

SUMMARY OF FINANCIAL RESULTS (REIT) For the 17th Fiscal Period Ended August 31, 2020

< Under Japanese GAAP >

October 13, 2020

Name of REIT Issuer: GLP J-REIT Stock Exchange Listing: TSE
 Securities Code: 3281 URL <https://www.glpireit.com/>
 Representative: (Name) Yoshiyuki Miura, (Title) Executive Director
 Name of Asset Manager: GLP Japan Advisors Inc.
 Representative: (Name) Yoshiyuki Miura, (Title) President
 Contact: (Name) Hisatake Miki, (Title) CFO & Head of Corporate Planning Department
 TEL: +81-3-3289-9630

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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 August 31, 2020 (From March 1, 2020 to August 31, 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								
August 31, 2020	19,893	5.6	10,881	9.7	9,693	9.6	9,695	9.2
February 29, 2020	18,841	(5.3)	9,920	(8.6)	8,841	(7.7)	8,875	(7.7)

(Note) For the period ended August 31, 2019, GLP J-REIT reported gain on sales 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 sales of property and equipment.

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
Period ended	Yen	%	%	%
August 31, 2020	2,495	3.0	1.6	48.7
February 29, 2020	2,315	2.8	1.5	46.9

(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		
Period ended	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
August 31, 2020	2,434	9,694	397	1,581	2,831	11,275	99.9	2.9
February 29, 2020	2,315	8,874	294	1,127	2,609	10,001	100.0	2.8

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

(Note 1) For the period ended August 31, 2020, payout ratio was calculated as follows since new investment units were issued during the period:

$$\text{Payout ratio} = \text{Total distributions (excluding OPD)} / \text{Net income} \times 100$$

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 August 31, 2020 and February 29, 2020 are the refund of investment categorized as a distribution from in unitholders' capital for tax purposes. The OPD for the period ended August 31, 2020 includes a temporary OPD of 114 yen per unit. Please see "(iv) Overview of Financial Results and Cash Distributions."

(Note 4) Retained earnings decreased at a rate of 0.005 for the period ended August 31, 2020 and 0.004 for the period ended February 29, 2020, 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
August 31, 2020	639,895	336,643	52.6	84,520
February 29, 2020	606,486	316,248	52.1	82,497

(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
August 31, 2020	14,010	(39,168)	23,827	19,324
February 29, 2020	12,446	(675)	(12,667)	20,655

2. Earnings Forecast for the Fiscal Periods Ending February 28, 2021 (From September 1, 2020 to February 28, 2021) and August 31, 2021 (From March 1, 2021 to August 31, 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											
February 28, 2021	20,823	4.7	11,466	5.4	10,362	6.9	10,361	6.9	2,601	286	2,887
August 31, 2021	19,621	(5.8)	10,306	(10.1)	9,195	(11.3)	9,193	(11.3)	2,308	286	2,594

(Reference) Estimated net income per unit: For the fiscal period ending February 28, 2021 2,601 yen
For the fiscal period ending August 31, 2021 2,308 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 August 31, 2020 3,982,980 Units As of February 29, 2020 3,833,420 Units
- (b) Number of treasury units:
As of August 31, 2020 0 Units As of February 29, 2020 0 Units

(Note) Please refer notes to "Per Unit Information" on page 31 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 retained earnings. Please refer to “Assumptions Underlying Earnings Forecasts for the 18th Fiscal Period Ending February 28, 2021 (From September 1, 2020 to February 28, 2021) and the 19th Fiscal Period Ending August 31, 2021 (From March 1, 2021 to August 31, 2021)” on page 7 – 9 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 the GLP Group (Note) as the sponsor group and investing in highly functional modern logistics facilities while taking advantage of the wealth of experience and management resources, GLP J-REIT aims to earn stable income and achieve steady growth in assets under management over the medium and long term. Since starting its operation as a listed J-REIT with 30 properties (total acquisition price of 208,731 million yen) in January 2013, GLP J-REIT has been steadily expanding its assets through the continuous acquisition of properties. As of the end of the current fiscal period, GLP J-REIT owns 78 properties (total acquisition price of 644,878 million yen).

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

(ii) Investment Environment and Business Performance

During the current fiscal period, the outlook for the Japanese economy remains uncertain, with a downturn in economic activity due to the impact of the global economic slowdown caused by the COVID-19 pandemic. On the other hand, the logistics facilities leasing market remains strong, with a ravenous demand for modern logistics facilities that can 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 e-commerce service and third-party logistics (3PL) companies. This strong demand is expected to continue increasing into the future. While it is necessary to closely monitor the macroeconomic impact of the COVID-19 pandemic on an ongoing basis, we believe the demand for modern logistics facilities remains strong since the further expansion of e-commerce business due to change in consumer trends and the build-up of inventories by shippers to prepare for unforeseen circumstances are expected. Under these conditions, the vacancy rate of large multi-tenant logistics facilities in the Tokyo metropolitan area hit an all-time low of 0.6% (Note 1) as of the end of June 2020. In addition, the pre-leased ratio (Note 2) for large multi-tenant logistics facilities planned to be supplied in 2020 reached 85% in the Tokyo metropolitan area and 80% for the greater Osaka area as of the end of June 2020. Thus, the balance of supply and demand for modern logistics facilities remains stable.

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, aiming to enhance both the profitability and quality of its portfolio through acquisition of new properties, GLP J-REIT issued, for the first time in J-REIT history, new investment units by way of an international offering through an accelerated book building process (“ABB”). This allows the determination of the terms and conditions, etc. of the issuance in a short period after the announcement of the issuance of new investment units. Using the funds from the issuance and new borrowings, GLP J-REIT acquired four properties on July 1, 2020: two properties developed by the GLP Group (GLP Yokohama and GLP Kawajima) under the Right-of-First-Look agreement and two properties developed by third-parties (GLP Funabashi IV and GLP Higashi-Ogishima II).

With the strong demand for logistics properties, GLP sold its trust beneficiary right of GLP Seishin on July 30, 2020, with the aim of returning to unitholders an amount equivalent to the gain on sales of the property and equipment as dividends. (Sales price: 1,931 million yen, Amount equivalent to the gain: 492 million yen (Note 3))

As to internal growth, in collaboration with the in-house leasing team of the GLP Group, the sponsor group, GLP J-REIT has achieved rent increases for 16 consecutive fiscal periods since its listing on the TSE, backed by solid demand for modern logistics facilities.

As a result of the above initiatives and its proper management and operation of the portfolio with strong support from the GLP Group, which provides modern logistics facilities on a global basis, GLP J-REIT operates 78 properties (total acquisition price of 644,878 million yen) while maintaining the portfolio occupancy rate at a favorable level of 99.9% as of August 31, 2020. The total appraisal value is 768,707 million yen with total unrealized gain of 153,157 million yen and an unrealized gain ratio of 24.9% (Note 4) as of August 31, 2020.

(Note 1) Source: CBRE K.K.

(Note 2) “The pre-leased ratio” represents the ratio of lease contracts signed or granted as of each survey date; in other words, the ratio of the total floor area for which it is possible to assume no further need to seek tenants as of each survey date to the total floor area of each new logistics facility constructed and planned to be supplied in each year.

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

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

(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, as stated in above “(ii) Investment Environment and Business Performance,” GLP J-REIT newly borrowed 15,800 million yen to cover part of the acquisition cost of four properties on July 1, 2020 and their related costs. In addition, on May 29, 2020, by conducting early refinancing of 27,450 million yen of existing debts (excluding investment corporation bonds) with repayment dates on or before February 28, 2021, GLP J-REIT has successfully decreased financing costs and lengthened the borrowing periods.

As a result of the above, outstanding interest-bearing liabilities as of the end of the current fiscal period totaled 283,900 million yen (outstanding loans 248,200 million yen, outstanding investment corporation bonds 35,700 million yen) and the ratio of interest-bearing liabilities to total assets (LTV) was 44.4 %.

