

## SUMMARY OF FINANCIAL RESULTS (REIT) For the 16th Fiscal Period Ended February 29, 2020

< Under Japanese GAAP >

April 15, 2020

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 Securities Code: 3281 URL <https://www.glpjreit.com/>  
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Scheduled date to file securities report: May 28, 2020

Scheduled date to commence distribution payments: May 19, 2020

Supplementary materials for financial results:  Yes • No (Japanese / English)

Holding of financial results briefing session:  Yes • No (For institutional investors and analysts, in both Japanese and English)

(Amounts are rounded down to the nearest million yen)

### 1. Financial Results for the Fiscal Period Ended February 29, 2020 (From September 1, 2019 to February 29, 2020)

#### (1) Operating Results

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Period ended								
February 29, 2020	18,841	(5.3)	9,920	(8.6)	8,841	(7.7)	8,875	(7.7)
August 31, 2019	19,891	6.4	10,852	6.5	9,575	7.0	9,612	6.2

(Note) For the period ended August 31, 2019, GLP reported gain on sale of GLP Fukuoka, which contributed to the operating results. The decrease in operating results for the period ended February 29, 2020 is due mainly to no such gain on sale of property.

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
	Yen	%	%	%
Period ended				
February 29, 2020	2,315	2.8	1.5	46.9
August 31, 2019	2,507	3.0	1.6	48.1

#### (2) Distributions

	Distributions (excluding OPD*)		Optimal payable distribution (OPD)		Distributions (including OPD)		Payout ratio	Distributions to net assets
	Per Unit	Total	Per Unit	Total	Per Unit	Total		
	Yen	Million yen	Yen	Million yen	Yen	Million yen		
Period ended								
February 29, 2020	2,315	8,874	294	1,127	2,609	10,001	100.0	2.8
August 31, 2019	2,508	9,614	294	1,127	2,802	10,741	100.0	3.0

\* "OPD" stands for "Optimal Payable Distribution" that means distributions in excess of retained earnings.

(Note 1) Payout ratio is rounded down to the first decimal place.

(Note 2) Payout ratio and distributions to net assets ratio were calculated on the basis of excluding OPD.

(Note 3) All of the amounts of OPD for the periods ended February 29, 2020 and August 31, 2019 were the refund of investment categorized as a distribution from in unitholders' capital for tax purposes.

(Note 4) Retained earnings decreased at a rate of 0.004 for each period ended February 29, 2020 and August 31, 2019, respectively, due to OPD (a refund of investment categorized as a distribution from unitholders' capital for tax purposes). These rates were calculated based on Article 23, Paragraph 1, Item 4 of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Period ended	Million yen	Million yen	%	Yen
February 29, 2020	606,486	316,248	52.1	82,497
August 31, 2019	610,494	318,114	52.1	82,984

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
Period ended	Million yen	Million yen	Million yen	Million yen
February 29, 2020	12,446	(675)	(12,667)	20,655
August 31, 2019	17,290	(497)	(11,737)	21,552

2. Earnings Forecast for the Fiscal Periods Ending August 31, 2020 (From March 1, 2020 to August 31, 2020) and February 28, 2021 (From September 1, 2020 to February 28, 2021)

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
Period ending August 31, 2020	19,078	1.3	10,121	2.0	8,942	1.1	8,941	0.7	2,332	292	2,624
February 28, 2021	18,567	(2.7)	9,789	(3.3)	8,741	(2.2)	8,740	(2.2)	2,280	291	2,571

(Reference) Estimated net income per unit: For the fiscal period ending August 31, 2020 2,332 yen  
For the fiscal period ending February 28, 2021 2,280 yen

\* Other

(1) Changes in accounting policies, changes in accounting estimates and retroactive restatement

- (a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (b) Changes in accounting policies due to other reasons: None
- (c) Changes in accounting estimates: None
- (d) Retroactive restatement: None

(2) Number of investment units issued and outstanding

- (a) Number of investment units issued and outstanding, including treasury units:  
As of February 29, 2020 3,833,420 Units As of August 31, 2019 3,833,420 Units
- (b) Number of treasury units:  
As of February 29, 2020 0 Units As of August 31, 2019 0 Units

(Note) Please refer notes to "Per Unit Information" on page 30 for the number of investment units used as the basis for calculating the net income per unit.

\* The financial information on this report is not included in the scope of the external audit.

\* Other special matters

The forward-looking statements in this material are based on the information currently available to us and certain assumptions we believe reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements do not guarantee the amounts of future distributions and distributions in excess of earnings. Please refer to “Assumptions Underlying Earnings Forecasts for the 17th Fiscal Period Ending August 31, 2020 (From March 1, 2020 to August 31, 2020)” and the 18th Fiscal Period Ending February 28, 2021 (From September 1, 2020 to February 28, 2021) on page 6 – 8 for assumptions regarding the forward-looking statements.

This is an English language translation of the original Japanese announcement of the financial statements (“*Kessan Tanshin*”). This translation is provided for information purpose only. Should there be any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

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## 1. Operating Conditions

### (1) Operating Conditions

#### [Overview of the Current Fiscal Period]

##### (i) 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 GLP Group (Note) as sponsor 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 75 properties (total acquisition price of 607,974 million yen).

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

##### (ii) Investment Environment and Business Performance

During the current fiscal period, Japan’s economy shrank mainly due to a deceleration in private consumption driven by a consumption tax hike, major typhoons and a warm winter. This resulted in a real GDP growth rate of negative 1.8% (negative 7.1% at an annual rate) (Note 1) in the October-through-December period of 2019, according to the Quarterly Estimate of GDP (seasonally adjusted, quarter-on-quarter; Second Preliminary Estimates). The global economic outlook is very unclear because of the current COVID-19 pandemic, which will put downward pressure on the economy, in addition to U.S.-China trade dispute, Brexit and the situation in the Middle-East.

The logistics facilities leasing market remains strong, with a ravenous demand for modern logistics facilities which will help to solve the logistics industry’s business issues, such as labor shortage and supply chain optimization. In addition, there is a trend of new expansion, consolidation and integration of logistics facilities among online shopping service and third-party logistics (3PL) companies. Thus, the vacancy rate of medium and large facilities in Japan hit an all-time low of 1.8% (Note 2) as of the end of December 2019. In addition, the pre-leased ratio (Note 3) for large multi-tenant logistics facilities newly supplied in 2019 reached the record high level of 95% in the Tokyo metropolitan area and 100% for the greater Osaka area as of the end of December 2019.

In the logistics real estate market, backed by a favorable financing environment, steady demand for properties, and the prospect of stable rental income, 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 are trending low while real estate prices stay high.

Under these conditions, GLP J-REIT maintained a portfolio occupancy rate at a favorable level of 99.4% as of February 29, 2020 by properly managing and operating 75 properties (total acquisition price of 607,974 million yen) with strong support from GLP Group that provides modern logistic facilities on a global basis. In addition, the total appraisal value is 728,987 million yen with unrealized gains of 147,730 million yen and an unrealized gain ratio of 25.4% (Note 4) as of February 29, 2020.

(Note 1) Source: Cabinet Office, Government of Japan

(Note 2) Source: CBRE K.K.

(Note 3) “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 4) Unrealized gain ratio =  $\frac{\text{Unrealized gain (Appraisal value or research price at the fiscal period end - Book value)}}{\text{Book value}}$ .

(iii) 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 level of Loan-To-Value ratio (hereinafter “LTV”).

In the current fiscal period, on November 27, 2019, GLP J-REIT issued the Green Bond (GLP J-REIT 14th Unsecured Bonds, total amount issued: 5,000 million yen) with an aim to promote ESG activities and expand financing channels by broadening the investor base with active ESG investments. The funds raised, together with cash on hand of 1,900 million yen, were used to redeem GLP J-REIT 7th Unsecured Bonds (total amount issued: 6,900 million yen) on November 28, 2019. In addition, GLP J-REIT newly borrowed 3,250 million yen to refinance an existing borrowing of 3,250 million yen with the repayment date of January 31, 2020. While maintaining borrowing terms, GLP J-REIT successfully decreased financing costs and thus improved profitability.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 270,700 million yen (outstanding loans 235,000 million yen, outstanding investment corporation bonds 35,700 million yen) and the ratio of interest-bearing liabilities to total assets (LTV) was 44.6 %.

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 the 2nd to the 6th and the 8th to the 14th Investment Corporation Bonds.

(iv) Overview of Financial Results and Cash Distribution

As a result of these management efforts, GLP J-REIT reported total operating revenues of 18,841 million yen, operating income of 9,920 million yen, ordinary income of 8,841 million yen and net income of 8,875 million yen for the current fiscal period.

As for cash distribution for the current fiscal period, in accordance with the distribution policy set forth in its Articles of Incorporation, GLP J-REIT decided to distribute 8,874,367,300 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 (3,833,420 units) from unappropriated retained earnings. Accordingly, distribution per unit for the current fiscal period was 2,315 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, in accordance with the distribution policy set forth in the Articles of Incorporation (Note). Based on this, GLP J-REIT decided to distribute 1,127,025,480 yen, an amount almost equivalent to 30% of depreciation (3,766 million yen) for the current fiscal period, as a refund of investment categorized as a distribution from unitholders' capital for tax purposes. As a result, the amount of OPD per unit was 294 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 accounting 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 804 million yen of capital expenditure for the current fiscal period from 3,766 million yen of depreciation expenses for the period is 2,961 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 accounting 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 75 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 650 million yen.

[Outlook of Next Fiscal Period]

(i) 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:

- (A) 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 keep high occupancy rate of facilities regardless the fluctuation of vacancy rate in the market as a whole, and negotiate for higher rents for lease agreements subject to renewal upon the expirations of lease periods with consideration of market rents. 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.
- (B) 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 GLP Group as well as third-party properties. Specifically, GLP J-REIT will take advantage of 13 properties under Rights-of-First-Look agreement (floor area: approximately 0.59 million m<sup>2</sup>) (Note 2), which is held by GLP J-REIT as a specific and flexible pipeline, and seek future opportunities to acquire some of the 36 properties (floor area: approximately 3.42 million m<sup>2</sup>) (the figures include properties under construction or planned for construction) (Note 2) held by a joint venture formed by GLP Group with a third party.
- (C) 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 the acquisition price which may be reduced to some degree depending on the timing of acquisition.

(Note 2) Figures as of April 15, 2020 are stated.

(ii) Significant Subsequent Events

None to report.

(iii) Earnings Forecast

GLP J-REIT has made the following earnings forecasts for the fiscal period ending August 31, 2020 (From March 1, 2020 to August 31, 2020) and the fiscal period ending February 28, 2021 (From September 1, 2020 to February 28, 2021). Please refer the forecast assumptions to “Assumptions Underlying Earnings Forecasts for the 17th Fiscal Period Ending August 31, 2020 (From March 1, 2020 to August 31, 2020)



and the 18th Fiscal Period Ending February 28, 2021 (From September 1, 2020 to February 28, 2021)” below.

[Percentages indicate period-on-period changes]

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding OPD)	OPD per unit	Distributions per unit (including OPD)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
Period ending											
August 31, 2020	19,078	1.3	10,121	2.0	8,942	1.1	8,941	0.7	2,332	292	2,624
February 28, 2021	18,567	(2.7)	9,789	(3.3)	8,741	(2.2)	8,740	(2.2)	2,280	291	2,571

(Note) The forecast figures are the current figures calculated based on certain assumptions, and the actual net income, distribution per unit, OPD per unit and other figures may vary due to changes in circumstances surrounding GLP J-REIT. In addition, the forecasts are not a guarantee of the amount of distributions or OPD.

**Assumptions Underlying Earnings Forecasts for:**

**The 17th Fiscal Period Ending August 31, 2020 (From March 1, 2020 to August 31, 2020) and the 18th Fiscal Period Ending February 28, 2021 (From September 1, 2020 to February 28, 2021)**

Item	Assumption
Accounting period	The 17th Fiscal Period: From March 1, 2020 to August 31, 2020 (184 days) The 18th Fiscal Period: From September 1, 2020 to February 28, 2021 (181 days)
Portfolio assets	<ul style="list-style-type: none"> <li>It is assumed that the portfolio assets will consist of the trust beneficiary rights of 75 properties held as of the end of the 16th Fiscal Period. The forecasts also assume that there will be no changes to the portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) until the end of the 18th Fiscal Period. In practice, however, changes in aforementioned assets due to the acquisition or disposal of assets may occur.</li> </ul>
Number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>It is assumed to be 3,833,420 units, which is the number of investment units issued and outstanding as of the date of this report.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>The outstanding interest-bearing liabilities of GLP J-REIT as of the date of this report are 270,700 million yen.</li> <li>It is assumed that the following amounts of loans payables will be repaid with cash on hand or refinanced with borrowings in the 17th Fiscal Period: 3,150 million yen with the repayment date of September 1, 2020; 1,150 million yen and 7,200 million yen with the repayment date of December 21, 2020; 3,250 million yen with the repayment date of February 1, 2021 and 6,100 million yen, 3,800 million yen and 2,800 million yen with the repayment date of February 26, 2021.</li> <li>It is assumed that 4,500 million yen of investment corporation bonds with the redemption date of December 25, 2020 will be refinanced with investment corporation bonds or borrowings on the redemption date.</li> <li>It is assumed that LTV as of August 31, 2020 (the 17th Fiscal Period) will be 44.5 % and LTV as of February 28, 2021 (the 18th Fiscal Period) will be 44.6 %.</li> </ul> <p>The following formula is used to compute LTV.</p> $LTV = (\text{Balance of interest-bearing liabilities} / \text{Total assets}) \times 100$
Operating revenues	<ul style="list-style-type: none"> <li>The forecasts assume seasonal effects on rent revenues since solar panels attached to properties are leased under variable-rent leases. Rental income from solar panel leasing is assumed to be 541 million yen for the 17th Fiscal Period and 326 million yen for the 18th Fiscal Period.</li> <li>Concerning operating revenues, the forecasts assume that there is no delinquent rent payment by tenants.</li> </ul>

Item	Assumption
Operating expenses	<ul style="list-style-type: none"> <li>• With respect to taxes on property and equipment (fixed asset tax, city planning tax and depreciable asset tax on real estate, etc. hereinafter “property-related taxes”) held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period are recognized as rental expenses. However, if property and equipment is newly acquired and adjusted amounts of property-related taxes for the year under the same accounting period (the “amounts equivalent to property-related taxes”) arise between GLP J-REIT and the transferor, the relevant adjusted amounts are capitalized as part of the acquisition cost of the relevant property.</li> <li>• Taxes and dues are expected to be 1,576 million yen for the 17th Fiscal Period and 1,576 million yen for the 18th Fiscal Period.</li> <li>• Repair and maintenance expenses are expected to be 69 million yen for the 17th Fiscal Period and 53 million yen for the 18th Fiscal Period.</li> <li>• Property and facility management fees are expected to be 679 million yen for the 17th Fiscal Period and 668 million yen for the 18th Fiscal Period.</li> <li>• Depreciation is expected to be 3,738 million yen for the 17th Fiscal Period and 3,729 million yen for the 18th Fiscal Period.</li> <li>• Of rental expenses that are the main operating expenses, expenses other than depreciation are estimated based on the historical experiences and fluctuation factors.</li> <li>• Please be aware that actual amount of repair and maintenance expenses of each accounting period may be significantly different from the estimated amount due to the following reasons: repair and maintenance (1) may emergently arise due to property damages occurred by unpredictable incidents; (2) generally varies in amount from period to period and (3) may not arise regularly.</li> <li>• Depreciation is estimated using the straight-line method based on acquisition costs including incidental expenses assumed and additional capital expenditure in the future.</li> </ul>
NOI (Net Operating Income)	<ul style="list-style-type: none"> <li>• NOI (the amount calculated by deducting rental expenses, excluding depreciation, from operating revenues) is expected to be 16,077 million yen for the 17th Fiscal Period and 15,639 million yen for the 18th Fiscal Period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• The total amount of interest expenses on loans, interest expenses on investment corporation bonds, amortization of investment corporation bonds issuance expenses and other finance-related expenses are expected to be 1,147 million yen for the 17th Fiscal Period and 1,016 million yen for the 18th Fiscal Period. Investment corporation bonds issuance expenses are amortized monthly for the period from issuance to redemption.</li> <li>• Investment unit issuance expenses are amortized monthly for three years from occurrence, and amortization expenses are expected to be 31 million yen for the 17th Fiscal Period and 31 million yen for the 18th Fiscal Period.</li> </ul>
Distributions per unit (excluding OPD)	<ul style="list-style-type: none"> <li>• Distribution per unit is calculated in accordance with the distribution policy set forth in the Articles of Incorporation of GLP J-REIT.</li> <li>• Distributions per unit (excluding OPD) may change due to various factors including changes in portfolio assets, changes in rental revenues in connection with changes in tenants, unexpected repair, changes in interest rates and additional issuance of investment units.</li> </ul>
Optimal payable distribution (OPD) per unit	<ul style="list-style-type: none"> <li>• The forecasts assume that all of the amounts of OPD for the 17th Period and the 18th Period will be the refund of its investment categorized as a distribution from unitholders’ capital for tax purposes.</li> <li>• OPD per unit is calculated in accordance with the policy on cash distributions in excess of retained earnings provided in the Management Guidelines, the internal policy of the Asset Manager. It is calculated by assuming distribution of approximately 30% of respective depreciation arising in the 17th Fiscal Period and the 18th Fiscal Period.</li> <li>• Depreciation may vary from the current expected amount due to change in portfolio assets, the amount of incidental expenses incurred and the amount of capital expenditure. Therefore, the total amount of OPD calculated on the basis of depreciation may also vary due to these and other various factors. In addition, in order to maintain the value of assets held by GLP J-REIT, in the</li> </ul>

Item	Assumption
Optimal payable distribution (OPD) per unit	<p>event that GLP J-REIT is to pay out OPD, GLP J-REIT sets the maximum as the amount of depreciation less capital expenditure incurred in the accounting period in which the concerned depreciation was recognized. Therefore, when urgent capital expenditure arises from unforeseen factors causing building damage and other, the amount of OPD per unit may decrease. Moreover, when the appraisal LTV provided below exceeds 60%, GLP J-REIT will not pay out OPD.</p> <ul style="list-style-type: none"> <li>• Appraisal LTV (%) = <math>A/B \times 100</math> (%)</li> </ul> <p>A= Interest-bearing liabilities balance (including investment corporation bonds balance and short-term investment corporation bonds balance) at the end of the period + Deposit release amount at the end of the period                      B= Total amount of appraisal value or research price of portfolio assets at the end of the period + Cash and deposits balance at the end of the period – Scheduled total amount of distributions of earnings – Scheduled total amount of OPD</p> <p>The scheduled total amount of distributions of earnings and scheduled total amount of OPD are assumed to be the same as the actual figures of the most recent fiscal period.</p>
Other	<ul style="list-style-type: none"> <li>• The forecasts assume that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of the Tokyo Stock Exchange, Inc., rules of the Investment Trusts Association, Japan, (“JITA”), etc. that will impact the forecast figures above.</li> <li>• The forecasts assume that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheets

	(Unit: Thousand yen)	
	Prior Period As of August 31, 2019	Current Period As of February 29, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	12,317,691	11,170,208
Cash and deposits in trust	9,234,471	9,485,699
Operating accounts receivable	2,081,143	2,047,146
Prepaid expenses	484,484	592,847
Other current assets	1,445	2,293
Total current assets	24,119,236	23,298,196
Noncurrent assets		
Property and equipment		
Vehicles	1,016	1,016
Accumulated depreciation	(762)	(889)
Vehicles, net	254	127
Buildings in trust	252,215,936	252,916,081
Accumulated depreciation	(32,812,305)	(36,383,602)
Buildings in trust, net	219,403,631	216,532,479
Structures in trust	6,322,840	6,409,038
Accumulated depreciation	(1,913,775)	(2,094,058)
Structures in trust, net	4,409,065	4,314,980
Machinery and equipment in trust	58,088	58,088
Accumulated depreciation	(51,842)	(52,254)
Machinery and equipment in trust, net	6,246	5,833
Tools, furniture and fixtures in trust	269,295	273,672
Accumulated depreciation	(135,149)	(147,991)
Tools, furniture and fixtures in trust, net	134,145	125,681
Land in trust	360,276,976	360,276,976
Total property and equipment, net	584,230,318	581,256,077
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	1,873,649	1,677,531
Deferred tax assets	—	54
Security deposits	10,000	10,000
Other	1,400	1,400
Total investments and other assets	1,886,649	1,690,586
Total noncurrent assets	586,116,968	582,946,664
Deferred assets		
Investment unit issuance expenses	110,855	79,016
Investment corporation bond issuance costs	147,804	162,417
Total deferred assets	258,659	241,434
Total Assets	610,494,864	606,486,294

(Unit: Thousand yen)

	Prior Period As of August 31, 2019	Current Period As of February 29, 2020
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	378,322	212,021
Current portion of investment corporation bonds	6,900,000	4,500,000
Current portion of long-term loans payable	3,250,000	27,450,000
Accounts payable	2,610,195	2,739,732
Accrued expenses	102,949	102,100
Income taxes payable	605	1,588
Consumption taxes payable	1,226,772	733,135
Advances received	3,219,459	3,279,884
Current portion of tenant leasehold and security deposits	494,842	400,030
<b>Total current liabilities</b>	<b>18,183,145</b>	<b>39,418,493</b>
Noncurrent liabilities		
Investment corporation bonds	30,700,000	31,200,000
Long-term loans payable	231,750,000	207,550,000
Tenant leasehold and security deposits	11,522,686	11,916,251
Tenant leasehold and security deposits in trust	224,560	152,560
<b>Total noncurrent liabilities</b>	<b>274,197,246</b>	<b>250,818,812</b>
<b>Total Liabilities</b>	<b>292,380,392</b>	<b>290,237,305</b>
<b>Net Assets</b>		
Unitholders' equity		
Unitholders' capital	317,943,829	317,943,829
Deduction from unitholders' capital	(9,444,577)	(10,571,602)
Unitholders' capital, net	308,499,251	307,372,226
Retained earnings		
Unappropriated retained earnings	9,615,220	8,876,762
<b>Total retained earnings</b>	<b>9,615,220</b>	<b>8,876,762</b>
<b>Total unitholders' equity</b>	<b>318,114,472</b>	<b>316,248,989</b>
<b>Total Net Assets *1</b>	<b>318,114,472</b>	<b>316,248,989</b>
<b>Total Liabilities and Net Assets</b>	<b>610,494,864</b>	<b>606,486,294</b>

(2) Statements of Income

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From March 1, 2019 To August 31, 2019	From September 1, 2019 To February 29, 2020
<b>Operating revenues</b>		
Rental revenues *1	17,800,716	17,793,652
Other rental revenues *1	1,304,806	1,047,389
Gain on sales of property and equipment *2	786,436	—
<b>Total operating revenues</b>	<b>19,891,959</b>	<b>18,841,042</b>
<b>Operating expenses</b>		
Rental expenses *1	6,765,071	6,747,701
Asset management fee	2,140,433	2,034,963
Asset custody fee	8,287	8,284
Administrative service fees	25,481	26,783
Directors' remuneration	3,960	3,960
Audit fee	13,000	13,000
Taxes and dues	11,589	137
Other operating expenses	71,967	85,423
<b>Total operating expenses</b>	<b>9,039,791</b>	<b>8,920,254</b>
<b>Operating income</b>	<b>10,852,167</b>	<b>9,920,787</b>
<b>Non-operating income</b>		
Interest income	90	93
Reversal of distributions payable	1,294	468
Interest on refund of consumption taxes and other	452	—
<b>Total non-operating income</b>	<b>1,837</b>	<b>561</b>
<b>Non-operating expenses</b>		
Interest expense	796,463	693,415
Interest expenses on investment corporation bonds	86,386	108,372
Amortization of investment corporation bond issuance costs	14,360	13,994
Borrowing related expenses	271,295	229,644
Amortization of investment unit issuance expenses	46,151	31,838
Others	63,430	2,143
<b>Total non-operating expenses</b>	<b>1,278,087</b>	<b>1,079,409</b>
<b>Ordinary income</b>	<b>9,575,916</b>	<b>8,841,939</b>
<b>Extraordinary income</b>		
Insurance income *3	231,558	422,093
<b>Total extraordinary income</b>	<b>231,558</b>	<b>422,093</b>
<b>Extraordinary losses</b>		
Loss on disaster *4	194,647	386,725
<b>Total extraordinary losses</b>	<b>194,647</b>	<b>386,725</b>
<b>Income before income taxes</b>	<b>9,612,828</b>	<b>8,877,307</b>
Income taxes-current	605	1,602
Income taxes-deferred	62	(54)
<b>Total income taxes</b>	<b>667</b>	<b>1,547</b>
<b>Net income</b>	<b>9,612,160</b>	<b>8,875,759</b>
Accumulated earnings brought forward	3,059	1,003
<b>Unappropriated retained earnings</b>	<b>9,615,220</b>	<b>8,876,762</b>

(3) Statements of Changes in Net Assets

Prior period (From March 1, 2019 to August 31, 2019)

(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	(8,309,885)	309,633,944	9,053,764	9,053,764	318,687,708	318,687,708
Changes of items during the period							
Distributions in excess of retained earnings		(1,134,692)	(1,134,692)			(1,134,692)	(1,134,692)
Distributions of earnings				(9,050,704)	(9,050,704)	(9,050,704)	(9,050,704)
Net income				9,612,160	9,612,160	9,612,160	9,612,160
Total changes of items during the period	—	(1,134,692)	(1,134,692)	561,456	561,456	(573,236)	(573,236)
Balance at the end of the period *1	317,943,829	(9,444,577)	308,499,251	9,615,220	9,615,220	318,114,472	318,114,472

Current period (From September 1, 2019 to February 29, 2020)

(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	(9,444,577)	308,499,251	9,615,220	9,615,220	318,114,472	318,114,472
Changes of items during the period							
Distributions in excess of retained earnings		(1,127,025)	(1,127,025)			(1,127,025)	(1,127,025)
Distributions of earnings				(9,614,217)	(9,614,217)	(9,614,217)	(9,614,217)
Net income				8,875,759	8,875,759	8,875,759	8,875,759
Total changes of items during the period	—	(1,127,025)	(1,127,025)	(738,457)	(738,457)	(1,865,482)	(1,865,482)
Balance at the end of the period *1	317,943,829	(10,571,602)	307,372,226	8,876,762	8,876,762	316,248,989	316,248,989

(4) Statements of Distributions

(Unit: Yen)		
	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
I Unappropriated retained earnings	9,615,220,439	8,876,762,993
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	1,127,025,480	1,127,025,480
III Distributions	10,741,242,840	10,001,392,780
[Distributions per unit]	[2,802]	[2,609]
Of which, distributions of earnings	9,614,217,360	8,874,367,300
[Of which, distributions of earnings per unit]	[2,508]	[2,315]
Of which, distributions in excess of retained earnings	1,127,025,480	1,127,025,480
[Of which, distributions in excess of retained earnings per unit]	[294]	[294]
IV Retained earnings carried forward	1,003,079	2,395,693

Calculation method of distribution amount

In accordance with Section 34.1 of the bylaws 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 9,614,217,360 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

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

Accordingly, GLP J-REIT declared a distribution amount of 8,874,367,300 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

*(Continued)*

*(Continued)*



*(Continued)*

Furthermore, based on the distribution policy as defined in Section 34.2 of its bylaws, 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 continuing basis.

Thus, GLP J-REIT declared an OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 1,127,025,480 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 3,007,311,929 yen calculated by deducting capital expenditure of 762,108,194 yen from depreciation expense of 3,769,420,123 yen, and (2) approximately 30% of the depreciation expense of 3,769,420,123 yen for the period.

*(Continued)*

Furthermore, based on the distribution policy as defined in Section 34.2 of its bylaws, 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 continuing basis.

Thus, GLP J-REIT declared an OPD (a refund of investment categorized as a distribution from unitholders’ capital for tax purposes) amounting to 1,127,025,480 yen, which was determined as follows: (1) the amount not exceeding the upper limit of 2,961,230,742 yen calculated by deducting capital expenditure of 804,863,712 yen from depreciation expense of 3,766,094,454 yen, and (2) approximately 30% of the depreciation expense of 3,766,094,454 yen for the period.

(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 accounting 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.

