

Asset Management Report

Feb 2021 Fiscal Period

from September 1, 2020 to February 28, 2021



GLP J-REIT

Securities code: 3281

1-5-2, Higashi-Shimbashi, Minato-ku, Tokyo 105-7134, Japan
<https://www.glpjreit.com/english/>

To Our Unitholders

On behalf of GLP J-REIT, I am pleased to present the financial results for the 18th fiscal period, ended in February 2021.

In the fiscal period under review, GLP J-REIT carried out its eighth public offering to boost its capital. In December 2020, the GLP Group acquired seven properties in total, which include properties developed by the GLP Group (GLP Yokohama, GLP Sayama Hidaka II, GLP Yachiyo II, GLP Urayasu II, GLP Kashiwa II, and GLP Rokko III) and a property developed by a third party (GLP Higashi-Ogishima III). In addition given the brisk demand in the logistics real estate market, in October 2020, GLP sold its beneficiary rights related to GLP Hatsukaichi, one of its existing properties, and returned these sales gains as DPU to its unitholders.

As to internal growth, GLP J-REIT achieved rent increases for the 17th consecutive fiscal period since its listing in collaboration with the strong leasing team of the GLP Group, its sponsor, while maintaining a high average occupancy rate of more than 99% for its portfolio.

As a result of the above, the 18th period ended with an operating revenue of 21,978 million yen and a net income of 10,914 million yen. DPU was 2,989 yen, the highest since the IPO.

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



Yoshiyuki Miura
Executive Director, GLP J-REIT

Contents

Summary of Financial Results in the February 2021 Period	01	Statements of Changes in Net Assets	54
ASSET MANAGEMENT REPORT	14	Notes to Financial Statements	55
Balance Sheets	51	Statements of Distributions	68
Statements of Income	53	Statements of Cash Flows (Reference information)	70

Financial Highlights

	Feb 2021 Initial Forecast (in Oct 2020)	Feb 2021 Actual	Differences
Dividend per unit	2,887 yen	2,989 yen	+3.5%
Property-related revenues (NOI)	16.6 bn yen	17.7 bn yen	+6.9%
Average occupancy rate	99.8%	99.8%	—
Loan-To-Value ratio (LTV on total assets)	44.4%	44.4%	—



GLP Neyagawa

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 1)

741.1 bn yen

Assets (Note 2)

83 properties

Occupancy rate (Note 2)

99.8%

Rent increase rate (Note 3)

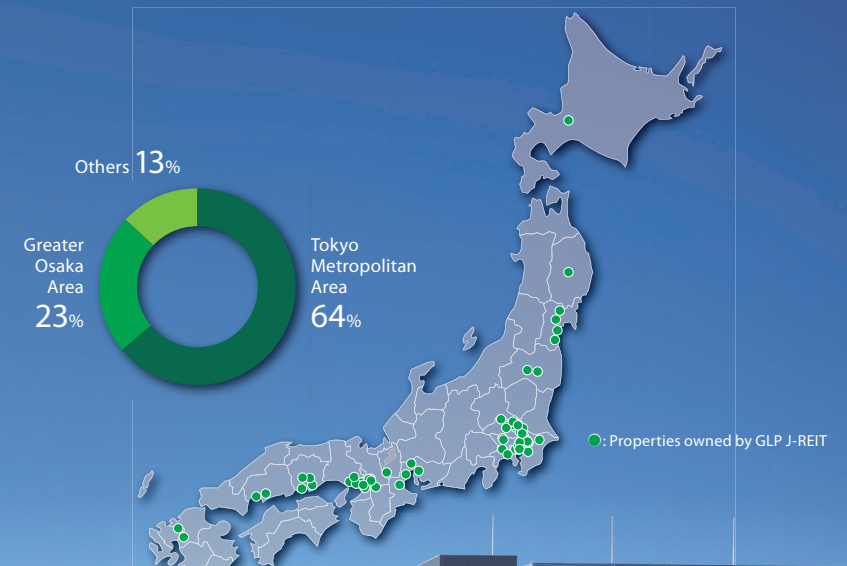
5.9%

(Note 1) Based on acquisition price
(Note 2) Average occupancy rate during the Feb. 2021 period
(Note 3) February 2021 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 that were implemented in the February 2021 period.

Yoshiyuki Miura
Executive Director of GLP J-REIT



Q1 Give us a run down of the key initiatives in your growth strategy for the period under review.

A1 GLP J-REIT continued to realize steady growth in the period under review.

I will respectively explain our external growth, asset disposition and internal growth, which are the growth drivers of GLP J-REIT.



External Growth: External growth through timely public offering

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

In December 2020 in the period under review, GLP J-REIT executed its eighth public offering and newly acquired seven properties (total acquisition price of 98.2 billion yen). (Refer to the pictures below)

In light of this, assets under management (AUM) at GLP J-REIT stood at 741.1 billion yen on an acquisition price basis, which was a growth of 15% from the end of the previous period.

GLP Group-developed properties			Third party property
GLP Yokohama (Co-ownership 60%)	GLP Sayama Hidaka II	GLP Yachiyo II	GLP Higashi-Ogishima III
			
GLP Urayasu II	GLP Kashiwa II	GLP Rokko III	Total acquisition price of the seven new properties 98.2 billion yen
			

GLP J-REIT undertook numerous initiatives, including its seventh public offering in June 2020, which were praised by many unitholders and market participants. In the fiscal period ended February 2021, GLP J-REIT received various major "Deal of the Year" awards

 Nikkei Veritas "Deal of the Year 2020" <Equity Best> 1st Among J-REITs	
 Refinitiv Japan "DEALWATCH AWARDS 2020" <Stock Category> J-REIT Deal of the Year	 Capital Eye Awards "BEST DEALS OF 2020" <Real Estate Investment Trusts Category> BEST DEAL OF 2020

¥ 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 period under review, given the brisk demand for logistics real estate, of its existing properties, GLP J-REIT sold its beneficiary rights in GLP Hatsukaichi and returned the gain on this sale of 1,079 million yen (contribution to DPU: 230 yen) to its unitholders.



Internal Growth: Strong rent increase

In internal growth, GLP J-REIT achieved a brisk rent increase of 5.9%, in comparison with contracts before renewal, by using the strong leasing team of the GLP Group.

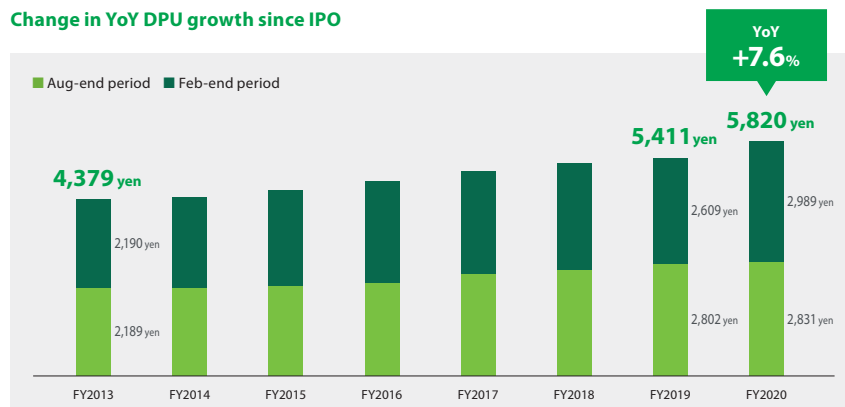
Reflecting this, the average rent increase rate for the most recent three-year period was 4.1%. Consequently, GLP J-REIT achieved rent increase for the 17th consecutive fiscal period since its IPO.

Q2 What was the actual DPU?

A2 Owing to the results of initiatives, as explained in A1, DPU for the period totaled 2,989 yen, marking the highest DPU realized since going public. Moreover, in FY2020 (Note 1), DPU growth year-on-year was 7.6%, which was also a record-high growth.

NAV (net assets per unit) (Note 2), which reflects the asset value per investment unit for unitholders, was also up, increasing 7.3% year-on-year.

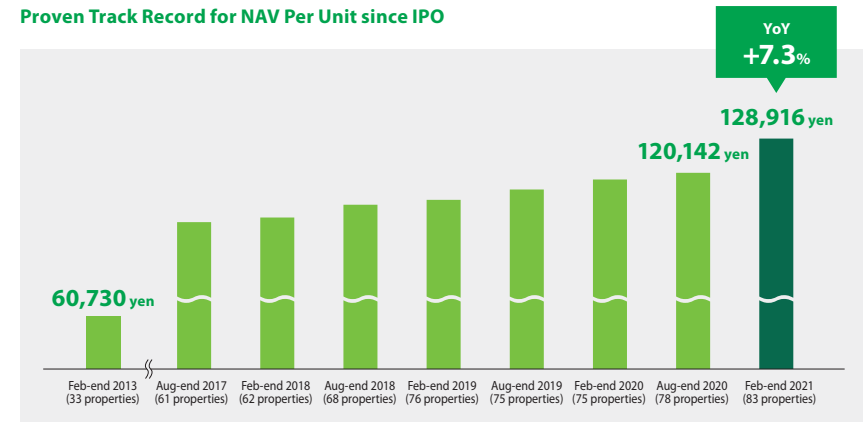
Change in YoY DPU growth since IPO



(Note 1) Figures for each year are the sum of distributions for the fiscal periods ended August and ended February of the 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.

Proven Track Record for NAV Per Unit since IPO



Q3 Please explain initiatives to achieve further growth going forward.

A3 Moving forward, GLP J-REIT aims to continue to maximize unitholder value by realizing growth of DPU and NAV while closely monitoring the market environment.



External Growth

GLP J-REIT aims to continue to acquire properties using the robust pipeline of the GLP Group.



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.



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.



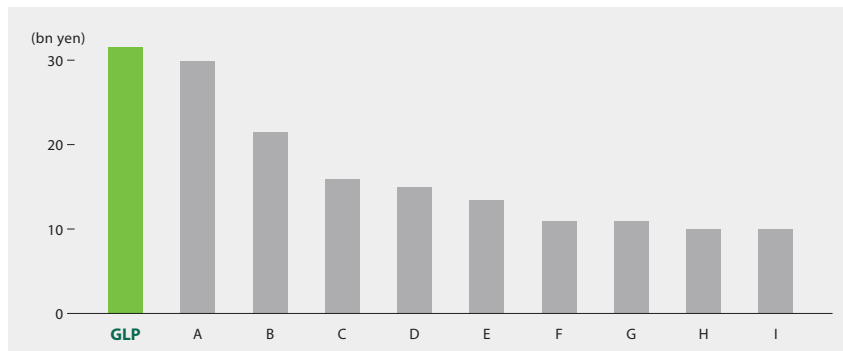
ESG

GLP J-REIT aims to maintain and enhance its sustainability initiatives and also deepen its communication with various stakeholders from unitholders, tenants, and members of our supply chain to the wider regional community and employees through active disclosure of ESG information.

Q4 Please discuss your recent ESG initiatives.

A4 Recently, we issued sustainability bonds in December 2020 and March 2021. GLP J-REIT had an outstanding balance of ESG bonds (sustainability and green bonds) of 31.6 billion yen (as of the end of March 2021), ranking it at the top in the J-REIT market.

Outstanding ESG bond balance (top 10 J-REITs) (Note)



(Note) As of March 24, 2021. Created by the Asset Management Company from the disclosure materials of each investment corporation

Publication of the ESG Report

In April 2021, we published the ESG Report, which compiles the basic philosophy of the GLP J-REIT, the initiatives undertaken thus far, and its direction going forward.

We plan to disclose the following key performance indicators (KPIs) related to ESG matters of particularly high importance. Please take a look.



