

July 27, 2023

For Immediate Release

Real Estate Investment Trust Securities Issuer:
GLP J-REIT
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(Security Code: 3281)

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**Borrowing of Funds (Including Sustainability Loan)
and Signing of Interest Rate Swap Agreement**

GLP J-REIT announces the borrowing of funds (hereinafter, the “New Borrowings”) and the signing of interest rate swap agreements. New Borrowings include the loan which will be executed in accordance with the scheme of the sustainability finance framework established by GLP J-REIT (hereinafter, the “Sustainability Loan”).

The details of New Borrowings are as follows:

1. Summary of New Borrowings

(1) Details of the borrowings to be repaid

| Lender | Loan amount | Interest rate | Drawdown date | Borrowing method | Repayment date | Repayment method | Security |
|--|-------------------|----------------------|---------------|--|----------------|--------------------------------------|--------------------------|
| Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation and MUFG Bank, Ltd. | 8,000 million yen | Base rate plus 0.19% | July 23, 2019 | Borrowing based on the respective credit line agreements dated July 10, 2019 (including extended agreements) with the lenders shown to the left as lenders | July 31, 2023 | Lump-sum repayment on repayment date | Unsecured Not guaranteed |

(Note) Please refer to the press releases titled “[Notice Concerning Borrowing of Funds, Early Repayment of Borrowings and Cancellation of Interest Rate Swap Agreement](#)” dated July 10, 2019 for the details of the borrowings.

(2) Details of the New Borrowings

| Lenders | Loan amount | Interest Rate | Drawdown date | Borrowing method | Repayment date | Repayment method | Security |
|--|-------------------|--|---------------|---|----------------|--------------------------------------|--------------------------|
| Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd. and Mizuho Bank, Ltd. (Note 1) | 3,429 million yen | Base rate plus 0.185% (Note 3)(Note 4) | July 31, 2023 | Borrowing based on the respective term loan agreements dated July 27, 2023, with the lenders shown to the left as lenders | May 31, 2027 | Lump-sum repayment on repayment date | Unsecured Not guaranteed |
| Mizuho Bank, Ltd. (Sustainability Loan) | 1,261 million yen | Base rate plus 0.175% (Note 3)(Note 4) | | | July 6, 2029 | | |
| Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd. and Mizuho Bank, Ltd. (Note 2) | 2,710 million yen | Base rate plus 0.230% (Note 3)(Note 4) | | | July 12, 2030 | | |

- (Note 1) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Development Bank of Japan Inc., The Bank of Fukuoka, Ltd. and The 77 Bank, Ltd.
- (Note 2) The syndicate of lenders comprises, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd. and Development Bank of Japan Inc.
- (Note 3) The interest payment dates will be on the last day of January, April, July and October from the end of October 2023 inclusive as well as on the repayment date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the interest payment date shall be on the business day immediately preceding the original date.)
The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the JBA three-month Japanese Yen TIBOR published by the JBATA two business days prior to the interest payment date immediately preceding the respective interest payment date (however, for the first calculation period, the applicable date is the drawdown date); provided, however, that in cases where the calculation period is less than three months, the base rate shall be the base rate corresponding to the relevant period calculated based on the method provided in the loan agreement.
For the JBA three-month Japanese Yen TIBOR as the base rate, please check the JBATA's website (<http://www.jbatibor.or.jp/english/>).
- (Note 4) The interest rate will be converted into a fixed rate through an interest rate swap agreement. For details, please refer to "5. Signing of interest rate swap agreements" below.

2. Reason for New Borrowings

New Borrowings will be used for the refinance of the outstanding borrowings (8,000 million yen) which is due on July 31, 2023 (hereinafter, the "Refinancing"). New Borrowings include Sustainability Loan to expand ESG financing.

GLP J-REIT has been actively engaged in sustainability finance for the purpose of financing projects that contribute to environmental sustainability and solution of social issues. The total amount of ESG bonds issued by GLP J-REIT, which includes the green bonds and the sustainability bonds, is expanded to 45.5 billion yen, maintaining in the top J-REIT in terms of ESG bonds outstanding. GLP J-REIT aims to enhance financing capability through not only ESG bonds but sustainability loans.

The Sustainability Loan will be executed in accordance with the scheme of sustainability financing (Sustainability Finance Framework) stated in the "Submission of Amendment to the Shelf Registration Statement for Issuance of Sustainability Bonds" dated September 2, 2020.

GLP J-REIT plans to use the proceeds from the Sustainability Loan for repayment of the loan due on July 31, 2023 (All of the proceeds from the said loan were used to acquire GLP Amagasaki, a specified asset meeting the criteria of Eligible Sustainability Project (Note 1)).

(Note 1) Eligible Sustainability Projects are assets or projects that satisfy either of the Eligible Green Project Criteria and the Eligible Social Project Criteria shown below. The same applies hereinafter.

