	20.5	154,298	19.7
		Other	88,525	11.3	87,920	11.2
Subtotal			754,145	96.0	745,320	95.3
Deposits and other assets			31,334	4.0	36,348	4.7
Total assets (Note 5)			785,480 [754,145]	100.0 [96.0]	781,668 [745,320]	100.0 [95.3]

(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	40,621	95,312.41	95,312.41	100.0	4.1	Logistics facility
GLP Osaka	34,898	128,520.37	128,342.94	99.9	4.0	Logistics facility
GLP Tokyo II	34,144	79,073.21	79,073.21	100.0	4.8	Logistics facility
GLP Zama (Note 5)	29,757	79,908.14	79,865.71	99.9	2.9	Logistics facility
GLP Amagasaki	22,590	110,224.41	110,224.41	100.0	3.8	Logistics facility
GLP Sayama Hidaka II	21,485	75,719.13	75,719.13	100.0	(Note 4)	Logistics facility
GLP Tokyo	21,268	56,757.92	56,757.92	100.0	3.2	Logistics facility
GLP Atsugi II	19,949	74,176.27	74,176.27	100.0	(Note 4)	Logistics facility
GLP Maishima I	18,441	72,948.78	72,948.78	100.0	(Note 4)	Logistics facility
GLP Shinsuna	18,210	44,355.46	44,355.46	100.0	2.1	Logistics facility
Total	261,367	816,996.11	816,776.25	99.9	32.3	

(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	33,300	21,268
GLP Higashi-Ogishima	23-9, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		34,582.00	7,480	4,772
GLP Akishima	4-13-41, Mihori-cho, Akishima, Tokyo 4-13-42, Mihori-cho, Akishima, Tokyo		27,356.63	10,600	7,248
GLP Tomisato	3-1, Misawa, Tomisato, Chiba		27,042.59	6,940	4,391
GLP Narashino II	3-6-3, Akanehama, Narashino, Chiba		101,623.60	20,200	14,476
GLP Funabashi	1-1389-2, Kaijincho-Minami, Funabashi, Chiba		10,465.03	2,300	1,868
GLP Kazo	1-5-1, Minami-shinozaki, Kazo, Saitama		76,532.71	16,200	10,226
GLP Fukaya	1900-2, Mizugahara, Orinokuchi, Fukaya, Saitama		19,706.00	3,210	2,116
GLP Sugito II	398-2, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		101,272.40	28,400	16,934
GLP Iwatsuki	2-9-10, Kokaba, Iwatsuki-ku, Saitama, Saitama		31,839.99	10,900	6,310
GLP Kasukabe	1155, Anzai, Suikaku, Kasukabe, Saitama		18,460.73	6,110	3,788
GLP Koshigaya II	2-2-1, Ryutsu-Danchi, Koshigaya, Saitama		43,533.28	15,500	9,000
GLP Misato II	3-2-1, Lala-city, Shinmisato, Misato, Saitama		59,208.59	24,400	13,735
GLP Tatsumi	3-11-10, Tatsumi, Koto-ku, Tokyo		12,925.58	7,220	4,772
GLP Hamura	4-9-8, Shinmeidai, Hamura, Tokyo		40,277.93	10,700	7,126
GLP Funabashi III	2-15-1, Nishiura, Funabashi, Chiba		18,281.84	4,880	2,912
GLP Sodegaura	385-18, Shiinomori, Sodegaura, Chiba		45,582.06	8,410	5,500
GLP Urayasu III	15-27, Chidori, Urayasu, Chiba		64,198.11	24,800	17,482
GLP Tatsumi Ila	3-8-10, Tatsumi, Koto-ku, Tokyo		17,108.52	9,230	6,550
GLP Tokyo II	3-4-11 Shinsuna, Koto-ku, Tokyo		79,073.21	51,400	34,144
GLP Shinkiba	1-10-9, Shinkiba, Koto-ku, Tokyo		18,341.73	15,100	11,396
GLP Narashino	2-6-6, Shibazono, Narashino, Chiba		23,548.03	6,020	5,234
GLP Sugito	398-13, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		58,918.12	11,000	8,076
GLP Matsudo	520-1, Kamihongo, Matsudo, Chiba		14,904.60	3,470	2,429
GLP-MFLP Ichikawa Shiohama (Note 4)	1-6-3, Shiohama, Ichikawa, Chiba		50,813.07	18,850	14,929
GLP Atsugi II	4022-2, Sakurada, Nakatsu, Aikawa-machi, Aiko, Kanagawa		74,176.27	27,800	19,949
GLP Yoshimi	603-1, Nishi-Yoshimi, Yoshimi-machi, Hiki, Saitama		62,362.89	13,500	10,465
GLP Noda-Yoshiharu	722-2, Aza Tameshita, Yoshiharu, Noda, Chiba		26,631.40	5,820	4,323
GLP Urayasu	76-4, Minato, Urayasu, Chiba		25,839.60	8,490	7,392
GLP Funabashi II	6-1, Shiomi-cho, Funabashi, Chiba		34,699.09	9,050	7,650
GLP Misato	3-1-3, Izumi, Misato, Saitama		46,892.00	19,800	16,621
GLP Shinsuna	2-5-20, Shinsuna, Koto-ku, Tokyo		44,355.46	20,700	18,210
GLP Shonan	16, Kirihara-cho, Fujisawa, Kanagawa		23,832.60	6,620	5,816
GLP Yokohama	2-2-26, Namamugi, Tsurumi-ku, Yokohama, Kanagawa		95,312.41	45,800	40,621
GLP Kawajima	3001, Mishima, Kamiigusa, Kawajima-machi, Hiki, Saitama		42,187.92	13,100	12,043
GLP Funabashi IV	3-3-2, Hamacho, Funabashi, Chiba		31,576.60	8,890	7,742
GLP Higashi-Ogishima II	29-5, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		11,362.32	2,770	2,468
GLP Sayama Hidaka II	788-1, Aza Myougasawa, Oaza Kamikayama, Hidaka, Saitama		75,719.13	23,800	21,485
GLP Higashi-Ogishima III	18-5, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		29,787.10	7,010	6,516