1 Improve the percentage of environmentally-certified properties

Aim to acquire environmental certification for 80% or more of properties by 2024

2 Improve the percentage of green rent contracts, including green leases

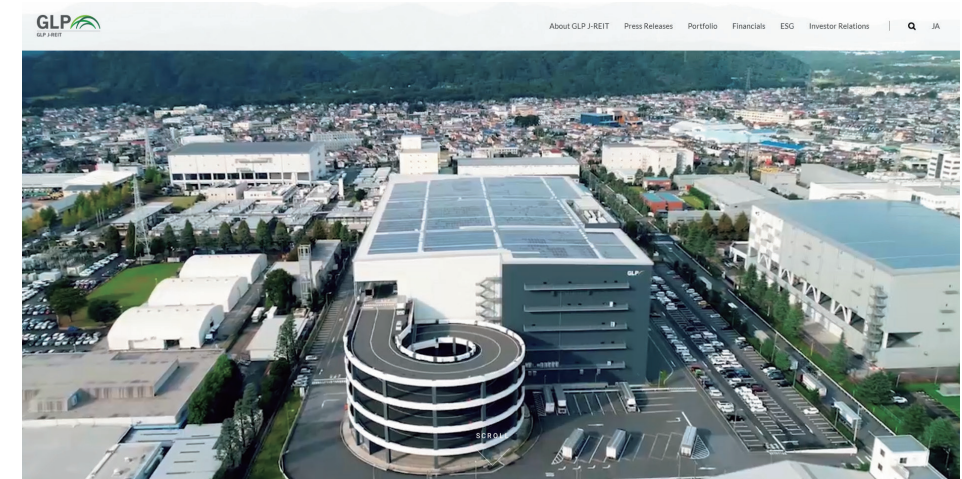
Incorporate Green Lease Requirements in all leases, including existing leases, by 2023

3 Improve data coverage for various types of energy usage

Our goal is to achieve 100% data coverage for properties for which we possess management authority by 2021

Renewal of the GLP J-REIT website

In February 2021, we fully renewed the GLP J-REIT website. Please come and visit our new website.

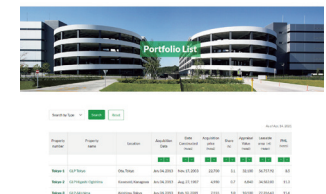


1 Press Releases



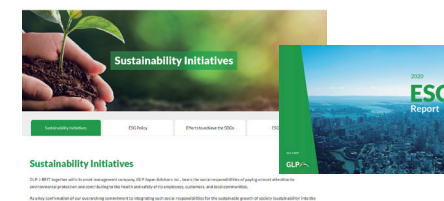
Users can confirm the most recently disclosed information.

2 Portfolio



Users can confirm details on asset disposition at GLP J-REIT.

3 ESG



The website provides information on each of our ESG initiatives as well as our ESG Report.

4 Investor Relations



Users can confirm such topics as financial results materials and financial highlights.

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

Acquired a paramount 5-star rating in the GRESB Real Estate Assessment



- In the 2020 GRESB Real Estate Assessment GLP J-REIT obtained a "5-star" rating
- In a ranking of REITs in the listed logistics real estate sector, GLP J-REIT was ranked fourth out of 22 REITs globally, and was picked as a global sector leader

Green lease (Note) contracts: 100% in Feb.2021 period

- All leases signed in Feb.2021 period met Green Lease Requirements
- Enhancement cooperation with tenants in reducing environmental load

(Note) A lease agreement with clauses requiring to cooperate for obtaining environmental certification and share the data on energy consumption, etc.

Rate of Green Leases

100%

(Signed in Feb. 2021 period)

Sustainability bonds & Green bonds

- In December 2020, GLP J-REIT issued a 15-year sustainability bond. In March 2021, GLP J-REIT realized the issuance of the first J-REIT sustainability bond with a 20-year maturity term
- Owing to the above issuances, GLP J-REIT's outstanding balance of ESG bonds totaled 31.6 billion yen, putting it at the top among J-REITs



GLP Amagasaki



GLP Yokohama

Environmental-friendly buildings



Solar panels



LED lighting



Use of rainwater and well-water



Trash separation

Promotion of environmental impact reduction

Acquisition of environmental certification

Certification application ratio	BELS certification	CASBEE certifications
	11 properties	31 properties

Goal

Aim to obtain 80% of environmental certification by 2024

(Note) Total floor area base

Obtainment of BELS and ZEB Certification

- GLP-MFLP Ichikawa Shiohama has received a five-star rating, the highest rating under the Building-Housing Energy-efficiency Labeling System ("BELS"), and has also received a "ZEB Ready" certification in Mar. 2021



GLP Atsugi II
(BELS: ★★★★★)



GLP-MFLP Ichikawa Shiohama
(BELS: ★★★★★/ZEB: ZEB Ready)



この建物のエネルギー消費量 50%削減
2021年3月31日交付 国土交通省告示に基づく第三者認証

CASBEE Certification

- Acquired "CASBEE Real Estate Valuation Certification" for 29 properties and "CASBEE for Buildings (New Construction) Certification" for 2 properties



GLP Tokyo
(Rank S)



GLP Soja I
(Rank S)

Initiatives for ESG

Society

Contribution to local communities

- For 14 properties it owns, including GLP Yokohama, GLP J-REIT has entered into agreements with local governments to use the facilities as restoration support centers and evacuation sites at times of disaster or emergency.
- In consideration of co-existence with local communities and to contribute to the development of communities that offer safety and comfort, the GLP Group opens up convenience stores located in its facilities, introduces matching services for reserved parking facilities, and undertakes the planting of trees.



Opening convenience stores as shared space



Introduction of reservation-based parking-matching services



Planting trees

- GLP Japan and Sagawa Express concluded a mutual cooperation agreement on disaster response, including transportation of emergency relief supplies in the event of a disaster in December 2020. The GLP Group, which possesses logistics facilities with strong BCP functions that are highly resilient to disaster, and Sagawa Express have established a system to accelerate the transport of relief supplies to disaster-stricken areas through a strong alliance Sagawa Express, which boasts strengths in the transportation of goods.

"ALL SAGAWA, ALL GLP!"



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

Established the ESG Committee (April 2021)

- We newly established in the ESG Committee. Under the leadership of the freshly instituted Chief Sustainability Officer (CSO), we will formulate mid to long-term ESG basic policies, create policies related to green sustainability finance, and further promote initiatives related to sustainability.

ESOP for officers and employees of GLP Japan (May 2020)

- 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.

ASSET MANAGEMENT REPORT

[Overview of Asset Management]

1. Trends in Key Indicators

		14th Period	15th Period	16th Period	17th Period	18th Period
		Sept. 1, 2018 to Feb. 28, 2019	Mar. 1, 2019 to Aug. 31, 2019	Sept. 1, 2019 to Feb. 29, 2020	Mar. 1, 2020 to Aug. 31, 2020	Sept. 1, 2020 to Feb. 28, 2021
Operating revenues	Million yen	18,691	19,891	18,841	19,893	21,978
Of which, Property-related revenues	Million yen	18,691	19,105	18,841	19,400	20,898
Operating expenses	Million yen	8,506	9,039	8,920	9,011	9,610
Of which, Property-related expenses	Million yen	6,389	6,765	6,747	6,739	7,159
Operating income	Million yen	10,185	10,852	9,920	10,881	12,367
Ordinary income	Million yen	8,946	9,575	8,841	9,693	11,156
Net income	Million yen	9,052	9,612	8,875	9,695	10,914
Total assets	Million yen	610,861	610,494	606,486	639,895	742,022
[Period-on-period changes]	%	[15.6]	[(0.1)]	[(0.7)]	[5.5]	[16.0]
Total net assets	Million yen	318,687	318,114	316,248	336,643	390,101
[Period-on-period changes]	%	[16.3]	[(0.2)]	[(0.6)]	[6.4]	[15.9]
Unitholders' capital, net (Note 3)	Million yen	309,633	308,499	307,372	326,945	379,183
Number of investment units issued and outstanding	Unit	3,833,420	3,833,420	3,833,420	3,982,980	4,343,664
Net assets per unit	Yen	83,134	82,984	82,497	84,520	89,809
Distributions	Million yen	10,185	10,741	10,001	11,275	12,983
Of which, Distributions of earnings	Million yen	9,050	9,614	8,874	9,694	10,915
Of which, Distributions in excess of retained earnings	Million yen	1,134	1,127	1,127	1,581	2,067
Distributions per unit	Yen	2,657	2,802	2,609	2,831	2,989
Of which, Distributions of earnings per unit	Yen	2,361	2,508	2,315	2,434	2,513
Of which, Distributions in excess of retained earnings per unit	Yen	296	294	294	397	476
Ordinary income to total assets (Note 4)	%	1.6	1.6	1.5	1.6	1.6
[Annualized ordinary income to total assets]	%	[3.2]	[3.1]	[2.9]	[3.1]	[3.3]
Return on unitholders' equity (Note 4)	%	3.1	3.0	2.8	3.0	3.0
[Annualized return on unitholders' equity]	%	[6.2]	[6.0]	[5.6]	[5.9]	[6.1]
Unitholders' equity to total assets (Note 4)	%	52.2	52.1	52.1	52.6	52.6
[Period-on-period changes]	%	[0.3]	[(0.1)]	[0.0]	[0.5]	[(0.0)]
Payout ratio (Note 4)	%	99.9	100.0	100.0	99.9	100.0
【Other Information】						
Number of operating days		181	184	182	184	181
Number of investment properties		76	75	75	78	83
Occupancy ratio	%	99.2	99.9	99.4	99.9	99.7
Depreciation expenses	Million yen	3,788	3,769	3,766	3,769	4,011
Capital expenditures	Million yen	962	762	804	712	1,094
Rental NOI (Net Operating Income) (Note 4)	Million yen	16,090	16,109	15,872	16,429	17,765
FFO (Funds From Operation) (Note 4)	Million yen	12,840	12,595	12,654	12,972	13,860
FFO per unit (Note 4)	Yen	3,349	3,285	3,301	3,256	3,191
Total distributions / FFO ratio (Note 4)	%	79.3	85.3	79.0	86.9	93.7
Debt service coverage ratio (Note 4)		11.1	11.9	12.1	13.2	14.4
The ratio of interest bearing liabilities to total assets	%	44.9	44.7	44.6	44.4	44.4

(Note 1) Operating revenues and expenses are stated net of consumption taxes.

(Note 2) 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 3) It represents the amount of unitholders' capital, net of distributions in excess of retained earnings deducted from the total unitholders' capital amount.

(Note 4) The following formulas are used for the calculation.

Ordinary income to total assets	$\text{Ordinary income} / [(\text{Total assets at beginning of period} + \text{Total assets at end of period}) / 2] \times 100$
Return on unitholders' equity	$\text{Net income} / [(\text{Net assets at beginning of period} + \text{Net assets at end of period}) / 2] \times 100$
Unitholders' equity to total assets	$\text{Net assets at end of period} / \text{Total assets at end of period} \times 100$
Payout ratio	$\text{Distributions per unit (excluding OPD**)} / \text{Net income per unit} \times 100$ (Any fraction is rounded down to the first decimal place.) For the 14th, 17th and 18th 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)	$\text{Property-related revenues} - \text{Property-related expenses} + \text{Depreciation expenses} + \text{Loss on retirement of noncurrent assets}$
FFO (Funds From Operation)	$\text{Net income} + \text{Depreciation expenses} + \text{Loss on retirement of noncurrent assets} - \text{Gain on sales of property and equipment}$
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 18th 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. as the founder. It had its units listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange on December 21, 2012 (securities code: 3281).

Having the GLP Group (Note) as the sponsor group and investing in highly functional modern logistics facilities while taking advantage of the wealth of experience and management resources, GLP J-REIT aims to earn stable income and achieve steady growth in assets under management over the medium and long term. Since starting its operation as a listed J-REIT with 30 properties (total acquisition price of 208,731 million yen) in January 2013, GLP J-REIT has been steadily expanding its assets through the continuous acquisition of properties. As of the end of the current fiscal period, GLP J-REIT owns 83 properties (total acquisition price of 741,132 million yen).

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

(2) Investment Environment and Business Performance

During the current fiscal period, while the Japanese economy showed signs of upward movement on the back of a recovery in consumer spending due to the resumption of the economy and a recovery in exports to the U.S. and China, the outlook still remains uncertain, as shown by the continued suppression of consumer spending resulting from the re-declaration of a state of emergency in January 2021.

In the logistics facilities leasing market, we believe demand for modern logistics facilities remains strong, reflecting the logistics industry’s 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. We also believe demand will become stronger as e-commerce expands further due to changes in people’s lifestyles and consumer behaviors during the COVID-19 pandemic.

Under these circumstances, the vacancy rate of large multi-tenant logistics facilities in the Tokyo metropolitan area hit an all-time low of 0.5% (Note 1) as of the end of December 2020. In addition, the pre-leased ratio (Note 2) for large multi-tenant logistics facilities supplied in 2020 reached 99% in the Tokyo metropolitan area and 80% for the greater Osaka area as of the end of December 2020. Thus, the balance of supply and demand for modern logistics facilities remains stable.

