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For Immediate Release

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 (Security Code: 3281)

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**Amendment of Forecasts concerning Operating Status and Distribution
 for the Fiscal Periods Ending August 31, 2020 and Ending February 28, 2021**

GLP J-REIT announces today an amendment to its forecasts for the fiscal period ending August 31, 2020 (from March 1, 2020 to August 31, 2020) and the fiscal period ending February 28, 2021 (from September 1, 2020 to February 28, 2021), which was announced on April 15, 2020.

Details

1. Amendment of Forecasts Concerning Operating Status and Distribution

(1) Amendment to the forecast concerning operating status and distribution for the fiscal period ending August 31, 2020

	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)	19,078	10,121	8,942	8,941	2,624	2,332	292
Amended forecast (B)	19,381	10,383	9,174	9,173	2,701	2,303	398
Increase or decrease (B – A)	+303	+262	+232	+232	+77	-29	+106
Rate of increase or decrease	+1.6%	+2.6%	+2.6%	+2.6%	+2.9%	-1.2%	+36.3%

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(2) Amendment to the forecast concerning operating status and distribution for the fiscal period ending February 28, 2021

	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)	18,567	9,789	8,741	8,740	2,571	2,280	291
Amended forecast (B)	19,821	10,553	9,434	9,433	2,658	2,368	290
Increase or decrease (B – A)	+1,253	+763	+692	+692	+87	+88	-1
Rate of increase or decrease	+6.8%	+7.8%	+7.9%	+7.9%	+3.4%	+3.9%	-0.3%

(Reference)

Fiscal period ending August 31, 2020: Forecast number of investment units issued and outstanding at period-end: 3,982,980 units (3,833,420 units as of the time of the previous announcement)

Fiscal period ending February 28, 2021: Forecast number of investment units issued and outstanding at period-end: 3,982,980 units (3,833,420 units as of the time of the previous announcement)

(Notes)

- The forecasts are calculated based on the assumptions stated in attachment 1: "Assumptions Underlying the Forecasts for the Fiscal Periods Ending August 31, 2020 and 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.
- GLP J-REIT may revise its forecasts in the event that it expects discrepancies beyond a certain level from the forecast above.
- Figures are rounded down and percentages are rounded to the nearest decimal place.

2. Reasons for the Amendment

Due to the issuance of new investment units, which was announced today in the "Issuance of New Investment Units by way of International Offering", as well as the acquisition of assets (hereinafter referred to as the "Assets to be Acquired"), which was announced today in the "Acquisition of Assets and Lease Contract with New Tenants", the assumptions underlying the forecasts for the fiscal periods ending August 31, 2020 and ending February 28, 2021 announced on April 15, 2020 have been changed. Therefore, the forecasts for the fiscal periods ending August 31, 2020 and ending February 28, 2021 have been amended.

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<Reference>

The forecasts concerning operating status for the fiscal period February 28, 2021, which were amended and announced today, will be impacted by temporary factors, including expenses associated with the issuance of new investment units and borrowings, property-related taxes due on the Assets to be Acquired. Therefore, GLP J-REIT calculated, on a hypothetical basis, incomes excluding the impact of the temporary factors (hereinafter referred to as the “hypothetical results based on amended forecasts (assuming 79 properties)”), with the aim of illustratively presenting the impact that the issuance of new investment units and the acquisition of the Assets to be Acquired are expected to have on the operating status of GLP J-REIT. Such hypothetical results are shown together with the forecasts for the fiscal period ending February 28, 2021 released on April 15, 2020 (hereinafter referred to as the “the forecasts concerning the Fiscal Period ending February 28, 2021 before amendment(assuming 75 properties)”) set forth in attachment 2: “Comparison of the forecasts concerning the Fiscal Period ending February 28, 2021 before amendment (assuming 75 properties) and the hypothetical results based on amended forecasts (assuming 79 properties)”.

The purpose of the hypothetical results based on amended forecast (assuming 79 properties) is not to estimate income for any specified fiscal periods. The hypothetical results based on amended forecast (assuming 79 properties) do not in any way represent a forecast of performance, etc., for any specified fiscal periods. Please be aware that the actual performance for the fiscal period ending February 28, 2021, and other specific fiscal periods will be different from the hypothetical results based on amended forecast (assuming 79 properties). Please refer to attachment 2: “Comparison of the forecasts concerning the Fiscal Period ending February 28, 2021 before amendment (assuming 75 properties) and the hypothetical results based on amended forecasts (assuming 79 properties)” for details of the method of calculation of the hypothetical results based on amended forecasts (assuming 79 properties).

