

**SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED
NOVEMBER 30, 2017 (June 1, 2017 – November 30, 2017)**

Name of issuer: United Urban Investment Corporation (United Urban)
Listing: Tokyo Stock Exchange
Securities code: 8960
URL: <http://www.united-reit.co.jp/eng/>
Representative: Ikuo Yoshida, Executive Officer
Asset Management Company: Japan REIT Advisors Co., Ltd.
Representative: Ikuo Yoshida, President and Chief Executive Officer
Inquiries: Kenichi Natsume, Chief Financial Officer
TEL: +81-3-5402-3680

Scheduled date of filing of Securities Report: February 28, 2018
Scheduled date for commencing dividend payments: February 15, 2018
Supplementary Materials on Financial Results: Scheduled
Financial Results Conference: Scheduled (for analysts and institutional investors (Japanese language only))

(Amounts are rounded down to the nearest millions of yen, unless otherwise indicated)

1. Performance for the Fiscal Period Ended November 30, 2017 (June 1, 2017 – November 30, 2017)

(1) Business Results

(Percentage figures show the increase/decrease rate compared to the previous period)

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | |
|---------------------------------------|--------------------|------|------------------|-----|-----------------|------|-----------------|------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal period ended November 30, 2017 | 25,926 | 12.8 | 12,482 | 8.6 | 11,320 | 10.1 | 11,319 | 10.1 |
| Fiscal period ended May 31, 2017 | 22,982 | 0.5 | 11,497 | 4.0 | 10,286 | 10.0 | 10,285 | 10.0 |

| | Net Income per Unit | Return on Equity | Return on Assets | Ordinary Income to Operating Revenues |
|---------------------------------------|---------------------|------------------|------------------|---------------------------------------|
| | Yen | % | % | % |
| Fiscal period ended November 30, 2017 | 3,705 | 3.2 | 1.7 | 43.7 |
| Fiscal period ended May 31, 2017 | 3,376 | 3.0 | 1.6 | 44.8 |

(2) Distributions

| | Distributions per Unit (excluding excess of earnings) | Total Cash Distributions (excluding excess of earnings) | Distributions in Excess of Earnings per Unit | Total Distributions in Excess of Earnings | Payout Ratio | Distribution Ratio to Unitholders' Equity |
|---------------------------------------|---|---|--|---|--------------|---|
| | Yen | Millions of yen | Yen | Millions of yen | % | % |
| Fiscal period ended November 30, 2017 | 3,358 | 10,258 | 0 | 0 | 90.6 | 2.9 |
| Fiscal period ended May 31, 2017 | 3,250 | 9,929 | 0 | 0 | 96.2 | 2.8 |

- Notes: 1. "Payout Ratio" is rounded down to the nearest one decimal place.
2. For both fiscal period, because a portion of unappropriated retained earnings (Fiscal period ended May 31, 2017: ¥431 million, Fiscal period ended November 30, 2017: ¥1,136 million) was reserved as a reserve retained for distribution and as a result of adding a reversal of reserve for temporary difference adjustments (each fiscal period ¥75 million) to the net income, there was a difference between cash distribution per unit and net income per unit. Moreover, for the fiscal period ended May 31, 2017, because a calculation of net income per unit was based on an average number of investment units during the period due to an issuance of new investment units, there was a difference between cash distribution per unit and net income per unit.

(3) Financial Position

| | Total Assets | Total Unitholders' Equity (Net Asset) | Equity Ratio | Net Asset per Unit |
|---------------------------------------|-----------------|---------------------------------------|--------------|--------------------|
| | Millions of yen | Millions of yen | % | Yen |
| Fiscal period ended November 30, 2017 | 663,531 | 353,258 | 53.2 | 115,629 |
| Fiscal period ended May 31, 2017 | 675,885 | 351,801 | 52.1 | 115,152 |

(4) Conditions of Cash Flows

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Cash and Cash Equivalents at the End of the Period |
|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Fiscal period ended November 30, 2017 | 15,660 | 9,350 | (24,177) | 62,327 |
| Fiscal period ended May 31, 2017 | 13,842 | (33,364) | 16,334 | 61,493 |

2. Forecasts of Results for the Fiscal Period Ending May 31, 2018 (December 1, 2017 – May 31, 2018) and the Fiscal Period Ending November 30, 2018 (June 1, 2018 – November 30, 2018)

(Percentage figures show the increase/decrease rate compared to the previous period)

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | | Distributions per Unit (excluding excess of earnings) | Distributions in Excess of Earnings per Unit |
|--|--------------------|-------|------------------|-------|-----------------|-------|-----------------|-------|---|--|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen | Yen |
| Fiscal period ending May 31, 2018 | 24,078 | (7.1) | 11,488 | (8.0) | 10,312 | (8.9) | 10,312 | (8.9) | 3,400 | 0 |
| Fiscal period ending November 30, 2018 | 24,500 | 1.8 | 11,506 | 0.2 | 10,374 | 0.6 | 10,373 | 0.6 | 3,420 | 0 |

[Reference] Estimated net income per unit (full business year):

Fiscal period ending May 31, 2018 ¥3,375 Fiscal period ending November 30, 2018 ¥3,395

Note: The resource for cash distributions for the fiscal period ending May 31, 2018 and November 30, 2018 is the result of adding a reversal of reserve for temporary difference adjustments (¥75 million) to the net income, respectively. Therefore, it differs from “net income” of each fiscal period.

***Other**

(1) Change in Accounting Policies, Change in Accounting Estimate, and Restatement

- Changes in accounting policies in accordance with a revision of the accounting rules: Not Applicable
- Changes in accounting policies other than 1, above: Not Applicable
- Changes in accounting estimate: Not Applicable
- Restatement: Not Applicable

(2) Total Number of Investment Units Issued and Outstanding

- Total number of investment units issued at the end of the fiscal period (including treasury investment units)
 - As of November 30, 2017: 3,055,087 units
 - As of May 31, 2017: 3,055,087 units
- Treasury investment units at the end of the fiscal period
 - As of November 30, 2017: None
 - As of May 31, 2017: None

Note: For the number of investment units used as the basis for the calculation of net income per unit, please refer to “Notes to Per Unit Information” on page 24.

(3) Rounding of Fractions of Amounts and Ratios

Unless otherwise specifically indicated, amounts in this report have been rounded down to the units stated and the ratios have been rounded to the nearest one decimal place.

Description of implementation status of audit procedure

- As of January 16, 2018, the audit procedure of the financial statements under the Financial Instruments and Exchange Act has not been completed.

Explanation for appropriate use of result forecasts and other special instructions

- Forward-looking statements contained in this material are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, forward-looking statements are not guarantees of payment of any cash distributions by United Urban. For details of the assumptions made, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2018 (29th fiscal period: from December 1, 2017 to May 31, 2018) and the Fiscal Period Ending November 30, 2018 (30th fiscal period: from June 1, 2018 to November 30, 2018)” below.

DISCLAIMER

This is an English-language translation of original Japanese document “the Brief Report on the Closing of Accounts” (*Kessan-Tanshin*) for the fiscal period ended November 30, 2017. This translation is provided for information purpose only and is not intended to constitute a statutory document for an offer to sell, or seeking an offer to buy, any securities of United Urban. United Urban makes no assurance or warranty with respect to the completeness or accuracy of this English translation; the Japanese versions of the *Kessan-Tanshin* should always be referred to as the originals of this document.

1. Related Corporations of Investment Corporation

Structure of Investment Corporation

As there are no significant changes in “Structure of Investment Corporation” stated in the latest Securities Report (submitted on August 28, 2017), the disclosure is omitted.

2. Management Policies and Management Status

(1) Management Policies

As there are no significant changes in “Investment Policies,” “Investment Targets,” “Distribution Policies” and “Investment Restriction” stated in the latest Securities Report (submitted on August 28, 2017), the disclosure is omitted.

(2) Management Status

1. Overview during the period

a. Investment environment and operation

(i) Investment environment

Japanese economy during this period remains steady due to the good condition of corporate performance. And also, while the movement to increase interest rates or to taper off the quantitative easing can be seen in global economy, financing environment has been favorable in Japan due to the low interest rate.

In the real estate sales market, transaction prices are still increasing due to the continuation of favorable financing environment. With regard to the real estate rental market, as for retail properties, the sales of suburban type properties has been struggling, but that of urban type properties has been stable, and the rental market for retail properties remains steady. As for office buildings, although a lot of new supplies would be expected in Tokyo area, demands for corporates’ business expansion are strong. So, asking rents in the Tokyo metropolitan area and major cities throughout Japan have been increasing, and vacancy ratio has kept low. As for hotels, although each situation is different depending on its locating city, number of inbound tourists (Note) keeps on increasing in general. While room occupancy ratio decreases slightly in the areas with a lot of new supplies such as Tokyo or Osaka, management environment are good. As for residential properties, rental properties have a steady demand, and both the occupancy ratio and rent levels remains stable.

Note: “Inbound tourists” mean foreign tourists visiting Japan.

(ii) New acquisitions and sale of properties

During the period, United Urban acquired Yoshikawa Logistics Center and the following preferred securities to hold the preferential negotiation right of the property acquisition.

| Property No. | Property Name | Type (Note 1) | Location | Acquisition Price (Millions of yen) (Note 2) | Acquisition Date |
|--------------|----------------------------|---------------|--------------------|--|------------------|
| E12 | Yoshikawa Logistics Center | Warehouse | Yoshikawa, Saitama | 1,960 | July 27, 2017 |

| Name of Asset | Acquired Asset | Acquisition Price (Millions of yen) (Note 2) | Acquisition Date |
|--|--|--|------------------|
| Preferred equity securities of KICAM Musashimurayama Tokutei Mokuteki Kaisha (specific purpose company, the “TMK”) | Preferred equity securities: 5 units (Percentage of ownership: 6.8%) | 50 | October 12, 2017 |

On the other hand, United Urban sold the following eight properties to improve the quality and profitability of its portfolio and implemented the replacement of assets.

| Property No. | Property Name | Type (Note 1) | Location | Sale Price (Millions of yen) (Note 2) | Date of Sale |
|--------------|----------------------------------|---------------|----------------------|---------------------------------------|-------------------|
| A3 | Ashiya Kawanishi Shopping Mart | Store | Ashiya, Hyogo | 2,912 | September 1, 2017 |
| B2 | SK Nagoya Building | Office | Nagoya, Aichi | 4,970 | October 11, 2017 |
| B33 | Nagoya Nishiki City Building | Office | Nagoya, Aichi | 2,480 | |
| D8 | Narashino Residence | Apartment | Funabashi, Chiba | 840 | |
| D11 | UUR Court Chiba Soga | Boardinghouse | Chiba, Chiba | 600 | |
| D12 | Higashi-kurume Dormitory Shinkan | Boardinghouse | Higashikurume, Tokyo | 390 | |
| D13 | Nanzan Court Ichigokan | Apartment | Nagoya, Aichi | 950 | |
| D14 | Nanzan Court Nigokan | Apartment | Nagoya, Aichi | 430 | |
| Total | | | | 13,572 | |

- Notes: 1. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
 2. The acquisition price and the sale price are stated based on the prices stated in the purchase and sale agreements, etc. concerning the acquisition or sale of each property or paid-in amount concerning the acquisition of preferred securities. In addition, the amount of the each price does not include expenses related to the acquisition or sales and consumption tax, etc. The same shall apply hereinafter.