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	Beneficiary right of real estate in trust	47,192.44	18,100	16,838
GLP Kashiwa II	2-18-6, Oshimata, Kashiwa, Chiba		32,363.57	9,160	8,061
GLP Yachiyo II	8-7-2, 3, Midorigaoka-Nishi, Yachiyo, Chiba		54,240.25	14,800	12,930
GLP Zama (Note 5)	2-10-10, Hironodai, Zama, Kanagawa		79,908.14	31,010	29,757
GLP Niiza	3-6-22, Owada, Niiza, Saitama		30,017.25	8,600	7,198
GLP Sayama Hidaka I	473-2, Aza Shinuehara, Oaza Tagi, Hidaka, Saitama		39,579.04	12,200	10,316
GLP Hirakata	3-2-27, Minami-Nakaburi, Hirakata, Osaka 3-2-7, Minami-Nakaburi, Hirakata, Osaka		29,829.56	6,790	4,484
GLP Hirakata II	3-3-1, Minami-Nakaburi, Hirakata, Osaka		43,283.01	11,400	7,395
GLP Maishima II (Note 6)	2-1-92, Hokusoryokuchi, Konohana-ku, Osaka, Osaka		56,511.10	4,590	3,298
GLP Tsumori	2-1-30, Minami-Tsumori, Nishinari-ku, Osaka, Osaka		16,080.14	3,010	1,999
GLP Rokko	3-10, Koyochi-Higashi, Higashinada-ku, Kobe, Hyogo		39,339.00	7,090	4,903
GLP Amagasaki	231-2, Nishi-Mukojima-cho, Amagasaki, Hyogo		110,224.41	33,800	22,590
GLP Amagasaki II	16, Nishi-Takasu-cho, Amagasaki, Hyogo		12,315.21	2,840	1,988
GLP Nara	6-4, Imago-cho, Yamatokoriyama, Nara		19,545.35	3,040	1,945
GLP Sakai	1-63, Chikkoyawatamachi, Sakai-ku, Sakai, Osaka		10,372.10	2,470	1,732
GLP Rokko II	4-15-1, Koyochi-Higashi, Higashinada-ku, Kobe, Hyogo		20,407.30	4,660	2,988
GLP Kadoma	4-2-1, Shinomiya, Kadoma, Osaka		12,211.73	3,670	2,380
GLP Fukusaki (Note 7)	1714-14, Saiji, Fukusaki-cho, Kanzaki, Hyogo		12,083.91	2,500	1,690
GLP Kobe-Nishi	7-1-1, Mitsugaoka, Nishi-ku, Kobe, Hyogo		35,417.31	8,150	6,393
GLP Fukaehama	34-1, Fukaehama-cho, Higashinada-ku, Kobe, Hyogo		19,386.00	5,180	4,460
GLP Maishima I	2-1-66, Hokusoryokuchi, Konohana-ku, Osaka, Osaka		72,948.78	21,300	18,441
GLP Osaka	2-4-43, Nanko Minami, Suminoe, Osaka, Osaka		128,520.37	43,600	34,898
GLP Settsu	2-1-62, Torikainaka, Settsu, Osaka		38,997.24	8,150	7,331
GLP Nishinomiya	1-52, Hanshin Ryutsu Center, Yamaguchi-cho, Nishinomiya, Hyogo		19,766.00	2,980	2,750
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		29,848.70	4,840	4,600
GLP Neyagawa	10-10, Shoji Minami-machi, Neyagawa, Osaka		26,938.02	9,350	7,833
GLP Rokko III	6-14, Koyochi-Nishi, Higashinada-ku, Kobe, Hyogo		31,239.46	9,270	7,922
GLP Rokko IV	6-6, Koyo-cho Nishi, Higashinada-ku, Kobe, Hyogo		12,478.46	2,870	2,266
GLP Morioka	59, Urata, Sakuramachi, Shiwa-cho, Shiwa, Iwate		10,253.80	868	694
GLP Tomiya	9-1-2, Narita, Tomiya, Miyagi		20,466.98	4,040	2,787
GLP Koriyama I	3-2-2, Oroshi, Kikuta-machi, Koriyama, Fukushima		24,335.96	4,770	3,556
GLP Koriyama III	5-12, Mukaihara, Horinouchi, Kikuta-machi, Koriyama, Fukushima		27,671.51	2,970	2,567
GLP Tokai	2-47, Asayama, Tokai, Aichi		32,343.31	9,220	5,755
GLP Hayashima	823, Yao, Hayashima-cho, Tsukubo, Okayama		13,527.76	1,820	1,177
GLP Hayashima II	4507-40, Hayashima, Hayashima-cho, Tsukubo, Okayama		14,447.48	3,130	2,063
GLP Kiyama	2950-1, Urata, Sonobe, Kiyama-cho, Miyaki, Saga		23,455.96	6,610	4,311
GLP Sendai	2-5-2, Sendaikou Kita, Miyagino-ku, Sendai, Miyagi		37,256.23	7,940	5,049
GLP Ebetsu	69-3, Kakuyama, Ebetsu, Hokkaido		18,489.25	2,470	1,375
GLP Kuwana	3646-1, Kanegaya, Mizono, Tado-cho, Kuwana, Mie		20,402.12	4,560	3,173

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 Komaki	1-31, Shinkoki, Komaki, Aichi	Beneficiary right of real estate in trust	52,709.97	16,000	9,803
GLP Ogimachi	1-8-5, Ogimachi, Miyagino-ku, Sendai, Miyagi		13,155.28	1,690	1,359
GLP Hiroshima	2-7-11, Kusatsukou, Nishi-ku, Hiroshima, Hiroshima 2-7-4, Kusatsukou, Nishi-ku, Hiroshima, Hiroshima		21,003.04	4,680	3,480
GLP Tosu I	1715, Hirata, Hatazaki-machi, Tosu, Saga		74,860.38	11,300	8,864
GLP Tomiya IV	9-7-3, Narita, Tomiya, Miyagi 9-7-7, Narita, Tomiya, Miyagi		32,562.60	6,890	5,578
GLP Soja I	4-10, Nagara, Soja, Okayama		63,015.53	13,800	12,239
GLP Soja II	4-1, Nagara, Soja, Okayama		63,234.92	13,600	12,122
GLP Fujimae	2-201-8, Fujimae, Minato, Nagoya, Aichi		12,609.00	2,290	1,959
Total			3,333,934.02	983,838	745,320

- (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 “Leasable area” is stated based on the lease contract with the tenant before the fire accident. The said lease contract was terminated on February 28, 2022.
- (Note 7) As to GLP Fukusaki, GLP J-REIT sold 50% joint co-ownership interests of its trust beneficiary right on December 28, 2021. Accordingly, “Leasable area,” “Appraisal value,” and “Book value” stated above are computed by multiplying 50% of the joint co-ownership ratio, which GLP J-REIT’s holds as of February 28, 2022. The remaining 50% joint co-ownership interests was also sold on March 1, 2022.

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

Name of property	19th Period From March 1, 2021 To August 31, 2021				20th Period From September 1, 2021 To February 28, 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	724	3.2	3	100.0	734	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	100.0	(Note 3)	(Note 3)	3	74.3	(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	692	3.1	5	99.1	693	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	1,122	5.0	6	100.0	1,118	4.8
GLP Okegawa (Note 4)	—	—	(Note 3)	(Note 3)	—	—	—	—
GLP Shinkiba	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Narashino	3	100.0	173	0.8	3	100.0	174	0.7
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	492	2.2	5	100.0	479	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	475	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	972	4.3	5	100.0	961	4.1
GLP Kawajima	3	100.0	323	1.4	3	100.0	315	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)

Name of property	19th Period From March 1, 2021 To August 31, 2021				20th Period From September 1, 2021 To February 28, 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 Urayasu II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
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	18	99.7	186	0.8	19	99.9	684	2.9
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)	1	100.0	(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	888	3.9	7	100.0	874	3.8
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	1	100.0	(Note 3)	(Note 3)	1	100.0	(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	932	4.1	11	99.9	926	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	83.3	103	0.5	4	100.0	124	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)

Name of property	19th Period From March 1, 2021 To August 31, 2021				20th Period From September 1, 2021 To February 28, 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 Tosu I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tomiya IV	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Soja I	5	99.7	426	1.9	5	95.7	400	1.7
GLP Soja II	5	99.6	401	1.8	5	99.6	380	1.6
GLP Fujimae	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total	169	99.8	22,667	100.0	170	99.1	23,275	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 Okegawa was sold to a third party on May 31, 2021.