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

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**Assumptions Underlying the Forecasts for
the Fiscal Periods Ending August 31, 2020 and Ending February 28, 2021**

Item	Assumption
Calculation period	17 th Fiscal Period (from March 1, 2020 to August 31, 2020) (184 days) 18 th Fiscal Period (from September 1, 2020 to February 28, 2021) (181 days)
Portfolio Assets	<ul style="list-style-type: none"> The forecasts are based on the assumption that in addition to the trust beneficiary interests mainly consisting of real estate (75 properties) as of today, GLP J-REIT will acquire on July 1, 2020 the real estate trust beneficiary interests for the Assets to be Acquired by the proceeds raised through the issuance of investment units as resolved at the meeting of the board of directors of GLP J-REIT held on June 23, 2020, borrowings to be made in July 2020 and cash on hand, totaling to the 79 properties, after which there will be no change in the assets under management (acquisition of new property, disposition of property held, etc.) until the end of February 2021. However, in reality, there is the possibility of fluctuation due to acquisition of new properties other than those mentioned above or disposal of properties.
Number of outstanding investment units	<ul style="list-style-type: none"> The forecasts are based on the assumption that in addition to the 3,833,420 units currently issued and outstanding, 149,560 new investment units will be issued by way of international offering which has been resolved at the meeting of the board of directors held on June 23, 2020.
Interest-bearing liabilities	<ul style="list-style-type: none"> The balance of interest-bearing liabilities of GLP J-REIT is 268,100 million yen as of today. We assumed that on July 1, 2020, we would borrow 16,900 million yen in total in short-term borrowings. We assumed that with respect to the 16,900 million yen of the short-term borrowings to be made in July 2020, we would refinance the full amount by issuing investment corporation bonds or using new borrowing during the fiscal period ending February 28, 2021. 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. After the announcement of "SUMMARY OF FINANCIAL RESULTS (REIT) For the 16th Fiscal Period Ended February 29, 2020 < Under Japanese GAAP >" as of a April 15, 2020, GLP J-REIT refinanced 27,450 million yen (a borrowing in the amount of 3,150 million yen maturing on September 1, 2020, borrowings in the amount of 1,150 million yen and 7,200 million yen maturing on December 21, 2020, a borrowing in the amount of 3,250 million yen maturing on February 1, 2021, and borrowings in the amount of 6,100 million yen, 3,800 million yen, and 2,800 million yen maturing on February 26, 2021) using new borrowings in amount of 24,850 million yen and cash in hand in amount of 2,600 million yen. Consequently, LTV as of the end of the fiscal period ending August 31, 2020 is expected to be around 44.6%, (we expected 44.5% as the LTV of the fiscal period ending August 31, 2020 on our previous forecast as of April 15, 2020) while LTV as of the end of the fiscal period ending February 28, 2021 is expected to be around 44.6% (we expected 44.6% as the LTV of the fiscal period ending February 28, 2021 on our previous forecast as of April 15, 2020). <p>The following formula is used for calculating LTV: $\text{LTV} = \frac{\text{the balance of interest-bearing liabilities}}{\text{total assets}} \times 100$</p>

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Item	Assumption
Operating revenue	<ul style="list-style-type: none"> • 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 547 million yen for the fiscal period ending August 31, 2020 and 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 anticipated for acquisition will not be recorded as expenses for the fiscal periods ending August 31, 2020 and 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 85 million yen. • Property-related taxes are assumed to be 1,577 million yen for each of the fiscal periods ending August 31, 2020 and ending February 28, 2021. • Repair costs are assumed to be 70 million yen for the fiscal period ending August 31, 2020, and 133 million yen for the fiscal period ending February 28, 2021. • Property and facility management fees are assumed to be 694 million yen for the fiscal period ending August 31, 2020, and 717 million yen for the fiscal period ending February 28, 2021. • Depreciation is assumed to be 3,779 million yen for the fiscal period ending August 31, 2020, and 3,851 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) is assumed to be 16,376 million yen for the fiscal period ending August 31, 2020, and 16,717 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 1,067 million yen for the fiscal period ending August 31, 2020, and 1,057 million yen for the fiscal period ending February 28, 2021. Amortization of investment corporation bond issuance expenses is carried out on a monthly

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	<p>basis over the period from issuance to maturity.</p> <ul style="list-style-type: none"> • 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 41 million yen for the fiscal period ending August 31, 2020 and 59 million yen for the fiscal period ending February 28, 2021. • In addition, temporary expenses associated with the issuance of investment units are expected to be 19 million yen for the fiscal period ending August 31, 2020.
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 periods ending August 31, 2020 and 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 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 August 31, 2020, 30% of depreciation to be recorded in the fiscal period ending February 28, 2021, respectively. • 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. • In addition to the amount of the continuous optimal payable distribution as described above, depending on the circumstances, we may also make temporary distributions for the purpose 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 loans, an increase in loss on the retirement of buildings or equipment, an incurrence of significant repair costs or other reasons. For the fiscal

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Item	Assumption
	<p>period ending August 31 2020, we expect a temporary decrease in distribution per unit due to the procurement of funds through the issuance of new investment units and borrowing. Therefore, in addition to the above-mentioned continuous optimal payable distribution, we assume that a temporary distribution of 114 yen per unit will be implemented.</p> <ul style="list-style-type: none"> • Provided, however, that the total amounts of such optimal payable distributions may not exceed the amount prescribed under the rules of The Investment Trusts Association, Japan. • 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.

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Attachment 2

Comparison of the forecasts concerning the Fiscal Period ending February 28, 2021 before amendment (assuming 75 properties) and the hypothetical results based on amended forecasts (assuming 79 properties)

	Operating revenues (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)	Number of outstanding investment units
The forecast concerning the Fiscal Period ending February 28, 2021 before amendment (assuming 75 properties) (A)	18,567	9,789	8,741	8,740	2,571	2,280	291	3,833,420
The hypothetical results based on amended forecast (assuming 79 properties) (B)	19,821	10,473	9,354	9,353	2,638	2,348	290	3,982,980
Difference (B-A)	+1,253	+683	+612	+612	+67	+68	-1	+149,560
Rate of increase or decrease	+6.8%	+7.0%	+7.0%	+7.0%	+2.6%	+3.0%	-0.3%	+3.9%

※GLP J-REIT holds 19 properties that are equipped with solar panels and will hold 20 properties that are equipped with solar panels after the anticipated acquisitions, receiving the variable rents from the lessees of those solar panels. GLP J-REIT's revenues from solar panel leasing are subject to seasonal fluctuations related to the variable rents received from the lessees of its solar panels, as the amount of power generated by solar panels fluctuates depending on the amount of solar radiation, with variable rents in fiscal periods ending February often relatively lower than fiscal periods ending August. Accordingly, the operating revenue in fiscal periods ending February tends to be lower than in fiscal periods ending August.

<Assumptions for the hypothetical results based on amended forecast (assuming 79 properties)>

We calculated the hypothetical results based on the amended forecast for the fiscal period ending February 28, 2021 (assuming the issuance of new investment units and the acquisition of the Assets to be Acquired as announced today, and by applying the assumptions described below to such amended forecast).

- Assuming a 6-month portion of annual property-related taxes (including fixed assets tax and city planning tax) in the amount of 84 million yen will be expensed during the fiscal period ending February 28, 2021, on the assumption that property related taxes on the Assets to be Acquired will be expensed from the beginning of such period.
- Assuming reduction of property management fees in the amount of 2 million yen due to the above change in NOI.

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- Assuming that Asset Management Fee 2 will decrease by 2 million yen taking into consideration the change in NOI by the above adjustment.

The purpose of presenting the hypothetical results based on amended forecast (assuming 79 properties) is not to calculate performance for the fiscal period ending February 28, 2021, or any other fiscal periods. Such hypothetical results do not in any way represent a forecast of performance for any specified fiscal periods. Please be aware that the forecasts, including actual performance for the fiscal period ending February 28, 2021, and other fiscal periods, will be different from the above hypothetical results based on amended forecast (assuming 79 properties).

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