In the logistics real estate market, backed by a steady demand for properties and the prospect of stable rental income as well as continuing monetary easing, institutional investors such as pension funds and insurance companies remain highly interested in the market, and their funds continue to flow in. As a result, capitalization rates remain trending low while real estate prices stay high.

Under these circumstances, taking advantage of the strong demand for logistics properties, GLP J-REIT sold its trust beneficiary right of GLP Hatsukaichi on October 9, 2020, in order to return the gain on sale to unitholders as distributions (sale price: 2,930 million yen, gain on sale: 1,079 million yen (Note 3)).

Additionally, aiming to enhance both the profitability and quality of its portfolio through acquisition of new properties, GLP J-REIT issued new investment units through a global offering. Using the funds from the issuance and new borrowings, GLP J-REIT acquired the following seven properties (total acquisition price: 98,234 million yen) on December 11, 2020: six properties developed by the GLP Group (GLP Yokohama (60% Joint co-ownership ratio), GLP Sayama Hidaka II, GLP Urayasu II, GLP Kashiwa II, GLP Yachiyo II and GLP Rokko III) out of 11 properties subject to the Right-of-First-Look agreement and one property developed by a third party (GLP Higashi-Ogishima III).

As to internal growth, in collaboration with the in-house leasing team of the GLP Group, the sponsor group, GLP J-REIT, has achieved rent increases for 17 consecutive fiscal periods since its listing on the TSE, backed by solid demand for modern logistics facilities.

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 83 properties (total acquisition price of 741,132 million yen) while maintaining the portfolio occupancy rate at a favorable level of 99.7% as of February 28, 2021. The total appraisal value is 892,658 million yen with a total unrealized gain of 182,853 million yen and an unrealized gain ratio of 25.8% (Note 4) as of February 28, 2021.

(Note 1) Source: CBRE K.K.

(Note 2) “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 3) The amount is calculated by deducting selling expenses from the difference between the sales price and the book value.

(Note 4) $\text{Unrealized gain ratio} = \frac{\text{Unrealized gain (Appraisal value or research price at the fiscal period end} - \text{Book value)}}{\text{Book value}}$.

(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 successfully extended debt maturity by refinancing 15,800 million yen of bank borrowings made on July 1, 2020 with GLP J-REIT 15th Unsecured Bonds issued on September 25, 2020 (the first issuance of Sustainability Bonds as a J-REIT, 10-year bonds) and bank borrowings executed on October 13, 2020. In addition, new borrowings totaling 46,680 million yen were made in order to partially fund the acquisition of seven properties on December 11, 2020, with related costs. Further, on December 23, 2020, GLP J-REIT 16th Unsecured Bonds (Sustainability Bonds, 15-year bonds) were issued to refinance GLP J-REIT 3rd Unsecured Bonds. Thus, GLP J-REIT has successfully lengthened the debt period and diversified repayment dates.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 329,580 million yen (outstanding loans 289,880 million yen, outstanding investment corporation bonds 39,700 million yen) and the ratio of interest-bearing liabilities to total assets (LTV) was 44.4 %.

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) It is the rating for GLP J-REIT 2nd, 4th to 6th and 8th to 16th 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 21,978 million yen, operating income of 12,367 million yen, ordinary income of 11,156 million yen and net income of 10,914 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 10,915,627,632 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 (4,343,664 units) from unappropriated retained earnings. Accordingly, the distribution per unit for the current fiscal period was 2,513 yen.

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

Based on this, GLP J-REIT decided to distribute 1,203,194,928 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 (4,011 million yen) for the current fiscal period. In addition, GLP J-REIT will distribute 864,389,136 yen as a temporary OPD since the amount of the distribution per unit is estimated to temporarily decrease as a result of the issuance of new investment units, financing through borrowings and provision for loss on disaster in the current fiscal period. Thus, the total amount of OPD per unit is 476 yen.

(Note) 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 1,094 million yen of capital expenditure for the current fiscal period from 4,011 million yen of depreciation expenses for the period is 2,917 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 83 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 764 million yen.

3. Changes in Number of Investment Units Issued and Outstanding

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

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
May 17, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(778)	181,242	(Note 2)
September 1, 2016	Public offering	247,507	2,841,291	28,561	209,804	(Note 3)
September 27, 2016	Issuance of new units through allocation to a third party	11,787	2,853,078	1,360	211,164	(Note 4)
November 16, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(770)	210,393	(Note 5)
May 16, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(867)	209,526	(Note 6)
November 14, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(861)	208,665	(Note 7)
March 1, 2018	Public offering	529,922	3,383,000	56,095	264,760	(Note 8)
March 20, 2018	Issuance of new units through allocation to a third party	19,681	3,402,681	2,083	266,843	(Note 9)
May 15, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,402,681	(858)	265,985	(Note 10)
September 3, 2018	Public offering	411,013	3,813,694	42,620	308,605	(Note 11)
September 26, 2018	Issuance of new units through allocation to a third party	19,726	3,833,420	2,045	310,651	(Note 12)
November 14, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,017)	309,633	(Note 13)
May 21, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,134)	308,499	(Note 14)
November 18, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	307,372	(Note 15)
May 19, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	306,245	(Note 16)
June 29, 2020	International offering	149,560	3,982,980	20,700	326,945	(Note 17)
November 18, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,982,980	(1,581)	325,364	(Note 18)
December 7, 2020	Public offering	345,346	4,328,326	51,530	376,894	(Note 19)
January 5, 2021	Issuance of new units through allocation to a third party	15,338	4,343,664	2,288	379,183	(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, 2016, 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 300 yen per unit for the 8th Fiscal Period (the period ended February 29, 2016). The payment of distributions was commenced on May 17, 2016.
- (Note 3) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue amount of 115,398 yen or the offer price of 119,357 yen per unit.
- (Note 4) In connection with the public offering, GLP J-REIT issued new investment units through a third party allocation at the issue amount of 115,398 yen.
- (Note 5) At the Board of Directors’ Meeting held on October 13, 2016, 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 297 yen per unit for the 9th Fiscal Period (the period ended August 31, 2016). The payment of distributions was commenced on November 16, 2016.
- (Note 6) 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 7) 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 8) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue amount of 105,856 yen or the offer price of 109,372 yen per unit.
- (Note 9) 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 10) 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 11) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue amount of 103,697 yen or the offer price of 107,130 yen per unit.
- (Note 12) 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 13) 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 14) 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 15) 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 16) 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 17) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through an international offering at the issue amount of 138,407 yen or the offer price of 142,956 yen per unit.

(Note 18) 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 19) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue amount of 149,214 yen or the offer price of 154,154 yen per unit.

(Note 20) 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.

[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	14th Period	15th Period	16th Period	17th Period	18th Period
For the period ended	February 28, 2019	August 31, 2019	February 29, 2020	August 31, 2020	February 28, 2021
Highest	120,500	137,400	153,800	178,600	183,000
Lowest	107,100	115,600	131,400	80,600	153,500

4. Distributions

Actual amount of distributions is as follows:

(Unit: Thousand yen, unless otherwise stated)

	14th Period Sept. 1, 2018 to Feb. 28, 2019	15th Period Mar. 1, 2019 to Aug. 31, 2019	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
Unappropriated retained earnings	9,053,764	9,615,220	8,876,762	9,698,370	10,917,991
Retained earnings carried forward	3,059	1,003	2,395	3,797	2,363
Total distributions	10,185,396	10,741,242	10,001,392	11,275,816	12,983,211
[Distributions per unit]	[2,657 yen]	[2,802 yen]	[2,609 yen]	[2,831 yen]	[2,989 yen]
Of which, distributions of earnings	9,050,704	9,614,217	8,874,367	9,694,573	10,915,627
[Distributions of earnings per unit]	[2,361 yen]	[2,508 yen]	[2,315 yen]	[2,434 yen]	[2,513 yen]
Of which, total refund of investments	1,134,692	1,127,025	1,127,025	1,581,243	2,067,584
[Total refund of investments per unit]	[296 yen]	[294 yen]	[294 yen]	[397 yen]	[476 yen]
Of total refund of investments, total distributions from reserve for temporary difference adjustments	—	—	—	—	—
[Of total refund of investments per unit, distributions from reserve for temporary difference adjustments per unit]	[— yen]	[— yen]	[— yen]	[— yen]	[— yen]
Of total refund of investments, total distributions from the unitholders' capital for tax purposes	1,134,692	1,127,025	1,127,025	1,581,243	2,067,584
[Of total refund of investments per unit, total distributions from the unitholders' capital for tax purposes per unit]	[296 yen]	[294 yen]	[294 yen]	[397 yen]	[476 yen]

(Note) 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 1,094 million yen of capital expenditure for the current fiscal period from 4,011 million yen of depreciation expenses for the period is 2,917 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 83 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 764 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.

For the current period, GLP J-REIT declared a temporary OPD of 864,389,136 yen, since the amount of a distribution per unit was estimated to temporarily decrease to 199 yen as a result of the issuance of new investment units, financing through borrowings and provision for loss on disaster.

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 expirations of lease periods, GLP J-REIT will collaborate with the in-house leasing team of 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 1), GLP J-REIT will pursue further expansion of its portfolio focusing on both the improvement of profitability and portfolio quality by acquiring properties developed by the GLP Group as well as third-party properties. Specifically, 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 a regular flexible pipeline which consists of six properties (Note 2) 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 the 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 1) 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.
- (Note 2) GLP J-REIT newly entered into the Rights-of-First-Look agreement for the following properties: (tentative) Suzuka property in December 2020 and GLP Okinawa Urasoe in January 2021. As a result, GLP J-REIT has six properties subject to the Rights-of-First-Look agreement as of March 31, 2021.

6. Significant Subsequent Events

None to report.

[Profile of GLP J-REIT]

1. Status of Unitholders' Capital

	14th Period As of February 28, 2019	15th Period As of August 31, 2019	16th Period As of February 29, 2020	17th Period As of August 31, 2020	18th Period As of February 28, 2021
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	3,833,420	3,833,420	3,982,980	4,343,664
Unitholders' capital, net (Million yen) (Note)	309,633	308,499	307,372	326,945	379,183
Number of unitholders	18,961	17,779	16,031	15,980	17,477

(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, 2021.

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	792,043	18.23
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3, Hamamatsucho, Minato-ku, Tokyo	736,689	16.96
STICHTING PGGM DEPOSITARY PGGM LISTED REAL ESTATE PF FUND Standing proxy: Citibank, N.A., Tokyo Branch, Securities Service Department	6-27-30, Shinjuku, Shinjuku-ku, Tokyo	275,132	6.33
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2, Otemachi, Chiyoda-ku, Tokyo	194,237	4.47
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	1-8-12, Harumi, Chuo-ku, Tokyo	153,263	3.52
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	3.04
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	80,866	1.86
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	77,833	1.79
JAPAN SECURITIES FINANCE CO., LTD.	1-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo	61,449	1.41

Name	Location	Number of units held (Units)	Ratio to total number of units issued and outstanding (%) (Note)
SMBC Nikko Securities Inc.	3-3-1, Marunouchi, Chiyoda-ku, Tokyo	45,113	1.03
Total		2,548,865	58.68

(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, 2021: 3.82%).

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	—	28,500

(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 15,000 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. 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)	17th Period As of August 31, 2020		18th Period As of February 28, 2021	
			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	371,573	58.1	460,958	62.1
		Greater Osaka area	152,416	23.8	159,710	21.5
		Other	91,560	14.3	89,136	12.0
Subtotal			615,549	96.2	709,804	95.7
Deposits and other assets			24,346	3.8	32,217	4.3
Total assets (Note 5)			639,895 [615,549]	100.0 [96.2]	742,022 [709,804]	100.0 [95.7]

(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	40,699	95,312.41	95,312.41	100.0	3.0	Logistics facility
GLP Osaka	35,272	128,486.21	125,834.44	97.9	4.5	Logistics facility
GLP Tokyo II	34,480	79,073.21	79,073.21	100.0	5.3	Logistics facility
GLP Amagasaki	22,831	110,224.41	110,224.41	100.0	4.1	Logistics facility
GLP Sayama Hidaka II	21,695	75,719.13	75,719.13	100.0	(Note4)	Logistics facility
GLP Tokyo	21,331	56,757.92	56,757.92	100.0	3.4	Logistics facility
GLP Atsugi II	20,180	74,176.27	74,176.27	100.0	(Note4)	Logistics facility
GLP Maishima I	18,713	72,948.78	72,948.78	100.0	(Note4)	Logistics facility
GLP Shinsuna	18,268	44,355.46	44,355.46	100.0	2.3	Logistics facility
GLP Urayasu III	17,670	64,198.11	64,198.11	100.0	(Note4)	Logistics facility
Total	251,142	801,251.92	798,600.15	99.7	31.7	

(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.

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	32,100	21,331
GLP Higashi-Ogishima	23-9, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		34,582.00	6,840	4,813
GLP Akishima	4-13-41, Mihori-cho, Akishima, Tokyo 4-13-42, Mihori-cho, Akishima, Tokyo		27,356.63	10,100	7,304
GLP Tomisato	3-1, Misawa, Tomisato, Chiba		27,042.59	6,210	4,428
GLP Narashino II	3-6-3, Akanehama, Narashino, Chiba		101,623.59	18,700	14,125
GLP Funabashi	1-1389-2, Kaijincho-Minami, Funabashi, Chiba		10,465.03	2,160	1,873
GLP Kazo	1-5-1, Minami-shinozaki, Kazo, Saitama		76,532.71	15,100	10,253
GLP Fukaya	1900-2, Mizugahara, Orinokuchi, Fukaya, Saitama		19,706.00	2,960	2,156
GLP Sugito II	398-2, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		101,272.40	26,800	17,142
GLP Iwatsuki	2-9-10, Kokaba, Iwatsuki-ku, Saitama, Saitama		31,839.99	10,200	6,366
GLP Kasukabe	1155, Anzai, Suikaku, Kasukabe, Saitama		18,460.73	5,650	3,807
GLP Koshigaya II	2-2-1, Ryutsu-Danchi, Koshigaya, Saitama		43,533.28	14,800	9,096
GLP Misato II	3-2-1, Lala-city, Shinmisato, Misato, Saitama		59,208.59	22,600	13,866
GLP Tatsumi	3-11-10, Tatsumi, Koto-ku, Tokyo		12,925.58	6,900	4,788
GLP Hamura	4-9-8, Shinmeidai, Hamura, Tokyo		40,277.93	10,100	7,204
GLP Funabashi III	2-15-1, Nishiura, Funabashi, Chiba		18,281.84	4,650	2,934
GLP Sodegaura	385-18, Shiinomori, Sodegaura, Chiba		45,582.06	8,060	5,580
GLP Urayasu III	15-27, Chidori, Urayasu, Chiba		64,198.11	23,300	17,670
GLP Tatsumi Ila	3-8-10, Tatsumi, Koto-ku, Tokyo		17,108.52	8,760	6,566
GLP Tokyo II	3-4-11 Shinsuna, Koto-ku, Tokyo		79,073.21	49,800	34,480
GLP Okegawa	2-6 Akabori, Okegawa, Saitama		17,062.92	3,120	2,308
GLP Shinkiba	1-10-9, Shinkiba, Koto-ku, Tokyo		18,341.73	13,100	11,402
GLP Narashino	2-6-6, Shibazono, Narashino, Chiba		23,548.03	5,800	5,247
GLP Sugito	398-13, Fukawa, Sugito-machi, Kita-Katsushika, Saitama		58,918.12	10,600	8,156
GLP Matsudo	520-1, Kamihongo, Matsudo, Chiba		14,904.60	3,360	2,403
GLP-MFLP Ichikawa Shiohama (Note 4)	1-6-3, Shiohama, Ichikawa, Chiba		50,813.07	18,450	15,034
GLP Atsugi II	4022-2, Sakurada, Nakatsu, Aikawa-machi, Aiko, Kanagawa		74,176.27	25,500	20,180
GLP Yoshimi	603-1, Nishi-Yoshimi, Yoshimi-machi, Hiki, Saitama		62,362.89	12,100	10,611
GLP Noda-Yoshiharu	722-2, Aza Tameshita, Yoshiharu, Noda, Chiba		26,631.40	5,590	4,382
GLP Urayasu	76-4, Minato, Urayasu, Chiba		25,839.60	8,090	7,420
GLP Funabashi II	6-1, Shiomi-cho, Funabashi, Chiba		34,699.09	8,630	7,705
GLP Misato	3-1-3, Izumi, Misato, Saitama		46,892.00	19,000	16,718
GLP Shinsuna	2-5-20, Shinsuna, Koto-ku, Tokyo		44,355.46	19,400	18,268
GLP Shonan	16, Kiriara-cho, Fujisawa, Kanagawa		23,832.60	6,320	5,852
GLP Yokohama	2-2-26, Namamugi, Tsurumi-ku, Yokohama, Kanagawa		95,312.41	44,500	40,699
GLP Kawajima	3001, Mishima, Kamiigusa, Kawajima-machi, Hiki, Saitama		42,187.92	12,500	12,161
GLP Funabashi IV	3-3-2, Hamacho, Funabashi, Chiba		31,576.60	8,650	7,760
GLP Higashi-Ogishima II	29-5, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa		11,362.32	2,560	2,461
GLP Sayama Hidaka II	788-1, Aza Myougasawa, Oaza Kamikayama, Hidaka, Saitama		75,719.13	22,700	21,695

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 Higashi-Ogishima III	18-5, Higashi-Ogishima, Kawasaki-ku, Kawasaki, Kanagawa	Beneficiary right of real estate in trust	29,787.10	6,550	6,540
GLP Urayasu II	77-5, Minato, Urayasu, Chiba		47,192.44	17,600	16,948
GLP Kashiwa II	2-18-6, Oshimata, Kashiwa, Chiba		32,363.57	8,630	8,135
GLP Yachiyo II	8-7-2, 3, Midorigaoka-Nishi, Yachiyo, Chiba		54,240.25	14,500	13,073
GLP Hirakata	3-2-27, Minami-Nakaburi, Hirakata, Osaka 3-2-7, Minami-Nakaburi, Hirakata, Osaka		29,829.56	6,530	4,498
GLP Hirakata II	3-3-1, Minami-Nakaburi, Hirakata, Osaka		43,283.01	9,620	7,393
GLP Maishima II	2-1-92, Hokuokoryokuchi, Konohana-ku, Osaka, Osaka		56,511.10	12,400	7,847
GLP Tsumori	2-1-30, Minami-Tsumori, Nishinari-ku, Osaka, Osaka		16,080.14	2,850	2,015
GLP Rokko	3-10, Koyochi-Higashi, Higashinada-ku, Kobe, Hyogo		39,339.00	6,260	4,920
GLP Amagasaki	231-2, Nishi-Mukojima-cho, Amagasaki, Hyogo		110,224.41	32,000	22,831
GLP Amagasaki II	16, Nishi-Takasaka-cho, Amagasaki, Hyogo		12,342.95	2,650	1,996
GLP Nara	6-4, Imago-cho, Yamatokoriyama, Nara		19,545.35	2,990	1,989
GLP Sakai	1-63, Chikkoyawatamachi, Sakai-ku, Sakai, Osaka		10,372.10	2,300	1,761
GLP Rokko II	4-15-1, Koyochi-Higashi, Higashinada-ku, Kobe, Hyogo		20,407.30	4,370	3,043
GLP Kadoma	4-2-1, Shinomiya, Kadoma, Osaka		12,211.73	3,420	2,403
GLP Fukusaki	1714-14, Saiji, Fukusaki-cho, Kanzaki, Hyogo		24,167.83	4,920	3,451
GLP Kobe-Nishi	7-1-1, Mitsugaoka, Nishi-ku, Kobe, Hyogo		35,417.31	7,770	6,505
GLP Fukaehama	34-1, Fukaehama-cho, Higashinada-ku, Kobe, Hyogo		19,386.00	4,970	4,525
GLP Maishima I	2-1-66, Hokuokoryokuchi, Konohana-ku, Osaka, Osaka		72,948.78	19,800	18,713
GLP Osaka	2-4-43, Nanko Minami, Suminoe, Osaka, Osaka		128,486.21	41,300	35,272
GLP Settsu	2-1-62, Torikainaka, Settsu, Osaka		38,997.24	7,790	7,353
GLP Nishinomiya	1-52, Hanshin Ryutsu Center, Yamaguchi-cho, Nishinomiya, Hyogo		19,766.00	2,870	2,701
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	4,730	4,553
GLP Neyagawa	10-10, Shoji Minami-machi, Neyagawa, Osaka		26,938.02	8,840	7,924
GLP Rokko III	6-14, Koyochi-Nishi, Higashinada-ku, Kobe, Hyogo		31,239.46	8,530	8,007
GLP Morioka	59, Urata, Sakuramachi, Shiwa-cho, Shiwa, Iwate		10,253.80	868	712
GLP Tomiya	9-1-2, Narita, Tomiya, Miyagi		20,466.98	3,960	2,838
GLP Koriyama I	3-2-2, Oroshi, Kikuta-machi, Koriyama, Fukushima		24,335.96	4,670	3,581
GLP Koriyama III	5-12, Mukaihara, Horinouchi, Kikuta-machi, Koriyama, Fukushima		27,671.51	2,820	2,579
GLP Tokai	2-47, Asayama, Tokai, Aichi		32,343.31	8,560	5,800
GLP Hayashima	823, Yao, Hayashima-cho, Tsukubo, Okayama		13,527.76	1,720	1,185
GLP Hayashima II	4507-40, Hayashima, Hayashima-cho, Tsukubo, Okayama		14,447.48	3,000	2,104
GLP Kiyama	2950-1, Urata, Sonobe, Kiyama-cho, Miyaki, Saga		23,455.96	6,350	4,417
GLP Sendai	2-5-2, Sendaikou Kita, Miyagino-ku, Sendai, Miyagi		37,256.23	7,050	5,134
GLP Ebetsu	69-3, Kakuyama, Ebetsu, Hokkaido		18,489.25	2,390	1,401
GLP Kuwana	3646-1, Kanegaya, Mizono, Tado-cho, Kuwana, Mie		20,402.12	4,380	3,232
GLP Komaki	1-31, Shinkoki, Komaki, Aichi		52,709.97	14,600	9,925
GLP Ogimachi	1-8-5, Ogimachi, Miyagino-ku, Sendai, Miyagi		13,155.28	1,690	1,375
GLP Hiroshima	2-7-11, Kusatsukou, Nishi-ku, Hiroshima, Hiroshima 2-7-4, Kusatsukou, Nishi-ku, Hiroshima, Hiroshima		21,003.04	4,480	3,503
GLP Tosu I	1715, Hirata, Hatazaki-machi, Tosu, Saga		74,860.38	11,200	9,042

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 Tomiya IV	9-7-3, Narita, Tomiya, Miyagi 9-7-7, Narita, Tomiya, Miyagi	Beneficiary right of real estate in trust	32,562.60	6,590	5,649
GLP Soja I	4-10, Nagara, Soja, Okayama		63,015.53	13,300	12,394
GLP Soja II	4-1, Nagara, Soja, Okayama		63,234.92	13,000	12,281
GLP Fujimae	2-201-8, Fujimae, Minato, Nagoya, Aichi		12,609.00	2,080	1,975
Total			3,201,091.53	892,658	709,804

- (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.

(This part is intentionally left blank)

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

Name of property	17th Period From March 1, 2020 To August 31, 2020				18th Period From September 1, 2020 To February 28, 2021			
	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	720	3.7	3	100.0	718	3.4
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	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Funabashi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Kazo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Fukaya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Sugito II	5	99.1	690	3.6	5	99.1	689	3.3
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 Iia	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tokyo II	6	100.0	1,122	5.8	6	100.0	1,105	5.3
GLP Okegawa	1	100.0	(Note 3)	(Note 3)	1	100.0	(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	172	0.9	3	100.0	174	0.8
GLP Sugito	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Matsudo	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP-MFLP Ichikawa Shiohama	5	100.0	470	2.4	5	100.0	483	2.3
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	471	2.4	5	100.0	471	2.3
GLP Shonan	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Yokohama	5	100.0	123	0.6	5	100.0	619	3.0
GLP Kawajima	4	100.0	109	0.6	3	100.0	313	1.5
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)
GLP Higashi-Ogishima III	—	—	—	—	1	100.0	(Note 3)	(Note 3)

Name of property	17th Period From March 1, 2020 To August 31, 2020				18th Period From September 1, 2020 To February 28, 2021			
	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)
GLP Kashiwa II	—	—	—	—	1	100.0	(Note 3)	(Note 3)
GLP Yachiyo II	—	—	—	—	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	886	4.6	7	100.0	866	4.1
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 Seishin (Note 4)	—	—	(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 Fukachama	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	12	99.3	925	4.8	11	97.9	935	4.5
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)
GLP Morioka	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tomiya	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Koriyama III	4	100.0	124	0.6	4	78.0	116	0.6
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 Hatsukaichi (Note 5)	1	100.0	(Note 3)	(Note 3)	—	—	(Note 3)	(Note 3)
GLP Komaki	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Ogimachi	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Hiroshima	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
GLP Tosu I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
GLP Tomiya IV	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	17th Period From March 1, 2020 To August 31, 2020				18th Period From September 1, 2020 To February 28, 2021			
	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 Soja I	6	99.0	415	2.1	6	99.0	412	2.0
GLP Soja II	5	99.6	401	2.1	5	99.6	381	1.8
GLP Fujimae	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total	144	99.9	19,400	100.0	149	99.7	20,898	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 Seishin was sold to a third party on July 30, 2020.

(Note 5) GLP Hatsukaichi was sold to a third party on October 9, 2020.

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	250,010	217,200	(954)
Total		250,010	217,200	(954)

(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 Narashino II	Narashino, Chiba	Renewal of the office at 3 rd floor	From May 2021 To August 2021	90	—	—
GLP Hirakata II	Hirakata, Osaka	Replacement with LED lighting	From April 2021 To August 2021	90	—	—
GLP Kazo	Kazo, Saitama	Replacement with LED lighting	From January 2021 To March 2021	56	—	—
GLP Amagasaki	Amagasaki, Hyogo	Access control system, renewal of center device	From July 2021 To August 2021	36	—	—
GLP Hirakata II	Hirakata, Osaka	Renewal of vertical transport devices	From May 2021 To August 2021	20	—	—

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 1,094 million yen. The total construction cost amounted to 1,255 million yen, including repair and maintenance of 161 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Yokohama	Yokohama, Kanagawa	FRP waterproof top coating on entire rooftop (Phase II) 4t, large area	From October 2020 To December 2020	37
GLP Amagasaki	Amagasaki, Hyogo	Redundancy and renewal of air conditioner systems	From October 2020 To December 2020	35
GLP Yokohama	Yokohama, Kanagawa	Partial renovation of rooftop with FRP waterproof top coating (walking area)	From February 2021 To February 2021	34
GLP Tokyo II	Koto, Tokyo	Replacement of lighting with LEDs in common area	From November 2020 To December 2020	31
GLP Kiyama	Miyaki, Saga	Renewal of lighting equipment	From January 2021 To February 2021	30
GLP Sugito II	Kita Katsushika, Saitama	Replacement of lighting with LEDs in common area	From January 2021 To February 2021	28
GLP Amagasaki II	Amagasaki, Hyogo	Renewal of elevators	From January 2021 To February 2021	27
GLP Osaka	Osaka, Osaka	Replacement with LED lighting in common area	From January 2021 To February 2021	27
GLP Amagasaki	Amagasaki, Hyogo	Replacement with LED lighting in common area	From November 2020 To January 2021	25
GLP Settsu	Settsu, Osaka	Renewal of freight elevators, Building No.4	From January 2021 To January 2021	23
GLP Yokohama	Yokohama, Kanagawa	Partial renovation of rooftop with FRP waterproof top coating (Phase II), normal area	From October 2020 To December 2020	21

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Hirakata II	Hirakata, Osaka	Renewal of vertical transport devices	From February 2021 To February 2021	20
Other	—	—	—	750
Total				1,094

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	14th Period Sept. 1, 2018 to Feb 28, 2019	15th Period Mar. 1, 2019 to Aug. 31 2019	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
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 19th period (for the period ending August 31, 2021) to be 1,379 million yen, which does not exceed 2,948 million yen, the amount equivalent to 70% of 4,212 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 1,094 million yen of capital expenditure for the current fiscal period from 4,011 million yen of depreciation expenses for the period is 2,917 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 83 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 764 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-22	GLP Okegawa		July 27, 2015	—	208,380
Tokyo-23	GLP Shinkiba			—	243,980
Tokyo-24	GLP Narashino		July 27, 2015	—	230,950
Tokyo-26	GLP Sugito (Note 3)			—	276,775
Tokyo-27	GLP Matsudo	Tokio Marine & Nichido Risk Consulting Co., Ltd.	December 14, 2015	—	142,870
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.	July 1, 2015	—	62,226
Tokyo-32	GLP Urayasu	Tokio Marine & Nichido Risk Consulting 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

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 3)			—	271,900	
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 (Note 3)			—	144,190	
Osaka-14	GLP Kobe-Nishi		January 28, 2015	—	57,340	
Osaka-15	GLP Fukaehama (Note 3)		Tokio Marine & Nichido Risk Consulting Co., Ltd.	August 3, 2016	—	219,979
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	
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 & Nichido Risk Consulting Co., Ltd.	July 27, 2015	—	187,234
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				—	18,350,740	

(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.

[Expenses and Liabilities]

1. Status of Expenses related to Asset Management

(Unit: Thousand yen)

	17th Period From March 1, 2020 To August 31, 2020	18th Period From September 1, 2020 To February 28, 2021
Asset management fee	2,122,123	2,279,180
Asset custody fee	8,248	8,549
Administrative service fees	26,137	26,503
Directors’ remuneration	3,960	3,960
Audit fee	13,500	13,500
Taxes and dues	21,078	29,974
Other operating expenses	76,645	89,519
Total	2,271,692	2,451,187

(Note) In addition to above, the amount of asset management fee capitalized as part of the book value of each property acquired was 191,866 thousand yen for the 17th Period and 491,171 thousand yen for the 18th Period. Further, asset management fee included in the calculation of gain on sales of property and equipment was 9,655 thousand yen for the 17th Period and 14,650 thousand yen for the 18th Period.

(This part is intentionally left blank)

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	July 1, 2020	8,000	—	0.23%	July 1, 2021 (Note 5)	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.	July 1, 2020	6,000	—	0.23%	July 1, 2021 (Note 6)	Lump-sum	(Note 9)	Unsecured not guaranteed
	Citibank, N.A., Tokyo Branch	July 1, 2020	1,800	—	0.23%	July 1, 2021 (Note 7)	Lump-sum	(Note 9)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	December 11, 2020	—	3,000	0.23%	December 10, 2021	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.	December 11, 2020	—	2,000	0.23%	December 10, 2021	Lump-sum	(Note 9)	Unsecured not guaranteed
	Subtotal		15,800	5,000					
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 9)	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 8)	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 9)	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 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,170	1,170					
	Sumitomo Mitsui Banking Corporation	May 1, 2015	2,700	2,700	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 9)	Unsecured not guaranteed
	Mizuho Bank, Ltd.	May 1, 2015	700	700	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 9)	Unsecured not guaranteed
	The Norinchukin Bank	May 1, 2015	400	400	0.52% (Note 4)	April 30, 2021	Lump-sum	(Note 9)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2015	2,922	2,922	0.61% (Note 4)	February 28, 2022	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		3,028	3,028					
	Mizuho Bank, Ltd.		1,640	1,640					
	Citibank, N.A., Tokyo Branch		320	320					
	The Bank of Fukuoka, Ltd.		480	480					
	Development Bank of Japan Inc.		320	320					
	The Norinchukin Bank		320	320					
	Resona Bank, Limited.		320	320					
	Sumitomo Mitsui Trust Bank, Limited		440	440					
	Shinsei Bank, Limited		130	130					
	The 77 Bank, Ltd.		130	130					
	MUFG Bank, Ltd.	September 1, 2015	1,300	1,300	0.96% (Note 4)	September 1, 2025	Lump-sum	(Note 9)	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 4, 2016	1,900	1,900	0.61% (Note 4)	February 29, 2024	Lump-sum	(Note 8)	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 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2016	5,600	5,600	1.22% (Note 4)	December 21, 2026	Lump-sum	(Note 8)	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 8)	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 8)	Unsecured not guaranteed
	MUFG Bank, Ltd.		400	400					
	Sumitomo Mitsui Banking Corporation	January 15, 2016	980	980	0.42% (Note 4)	January 14, 2022	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.	January 15, 2016	850	850	0.42%	January 14, 2022	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.	January 15, 2016	610	610	0.42% (Note 4)	January 14, 2022	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.	September 1, 2016	3,780	3,780	0.29%	September 1, 2023	Lump-sum	(Note 9)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2016	4,100	4,100	0.33%	September 1, 2024	Lump-sum	(Note 9)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2016	790	790	0.44%	March 1, 2024	Lump-sum	(Notes 8 and 9)	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 8 and 9)	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 8)	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 Trust Bank, Limited	December 20, 2016	1,150	1,150	0.56%	December 20, 2023	Lump-sum	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	December 20, 2016	5,700	5,700	0.79%	September 1, 2025	Lump-sum	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	September 1, 2017	870	870	0.46%	September 1, 2023	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.	September 1, 2017	580	580	0.46%	September 1, 2023	Lump-sum	(Note 9)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2018	5,100	5,100	0.28% (Note 4)	December 20, 2021	Lump-sum	(Note 8)	Unsecured not guaranteed
	MUFG Bank, Ltd.		3,600	3,600					
	Mizuho Bank, Ltd.		500	500					
	Resona Bank, Limited.	January 4, 2018	1,300	1,300	0.48% (Note 4)	December 22, 2025	Lump-sum	(Note 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	January 4, 2018	2,300	2,300	0.60% (Note 4)	October 30, 2026	Lump-sum	(Note 8)	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	540	0.29% (Note 4)	September 1, 2021	Lump-sum	(Notes 8 and 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		700	700					
	Mizuho Bank, Ltd.		930	930					
	Citibank, N.A., Tokyo Branch		140	140					
	The Norinchukin Bank		190	190					
	Resona Bank, Limited.		130	130					
	Sumitomo Mitsui Trust Bank, Limited		340	340					
	Shinsei Bank, Limited		200	200					
	Sumitomo Mitsui Banking Corporation	March 1, 2018	2,850	2,850	0.34% (Note 4)	February 28, 2023	Lump-sum	(Notes 8 and 9)	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 8 and 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,900	1,900					
	Mizuho Bank, Ltd.		1,140	1,140					
	Development Bank of Japan Inc.		270	270					
	The Norinchukin Bank		220	220					
	Resona Bank, Limited.		60	60					
	Sumitomo Mitsui Trust Bank, Limited		220	220					
	Shinsei Bank, Limited		290	290					

	Category	Date of borrowing	Balance at beginning of the period (Million yen)	Balance at end of the period (Million yen)	Average rate (Note 2)	Repayment date (Note 3)	Repayment	Use	Remarks
	Name of financial institution								
Long-term loans payable	Sumitomo Mitsui Banking Corporation	March 1, 2018	1,130	1,130	0.50% (Note 4)	February 27, 2026	Lump-sum	(Notes 8 and 9)	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 8 and 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		1,110	1,110					
	Mizuho Bank, Ltd.		630	630					
	Sumitomo Mitsui Banking Corporation	September 3, 2018	1,690	1,690	0.36% (Note 4)	September 2, 2022	Lump-sum	(Note 9)	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 9)	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 9)	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 8)	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 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2019	557	557	0.21% (Note 4)	February 28, 2022	Lump-sum	(Note 8)	Unsecured not guaranteed
	MUFG Bank, Ltd.		703	703					
	Mizuho Bank, Ltd.		1,125	1,125					
	Citibank, N.A., Tokyo Branch		1,091	1,091					
	The Bank of Fukuoka, Ltd.		639	639					
	The Norinchukin Bank		139	139					
	Resona Bank, Limited.		100	100					
	Sumitomo Mitsui Trust Bank, Limited		131	131					
	Shinsei Bank, Limited		14	14					
	The Gunma Bank, Ltd.		500	500					

	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	350	350	0.37% (Note 4)	February 27, 2026	Lump-sum	(Note 8)	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					
	Sumitomo Mitsui Banking Corporation	February 28, 2019	2,100	2,100	0.63% (Note 4)	February 28, 2029	Lump-sum	(Note 8)	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 8)	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 8)	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 8)	Unsecured not guaranteed
	Sumitomo Mitsui Banking Corporation	May 29, 2020	650	650	0.26% (Note 4)	May 29, 2025	Lump-sum	(Note 8)	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 8)	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 8)	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					