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	258,500	224,800	(68)
Total		258,500	224,800	(68)

(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 Shinkiba	Koto, Tokyo	Installation of solar power generation equipment	From August 2022 To October 2022	135	—	—
GLP Rokko	Kobe, Hyogo	Replacement with LED lighting	From December 2022 To February 2023	70	—	—
GLP Kazo	Kazo, Saitama	Renewal of air conditioner systems (3rd floor, warehouse) Phase II	From August 2022 To August 2022	61	—	—
GLP Yokohama	Yokohama, Kanagawa	Renewal of air conditioner equipment (2/5)	From December 2022 To February 2023	60	—	—
GLP Sodegaura	Sodegaura, Chiba	Replacement with LED lighting	From October 2022 To February 2023	60	—	—
GLP Shinkiba	Koto, Tokyo	Replacement with LED lighting in office area	From August 2022 To August 2022	53	—	—
GLP Tokyo	Ota, Tokyo	Renewal of air conditioner systems (Phase III)	From February 2022 To August 2022	52	—	—
GLP Amagasaki	Amagasaki, Hyogo	Redundancy of air conditioner systems 3rd floor (South)	From May 2022 To June 2022	40	—	—
GLP Koriyama III	Koriyama, Fukushima	Building No. 2, Renewal of automatic fire alarm systems	From June 2022 To August 2022	32	—	—
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	26	—	—
GLP Shinkiba	Koto, Tokyo	Renewal of air conditioner systems	From May 2022 To May 2022	23	—	—
GLP Shinkiba	Koto, Tokyo	Renewal of air conditioner systems	From August 2022 To August 2022	15	—	—

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 1,612 million yen. The total construction cost amounted to 1,718 million yen, including repair and maintenance of 105 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Narashino II	Narashino, Chiba	Renewal of extra high-voltage substation	From October 2020 To December 2021	410
GLP Nishinomiya	Nishinomiya, Hyogo	Warehouse 2nd floor, Construction of fire protection compartment	From July 2021 To December 2021	77
GLP Amagasaki	Amagasaki, Hyogo	Renewal of redundancy of air conditioner systems	From November 2021 To January 2022	50
GLP Yokohama	Yokohama, Kanagawa	Renewal of air conditioning equipment	From December 2021 To February 2022	45
GLP Shiga	Kusatsu, Shiga	Building No. 2, Rooftop waterproofing work Phase I	From January 2022 To February 2022	42
GLP Kazo	Kazo, Saitama	Renewal of air conditioner systems (3rd floor, warehouse) Phase I	From January 2022 To February 2022	33
GLP Koriyama I	Koriyama, Fukushima	Renewal of foam fire extinguishing systems (Phase VI, 3rd floor, Warehouse B)	From January 2022 To February 2022	27
GLP Narashino II	Narashino, Chiba	Replacement with LED lighting	From January 2022 To February 2022	25
GLP Shiga	Kusatsu, Shiga	Building No. 1, Renewal of elevators	From October 2021 To February 2022	25
GLP Yokohama	Yokohama, Kanagawa	2nd floor driveway waterproof top coating work	From December 2021 To February 2022	24
GLP Tomisato	Tomisato, Chiba	Replacement with LED lighting	From October 2021 To December 2021	24
GLP Sugito II	Kita Katsushika, Saitama	FRP waterproofing work on roofs	From December 2021 To February 2022	22
GLP Rokko	Kobe, Hyogo	Warehouse 2nd floor, Construction of fire protection compartment	From May 2021 To September 2021	20
GLP Matsudo	Matsudo, Chiba	Warehouses, Renewal of air conditioner systems	From September 2021 To September 2021	20
Other	—	—	—	759
Total				1,612

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	16th Period Sept. 1, 2019 to Feb 29, 2020	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
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 21th period (for the period ending August 31, 2022) to be 1,597 million yen, which does not exceed 3,011 million yen, the amount equivalent to 70% of 4,302 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 1,612 million yen of capital expenditure for the current fiscal period from 4,322 million yen of depreciation expenses for the period is 2,710 million yen.

For the time being, GLP J-REIT intends to make an OPD distribution (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 86 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 809 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)		April 12, 2016	—	220,644
Tokyo-29	GLP Atsugi II		August 3, 2016	—	180,143
Tokyo-30	GLP Yoshimi			—	142,536
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-13	GLP Fukusaki (Notes 3, 7)			—	72,095
Osaka-14	GLP Kobe-Nishi		March 30, 2021	—	85,480
Osaka-15	GLP Fukaehama (Note 3)		Tokio Marine dR Co., Ltd.	August 3, 2016	—
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		August 3, 2016	—	233,500
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	19,429,532

(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.
- (Note 7) GLP Fukusaki 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. The remaining 50% joint co-ownership interests was also sold on March 1, 2022.

[Expenses and Liabilities]

1. Status of Expenses related to Asset Management

	(Unit: Thousand yen)	
	19th Period From March 1, 2021 To August 31, 2021	20th Period From September 1, 2021 To February 28, 2022
Asset management fee	2,612,195	2,352,885
Asset custody fee	9,468	9,859
Administrative service fees	29,101	29,198
Directors’ remuneration	3,960	3,960
Audit fee	13,500	13,000
Taxes and dues	22,337	11,371
Other operating expenses	88,521	99,878
Total	2,779,083	2,520,152

