

December 14, 2022

For Immediate Release

Real Estate Investment Trust Securities Issuer:  
GLP J-REIT  
Representative: Yoshiyuki Miura, Executive Director  
(Security Code: 3281)

Asset Management Company:  
GLP Japan Advisors Inc.  
Representative: Yoshiyuki Miura, President  
Contact: Shinji Yagiba, CFO  
(TEL: 03-6897-8810)

**Amendment of Forecasts concerning Operating Status and Distribution  
for February 2023 Fiscal Period**

GLP J-REIT announces today an amendment to its forecasts for February 2023 fiscal period (from September 1, 2022 to February 28, 2023) which was announced on October 12, 2022.

**1. Amendment of Forecast concerning Operating Status and Distribution for February 2023 Fiscal Period**

|                                    | Operating<br>revenue<br>(million<br>yen) | Operating<br>income<br>(million<br>yen) | Ordinary<br>income<br>(million<br>yen) | Net<br>income<br>(million<br>yen) | Distributions<br>per unit<br>(yen)<br>(including<br>optimal<br>payable<br>distributions) | Distributions<br>per unit<br>(yen)<br>(excluding<br>optimal<br>payable<br>distributions) | Optimal<br>payable<br>distribution<br>per unit<br>(yen) |
|------------------------------------|------------------------------------------|-----------------------------------------|----------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Previous<br>forecast (A)           | 24,132                                   | 12,252                                  | 10,868                                 | 11,099                            | 2,714                                                                                    | 2,355                                                                                    | 359                                                     |
| Amended<br>forecast (B)            | 26,036                                   | 13,909                                  | 12,509                                 | 12,740                            | 3,063                                                                                    | 2,703                                                                                    | 360                                                     |
| Variance<br>((B) – (A))            | +1,904                                   | +1,656                                  | +1,640                                 | +1,640                            | +349                                                                                     | +348                                                                                     | +1                                                      |
| Rate of<br>increase or<br>decrease | +7.9%                                    | +13.5%                                  | +15.1%                                 | +14.8%                            | +12.9%                                                                                   | +14.8%                                                                                   | +0.3%                                                   |

**(Notes)**

- The forecasts are calculated based on the assumptions stated in the attachment “Assumptions in the forecast for February 2023 fiscal period”. 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 case discrepancies beyond a certain level from the forecast above is expected.
3. Figures are rounded down and percentages are rounded to the nearest decimal place.

## 2. Reasons for the Amendment

Due to the sale of GLP Fukaya announced today in the press release titled “Sale of Asset”, which is expected to generate 1,933 million yen gain on sale, the assumptions in the forecast for February 2023 fiscal period disclosed in the press release titled “Amendment of Forecast Concerning Operating Status and Distribution for the Fiscal Period Ending February 28, 2023 and Announcement of Forecast Concerning Operating Status and Distribution for the Fiscal Period Ending August 31, 2023” dated October 12, 2022 have been changed and there is a 5% or more change in distribution per unit for February 2023 fiscal period. Therefore, the forecast for February 2023 fiscal period is amended at this point.

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

(Attachment)

**Assumptions in the Forecast for February 2023 Fiscal Period**

| Item                                   | Assumption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Calculation period                     | 22 <sup>nd</sup> Fiscal Period (from September 1, 2022 to February 28, 2023) (181 days)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Portfolio Assets                       | <ul style="list-style-type: none"> <li>It is assumed that, as a result of the sale of the trust beneficiary interest of GLP Fukaya as of December 14, 2022 from GLP J-REIT which owns 90 trust beneficiary interests as of November 1, 2022, the total assets will be 89 properties. It is also assumed that there will be no changes to the portfolio assets (acquisition/disposition of properties, etc.) until the end of February 2023. However, changes may occur due to the acquisition/disposition of properties other than mentioned above.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Number of outstanding investment units | <ul style="list-style-type: none"> <li>It is assumed to be 4,712,140 units, which is the number of investment units issued and outstanding as of today.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Interest-bearing liabilities           | <ul style="list-style-type: none"> <li>The balance of interest-bearing liabilities of GLP J-REIT is 370,410 million yen as of today.</li> <li>It is assumed that we refinance in December 2022 the 500 million yen outstanding borrowings maturing in December 2022 and the 1,500 million yen outstanding investment corporation bond to be redeemed in December 2022.</li> <li>It is assumed that we refinance in February 2023 the 10,130 million yen outstanding borrowings maturing in February 2023.</li> <li>LTV as of the end of the fiscal period ending February 28, 2023 is expected to be around 44.2%.</li> </ul> <p>The following formula is used for calculating LTV:<br/> <math display="block">\text{LTV} = \frac{\text{the balance of interest-bearing liabilities}}{\text{total assets}} \times 100</math></p>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Operating revenue                      | <ul style="list-style-type: none"> <li>It is assumed that we capture 1,933 million yen gain on sale in February 2023 fiscal period by disposition of GLP Fukaya as of December 14, 2022.</li> <li>It is assumed no impact from COVID-19 pandemic as no rent decrease occurred by the pandemic as of today.</li> <li>The income from the solar panels installed on the properties is fluctuant and takes effects of seasonal factors into consideration. It is assumed the operating revenue from the solar panels is 410 million yen in February 2023 fiscal period.</li> <li>It is assumed no delay or failure in rent payment by lessees.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Operating expense                      | <ul style="list-style-type: none"> <li>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, when assessed and determined, the amounts corresponding to the relevant accounting period are recognized as expenses for operating business. However, if property and equipment is newly acquired and adjusted amounts of property-related taxes for the year under the same accounting period (“amounts equivalent to property-related taxes”) arise between GLP J-REIT and seller, the relevant adjusted amounts are capitalized as part of the acquisition cost of the relevant property. Therefore, the property-related taxes for the six properties acquired in November 2022 is capitalized as part of the acquisition cost and will capture as operating cost on/after August 2023 fiscal period. It is assumed that the amount of property-related taxes to be capitalized for the six acquired properties is 53 million yen.</li> <li>Property-related taxes are assumed to be 1,918 million yen for February 2023 fiscal period.</li> <li>Repair costs are assumed to be 96 million yen for February 2023 fiscal period.</li> </ul> |