	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	Citibank, N.A., Tokyo Branch	October 13, 2020	—	420	0.25% (Note 4)	October 13, 2025	Lump-sum	(Note 8)	Unsecured not guaranteed
	The Bank of Fukuoka, Ltd.		—	400					
	Sumitomo Mitsui Trust Bank, Limited		—	330					
	Sumitomo Mitsui Banking Corporation	October 13, 2020	—	3,000	0.34% (Note 4)	October 13, 2028	Lump-sum	(Note 8)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	2,500					
	Mizuho Bank, Ltd.		—	2,200					
	The Norinchukin Bank		—	650					
	Resona Bank, Limited.		—	500					
	Shinsei Bank, Limited		—	400					
	THE NISHI-NIPPON CITY BANK, LTD.		—	400					
	MUFG Bank, Ltd.	December 11, 2020	—	1,330	0.25% (Note 4)	October 14, 2025	Lump-sum	(Note 9)	Unsecured not guaranteed
	Mizuho Bank, Ltd.		—	1,130					
	Citibank, N.A., Tokyo Branch		—	1,250					
	Sumitomo Mitsui Trust Bank, Limited		—	670					
	The Gunma Bank, Ltd.		—	450					
	The Bank of Fukuoka, Ltd.		—	330					
	Sumitomo Mitsui Banking Corporation	December 11, 2020	—	3,590	0.29% (Note 4)	December 10, 2027	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	1,310					
	Mizuho Bank, Ltd.		—	4,040					
	The Norinchukin Bank		—	1,000					
	THE NISHI-NIPPON CITY BANK, LTD.		—	880					
	The Yamanashi Chuo Bank, Ltd.		—	870					
	Resona Bank, Limited.		—	400					
	Sumitomo Mitsui Banking Corporation	December 11, 2020	—	1,930	0.33% (Note 4)	October 13, 2028	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	2,580					
	Mizuho Bank, Ltd.		—	1,700					
	The Norinchukin Bank		—	460					
	Sumitomo Mitsui Banking Corporation	December 11, 2020	—	5,040	0.42% (Note 4)	December 11, 2029	Lump-sum	(Note 9)	Unsecured not guaranteed
	MUFG Bank, Ltd.		—	4,900					
	Mizuho Bank, Ltd.		—	2,480					
	The Daisan Bank, Ltd.		—	1,880					
	Development Bank of Japan Inc.		—	1,250					
	THE NISHI-NIPPON CITY BANK, LTD.		—	880					
	Sumitomo Mitsui Trust Bank, Limited		—	660					
	Shinsei Bank, Limited		—	420					
	The 77 Bank, Ltd.		—	250					
	Subtotal		232,400	284,880					
	Total		248,200	289,880					

(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 8,000 million yen at beginning of the period, GLP J-REIT repaid 2,530 million yen on September 28, 2020 and 5,470 million yen on October 13, 2020 before its contractual repayment date.
- (Note 6) Of outstanding loan balance of 6,000 million yen at beginning of the period, GLP J-REIT repaid 1,900 million yen on September 28, 2020 and 4,100 million yen on October 13, 2020 before its contractual repayment date.
- (Note 7) Of outstanding loan balance of 1,800 million yen at beginning of the period, GLP J-REIT repaid 570 million yen on September 28, 2020 and 1,230 million yen on October 13, 2020 before its contractual repayment date.
- (Note 8) The fund was used to make repayments of bank borrowings.
- (Note 9) 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 3rd Unsecured Bonds	December 26, 2014	4,500	—	0.51%	December 25, 2020	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	0.51%	September 25, 2030	Lump-sum	(Note 2)	(Note 4)
GLP J-REIT 16th Unsecured Bonds (Sustainability Bonds)	December 23, 2020	—	3,500	0.75%	December 21, 2035	Lump-sum	(Note 3)	(Note 4)
Total		35,700	39,700					

- (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.

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 Yokohama (60% Joint co-ownership ratio)	December 11, 2020	24,272	—	—	—	—
	GLP Sayama Hidaka II		21,630	—	—	—	—
	GLP Higashi-Ogishima III		6,320	—	—	—	—
	GLP Urayasu II		16,885	—	—	—	—
	GLP Kashiwa II		8,106	—	—	—	—
	GLP Yachiyo II		13,039	—	—	—	—
	GLP Rokko III		7,981	—	—	—	—
	GLP Hatsukaichi	—	—	October 9, 2020	2,930	1,788	1,079
Total			98,234		2,930	1,788	1,079

(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
Acquisition	GLP Yokohama (60% Joint co-ownership ratio)	December 11, 2020	24,272	25,400	JLL Morii Valuation & Advisory K.K.	August 31, 2020
Acquisition	GLP Sayama Hidaka II		21,630	22,000	The Tanizawa Sōgō Appraisal Co., Ltd.	August 31, 2020
Acquisition	GLP Higashi-Ogishima III		6,320	6,400	JLL Morii Valuation & Advisory K.K.	August 31, 2020
Acquisition	GLP Urayasu II		16,885	17,600	Japan Real Estate Institute	August 31, 2020
Acquisition	GLP Kashiwa II		8,106	8,450	The Tanizawa Sōgō Appraisal Co., Ltd.	August 31, 2020
Acquisition	GLP Yachiyo II		13,039	14,200	CBRE K.K.	August 31, 2020
Acquisition	GLP Rokko III		7,981	8,320	JLL Morii Valuation & Advisory K.K.	August 31, 2020
Disposition	GLP Hatsukaichi	October 9, 2020	2,930	2,360	The Tanizawa Sōgō Appraisal Co., Ltd.	August 31, 2020

(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, 2020 to February 28, 2021 is six interest rate swap transactions. For the transaction, GLP J-REIT entrusted KPMG AZSA LLC to perform the investigation of comparable price, name of its counterparty, contract amount, duration of transaction etc. based on the Article 201-2 of the Act on Investment Trusts and Investment Corporations, and obtained the report on agreed-upon procedures based on Professional Practice Guidelines 4460, the “Practical Guidelines on Agreed-Up Upon Procedures for the Investigation of Values, etc. of Specified Assets held by Investment Trusts or Investment Corporations” issued by the Japanese Institute of Certified Public Accountants.

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

4. Transactions with Interested Parties

(1) Transactions

None to report.

(2) Amounts of fees paid

	Total fees (A) (Thousand yen)	Name of interested parties and major shareholders and the amount of transactions		(B)/(A) (%)
		Paid to	Amount paid (B) (Thousand yen)	
Property management fee	399,577	GLP Japan Inc.	399,577	100.0
Royalty fee	7,500	GLP Japan Inc.	7,500	100.0
Leasing commission	65,844	GLP Japan Inc.	65,844	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

(This part is intentionally left blank)

[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
November 24, 2020	Conclusion of Underwriting Agreement and other with regard to new investment units	<p>With regard to the issuance of new investment units, it was approved to conclude the following agreements with effective date of December 1, 2020.</p> <p>(1) Underwriting Agreement, relating to the issuance of new investment units through a domestic public offering, concluded among GLP Japan Advisors Inc., Nomura Securities Co., Ltd., SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Citigroup Global Markets Japan Inc.</p> <p>(2) Memorandum concluded with Nomura Securities Co., Ltd., relating to the issuance of new investment units through a third party allotment in connection with the domestic public offering.</p> <p>(3) International Purchase Agreement, relating to an international public offering, concluded among GLP Japan Advisors Inc., Nomura International plc, Citigroup Global Markets Limited, SMBC Nikko Capital Markets Limited, Mizuho International plc and Morgan Stanley & Co. International plc.</p>
December 9, 2020	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 December 9, 2020, GLP J-REIT entered into the following agreements with effective date of December 16, 2020.</p> <p>(1) Underwriting Agreement, relating to the issuance of GLP J-REIT 16th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability Bonds), concluded between GLP Japan Advisors Inc. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>(2) Fiscal Agent Agreement for GLP J-REIT 16th Unsecured Bond with special pari passu conditions among specified investment corporation bonds (Sustainability 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 16th 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, 2020	Current Period As of February 28, 2021
Assets		
Current assets		
Cash and deposits	9,465,907	13,733,994
Cash and deposits in trust	9,858,845	10,446,665
Operating accounts receivable	1,943,815	1,972,684
Prepaid expenses	533,444	772,452
Consumption taxes receivable	404,242	2,413,321
Other current assets	5,122	6,276
Total current assets	22,211,376	29,345,395
Noncurrent assets		
Property and equipment		
Vehicles	1,016	1,016
Accumulated depreciation	(1,016)	(1,016)
Vehicles, net	—	—
Buildings in trust	262,818,619	299,212,210
Accumulated depreciation	(39,828,541)	(43,409,961)
Buildings in trust, net	222,990,077	255,802,249
Structures in trust	6,510,131	6,730,834
Accumulated depreciation	(2,272,175)	(2,447,878)
Structures in trust, net	4,237,955	4,282,955
Machinery and equipment in trust	58,088	58,088
Accumulated depreciation	(52,667)	(53,079)
Machinery and equipment in trust, net	5,420	5,008
Tools, furniture and fixtures in trust	277,231	295,374
Accumulated depreciation	(159,268)	(172,265)
Tools, furniture and fixtures in trust, net	117,963	123,108
Land in trust	388,198,044	449,591,434
Total property and equipment, net	615,549,462	709,804,756
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	1,822,570	2,488,454
Deferred tax assets	50	—
Security deposits	10,000	10,646
Other	1,400	1,400
Total investments and other assets	1,835,620	2,502,100
Total noncurrent assets	617,385,083	712,306,856
Deferred assets		
Investment unit issuance expenses	149,860	181,748
Investment corporation bond issuance costs	149,505	188,006
Total deferred assets	299,365	369,755
Total Assets	639,895,825	742,022,007

(Unit: Thousand yen)

	Prior Period (Reference) As of August 31, 2020	Current Period As of February 28, 2021
Liabilities		
Current liabilities		
Operating accounts payable	396,755	393,788
Short-term loans payable	15,800,000	5,000,000
Current portion of investment corporation bonds	4,500,000	—
Current portion of long-term loans payable	3,800,000	33,660,000
Accounts payable	2,537,439	2,969,455
Accrued expenses	124,080	143,028
Income taxes payable	1,527	605
Advances received	3,445,784	3,783,409
Deposits received	70,054	—
Current portion of tenant leasehold and security deposits	131,713	632,664
Provision for loss on disaster	—	241,327
Total current liabilities	30,807,355	46,824,279
Noncurrent liabilities		
Investment corporation bonds	31,200,000	39,700,000
Long-term loans payable	228,600,000	251,220,000
Tenant leasehold and security deposits	12,492,187	13,725,901
Tenant leasehold and security deposits in trust	152,560	450,623
Total noncurrent liabilities	272,444,747	305,096,525
Total Liabilities	303,252,103	351,920,804
Net Assets		
Unitholders' equity		
Unitholders' capital	338,643,980	392,463,082
Deduction from unitholders' capital	(11,698,628)	(13,279,871)
Unitholders' capital, net	326,945,351	379,183,211
Retained earnings		
Unappropriated retained earnings	9,698,370	10,917,991
Total retained earnings	9,698,370	10,917,991
Total unitholders' equity	336,643,722	390,101,202
Total Net Assets *1	336,643,722	390,101,202
Total Liabilities and Net Assets	639,895,825	742,022,007

Statements of Income

(Unit: Thousand yen)

	Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
Operating revenues		
Rental revenues *1	18,119,052	19,696,039
Other rental revenues *1	1,281,447	1,202,876
Gain on sales of property and equipment *2	492,677	1,079,321
Total operating revenues	19,893,176	21,978,236
Operating expenses		
Rental expenses *1	6,739,874	7,159,268
Asset management fee	2,122,123	2,279,180
Asset custody fee	8,248	8,549
Administrative service fees	26,137	26,503
Directors' remuneration	3,960	3,960
Audit fee	13,500	13,500
Taxes and dues	21,078	29,974
Other operating expenses	76,645	89,519
Total operating expenses	9,011,566	9,610,455
Operating income	10,881,610	12,367,781
Non-operating income		
Interest income	89	112
Reversal of distributions payable	766	546
Interest on refund of consumption taxes and other	—	1,905
Total non-operating income	855	2,564
Non-operating expenses		
Interest expense	674,513	688,648
Interest expenses on investment corporation bonds	117,010	125,992
Amortization of investment corporation bond issuance costs	12,912	13,826
Borrowing related expenses	276,863	275,865
Amortization of investment unit issuance expenses	37,878	57,399
Offering costs associated with issuance of investment units	20,249	50,322
Others	49,806	2,113
Total non-operating expenses	1,189,234	1,214,169
Ordinary income	9,693,232	11,156,176
Extraordinary income		
Insurance income *3	21,111	—
Total extraordinary income	21,111	—
Extraordinary losses		
Loss on disaster *4	16,823	—
Provision for loss on disaster *4	—	241,327
Total extraordinary losses	16,823	241,327
Income before income taxes	9,697,520	10,914,849
Income taxes-current	1,540	605
Income taxes-deferred	4	50
Total income taxes	1,545	655
Net income	9,695,975	10,914,194
Accumulated earnings brought forward	2,395	3,797
Unappropriated retained earnings	9,698,370	10,917,991