(5) Statements of Cash Flows

	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
(Unit: Thousand yen)		
<b>Operating activities:</b>		
Income before income taxes	9,612,828	8,877,307
Depreciation	3,769,420	3,766,094
Loss on retirement of noncurrent assets	—	13,010
Amortization of investment corporation bond issuance costs	14,360	13,994
Amortization of investment unit issuance expenses	46,151	31,838
Interest income	(90)	(93)
Reversal of distributions payable	(1,294)	(468)
Interest expense	882,850	801,787
Insurance income	(231,558)	(422,093)
Loss on disaster	194,647	386,725
Decrease (increase) in operating accounts receivable	(171,517)	56,696
Decrease (increase) in prepaid expenses	61,552	(108,362)
Decrease (increase) in consumption taxes receivable	1,146,043	—
Decrease (increase) in other current assets	847	(847)
Decrease (increase) in long-term prepaid expenses	(91,942)	196,118
Increase (decrease) in operating accounts payable	159,704	(166,301)
Increase (decrease) in accounts payable	129,984	(48,810)
Increase (decrease) in consumption taxes payable	1,226,772	(493,636)
Increase (decrease) in advances received	58,860	60,425
Decrease in property and equipment in trust due to sales	1,462,953	—
Subtotal	18,270,573	12,963,385
Interest received	90	93
Interest paid	(858,134)	(802,636)
Income taxes paid	(1,706)	(619)
Proceeds from insurance income	231,558	399,393
Payments for loss on disaster	(352,329)	(113,208)
Net cash provided by (used in) operating activities	17,290,052	12,446,408
<b>Investing activities:</b>		
Purchase of property and equipment in trust	(577,460)	(901,866)
Proceeds from tenant leasehold and security deposits	156,099	458,083
Repayments of tenant leasehold and security deposits	(76,132)	(231,329)
Net cash provided by (used in) investing activities	(497,492)	(675,113)
<b>Financing activities:</b>		
Repayments of short-term loans payable	(800,000)	—
Proceeds from long-term loans payable	20,040,000	3,250,000
Repayments of long-term loans payable	(28,740,000)	(3,250,000)
Proceeds from issuance of investment corporation bonds	8,000,000	5,000,000
Redemption of investment corporation bonds	—	(6,900,000)
Payments of investment corporation bond issuance costs	(53,996)	(28,608)
Payment of distributions of earnings	(9,049,332)	(9,612,366)
Payment of distributions in excess of retained earnings	(1,134,240)	(1,126,575)
Net cash provided by (used in) financing activities	(11,737,568)	(12,667,550)
Net increase (decrease) in cash and cash equivalents	5,054,990	(896,254)
Cash and cash equivalents at beginning of period	16,497,172	21,552,162
Cash and cash equivalents at end of period *1	21,552,162	20,655,908

(6) Notes Concerning Going Concern Assumption

None

(7) Notes Concerning Significant Accounting Policies

1. Basis and method of valuation of assets	<p>Securities</p> <p>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.</p>										
2. Depreciation of noncurrent assets	<p>Property and equipment including trust assets</p> <p>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:</p> <table style="margin-left: 40px;"> <tr> <td>Buildings</td> <td style="text-align: right;">2 to 77 years</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">2 to 60 years</td> </tr> <tr> <td>Machinery and equipment</td> <td style="text-align: right;">6 to 12 years</td> </tr> <tr> <td>Vehicles</td> <td style="text-align: right;">4 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td style="text-align: right;">2 to 18 years</td> </tr> </table>	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
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	<p>(1) Investment unit issuance expenses are amortized over three years using the straight-line method.</p> <p>(2) Investment corporation bond issuance costs are amortized over the respective terms of the bonds using the straight-line method.</p>										
4. Revenue and expense recognition	<p>Taxes on property and equipment</p> <p>With respect to taxes on property and equipment held by GLP J-REIT, of the tax amounts assessed and determined, the amounts corresponding to the relevant accounting period are accounted for as rental expenses.</p> <p>Of the amounts paid for the acquisition of real estate or beneficiary right of real estate in trust, the amounts equivalent to property-related taxes are capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses.</p>										
5. 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>										

6. 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.
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</p> <p>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.</p> <p>The following significant trust assets are shown separately on the balance sheets.</p> <p>(a) Cash and deposits in trust</p> <p>(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust</p> <p>(c) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment for consumption taxes</p> <p>Consumption taxes withheld and paid are not included in the accompanying statements of income.</p>

(8) Notes to Financial Statements

**(Notes to Balance Sheets)**

\*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations:

(Unit: Thousand yen)	
Prior Period	Current Period
As of August 31, 2019	As of February 29, 2020
50,000	50,000

**(Notes to Statements of Income)**

\*1. Revenues and expenses generated from property leasing activities:

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From March 1, 2019	From September 1, 2019
	To August 31, 2019	To February 29, 2020
<b>A. Property-related revenues</b>		
Rental revenues:		
Rental revenues	17,195,612	17,190,203
Common area charges	605,103	603,449
Total	17,800,716	17,793,652
Other revenues related to property leasing		
Utility charges	549,928	518,605
Parking lots	80,738	81,250
Solar panel leasing	597,964	383,761
Others	76,174	63,771
Total	1,304,806	1,047,389
<b>Total property-related revenues</b>	<b>19,105,522</b>	<b>18,841,042</b>
<b>B. Property-related expenses</b>		
Rental expenses:		
Taxes and dues	1,577,503	1,576,300
Property and facility management fees	683,378	675,979
Utilities	449,456	409,433
Repairs and maintenance	110,554	88,031
Casualty insurance	45,004	56,728
Depreciation	3,769,420	3,766,094
Others	129,754	175,133
Total property-related expenses	6,765,071	6,747,701
<b>C. Operating income from property leasing (A – B)</b>	<b>12,340,451</b>	<b>12,093,340</b>

\*2. Gain on sales of property and equipment:

Prior Period (From March 1, 2019 to August 31, 2019)

	(Unit: Thousand yen)
GLP Fukuoka:	
Sales proceeds	2,300,000
Costs of property and equipment sold	1,462,953
Other selling expenses	50,610
Gain on sales of property and equipment	786,436

Current Period (From September 1, 2019 to February 29, 2020)

None

\*3. Extraordinary income:

Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
GLP J-REIT received insurance proceeds of 231,558 thousand yen for damage to properties sustained during Typhoon Jebi (No.21) and Typhoon Trami (No.24) in 2018, and recognized the amount as insurance income.	GLP J-REIT received insurance proceeds of 422,093 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.

\*4. Extraordinary loss:

Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
GLP J-REIT recognized a loss on disaster of 194,647 thousand yen for the restoration of property damage sustained during Typhoon Jebi (No.21) and Typhoon Trami (No.24) in 2018.	GLP J-REIT recognized a loss on disaster of 386,725 thousand yen for the restoration of property damage sustained during Typhoon Faxai (No.15) and Typhoon Hagibis (No.19) in 2019.

**(Notes to Statements of Changes in Net Assets)**

\*1. Number of investment units authorized and number of investment units issued and outstanding

	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
Number of investment units authorized	16,000,000 units	16,000,000 units
Number of investment units issued and outstanding	3,833,420 units	3,833,420 units

**(Notes to Statements of Cash Flows)**

\*1. Reconciliation of cash and cash equivalents in the Statements of Cash Flows to accounts and amounts in the accompanying balance sheets

	(Unit: Thousand yen)	
	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
Cash and deposits	12,317,691	11,170,208
Cash and deposits in trust	9,234,471	9,485,699
Cash and cash equivalents	21,552,162	20,655,908

**(Leases)**

Operating lease transactions (As Lessor)

Future minimum rental revenues

(Unit: Thousand yen)

	Prior Period As of August 31, 2019	Current Period As of February 29, 2020
Due within one year	33,489,922	34,095,167
Due after one year	87,050,328	76,523,712
Total	120,540,250	110,618,879

**(Financial Instruments)**

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

Prior Period (As of August 31, 2019)

Book value, fair value and differences between the values as of August 31, 2019 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	12,317,691	12,317,691	—
(2) Cash and deposits in trust	9,234,471	9,234,471	—
Total assets	21,552,162	21,552,162	—
(1) Current portion of investment corporation bonds	6,900,000	6,898,620	(1,380)
(2) Current portion of long-term loans payable	3,250,000	3,266,875	16,875
(3) Investment corporation bonds	30,700,000	31,292,440	592,440
(4) Long-term loans payable	231,750,000	235,209,667	3,459,667
Total liabilities	272,600,000	276,667,602	4,067,602
Derivative transactions	—	—	—

Current Period (As of February 29, 2020)

Book value, fair value and differences between the values as of February 29, 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	11,170,208	11,170,208	—
(2) Cash and deposits in trust	9,485,699	9,485,699	—
Total assets	20,655,908	20,655,908	—
(1) Current portion of investment corporation bonds	4,500,000	4,512,150	12,150
(2) Current portion of long-term loans payable	27,450,000	27,530,613	80,613
(3) Investment corporation bonds	31,200,000	31,481,490	281,490
(4) Long-term loans payable	207,550,000	211,117,511	3,567,511
Total liabilities	270,700,000	274,641,764	3,941,764
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) Current portion of investment corporation bonds and (3) Investment corporation bonds

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

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



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

Derivative transactions:

Please refer to “(Derivative Transactions)” described below.

(Note 2) Financial instruments for which the fair value is difficult to estimate are as follows:

(Unit: Thousand yen)

Account name	Prior Period As of August 31, 2019	Current Period As of February 29, 2020
Tenant leasehold and security deposits	11,522,686	11,916,251
Tenant leasehold and security deposits in trust	224,560	152,560
Total	11,747,246	12,068,812

Regarding 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 schedules for monetary claims are as follows:

Prior Period (As of August 31, 2019)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	12,317,691
Cash and deposits in trust	9,234,471
Total	21,552,162

Current Period (As of February 29, 2020)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	11,170,208
Cash and deposits in trust	9,485,699
Total	20,655,908

(Note 4) Redemption schedules for investment corporation bonds and long-term loans payable

Prior Period (As of August 31, 2019)

(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	6,900,000	4,500,000	—	3,500,000	2,000,000	20,700,000
Long-term loans payable	3,250,000	31,250,000	29,860,000	42,200,000	29,470,000	98,970,000
Total	10,150,000	35,750,000	29,860,000	45,700,000	31,470,000	119,670,000

Current Period (As of February 29, 2020)

(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	—	1,500,000	2,000,000	2,000,000	25,700,000
Long-term loans payable	27,450,000	33,660,000	34,200,000	29,320,000	26,760,000	83,610,000
Total	31,950,000	33,660,000	35,700,000	31,320,000	28,760,000	109,310,000

**(Investment Securities)**

Prior Period (As of August 31, 2019) and Current Period (As of February 29, 2020)

None

**(Derivative Transactions)**

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of August 31, 2019) and Current Period (As of February 29, 2020)

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:

Prior Period (As of August 31, 2019)

(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	181,580,000	181,580,000	(Note 1)	(Note 2)

(Note 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 “(Financial Instruments), 2. Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

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

Current Period (As of February 29, 2020)

(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	184,830,000	172,680,000	(Note 1)	(Note 2)

(Note 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 “(Financial Instruments), 2. Estimated fair value of financial instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable.”

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

**(Retirement Benefit Plans)**

Prior Period (As of August 31, 2019) and Current Period (As of February 29, 2020)

None

**(Equity in Income)**

Prior Period (As of August 31, 2019) and Current Period (As of February 29, 2020)

No affiliate exists, thus, none to report.

**(Asset Retirement Obligation)**

Prior Period (As of August 31, 2019) and Current Period (As of February 29, 2020)

None

**(Deferred Tax Accounting)**

1. Significant components of deferred tax assets and liabilities

(Unit: Thousand yen)

	Prior Period As of August 31, 2019	Current Period As of February 29, 2020
Deferred tax assets		
Enterprise tax payable	—	54
Total	—	54
Net deferred tax assets	—	54

2. Reconciliation between Japanese statutory tax rate and the effective income tax rate with respect to pre-tax income reflected in the accompanying statement of income for each period is as follows.

(Unit: %)

	Prior Period As of August 31, 2019	Current Period As of February 29, 2020
Statutory effective tax rate	31.51	31.51
(Adjustments)		
Distributions deductible for tax purposes	(31.51)	(31.50)
Other	0.01	0.01
Actual tax rate	0.01	0.02

**(Related Party Transactions)**

1. Transactions and account balances with the parent company and major unitholders

Prior Period (From March 1, 2019 to August 31, 2019) and Current Period (From September 1, 2019 to February 29, 2020)  
None

2. Transactions and account balances with affiliates

Prior Period (From March 1, 2019 to August 31, 2019) and Current Period (From September 1, 2019 to February 29, 2020)  
None

3. Transactions and account balances with companies under common control

Prior Period (From March 1, 2019 to August 31, 2019)

Classification	Name of the company	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Business relationship	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Subsidiary of major unitholder (Note 3)	GLP Japan Inc.	Minato-ku, Tokyo	100,000	Investment advisory/agency	—	Entrustment of property management Patent license	Property management fee	295,651	—	—
							Leasing commission	52,904	—	—
							Royalty fee (Note 2)	6,250	—	—
	GLP J-REIT Master Lease GK	Minato-ku, Tokyo	1,000	Real estate	—	Solar panel leasing	Rental income from solar panel leasing	201,908	—	—
	Ichikawashiohama Godo Kaisha	Minato-ku, Tokyo	1,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	23,897	—	—
	GLP Tosu One GK	Minato-ku, Tokyo	2,200	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	45,816	—	—
	GLP Sugito Y.K.	Minato-ku, Tokyo	4,300	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	12,376	—	—
	GLP Urayasu Three Y.K.	Minato-ku, Tokyo	3,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	37,402	—	—
	GLP Tokyo Two Y.K.	Minato-ku, Tokyo	3,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	17,137	—	—
	GLP Komaki Y.K.	Minato-ku, Tokyo	3,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	30,985	—	—
	GLP Fukusaki Y.K.	Minato-ku, Tokyo	3,500	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	20,374	—	—
	GLP Amagasaki Y.K.	Minato-ku, Tokyo	3,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	32,664	—	—
	GLP Misato Two GK	Minato-ku, Tokyo	2,200	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	21,197	—	—
	GLP Maishima Two Y.K.	Minato-ku, Tokyo	3,000	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	22,665	—	—
GLP Kiyama GK	Minato-ku, Tokyo	2,200	Equipment leasing	—	Solar panel leasing	Rental income from solar panel leasing	33,792	—	—	

(Note 1) Consumption taxes are not included in the transaction amount.

(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) Other transactions are determined based on market conditions.

(Note 3) On July 25, 2019, GLP CAPITAL JAPAN 2 PRIVATE LIMITED sold a part of GLP J-REIT's investment units and accordingly, GLP Holdings Limited, its parent company, became no longer a major unitholder. Thus, GLP Japan Inc., GLP J-REIT Master Lease GK, Ichikawashiohama Godo Kaisha, GLP Tosu One GK, GLP Sugito Y.K., GLP Urayasu Three Y.K., GLP Tokyo Two Y.K., GLP Komaki Y.K., GLP Fukusaki Y.K., GLP Amagasaki Y.K., GLP Misato Two GK, GLP Maishima Two Y.K. and GLP Kiyama GK do not fall under the classification of subsidiary of major unitholder as of August 31, 2019. Transaction amounts stated above are the amounts recognized for the period when they were subsidiaries of major unitholders.

Transactions with GLP Japan Advisors Inc., the Asset Manager of GLP J-REIT, are stated in "4. Transactions and account balances with directors and major individual unitholders" below. See transactions with Yoji Tatsumi.

Current Period (From September 1, 2019 to February 29, 2020)

None

4. Transactions and account balances with directors and major individual unitholders

Prior Period (From March 1, 2019 to August 31, 2019)

Classification	Name	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Director and his/her relatives	Yoji Tatsumi	—	—	Executive Director of GLP J-REIT and President & CEO of GLP Japan Advisors Inc.	0.0	Payment of asset management fee to GLP Japan Advisors Inc. (Note 2)	2,151,933	Accounts payable	2,012,349

(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) It is the arm's length transaction executed by Yoji Tatsumi as the President of GLP Japan Advisors Inc. The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT. The asset management fee includes 11,500 thousand yen of the management fee for a property sold, which was included in gain on sales of property and equipment.

Current Period (From September 1, 2019 to February 29, 2020)

Classification	Name	Location	Stated capital (Thousand yen)	Type of business	% of voting rights (owned)	Type of transaction	Transaction amount (Thousand yen)	Account title	Balance (Thousand yen)
Director and his/her relatives	Yoji Tatsumi	—	—	(Note 2)	0.0	Payment of asset management fee to GLP Japan Advisors Inc. (Note 2)	2,034,963	—	—
	Yoshiyuki Miura	—	—	(Note 2)	—			Accounts payable	1,937,092

(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) Yoji Tatsumi resigned as the President of GLP Japan Advisors Inc. effective October 31, 2019 and Yoshiyuki Miura was appointed as the President of GLP Advisors Inc. effective November 1, 2019. In addition, Yoji Tatsumi resigned as Executive Director of GLP J-REIT effective December 19, 2019 and Yoshiyuki Miura was appointed as Executive Director of GLP J-REIT on the same date. The transactions above are the arm's length transactions executed by Yoji Tatsumi and Yoshiyuki Miura as the President of GLP Japan Advisors Inc. The asset management fee was determined in accordance with the rules prescribed in the Articles of Incorporation of GLP J-REIT.

**(Investment and Rental Properties)**

Property and equipment consists of leasable logistics 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)

	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
Book value		
Balance at the beginning of the period	588,700,584	584,230,318
Change during the period	(4,470,265)	(2,974,241)
Balance at the end of the period	584,230,318	581,256,077
Fair value at the end of the period	721,011,000	728,987,000

(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 each period, the major increase for the prior period was primarily due to

capital expenditure, whereas the major decrease was due to the sales of a property (GLP Fukuoka) in the amount of 1,462,953 thousand yen and depreciation of 3,769,420 thousand yen. The major increase for the current period was primarily due to capital expenditure, whereas the major decrease was due to depreciation of 3,766,094 thousand yen.

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

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

## (Segment and Related Information)

### (Segment Information)

#### 1. Overview of operating and reportable segments

Operating segments are a component of GLP J-REIT for which separate financial information is available and whose operating results are regularly evaluated by the Board of Directors to make decisions about how resources are allocated and assess their performance. Consequently, each property is considered an operating segment. However, when properties share similar economic characteristic and meet other specific conditions, they may be aggregated for purposes of reporting segment information. Therefore, properties with multiple tenants have been aggregated and presented as the “Multi-tenant Property” reportable segment, whereas build-to-suit (“BTS”) properties developed for a single tenant or properties with a single tenant have been aggregated and presented as the “BTS Property” reportable segment.

GLP J-REIT’s properties were classified into each reportable segment as follows:

Multi-tenant property: GLP Tokyo, GLP Sugito II, GLP Koshigaya II, GLP Misato II, GLP Amagasaki, GLP Koriyama III, GLP Urayasu III, GLP Komaki, GLP Tokyo II, GLP Narashino, GLP-MFLP Ichikawa Shiohama, GLP Atsugi II, GLP Soja I, GLP Soja II, GLP Shinsuna and GLP Osaka

BTS property: GLP Higashi-Ogishima, GLP Akishima, GLP Tomisato, GLP Narashino II, GLP Funabashi, GLP Kazo, GLP Fukaya, GLP Iwatsuki, GLP Kasukabe, GLP Tatsumi, GLP Hirakata, GLP Hirakata II, GLP Maishima II, GLP Tsumori, GLP Rokko, GLP Amagasaki II, GLP Nara, GLP Sakai, GLP Morioka, GLP Tomiya, GLP Koriyama I, GLP Tokai, GLP Hayashima, GLP Hayashima II, GLP Kiyama, GLP Sendai, GLP Hamura, GLP Funabashi III, GLP Sodegaura, GLP Rokko II, GLP Ebetsu, GLP Kuwana, GLP Hatsukaichi, GLP Tatsumi Ila, GLP Okegawa, GLP Kadoma, GLP Seishin, GLP Fukusaki, GLP Ogimachi, GLP Hiroshima, GLP Kobe-Nishi, GLP Shinkiba, GLP Sugito, GLP Matsudo, GLP Tosu I, GLP Yoshimi, GLP Fukaehama, GLP Tomiya IV, GLP Noda-Yoshiharu, GLP Urayasu, GLP Funabashi II, GLP Misato, GLP Maishima I, GLP Shonan, GLP Settsu, GLP Nishinomiya, GLP Shiga, GLP Neyagawa and GLP Fujimae

- #### 2. Basis of measurement for the amounts of segment income, segment assets and other items for each reportable segment
- The accounting policies of each reportable segment are consistent to those disclosed in “Notes Concerning Significant Accounting Policies.” Segment income is measured on the basis of operating income.