(iii) Portfolio overview

As a result of the acquisition and sales of properties mentioned above (ii), United Urban held a total of 116 properties, comprising 35 retail properties, 33 office buildings, 1 retail-office complex, 13 hotels, 2 office-hotel complexes, 20 residential properties and 12 others, with an aggregate acquisition price of ¥610,920 million at the end of the 28th fiscal period (as of November 30, 2017). In addition, the total leasable floor space was 1,422,050.82 sq. m. and the total numbers of tenants were 2,259.

United Urban has continued to focus on improving occupancy ratios during the period. As a result, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 98.3% and 99.2%, and stood at 98.4% at the end of the 28th fiscal period (as of November 30, 2017).

b. Financing overview

During the period, United Urban procured debt financing to support the redemption of corporate bonds. Moreover, after the repayment of interest-bearing liabilities with proceeds from sales of properties mentioned above, the total amount of interest-bearing liabilities was ¥271,607 million, a decrease of ¥14,250 million compared to the end of the previous fiscal period.

The status of interest-bearing liabilities at the end of the previous period and the end of the 28th fiscal period are as follows.

| (Millions of yen) | | | | |
|---------------------------------------|---|--|----------|--|
| | Balance at the end of the 27th Fiscal Period (As of May 31, 2017) | Balance at the end of the 28th Fiscal Period (As of November 30, 2017) | Changes | |
| Short-term borrowings | - | - | - | |
| Long-term borrowings | 245,357 | 237,607 | (7,750) | |
| Total of borrowings | 245,357 | 237,607 | (7,750) | |
| Corporate bonds | 40,500 | 34,000 | (6,500) | |
| Total of interest-bearing liabilities | 285,857 | 271,607 | (14,250) | |

In addition, as of the end of the 28th fiscal period, the amount of borrowings due for repayment within one year was ¥29,023 million, and the amount of the current portion of corporate bonds that is to become due for maturity within one year was ¥29,000 million.

Moreover, the details of ratings of United Urban as of December 31, 2017 are as follows.

| Rating Agency | Details | |
|---------------------------------|-----------------------------|------------------------|
| Japan Credit Rating Agency Ltd. | Long-Term Issuer Rating: AA | Rating Outlook: Stable |
| Moody's Japan K.K. | Long-Term Issuer Rating: A3 | Rating Outlook: Stable |

c. Overview of financial results and distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥25,926 million (up by 12.8% from the previous period), profit from rental activities of ¥13,404 million (down by 1.0% from the previous period), operating income of ¥12,482 million (up by 8.6% from the previous period), ordinary income of ¥11,320 million (up by 10.1% from the previous period), and net income of ¥11,319 million (up by 10.1% from the previous period).

During the period under the review, ¥1,136 million of the net income after taking into account gain on sale of properties was set aside as a reserve retained for distribution to enhance the risk tolerance for unexpected market conditions. On the other hand, in accordance with “Ordinance on Accountings of Investment Corporations” and “Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations” stipulated by the Investment Trusts Association, Japan, United Urban reversed ¥75 million of the reserve for temporary difference adjustments and added the reversal amount to cash distributions. As a result, United Urban decided to distribute ¥10,258 million, and cash distribution per unit was ¥3,358. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation is satisfied during the fiscal period, and the corporate tax is not imposed.

2. Outlook for the next fiscal period

a. Outlook for overall operation

As for the real estate rental market in Japan, the stable rental revenue is expected due to the continuous high occupancy rate of office buildings, etc. On the other hand, as for the real estate sales market, there is a sense of caution against the market overheating, but severe competition in property acquisitions is also expected, and real estate prices would be kept increasing.

Under these circumstances, United Urban will take advantage of the knowledge and network of the sponsor, cooperate with tenants, and work on a new acquisition scheme in addition to its information channel of Japan REIT Advisors Co., Ltd. (“JRA”), the asset management company to which United Urban entrusts asset management services, for property acquisitions, and make efforts for profitability-conscious property acquisition by utilizing the characteristics of a diversified J-REIT. In addition, United Urban considers the property replacement positively in view of present real estate sales market. With regard to internal growth, United Urban makes efforts to increase rents of office buildings and hotels, and to lease the vacant rooms.

With regard to the financial management, United Urban will make continuous efforts to create a robust and stable financial standing by reducing financial costs, extending and diversifying the maturities for interest-bearing liabilities, and ensuring enough liquidity.

b. Outlook for management status

(i) Material facts arising after the end of 28th fiscal period and other material events

There are no material facts arising after the end of the fiscal period (November 30, 2017). In addition, the reference information is as follows:

A. Changes in shareholders of the asset management company

Based on the demand for sale of shares by Marubeni Corporation which holds 95% of shares of JRA as of November 29, 2017, 5% of shares of JRA held by Kyokuto Securities Co., Ltd. was transferred to Marubeni Corporation on December 22, 2017. Accordingly, JRA became a wholly owned subsidiary of Marubeni Corporation as of the same date.

B. New committed line of credit agreement

United Urban concluded a new committed line of credit agreement on December 26, 2017, as set forth below.

Outline of the new committed line of credit agreement

| | | |
|--------------------------------------|---|---|
| Participating financial institutions | : | Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation Mizuho Trust & Banking Co., Ltd. Resona Bank, Limited |
| Maximum loan amount | : | ¥12,000 million |
| Date of agreement | : | December 26, 2017 |
| Term of agreement | : | From December 26, 2017 to December 25, 2018 |
| Remarks | : | Unsecured, unguaranteed |

C. Acquisition of property

United Urban has decided to acquire “RIHGA Royal Hotel Kokura • ARUARU City” on January 26, 2018.

| Property No. | Property Name | Type | Location | Scheduled Acquisition Price (Millions of yen) | Scheduled Acquisition Date |
|--------------|--|-------|---------------------|---|----------------------------|
| C15 | RIHGA Royal Hotel Kokura • ARUARU City | Hotel | Kitakyushu, Fukuoka | 16,600 | January 26, 2018 |

(ii) Outlook for management status

For the fiscal period ending May 31, 2018 (29th fiscal period: from December 1, 2017 to May 31, 2018) and the fiscal period ending November 30, 2018 (30th fiscal period: from June 1, 2018 to November 30, 2018), the forecasts of financial results are estimated, as set forth below. For details of the assumptions for the forecasts, please refer to the “Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2018 (29th fiscal period: from December 1, 2017 to May 31, 2018) and the Fiscal Period Ending November 30, 2018 (30th fiscal period: from June 1, 2018 to November 30, 2018)” below.

Fiscal Period Ending May 31, 2018

| | | | |
|----------------------|-----------------|---|--------|
| Operating revenues: | ¥24,078 million | Cash distributions per unit (Note 1): | ¥3,400 |
| Operating income: | ¥11,488 million | Distributions in excess of earnings per unit: | ¥0 |
| Ordinary income: | ¥10,312 million | | |
| Net income (Note 1): | ¥10,312 million | | |

Fiscal Period Ending November 30, 2018

| | | | |
|----------------------|-----------------|---|--------|
| Operating revenues: | ¥24,500 million | Cash distributions per unit: (Note 1) | ¥3,420 |
| Operating income: | ¥11,506 million | Distributions in excess of earnings per unit: | ¥0 |
| Ordinary income: | ¥10,374 million | | |
| Net income (Note 1): | ¥10,373 million | | |

- Notes: 1. The resource for cash distributions for the fiscal period ending May 31, 2018 and November 30, 2018 is the result of adding a reversal of reserve for temporary difference adjustments (¥75 million) to the net income, respectively. Therefore, it differs from “net income” of each fiscal period. In addition, the scheduled amount of the reversal is based on the total number of investment units issued and outstanding of 3,055,087 units as of the date hereof, and it is based on the assumption that there will be no additional issuance of investment units until November 30, 2018.
2. The above-listed forward-looking statements are our current expectations produced as of the date hereof, based on certain assumptions. Accordingly, the actual operating revenues, operating income, ordinary income, net income, cash distributions per unit and distributions in excess of earnings per unit may differ from forecasts because of future acquisitions and sales of properties, real estate market trends and changes in other situations concerning United Urban. In addition, the forward-looking statements are not guarantees of the payment amount of any cash distributions by United Urban.

Assumptions for the Forecast of Financial Results for the Fiscal Period Ending May 31, 2018
(29th fiscal period: from December 1, 2017 to May 31, 2018) and the Fiscal Period Ending November 30, 2018
(30th fiscal period: from June 1, 2018 to November 30, 2018)