Statements of Changes in Net Assets

Prior period (From March 1, 2020 to August 31, 2020) (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	317,943,829	(10,571,602)	307,372,226	8,876,762	8,876,762	316,248,989	316,248,989
Changes of items during the period							
Issuance of investment units	20,700,150		20,700,150			20,700,150	20,700,150
Distributions in excess of retained earnings		(1,127,025)	(1,127,025)			(1,127,025)	(1,127,025)
Distributions of earnings				(8,874,367)	(8,874,367)	(8,874,367)	(8,874,367)
Net income				9,695,975	9,695,975	9,695,975	9,695,975
Total changes of items during the period	20,700,150	(1,127,025)	19,573,125	821,607	821,607	20,394,733	20,394,733
Balance at the end of the period *1	338,643,980	(11,698,628)	326,945,351	9,698,370	9,698,370	336,643,722	336,643,722

Current period (From September 1, 2020 to February 28, 2021)

(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	338,643,980	(11,698,628)	326,945,351	9,698,370	9,698,370	336,643,722	336,643,722
Changes of items during the period							
Issuance of investment units	53,819,102		53,819,102			53,819,102	53,819,102
Distributions in excess of retained earnings		(1,581,243)	(1,581,243)			(1,581,243)	(1,581,243)
Distributions of earnings				(9,694,573)	(9,694,573)	(9,694,573)	(9,694,573)
Net income				10,914,194	10,914,194	10,914,194	10,914,194
Total changes of items during the period	53,819,102	(1,581,243)	52,237,859	1,219,620	1,219,620	53,457,480	53,457,480
Balance at the end of the period *1	392,463,082	(13,279,871)	379,183,211	10,917,991	10,917,991	390,101,202	390,101,202

Notes to Financial Statements

(Notes Concerning Significant Accounting Policies)

By period Item	Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
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.
4. Basis of provision	—	Provision for loss on disaster For the restoration of property damage sustained in the earthquake occurred off the coast of Fukushima in February 2021, provision for loss on disaster is provided at the amount reasonably estimated as of the end of the fiscal period.
5. Revenue and expense recognition	Taxes on property and equipment With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant operating period are accounted for as rental expenses. Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 80,686 thousand yen for the period.	Taxes on property and equipment With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant operating period are accounted for as rental expenses. Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized property-related taxes amounted to 18,075 thousand yen for the period.

By period Item	Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
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 (b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust (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 (b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust (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 Balance Sheets)

Prior Period (Reference) As of August 31, 2020	Current Period As of February 28, 2021
*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.	*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations: 50,000 thousand yen.

(Notes to Statements of Income)

Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021																																																																
<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>17,500,499</td></tr> <tr> <td>Common area charges</td><td>618,553</td></tr> <tr> <td>Total</td><td>18,119,052</td></tr> </table> <p>Other revenues related to property leasing</p> <table> <tr> <td>Utility charges</td><td>540,771</td></tr> <tr> <td>Parking lots</td><td>83,027</td></tr> <tr> <td>Solar panel leasing</td><td>582,996</td></tr> <tr> <td>Others</td><td>74,651</td></tr> <tr> <td>Total</td><td>1,281,447</td></tr> </table> <p>Total property-related revenues 19,400,499</p> <p>B. Property-related expenses</p> <p>Rental expenses:</p> <table> <tr> <td>Taxes and dues</td><td>1,575,695</td></tr> <tr> <td>Property and facility management fees</td><td>695,402</td></tr> <tr> <td>Utilities</td><td>420,368</td></tr> <tr> <td>Repairs and maintenance</td><td>71,028</td></tr> <tr> <td>Casualty insurance</td><td>83,353</td></tr> <tr> <td>Depreciation</td><td>3,769,118</td></tr> <tr> <td>Others</td><td>124,905</td></tr> <tr> <td>Total property-related expenses</td><td>6,739,874</td></tr> </table> <p>C. Operating income from property leasing 12,660,625</p> <p>(A – B)</p>	Rental revenues	17,500,499	Common area charges	618,553	Total	18,119,052	Utility charges	540,771	Parking lots	83,027	Solar panel leasing	582,996	Others	74,651	Total	1,281,447	Taxes and dues	1,575,695	Property and facility management fees	695,402	Utilities	420,368	Repairs and maintenance	71,028	Casualty insurance	83,353	Depreciation	3,769,118	Others	124,905	Total property-related expenses	6,739,874	<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>19,009,061</td></tr> <tr> <td>Common area charges</td><td>686,977</td></tr> <tr> <td>Total</td><td>19,696,039</td></tr> </table> <p>Other revenues related to property leasing</p> <table> <tr> <td>Utility charges</td><td>548,336</td></tr> <tr> <td>Parking lots</td><td>97,516</td></tr> <tr> <td>Solar panel leasing</td><td>406,983</td></tr> <tr> <td>Others</td><td>150,039</td></tr> <tr> <td>Total</td><td>1,202,876</td></tr> </table> <p>Total property-related revenues 20,898,915</p> <p>B. Property-related expenses</p> <p>Rental expenses:</p> <table> <tr> <td>Taxes and dues</td><td>1,563,206</td></tr> <tr> <td>Property and facility management fees</td><td>763,024</td></tr> <tr> <td>Utilities</td><td>409,679</td></tr> <tr> <td>Repairs and maintenance</td><td>161,132</td></tr> <tr> <td>Casualty insurance</td><td>90,596</td></tr> <tr> <td>Depreciation</td><td>4,011,506</td></tr> <tr> <td>Others</td><td>160,121</td></tr> <tr> <td>Total property-related expenses</td><td>7,159,268</td></tr> </table> <p>C. Operating income from property leasing 13,739,647</p> <p>(A – B)</p>	Rental revenues	19,009,061	Common area charges	686,977	Total	19,696,039	Utility charges	548,336	Parking lots	97,516	Solar panel leasing	406,983	Others	150,039	Total	1,202,876	Taxes and dues	1,563,206	Property and facility management fees	763,024	Utilities	409,679	Repairs and maintenance	161,132	Casualty insurance	90,596	Depreciation	4,011,506	Others	160,121	Total property-related expenses	7,159,268
Rental revenues	17,500,499																																																																
Common area charges	618,553																																																																
Total	18,119,052																																																																
Utility charges	540,771																																																																
Parking lots	83,027																																																																
Solar panel leasing	582,996																																																																
Others	74,651																																																																
Total	1,281,447																																																																
Taxes and dues	1,575,695																																																																
Property and facility management fees	695,402																																																																
Utilities	420,368																																																																
Repairs and maintenance	71,028																																																																
Casualty insurance	83,353																																																																
Depreciation	3,769,118																																																																
Others	124,905																																																																
Total property-related expenses	6,739,874																																																																
Rental revenues	19,009,061																																																																
Common area charges	686,977																																																																
Total	19,696,039																																																																
Utility charges	548,336																																																																
Parking lots	97,516																																																																
Solar panel leasing	406,983																																																																
Others	150,039																																																																
Total	1,202,876																																																																
Taxes and dues	1,563,206																																																																
Property and facility management fees	763,024																																																																
Utilities	409,679																																																																
Repairs and maintenance	161,132																																																																
Casualty insurance	90,596																																																																
Depreciation	4,011,506																																																																
Others	160,121																																																																
Total property-related expenses	7,159,268																																																																
<p>*2. The breakdown of gain on sales of property and equipment is as follows:</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>GLP Seishin</p> <table> <tr> <td>Sales proceed</td><td>1,931,000</td></tr> <tr> <td>Costs of property and equipment sold</td><td>1,395,877</td></tr> <tr> <td>Other selling expenses</td><td>42,445</td></tr> <tr> <td>Gain on sales of property and equipment</td><td>492,677</td></tr> </table>	Sales proceed	1,931,000	Costs of property and equipment sold	1,395,877	Other selling expenses	42,445	Gain on sales of property and equipment	492,677	<p>*2. The breakdown of gain on sales of property and equipment is as follows:</p> <p style="text-align: right;">(Unit: Thousand yen)</p> <p>GLP Hatsukaichi</p> <table> <tr> <td>Sales proceed</td><td>2,930,000</td></tr> <tr> <td>Costs of property and equipment sold</td><td>1,788,453</td></tr> <tr> <td>Other selling expenses</td><td>62,225</td></tr> <tr> <td>Gain on sales of property and equipment</td><td>1,079,321</td></tr> </table>	Sales proceed	2,930,000	Costs of property and equipment sold	1,788,453	Other selling expenses	62,225	Gain on sales of property and equipment	1,079,321																																																
Sales proceed	1,931,000																																																																
Costs of property and equipment sold	1,395,877																																																																
Other selling expenses	42,445																																																																
Gain on sales of property and equipment	492,677																																																																
Sales proceed	2,930,000																																																																
Costs of property and equipment sold	1,788,453																																																																
Other selling expenses	62,225																																																																
Gain on sales of property and equipment	1,079,321																																																																
<p>*3 Details of extraordinary income</p> <p>GLP J-REIT received insurance proceeds of 21,111 thousand yen for damage to properties sustained during Typhoon Faxai (No.15) and Typhoon Hagibis (No.19) in 2019, and recognized the amount as insurance income.</p>	<p style="text-align: center;">—</p>																																																																
<p>*4 Details of extraordinary losses</p> <p>GLP J-REIT recognized a loss on disaster of 16,823 thousand yen for the restoration of property damage sustained during Typhoon Faxai (No.15) and Typhoon Hagibis (No.19) in 2019.</p>	<p>*4 Details of extraordinary losses</p> <p>GLP J-REIT provided provision for loss on disaster of 241,327 thousand yen for the restoration of property damage sustained in the earthquake occurred off the coast of Fukushima in February 2021.</p>																																																																

(Notes to Statements of Changes in Net Assets)

Prior Period (Reference) From March 1, 2020 To August 31, 2020		Current Period From September 1, 2020 To February 28, 2021	
*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	3,982,980 units	Number of investment units issued and outstanding	4,343,664 units

(Deferred Tax Accounting)

Prior Period (Reference) From March 1, 2020 To August 31, 2020		Current Period From September 1, 2020 To February 28, 2021	
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	50	Enterprise tax payable	—
Total	50	Total	—
Net deferred tax assets	50	Net deferred tax assets	—
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	(31.46)
Other	0.01	Other	0.01
Actual tax rate	0.02	Actual tax rate	0.01

(Property and Equipment under Capital Lease)

Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
—	—

(Financial Instruments)

Prior Period (From March 1 2020 to August 31, 2020) (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, 2020 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	9,465,907	9,465,907	—
(2) Cash and deposits in trust	9,858,845	9,858,845	—
Total assets	19,324,752	19,324,752	—
(1) Short-term loans payable	15,800,000	15,800,000	—
(2) Current portion of investment corporation bonds	4,500,000	4,502,700	2,700
(3) Current portion of long-term loans payable	3,800,000	3,807,696	7,696
(4) Investment corporation bonds	31,200,000	30,917,770	(282,230)
(5) Long-term loans payable	228,600,000	230,706,050	2,106,050
Total liabilities	283,900,000	285,734,216	1,834,216
Derivative transactions	—	—	—

(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.

(2) Current portion of investment corporation bonds and (4) Investment corporation bonds

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

(3) Current portion of long-term loans payable and (5) 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	197,530,000	193,730,000	*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” (3) and (5).