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

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

(Note) It is the rating for the 2nd to the 6th and the 8th to the 14th Investment Corporation Bonds.

(iv) Overview of Financial Results and Cash Distributions

As a result of these management efforts, GLP J-REIT reported total operating revenues of 19,893 million yen, operating income of 10,881 million yen, ordinary income of 9,693 million yen and net income of 9,695 million yen for the current fiscal period.

As for a cash distribution for the current fiscal period, in accordance with the distribution policy set forth in its Articles of Incorporation, GLP J-REIT decided to distribute 9,694,573,320 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 (3,982,980 units) from unappropriated retained earnings. Accordingly, the distribution per unit for the current fiscal period were 2,434 yen.

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

Based on this, GLP J-REIT decided to distribute 1,127,183,340 yen as a continuous OPD, a refund of investment categorized as a distribution from unitholders' capital for tax purposes, in an amount almost equivalent to 30% of the depreciation (3,769 million yen) for the current fiscal period; and 454,059,720 yen as a temporary OPD since the issuance of new investment units and financing through borrowings in the current fiscal period resulted in a temporary decrease in the amount of the distribution per unit. Thus, the total amount of OPD per unit is 397 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 712 million yen of capital expenditure for the current fiscal period from 3,769 million yen of depreciation expenses for the period is 3,056 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 78 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 685 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 both the profitability and high occupancy rate of its facilities. In particular, when renewing leases upon expirations of lease periods, GLP J-REIT will collaborate with the in-house leasing team of the GLP Group, the sponsor group, with consideration of the market rents and market trends of modern logistics facilities. At the same time, GLP J-REIT will seek to enhance the value of existing assets through appropriate maintenance of such assets and capital expenditures.

(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 the GLP Group as well as third-party properties. Specifically, GLP J-REIT will take advantage of 11 properties under the Rights-of-First-Look agreement (floor area: approximately 0.52 million m²) (Note 2), which are held by GLP J-REIT as a specific and flexible pipeline, and seek future opportunities to acquire some of the 25 properties (figures include properties under construction or planned for construction) (Note 2) held by a joint venture partnership formed by the GLP Group with a third party. GLP J-REIT will sell properties with the best timing and at the highest prices possible after comprehensively considering factors such as property size, specifications, status of lease contracts and locations; and thus, GLP J-REIT will return to unitholders an amount equivalent to the gain on sales of property and equipment as dividends on an ongoing basis.

- (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 September 30, 2020 are stated.

(ii) Significant Subsequent Events

Sale of assets

GLP J-REIT sold the asset as described below.

GLP Hatsukaichi

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

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

(Note 2) As of today, there is no capital, personnel or transactional relationship to be disclosed between the Buyer and GLP J-REIT or its Asset Manager. In addition, the Buyer is not a related party of GLP J-REIT or its Asset Manager.

From this transaction, GLP J-REIT will recognize approximately 1,078 million yen of gain on sales

of property and equipment for the fiscal period ending February 28, 2021 (from September 1, 2020 to February 28, 2021).

(iii) Earnings Forecast

GLP J-REIT has made the following earnings forecasts for the fiscal period ending February 28, 2021 (From September 1, 2020 to February 28, 2021) and the fiscal period ending August 31, 2021 (From March 1, 2021 to August 31, 2021). Please refer the forecast assumptions to “Assumptions Underlying Earnings Forecasts for the 18th Fiscal Period Ending February 28, 2021 (From September 1, 2020 to February 28, 2021) and the 19th Fiscal Period Ending August 31, 2021 (From March 1, 2021 to August 31, 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 February 28, 2021	20,823	4.7	11,466	5.4	10,362	6.9	10,361	6.9	2,601	286	2,887
August 31, 2021	19,621	(5.8)	10,306	(10.1)	9,195	(11.3)	9,193	(11.3)	2,308	286	2,594

(Note) The forecast figures are the current figures calculated based on certain assumptions, and the actual net income, distributions 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 18th Fiscal Period Ending February 28, 2021 (From September 1, 2020 to February 28, 2021) and the 19th Fiscal Period Ending August 31, 2021 (From March 1, 2021 to August 31, 2021)

Item	Assumption
Accounting period	The 18th Fiscal Period: From September 1, 2020 to February 28, 2021 (181 days) The 19th Fiscal Period: From March 1, 2020 to August 31, 2021 (184 days)
Portfolio assets	<ul style="list-style-type: none"> It is assumed that the portfolio assets will consist of the trust beneficiary rights of: 78 properties held as of the end of the 17th Fiscal Period, and 77 properties after the trust beneficiary right of GLP Hatsukaichi will be sold on October 9, 2020. The forecasts assume that there will be no other changes to the portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) until the end of the 19th Fiscal Period. In practice, however, changes in assets may occur due to new acquisition or disposal of assets other than above.
Number of investment units issued and outstanding	<ul style="list-style-type: none"> It is assumed to be 3,982,980 units, which is the number of investment units issued and outstanding as of the date of this report.
Interest-bearing liabilities	<ul style="list-style-type: none"> The outstanding interest-bearing liabilities of GLP J-REIT as of the date of this report are 283,900 million yen. 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. It is assumed that LTV as of February 28, 2021 (the 18th Fiscal Period) will be 44.4% and LTV as of August 31, 2021 (the 19th Fiscal Period) will be 44.6%. The following formula is used to compute LTV. $LTV = (\text{Balance of interest-bearing liabilities} / \text{Total assets}) \times 100$

Item	Assumption
Operating revenues	<ul style="list-style-type: none"> • The forecasts assume GLP J-REIT will recognize 1,078 million yen of gain on the aforementioned sales of trust beneficiary right in the 18th Fiscal Period. • The impact of the COVID-19 pandemic is not assumed to estimate operating revenues since there is no impact from the pandemic, such as decrease in rents, as of the date of this report. • 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 349 million yen for the 18th Fiscal Period and 553 million yen for the 19th Fiscal Period. • Concerning operating revenues, the forecasts assume that there is no delinquent rent payment by tenants.
Operating expenses	<ul style="list-style-type: none"> • 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. Accordingly, the property-related taxes on four properties acquired in July 2020 (GLP Yokohama, GLP Kawajima, GLP Funabashi IV and GLP Higashi-Ogishima II), in the amount of 84 million yen, will be recognized as rental expenses in the 19th Fiscal Period instead of the 18th Fiscal Period. The amount of property-related taxes capitalized as part of the acquisition cost is 80 million yen. • Taxes and dues are expected to be 1,566 million yen for the 18th Fiscal Period and 1,649 million yen for the 19th Fiscal Period. • Repair and maintenance expenses are expected to be 167 million yen for the 18th Fiscal Period and 135 million yen for the 19th Fiscal Period. • Property and facility management fees are expected to be 716 million yen for the 18th Fiscal Period and 711 million yen for the 19th Fiscal Period. • Depreciation is expected to be 3,809 million yen for the 18th Fiscal Period and 3,805 million yen for the 19th Fiscal Period. • Of rental expenses that are the main operating expenses, expenses other than depreciation are estimated based on the historical experiences and fluctuation factors. • 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. • Depreciation is estimated using the straight-line method based on acquisition costs including incidental expenses assumed and additional capital expenditure in the future.
NOI (Net Operating Income)	<ul style="list-style-type: none"> • NOI (the amount calculated by deducting rental expenses, excluding depreciation, from operating revenues excluding gain on sales of property and equipment) is expected to be 16,620 million yen for the 18th Fiscal Period and 16,382 million yen for the 19th Fiscal Period.
Non-operating expenses	<ul style="list-style-type: none"> • 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 1,051 million yen for the 18th Fiscal Period and 1,076 million yen for the 19th Fiscal Period. Investment corporation bonds issuance expenses are amortized monthly for the period from issuance to redemption. • Investment unit issuance expenses are amortized monthly for three years from occurrence, and amortization expenses are expected to 49 million yen for the 18th Fiscal Period and 33 million yen for the 19th Fiscal Period.

Item	Assumption
Distributions per unit (excluding OPD)	<ul style="list-style-type: none"> • It is calculated in accordance with the distribution policy set forth in the Articles of Incorporation of GLP J-REIT. • The amount of 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.
Optimal payable distribution (OPD) per unit	<ul style="list-style-type: none"> • The forecasts assume that all of the amounts of OPD for the 18th Period and the 19th Period will be the refund of its investment categorized as a distribution from unitholders' capital for tax purposes. • 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 distributions of approximately 30% of respective depreciation arising in the 18th Fiscal Period and the 19th Period. • 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 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. • Appraisal LTV (%) = $A/B \times 100$ (%) 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 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.
Other	<ul style="list-style-type: none"> • 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. • The forecasts assume that there will be no unforeseen material change in general economic trends and real estate market conditions, etc.

2. Financial Statements

(1) Balance Sheets

	(Unit: Thousand yen)	
	Prior Period As of February 29, 2020	Current Period As of August 31, 2020
Assets		
Current assets		
Cash and deposits	11,170,208	9,465,907
Cash and deposits in trust	9,485,699	9,858,845
Operating accounts receivable	2,047,146	1,943,815
Prepaid expenses	592,847	533,444
Consumption taxes receivable	—	404,242
Other current assets	2,293	5,122
Total current assets	23,298,196	22,211,376
Noncurrent assets		
Property and equipment		
Vehicles	1,016	1,016
Accumulated depreciation	(889)	(1,016)
Vehicles, net	127	—
Buildings in trust	252,916,081	262,818,619
Accumulated depreciation	(36,383,602)	(39,828,541)
Buildings in trust, net	216,532,479	222,990,077
Structures in trust	6,409,038	6,510,131
Accumulated depreciation	(2,094,058)	(2,272,175)
Structures in trust, net	4,314,980	4,237,955
Machinery and equipment in trust	58,088	58,088
Accumulated depreciation	(52,254)	(52,667)
Machinery and equipment in trust, net	5,833	5,420
Tools, furniture and fixtures in trust	273,672	277,231
Accumulated depreciation	(147,991)	(159,268)
Tools, furniture and fixtures in trust, net	125,681	117,963
Land in trust	360,276,976	388,198,044
Total property and equipment, net	581,256,077	615,549,462
Investments and other assets		
Investment securities	1,600	1,600
Long-term prepaid expenses	1,677,531	1,822,570
Deferred tax assets	54	50
Security deposits	10,000	10,000
Other	1,400	1,400
Total investments and other assets	1,690,586	1,835,620
Total noncurrent assets	582,946,664	617,385,083
Deferred assets		
Investment unit issuance expenses	79,016	149,860
Investment corporation bond issuance costs	162,417	149,505
Total deferred assets	241,434	299,365
Total Assets	606,486,294	639,895,825

(Unit: Thousand yen)

	Prior Period As of February 29, 2020	Current Period As of August 31, 2020
Liabilities		
Current liabilities		
Operating accounts payable	212,021	396,755
Short-term loans payable	—	15,800,000
Current portion of investment corporation bonds	4,500,000	4,500,000
Current portion of long-term loans payable	27,450,000	3,800,000
Accounts payable	2,739,732	2,537,439
Accrued expenses	102,100	124,080
Income taxes payable	1,588	1,527
Consumption taxes payable	733,135	—
Advances received	3,279,884	3,445,784
Deposits received	—	70,054
Current portion of tenant leasehold and security deposits	400,030	131,713
Total current liabilities	39,418,493	30,807,355
Noncurrent liabilities		
Investment corporation bonds	31,200,000	31,200,000
Long-term loans payable	207,550,000	228,600,000
Tenant leasehold and security deposits	11,916,251	12,492,187
Tenant leasehold and security deposits in trust	152,560	152,560
Total noncurrent liabilities	250,818,812	272,444,747
Total Liabilities	290,237,305	303,252,103
Net Assets		
Unitholders' equity		
Unitholders' capital	317,943,829	338,643,980
Deduction from unitholders' capital	(10,571,602)	(11,698,628)
Unitholders' capital, net	307,372,226	326,945,351
Retained earnings		
Unappropriated retained earnings	8,876,762	9,698,370
Total retained earnings	8,876,762	9,698,370
Total unitholders' equity	316,248,989	336,643,722
Total Net Assets *1	316,248,989	336,643,722
Total Liabilities and Net Assets	606,486,294	639,895,825

(2) Statements of Income

	(Unit: Thousand yen)	
	Prior Period	Current Period
	From September 1, 2019 To February 29, 2020	From March 1, 2020 To August 31, 2020
Operating revenues		
Rental revenues *1	17,793,652	18,119,052
Other rental revenues *1	1,047,389	1,281,447
Gain on sales of property and equipment *2	—	492,677
Total operating revenues	18,841,042	19,893,176
Operating expenses		
Rental expenses *1	6,747,701	6,739,874
Asset management fee	2,034,963	2,122,123
Asset custody fee	8,284	8,248
Administrative service fees	26,783	26,137
Directors' remuneration	3,960	3,960
Audit fee	13,000	13,500
Taxes and dues	137	21,078
Other operating expenses	85,423	76,645
Total operating expenses	8,920,254	9,011,566
Operating income	9,920,787	10,881,610
Non-operating income		
Interest income	93	89
Reversal of distributions payable	468	766
Total non-operating income	561	855
Non-operating expenses		
Interest expense	693,415	674,513
Interest expenses on investment corporation bonds	108,372	117,010
Amortization of investment corporation bond issuance costs	13,994	12,912
Borrowing related expenses	229,644	276,863
Amortization of investment unit issuance expenses	31,838	37,878
Offering costs associated with the issuance of investment units	—	20,249
Others	2,143	49,806
Total non-operating expenses	1,079,409	1,189,234
Ordinary income	8,841,939	9,693,232
Extraordinary income		
Insurance income *3	422,093	21,111
Total extraordinary income	422,093	21,111
Extraordinary losses		
Loss on disaster *4	386,725	16,823
Total extraordinary losses	386,725	16,823
Income before income taxes	8,877,307	9,697,520
Income taxes-current	1,602	1,540
Income taxes-deferred	(54)	4
Total income taxes	1,547	1,545
Net income	8,875,759	9,695,975
Accumulated earnings brought forward	1,003	2,395
Unappropriated retained earnings	8,876,762	9,698,370

(3) Statements of Changes in Net Assets

Prior 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

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

(4) Statements of Distributions

(Unit: Yen)		
	Prior Period From September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
I Unappropriated retained earnings	8,876,762,993	9,698,370,839
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	1,127,025,480	1,581,243,060
III Distributions	10,001,392,780	11,275,816,380
[Distributions per unit]	[2,609]	[2,831]
Of which, distributions of earnings	8,874,367,300	9,694,573,320
[Of which, distributions of earnings per unit]	[2,315]	[2,434]
Of which, distributions in excess of retained earnings	1,127,025,480	1,581,243,060
[Of which, distributions in excess of retained earnings per unit]	[294]	[397]
IV Retained earnings carried forward	2,395,693	3,797,519

Calculation method of distribution amount

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

Accordingly, GLP J-REIT declared a distribution amount of 8,874,367,300 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.

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

Accordingly, GLP J-REIT declared a distribution amount of 9,694,573,320 yen, which was the amount equivalent to the maximum integral multiples of the number of investment units issued and outstanding as of the end of the period.

(Continued)

(Continued)

(Continued)

Furthermore, based on the distribution policy as defined in Section 34.2 of its Article of Incorporation, GLP J-REIT will make an Optimal Payable Distribution (the “OPD”), which represents a distribution of funds in excess of retained earnings in each fiscal period on a continuous basis.

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.

(Continued)

Furthermore, based on the distribution policy as defined in Section 34.2 of its Article of Incorporation, GLP J-REIT will make an Optimal Payable Distribution (the “OPD”), which represents a distribution of funds in excess of retained earnings in each fiscal period on a continuous basis (“continuous OPD”). In addition, when the amount of a distribution per unit temporarily decreases to certain level, the distribution policy allows GLP J-REIT to make a temporary distribution of funds in excess of retained earnings (“temporary OPD”) for the purpose of maintaining a stable level of distributions.

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

(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 ("continuous OPD").

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

(5) Statements of Cash Flows

	(Unit: Thousand yen)	
	Prior Period From September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
Operating activities:		
Income before income taxes	8,877,307	9,697,520
Depreciation	3,766,094	3,769,118
Loss on retirement of noncurrent assets	13,010	—
Amortization of investment corporation bond issuance costs	13,994	12,912
Amortization of investment unit issuance expenses	31,838	37,878
Interest income	(93)	(89)
Reversal of distributions payable	(468)	(766)
Interest expense	801,787	791,524
Insurance income	(422,093)	(21,111)
Loss on disaster	386,725	16,823
Decrease (increase) in operating accounts receivable	56,696	80,631
Decrease (increase) in prepaid expenses	(108,362)	59,403
Decrease (increase) in consumption taxes receivable	—	(404,242)
Decrease (increase) in other current assets	(847)	(2,829)
Decrease (increase) in long-term prepaid expenses	196,118	(145,038)
Increase (decrease) in operating accounts payable	(166,301)	184,734
Increase (decrease) in accounts payable	(48,810)	53,213
Increase (decrease) in consumption taxes payable	(493,636)	(733,135)
Increase (decrease) in advances received	60,425	165,900
Increase (decrease) in deposits received	—	70,054
Decrease in property and equipment in trust due to sales	—	1,395,877
Subtotal	12,963,385	15,028,378
Interest received	93	89
Interest paid	(802,636)	(769,544)
Income taxes paid	(619)	(1,601)
Proceeds from insurance income	399,393	43,811
Payments for loss on disaster	(113,208)	(290,340)
Net cash provided by (used in) operating activities	12,446,408	14,010,793
Investing activities:		
Purchase of property and equipment in trust	(901,866)	(39,476,605)
Proceeds from tenant leasehold and security deposits	458,083	618,554
Repayments of tenant leasehold and security deposits	(231,329)	(310,935)
Net cash provided by (used in) investing activities	(675,113)	(39,168,986)
Financing activities:		
Proceeds from short-term loans payable	—	15,800,000
Proceeds from long-term loans payable	3,250,000	24,850,000
Repayments of long-term loans payable	(3,250,000)	(27,450,000)
Proceeds from issuance of investment corporation bonds	5,000,000	—
Redemption of investment corporation bonds	(6,900,000)	—
Payments of investment corporation bond issuance costs	(28,608)	—
Proceeds from issuance of investment units	—	20,629,737
Payment of distributions of earnings	(9,612,366)	(8,875,628)
Payment of distributions in excess of retained earnings	(1,126,575)	(1,127,071)
Net cash provided by (used in) financing activities	(12,667,550)	23,827,037
Net increase (decrease) in cash and cash equivalents	(896,254)	(1,331,156)
Cash and cash equivalents at beginning of period	21,552,162	20,655,908
Cash and cash equivalents at end of period *1	20,655,908	19,324,752

(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. Capitalized property-related taxes amounted to 80,686 thousand yen for the current period and none for the prior period.</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	<p>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.</p>
7. Other significant matters which constitute the basis for preparation of financial statements	<p>(1) Accounting treatment of beneficiary right of real estate in trust</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> <ul style="list-style-type: none"> (a) Cash and deposits in trust (b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust (c) Tenant leasehold and security deposits in trust <p>(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 As of February 29, 2020	Current Period As of August 31, 2020
50,000	50,000

(Notes to Statements of Income)

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

	(Unit: Thousand yen)	
	Prior Period From September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
A. Property-related revenues		
Rental revenues:		
Rental revenues	17,190,203	17,500,499
Common area charges	603,449	618,553
Total	17,793,652	18,119,052
Other revenues related to property leasing		
Utility charges	518,605	540,771
Parking lots	81,250	83,027
Solar panel leasing	383,761	582,996
Others	63,771	74,651
Total	1,047,389	1,281,447
Total property-related revenues	18,841,042	19,400,499
B. Property-related expenses		
Rental expenses:		
Taxes and dues	1,576,300	1,575,695
Property and facility management fees	675,979	695,402
Utilities	409,433	420,368
Repairs and maintenance	88,031	71,028
Casualty insurance	56,728	83,353
Depreciation	3,766,094	3,769,118
Others	175,133	124,905
Total property-related expenses	6,747,701	6,739,874
C. Operating income from property leasing (A – B)	12,093,340	12,660,625

*2. Gain on sales of property and equipment:

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

None

Current Period (From March 1, 2020 to August 31, 2020)

	(Unit: Thousand yen)
GLP Seishin:	
Sales proceeds	1,931,000
Costs of property and equipment sold	1,395,877
Other selling expenses	42,445
Gain on sales of property and equipment	492,677

*3. Extraordinary income:

Prior Period From September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
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.	GLP J-REIT received insurance proceeds of 21,111 thousand yen for damage to properties sustained during Typhoon Faxai (No.15) and Typhoon Hagibis (No.19) in 2019, and recognized the amount as insurance income.

*4. Extraordinary loss:

Prior Period From September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
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.	GLP J-REIT recognized a loss on disaster of 16,823 thousand yen for the restoration of property damage and other 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 September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 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	3,982,980 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 September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
Cash and deposits	11,170,208	9,465,907
Cash and deposits in trust	9,485,699	9,858,845
Cash and cash equivalents	20,655,908	19,324,752

(Leases)

Operating lease transactions (As Lessor)

Future minimum rental revenues

(Unit: Thousand yen)

	Prior Period As of February 29, 2020	Current Period As of August 31, 2020
Due within one year	34,095,167	33,658,205
Due after one year	76,523,712	71,642,041
Total	110,618,879	105,300,246

(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 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	—
(2) Current portion of investment corporation bonds	4,500,000	4,512,150	12,150
(3) Current portion of long-term loans payable	27,450,000	27,530,613	80,613
(4) Investment corporation bonds	31,200,000	31,481,490	281,490
(5) 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	—	—	—

Current Period (As of August 31, 2020)

Book value, fair value and differences between the values as of August 31, 2020 are as stated below. Financial instruments for which the fair value is difficult to estimate are excluded from the following table (See Note 2 below).

(Unit: Thousand yen)

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

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

Assets:

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

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

Liabilities:

(1) Short-term loans payable

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

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

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

(3) Current portion of long-term loans payable and (5) Long-term loans payable

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

Derivative transactions:

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 February 29, 2020	Current Period As of August 31, 2020
Tenant leasehold and security deposits	11,916,251	12,492,187
Tenant leasehold and security deposits in trust	152,560	152,560
Total	12,068,812	12,644,747

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 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

Current Period (As of August 31, 2020)

(Unit: Thousand yen)

	Due within one year
Cash and deposits	9,465,907
Cash and deposits in trust	9,858,845
Total	19,324,752

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

Prior 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

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

(Investment Securities)

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

None

(Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

Prior Period (As of February 29, 2020) and Current Period (As of August 31, 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 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, (3) Current

portion of long-term loans payable and (5) 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 August 31, 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	197,530,000	193,730,000	(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, (3) Current portion of long-term loans payable and (5) 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 February 29, 2020) and Current Period (As of August 31, 2020)

None

(Equity in Income)

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

No affiliate exists, thus, none to report.

(Asset Retirement Obligation)

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

None

(Deferred Tax Accounting)

1. Significant components of deferred tax assets and liabilities

(Unit: Thousand yen)

	Prior Period As of February 29, 2020	Current Period As of August 31, 2020
Deferred tax assets		
Enterprise tax payable	54	50
Total	54	50
Net deferred tax assets	54	50

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 February 29, 2020	Current Period As of August 31, 2020
Statutory effective tax rate	31.51	31.46
(Adjustments)		
Distributions deductible for tax purposes	(31.50)	(31.45)
Other	0.01	0.01
Actual tax rate	0.02	0.02

(Related Party Transactions)

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

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

2. Transactions and account balances with affiliates

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

3. Transactions and account balances with companies under common control

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

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

Prior 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 & CEO of GLP Japan Advisors Inc. effective October 31, 2019 and Yoshiyuki Miura was appointed as the President & CEO 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. It is the transaction executed by Yoji Tatsumi and Yoshiyuki Miura as the President & CEO 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.

Current Period (From March 1, 2020 to August 31, 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	Yoshiyuki Miura	—	—	(Note 2)	—	Payment of asset management fee to GLP Japan Advisors Inc. (Note 2)	2,323,645	Accounts payable	2,031,657

(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 transaction executed by Yoshiyuki Miura as the President & CEO 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 (1) 191,866 thousand yen of the management fee for properties acquired, which was capitalized as part of the book value of each property and (2) 9,655 thousand yen of the management fee for a property sold, which was included in the calculation of gain on sales of property and equipment.

(Investment and Rental Properties)

Property and equipment consist 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 September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
Book value		
Balance at the beginning of the period	584,230,318	581,256,077
Change during the period	(2,974,241)	34,293,385
Balance at the end of the period	581,256,077	615,549,462
Fair value at the end of the period	728,987,000	768,707,000

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

(Note 2) Of the change in book value during each period, the major increase for the prior period was primarily due to capital expenditure, whereas the major decrease was due to depreciation of 3,766,094 thousand yen. The major increase for the current period was primarily due to the acquisition of four properties (GLP Yokohama, GLP Kawajima, GLP Funabashi IV and GLP Higashi-Ogishima II) in the amount of 38,746,191 thousand yen, whereas the major decrease was due to the sale of a property (GLP Seishin) in the amount of 1,395,877 thousand yen and depreciation of 3,769,118 thousand yen.

(Note 3) The fair value of investment and rental properties was determined based on third-party appraisals or research 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, GLP Osaka, GLP Yokohama and GLP Kawajima

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 IIA, GLP Okegawa, GLP Kadoma, 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, GLP Fujimae, GLP Funabashi IV and GLP Higashi-Ogishima II

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 (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.

Current Period (August 31, 2020)

(Unit: Thousand yen)

	Multi-tenant rental business	BTS rental business	Reconciling items	Amount on financial statements
Operating revenues (Note 1)	9,063,011	10,337,488	492,677	19,893,176
Segment income	5,733,783	6,926,842	(1,779,015)	10,881,610
Segment assets	303,062,458	324,362,821	12,470,545	639,895,825
Other items				
Depreciation	1,585,365	2,183,753	—	3,769,118
Increase in property and equipment	28,741,562	10,716,819	—	39,458,381

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

(Note 2) Reconciling items to operating revenues in the amount of 492,677 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 1,779,015 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 10,343,441 thousand yen include current assets of 10,568,234 thousand yen, investments and other assets of 1,827,738 thousand yen and deferred assets of 299,365 thousand yen.

(Related Information)

Prior 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.

Current Period (From March 1, 2020 to August 31, 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 September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
Net assets per unit	82,497 yen	84,520 yen
Net income per unit	2,315 yen	2,495 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 September 1, 2019 To February 29, 2020	Current Period From March 1, 2020 To August 31, 2020
Net income	8,875,759 thousand yen	9,695,975 thousand yen
Amount not attributable to ordinary unitholders	— thousand yen	— thousand yen
Net income attributable to ordinary unitholders	8,875,759 thousand yen	9,695,975 thousand yen
Average number of investment units outstanding	3,833,420 units	3,885,440 units

(Significant Subsequent Events)

Sale of assets

GLP J-REIT sold the asset as described below.

GLP Hatsukaichi

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

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

(Note 2) As of today, there is no capital, personnel or transactional relationship to be disclosed between the Buyer and GLP J-REIT or its Asset Manager. In addition, the Buyer is not a related party of GLP J-REIT or its Asset Manager.

From this transaction, GLP J-REIT will recognize approximately 1,078 million yen of gain on sales of property and equipment for the fiscal period ending February 28, 2021 (from September 1, 2020 to February 28, 2021).

(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	
September 1, 2015	Public offering	197,594	2,588,325	21,784	182,126	(Note 2)
September 25, 2015	Issuance of new units through allocation to a third party	5,459	2,593,784	601	182,728	(Note 3)
November 17, 2015	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(707)	182,020	(Note 4)
May 17, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,593,784	(778)	181,242	(Note 5)
September 1, 2016	Public offering	247,507	2,841,291	28,561	209,804	(Note 6)
September 27, 2016	Issuance of new units through allocation to a third party	11,787	2,853,078	1,360	211,164	(Note 7)
November 16, 2016	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(770)	210,393	(Note 8)
May 16, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(867)	209,526	(Note 9)

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Unitholders' capital, net (Note 1) (Million yen)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
November 14, 2017	Distributions in excess of retained earnings (a refund of investment)	—	2,853,078	(861)	208,665	(Note 10)
March 1, 2018	Public offering	529,922	3,383,000	56,095	264,760	(Note 11)
March 20, 2018	Issuance of new units through allocation to a third party	19,681	3,402,681	2,083	266,843	(Note 12)
May 15, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,402,681	(858)	265,985	(Note 13)
September 3, 2018	Public offering	411,013	3,813,694	42,620	308,605	(Note 14)
September 26, 2018	Issuance of new units through allocation to a third party	19,726	3,833,420	2,045	310,651	(Note 15)
November 14, 2018	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,017)	309,633	(Note 16)
May 21, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,134)	308,499	(Note 17)
November 18, 2019	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	307,372	(Note 18)
May 19, 2020	Distributions in excess of retained earnings (a refund of investment)	—	3,833,420	(1,127)	306,245	(Note 19)
June 29, 2020	Public offering	149,560	3,982,980	20,700	326,945	(Note 20)

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

(Note 2) 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 3) 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 4) 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 5) 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 6) 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 7) 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 8) 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 9) 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 10) 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 11) 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 12) 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 13) 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 14) 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 15) 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 16) 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 17) 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 18) At the Board of Directors' Meeting held on October 16, 2019, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 294 yen per unit for the 15th Fiscal Period (the period ended August 31, 2019). The payment of distributions was commenced on November 18, 2019.
- (Note 19) At the Board of Directors' Meeting held on April 15, 2020, it was resolved that GLP J-REIT would make distributions in excess of retained earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) of 294 yen per unit for the 16th Fiscal Period (the period ended February 29, 2020). The payment of distributions was commenced on May 19, 2020.
- (Note 20) 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 138,407 yen or the offer price of 142,956 yen per unit.

3. Reference Information

(1) Price Information on Investment Assets

(i) Investment Status

Type of asset	Area (Note 1)	Prior Period February 29, 2020		Current Period August 31, 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	334,250	55.1	371,573	58.1
	Greater Osaka area	154,778	25.5	152,416	23.8
	Other	92,227	15.2	91,560	14.3
Sub Total		581,256	95.8	615,549	96.2
Deposits and other assets		25,230	4.2	24,346	3.8
Total assets (Notes 5 and 6)		606,486 [581,256]	100.0 [95.8]	639,895 [615,549]	100.0 [96.2]

	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)	290,237	47.9	303,252	47.4
Total net assets (Note 5)	316,248	52.1	336,643	52.6

(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 August 31, 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 ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-1	GLP Tokyo	22,700	21,366	31,300	3.5	56,757.92	56,757.92	100.0	3
Tokyo-2	GLP Higashi-Ogishima	4,980	4,842	6,830	0.8	34,582.00	34,582.00	100.0	1
Tokyo-3	GLP Akishima	7,555	7,330	9,910	1.2	27,356.63	27,356.63	100.0	3
Tokyo-4	GLP Tomisato	4,990	4,461	6,080	0.8	27,042.59	27,042.59	100.0	1
Tokyo-5	GLP Narashino II	15,220	14,195	20,100	2.4	101,623.59	101,623.59	100.0	2
Tokyo-6	GLP Funabashi	1,720	1,884	2,110	0.3	10,465.03	10,465.03	100.0	1
Tokyo-7	GLP Kazo	11,500	10,319	14,400	1.8	76,532.71	76,532.71	100.0	1
Tokyo-8	GLP Fukaya	2,380	2,179	2,890	0.4	19,706.00	19,706.00	100.0	1
Tokyo-9	GLP Sugito II	19,000	17,226	26,200	2.9	101,272.40	100,345.84	99.1	5
Tokyo-10	GLP Iwatsuki	6,940	6,388	9,990	1.1	31,839.99	31,839.99	100.0	1
Tokyo-11	GLP Kasukabe	4,240	3,819	5,390	0.7	18,460.73	18,460.73	100.0	1
Tokyo-12	GLP Koshigaya II	9,780	9,126	14,600	1.5	43,533.28	43,533.28	100.0	2
Tokyo-13	GLP Misato II	14,868	13,934	22,000	2.3	59,208.59	59,208.59	100.0	2
Tokyo-14	GLP Tatsumi	4,960	4,794	6,770	0.8	12,925.58	12,925.58	100.0	1
Tokyo-15	GLP Hamura	7,660	7,244	10,000	1.2	40,277.93	40,277.93	100.0	1
Tokyo-16	GLP Funabashi III	3,050	2,950	4,340	0.5	18,281.84	18,281.84	100.0	1
Tokyo-17	GLP Sodegaura	6,150	5,621	8,060	1.0	45,582.06	45,582.06	100.0	1
Tokyo-18	GLP Urayasu III	18,760	17,772	22,800	2.9	64,198.11	64,198.11	100.0	2
Tokyo-19	GLP Tatsumi Iia	6,694	6,579	8,580	1.0	17,108.52	17,108.52	100.0	1
Tokyo-21	GLP Tokyo II	36,373	34,625	47,800	5.6	79,073.21	79,073.21	100.0	6
Tokyo-22	GLP Okegawa	2,420	2,333	3,140	0.4	17,062.92	17,062.92	100.0	1
Tokyo-23	GLP Shinkiba	11,540	11,406	12,800	1.8	18,341.73	18,341.73	100.0	1
Tokyo-24	GLP Narashino	5,320	5,268	5,570	0.8	23,548.03	23,548.03	100.0	3
Tokyo-26	GLP Sugito	8,481	8,193	10,400	1.3	58,918.12	58,918.12	100.0	1
Tokyo-27	GLP Matsudo	2,356	2,399	3,270	0.4	14,904.60	14,904.60	100.0	1
Tokyo-28	GLP-MFLP Ichikawa Shiohama (Note 8)	15,500	15,099	17,950	2.4	50,813.07	50,813.07	100.0	5
Tokyo-29	GLP Atsugi II	21,100	20,296	24,200	3.3	74,176.27	74,176.27	100.0	2
Tokyo-30	GLP Yoshimi	11,200	10,685	11,800	1.7	62,362.89	62,362.89	100.0	1
Tokyo-31	GLP Noda-Yoshiharu	4,496	4,412	5,370	0.7	26,631.40	26,631.40	100.0	1
Tokyo-32	GLP Urayasu	7,440	7,442	7,910	1.2	25,839.60	25,839.60	100.0	1
Tokyo-33	GLP Funabashi II	7,789	7,733	8,480	1.2	34,699.09	34,349.01	99.0	1
Tokyo-34	GLP Misato	16,939	16,769	19,000	2.6	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 ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Tokyo-35	GLP Shinsuna	18,300	18,279	18,900	2.8	44,355.46	44,355.46	100.0	5
Tokyo-36	GLP Shonan	5,870	5,868	6,200	0.9	23,832.60	23,832.60	100.0	1
Tokyo-37	GLP Yokohama (Note 9)	16,148	16,261	17,000	2.5	38,124.96	38,124.96	100.0	5
Tokyo-38	GLP Kawajima	12,150	12,220	12,400	1.9	42,187.92	42,187.92	100.0	4
Tokyo-39	GLP Funabashi IV	7,710	7,773	8,270	1.2	31,576.60	31,576.60	100.0	1
Tokyo-40	GLP Higashi- Ogishima II	2,365	2,465	2,510	0.4	11,362.32	11,362.32	100.0	1
Osaka-1	GLP Hirakata	4,750	4,513	6,390	0.7	29,829.56	29,829.56	100.0	1
Osaka-2	GLP Hirakata II	7,940	7,398	9,410	1.2	43,283.01	43,283.01	100.0	1
Osaka-3	GLP Maishima II	9,288	7,938	12,200	1.4	56,511.10	56,511.10	100.0	1
Osaka-4	GLP Tsumori	1,990	2,019	2,790	0.3	16,080.14	16,080.14	100.0	1
Osaka-5	GLP Rokko	5,160	4,950	6,130	0.8	39,339.00	39,339.00	100.0	1
Osaka-6	GLP Amagasaki	24,963	22,923	30,500	3.9	110,224.41	110,224.41	100.0	7
Osaka-7	GLP Amagasaki II	2,040	1,919	2,590	0.3	12,342.95	12,342.95	100.0	1
Osaka-8	GLP Nara	2,410	2,014	2,990	0.4	19,545.35	19,545.35	100.0	1
Osaka-9	GLP Sakai	2,000	1,776	2,260	0.3	10,372.10	10,372.10	100.0	1
Osaka-10	GLP Rokko II	3,430	3,071	4,350	0.5	20,407.30	20,407.30	100.0	1
Osaka-11	GLP Kadoma	2,430	2,415	3,270	0.4	12,211.73	12,211.73	100.0	1
Osaka-13	GLP Fukusaki	3,928	3,484	4,850	0.6	24,167.83	24,167.83	100.0	1
Osaka-14	GLP Kobe-Nishi	7,150	6,564	7,620	1.1	35,417.31	35,417.31	100.0	1
Osaka-15	GLP Fukaehama	4,798	4,561	4,870	0.7	19,386.00	19,386.00	100.0	1
Osaka-16	GLP Maishima I	19,390	18,845	19,400	3.0	72,948.78	72,948.78	100.0	1
Osaka-17	GLP Osaka	36,000	35,435	37,200	5.6	128,504.34	127,642.38	99.3	12
Osaka-18	GLP Settsu	7,300	7,329	7,630	1.1	38,997.24	38,997.24	100.0	1
Osaka-19	GLP Nishinomiya	2,750	2,719	2,810	0.4	19,766.00	19,766.00	100.0	1
Osaka-20	GLP Shiga	4,550	4,565	4,720	0.7	29,848.70	29,848.70	100.0	1
Osaka-21	GLP Neyagawa	8,100	7,969	8,670	1.3	26,938.02	26,938.02	100.0	1
Other-1	GLP Morioka	808	724	867	0.1	10,253.80	10,253.80	100.0	1
Other-2	GLP Tomiya	3,102	2,868	3,890	0.5	20,466.98	20,466.98	100.0	1
Other-3	GLP Koriyama I	4,100	3,605	4,590	0.6	24,335.96	24,335.96	100.0	1
Other-4	GLP Koriyama III	2,620	2,586	2,800	0.4	27,671.51	27,671.51	100.0	4
Other-5	GLP Tokai	6,210	5,814	8,360	1.0	32,343.31	32,343.31	100.0	1
Other-6	GLP Hayashima	1,190	1,191	1,690	0.2	13,527.76	13,527.76	100.0	1
Other-7	GLP Hayashima II	2,460	2,119	2,880	0.4	14,447.48	14,447.48	100.0	1
Other-8	GLP Kiyama	5,278	4,455	5,910	0.8	23,455.96	23,455.96	100.0	1
Other-10	GLP Sendai	5,620	5,173	6,940	0.9	37,256.23	37,256.23	100.0	1
Other-11	GLP Ebetsu	1,580	1,415	2,380	0.2	18,489.25	18,489.25	100.0	1
Other-12	GLP Kuwana	3,650	3,261	4,310	0.6	20,402.12	20,402.12	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 ²) (Note 4)	Leased area (m ²) (Note 5)	Occupancy ratio (%) (Note 6)	Number of tenants (Note 7)
Other-13	GLP Hatsukaichi	1,980	1,793	2,360	0.3	10,981.89	10,981.89	100.0	1
Other-14	GLP Komaki	10,748	9,997	14,300	1.7	52,709.97	52,709.97	100.0	2
Other-15	GLP Ogimachi	1,460	1,395	1,660	0.2	13,155.28	13,155.28	100.0	1
Other-16	GLP Hiroshima	3,740	3,528	4,390	0.6	21,003.04	21,003.04	100.0	2
Other-19	GLP Tosu I	9,898	9,118	11,000	1.5	74,860.38	74,860.38	100.0	1
Other-20	GLP Tomiya IV	5,940	5,681	6,480	0.9	32,562.60	32,562.60	100.0	1
Other-21	GLP Soja I	12,800	12,478	13,100	2.0	63,015.53	62,363.43	99.0	6
Other-22	GLP Soja II	12,700	12,364	12,800	2.0	63,234.92	62,986.79	99.6	5
Other-23	GLP Fujimae	1,980	1,986	2,030	0.3	12,609.00	12,609.00	100.0	1
Total portfolio		644,878	615,549	768,707	100.0	2,884,362.15	2,881,323.32	99.9	144