- (Note) In addition to above, the amount of asset management fee capitalized as part of the book value of each property acquired was 246,595 thousand yen for the 19th Period. Further, asset management fee included in the calculation of gain on sale of property and equipment was 17,900 thousand yen for the 19th Period and 16,125 thousand yen for the 20th 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								
Short-term loans payable	Sumitomo Mitsui Banking Corporation	April 30, 2021	2,700	—	0.24%	April 28, 2022 (Note 5)	Lump-sum	(Note 11)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	April 30, 2021	700	—	0.24%	April 28, 2022 (Note 6)	Lump-sum	(Note 11)	Unsecured not guaranteed
	The Norinchukin Bank	April 30, 2021	400	—	0.24%	April 28, 2022 (Note 7)	Lump-sum	(Note 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	July 15, 2021	1,150	—	0.23%	July 15, 2022 (Note 8)	Lump-sum	(Note 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.	July 15, 2021	700	—	0.23%	July 15, 2022 (Note 9)	Lump-sum	(Note 12)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	July 15, 2021	650	—	0.23%	July 15, 2022 (Note 10)	Lump-sum	(Note 12)	Unsecured not guaranteed
	Subtotal		6,300	—					
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 12)	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 11)	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 12)	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 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,170	1,170					
	Sumitomo Mitsui Banking Corporation	September 1, 2015	2,922	—	0.61% (Note 4)	February 28, 2022	Lump-sum	(Note 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.		3,028	—					
	Mizuho Bank, Ltd.		1,640	—					
	Citibank, N.A., Tokyo Branch		320	—					
	The Bank of Fukuoka, Ltd.		480	—					
	Development Bank of Japan Inc.		320	—					
	The Norinchukin Bank		320	—					
	Resona Bank, Limited.		320	—					
	Sumitomo Mitsui Trust Bank, Limited		440	—					
	Shinsei Bank, Limited		130	—					
	The 77 Bank, Ltd.		130	—					
	MUFG Bank, Ltd.	September 1, 2015	1,300	1,300	0.96% (Note 4)	September 1, 2025	Lump-sum	(Note 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.	January 4, 2016	1,900	1,900	0.61% (Note 4)	February 29, 2024	Lump-sum	(Note 11)	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 11)	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	Sumitomo Mitsui Banking Corporation	January 4, 2016	5,600	5,600	1.22% (Note 4)	December 21, 2026	Lump-sum	(Note 11)	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 11)	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 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		400	400					
	Sumitomo Mitsui Banking Corporation	January 15, 2016	980	—	0.42% (Note 4)	January 14, 2022	Lump-sum	(Note 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.	January 15, 2016	850	—	0.42%	January 14, 2022	Lump-sum	(Note 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.	January 15, 2016	610	—	0.42% (Note 4)	January 14, 2022	Lump-sum	(Note 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.	September 1, 2016	3,780	3,780	0.29%	September 1, 2023	Lump-sum	(Note 12)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2016	4,100	4,100	0.31%	September 1, 2024	Lump-sum	(Note 12)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2016	790	790	0.44%	March 1, 2024	Lump-sum	(Notes 11 and 12)	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					
	Sumitomo Mitsui Banking Corporation	September 1, 2016	2,170	2,170	0.57%	March 3, 2025	Lump-sum	(Notes 11 and 12)	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 11)	Unsecured not guaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 20, 2016	1,150	1,150	0.56%	December 20, 2023	Lump-sum	(Note 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	December 20, 2016	5,700	5,700	0.79%	September 1, 2025	Lump-sum	(Note 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2017	870	870	0.46%	September 1, 2023	Lump-sum	(Note 12)	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.	September 1, 2017	580	580	0.46%	September 1, 2023	Lump-sum	(Note 12)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2018	5,100	—	0.28% (Note 4)	December 20, 2021	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		3,600	—					
	Mizuho Bank, Ltd.		500	—					
	Resona Bank, Limited.	January 4, 2018	1,300	1,300	0.48% (Note 4)	December 22, 2025	Lump-sum	(Note 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2018	2,300	2,300	0.60% (Note 4)	October 30, 2026	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		2,300	2,300					
	Mizuho Bank, Ltd.		2,000	2,000					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	540	—	0.29% (Note 4)	September 1, 2021	Lump-sum	(Notes 11 and 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.		700	—					
	Mizuho Bank, Ltd.		930	—					
	Citibank, N.A., Tokyo Branch		140	—					
	The Norinchukin Bank		190	—					
	Resona Bank, Limited.		130	—					
	Sumitomo Mitsui Trust Bank, Limited		340	—					
	Shinsei Bank, Limited		200	—					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	2,850	2,850	0.34% (Note 4)	February 28, 2023	Lump-sum	(Notes 11 and 12)	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 11 and 12)	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					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	1,130	1,130	0.50% (Note 4)	February 27, 2026	Lump-sum	(Notes 11 and 12)	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 11 and 12)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,110	1,110					
	Mizuho Bank, Ltd.		630	630					

	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 3, 2018	1,690	1,690	0.36% (Note 4)	September 2, 2022	Lump-sum	(Note 12)	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 12)	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 12)	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 11)	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 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2019	557	—	0.21% (Note 4)	February 28, 2022	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		703	—					
	Mizuho Bank, Ltd.		1,125	—					
	Citibank, N.A., Tokyo Branch		1,091	—					
	The Bank of Fukuoka, Ltd.		639	—					
	The Norinchukin Bank		139	—					
	Resona Bank, Limited.		100	—					
	Sumitomo Mitsui Trust Bank, Limited		131	—					
	Shinsei Bank, Limited		14	—					
	The Gunma Bank, Ltd.		500	—					
	Sumitomo Mitsui Banking Corporation	February 28, 2019	350	350	0.37% (Note 4)	February 27, 2026	Lump-sum	(Note 11)	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 11)	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 11)	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 11)	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 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	May 29, 2020	650	650	0.26% (Note 4)	May 29, 2025	Lump-sum	(Note 11)	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 11)	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 11)	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 11)	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 11)	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 12)	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 12)	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 12)	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 12)	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 12)	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 12)	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 12)	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	0.22% (Note 4)	June 30, 2026	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	150					
	Mizuho Bank, Ltd.		—	210					
	The Norinchukin Bank		—	40					
	Sumitomo Mitsui Trust Bank, Limited		—	340					
	Citibank, N.A., Tokyo Branch		—	140					
	Sumitomo Mitsui Banking Corporation	September 1, 2021	—	420	0.37% (Note 4)	July 12, 2030	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	550					
	Mizuho Bank, Ltd.		—	720					
	The Norinchukin Bank		—	150					
	Resona Bank, Limited.		—	130					
	Shinsei Bank, Limited		—	200					
	Sumitomo Mitsui Banking Corporation	December 20, 2021	—	2,500	0.30% (Note 4)	December 10, 2027	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	500					
	The Norinchukin Bank		—	1,000					
	Aozora Bank, Ltd.		—	300					
	Sumitomo Mitsui Banking Corporation	December 20, 2021	—	2,600	0.50% (Note 4)	December 19, 2031	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	800					
	Mizuho Bank, Ltd.		—	500					
	The Yamaguchi Bank, Ltd.		—	1,000					
	Sumitomo Mitsui Banking Corporation	January 14, 2022	—	980	0.31% (Note 4)	December 21, 2026	Lump-sum	(Note 11)	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	0.31% (Note 4)	December 21, 2026	Lump-sum	(Note 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	—	1,850	0.31% (Note 4)	February 28, 2025	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	1,700					
	The Norinchukin Bank		—	390					
	The Bank of Fukuoka, Ltd.		—	950					
	Sumitomo Mitsui Trust Bank, Limited		—	480					
	Citibank, N.A., Tokyo Branch		—	1,190					
	The 77 Bank, Ltd.		—	120					
	The Gunma Bank, Ltd.		—	420					
	Mizuho Bank, Ltd.	February 28, 2022	—	3,000	0.35% (Note 4)	February 26, 2027	Lump-sum	(Note 11)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	—	580	0.49% (Note 4)	February 28, 2029	Lump-sum	(Note 11)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	580					
	Development Bank of Japan Inc.		—	280					
	Resona Bank, Limited.		—	370					
	Shinsei Bank, Limited		—	140					
	Subtotal		295,520	292,520					
	Total		301,820	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) Of outstanding loan balance of 2,700 million yen at beginning of the period, GLP J-REIT repaid 2,700 million yen on September 30, 2021 before its contractual repayment date.