3. Information about segment income, segment assets and other items

Prior Period (August 31, 2019)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note 1)	8,863,385	10,242,136	786,436	19,891,959
Segment income	5,588,058	6,752,392	(1,488,283)	10,852,167
Segment assets	276,923,399	318,666,530	14,904,935	610,494,864
Other items				
Depreciation	1,547,306	2,222,113	—	3,769,420
Increase in property and equipment	221,758	540,349	—	762,108

(Note 1) Operating revenues are exclusively earned from external parties.

(Note 2) Reconciling items to operating revenues in the amount of 786,436 thousand yen consist of gain on sales of property and equipment that is not attributable to each reportable segment.

Reconciling items to segment income in the negative amount of 1,488,283 thousand yen consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors' remuneration and other expenses.

Reconciling items to segment assets in the amount of 14,904,935 thousand yen include current assets of 12,769,398 thousand yen, investments and other assets of 1,876,877 thousand yen and deferred assets of 258,659 thousand yen.

Current Period (February 29, 2020)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note 1)	8,682,953	10,158,088	—	18,841,042
Segment income	5,404,920	6,688,419	(2,172,553)	9,920,787
Segment assets	275,301,205	317,638,057	13,547,031	606,486,294
Other items				
Depreciation	1,552,225	2,213,868	—	3,766,094
Increase in property and equipment	226,516	578,347	—	804,863

(Note 1) Operating revenues are exclusively earned from external parties.

(Note 2) Reconciling items to segment income in the negative amount of 2,172,553 thousand yen consist of corporate expenses that are not allocated to each reportable segment. Corporate expenses present mainly asset management fee, asset custody fee, administrative service fees, directors' remuneration and other expenses.

Reconciling items to segment assets in the amount of 13,547,031 thousand yen include current assets of 11,623,838 thousand yen, investments and other assets of 1,681,759 thousand yen and deferred assets of 241,434 thousand yen.



**(Related Information)**

Prior Period (From March 1, 2019 to August 31, 2019)

1. Revenue information by product and service  
Substantially all of the operating revenue is earned from external customers in Japan.
2. Information by geographic area
  - (1) Operating revenues  
Substantially all property and equipment are located in Japan.
  - (2) Property and equipment  
Disclosure of this information has been omitted as the amount of property and equipment in Japan has exceeded 90% of the amount of total property and equipment on the accompanying balance sheet.
3. Information on major tenants  
Disclosure of this information has been omitted as no customer accounting for 10% or more of total operating revenues existed.

Current Period (From September 1, 2019 to February 29, 2020)

1. Revenue information by product and service  
Substantially all of the operating revenue is earned from external customers in Japan.
2. Information by geographic area
  - (1) Operating revenues  
Substantially all property and equipment are located in Japan.
  - (2) Property and equipment  
Disclosure of this information has been omitted as the amount of property and equipment in Japan has exceeded 90% of the amount of total property and equipment on the accompanying balance sheet.
3. Information on major tenants  
Disclosure of this information has been omitted as no customer accounting for 10% or more of total operating revenues existed.

**(Per Unit Information)**

	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
Net assets per unit	82,984 yen	82,497 yen
Net income per unit	2,507 yen	2,315 yen

(Note 1) 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 2) The basis for calculating the net income per unit is as follows:

	Prior Period From March 1, 2019 To August 31, 2019	Current Period From September 1, 2019 To February 29, 2020
Net income	9,612,160 thousand yen	8,875,759 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	9,612,160 thousand yen	8,875,759 thousand yen
Average number of investment units outstanding	3,833,420 units	3,833,420 units

**(Significant Subsequent Events)**

None to report.

**(9) 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 19, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,390,731	(698)	160,342	(Note 2)
September 1, 2015	Public offering	197,594	2,588,325	21,784	182,126	(Note 3)
September 25, 2015	Issuance of new units through allocation to a third party	5,459	2,593,784	601	182,728	(Note 4)
November 17, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(707)	182,020	(Note 5)
May 17, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(778)	181,242	(Note 6)
September 1, 2016	Public offering	247,507	2,841,291	28,561	209,804	(Note 7)
September 27, 2016	Issuance of new units through allocation to a third party	11,787	2,853,078	1,360	211,164	(Note 8)
November 16, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(770)	210,393	(Note 9)
May 16, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(867)	209,526	(Note 10)
November 14, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(861)	208,665	(Note 11)
March 1, 2018	Public offering	529,922	3,383,000	56,095	264,760	(Note 12)
March 20, 2018	Issuance of new units through allocation to a third party	19,681	3,402,681	2,083	266,843	(Note 13)
May 15, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,402,681	(858)	265,985	(Note 14)
September 3, 2018	Public offering	411,013	3,813,694	42,620	308,605	(Note 15)

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	
September 26, 2018	Issuance of new units through allocation to a third party	19,726	3,833,420	2,045	310,651	(Note 16)
November 14, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,017)	309,633	(Note 17)
May 21, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,134)	308,499	(Note 18)
November 18, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	307,372	(Note 19)

- (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 14, 2015, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment) of 292 yen per unit for the 6th Fiscal Period (the period ended February 28, 2015). The payment of distributions was commenced on May 19, 2015.
- (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 price of 110,247 yen or the offer price of 114,174 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 price of 110,247 yen.
- (Note 5) At the Board of Directors’ Meeting held on October 14, 2015, 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 7th Fiscal Period (the period ended August 31, 2015). The payment of distributions was commenced on November 17, 2015.
- (Note 6) 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 7) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 115,398 yen or the offer price of 119,357 yen per unit.
- (Note 8) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue price of 115,398 yen.
- (Note 9) 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 10) 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 11) 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 12) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of

105,856 yen or the offer price of 109,372 yen per unit.

(Note 13) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue price of 105,856 yen.

(Note 14) 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 15) In order to obtain funds to acquire new properties, GLP J-REIT issued new investment units through a public offering at the issue price of 103,697 yen or the offer price of 107,130 yen per unit.

(Note 16) In connection with the public offering, GLP J-REIT issued new investment units through a third-party allocation at the issue price of 103,697 yen.

(Note 17) 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 18) 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 19) 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.

### 3. Reference Information

#### (1) Price Information on Investment Assets

##### (i) Investment Status

Type of asset	Area (Note 1)	Prior Period August 31, 2019		Current Period February 29, 2020	
		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)	Tokyo metropolitan area	335,729	55.0	334,250	55.1
	Greater Osaka area	155,648	25.5	154,778	25.5
	Other	92,852	15.2	92,227	15.2
Sub Total		584,230	95.7	581,256	95.8
Deposits and other assets		26,264	4.3	25,230	4.2
Total assets (Notes 5 and 6)		610,494 [584,230]	100.0 [95.7]	606,486 [581,256]	100.0 [95.8]

	Amount (Million yen)	As a ratio to total assets (%) (Note 3)	Amount (Million yen)	As a ratio to total assets (%) (Note 3)
Total liabilities (Note 5)	292,380	47.9	290,237	47.9
Total net assets (Note 5)	318,114	52.1	316,248	52.1

- (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 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 Tokyo metropolitan area includes the book value of vehicles.
- (Note 5) The book value is stated for “total assets”, “total liabilities” and “total net assets”.
- (Note 6) The figures in square brackets represent the holding properties portion to total assets.

(ii) Portfolio Overview

The following table summarizes the beneficiary rights of real estate in trust or the real estate properties in trust held by GLP J-REIT at the fiscal period end. Each figure in this table is the information as of February 29, 2020 unless otherwise stated.

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	21,427	31,300	3.7	56,757.92	56,757.92	100.0	3
Tokyo-2	GLP Higashi-Ogishima	4,980	4,873	6,830	0.8	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,555	7,344	9,920	1.2	27,356.63	27,356.63	100.0	3
Tokyo-4	GLP Tomisato	4,990	4,494	6,090	0.8	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	14,276	20,100	2.5	101,623.59	101,623.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,894	2,090	0.3	10,465.03	10,465.03	100.0	1
Tokyo-7	GLP Kazo	11,500	10,387	14,400	1.9	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,173	2,890	0.4	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	17,329	26,200	3.1	101,272.40	100,345.84	99.1	5
Tokyo-10	GLP Iwatsuki	6,940	6,411	9,990	1.1	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	3,838	5,390	0.7	18,460.73	18,460.73	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,141	14,100	1.6	43,533.28	43,533.28	100.0	2
Tokyo-13	GLP Misato II	14,868	14,014	22,000	2.4	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,805	6,770	0.8	12,925.58	12,925.58	100.0	1
Tokyo-15	GLP Hamura	7,660	7,283	10,000	1.3	40,277.93	40,277.93	100.0	1
Tokyo-16	GLP Funabashi III	3,050	2,958	4,340	0.5	18,281.84	18,281.84	100.0	1
Tokyo-17	GLP Sodegaura	6,150	5,662	8,070	1.0	45,582.06	45,582.06	100.0	1
Tokyo-18	GLP Urayasu III	18,760	17,867	22,800	3.1	64,198.11	64,198.11	100.0	2
Tokyo-19	GLP Tatsumi Iia	6,694	6,582	8,580	1.1	17,108.52	17,108.52	100.0	1
Tokyo-21	GLP Tokyo II	36,373	34,784	47,400	6.0	79,073.21	79,073.21	100.0	6
Tokyo-22	GLP Okegawa	2,420	2,358	3,140	0.4	17,062.92	17,062.92	100.0	1
Tokyo-23	GLP Shinkiba	11,540	11,430	12,800	1.9	18,341.73	18,341.73	100.0	1
Tokyo-24	GLP Narashino	5,320	5,283	5,570	0.9	23,548.03	23,548.03	100.0	3
Tokyo-26	GLP Sugito	8,481	8,222	10,600	1.4	58,918.12	58,918.12	100.0	1
Tokyo-27	GLP Matsudo	2,356	2,399	2,950	0.4	14,904.60	14,904.60	100.0	1
Tokyo-28	GLP-MFLP Ichikawa Shiohama (Note 8)	15,500	15,151	17,900	2.5	50,813.07	44,509.23	87.6	5
Tokyo-29	GLP Atsugi II	21,100	20,413	24,200	3.5	74,176.27	74,176.27	100.0	2
Tokyo-30	GLP Yoshimi	11,200	10,758	11,800	1.8	62,362.89	62,362.89	100.0	1
Tokyo-31	GLP Noda-Yoshiharu	4,496	4,442	5,370	0.7	26,631.40	26,631.40	100.0	1
Tokyo-32	GLP Urayasu	7,440	7,460	7,910	1.2	25,839.60	25,839.60	100.0	1
Tokyo-33	GLP Funabashi II	7,789	7,751	8,480	1.3	34,699.09	34,349.01	99.0	1
Tokyo-34	GLP Misato	16,939	16,824	19,000	2.8	46,892.00	46,892.00	100.0	1