| Item                                                             | Assumption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                  | <ul style="list-style-type: none"> <li>Property and facility management fees are assumed to be 910 million yen for February 2023 fiscal period.</li> <li>Depreciation is assumed to be 4,422 million yen for February 2023 fiscal period.</li> <li>Rental-related expenses, which are the main operating expenses, excluding depreciation are calculated based on the previous actual figures and reflected variable factors of expenses.</li> <li>Please note that repair costs for each calculation period may differ significantly from the forecast because 1) repair costs may be urgently required due to damage, etc. to buildings which is difficult to predict, 2) the amount for each fiscal period generally differs significantly, and 3) repair costs are not incurred periodically.</li> <li>Depreciation, including incidental expenses and future additional capital expenditure, is calculated using the straight-line method.</li> </ul>                                                                                                                                                                                                                                           |
| Net Operating Income (NOI)                                       | <ul style="list-style-type: none"> <li>NOI (the amount obtained by deducting rental-related expenses other than depreciation from operating revenue excluding the gain on sale) is assumed to be 19,440 million yen for February 2023 fiscal period.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Non-operating expenses                                           | <ul style="list-style-type: none"> <li>Interest expenses, investment corporation bond interest expenses, amortization of investment corporation bond issuance expenses and finance-related expenses are expected to be 1,315 million yen for February 2023 fiscal period. Amortization of investment corporation bond issuance expenses is carried out on a monthly basis over the period from issuance to maturity and it is expected to be 19 million yen for February 2023 fiscal period.</li> <li>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 it is expected to be 52 million yen for February 2023 fiscal period.</li> <li>Temporary expenses associated with the issuance of investment units are expected to be 28 million yen for February 2023 fiscal period.</li> </ul>                                                                                                                                                                                                                                                                                                              |
| Extraordinary income                                             | <ul style="list-style-type: none"> <li>It is assumed that insurance claim proceeds of 231 million yen, which are to be received under the profit insurance policy on GLP Maishima II, will be recognized as extraordinary income for February 2023 fiscal period.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Distributions per unit (excluding optimal payable distributions) | <ul style="list-style-type: none"> <li>It is calculated based on the policy on cash distributions stated in the internal regulations of GLP J-REIT.</li> <li>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 due to changes in tenants, unexpected repairs, fluctuation in interest rates, and the issuance of new investment units.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Optimal payable distribution per unit                            | <ul style="list-style-type: none"> <li>All of the amount of optimal payable distribution per unit for February 2023 fiscal period is assumed to be the refund of its investment categorized as a distribution from unitholders' capital for tax purposes.</li> <li>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 (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 amount equal to approximately 30% of depreciation expense recorded in the fiscal period immediately preceding the 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</li> </ul> |

| Item   | Assumption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | <p>is calculated by assuming distributions (continuous optimal payable distribution) of around 30% of depreciation expected to be recorded in February 2023 fiscal period.</p> <ul style="list-style-type: none"> <li>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, 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.</li> <li>In addition to the amount of the continuous optimal payable distributions as described above, depending on the circumstances, we may also make temporary optimal payable distributions to stabilize the level of distribution per unit in cases where the amount of distribution per unit is expected to decrease temporarily to a certain degree due to a financing transactions, such as the issuance of new investment units or investment corporation bonds or borrowings, an increase in loss on the retirement of buildings or equipment, an incurrence of significant repair costs or other reasons. For February 2023 fiscal period, we expect a temporary decrease in distribution per unit due to the procurement of funds through the issuance of new investment units and borrowings, the increase in utilities and insurance payments. Therefore, in addition to the above-mentioned continuous optimal payable distributions, we assume that a temporary optimal payable distribution of 79 yen per unit will be implemented in February 2023 fiscal period.</li> <li>However, the total amounts of such optimal payable distributions may not exceed the amount prescribed under the rules of the Investment Trusts Association, Japan.</li> <li>If the appraised LTV, which is defined below, exceeds 60%, GLP J-REIT will not pay out optimal payable distributions.</li> </ul> <p>Appraisal LTV (%) = <math>A/B \times 100</math> (%)</p> <p>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</p> <p>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</p> <p>The total amount of expected distributions of earnings and optimal payable distributions are based on the actual amount for the latest fiscal period.</p> |
| Others | <ul style="list-style-type: none"> <li>It is assumed 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 forecasts.</li> <li>It is assumed that there will be no unforeseen material changes in general economic trends and real estate market conditions, etc.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |