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For Immediate Release

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**Amendment of Forecasts concerning Operating Status and Distribution
 for the Fiscal Period Ending February 28, 2021**

GLP J-REIT announces today an amendment to its forecasts for the fiscal period ending February 28, 2021 (from September 1, 2020 to February 28, 2021), which was announced on June 23, 2020.

Details

1. Amendment of Forecast concerning Operating Status and Distribution for February 2021 Fiscal Period

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (yen) (including optimal payable distributions)	Distributions per unit (yen) (excluding optimal payable distributions)	Optimal payable distribution per unit (yen)
Previous forecast (A)	19,821	10,553	9,434	9,433	2,658	2,368	290
Amended forecast (B)	20,823	11,466	10,362	10,361	2,887	2,601	286
Increase or decrease (B – A)	+1,002	+913	+928	+928	+229	+233	-4
Rate of increase or decrease	+5.1%	+8.7%	+9.8%	+9.8%	+8.6%	+9.8%	-1.4%

(Notes)

- The forecasts are calculated based on the assumptions stated in attachment 1: "Assumptions Underlying the Forecasts for the Fiscal Period Ending February 28, 2021." The actual operating revenue, operating income, ordinary income, net income, distributions per unit and optimal payable distributions per unit may vary due to future acquisition or sale of real estate and other assets, trends in the real estate and other markets, additional issuance of new investment units,

changes in other circumstances surrounding GLP J-REIT and other factors. In addition, the forecasts are not intended to guarantee the amount of distributions or optimal payable distributions.

2. GLP J-REIT may revise its forecasts in the event that it expects discrepancies beyond a certain level from the forecast above.
3. Figures are rounded down and percentages are rounded to the nearest decimal place.

2. Reasons for the Amendment

Due to the sale of asset (GLP Hatsukaichi) announced today in the “Sale of Asset” which generates 1,078 million yen of gain on sale, the assumptions underlying the forecast for the fiscal period ending February 28, 2021 disclosed in the press release titled “Amendment of Forecasts Concerning Operating Status and Distribution for the Fiscal Periods Ending August 31, 2020 and Ending February 28, 2021” dated June 23, 2020 have been changed and there is a 5% or more change in distribution per unit for the fiscal period ending February 28, 2021. Therefore, the forecast for such fiscal period has been amended at this point.

*GLP J-REIT website address: <https://www.glpjreit.com/english/>

Assumptions Underlying the Forecasts
for the Fiscal Period Ending February 28, 2021

Item	Assumption
Calculation period	18 th Fiscal Period (from September 1, 2020 to February 28, 2021) (181 days)
Portfolio Assets	<ul style="list-style-type: none"> • It is assumed that the portfolio assets will consist of the trust beneficiary rights of 77 properties which have excluded GLP Hatsukaichi disposed as of today. It is also assumed that there will be no changes to the portfolio assets (acquisition of new assets, disposal of portfolio assets, etc.) until the end of February 2021. However, in reality, changes may occur due to the acquisition of new properties or disposal of properties other than the mentioned above.
Number of outstanding investment units	<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 balance of interest-bearing liabilities of GLP J-REIT is 283,900 million yen as of today. • We assumed to refinance the 15,800 million yen in short-term borrowings executed in July 2020 with long-term borrowings of 10,800 million yen in total on October 13, 2020. As announced in the press release titled "<u>Issuance of Investment Corporation Bonds (Sustainability Bonds)</u>" dated September 17, 2020, the remaining 5,000 million yen was refinanced on September 28, 2020 utilizing funds raised through the issuance of investment corporation bonds. • We assumed that we would refinance on the maturity date investment corporation bonds maturing on December 25, 2020 in the amount of 4,500 million yen using new borrowings or by issuing investment corporation bonds. • Consequently, LTV as of the end of the fiscal period ending February 28, 2021 is expected to be around 44.4% (we expected 44.6% as the LTV of the fiscal period ending February 28, 2021 on our previous forecast as of June 23, 2020). The following formula is used for calculating LTV: $\text{LTV} = \frac{\text{the balance of interest-bearing liabilities}}{\text{total assets}} \times 100$
Operating revenue	<ul style="list-style-type: none"> • The forecasts assume that 1,078 million yen of gain on sale of the above asset will be booked in the fiscal period ending February 2021. • COVID-19 pandemic has no effects on operating revenue due to the absence of rent decreases related to the pandemic as of the date of this release. • The lease of the solar panels installed at the real estate employs variable rent calculated taking the effect of seasonal factors into consideration. We assumed the operating revenue from the solar panels is 349 million yen for the fiscal period ending February 28, 2021. • Operating revenue is premised on the assumption that there will be no delay or failure in the payment of rents by lessees.
Operating expense	<ul style="list-style-type: none"> • The amount of taxes that has been decided to be imposed and corresponds to the fiscal period concerned is recorded as rental expenses. However, when the real estate, etc. was acquired and the adjustment of property-related taxes (the "amount equivalent to property-related taxes, etc.") with the seller is required for the year that belongs to the calculation period, the amount of the adjustment equivalent to property-related taxes, etc. will be included in the acquisition cost of the real estate. Accordingly, the property-related taxes (fixed assets tax, city planning tax and depreciable assets tax) for the properties to be acquired as of