(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.

(Note 9) GLP Yokohama is a property under joint co-ownership which GLP J-REIT holds 40% beneficiary right of real estate in trust. “Leasable area” and “Leased area” stated above are computed by multiplying 40% of the joint co-ownership ratio.

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

The 17th Fiscal Period (From March 1, 2020 to August 31, 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	184	184	184	184	184	184	184
(1) Property-related revenues	720,544	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses	142,048						
Taxes and dues	56,797						
Property and facility management fees	38,759						
Utilities	34,340						
Repair and maintenance	6,778						
Casualty insurance	1,857						
Others	3,516						
(3) NOI((1)-(2))	578,496	153,064	229,386	141,006	417,106	50,305	329,437
(4) Depreciation	98,544	41,959	28,827	34,260	123,183	17,185	90,600
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	479,951	111,105	200,559	106,745	293,922	33,120	238,836
(7) Capital expenditure	37,665	11,341	15,350	590	42,405	6,664	23,154
(8) NCF((3)-(7))	540,830	141,723	214,036	140,416	374,700	43,641	306,283

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	184	184	184	184	184	184	184
(1) Property-related revenues	(Note 1)	690,923	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses		135,518					
Taxes and dues		50,657					
Property and facility management fees		42,091					
Utilities		31,680					
Repair and maintenance		743					
Casualty insurance		3,109					
Others	7,237						
(3) NOI((1)-(2))	79,727	555,405	195,156	114,500	269,907	433,120	121,398
(4) Depreciation	28,499	133,124	40,463	23,020	54,326	84,392	11,048
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	51,228	422,280	154,692	91,480	215,580	348,727	110,350
(7) Capital expenditure	34,339	30,428	17,913	4,235	39,286	4,090	-
(8) NCF((3)-(7))	45,388	524,977	177,243	110,265	230,621	429,030	121,398

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	184	184	184	184	184	184	184
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	1,122,384	(Note 1)
(2) Property-related expenses						248,018	
Taxes and dues						85,582	
Property and facility management fees						63,602	
Utilities						81,142	
Repair and maintenance						5,203	
Casualty insurance						2,887	
Others						9,600	
(3) NOI((1)-(2))	219,497	91,509	189,373	469,513	161,251	874,365	79,395
(4) Depreciation	39,327	21,524	41,357	108,092	20,580	181,935	25,421
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	180,170	69,984	148,015	361,421	140,670	692,430	53,974
(7) Capital expenditure	-	13,370	280	13,749	17,658	22,370	-
(8) NCF((3)-(7))	219,497	78,139	189,093	455,764	143,592	851,995	79,395

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	184	184	184	184	184	184	184
(1) Property-related revenues	(Note 1)	172,059	(Note 1)	(Note 1)	470,095	(Note 1)	(Note 1)
(2) Property-related expenses		28,677			107,607		
Taxes and dues		8,733			39,155		
Property and facility management fees		8,814			25,014		
Utilities		8,116			18,235		
Repair and maintenance		1,298			6,885		
Casualty insurance		536			1,546		
Others		1,178			16,769		
(3) NOI((1)-(2))	258,897	143,382	221,385	66,932	362,487	499,026	290,723
(4) Depreciation	36,167	24,584	48,943	10,899	64,458	116,241	74,348
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	222,730	118,798	172,442	56,032	298,029	382,784	216,375
(7) Capital expenditure	11,875	8,950	19,681	10,808	11,885	-	1,430
(8) NCF((3)-(7))	247,022	134,432	201,704	56,124	350,602	499,026	289,293

Property number	Tokyo-31	Tokyo-32	Tokyo-33	Tokyo-34	Tokyo-35	Tokyo-36	Tokyo-37
Property name	GLP Noda-Yoshiharu	GLP Urayasu	GLP Funabashi II	GLP Misato	GLP Shinsuna	GLP Shonan	GLP Yokohama
Operating dates	184	184	184	184	184	184	62
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	471,142	(Note 1)	123,476
(2) Property-related expenses					66,211		20,736
Taxes and dues					32,979		-
Property and facility management fees					18,829		9,081
Utilities					11,242		4,689
Repair and maintenance					883		21
Casualty insurance					1,353		452
Others					923		6,491
(3) NOI((1)-(2))	117,644	157,149	174,497	369,476	404,931	140,414	102,740
(4) Depreciation	30,417	38,332	36,172	54,713	38,700	24,319	13,245
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	87,227	118,817	138,325	314,762	366,231	116,095	89,494
(7) Capital expenditure	220	21,100	17,900	-	4,420	5,731	14,478
(8) NCF((3)-(7))	117,424	136,049	156,597	369,476	400,511	134,683	88,262

Property number	Tokyo-38	Tokyo-39	Tokyo-40	Osaka-1	Osaka-2	Osaka-3	Osaka-4
Property name	GLP Kawajima	GLP Funabashi IV	GLP Higashi-Ogishima II	GLP Hirakata	GLP Hirakata II	GLP Maishima II	GLP Tsumori
Operating dates	62	62	62	184	184	184	184
(1) Property-related revenues	109,445	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses	10,426						
Taxes and dues	-						
Property and facility management fees	6,830						
Utilities	2,998						
Repair and maintenance	-						
Casualty insurance	489						
Others	107						
(3) NOI((1)-(2))	99,018	69,319	22,147	162,519	222,513	280,928	75,728
(4) Depreciation	19,637	5,716	2,119	21,721	34,510	97,633	9,118
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	79,381	63,602	20,027	140,798	188,002	183,294	66,609
(7) Capital expenditure	-	277	-	1,200	1,283	-	3,874
(8) NCF((3)-(7))	99,018	69,042	22,147	161,319	221,230	280,928	71,854

Property number	Osaka-5	Osaka-6	Osaka-7	Osaka-8	Osaka-9	Osaka-10	Osaka-11
Property name	GLP Rokko	GLP Amagasaki	GLP Amagasaki II	GLP Nara	GLP Sakai	GLP Rokko II	GLP Kadoma
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues	(Note 1)	886,857	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
(2) Property-related expenses		183,315					
Taxes and dues		71,588					
Property and facility management fees		48,361					
Utilities		53,128					
Repair and maintenance		2,922					
Casualty insurance		3,333					
Others		3,980					
(3) NOI((1)-(2))	170,773	703,541	63,560	85,804	58,505	115,427	77,702
(4) Depreciation	30,672	169,818	11,900	27,138	14,782	27,442	13,180
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	140,100	533,723	51,659	58,666	43,723	87,984	64,521
(7) Capital expenditure	1,180	4,422	1,450	5,353	-	-	2,700
(8) NCF((3)-(7))	169,593	699,119	62,110	80,451	58,505	115,427	75,002

Property number	Osaka-12	Osaka-13	Osaka-14	Osaka-15	Osaka-16	Osaka-17	Osaka-18
Property name	GLP Seishin	GLP Fukusaki	GLP Kobe-Nishi	GLP Fukaeahama	GLP Maishima I	GLP Osaka	GLP Settsu
Operating dates	151 (Note 2)	184	184	184	184	184	184
(1) Property-related revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	925,491	(Note 1)
(2) Property-related expenses						177,302	
Taxes and dues						74,652	
Property and facility management fees						49,951	
Utilities						39,771	
Repair and maintenance						590	
Casualty insurance						4,427	
Others						7,910	
(3) NOI((1)-(2))	36,892	141,980	193,412	133,963	424,604	748,188	200,346
(4) Depreciation	9,758	45,637	58,735	37,763	142,846	204,802	17,982
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	27,134	96,342	134,677	96,200	281,757	543,386	182,364
(7) Capital expenditure	633	16,580	947	-	1,600	13,751	4,392
(8) NCF((3)-(7))	36,259	125,400	192,465	133,963	423,004	734,437	195,954

Property number	Osaka-19	Osaka-20	Osaka-21	Other-1	Other-2	Other-3	Other-4
Property name	GLP Nishinomiya	GLP Shiga	GLP Neyagawa	GLP Morioka	GLP Tomiya	GLP Koriyama I	GLP Koriyama III
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues							124,773
(2) Property-related expenses							33,266
Taxes and dues							15,393
Property and facility management fees	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	6,947
Utilities							6,748
Repair and maintenance							953
Casualty insurance							735
Others							2,488
(3) NOI((1)-(2))	69,193	121,314	161,660	27,752	112,228	121,801	91,507
(4) Depreciation	22,335	25,361	45,450	13,427	32,275	42,025	28,428
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	46,858	95,952	116,209	14,324	79,953	79,776	63,078
(7) Capital expenditure	338	42,412	-	2,458	5,940	19,297	9,590
(8) NCF((3)-(7))	68,855	78,902	161,660	25,294	106,288	102,504	81,917

Property number	Other-5	Other-6	Other-7	Other-8	Other-10	Other-11	Other-12
Property name	GLP Tokai	GLP Hayashima	GLP Hayashima II	GLP Kiyama	GLP Sendai	GLP Ebetsu	GLP Kuwana
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues							
(2) Property-related expenses							
Taxes and dues							
Property and facility management fees	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Utilities							
Repair and maintenance							
Casualty insurance							
Others							
(3) NOI((1)-(2))	181,306	53,204	76,671	171,443	179,083	56,392	122,281
(4) Depreciation	36,669	8,441	23,102	63,496	48,070	20,924	29,502
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	144,637	44,763	53,569	107,947	131,013	35,468	92,779
(7) Capital expenditure	415	5,543	1,690	8,238	5,182	38,055	-
(8) NCF((3)-(7))	180,891	47,661	74,981	163,205	173,901	18,337	122,281

Property number	Other-13	Other-14	Other-15	Other-16	Other-19	Other-20	Other-21
Property name	GLP Hatsukaichi	GLP Komaki	GLP Ogimachi	GLP Hiroshima	GLP Tosu I	GLP Tomiya IV	GLP Soja I
Operating dates	184	184	184	184	184	184	184
(1) Property-related revenues							415,294
(2) Property-related expenses							81,733
Taxes and dues							18,764
Property and facility management fees	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	25,919
Utilities							18,995
Repair and maintenance							2,929
Casualty insurance							2,122
Others							13,001
(3) NOI((1)-(2))	67,108	327,637	48,795	119,596	289,650	170,322	333,560
(4) Depreciation	14,929	72,577	20,361	27,794	99,440	46,951	88,091
(5) Loss on disposal of property and equipment	-	-	-	-	-	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	52,178	255,059	28,434	91,802	190,210	123,371	245,469
(7) Capital expenditure	1,100	4,370	1,062	1,080	14,140	3,584	21,905
(8) NCF((3)-(7))	66,008	323,267	47,733	118,516	275,510	166,738	311,655

Property number	Other-22	Other-23
Property name	GLP Soja II	GLP Fujimae
Operating dates	184	184
(1) Property-related revenues	401,414	
(2) Property-related expenses	79,096	
Taxes and dues	20,945	
Property and facility management fees	23,636	(Note 1)
Utilities	19,448	
Repair and maintenance	1,817	
Casualty insurance	2,123	
Others	11,124	
(3) NOI((1)-(2))	322,318	55,416
(4) Depreciation	84,363	12,957
(5) Loss on disposal of property and equipment	-	-
(6) Operating income from property leasing ((3)-(4)-(5))	237,954	42,458
(7) Capital expenditure	539	2,240
(8) NCF((3)-(7))	321,778	53,176

(Note 1) Disclosure is omitted as the tenants' consents have not been obtained.

(Note 2) GLP Seishin was sold to a third party on July 30, 2020.

(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 Amagasaki	Amagasaki, Hyogo	Redundancy of EHPF-12 air conditioner systems in floor 1 (South), KIRIN office	From October 2020 to December 2020	55	—	—
GLP Tokyo II	Koto, Tokyo	Renewal of LED lightning equipment	From November 2020 to February 2021	41	—	—
GLP Amagasaki II	Amagasaki, Hyogo	Renewal of elevators	From January 2021 to February 2021	28	—	—
GLP Tokyo	Ota, Tokyo	Replacement of LED lightning in common areas	From November 2020 to January 2021	26	—	—
GLP Settsu	Settsu, Osaka	Asphalt repaving work in the facility yard	From January 2021 to February 2021	25	—	—
GLP Settsu	Settsu, Osaka	Renewal of freight elevators, Building No.4	From November 2020 to January 2021	23	—	—
GLP Osaka	Osaka, Osaka	Replacement of LED lightning in common areas	From November 2020 to January 2021	23	—	—
GLP Tokyo	Ota, Tokyo	FRP waterproofing work on roofs (Phase III)	From November 2020 to January 2021	20	—	—
GLP Hirakata II	Hirakata, Osaka	Renewal of vertical conveyors	From November 2020 to February 2021	20	—	—
GLP Tokai	Tokai, Aichi	Renovation of West-side exterior walls	From October 2020 to December 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 712 million yen. The total construction cost amounted to 783 million yen, including repair and maintenance of 71 million yen that was accounted for as expenses.

Property name	Location	Purpose	Period	Construction cost (Million yen)
GLP Shiga	Kusatsu, Shiga	Renewal of fire alarm receivers	From May 2020 to August 2020	37
GLP Sugito II	Kita-Katsushika, Saitama	Installation work for LED lightning equipment	From April 2020 to May 2020	24
GLP Koshigaya II	Koshigaya, Saitama	Installation work for LED lightning equipment	From June 2020 to August 2020	23
GLP Ebetsu	Ebetsu, Hokkaido	Installation work for LED lightning equipment	From February 2020 to March 2020	20
Other	—	—	—	605
Total				712