<Eligible Green Project Criteria>

Green buildings:

New, existing or renovated buildings that have obtained at least one of the following certifications;

- i) DBJ Green Building Certification (Japan): five, four or three stars
- ii) CASBEE (Japan): S, A or B+
- iii) BELS (Japan): five, four, or three
- iv) LEED (U.S.): Platinum, Gold or Silver

<Eligible Social Project Criteria>

Contribution to the sustainable growth of local communities

New, existing, or refurbished buildings that contribute to either of items a through d shown below:

- a. Safety of local residents in times of disaster
- b. Development of the local living environment
- c. Revitalization of the local community
- d. Provision of parenting support

3. Amount, use and schedule of expenditure of funds to be procured

- (a) Amount of funds to be procured
7,400 million yen in total

- (b) Specific use of funds to be procured
Of the existing loans (totaling 8,000 million yen) which is due for repayment on July 31, 2023, 7,400 million yen will be repaid with the funds procured through the New Borrowings (7,400 million yen).

The remaining 600 million yen of the existing loans will be repaid with the funds procured through the issuance of GLP J-REIT 22nd Unsecured Bonds, as announced in the press release " Issuance of Investment Corporation Bonds (Sustainability Bonds)" dated July 20, 2023.

(c) Schedule of expenditure
July 31, 2023

4. Status of loans after the Refinancing

(million yen)

| | Before the Refinancing (Note 1) | After the Refinancing (Note 1) | Increase (Decrease) |
|---|---------------------------------|--------------------------------|---------------------|
| Short-term loans (Note 2) | 37,470 | 29,470 | (8,000) |
| Long-term loans (Note 2) | 304,590 | 311,990 | +7,400 |
| Total loans | 342,060 | 341,460 | (600) |
| Investment corporation bonds | 54,500 | 55,100 | +600 |
| Total of loans and investment corporation bonds | 396,560 | 396,560 | - |

(Note 1) "Before the Refinancing" are figures before the payment of the 10th Unsecured Bonds on July 7, 2023, disclosed in the press release titled "Issuance of Investment Corporation Bonds (Sustainability Bonds)" dated July 20, 2023. "After the Refinancing" are figures after the Refinancing on July 31, 2023.

(Note 2) "Short-term loans" refer to loans with a term to maturity of one year or less as of July 7, 2023 for "Before the Refinancing" and as of July 31, 2023 for "After the Refinancing". "Long-term loans" are loans with a term to repayment date exceeding one year as of July 7, 2023 for "before the Refinancing" and based on July 31, 2023 for "After the Refinancing".

5. Signing of interest rate swap agreements

(1) Reason for signing the interest rate swap agreements

GLP J-REIT signed the interest rate swap agreements to hedge the risks of interest rate fluctuations by converting the interest rate payable into a fixed rate for New Borrowings.

(2) Details of the interest rate swap agreement

| Counterparty | Notional principal | Interest rate | Commencement date | Termination date | Interest payment date |
|-------------------------------------|----------------------------|---|-------------------|------------------|---|
| Nomura Securities Co.,Ltd. | 3,429 million yen (Note 1) | Fixed interest rate payable: 0.325% Floating interest rate receivable: JBA 3-month yen TIBOR | July 31, 2023 | May 31, 2027 | The last day of each of January, April, July and October of every year and termination date (if such day does not fall on a business day, the interest payment date shall be on the next business day, but if the applicable day is in the following month, the interest payment date shall be on the business day immediately preceding the original date) |
| Nomura Securities Co.,Ltd. | 1,261 million yen (Note 2) | Fixed interest rate payable: 0.485% Floating interest rate receivable: JBA 3-month yen TIBOR | | July 6, 2029 | |
| Sumitomo Mitsui Trust Bank, Limited | 2,710 million yen (Note 3) | Fixed interest rate payable: 0.568% Floating interest rate receivable: JBA 3-month yen TIBOR | | July 12, 2030 | |

(Note 1) The swap agreement is related to the loan of 3,429 million yen, which scheduled repayment date is May 31, 2027. For details, please refer to "1. Details of New Borrowings" above. The interest rate will be substantially fixed at 0.510% for the loan by this interest rate swap agreement.

(Note 2) The swap agreement is related to the loan of 1,261 million yen, which scheduled repayment date is July 6, 2029. For details, please refer to "1. Details of New Borrowings" above. The interest rate will be substantially fixed at 0.660% for the loan by this interest rate swap agreement.

(Note 3) The swap agreement is related to the loan of 2,710 million yen, which scheduled repayment date is July 12, 2030. For details, please refer to "1. Details of New Borrowings" above. The interest rate will be substantially fixed at 0.798% for the loan by this interest rate swap agreement.

6. Future Outlook

The financial impact of the Refinancing has already been reflected in, and GLP J-REIT makes no change in the future outlook of earnings forecast for the fiscal period ending August 2023 (March 1, 2023 to August 31, 2023) and February 2024 (September 1, 2023 to February 29, 2024) disclosed in the press release titled “Amendment of Forecast Concerning Operating Status and Distributions for the Fiscal Period Ending August 31, 2023 and Ending February 29, 2024” dated May 15, 2023.

7. Other matters necessary for investors’ appropriate understanding / judgment of the concerned information

With respect to the risks associated with the New Borrowings, there has been no important changes to the content of “Investment Risks” stated in the securities report submitted on May 30, 2023.

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