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-35	GLP Shinsuna	18,300	18,314	18,900	3.0	44,355.46	44,355.46	100.0	5
Tokyo-36	GLP Shonan	5,870	5,887	6,200	1.0	23,832.60	23,832.60	100.0	1
Osaka-1	GLP Hirakata	4,750	4,533	6,390	0.8	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,431	9,420	1.3	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	9,288	8,035	12,200	1.5	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,025	2,790	0.3	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	4,979	6,130	0.8	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,963	23,088	30,500	4.1	110,224.41	110,224.41	100.0	7
Osaka-7	GLP Amagasaki II	2,040	1,930	2,380	0.3	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,036	2,990	0.4	19,545.35	19,545.35	100.0	1
Osaka-9	GLP Sakai	2,000	1,791	2,260	0.3	10,372.10	10,372.10	100.0	1
Osaka-10	GLP Rokko II	3,430	3,098	4,340	0.6	20,407.30	20,407.30	100.0	1
Osaka-11	GLP Kadoma	2,430	2,425	3,290	0.4	12,211.73	12,211.73	100.0	1
Osaka-12	GLP Seishin	1,470	1,405	1,640	0.2	9,533.88	9,533.88	100.0	1
Osaka-13	GLP Fukusaki	3,928	3,513	4,870	0.6	24,167.83	24,167.83	100.0	1
Osaka-14	GLP Kobe-Nishi	7,150	6,622	7,610	1.2	35,417.31	35,417.31	100.0	1
Osaka-15	GLP Fukaehama	4,798	4,598	4,880	0.8	19,386.00	19,386.00	100.0	1
Osaka-16	GLP Maishima I	19,390	18,986	19,400	3.2	72,948.78	72,948.78	100.0	1
Osaka-17	GLP Osaka	36,000	35,626	37,200	5.9	128,504.34	127,642.38	99.3	12
Osaka-18	GLP Settsu	7,300	7,343	7,630	1.2	38,997.24	38,997.24	100.0	1
Osaka-19	GLP Nishinomiya	2,750	2,741	2,810	0.5	19,766.00	19,766.00	100.0	1
Osaka-20	GLP Shiga	4,550	4,547	4,720	0.7	29,848.70	29,848.70	100.0	1
Osaka-21	GLP Neyagawa	8,100	8,015	8,660	1.3	26,938.02	26,938.02	100.0	1
Other-1	GLP Morioka	808	735	867	0.1	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	3,102	2,895	3,890	0.5	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	3,628	4,590	0.7	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,605	2,810	0.4	27,671.51	27,671.51	100.0	4
Other-5	GLP Tokai	6,210	5,851	8,360	1.0	32,343.31	32,343.31	100.0	1
Other-6	GLP Hayashima	1,190	1,194	1,690	0.2	13,527.76	13,527.76	100.0	1
Other-7	GLP Hayashima II	2,460	2,140	2,880	0.4	14,447.48	14,447.48	100.0	1
Other-8	GLP Kiyama	5,278	4,510	5,930	0.9	23,455.96	23,455.96	100.0	1
Other-10	GLP Sendai	5,620	5,216	6,940	0.9	37,256.23	37,256.23	100.0	1
Other-11	GLP Ebetsu	1,580	1,397	2,380	0.3	18,489.25	18,489.25	100.0	1
Other-12	GLP Kuwana	3,650	3,291	4,310	0.6	20,402.12	20,402.12	100.0	1
Other-13	GLP Hatsukaichi	1,980	1,807	2,360	0.3	10,981.89	10,981.89	100.0	1
Other-14	GLP Komaki	10,748	10,065	14,300	1.8	52,709.97	52,709.97	100.0	2
Other-15	GLP Ogimachi	1,460	1,414	1,650	0.2	13,155.28	13,155.28	100.0	1
Other-16	GLP Hiroshima	3,740	3,554	4,420	0.6	21,003.04	21,003.04	100.0	2

Property number	Property name	Acquisition price (Million yen) (Note 1)	Book value (Million yen)	Appraisal value (Million yen) (Note 2)	Share (%) (Note 3)	Leasable area (m <sup>2</sup> ) (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Other-19	GLP Tosu I	9,898	9,203	11,000	1.6	74,860.38	74,860.38	100.0	1
Other-20	GLP Tomiya IV	5,940	5,724	6,480	1.0	32,562.60	32,562.60	100.0	1
Other-21	GLP Soja I	12,800	12,545	13,100	2.1	63,015.53	55,971.64	88.8	7
Other-22	GLP Soja II	12,700	12,448	12,800	2.1	63,234.98	62,965.08	99.6	6
Other-23	GLP Fujimae	1,980	1,997	2,040	0.3	12,609.00	12,609.00	100.0	1
Total portfolio		607,974	581,256	728,987	100.0	2,770,644.28	2,754,888.05	99.4	136

(Note 1) “Acquisition price” represents the purchase amount (excluding acquisition costs and consumption taxes) of each property or beneficiary right in trust as stated in the Sales and Purchase Contract or the Price Agreement associated to the Contract.

(Note 2) “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 3) “Share” is the ratio of the acquisition price of each property or property in trust to total acquisition price, and rounded to the first decimal place.

(Note 4) “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 5) “Leased area” is the total area leased to building tenants in accordance with the relevant lease agreement of each property or property in trust. The figures are rounded down to the second decimal place. When the 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 6) “Occupancy ratio” is rounded to the first decimal place. 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 7) “Number of tenants” represents the total number of building tenants stated on the lease agreement of each property or property in trust.

(Note 8) 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” and “Leased area” stated above are computed by multiplying 50% of the joint co-ownership ratio.



(iii) Overview of Property Leasing and Status of Operating Income

The 16th Fiscal Period (From September 1, 2019 to February 29, 2020)

(Unit in amount: Thousand yen)

Property number	Tokyo-1	Tokyo-2	Tokyo-3	Tokyo-4	Tokyo-5	Tokyo-6	Tokyo-7
Property name	GLP Tokyo	GLP Higashi-Ogishima	GLP Akishima	GLP Tomisato	GLP Narashino II	GLP Funabashi	GLP Kazo
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	716,141	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses	135,617						
Taxes and dues	56,830						
Property and facility management fees	39,127						
Utilities	35,045						
Repair and maintenance	1,197						
Casualty insurance	1,279						
Others	2,137						
(3) NOI((1)-(2))	580,524	156,342	220,240	141,566	410,406	50,244	330,992
(4) Depreciation	98,234	41,988	29,039	34,310	131,324	17,028	95,069
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	482,290	114,353	191,201	107,255	279,082	33,215	235,922
(7) Capital expenditure	6,168	27,910	23,883	398	17,385	7,530	25,396
(8) NCF((3)-(7))	574,356	128,432	196,357	141,168	393,021	42,714	305,596

Property number	Tokyo-8	Tokyo-9	Tokyo-10	Tokyo-11	Tokyo-12	Tokyo-13	Tokyo-14
Property name	GLP Fukaya	GLP Sugito II	GLP Iwatsuki	GLP Kasukabe	GLP Koshigaya II	GLP Misato II	GLP Tatsumi
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	686,710	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses		132,049					
Taxes and dues		50,521					
Property and facility management fees		42,814					
Utilities		33,728					
Repair and maintenance		723					
Casualty insurance		2,090					
Others		2,171					
(3) NOI((1)-(2))	79,979	554,661	195,195	115,766	270,359	424,802	122,762
(4) Depreciation	29,067	132,499	40,294	34,092	53,895	84,910	13,564
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	50,912	422,162	154,901	81,674	216,463	339,892	109,198
(7) Capital expenditure	24,560	33,767	3,561	5,840	8,165	20,316	5,301
(8) NCF((3)-(7))	55,419	520,894	191,634	109,926	262,194	404,486	117,461

Property number	Tokyo-15	Tokyo-16	Tokyo-17	Tokyo-18	Tokyo-19	Tokyo-21	Tokyo-22
Property name	GLP Hamura	GLP Funabashi III	GLP Sodegaura	GLP Urayasu III	GLP Tatsumi Iia	GLP Tokyo II	GLP Okegawa
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	(Note)	(Note)	(Note)	(Note)	1,105,060	(Note)
(2) Property-related expenses						275,475	
Taxes and dues						85,842	
Property and facility management fees						62,959	
Utilities						82,952	
Repair and maintenance						9,319	
Casualty insurance						1,906	
Others						32,495	
(3) NOI((1)-(2))	219,354	92,091	189,694	452,975	161,231	829,585	79,744
(4) Depreciation	39,302	21,479	41,336	112,169	20,779	181,476	25,277
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	180,051	70,611	148,358	340,805	140,452	648,108	54,466
(7) Capital expenditure	990	1,920	880	16,611	7,900	12,727	9,199
(8) NCF((3)-(7))	218,364	90,171	188,814	436,364	153,331	816,858	70,545