| Item | Assumptions | | | | | | | | | | | | | | | | | | |
|--|---|--|-----------------------------------|--|--|-----------------|-----------------|--------------------------|----------------|----------------|---|----------------|----------------|----------------------------------|--------------|--------------|---|----------------|----------------|
| Terms | <ul style="list-style-type: none"> Fiscal period ending May 31, 2018 (29th fiscal period: from December 1, 2017 to May 31, 2018) (182 days) Fiscal period ending November 30, 2018 (30th fiscal period: from June 1, 2018 to November 30, 2018) (183 days) | | | | | | | | | | | | | | | | | | |
| Investment Assets | <ul style="list-style-type: none"> The forecasts of financial results are based on a portfolio of 117 properties which comprise (i) 116 properties owned by United Urban as of the date hereof and (ii) RIHGA Royal Hotel Kokura·ARUARU City to be acquired on January 26, 2018 (Note), “Preferred Equity Securities of Tenjin 123 Project TMK” and “Preferred Equity Securities of KICAM Musashimurayama TMK”. Note: Other than the abovementioned 117 properties, United Urban owns the site adjacent to the b roppongi (the “Adjacent Site”). United Urban has acquired the Adjacent Site in order to enable the construction of an extension of the b roppongi (the “Hotel”) in the future. Therefore, the Adjacent Site is considered to be attached to the Hotel, and is not recognized as an independent property. United Urban has launched the extension work on the Hotel as of the date hereof. For details, please refer to the press release “Notice on Building an Annex to the Property etc., (the b roppongi)” dated October 25, 2017. The forecasts are also based on the assumption that there will be no change of properties (acquisition of new property or sale of existing property, etc.) until November 30, 2018 (the end of the 30th fiscal period) other than mentioned above. However, the forecasts may be changed by the change of properties in actually. | | | | | | | | | | | | | | | | | | |
| Total Number of Investment Units Issued and Outstanding | <ul style="list-style-type: none"> The forecasts are based on 3,055,087 units issued and outstanding as of the date hereof. The forecasts are also based on the assumption that there will be no additional issuance of investment units until November 30, 2018 (the end of the 30th fiscal period). | | | | | | | | | | | | | | | | | | |
| Operating Revenues | <ul style="list-style-type: none"> Operating revenues from rental revenues, which are the principal component of the operating revenues, are calculated based on lease agreements in effect as of the date hereof by taking into account a certain effect of tenants’ move-in and departures for the expected rent and estimated occupancy ratio in the future, while taking into consideration the existence of neighboring competitive properties, market trends, status of negotiation for the lease terms with each tenant, and other conditions. Based on the above assumptions, United Urban anticipates the major items of the operating revenues from rental revenues, as set forth below. <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending May 31, 2018</th> <th>Fiscal period ending November 30, 2018</th> </tr> </thead> <tbody> <tr> <td>Rental revenues (including common area charges)</td> <td>¥21,658 million</td> <td>¥21,831 million</td> </tr> <tr> <td>Parking revenues</td> <td>¥707 million</td> <td>¥744 million</td> </tr> <tr> <td>Utility revenues (electricity, water, gas, etc.) from tenants</td> <td>¥1,404 million</td> <td>¥1,629 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The property-related revenues are based on the assumption that there will be no delinquencies or nonpayment of rent by the tenants. United Urban does not expect to receive any dividend income from the “Preferred Equity Securities of Tenjin 123 Project TMK” in any fiscal periods. United Urban expects to receive ¥1 million of dividend income from the “Preferred Equity Securities of KICAM Musashimurayama TMK” in the fiscal period ending November 30, 2018. | Major Item | Fiscal period ending May 31, 2018 | Fiscal period ending November 30, 2018 | Rental revenues (including common area charges) | ¥21,658 million | ¥21,831 million | Parking revenues | ¥707 million | ¥744 million | Utility revenues (electricity, water, gas, etc.) from tenants | ¥1,404 million | ¥1,629 million | | | | | | |
| Major Item | Fiscal period ending May 31, 2018 | Fiscal period ending November 30, 2018 | | | | | | | | | | | | | | | | | |
| Rental revenues (including common area charges) | ¥21,658 million | ¥21,831 million | | | | | | | | | | | | | | | | | |
| Parking revenues | ¥707 million | ¥744 million | | | | | | | | | | | | | | | | | |
| Utility revenues (electricity, water, gas, etc.) from tenants | ¥1,404 million | ¥1,629 million | | | | | | | | | | | | | | | | | |
| Operating Expenses | <ul style="list-style-type: none"> Of the property-related expenses, which are the principal component of the operating expenses, expenses other than depreciation and amortization are calculated based on historical data for the properties and reflect factors that may cause fluctuations in expenses. United Urban anticipates each major item of the property-related expenses as set forth below. <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending May 31, 2018</th> <th>Fiscal period ending November 30, 2018</th> </tr> </thead> <tbody> <tr> <td>Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)</td> <td>¥1,686 million</td> <td>¥1,909 million</td> </tr> <tr> <td>Property management fees</td> <td>¥1,690 million</td> <td>¥1,701 million</td> </tr> <tr> <td>Utilities</td> <td>¥1,442 million</td> <td>¥1,662 million</td> </tr> <tr> <td>Repairs and maintenance (Note 2)</td> <td>¥932 million</td> <td>¥829 million</td> </tr> <tr> <td>Depreciation and amortization (Note 3)</td> <td>¥4,173 million</td> <td>¥4,221 million</td> </tr> </tbody> </table> | Major Item | Fiscal period ending May 31, 2018 | Fiscal period ending November 30, 2018 | Property and other taxes (property taxes and city planning taxes, etc.) (Note 1) | ¥1,686 million | ¥1,909 million | Property management fees | ¥1,690 million | ¥1,701 million | Utilities | ¥1,442 million | ¥1,662 million | Repairs and maintenance (Note 2) | ¥932 million | ¥829 million | Depreciation and amortization (Note 3) | ¥4,173 million | ¥4,221 million |
| Major Item | Fiscal period ending May 31, 2018 | Fiscal period ending November 30, 2018 | | | | | | | | | | | | | | | | | |
| Property and other taxes (property taxes and city planning taxes, etc.) (Note 1) | ¥1,686 million | ¥1,909 million | | | | | | | | | | | | | | | | | |
| Property management fees | ¥1,690 million | ¥1,701 million | | | | | | | | | | | | | | | | | |
| Utilities | ¥1,442 million | ¥1,662 million | | | | | | | | | | | | | | | | | |
| Repairs and maintenance (Note 2) | ¥932 million | ¥829 million | | | | | | | | | | | | | | | | | |
| Depreciation and amortization (Note 3) | ¥4,173 million | ¥4,221 million | | | | | | | | | | | | | | | | | |

| <p>Operating Expenses</p> | <p>Notes: 1. In general, previous owners are reimbursed for the property taxes and city planning taxes for the period starting from the time United Urban acquires the assets. However, United Urban does not allocate such reimbursement as its expenses, because an amount equivalent to such reimbursement is included in the cost of acquisition and is capitalized.</p> <p>2. Actual repairs and maintenance for each fiscal period may differ significantly from the forecasted amount for various reasons, including the possibility of emergency repairs and maintenance due to damage to buildings owing to unexpected factors, the large variance in amounts among fiscal years and the fact that these amounts do not accrue on a regular basis.</p> <p>3. Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures.</p> <ul style="list-style-type: none"> Other operating expenses, such as asset management fees are calculated based on the track record with consideration of factors that may cause fluctuations in expenses. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|--|--|---|---------------------------|---|---------------------------|---------------------------|---------------------------|--------------|--------------------------------|---|--------------------------------|---------------|--|------------------------------|---------------|---------------------------|---|---------------------------|---------------------------|---------------------------|--------------------|---------------------------|---|---------------------------|---------------------------|-------------------|---------------------------------|---|--------------------------------|
| <p>Non-Operating Expenses</p> | <ul style="list-style-type: none"> United Urban anticipates the non-operating expenses per major item, as set forth below. <table border="1" data-bbox="491 562 1412 651"> <thead> <tr> <th>Major Item</th> <th>Fiscal period ending May 31, 2018</th> <th>Fiscal period ending November 30, 2018</th> </tr> </thead> <tbody> <tr> <td>Interest expenses for interest-bearing liabilities (Note)</td> <td>¥1,103 million</td> <td>¥1,084 million</td> </tr> </tbody> </table> <p>Note: Including financing-related expenses and interest expenses on corporate bonds, etc.</p> | Major Item | Fiscal period ending May 31, 2018 | Fiscal period ending November 30, 2018 | Interest expenses for interest-bearing liabilities (Note) | ¥1,103 million | ¥1,084 million | | | | | | | | | | | | | | | | | | | | | | | | | |
| Major Item | Fiscal period ending May 31, 2018 | Fiscal period ending November 30, 2018 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest expenses for interest-bearing liabilities (Note) | ¥1,103 million | ¥1,084 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Interest-bearing Liabilities</p> | <ul style="list-style-type: none"> The total balance of interest-bearing liabilities as of the date hereof is ¥267,607 million, of which ¥237,607 million are borrowings and ¥30,000 million are corporate bonds. The interest-bearing liabilities maturing during the fiscal period ending May 31, 2018 and the plan for repayment, etc. are as set forth below. <table border="1" data-bbox="491 840 1412 1093"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Scheduled Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td rowspan="4">March 20, 2018</td> <td>Borrowing: ¥3,000 million</td> <td rowspan="4">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥2,200 million</td> </tr> <tr> <td>Borrowing: ¥3,000 million</td> </tr> <tr> <td>Borrowing: ¥1,700 million</td> </tr> <tr> <td rowspan="2">May 30, 2018</td> <td>Corporate bond: ¥8,000 million</td> <td rowspan="2">United Urban will newly obtain borrowing(s) from lender(s) to redeem in full.</td> </tr> <tr> <td>Corporate bond: ¥2,000 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The forecasts are based on the assumption that total balance of interest-bearing liabilities at the end of the fiscal period ending May 31, 2018 is to be ¥267,584 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made. The interest-bearing liabilities maturing during the fiscal period ending November 30, 2018 and the plan for repayment, etc. are as set forth below. <table border="1" data-bbox="491 1283 1412 1615"> <thead> <tr> <th>Maturity Date</th> <th>Overview of Interest-bearing Liabilities</th> <th>Scheduled Plan for Repayment</th> </tr> </thead> <tbody> <tr> <td rowspan="4">June 20, 2018</td> <td>Borrowing: ¥2,000 million</td> <td rowspan="4">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥3,500 million</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td>Borrowing: ¥1,500 million</td> </tr> <tr> <td rowspan="3">September 20, 2018</td> <td>Borrowing: ¥2,800 million</td> <td rowspan="3">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td> </tr> <tr> <td>Borrowing: ¥2,500 million</td> </tr> <tr> <td>Borrowing: ¥1,000 million</td> </tr> <tr> <td rowspan="2">November 20, 2018</td> <td>Corporate bond: ¥13,000 million</td> <td rowspan="2">United Urban will newly obtain borrowing(s) from lender(s) to redeem in full.</td> </tr> <tr> <td>Corporate bond: ¥2,000 million</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The forecasts are based on the assumption that the total balance of interest-bearing liabilities at the end of the fiscal period ending November 30, 2018 is to be ¥267,584 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made. | Maturity Date | Overview of Interest-bearing Liabilities | Scheduled Plan for Repayment | March 20, 2018 | Borrowing: ¥3,000 million | United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full. | Borrowing: ¥2,200 million | Borrowing: ¥3,000 million | Borrowing: ¥1,700 million | May 30, 2018 | Corporate bond: ¥8,000 million | United Urban will newly obtain borrowing(s) from lender(s) to redeem in full. | Corporate bond: ¥2,000 million | Maturity Date | Overview of Interest-bearing Liabilities | Scheduled Plan for Repayment | June 20, 2018 | Borrowing: ¥2,000 million | United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full. | Borrowing: ¥3,500 million | Borrowing: ¥1,000 million | Borrowing: ¥1,500 million | September 20, 2018 | Borrowing: ¥2,800 million | United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full. | Borrowing: ¥2,500 million | Borrowing: ¥1,000 million | November 20, 2018 | Corporate bond: ¥13,000 million | United Urban will newly obtain borrowing(s) from lender(s) to redeem in full. | Corporate bond: ¥2,000 million |
| Maturity Date | Overview of Interest-bearing Liabilities | Scheduled Plan for Repayment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| March 20, 2018 | Borrowing: ¥3,000 million | United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥2,200 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥3,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥1,700 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| May 30, 2018 | Corporate bond: ¥8,000 million | United Urban will newly obtain borrowing(s) from lender(s) to redeem in full. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Corporate bond: ¥2,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Maturity Date | Overview of Interest-bearing Liabilities | Scheduled Plan for Repayment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| June 20, 2018 | Borrowing: ¥2,000 million | United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥3,500 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥1,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥1,500 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| September 20, 2018 | Borrowing: ¥2,800 million | United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥2,500 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Borrowing: ¥1,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| November 20, 2018 | Corporate bond: ¥13,000 million | United Urban will newly obtain borrowing(s) from lender(s) to redeem in full. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Corporate bond: ¥2,000 million | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Cash Distributions per Unit</p> | <ul style="list-style-type: none"> Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban. The total number of investment units issued and outstanding as of the end of the fiscal period which are used to calculate the cash distribution per unit are based on the assumption given in the “Total Number of Investment Units Issued and Outstanding” column above. Cash distributions for the fiscal period ending May 31, 2018 are based on the total distribution amount of ¥10,387 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥75 million to the unappropriated retained earnings of ¥10,312 million. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|--|--|
| | <ul style="list-style-type: none"> · Cash distributions for the fiscal period ending November 30, 2018 are based on the total distribution amount of ¥10,448 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥75 million to the unappropriated retained earnings of ¥10,373 million. · Actual cash distributions per unit may fluctuate due to various factors including changes in investment assets, fluctuations of rental revenues caused by tenant replacements or unexpected repairs. |
| Distributions in Excess of Earnings per Unit | <ul style="list-style-type: none"> · United Urban does not currently plan to execute distributions in excess of earnings (distributions in excess of earnings per unit). |
| Other | <ul style="list-style-type: none"> · Forecasts are based on the assumption that there will be no amendments to laws and regulations, taxation systems, accounting standards, listing rules or regulations of the Investment Trusts Association, Japan, which may affect the aforementioned forecasted figures. · Forecasts are based on the assumption that there will be no unexpected significant change in general economic trends and real estate market trends and other conditions. |