(Note 6) Of outstanding loan balance of 700 million yen at beginning of the period, GLP J-REIT repaid 700 million yen on September 30, 2021 before its contractual repayment date.

(Note 7) Of outstanding loan balance of 400 million yen at beginning of the period, GLP J-REIT repaid 400 million yen on September 30, 2021 before its contractual repayment date.

(Note 8) Of outstanding loan balance of 1,150 million yen at beginning of the period, GLP J-REIT repaid 1,010 million yen on September 30, 2021 and 140 million yen on February 28, 2022 before its contractual repayment date.

(Note 9) Of outstanding loan balance of 700 million yen at beginning of the period, GLP J-REIT repaid 610 million yen on September 30, 2021 and 90 million yen on February 28, 2022 before its contractual repayment date.

(Note 10) Of outstanding loan balance of 650 million yen at beginning of the period, GLP J-REIT repaid 580 million yen on September 30, 2021 and 70 million yen on February 28, 2022 before its contractual repayment date.

(Note 11) The fund was used to make repayments of bank borrowings.

(Note 12) 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	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	0.13%	February 25, 2025	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 20th Unsecured Bonds (Sustainability Bonds)	February 25, 2022	—	1,300	0.52%	February 25, 2032	Lump-sum	(Note 2)	(Note 4)
Total		44,700	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)	—	—	December 28, 2021	3,225	1,693	1,511
Total			—		3,225	1,693	1,511

(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)	December 28, 2021	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 September 1, 2021 to February 28, 2022 is seven 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-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	445,919	GLP Japan Inc.	445,919	100.0
Royalty fee	7,500	GLP Japan Inc.	7,500	100.0
Leasing commission	91,662	GLP Japan Inc.	91,662	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
September 13, 2021	Conclusion of Underwriting Agreement and other with regard to investment corporation bonds	<p>Based on a comprehensive resolution on the issuance of unsecured investment corporation bonds at the meeting of the Board of Directors held on September 13, 2021, GLP J-REIT entered into the following agreements with effective date of September 17, 2021.</p> <p>(1) Underwriting Agreement, relating to the issuance of GLP J-REIT 18th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Green Bonds) (Sustainability-Linked Bonds), concluded between GLP Japan Advisors Inc. and Citigroup Global Markets Japan Inc.</p> <p>(2) Fiscal Agent Agreement for GLP J-REIT 18th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Green Bonds) (Sustainability-Linked Bonds), concluded with Sumitomo Mitsui Banking Corporation (“SMBC”). Under the Agreement, SMBC is designated as the fiscal agent, issuing agent and payment agent.</p> <p>(3) Memorandum agreed with SMBC regarding the fiscal agent commission prescribed in the Fiscal Agent Agreement as stated above (2), for GLP J-REIT 18th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Green Bonds) (Sustainability-Linked Bonds).</p>
February 10, 2022	Conclusion of Underwriting Agreement and other with regard to investment corporation bonds	<p>Based on a comprehensive resolution on the issuance of unsecured investment corporation bonds at the meeting of the Board of Directors held on February 10, 2022, GLP J-REIT entered into the following agreements with effective date of February 18, 2022.</p> <p>(1) Underwriting Agreement, relating to the issuance of GLP J-REIT 19th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds), concluded among GLP Japan Advisors Inc., SMBC Nikko Securities Inc., Nomura Securities Co., Ltd., Mizuho Securities Co., Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>(2) Fiscal Agent Agreement for GLP J-REIT 19th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds), concluded with MUFG Bank, Ltd. (“MUFG”). Under the Agreement, MUFG is designated as the fiscal agent, issuing agent and payment agent.</p> <p>(3) Memorandum agreed with MUFG regarding the fiscal agent commission prescribed in the Fiscal Agent Agreement as stated above (2), for GLP J-REIT 19th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds).</p>
February 10, 2022	Conclusion of Underwriting Agreement and other with regard to investment corporation bonds	<p>Based on a comprehensive resolution on the issuance of unsecured investment corporation bonds at the meeting of the Board of Directors held on February 10, 2022, GLP J-REIT entered into the following agreements with effective date of February 18, 2022.</p> <p>(1) Underwriting Agreement, relating to the issuance of GLP J-REIT 20th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds), concluded among GLP Japan Advisors Inc., SMBC Nikko Securities Inc., Nomura Securities Co., Ltd., Mizuho Securities Co., Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>(2) Fiscal Agent Agreement for GLP J-REIT 20th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds), concluded with MUFG Bank, Ltd. (“MUFG”). Under the Agreement, MUFG is designated as the fiscal agent, issuing agent and payment agent.</p> <p>(3) Memorandum agreed with MUFG regarding the fiscal agent commission prescribed in the Fiscal Agent Agreement as stated above (2), for GLP J-REIT 20th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds).</p>

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 August 31, 2021	Current Period As of February 28, 2022
Assets		
Current assets		
Cash and deposits	14,635,890	19,457,679
Cash and deposits in trust	11,268,240	11,459,939
Operating accounts receivable	1,804,834	1,719,392
Prepaid expenses	701,160	813,722
Other current assets	18,122	2,075
Total current assets	28,428,247	33,452,808
Noncurrent assets		
Property and equipment		
Vehicles	1,016	1,016
Accumulated depreciation	(1,016)	(1,016)
Vehicles, net	—	—
Buildings in trust	316,757,439	310,805,601
Accumulated depreciation	(47,143,492)	(49,298,911)
Buildings in trust, net	269,613,946	261,506,689
Structures in trust	6,841,921	6,857,065
Accumulated depreciation	(2,633,488)	(2,771,692)
Structures in trust, net	4,208,433	4,085,372
Machinery and equipment in trust	65,088	62,988
Accumulated depreciation	(53,557)	(54,222)
Machinery and equipment in trust, net	11,531	8,765
Tools, furniture and fixtures in trust	305,131	304,538
Accumulated depreciation	(185,601)	(191,856)
Tools, furniture and fixtures in trust, net	119,530	112,681
Land in trust	477,319,601	476,733,980
Total property and equipment, net	751,273,042	742,447,490
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	2,486,767	2,484,072
Deferred tax assets	53	1
Security deposits	10,646	10,646
Other	1,400	1,400
Total investments and other assets	2,500,466	2,497,720
Total noncurrent assets	756,646,410	747,818,113
Deferred assets		
Investment unit issuance expenses	198,853	154,302
Investment corporation bond issuance costs	207,354	243,662
Total deferred assets	406,208	397,964
Total Assets	785,480,865	781,668,886

(Unit: Thousand yen)