*2 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	131,713
Tenant leasehold and security deposits	12,492,187
Tenant leasehold and security deposits in trust	152,560
Total	12,776,461

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	9,465,907
Cash and deposits in trust	9,858,845
Total	19,324,752

(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	4,500,000	—	3,500,000	2,000,000	1,500,000	24,200,000
Long-term loans payable	3,800,000	29,860,000	42,200,000	29,470,000	30,320,000	96,750,000
Total	8,300,000	29,860,000	45,700,000	31,470,000	31,820,000	120,950,000

Current Period (From September 1, 2020 to February 28, 2021)

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 February 28, 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	13,733,994	13,733,994	—
(2) Cash and deposits in trust	10,446,665	10,446,665	—
Total assets	24,180,659	24,180,659	—
(1) Short-term loans payable	5,000,000	5,000,000	—
(2) Current portion of long-term loans payable	33,660,000	33,714,791	54,791
(3) Investment corporation bonds	39,700,000	39,382,810	(317,190)
(4) Long-term loans payable	251,220,000	252,319,764	1,099,764
Total liabilities	329,580,000	330,417,366	837,366
Derivative transactions	—	—	—

(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	250,010,000	217,200,000	*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) 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	632,664
Tenant leasehold and security deposits	13,725,901
Tenant leasehold and security deposits in trust	450,623
Total	14,809,190

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	13,733,994
Cash and deposits in trust	10,446,665
Total	24,180,659

(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	—	1,500,000	2,000,000	2,000,000	1,500,000	32,700,000
Long-term loans payable	33,660,000	34,200,000	29,320,000	26,760,000	36,250,000	124,690,000
Total	33,660,000	35,700,000	31,320,000	28,760,000	37,750,000	157,390,000

(Investment and Rental Properties)

Prior Period (From March 1, 2020 to August 31, 2020) (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	
581,256,077	34,293,385	615,549,462	768,707,000

(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 Yokohama (40% joint co-ownership ratio), GLP Kawajima, GLP Funabashi IV and GLP Higashi-Ogishima II) in the amount of 38,746,191 thousand yen, whereas the major decrease was due to the sale of a property (GLP Seishin) in the amount of 1,395,877 thousand yen and depreciation of 3,769,118 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, 2020 to February 28, 2021)

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	
615,549,462	94,255,293	709,804,756	892,658,000

(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 seven properties (GLP Yokohama (60% joint co-ownership ratio), GLP Sayama Hidaka II, GLP Higashi-Ogishima III, GLP Urayasu II, GLP Kashiwa II, GLP Yachiyo II and GLP Rokko III) in the amount of 98,975,497 thousand yen, whereas the major decrease was due to the sale of a property (GLP Hatsukaichi) in the amount of 1,788,453 thousand yen and depreciation of 4,011,506 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.”

(Restriction on Asset Management)

Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
—	—

(Related Party Transactions)

Prior Period (From March 1 2020 to August 31, 2020) (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	365,105	Operating accounts payable	71,230
				Leasing commission	58,628		
				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	240,568	Operating accounts receivable	60,947
Interested party	Ichikawashiohama Godo Kaisha	Equipment leasing	—	Rental income from solar panel leasing	27,335	Operating accounts receivable	4,835
Interested party	GLP Tosu One GK	Equipment leasing	—	Rental income from solar panel leasing	49,141	Operating accounts receivable	11,919
Interested party	GLP Sugito Y.K.	Equipment leasing	—	Rental income from solar panel leasing	14,596	Operating accounts receivable	3,284
Interested party	GLP Urayasu Three Y.K.	Equipment leasing	—	Rental income from solar panel leasing	44,260	Operating accounts receivable	10,369
Interested party	GLP Tokyo Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	21,275	Operating accounts receivable	4,870
Interested party	GLP Komaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	35,918	Operating accounts receivable	7,533
Interested party	GLP Fukusaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	23,602	Operating accounts receivable	5,016
Interested party	GLP Amagasaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	39,108	Operating accounts receivable	8,449
Interested party	GLP Misato Two GK	Equipment leasing	—	Rental income from solar panel leasing	23,957	Operating accounts receivable	5,500
Interested party	GLP Maishima Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	26,699	Operating accounts receivable	5,781
Interested party	GLP Kiyama GK	Equipment leasing	—	Rental income from solar panel leasing	36,533	Operating accounts receivable	8,883
Asset custody company	Mitsubishi UFJ Trust and Banking Corporation	Trust and Banking	—	Trust fee	11,906	Operating accounts payable	4,203
				Administrative service fee	26,137	Accounts payable	11,833

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

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

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

Current Period (From September 1, 2020 to February 28, 2021)

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	399,577	Operating accounts payable	86,877
				Leasing commission	65,844		
				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	182,633	Operating accounts receivable	49,849
Interested party	Ichikawashiohama Godo Kaisha	Equipment leasing	—	Rental income from solar panel leasing	16,791	Operating accounts receivable	6,038
Interested party	GLP Tosu One GK	Equipment leasing	—	Rental income from solar panel leasing	37,024	Operating accounts receivable	6,386
Interested party	GLP Sugito Y.K.	Equipment leasing	—	Rental income from solar panel leasing	9,306	Operating accounts receivable	2,216
Interested party	GLP Urayasu Three Y.K.	Equipment leasing	—	Rental income from solar panel leasing	27,123	Operating accounts receivable	6,223
Interested party	GLP Tokyo Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	12,990	Operating accounts receivable	3,019
Interested party	GLP Komaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	22,354	Operating accounts receivable	4,374
Interested party	GLP Fukusaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	15,286	Operating accounts receivable	3,079
Interested party	GLP Amagasaki Y.K.	Equipment leasing	—	Rental income from solar panel leasing	24,116	Operating accounts receivable	4,809
Interested party	GLP Misato Two GK	Equipment leasing	—	Rental income from solar panel leasing	14,966	Operating accounts receivable	3,343
Interested party	GLP Maishima Two Y.K.	Equipment leasing	—	Rental income from solar panel leasing	16,583	Operating accounts receivable	3,340
Interested party	GLP Kiyama GK	Equipment leasing	—	Rental income from solar panel leasing	27,804	Operating accounts receivable	4,692
Asset custody company	Mitsubishi UFJ Trust and Banking Corporation	Trust and Banking	—	Trust fee	11,787	Operating accounts payable	4,502
				Administrative service fee	26,503	Accounts payable	12,328

(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, 2020 To August 31, 2020		Current Period From September 1, 2020 To February 28, 2021	
Net assets per unit	84,520 yen	Net assets per unit	89,809 yen
Net income per unit	2,495 yen	Net income per unit	2,631 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, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
Net income	9,695,975 thousand yen	10,914,194 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	9,695,975 thousand yen	10,914,194 thousand yen
Average number of investment units outstanding	3,885,440 units	4,147,911 units

(Significant Subsequent Events)Prior Period (From March 1 2020 to August 31, 2020) (Reference)

1. Sale of assets

GLP J-REIT sold the asset as described below.

GLP Hatsukaichi

• Type of specified asset	Beneficiary right of real estate in trust
• Contract date	October 9, 2020
• Closing date	October 9, 2020
• Sales price	2,930 million yen (Note 1)
• Buyer	Flying Fifteen G.K. (Note 2)

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

(Note 2) 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 1,078 million yen of gain on sales of property and equipment for the fiscal period ending February 28, 2021 (from September 1, 2020 to February 28, 2021).

Current Period (From September 1, 2020 to February 28, 2021)

None to report.

Statements of Distributions

(Unit: Yen)

	Prior Period (Reference) From March 1, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
I Unappropriated retained earnings	9,698,370,839	10,917,991,575
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	1,581,243,060	2,067,584,064
III Distributions	11,275,816,380	12,983,211,696
[Distributions per unit]	[2,831]	[2,989]
Of which, distributions of earnings	9,694,573,320	10,915,627,632
[Of which, distributions of earnings per unit]	[2,434]	[2,513]
Of which, distributions in excess of retained earnings	1,581,243,060	2,067,584,064
[Of which, distributions in excess of retained earnings per unit]	[397]	[476]
IV Retained earnings carried forward	3,797,519	2,363,943

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 9,694,573,320 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.

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 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 10,915,627,632 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.

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").

(Continued)

(Continued)

(Continued)

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 an continuous OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 1,127,183,340 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 3,056,928,913 yen calculated by deducting capital expenditure of 712,189,833 yen from depreciation expense of 3,769,118,746 yen, and (2) approximately 30% of the depreciation expense of 3,769,118,746 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 454,059,720 yen, since the amount of a distribution per unit was estimated to temporarily decrease to 114 yen as a result of the issuance of new investment units and financing through borrowings.

(Continued)

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 an continuous OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 1,203,194,928 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,917,362,516 yen calculated by deducting capital expenditure of 1,094,143,906 yen from depreciation expense of 4,011,506,422 yen, and (2) approximately 30% of the depreciation expense of 4,011,506,422 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 864,389,136 yen, since the amount of a distribution per unit was estimated to temporarily decrease to 199 yen as a result of the issuance of new investment units, financing through borrowings and provision for loss on disaster.

(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 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”), 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, 2020 To August 31, 2020	From September 1, 2020 To February 28, 2021
Operating activities:		
Income before income taxes	9,697,520	10,914,849
Depreciation	3,769,118	4,011,506
Loss on retirement of noncurrent assets	—	14,387
Amortization of investment corporation bond issuance costs	12,912	13,826
Amortization of investment unit issuance expenses	37,878	57,399
Interest income	(89)	(112)
Reversal of distributions payable	(766)	(546)
Interest expense	791,524	814,641
Insurance income	(21,111)	—
Loss on disaster	16,823	—
Provision for loss on disaster	—	241,327
Decrease (increase) in operating accounts receivable	80,631	(28,869)
Decrease (increase) in prepaid expenses	59,403	(239,008)
Decrease (increase) in consumption taxes receivable	(404,242)	(2,009,079)
Decrease (increase) in other current assets	(2,829)	(1,153)
Decrease (increase) in long-term prepaid expenses	(145,038)	(665,884)
Increase (decrease) in operating accounts payable	184,734	(2,966)
Increase (decrease) in accounts payable	53,213	262,323
Increase (decrease) in consumption taxes payable	(733,135)	—
Increase (decrease) in advances received	165,900	337,624
Increase (decrease) in deposits received	70,054	(70,054)
Decrease in property and equipment in trust due to sales	1,395,877	1,788,453
Subtotal	15,028,378	15,438,664
Interest received	89	112
Interest paid	(769,544)	(795,693)
Income taxes paid	(1,601)	(1,527)
Proceeds from insurance income	43,811	—
Payments for loss on disaster	(290,340)	—
Net cash provided by (used in) operating activities	14,010,793	14,641,556
Investing activities:		
Purchase of property and equipment in trust	(39,476,605)	(99,861,738)
Proceeds from tenant leasehold and security deposits	618,554	2,076,888
Proceeds from tenant leasehold and security deposits in trust	—	298,063
Repayments of tenant leasehold and security deposits	(310,935)	(342,868)
Net cash provided by (used in) investing activities	(39,168,986)	(97,829,656)
Financing activities:		
Proceeds from short-term loans payable	15,800,000	5,000,000
Repayments of short-term loans payable	—	(15,800,000)
Proceeds from long-term loans payable	24,850,000	52,480,000
Repayments of long-term loans payable	(27,450,000)	—
Proceeds from issuance of investment corporation bonds	—	8,500,000
Redemption of investment corporation bonds	—	(4,500,000)
Payments of investment corporation bond issuance costs	—	(52,327)
Proceeds from issuance of investment units	20,629,737	53,691,505
Payment of distributions of earnings	(8,875,628)	(9,694,165)
Payment of distributions in excess of retained earnings	(1,127,071)	(1,581,005)
Net cash provided by (used in) financing activities	23,827,037	88,044,006
Net increase (decrease) in cash and cash equivalents	(1,331,156)	4,855,907
Cash and cash equivalents at beginning of period	20,655,908	19,324,752
Cash and cash equivalents at end of period *1	19,324,752	24,180,659

(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, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
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, 2020 To August 31, 2020	Current Period From September 1, 2020 To February 28, 2021
*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, 2020) <div style="text-align: right;">(Unit: Thousand yen)</div> Cash and deposits 9,465,907 Cash and deposits in trust 9,858,845 Cash and cash equivalents <u>19,324,752</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, 2021) <div style="text-align: right;">(Unit: Thousand yen)</div> Cash and deposits 13,733,994 Cash and deposits in trust 10,446,665 Cash and cash equivalents <u>24,180,659</u>