3. Financial Statement

(1) Balance Sheet

| | (Thousands of yen) | |
|---|---|--|
| | End of 27th Fiscal Period (as of May 31, 2017) | End of 28th Fiscal Period (as of November 30, 2017) |
| ASSETS | | |
| Current Assets | | |
| Cash and bank deposit | 30,304,439 | 32,095,676 |
| Cash and bank deposit in trust | 31,189,067 | 30,231,362 |
| Rent receivables | 575,557 | 501,888 |
| Prepaid expenses | 647,051 | 151,916 |
| Other | 77,060 | 52,965 |
| Total Current Assets | 62,793,176 | 63,033,810 |
| Fixed Assets | | |
| Property and equipment, at cost | | |
| Buildings | *1 20,526,274 | *1 20,548,799 |
| Less accumulated depreciation | (5,357,488) | (5,672,270) |
| Buildings, net | 15,168,786 | 14,876,528 |
| Structures | *1 159,989 | *1 159,989 |
| Less accumulated depreciation | (129,019) | (132,550) |
| Structures, net | 30,969 | 27,439 |
| Machinery and equipment | 285,562 | 285,562 |
| Less accumulated depreciation | (156,913) | (166,689) |
| Machinery and equipment, net | 128,649 | 118,873 |
| Tools, furniture and fixtures | 47,575 | 50,148 |
| Less accumulated depreciation | (23,527) | (26,868) |
| Tools, furniture and fixtures, net | 24,048 | 23,280 |
| Land | *1 46,562,941 | *1 46,570,450 |
| Construction in progress | 10,876 | 40,051 |
| Buildings in trust | *1*3 236,707,004 | *1*3 233,232,215 |
| Less accumulated depreciation | (48,379,894) | (50,084,216) |
| Buildings in trust, net | 188,327,109 | 183,147,998 |
| Structures in trust | *1 2,071,672 | *1 2,074,648 |
| Less accumulated depreciation | (1,002,046) | (1,041,580) |
| Structures in trust, net | 1,069,626 | 1,033,067 |
| Machinery and equipment in trust | 2,184,479 | 2,271,681 |
| Less accumulated depreciation | (993,535) | (1,059,461) |
| Machinery and equipment in trust, net | 1,190,944 | 1,212,219 |
| Tools, furniture and fixtures in trust | *1 687,962 | *1 820,915 |
| Less accumulated depreciation | (286,678) | (325,777) |
| Tools, furniture and fixtures in trust, net | 401,284 | 495,138 |
| Land in trust | *1 348,491,831 | *1 341,452,119 |
| Construction in progress in trust | 84,777 | 65,538 |
| Total property and equipment | 601,491,846 | 589,062,705 |
| Intangible assets | | |
| Software | 42,283 | 34,917 |
| Leasehold rights | 1,149,355 | 1,149,355 |
| Leasehold rights in trust | 8,171,352 | 8,171,352 |
| Other intangible assets in trust | 185,779 | 178,965 |
| Total intangible assets | 9,548,770 | 9,534,590 |
| Investments and other assets | | |
| Investment securities | 93,905 | 144,337 |
| Security deposits paid | 10,000 | 10,000 |
| Security deposits paid in trust | 80,222 | 80,222 |
| Long-term prepaid expenses | 1,867,998 | 1,666,122 |
| Total investments and other assets | 2,052,126 | 1,900,682 |
| Total Fixed Assets | 613,092,743 | 600,497,978 |
| TOTAL ASSETS | 675,885,920 | 663,531,788 |

| | (Thousands of yen) | |
|---|---|--|
| | End of 27th Fiscal Period (as of May 31, 2017) | End of 28th Fiscal Period (as of November 30, 2017) |
| LIABILITIES | | |
| Current Liabilities | | |
| Trade accounts payable | 1,739,896 | 2,198,082 |
| Current portion of corporate bonds | 20,500,000 | 29,000,000 |
| Long-term debt due for repayment within one year | 27,973,000 | 29,023,000 |
| Accrued expenses | 327,212 | 297,332 |
| Distributions payable | 14,514 | 14,218 |
| Income taxes payable | 510 | 566 |
| Consumption taxes payable | 202,414 | 1,047,212 |
| Rent received in advance | 355,930 | 347,227 |
| Rent received in advance in trust | 3,317,289 | 3,197,623 |
| Deposits received | 4,298 | 2,413 |
| Deposits received in trust | 126,940 | 59,768 |
| Derivatives liabilities | 14,403 | 9,091 |
| Other | 18,052 | 6,149 |
| Total Current Liabilities | 54,594,463 | 65,202,686 |
| Long-term Liabilities | | |
| Corporate bonds | 20,000,000 | 5,000,000 |
| Long-term debt | 217,384,000 | 208,584,000 |
| Leasehold and security deposits received | *1 3,161,823 | *1 3,149,739 |
| Leasehold and security deposits received in trust | *1 28,757,461 | *1 28,211,325 |
| Derivatives liabilities | 186,949 | 125,653 |
| Total Long-term Liabilities | 269,490,233 | 245,070,718 |
| Total Liabilities | 324,084,697 | 310,273,404 |
| NET ASSETS | | |
| Unitholders' Equity | | |
| Unitholders' capital | 309,205,625 | 309,205,625 |
| Surplus | | |
| Capital surplus | 23,548,287 | 23,548,287 |
| Voluntary retained earnings | | |
| Reserve for temporary difference adjustments | *4 7,546,388 | *4 7,470,924 |
| Reserve retained for distribution | 1,416,835 | 1,848,706 |
| Total voluntary retained earnings | 8,963,223 | 9,319,631 |
| Unappropriated retained earnings (unappropriated deficit) | 10,285,440 | 11,319,585 |
| Total surplus | 42,796,951 | 44,187,503 |
| Total Unitholders' Equity | 352,002,576 | 353,393,128 |
| Valuation and Translation Adjustment | | |
| Deferred gains or losses on hedges | (201,353) | (134,744) |
| Total Valuation and Translation Adjustment | (201,353) | (134,744) |
| Total Net Assets | *5 351,801,223 | *5 353,258,384 |
| TOTAL LIABILITIES and NET ASSETS | 675,885,920 | 663,531,788 |

(2) Statement of Income and Retained Earnings

| | (Thousands of yen) | | | |
|---|--|------------|---|------------|
| | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | | 28th Fiscal Period (June 1, 2017 - November 30, 2017) | |
| Operating Revenues | | | | |
| Rental revenues | *1 | 21,592,214 | *1 | 22,148,308 |
| Other rental revenues | *1 | 1,327,053 | *1 | 1,616,654 |
| Gain on sales of real estates | *2 | 63,084 | *2 | 2,161,263 |
| Total Operating Revenues | | 22,982,353 | | 25,926,225 |
| Operating Expenses | | | | |
| Property-related expenses | *1 | 9,382,608 | *1 | 10,360,009 |
| Loss on sales of real estates | | - | *3 | 876,449 |
| Asset management fees | | 1,801,332 | | 1,867,225 |
| Asset custodian fees | | 18,587 | | 18,967 |
| Administrative service fees | | 69,301 | | 70,340 |
| Directors' compensation | | 10,200 | | 7,200 |
| Other operating expenses | | 202,798 | | 243,520 |
| Total Operating Expenses | | 11,484,827 | | 13,443,712 |
| Operating Income | | 11,497,526 | | 12,482,513 |
| Non-operating Revenues | | | | |
| Interest income | | 614 | | 250 |
| Reversal of cash distributions payable | | 2,387 | | 1,909 |
| Insurance income | | 612 | | 3,629 |
| Subsidy income | | 2,398 | | - |
| Compensation income | | 31,781 | | - |
| Other | | 940 | | 8,601 |
| Total Non-operating Revenues | | 38,734 | | 14,390 |
| Non-operating Expenses | | | | |
| Interest expenses | | 1,035,868 | | 1,039,473 |
| Interest expenses on corporate bonds | | 134,833 | | 105,057 |
| Investment unit issuance expenses | | 21,767 | | - |
| Loss on disposal of real estate | | 52,310 | | 19,504 |
| Other | | 5,436 | | 12,678 |
| Total Non-operating Expenses | | 1,250,215 | | 1,176,713 |
| Ordinary Income | | 10,286,045 | | 11,320,190 |
| Income before Income Taxes | | 10,286,045 | | 11,320,190 |
| Income Taxes - current | | 605 | | 605 |
| Total Income Taxes | | 605 | | 605 |
| Net Income | | 10,285,440 | | 11,319,585 |
| Retained Earnings Brought Forward | | - | | - |
| Unappropriated Retained Earnings (unappropriated deficit) | | 10,285,440 | | 11,319,585 |

(3) Statements of Unitholders' Equity

27th Fiscal Period (From December 1, 2016 to May 31, 2017)

(Thousands of yen)

| | Unitholders' Equity | | | | | |
|--|----------------------|-----------------|-----------------------------|--|-----------------------------------|-----------------------------------|
| | Unitholders' Capital | Surplus | | | | |
| | | Capital Surplus | Voluntary Retained Earnings | | | |
| | | | Reserve for Distribution | Reserve for Temporary Difference Adjustments | Reserve Retained for Distribution | Total Voluntary Retained Earnings |
| Balance at the beginning of current period | 292,411,850 | 23,548,287 | 7,546,388 | - | 956,862 | 8,503,250 |
| Changes of items during the period | | | | | | |
| Issuance of new investment units | 16,793,755 | | | | | - |
| Reversal of reserve for distribution | | | (7,546,388) | | | (7,546,388) |
| Provision of reserve for temporary difference adjustments | | | | 7,546,388 | | 7,546,388 |
| Provision of reserve retained for distribution | | | | | 459,972 | 459,972 |
| Cash distribution disbursed | | | | | | - |
| Net income | | | | | | - |
| Net changes during the period except for items under unitholders' equity | | | | | | - |
| Total changes of items during the period | 16,793,775 | - | (7,546,388) | 7,546,388 | 459,972 | 459,972 |
| Balance at the end of current period | * 309,205,625 | 23,548,287 | - | 7,546,388 | 1,416,835 | 8,963,223 |

| | Unitholders' Equity | | | Valuation and Translation Adjustment | | Total Net Assets |
|--|----------------------------------|---------------|---------------------------|--------------------------------------|--|------------------|
| | Surplus | | Total Unitholders' Equity | Deferred Gains or Losses on Hedges | Total Valuation and Translation Adjustment | |
| | Unappropriated Retained Earnings | Total Surplus | | | | |
| Balance at the beginning of current period | 9,348,568 | 41,400,106 | 333,811,956 | (219,531) | (219,531) | 333,592,425 |
| Changes of items during the period | | | | | | |
| Issuance of new investment units | | - | 16,793,775 | | - | 16,793,775 |
| Reversal of reserve for distribution | | (7,546,388) | (7,546,388) | | - | (7,546,388) |
| Provision of reserve for temporary difference adjustments | | 7,546,388 | 7,546,388 | | - | 7,546,388 |
| Provision of reserve retained for distribution | (459,972) | - | - | | - | - |
| Cash distribution disbursed | (8,888,596) | (8,888,596) | (8,888,596) | | - | (8,888,596) |
| Net income | 10,285,440 | 10,285,440 | 10,285,440 | | - | 10,285,440 |
| Net changes during the period except for items under unitholders' equity | | - | - | 18,178 | 18,178 | 18,178 |
| Total changes of items during the period | 936,871 | 1,396,844 | 18,190,619 | 18,178 | 18,178 | 18,208,797 |
| Balance at the end of current period | 10,285,440 | 42,796,951 | 352,002,576 | (201,353) | (201,353) | 351,801,223 |

28th Fiscal Period (From June 1, 2017 to November 30, 2017)

(Thousands of yen)

| | Unitholders' Equity | | | | | |
|--|----------------------|-----------------|-----------------------------|--|-----------------------------------|-----------------------------------|
| | Unitholders' Capital | Surplus | | | | |
| | | Capital Surplus | Voluntary Retained Earnings | | | |
| | | | Reserve for Distribution | Reserve for Temporary Difference Adjustments | Reserve Retained for Distribution | Total Voluntary Retained Earnings |
| Balance at the beginning of current period | 309,205,625 | 23,548,287 | - | 7,546,388 | 1,416,835 | 8,963,223 |
| Changes of items during the period | | | | | | |
| Issuance of new investment units | | | | | | - |
| Reversal of reserve for distribution | | | | | | - |
| Provision of reserve for temporary difference adjustments | | | | | | - |
| Reversal of reserve for temporary difference adjustments | | | | (75,463) | | (75,463) |
| Provision of reserve retained for distribution | | | | | 431,871 | 431,871 |
| Cash distribution disbursed | | | | | | - |
| Net income | | | | | | - |
| Net changes during the period except for items under unitholders' equity | | | | | | - |
| Total changes of items during the period | - | - | - | (75,463) | 431,871 | 356,407 |
| Balance at the end of current period | * 309,205,625 | 23,548,287 | - | 7,470,924 | 1,848,706 | 9,319,631 |

| | Unitholders' Equity | | | Valuation and Translation Adjustment | | Total Net Assets |
|--|----------------------------------|---------------|---------------------------|--------------------------------------|--|------------------|
| | Surplus | | Total Unitholders' Equity | Deferred Gains or Losses on Hedges | Total Valuation and Translation Adjustment | |
| | Unappropriated Retained Earnings | Total Surplus | | | | |
| Balance at the beginning of current period | 10,285,440 | 42,796,951 | 352,002,576 | (201,353) | (201,353) | 351,801,223 |
| Changes of items during the period | | | | | | |
| Issuance of new investment units | | - | - | | - | - |
| Reversal of reserve for distribution | | - | - | | - | - |
| Provision of reserve for temporary difference adjustments | | - | - | | - | - |
| Reversal of reserve for temporary difference adjustments | 75,463 | - | - | | - | - |
| Provision of reserve retained for distribution | (431,871) | - | - | | - | - |
| Cash distribution disbursed | (9,929,032) | (9,929,032) | (9,929,032) | | - | (9,929,032) |
| Net income | 11,319,585 | 11,319,585 | 11,319,585 | | - | 11,319,585 |
| Net changes during the period except for items under unitholders' equity | | - | - | 66,608 | 66,608 | 66,608 |
| Total changes of items during the period | 1,034,144 | 1,390,552 | 1,390,552 | 66,608 | 66,608 | 1,457,160 |
| Balance at the end of current period | 11,319,585 | 44,187,503 | 353,393,128 | (134,744) | (134,744) | 353,258,384 |

(4) Statements of Cash Distribution

| | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
|--|--|---|
| I. Unappropriated retained earnings | ¥ 10,285,440,600 | ¥ 11,319,585,004 |
| II. Reversal of voluntary retained earnings Reversal of reserve for temporary difference adjustments | * ¥ 75,463,881 | * ¥ 75,463,881 |
| III. Cash distributions (Cash distribution per unit) | ¥ 9,929,032,750 (¥ 3,250) | ¥ 10,258,982,146 (¥ 3,358) |
| IV. Voluntary retained earnings Provision of reserve retained for distribution | ¥ 431,871,731 | ¥ 1,136,066,739 |
| V. Retained earnings carried forward to the next period | - | - |

| Calculation method for cash distribution | 27th Fiscal Period | 28th Fiscal Period |
|--|---|--|
| | <p>Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings.</p> <p>Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥75,463,881 to the unappropriated retained earnings of ¥10,285,440,600, and reserved ¥431,871,731 as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥9,929,032,750 for the 27th fiscal period. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.</p> | <p>Based on the distribution policy stipulated in Article 35, Paragraph 1 of the Articles of Incorporation, United Urban's policy is to make dividend distributions in excess of 90% of distributable profit for each fiscal period in order to meet the conditions stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation of Japan, within the limit of the amount of earnings.</p> <p>Based on this policy, United Urban added reversal of reserve for temporary difference adjustments of ¥75,463,881 to the unappropriated retained earnings of ¥11,319,585,004, and reserved ¥1,136,066,739 as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥10,258,982,146 for the 28th fiscal period. United Urban does not distribute cash dividends in excess of its earnings as stipulated in Article 35, Paragraph 2 of its Articles of Incorporation.</p> |

(5) Statements of Cash Flows

| | (Thousands of yen) | |
|--|--|---|
| | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
| Cash flows from operating activities | | |
| Income before income taxes | 10,286,045 | 11,320,190 |
| Depreciation and amortization | 3,991,339 | 4,109,517 |
| Gain on sale of properties | (63,084) | (2,161,263) |
| Loss on sale of properties | - | 876,449 |
| Interest income and interest on securities | (614) | (250) |
| Interest expense and interest expense on corporate bonds | 1,170,701 | 1,144,531 |
| Investment unit issuance expenses | 21,767 | - |
| Loss on disposal of real estate | 52,310 | 19,504 |
| Decrease (increase) in rent receivables | (97,706) | 73,668 |
| Decrease (increase) in prepaid expenses | (513,086) | 504,019 |
| Decrease (increase) in long-term prepaid expenses | 18,428 | 31,277 |
| Increase (decrease) in trade accounts payable | (198,345) | 195,909 |
| Increase (decrease) in accrued expenses | (51,609) | 6,203 |
| Increase (decrease) in consumption taxes payable | 23,197 | 847,278 |
| Increase (decrease) in rent received in advance | 1,276 | (8,702) |
| Increase (decrease) in rent received in advance in trust | 354,810 | (119,665) |
| Increase (decrease) in deposits received | 692 | (1,884) |
| Increase (decrease) in deposits received in trust | 46,389 | (67,171) |
| Amortization of leasehold and security deposits received | (31,767) | (60,015) |
| Amortization of leasehold and security deposits received in trust | (27,936) | (57,921) |
| Other | 173,503 | 28,040 |
| Subtotal | <u>15,156,311</u> | <u>16,679,715</u> |
| Interest received | 614 | 250 |
| Interest paid | (1,314,194) | (1,018,900) |
| Income taxes (paid) refund | (640) | (549) |
| Net cash provided by (used in) operating activities | <u>13,842,090</u> | <u>15,660,515</u> |
| Cash flows from investing activities | | |
| Sale of property and equipment in trust | 3,769,573 | 12,687,550 |
| Purchase of property and equipment | (228,529) | (37,871) |
| Purchase of property and equipment in trust | (38,433,299) | (3,317,196) |
| Purchase of intangible assets in trust | (5,128) | - |
| Purchase of investment securities | (158) | (50,432) |
| Proceeds from collection of leasehold and security deposits in trust | 210 | - |
| Proceeds from leasehold and security deposits received | 33,748 | 139,371 |
| Payment of leasehold and security deposits received | (32,705) | (91,438) |
| Proceeds from leasehold and security deposits received in trust | 2,134,213 | 304,705 |
| Payment of leasehold and security deposits received in trust | (602,105) | (283,943) |
| Net cash provided by (used in) investing activities | <u>(33,364,181)</u> | <u>9,350,746</u> |
| Cash flows from financing activities | | |
| Proceeds from long-term debt | 40,900,000 | 6,500,000 |
| Repayment of long-term debt | (19,450,000) | (14,250,000) |
| Repayment of corporate bonds | (13,000,000) | (6,500,000) |
| Proceeds from issuance of investment units | 16,772,007 | - |
| Distributions to unitholders | (8,887,803) | (9,927,729) |
| Net cash provided by (used in) financing activities | <u>16,334,204</u> | <u>(24,177,729)</u> |
| Net changes in cash and cash equivalents | <u>(3,187,886)</u> | <u>833,532</u> |
| Cash and cash equivalents at the beginning of the period | <u>64,681,393</u> | <u>61,493,507</u> |
| Cash and cash equivalents at the end of the period | <u>61,493,507</u> | <u>62,327,039</u> |

(6) Notes to Assumption of Going Concern

Not applicable

(7) Notes to Important Accounting Policies

| | | |
|----|--|---|
| 1. | Valuation bases and methods of marketable securities | Other securities Other securities without market value are stated using the moving average cost method. |
| 2. | Depreciation and amortization methods of fixed assets | (1) Property and equipment (including trust assets) Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows: Building: 2-70 years Structure: 2-46 years Machinery and equipment: 2-24 years Tools, furniture and fixtures: 3-20 years (2) Intangible assets (including trust assets) Depreciation of intangible assets is calculated on a straight-line basis. In addition, depreciation of the software for internal use is calculated using an estimated useful life of 5 years. (3) Long-term prepaid expenses Depreciation of long-term prepaid expenses is calculated on a straight-line basis. |
| 3. | Revenues and expenses recognition | Accounting method for taxes on property and equipment United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held allocated to the current period and charged this to property-related expenses. The amount equivalent to the property taxes applicable to the period commencing from the date of purchase of the respective properties by United Urban through the end of the year is not recorded as expenses but included in the purchase price of each property as a capitalized cost. There was ¥2,569 thousand of such property taxes which were capitalized for the current fiscal period. |
| 4. | Hedge accounting | (1) Hedge accounting method The differed hedge accounting is adopted. (2) Hedging instrument and hedged item Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts (3) Hedging policy Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation. (4) Evaluation method of the effectiveness of hedging The effectiveness of hedging is evaluated by comparing the cumulative changes in the market rates or cumulative changes in the cash flows of the hedged items with the cumulative changes in the market rates or cumulative changes in the cash flows of hedging instruments, and examining the ratio of the amount of change in both. However, the evaluation of the hedge effectiveness is omitted when the interest rate swap transactions meet the specific criteria for special accounting treatment. |
| 5. | Scope of cash and cash equivalents in the statements of cash flows | Cash in the statements of cash flows (cash and cash equivalents) consist of cash on hand, cash held in trust, deposits and deposits in trust which can be withdrawn at any time, and short-term investments which are readily convertible to cash with only an insignificant risk of any price fluctuation and with original maturities of three months or less. |
| 6. | Important matters as the basis for preparation of the financial statements | (1) Accounting treatment for trust beneficial interests in entrusted assets including real estate For trust beneficial interests in real estate, all assets and liabilities concerning assets held in trust as well as income generated from, and expenses incurred on, assets held in trust are recorded in the relevant balance sheet and income statement accounts. In addition, the following significant accounts of assets held in trust which are recorded in the relevant accounts are reported separately in the balance sheet. 1) Cash and bank deposit in trust 2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust 3) Leasehold rights in trust and Other intangible assets in trust |

| | | |
|--|--|--|
| | | 4) Security deposits paid in trust 5) Rent received in advance in trust 6) Deposits received in trust 7) Leasehold and security deposits received in trust (2) Accounting method for consumption taxes The consumption tax and local consumption tax are accounted for using the tax exclusion method. However, non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost. |
|--|--|--|

(8) Notes to Financial Statements

[Notes to Balance Sheet]

*1. Pledged assets and secured debt

Pledged assets were as follows:

| | End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
|--|---|--|
| Buildings | 1,636,283 | 1,596,320 |
| Structures | 1,061 | 1,061 |
| Land | 2,089,982 | 2,089,982 |
| Buildings in trust | 2,035,638 | 2,028,344 |
| Structures in trust | 15,726 | 15,241 |
| Tools, furniture and fixtures in trust | 2,813 | 2,524 |
| Land in trust | 2,114,743 | 2,114,743 |
| Total | 7,896,249 | 7,848,219 |

Debt secured by pledged assets were as follows:

| | End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
|---|---|--|
| Leasehold security deposits received | 408,171 | 408,171 |
| Leasehold security deposits received in trust | 612,441 | 612,441 |
| Total | 1,020,613 | 1,020,613 |

2. Line-of-credit agreement

United Urban concluded the following line-of-credit agreement with financial institutions:

| | End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
|---|---|--|
| Total amount of commitment | 36,000,000 | 36,000,000 |
| Outstanding borrowings at end of the period | - | - |
| Net balance | 36,000,000 | 36,000,000 |

*3. Reduction entry amount of property and equipment acquired through state subsidy

| | End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
|--------------------|---|--|
| Buildings in trust | 124,062 | 124,062 |

*4. Matters related to provision and reversal of the reserve for temporary difference adjustments

| End of 27th Fiscal Period (As of May 31, 2017) | | End of 28th Fiscal Period (As of November 30, 2017) | |
|---|-----------|--|-----------|
| Reserve for distribution (Note) | | Reserve for distribution (Note) | |
| Initial amount | 7,546,388 | Initial amount | 7,546,388 |
| Balance at the beginning of the period | - | Balance at the beginning of the period | 7,546,388 |
| Addition to the reserve during the period | 7,546,388 | Addition to the reserve during the period | - |
| Reversal during the period | - | Reversal during the period | 75,463 |
| Balance at the end of the period | 7,546,388 | Balance at the end of the period | 7,470,924 |

Reasons for provision and reversal :
Application of transitional measures stipulated in Paragraph 3 of Supplementary Provisions of Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015)

(Note) The reserve for distribution is the balance of amount subdivided into the gains on negative goodwill which were allocated in the past fiscal periods. United Urban will reverse an amount equivalent to more than 1% of the balance of the reserve for distribution (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended May 31, 2017.

Reasons for provision and reversal :
Appropriation for cash distribution

(Note) The reserve for distribution is the balance of amount subdivided into the gains on negative goodwill which were allocated in the past fiscal periods. United Urban will reverse an amount equivalent to more than 1% of the balance of the reserve for distribution (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended May 31, 2017.

***5. Minimum net assets stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations of Japan**

| (Thousands of yen) | |
|---|--|
| End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
| 50,000 | 50,000 |

[Notes to the Statement of Income]

***1. Operating revenues and expenses**

| (Thousands of yen) | | | |
|---|---|--|---------|
| | 27th Fiscal Period (December 1, 2016- May 31, 2017) | 28th Fiscal Period (June 1, 2017- November 30, 2017) | |
| A. Operating revenues | | | |
| Rental revenues | | | |
| Rental revenues | 19,327,534 | 19,692,020 | |
| Common area charges | 1,528,272 | 1,657,549 | |
| Parking revenues | 602,085 | 646,599 | |
| Other revenues (Note 1) | 134,323 | 21,592,214 | 152,138 |
| Other rental revenues | | | |
| Incidental revenues (Note 2) | 1,164,529 | 1,418,935 | |
| Temporary revenues | 69,783 | 102,131 | |
| Other miscellaneous revenues | 92,741 | 1,327,053 | 95,587 |
| Total operating revenues | 22,919,268 | 23,764,962 | |
| B. Property-related expenses | | | |
| Rental expenses | | | |
| Property and other taxes | 1,646,868 | 1,816,055 | |
| Property management fees | 1,540,377 | 1,677,393 | |
| Utilities | 1,138,142 | 1,442,007 | |
| Casualty insurance | 28,250 | 30,104 | |
| Repairs and maintenance (Note 3) | 657,404 | 863,617 | |
| Depreciation and amortization | 3,991,339 | 4,109,517 | |
| Other rental expenses | 380,225 | 421,313 | |
| Total rental expenses | 9,382,608 | 10,360,009 | |
| C. Profit from rental activities (A-B) | 13,536,660 | 13,404,953 | |

Notes: 1 The consistent revenues other than rental revenues, common area charges and parking revenues are stated.
2 The utilities revenues that come from tenants in proportion to the amount used are stated.
3 The repair expense and repair and maintenance reserve are stated.

***2. Gain on Sale of Properties**

27th Fiscal Period (From December 1, 2016 to May 31, 2017)

| (Thousands of yen) | |
|-----------------------------------|---------------|
| Pacific Marks Shin-Urayasu | |
| Revenue from sale of property | 4,100,000 |
| Cost of sale of property | 3,863,925 |
| Other sales expenses | 172,989 |
| Gain on sale of properties | 63,084 |

28th Fiscal Period (From June 1, 2017 to November 30, 2017)

| | | |
|-----------------------------------|-----------|--------------------|
| Ashiya Kawanishi Shopping Mart | | (Thousands of yen) |
| Revenue from sale of property | 2,912,000 | |
| Cost of sale of property | 738,262 | |
| Other sales expenses | 112,438 | |
| Gain on sale of properties | | 2,061,299 |
| Nagoya Nishiki City Building | | (Thousands of yen) |
| Revenue from sale of property | 2,480,000 | |
| Cost of sale of property | 2,381,973 | |
| Other sales expenses | 59,228 | |
| Gain on sale of properties | | 38,797 |
| UUR Court Chiba Soga | | (Thousands of yen) |
| Revenue from sale of property | 600,000 | |
| Cost of sale of property | 574,546 | |
| Other sales expenses | 15,655 | |
| Gain on sale of properties | | 9,797 |
| Nanzan Court Ichigokan | | (Thousands of yen) |
| Revenue from sale of property | 950,000 | |
| Cost of sale of property | 916,132 | |
| Other sales expenses | 25,067 | |
| Gain on sale of properties | | 8,800 |
| Nanzan Court Nigokan | | (Thousands of yen) |
| Revenue from sale of property | 430,000 | |
| Cost of sale of property | 376,320 | |
| Other sales expenses | 11,111 | |
| Gain on sale of properties | | 42,568 |

*3. Loss on Sale of Properties

27th Fiscal Period (From December 1, 2016 to May 31, 2017)

There was no applicable information on loss on sale of properties for the fiscal period ended May 31, 2017.

28th Fiscal Period (From June 1, 2017 to November 30, 2017)

| | | |
|-----------------------------------|-----------|--------------------|
| SK Nagoya Building | | (Thousands of yen) |
| Revenue from sale of property | 4,970,000 | |
| Cost of sale of property | 5,478,520 | |
| Other sales expenses | 116,773 | |
| Loss on sale of properties | | 625,293 |
| Narashino Residence | | (Thousands of yen) |
| Revenue from sale of property | 840,000 | |
| Cost of sale of property | 988,770 | |
| Other sales expenses | 23,501 | |
| Loss on sale of properties | | 172,271 |
| Higashi-kurume Dormitory Shinkan | | (Thousands of yen) |
| Revenue from sale of property | 390,000 | |
| Cost of sale of property | 456,838 | |
| Other sales expenses | 12,045 | |
| Loss on sale of properties | | 78,884 |

[Notes to Statements of Changes in Unitholders' Equity]

* Total number of investment units authorized and Total number of investment units issued and outstanding

| | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
|---|--|---|
| Total number of investment units authorized | 10,000,000 units | 10,000,000 units |
| Total number of investment units issued and outstanding | 3,055,087 units | 3,055,087 units |

[Notes to Statements of Cash Distribution]

* Reserve for temporary difference adjustments

| End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
|---|--|
| <p>United Urban applied transitional measures stipulated in the paragraph 3 of supplementary provision of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015), and transferred the reserve for distribution of ¥7,546,388,071, which was the balance of amount subdivided into the gain on negative goodwill allocated in the previous periods, to reserve for temporary difference adjustments in the "statement of cash distribution" of the fiscal period ended November 30, 2016. From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will distribute to unitholders more than 1% of the reserve balance at the time of provision (more than ¥75,463,881: amount equivalent to the averaged amount for 50 years) in each fiscal period, to the extent the balance of reserve for temporary difference adjustments remains. United Urban reversed ¥75,463,881 for the fiscal period ended May 31, 2017</p> | <p>United Urban applied transitional measures stipulated in the paragraph 3 of supplementary provision of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015), and transferred the reserve for distribution of ¥7,546,388,071, which was the balance of amount subdivided into the gain on negative goodwill allocated in the previous periods, to reserve for temporary difference adjustments in the "statement of cash distribution" of the fiscal period ended November 30, 2016. From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will distribute to unitholders more than 1% of the reserve balance at the time of provision (more than ¥75,463,881: amount equivalent to the averaged amount for 50 years) in each fiscal period, to the extent the balance of reserve for temporary difference adjustments remains. United Urban reversed ¥75,463,881 for the fiscal period ended November 30, 2017</p> |

[Notes to Tax Effect Accounting]

1. Significant components of deferred tax assets and deferred tax liabilities

| | (Thousands of yen) | |
|--|---|--|
| | End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
| Deferred tax assets (current) | | |
| Difference in revenue recognition for tax purposes | 17,887 | 11,063 |
| Other | 6 | - |
| Subtotal | 17,894 | 11,063 |
| Valuation allowance | (17,894) | (11,063) |
| Total | - | - |
| Deferred tax assets (non current) | | |
| Valuation difference on assets acquired by merger | 19,834,502 | 18,934,948 |
| Subtotal | 19,834,502 | 18,934,948 |
| Valuation allowance | (19,834,502) | (18,934,948) |
| Total | - | - |
| Total deferred tax assets | - | - |

2. Reconciliation of significant differences between the statutory tax rate and the effective tax rate after the application of tax effect accounting

| | End of 27th Fiscal Period (As of May 31, 2017) | End of 28th Fiscal Period (As of November 30, 2017) |
|---|---|--|
| Statutory tax rate (Adjustment) | 31.74% | 31.74% |
| Distributions of tax-deductible dividends | (29.73)% | (23.70)% |
| Changes in valuation allowance | (2.01)% | (8.04)% |
| Other | 0.01% | 0.00% |
| Effective tax rate after the application of tax effect accounting | 0.01% | 0.01% |

[Notes to Real Estate Assets for Rent]

United Urban owns investment real estate for rent (retail properties, office buildings, hotels, residential properties and other properties (including land)) in the Tokyo Metropolitan Area, major Japanese cities including government designated cities, and surrounding areas thereof. The carrying amounts on the balance sheet, the amount of changes during the period and the fair values at the end of the period were as follows:

| | | (Thousands of yen) | |
|------------------------|---|--|---|
| Type of Use | | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
| Retail properties | Carrying amount on the balance sheet (Note 1) | | |
| | Balance at the beginning of the period | 202,170,895 | 203,018,498 |
| | Change during the period (Note 2) | 847,603 | (1,550,942) |
| | Balance at the end of the period | 203,018,498 | 201,467,556 |
| | Fair value at the end of the period (Note 3) | 232,334,000 | 231,354,000 |
| Office buildings | Carrying amount on the balance sheet (Note 1) | | |
| | Balance at the beginning of the period | 187,649,474 | 207,247,205 |
| | Change during the period (Note 2) | 19,597,731 | (8,918,885) |
| | Balance at the end of the period | 207,247,205 | 198,328,320 |
| | Fair value at the end of the period (Note 3) | 242,980,000 | 237,290,000 |
| Hotels | Carrying amount on the balance sheet (Note 1) | | |
| | Balance at the beginning of the period | 105,844,888 | 112,473,760 |
| | Change during the period (Note 2) | 6,628,871 | (32,897) |
| | Balance at the end of the period | 112,473,760 | 112,440,862 |
| | Fair value at the end of the period (Note 3) | 131,288,000 | 132,723,000 |
| Residential properties | Carrying amount on the balance sheet (Note 1) | | |
| | Balance at the beginning of the period | 40,771,326 | 41,759,715 |
| | Change during the period (Note 2) | 988,389 | (3,729,666) |
| | Balance at the end of the period | 41,759,715 | 38,030,049 |
| | Fair value at the end of the period (Note 3) | 53,489,000 | 49,938,000 |
| Others | Carrying amount on the balance sheet (Note 1) | | |
| | Balance at the beginning of the period | 43,942,759 | 46,313,373 |
| | Change during the period (Note 2) | 2,370,613 | 1,803,250 |
| | Balance at the end of the period | 46,313,373 | 48,116,624 |
| | Fair value at the end of the period (Note 3) | 53,072,300 | 55,607,200 |
| Total | Carrying amount on the balance sheet (Note 1) | | |
| | Balance at the beginning of the period | 580,379,344 | 610,812,554 |
| | Change during the period (Note 2) | 30,433,209 | (12,429,140) |
| | Balance at the end of the period | 610,812,554 | 598,383,413 |
| | Fair value at the end of the period (Note 3) | 713,163,300 | 706,912,200 |

- Notes: 1 The carrying amount on the balance sheet is the acquisition value (including the expenses incidental to the acquisition) less accumulated depreciation.
- 2 Of the "Change during the period" for the 27th fiscal period, the amount of the increase is primarily attributable to acquisition of five new properties (total: ¥36,740 million), acquisition of the land adjacent to the existing property (¥100 million), and capital expenditures (¥1,584 million). And the amount of the decrease is primarily attributable to the sale of one property (¥3,863 million) and the depreciation and amortization (¥3,984 million).
Of the "Change during the period" for the 28th fiscal period, the amount of the increase is primarily attributable to acquisition of one property (¥2,015 million) and capital expenditures (¥1,575 million). And the amount of the decrease is primarily attributable to the sale of eight properties (total: ¥11,911 million) and the depreciation and amortization (¥4,102 million).
- 3 The "Fair value at the end of the period" stated above is the appraisal value or price resulting from a price survey by licensed real estate appraisers based on the asset valuation methods and standards set forth in United Urban's Articles of Incorporation and the rules of The Investment Trusts Association, Japan.

For the revenues and expenses concerning the real estate assets for rent, please refer to the "Notes to the Statement of Income."

[Notes to Per Unit Information]

| | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
|---------------------|--|---|
| Net assets per unit | ¥ 115,152 | ¥ 115,629 |
| Net income per unit | ¥ 3,376 | ¥ 3,705 |

- Notes: 1 Net income per unit is calculated by dividing net income by the daily weighted average number of investment units during the period. Diluted net income per unit is not stated, as there are no dilutive investment units.
2 A basis for calculation of net income per unit is as follows:

| | | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
|--|--------------------|--|---|
| Net income | (Thousands of yen) | 10,285,440 | 11,319,585 |
| Amount not attributable to common unit holder | (Thousands of yen) | - | - |
| Net income concerning common investment unit | (Thousands of yen) | 10,285,440 | 11,319,585 |
| Average number of investment units during the period | (Unit) | 3,045,874 | 3,055,087 |

[Notes to Significant Subsequent Events]

Not Applicable

[Omission of Disclosure]

Notes to statements of cash flow, leases, financial instruments, securities, derivative transactions, employee retirement benefit, equity earnings of affiliate companies, transactions with related parties, segment information, and asset retirement obligation are omitted since the disclosure of these notes in this Financial Report is not considered to be important.