	Prior Period (Reference) As of August 31, 2021	Current Period As of February 28, 2022
Liabilities		
Current liabilities		
Operating accounts payable	406,114	342,863
Short-term loans payable	6,300,000	—
Current portion of investment corporation bonds	—	1,500,000
Current portion of long-term loans payable	29,860,000	34,200,000
Accounts payable	3,268,296	3,000,026
Accrued expenses	173,211	171,589
Income taxes payable	1,564	615
Consumption taxes payable	27,963	1,926,255
Advances received	4,057,702	3,875,820
Deposits received	105,930	—
Current portion of tenant leasehold and security deposits	148,845	474,388
Total current liabilities	44,349,628	45,491,558
Noncurrent liabilities		
Investment corporation bonds	44,700,000	52,500,000
Long-term loans payable	265,660,000	258,320,000
Tenant leasehold and security deposits	14,421,323	14,408,438
Tenant leasehold and security deposits in trust	806,503	572,891
Total noncurrent liabilities	325,587,826	325,801,329
Total Liabilities	369,937,455	371,292,888
Net Assets		
Unitholders' equity		
Unitholders' capital	419,126,862	419,126,862
Deduction from unitholders' capital	(15,347,455)	(17,273,823)
Unitholders' capital, net	403,779,407	401,853,039
Retained earnings		
Unappropriated retained earnings	11,764,002	8,522,958
Total retained earnings	11,764,002	8,522,958
Total unitholders' equity	415,543,410	410,375,998
Total Net Assets *2	415,543,410	410,375,998
Total Liabilities and Net Assets	785,480,865	781,668,886

Statements of Income

(Unit: Thousand yen)

	Prior Period (Reference) From March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 2022
Operating revenues		
Rental revenues *1	21,123,504	21,941,161
Other rental revenues *1	1,543,698	1,333,891
Gain on sale of property and equipment *2	1,188,585	1,511,937
Total operating revenues	23,855,788	24,786,990
Operating expenses		
Rental expenses *1	8,014,389	8,017,034
Asset management fee	2,612,195	2,352,885
Asset custody fee	9,468	9,859
Administrative service fees	29,101	29,198
Directors' remuneration	3,960	3,960
Audit fee	13,500	13,000
Taxes and dues	22,337	11,371
Other operating expenses	88,521	99,878
Total operating expenses	10,793,472	10,537,187
Operating income	13,062,315	14,249,802
Non-operating income		
Interest income	126	130
Reversal of distributions payable	573	954
Interest on refund of consumption taxes and other	2,088	—
Reversal of provision for loss on disaster	7,800	—
Miscellaneous income	—	420
Total non-operating income	10,589	1,504
Non-operating expenses		
Interest expense	743,094	744,792
Interest expenses on investment corporation bonds	154,630	160,382
Amortization of investment corporation bond issuance costs	14,137	16,732
Borrowing related expenses	317,819	344,995
Amortization of investment unit issuance expenses	52,191	44,551
Offering costs associated with issuance of investment units	25,531	—
Others	2,330	2,836
Total non-operating expenses	1,309,735	1,314,291
Ordinary income	11,763,169	12,937,016
Extraordinary losses		
Loss on fire *3	—	4,417,096
Total extraordinary losses	—	4,417,096
Income before income taxes	11,763,169	8,519,919
Income taxes-current	1,583	635
Income taxes-deferred	(53)	51
Total income taxes	1,530	687
Net income	11,761,638	8,519,232
Accumulated earnings brought forward	2,363	3,726
Unappropriated retained earnings	11,764,002	8,522,958

Statements of Changes in Net Assets

Prior period (From March 1, 2021 to August 31, 2021) (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	392,463,082	(13,279,871)	379,183,211	10,917,991	10,917,991	390,101,202	390,101,202
Changes of items during the period							
Issuance of investment units	26,663,780		26,663,780			26,663,780	26,663,780
Distributions in excess of retained earnings		(2,067,584)	(2,067,584)			(2,067,584)	(2,067,584)
Distributions of earnings				(10,915,627)	(10,915,627)	(10,915,627)	(10,915,627)
Net income				11,761,638	11,761,638	11,761,638	11,761,638
Total changes of items during the period	26,663,780	(2,067,584)	24,596,196	846,011	846,011	25,442,207	25,442,207
Balance at the end of the period *1	419,126,862	(15,347,455)	403,779,407	11,764,002	11,764,002	415,543,410	415,543,410

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

(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

Notes to Financial Statements

(Notes Concerning Significant Accounting Policies)

By period Item	Prior Period (Reference) From March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 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 March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 2022
5. Revenue and expense recognition	<p>Taxes on property and equipment</p> <p>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. Capitalized property-related taxes amounted to 98,678 thousand yen for the period.</p>	<p>(1) Taxes on property and equipment</p> <p>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.</p> <p>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</p> <p>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.</p> <p>As to sale of properties, etc., GLP J-REIT recognizes revenue when a buyer, who is a customer, obtains a 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.</p> <p>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</p> <p>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 March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 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>(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>

(Notes to Changes in Accounting Policies)

Prior Period (Reference) As of August 31, 2021	Current Period As of February 28, 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 a 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 Changes in Presentation)

Prior Period (Reference) As of August 31, 2021	Current Period As of February 28, 2022
<p>(Application of “Accounting Standard for Disclosure of Accounting Estimates”).</p> <p>Applying the “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No. 31, March 31, 2020) from the current period, GLP J-REIT states notes to accounting estimates.</p>	—

(Notes to Accounting Estimates)

Prior Period (Reference) As of August 31, 2021	Current Period As of February 28, 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>751,273,042</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	751,273,042	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="874 365 1513 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
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(Notes to Balance Sheets)

Prior Period (Reference) As of August 31, 2021	Current Period As of February 28, 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> <table><tr><td>Total amount of commitment line</td><td>15,000,000</td></tr><tr><td>Balance executed as loans</td><td>—</td></tr><tr><td>Unused line of credit</td><td><u>15,000,000</u></td></tr></table>	Total amount of commitment line	15,000,000	Balance executed as loans	—	Unused line of credit	<u>15,000,000</u>
Total amount of commitment line	15,000,000						
Balance executed as loans	—						
Unused line of credit	<u>15,000,000</u>						
*2. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.	*2. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.						