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	<p>July 1, 2020 will not be recorded as expenses for the fiscal period ending February 28, 2021, and will be recorded from the fiscal period ending August 31, 2021. The total amount of the property-related taxes (fixed assets tax, city planning tax and depreciable assets tax), which will be included in the acquisition cost of the Assets to be Acquired is expected to be 80 million yen.</p> <ul style="list-style-type: none"> • Property-related taxes are assumed to be 1,566 million yen for the fiscal periods ending February 28, 2021. • Repair costs are assumed to be 167 million yen for the fiscal period ending February 28, 2021. • Property and facility management fees are assumed to be 716 million yen for the fiscal period ending February 28, 2021. • Depreciation is assumed to be 3,809 million yen for the fiscal period ending February 28, 2021. • Of rental expenses, which are the main operating expenses, expenses (excluding depreciation) have been calculated based on previous actual figures and reflect the variable factors of expenses. • Please note that repair costs for each calculation period may differ significantly from the forecast amounts because 1) repair costs may be urgently required due to damage, etc. to buildings based on factors that are difficult to predict, 2) the amount for each fiscal period generally differs significantly, and 3) repair costs are not incurred periodically. • Depreciation, including incidental expenses and future additional capital expenditure, is calculated using the straight-line method.
Net Operating Income (NOI)	<ul style="list-style-type: none"> • NOI (the amount obtained by deducting rental expenses other than depreciation from operating revenue excluding the gain on sale of the above asset) is assumed to be 16,620 million yen for the fiscal period ending February 28, 2021.
Non-operating expenses	<ul style="list-style-type: none"> • Interest expenses, investment corporation bond interest expenses, amortization of investment corporation bond issuance expenses and finance-related expenses are expected to be 1,051 million yen for the fiscal period ending February 28, 2021. Amortization of investment corporation bond issuance expenses is carried out on a monthly basis over the period from issuance to maturity. • Amortization of investment unit issuance expenses is carried out on a monthly basis over three years after the month of issuance of new units, and is expected to be 49 million yen for the fiscal period ending February 28, 2021.
Distributions per unit (excluding optimal payable distributions)	<ul style="list-style-type: none"> • This amount is calculated based on the policy on cash distributions that is stipulated in the internal regulations of GLP J-REIT. • There is a possibility that the amount of distributions per unit (excluding optimal payable distributions) will vary due to various factors such as changes in assets under management, fluctuation in rental revenues owing to changes in tenants, unexpected repairs, fluctuation in interest rates, and the issuance of new investment units.
Optimal payable distribution per unit	<ul style="list-style-type: none"> • All of the amount of optimal payable distribution per unit for the fiscal period ending February 28, 2021 is assumed to be the refund of its investment categorized as a distribution from unitholders' capital for tax purposes. • We intend to continuously distribute optimal payable distribution, taking into consideration the assumed amount of capital expenditure for each fiscal period based on our long-term repair plan, as a cash distribution in excess of earnings (a refund of investment categorized as a distribution from unitholders' capital for tax purposes) to the extent that it does not adversely affect our long-term repair plan or our financial condition, in an amount equal to approximately 30% of depreciation expense recorded in the fiscal period immediately preceding the

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	<p>fiscal period in which the distribution will be implemented. Optimal payable distribution per unit (continuous optimal payable distribution) is calculated in accordance with the policy on cash distributions in excess of earnings, which is provided in the Management Guidelines, the internal rules of the asset management company. It is calculated by assuming distributions (continuous optimal payable distribution) of around 30% of depreciation expected to be recorded in the fiscal period ending February 28, 2021.</p> <ul style="list-style-type: none"> • Depreciation may differ from the currently assumed amount due to changes in assets under management, incurred amount of incidental expenses, etc. and capital expenditure, etc. There is, therefore, a possibility that the total amount of optimal payable distributions, which is calculated based on depreciation, will change due to various factors including those mentioned above. GLP J-REIT has set the upper limit of optimal payable distributions at the amount obtained by deducting capital expenditure incurred in the calculation period when depreciation was recorded from the depreciation, in order to preserve the value of the assets held by GLP J-REIT. Accordingly, if capital expenditure is urgently required due to damage, etc. to buildings based on factors that are difficult to predict, there is a possibility that the amount of optimal payable distributions per unit (continuous optimal payable distribution) will decrease. • If the appraised LTV, which is defined below, exceeds 60%, GLP J-REIT will not pay out optimal payable distributions. • Appraisal LTV (%) = $A/B \times 100$ (%) <ul style="list-style-type: none"> A = the balance of interest-bearing liabilities at the end of the fiscal period (including the balance of investment corporation bonds and the balance of short-term investment corporation bonds) + amount of security deposits released as of the end of the fiscal period B = total amount of appraised value or investigated value of assets under management as of the end of the fiscal period + cash on hand as of the end of the fiscal period – total amount of expected distributions of earnings – total amount of expected optimal payable distributions • The total amount of expected distributions of earnings and the total amount of expected optimal payable distributions are based on the actual amount for the latest fiscal period.
Others	<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 prescribed by the Tokyo Stock Exchange, and the rules, etc. established by the Investment Trusts Association, Japan that will influence the above forecasts. • The forecasts assume that there will be no unforeseen material changes in general economic trends and real estate market conditions, etc.