Property number	Tokyo-23	Tokyo-24	Tokyo-26	Tokyo-27	Tokyo-28	Tokyo-29	Tokyo-30
Property name	GLP Shinkiba	GLP Narashino	GLP Sugito	GLP Matsudo	GLP-MFLP Ichikawa Shiohama	GLP Atsugi II	GLP Yoshimi
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	171,979	(Note)	(Note)	426,965	(Note)	(Note)
(2) Property-related expenses		28,883			83,417		
Taxes and dues		8,731			38,442		
Property and facility management fees		8,805			24,635		
Utilities		8,131			16,695		
Repair and maintenance		1,239			1,194		
Casualty insurance		367			1,057		
Others		1,607			1,392		
(3) NOI((1)-(2))	260,946	143,096	216,100	66,255	343,548	489,530	280,289
(4) Depreciation	35,619	24,267	48,502	11,810	64,280	116,241	74,331
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	225,326	118,828	167,598	54,444	279,268	373,288	205,958
(7) Capital expenditure	5,479	17,040	13,922	3,695	-	998	201
(8) NCF((3)-(7))	255,467	126,056	202,178	62,560	343,548	488,532	280,088

Property number	Tokyo-31	Tokyo-32	Tokyo-33	Tokyo-34	Tokyo-35	Tokyo-36	Osaka-1
Property name	GLP Noda-Yoshiharu	GLP Urayasu	GLP Funabashi II	GLP Misato	GLP Shinsuna	GLP Shonan	GLP Hirakata
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	(Note)	(Note)	(Note)	469,776	(Note)	(Note)
(2) Property-related expenses					69,659		
Taxes and dues					33,004		
Property and facility management fees					18,680		
Utilities					12,862		
Repair and maintenance					616		
Casualty insurance					917		
Others					3,577		
(3) NOI((1)-(2))	118,531	157,257	177,094	369,947	400,117	141,486	161,067
(4) Depreciation	30,399	37,443	35,590	62,816	37,957	24,226	22,319
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	88,132	119,813	141,504	307,131	362,160	117,259	138,747
(7) Capital expenditure	750	53,206	20,141	3,890	20,567	530	5,965
(8) NCF((3)-(7))	117,781	104,051	156,953	366,057	379,550	140,956	155,101

Property number	Osaka-2	Osaka-3	Osaka-4	Osaka-5	Osaka-6	Osaka-7	Osaka-8
Property name	GLP Hirakata II	GLP Maishima II	GLP Tsumori	GLP Rokko	GLP Amagasaki	GLP Amagasaki II	GLP Nara
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	(Note)	(Note)	(Note)	861,493	(Note)	(Note)
(2) Property-related expenses					186,930		
Taxes and dues					71,674		
Property and facility management fees					47,988		
Utilities					48,211		
Repair and maintenance					1,993		
Casualty insurance					2,258		
Others					14,805		
(3) NOI((1)-(2))	223,093	273,418	76,595	169,430	674,562	63,337	86,053
(4) Depreciation	36,731	97,633	9,049	31,386	169,136	11,923	27,097
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	186,362	175,785	67,546	138,044	505,426	51,413	58,956
(7) Capital expenditure	15,302	-	2,140	11,726	32,554	8,159	1,200
(8) NCF((3)-(7))	207,791	273,418	74,455	157,704	642,008	55,178	84,853

Property number	Osaka-9	Osaka-10	Osaka-11	Osaka-12	Osaka-13	Osaka-14	Osaka-15
Property name	GLP Sakai	GLP Rokko II	GLP Kadoma	GLP Seishin	GLP Fukusaki	GLP Kobe-Nishi	GLP Fukachama
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues							
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	58,401	117,222	77,332	45,187	115,591	185,919	122,840
(4) Depreciation	14,782	27,442	12,932	11,689	45,470	58,715	37,732
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	43,618	89,780	64,400	33,498	70,120	127,204	85,108
(7) Capital expenditure	-	-	20,300	1,230	979	-	1,130
(8) NCF((3)-(7))	58,401	117,222	57,032	43,957	114,612	185,919	121,710

Property number	Osaka-16	Osaka-17	Osaka-18	Osaka-19	Osaka-20	Osaka-21	Other-1
Property name	GLP Maishima I	GLP Osaka	GLP Settsu	GLP Nishinomiya	GLP Shiga	GLP Neyagawa	GLP Morioka
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues		925,315					
(2) Property-related expenses		175,823					
Taxes and dues		74,648					
Property and facility management fees	(Note)	50,607	(Note)	(Note)	(Note)	(Note)	(Note)
Utilities		39,207					
Repair and maintenance		3,075					
Casualty insurance		2,945					
Others		5,340					
(3) NOI((1)-(2))	423,829	749,491	196,481	69,163	120,315	161,871	29,132
(4) Depreciation	144,628	204,355	17,510	21,856	24,456	45,450	13,957
(5) Loss on disposal of property and equipment	-	-	0	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	279,200	545,136	178,970	47,306	95,859	116,420	15,175
(7) Capital expenditure	20,510	17,453	18,698	18,152	27,030	-	1,400
(8) NCF((3)-(7))	403,319	732,038	177,783	51,011	93,285	161,871	27,732

Property number	Other-2	Other-3	Other-4	Other-5	Other-6	Other-7	Other-8
Property name	GLP Tomiya	GLP Koriyama I	GLP Koriyama III	GLP Tokai	GLP Hayashima	GLP Hayashima II	GLP Kiyama
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	(Note)	126,485	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses			34,746				
Taxes and dues			15,335				
Property and facility management fees			6,955				
Utilities			7,499				
Repair and maintenance			1,119				
Casualty insurance			490				
Others			3,347				
(3) NOI((1)-(2))	103,911	122,471	91,738	181,575	45,797	76,643	163,086
(4) Depreciation	32,159	42,717	28,407	36,307	8,351	23,080	64,140
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	71,752	79,754	63,330	145,268	37,446	53,563	98,945
(7) Capital expenditure	5,648	23,080	11,556	46,606	16,531	-	4,300
(8) NCF((3)-(7))	98,263	99,391	80,182	134,969	29,265	76,643	158,786

Property number	Other-10	Other-11	Other-12	Other-13	Other-14	Other-15	Other-16
Property name	GLP Sendai	GLP Ebetsu	GLP Kuwana	GLP Hatsukaichi	GLP Komaki	GLP Ogimachi	GLP Hiroshima
Operating dates	182	182	182	182	182	182	182
(1) Property-related revenues	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees							
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	175,149	57,758	122,465	67,201	316,690	49,575	103,183
(4) Depreciation	48,960	19,984	29,502	14,911	72,547	20,163	27,609
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	126,188	37,773	92,963	52,290	244,143	29,412	75,574
(7) Capital expenditure	4,273	660	-	-	1,258	9,884	11,302
(8) NCF((3)-(7))	170,876	57,098	122,465	67,201	315,431	39,691	91,881

Property number	Other-19	Other-20	Other-21	Other-22	Other-23
Property name	GLP Tosu I	GLP Tomiya IV	GLP Soja I	GLP Soja II	GLP Fujimae
Operating dates	182	182	182	182	182
(1) Property-related revenues	(Note)	(Note)	422,242	386,647	(Note)
(2) Property-related expenses			91,156	69,262	
Taxes and dues			18,981	21,424	
Property and facility management fees			26,011	23,684	
Utilities			18,198	18,779	
Repair and maintenance			920	316	
Casualty insurance			1,421	1,420	
Others			25,622	3,636	
(3) NOI((1)-(2))	277,507	171,601	331,086	317,384	54,547
(4) Depreciation	98,945	46,773	87,489	84,356	12,797
(5) Loss on disposal of property and equipment	-	-	13,009	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	178,562	124,828	230,587	233,028	41,749
(7) Capital expenditure	23,670	5,466	27,335	-	8,537
(8) NCF((3)-(7))	253,837	166,135	303,751	317,384	46,010

(Note) Disclosure is omitted as the tenants' consents have not been obtained.

(2) Status of Capital Expenditure

(i) 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 Shiga	Kusatsu, Shiga	Renewal of fire alarm receivers	From April 2020 to August 2020	40	—	—
GLP Settsu	Settsu, Osaka	Asphalt repaving work in the facility yard	From June 2020 to August 2020	26	—	—
GLP Settsu	Settsu, Osaka	Renewal of freight elevators, Building No.4	From April 2020 to August 2020	25	—	—
GLP Funabashi III	Funabashi, Chiba	Roofing work of West-side exterior walls	From June 2020 to August 2020	25	—	—
GLP Tokyo	Ota, Tokyo	FRP waterproofing work on roofs (Phase III)	From July 2020 to August 2020	20	—	—
GLP Fukaya	Fukaya, Saitama	Renewal of drain pipes	From March 2020 to April 2020	20	—	—

(ii) 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 804 million yen. The total construction cost amounted to 892 million yen, including repair and maintenance of 88 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Sugito II	Kita-Katsushika, Saitama	FRP waterproofing work on roofs (Phase II)	From November 2019 to January 2020	22
GLP Soja I	Soja, Okayama	Restoration of fireproof compartment on the fifth floor	From November 2019 to February 2020	22
GLP Kadoma	Kadoma, Osaka	Reinforcement of concrete-block walls	From October 2019 to November 2019	20
GLP Maishima I	Osaka, Osaka	Thermal insulation coating on roofs	From July 2019 to September 2019	20
GLP Tokai	Tokai, Aichi	Thermal insulation coating on roofs	From September 2019 to November 2019	20
Other	—	—	—	699
Total				804