(This part is intentionally left blank)

(Notes to Statements of Income)

Prior Period (Reference) From March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 2022																																																																
<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>20,377,328</td></tr> <tr> <td>Common area charges</td><td>746,175</td></tr> <tr> <td>Total</td><td><u>21,123,504</u></td></tr> </table> <p>Other revenues related to property leasing</p> <table> <tr> <td>Utility charges</td><td>641,360</td></tr> <tr> <td>Parking lots</td><td>106,703</td></tr> <tr> <td>Solar panel leasing</td><td>646,638</td></tr> <tr> <td>Others</td><td>148,995</td></tr> <tr> <td>Total</td><td><u>1,543,698</u></td></tr> </table> <p>Total property-related revenues <u>22,667,202</u></p> <p>B. Property-related expenses</p> <p>Rental expenses:</p> <table> <tr> <td>Taxes and dues</td><td>1,825,656</td></tr> <tr> <td>Property and facility management fees</td><td>840,331</td></tr> <tr> <td>Utilities</td><td>502,753</td></tr> <tr> <td>Repairs and maintenance</td><td>182,078</td></tr> <tr> <td>Casualty insurance</td><td>97,598</td></tr> <tr> <td>Depreciation</td><td>4,251,034</td></tr> <tr> <td>Others</td><td>314,936</td></tr> <tr> <td>Total property-related expenses</td><td><u>8,014,389</u></td></tr> </table> <p>C. Operating income from property leasing <u>14,652,813</u></p> <p>(A – B)</p>	Rental revenues	20,377,328	Common area charges	746,175	Total	<u>21,123,504</u>	Utility charges	641,360	Parking lots	106,703	Solar panel leasing	646,638	Others	148,995	Total	<u>1,543,698</u>	Taxes and dues	1,825,656	Property and facility management fees	840,331	Utilities	502,753	Repairs and maintenance	182,078	Casualty insurance	97,598	Depreciation	4,251,034	Others	314,936	Total property-related expenses	<u>8,014,389</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>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>
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<p>*2. The breakdown of gain on sale of property and equipment is as follows:</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>GLP Okegawa</p> <table> <tr> <td>Sales proceed</td><td>3,580,000</td></tr> <tr> <td>Costs of property and equipment sold</td><td>2,296,029</td></tr> <tr> <td>Other selling expenses</td><td>95,384</td></tr> <tr> <td>Gain on sale of property and equipment</td><td><u>1,188,585</u></td></tr> </table>	Sales proceed	3,580,000	Costs of property and equipment sold	2,296,029	Other selling expenses	95,384	Gain on sale of property and equipment	<u>1,188,585</u>	<p>*2. The breakdown of gain on sale of property and equipment is as follows:</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>GLP Fukusaki (50% joint co-ownership ratio)</p> <table> <tr> <td>Sales proceed</td><td>3,225,000</td></tr> <tr> <td>Costs of property and equipment sold</td><td>1,693,643</td></tr> <tr> <td>Other selling expenses</td><td>19,419</td></tr> <tr> <td>Gain on sale of property and equipment</td><td><u>1,511,937</u></td></tr> </table>	Sales proceed	3,225,000	Costs of property and equipment sold	1,693,643	Other selling expenses	19,419	Gain on sale of property and equipment	<u>1,511,937</u>																																																
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<p style="text-align: center;">—</p>	<p>*3 Details of extraordinary losses</p> <p>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>																																																																

(Notes to Statements of Changes in Net Assets)

Prior Period (Reference) From March 1, 2021 To August 31, 2021		Current Period From September 1, 2021 To February 28, 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 March 1, 2021 To August 31, 2021		Current Period From September 1, 2021 To February 28, 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)	
Enterprise tax payable	53	Loss on fire, not deductible for tax purposes	1,389,618
Total	53	Enterprise tax payable	1
Net deferred tax assets	53	Total	1,389,619
		Valuation allowance	(1,389,618)
		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. (Unit: %)		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: %)	
Statutory effective tax rate	31.46	Statutory effective tax rate	31.46
(Adjustments)		(Adjustments)	
Distributions deductible for tax purposes	(31.45)	Distributions deductible for tax purposes	(47.77)
Other	0.01	Valuation allowance	16.31
Actual tax rate	0.01	Other	0.01
		Actual tax rate	0.01

(Property and Equipment under Capital Lease)

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

(Financial Instruments)

Prior Period (From March 1, 2021 to August 31, 2021) (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 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

The fair value of financial instruments is based on observable market prices, if available. When there is no available observable market price, the fair value is reasonably estimated. Since various factors are considered in estimating the fair value, 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, 2021 are as stated below. Financial instruments for which the fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	14,635,890	14,635,890	—
(2) Cash and deposits in trust	11,268,240	11,268,240	—
Total assets	25,904,130	25,904,130	—
(1) Short-term loans payable	6,300,000	6,300,000	—
(2) Current portion of long-term loans payable	29,860,000	29,882,927	22,927
(3) Investment corporation bonds	44,700,000	44,881,130	181,130
(4) Long-term loans payable	265,660,000	267,979,422	2,319,422
Total liabilities	346,520,000	349,043,479	2,523,479
Derivative transactions	—	(3,722)	(3,722)

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

Assets:

(1) Cash and deposits and (2) Cash and deposits in trust

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value; therefore, the book value is used as the fair value.

Liabilities:

(1) Short-term loans payable

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value; therefore, the book value is used as the fair value.

(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	263,820,000 *1	234,810,000 *1	(3,722) *2	*3

*1 The amount includes 3,170 million yen of the interest swap contract entered into on August 30, 2021. The execution date of long-term loans payable, its hedged item, is September 1, 2021.

*2 Concerning the aforementioned interest rate swap entered into on August 30, 2021, the fair value as of the end of the fiscal period (August 31, 2021) 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 not yet 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) Financial instruments for which fair value is difficult to estimate are as follows:

(Unit: Thousand yen)

Account name	Amount on the balance sheet
Current portion of tenant leasehold and security deposits	148,845
Tenant leasehold and security deposits	14,421,323
Tenant leasehold and security deposits in trust	806,503
Total	15,376,672

Regarding current portion of tenant leasehold and security deposits, tenant leasehold and security deposits and tenant

leasehold and security deposits in trust, no observable market prices are available and the timing of repayments is not reliably estimated. Thus, it is impracticable to reasonably estimate their future cash flows and difficult to estimate their fair value. Therefore, their fair values are not disclosed.

(Note 3) Redemption schedule for monetary claims are as follows:

(Unit: Thousand yen)	
	Due within one year
Cash and deposits	14,635,890
Cash and deposits in trust	11,268,240
Total	25,904,130

(Note 4) 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	1,500,000	—	37,700,000
Long-term loans payable	29,860,000	42,200,000	29,470,000	30,320,000	29,730,000	133,940,000
Total	29,860,000	45,700,000	31,470,000	31,820,000	29,730,000	171,640,000

Current Period (From September 1, 2021 to February 28, 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 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

(Investment and Rental Properties)

Prior Period (From March 1, 2021 to August 31, 2021) (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	
709,804,756	44,341,187	754,145,944	963,758,000

(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 the acquisition of four properties (GLP Zama (70% joint co-ownership ratio), GLP Niiza, GLP Sayama Hidaka I and GLP Rokko IV) in the amount of 49,761,412 thousand yen, whereas the major decrease was due to the sale of a property (GLP Okegawa) in the amount of 2,296,029 thousand yen and depreciation of 4,251,034 thousand yen.

(Note 3) The fair value of investment and rental properties was determined based on third-party appraisals or research price.

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

Current Period (From September 1, 2021 to February 28, 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	
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 million 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.”

(Restriction on Asset Management)

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

(Related Party Transactions)

Prior Period (From March 1, 2021 to August 31, 2021) (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	429,365	Operating accounts payable	84,971
				Leasing commission	238,975		
				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	305,312	Operating accounts receivable	67,825
Interested party	Ichikawashiohama Godo Kaisha	Equipment leasing	—	Rental income from solar panel leasing	28,907	Operating accounts receivable	3,616
Interested party	GLP Tosu One GK	Equipment leasing	—	Rental income from solar panel leasing	48,754	Operating accounts receivable	8,650
Interested party	GLP Sugito Y.K.	Equipment leasing	—	Rental income from solar panel leasing	14,844	Operating accounts receivable	2,586
Interested party	GLP Urayasu Three Y.K.	Equipment leasing	—	Rental income from solar panel leasing	46,133	Operating accounts receivable	8,261
Interested party	GLP Tokyo Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	22,007	Operating accounts receivable	3,907
Interested party	GLP Komaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	34,652	Operating accounts receivable	5,795
Interested party	GLP Fukusaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	22,257	Operating accounts receivable	3,489
Interested party	GLP Amagasaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	37,122	Operating accounts receivable	6,151
Interested party	GLP Misato Two GK	Equipment leasing	—	Rental income from solar panel leasing	24,418	Operating accounts receivable	4,124
Interested party	GLP Maishima Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	25,427	Operating accounts receivable	4,233
Interested party	GLP Kiyama GK	Equipment leasing	—	Rental income from solar panel leasing	36,798	Operating accounts receivable	6,405
Asset custody company	Mitsubishi UFJ Trust and Banking Corporation	Trust and Banking	—	Trust fee	12,257	Operating accounts payable	4,475
				Administrative service fee	29,101	Accounts payable	14,065

(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.

Current Period (From September 1, 2021 to February 28, 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 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:

- (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 March 1, 2021 To August 31, 2021		Current Period From September 1, 2021 To February 28, 2022	
Net assets per unit	92,541 yen	Net assets per unit	91,390 yen
Net income per unit	2,680 yen	Net income per unit	1,897 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 March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 2022
Net income	11,761,638 thousand yen	8,519,232 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	11,761,638 thousand yen	8,519,232 thousand yen
Average number of investment units outstanding	4,388,472 units	4,490,369 units

(Significant Subsequent Events)

Prior Period (From March 1, 2021 to August 31, 2021) (Reference)

None to report.

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

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).

(Revenue Recognition)

Current Period (From September 1, 2021 to February 28, 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 March 1, 2021 to August 31, 2021) (Reference)

None to report.

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

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.

Statements of Distributions

(Unit: Yen)

	Prior Period (Reference) From March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 2022
I Unappropriated retained earnings	11,764,002,702	8,522,958,915
II Distributions in excess of retained earnings	1,926,368,301	5,707,258,999
Of which, allowance for temporary difference adjustments	—	4,414,032,727
Of which, other deduction from unitholders' capital	1,926,368,301	1,293,226,272
III Distributions	13,686,644,712	14,229,979,361
[Distributions per unit]	[3,048]	[3,169]
Of which, distributions of earnings	11,760,276,411	8,522,720,362
[Of which, distributions of earnings per unit]	[2,619]	[1,898]
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	1,926,368,301	1,293,226,272
[Of which, other distributions in excess of retained earnings per unit]	[429]	[288]
IV Retained earnings carried forward	3,726,291	238,553

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 11,760,276,411 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.

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.

(Continued)

(Continued)

(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.

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 3,131,194,723 yen calculated by deducting capital expenditure of 1,119,840,122 yen from depreciation expense of 4,251,034,845 yen, and (2) approximately 30% of the depreciation expense of 4,251,034,845 yen for the period. 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 651,103,505 yen, since the amount of a distribution per unit was estimated to temporarily decrease by 145 yen as a result of the issuance of new investment units and financing through borrowings.

(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 1,293,226,272 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.

(Continued)

(Continued)

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.

(Note) For the time being, GLP J-REIT intends to make an OPD distribution (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 March 1, 2021	From September 1, 2021
	To August 31, 2021	To February 28, 2022
Operating activities:		
Income before income taxes	11,763,169	8,519,919
Depreciation	4,251,034	4,322,820
Loss on retirement of noncurrent assets	—	2,231
Amortization of investment corporation bond issuance costs	14,137	16,732
Amortization of investment unit issuance expenses	52,191	44,551
Interest income	(126)	(130)
Reversal of distributions payable	(573)	(954)
Interest expense	897,725	905,175
Reversal of provision for loss on disaster	(7,800)	—
Loss on fire	—	4,417,096
Decrease (increase) in operating accounts receivable	167,850	85,442
Decrease (increase) in prepaid expenses	71,292	(112,561)
Decrease (increase) in consumption taxes receivable	2,413,321	—
Decrease (increase) in other current assets	(11,845)	16,046
Decrease (increase) in long-term prepaid expenses	1,687	2,694
Increase (decrease) in operating accounts payable	12,326	(63,251)
Increase (decrease) in accounts payable	276,710	(322,369)
Increase (decrease) in consumption taxes payable	27,963	1,898,292
Increase (decrease) in advances received	274,292	(181,881)
Increase (decrease) in deposits received	105,930	(105,930)
Decrease in property and equipment in trust due to sale	2,296,029	1,693,643
Subtotal	22,605,316	21,137,566
Interest received	126	130
Interest paid	(867,542)	(906,797)
Income taxes paid	(624)	(1,584)
Payments associated with disaster loss	(233,527)	—
Net cash provided by (used in) operating activities	21,503,748	20,229,314
Investing activities:		
Purchase of property and equipment in trust	(47,995,653)	(1,555,585)
Purchase of intangible assets in trust	(2,872,902)	—
Proceeds from tenant leasehold and security deposits	543,761	159,635
Proceeds from tenant leasehold and security deposits in trust	701,422	—
Repayments of tenant leasehold and security deposits	(677,701)	(80,589)
Net cash provided by (used in) investing activities	(50,301,072)	(1,476,539)
Financing activities:		
Proceeds from short-term loans payable	6,300,000	—
Repayments of short-term loans payable	(5,000,000)	(6,300,000)
Proceeds from long-term loans payable	14,440,000	26,860,000
Repayments of long-term loans payable	(3,800,000)	(29,860,000)
Proceeds from issuance of investment corporation bonds	5,000,000	9,300,000
Payments of investment corporation bond issuance costs	(33,485)	(51,012)
Proceeds from issuance of investment units	26,594,484	—
Payment of distributions of earnings	(10,913,378)	(11,761,846)
Payment of distributions in excess of retained earnings	(2,066,826)	(1,926,428)
Net cash provided by (used in) financing activities	30,520,794	(13,739,287)
Net increase (decrease) in cash and cash equivalents	1,723,470	5,013,488
Cash and cash equivalents at beginning of period	24,180,659	25,904,130
Cash and cash equivalents at end of period *1	25,904,130	30,917,618

(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 March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 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 March 1, 2021 To August 31, 2021	Current Period From September 1, 2021 To February 28, 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 August 31, 2021) <div style="text-align: right;">(Unit: Thousand yen)</div> Cash and deposits 14,635,890 Cash and deposits in trust 11,268,240 Cash and cash equivalents <u>25,904,130</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 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>