(9) Change in Total Number of Investment Units Issued and Outstanding

During the period, no capital increase was carried out and there were no changes in number of investment units issued and outstanding and unitholders' capital. The changes in unitholders' capital and total number of investment units issued and outstanding in the past five years are shown below.

| Date | Remarks | Total Number of Investment Units Issued and Outstanding (Unit) | | Unitholders' Capital (Millions of yen) | | Notes |
|--------------------|--|--|-----------|--|---------|-----------|
| | | Increase | Balance | Increase | Balance | |
| March 12, 2013 | Additional issue of new investment units through public offering | 190,000 | 2,293,383 | 22,701 | 188,625 | (Note 1) |
| April 10, 2013 | Additional issue of new investment units through third-party allotment | 12,064 | 2,305,447 | 1,441 | 190,067 | (Note 2) |
| July 9, 2013 | Additional issue of new investment units through public offering | 65,000 | 2,370,447 | 7,969 | 198,036 | (Note 3) |
| August 7, 2013 | Additional issue of new investment units through third-party allotment | 9,734 | 2,380,181 | 1,193 | 199,230 | (Note 4) |
| June 10, 2014 | Additional issue of new investment units through public offering | 120,000 | 2,500,181 | 18,661 | 217,892 | (Note 5) |
| July 9, 2014 | Additional issue of new investment units through third-party allotment | 12,065 | 2,512,246 | 1,876 | 219,768 | (Note 6) |
| December 9, 2014 | Additional issue of new investment units through public offering | 120,000 | 2,632,246 | 21,899 | 241,667 | (Note 7) |
| January 7, 2015 | Additional issue of new investment units through third-party allotment | 12,065 | 2,644,311 | 2,201 | 243,869 | (Note 8) |
| September 16, 2015 | Additional issue of new investment units through public offering | 95,000 | 2,739,311 | 12,680 | 256,549 | (Note 9) |
| October 15, 2015 | Additional issue of new investment units through third-party allotment | 12,065 | 2,751,376 | 1,610 | 258,160 | (Note 10) |
| June 14, 2016 | Additional issue of new investment units through public offering | 190,000 | 2,941,376 | 32,273 | 290,433 | (Note 11) |
| July 12, 2016 | Additional issue of new investment units through third-party allotment | 11,646 | 2,953,022 | 1,978 | 292,411 | (Note 12) |
| December 14, 2016 | Additional issue of new investment units through public offering | 90,000 | 3,043,022 | 14,808 | 307,220 | (Note 13) |
| January 12, 2017 | Additional issue of new investment units through third-party allotment | 12,065 | 3,055,087 | 1,985 | 309,205 | (Note 14) |

- Notes: 1. New investment units were issued through public offering at the offer price of ¥123,382 per unit (issue price (underwriter price) ¥119,479), for the purpose of procuring funds for property acquisitions.
2. New investment units were issued through third-party allotment at the issue price of ¥119,479 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.
3. New investment units were issued through public offering at the offer price of ¥126,616 per unit (issue price (underwriter price) ¥122,610), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for repayments of borrowings.
4. New investment units were issued through third-party allotment at the issue price of ¥122,610 per unit for the purpose of procuring funds for repayments of borrowings.
5. New investment units were issued through public offering at the offer price of ¥160,426 per unit (issue price (underwriter price) ¥155,515), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds for property acquisitions and repayments of interest-bearing liabilities.
6. New investment units were issued through third-party allotment at the issue price of ¥155,515 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
7. New investment units were issued through public offering at the offer price of ¥188,258 per unit (issue price (underwriter price) ¥182,495) for the purpose of procuring funds to support the repayment of interest-bearing liabilities.
8. New investment units were issued through third-party allotment at the issue price of ¥182,495 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
9. New investment units were issued through public offering at the offer price of ¥137,690 per unit (issue price (underwriter price) ¥133,475), for the purpose of procuring funds for property acquisitions and replenishing cash reserves, which was reduced by the acquisition of properties.
10. New investment units were issued through third-party allotment at the issue price of ¥133,475 per unit for the purpose of procuring funds for property acquisitions and replenishing cash reserves, which was reduced by the acquisition of properties.
11. New investment units were issued through public offering at the offer price of ¥175,224 per unit (issue price (underwriter price) ¥169,860) for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.
12. New investment units were issued through third-party allotment at the issue price of ¥169,860 per unit for the purpose of procuring funds to support a portion of the repayment of interest-bearing liabilities and a portion of the payment for acquiring properties.
13. New investment units were issued through public offering at the offer price of ¥169,736 per unit (issue price (underwriter price) ¥164,540), for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties and procuring funds to support a portion of the repayment of interest-bearing liabilities.
14. New investment units were issued through third-party allotment at the issue price of ¥164,540 per unit for the purpose of procuring funds to support a portion of the payment for acquiring properties and a portion of the repayment of interest-bearing liabilities.

4. Change in Directors

Change in directors had been disclosed timely at the time of decision.

5. Reference Information

(1) Composition of Portfolio

| Categories of Assets | Type of Use | Areas | | 27th Fiscal Period (As of May 31, 2017) | | 28th Fiscal Period (As of November 30, 2017) | | |
|--------------------------------------|------------------------|-------------------------|---------------------------------------|--|--------------------------------|--|--------------------------------|-----|
| | | | | Total Amounts Held (Thousands of yen) (Note 1) | Percentage to Total Assets (%) | Total Amounts Held (Thousands of yen) (Note 1) | Percentage to Total Assets (%) | |
| Real Estate | Retail Properties | Capital region | The 6 central wards of Tokyo (Note 3) | - | - | - | - | |
| | | | The 23 wards of Tokyo (Note 4) | - | - | - | - | |
| | | (Note 2) | Tokyo metropolitan area (Note 5) | 7,302,348 | 1.1 | 7,289,025 | 1.1 | |
| | | Other regions | 13,841,731 | 2.0 | 13,776,706 | 2.1 | | |
| | Office Buildings | Capital region | The 6 central wards of Tokyo | 13,168,248 | 1.9 | 13,126,878 | 2.0 | |
| | | | The 23 wards of Tokyo | 9,623,908 | 1.4 | 9,581,321 | 1.4 | |
| | | Tokyo metropolitan area | 9,190,623 | 1.4 | 9,133,097 | 1.4 | | |
| | | Other regions | - | - | - | - | | |
| | Hotels | Capital region | The 6 central wards of Tokyo | 2,134,151 | 0.3 | 2,163,944 | 0.3 | |
| | | | The 23 wards of Tokyo | - | - | - | - | |
| | | Tokyo metropolitan area | 4,152,761 | 0.6 | 4,106,281 | 0.6 | | |
| | | Other regions | - | - | - | - | | |
| | Residential Properties | Capital region | The 6 central wards of Tokyo | - | - | - | - | |
| | | | The 23 wards of Tokyo | 2,917,234 | 0.4 | 2,895,356 | 0.4 | |
| | | Tokyo metropolitan area | - | - | - | - | | |
| | | Other regions | 744,620 | 0.1 | 733,366 | 0.1 | | |
| | Others | Capital region | The 6 central wards of Tokyo | - | - | - | - | |
| | | | The 23 wards of Tokyo | - | - | - | - | |
| | | Tokyo metropolitan area | - | - | - | - | | |
| | | Other regions | - | - | - | - | | |
| | Subtotal | | | | 63,075,627 | 9.3 | 62,805,978 | 9.5 |
| | Real Estate in Trust | Retail Properties | Capital region | The 6 central wards of Tokyo | 4,289,081 | 0.6 | 4,280,765 | 0.6 |
| | | | | The 23 wards of Tokyo | 29,536,487 | 4.4 | 29,353,716 | 4.4 |
| | | | Tokyo metropolitan area | 81,101,516 | 12.0 | 80,739,470 | 12.2 | |
| Other regions | | | 66,947,331 | 9.9 | 66,027,871 | 10.0 | | |
| Office Buildings | | Capital region | The 6 central wards of Tokyo | 66,070,345 | 9.8 | 65,925,383 | 9.9 | |
| | | | The 23 wards of Tokyo | 2,080,499 | 0.3 | 2,066,849 | 0.3 | |
| | | Tokyo metropolitan area | 42,030,113 | 6.2 | 41,674,396 | 6.3 | | |
| | | Other regions | 65,083,467 | 9.6 | 56,820,393 | 8.6 | | |
| Hotels | | Capital region | The 6 central wards of Tokyo | 35,418,046 | 5.2 | 35,291,944 | 5.3 | |
| | | | The 23 wards of Tokyo | - | - | - | - | |
| | | Tokyo metropolitan area | 23,577,195 | 3.5 | 23,456,315 | 3.5 | | |
| | | Other regions | 47,191,605 | 7.0 | 47,422,377 | 7.1 | | |
| Residential Properties | | Capital region | The 6 central wards of Tokyo | 1,027,434 | 0.2 | 1,016,330 | 0.2 | |
| | | | The 23 wards of Tokyo | 8,905,728 | 1.3 | 8,818,854 | 1.3 | |
| | | Tokyo metropolitan area | 4,930,162 | 0.7 | 2,881,190 | 0.4 | | |
| | | Other regions | 23,234,534 | 3.4 | 21,684,950 | 3.3 | | |
| Others | | Capital region | The 6 central wards of Tokyo | 9,372,195 | 1.4 | 9,329,532 | 1.4 | |
| | | | The 23 wards of Tokyo | 8,017,586 | 1.2 | 7,999,331 | 1.2 | |
| | | Tokyo metropolitan area | 22,137,782 | 3.3 | 24,082,992 | 3.6 | | |
| | | Other regions | 6,785,808 | 1.0 | 6,704,768 | 1.0 | | |
| Subtotal | | | | 547,736,926 | 81.0 | 535,577,435 | 80.7 | |
| Preferred equity securities (Note 6) | | | | 93,905 | 0.0 | 144,337 | 0.0 | |
| Bank deposit and other assets | | | | 64,979,460 | 9.6 | 65,004,037 | 9.8 | |
| Total Assets | | | | 675,885,920 | 100.0 | 663,531,788 | 100.0 | |

Notes: 1. "Total Amounts Held" is net book value of assets at the end of the period ("Real Estate" and "Real Estate in Trust" being stated at book value net of depreciation). The trust beneficial interest which trust asset mainly consists of real estate does not include an amount of deposit in the trust asset.

2. The “Capital region” refers to eight prefectures: Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Gunma, Tochigi and Yamanashi prefectures.
3. The “6 central wards of Tokyo” are Chiyoda, Minato, Chuo, Shinjuku, Shibuya and Shinagawa wards.
4. The “23 wards of Tokyo” are the 23 Tokyo wards excluding the “6 central wards of Tokyo.”
5. “Tokyo metropolitan area” refers to the capital region excluding the “23 wards of Tokyo.”
6. Preferred equity securities of Tenjin 123 Project TMK and KICAM Musashimurayama TMK

| | 27th Fiscal Period (As of May 31, 2017) | | 28th Fiscal Period (As of November 30, 2017) | |
|-------------------|--|-----------------------------------|---|-----------------------------------|
| | Amount (Thousands of yen) | Percentage to Total Assets (%) | Amount (Thousands of yen) | Percentage to Total Assets (%) |
| Total liabilities | 324,084,697 | 47.9 | 310,273,404 | 46.8 |
| Total net assets | 351,801,223 | 52.1 | 353,258,384 | 53.2 |
| Total assets | 675,885,920 | 100.0 | 663,531,788 | 100.0 |

(2) Investment Assets

1. Major Stock of Investment Securities

As of the end of the 28th fiscal period, investments securities owned by United Urban were as follows:

| Description | Type | Number of Units (Unit) | Book Value (Thousands of yen) | Appraisal Value (Thousands of yen) (Note 2) | Percentage to Total Assets (%) |
|---|-----------------------------|------------------------------|----------------------------------|---|--------------------------------------|
| Preferred equity securities of Tenjin 123 Project TMK (Note 1) | Preferred equity securities | 1,497 | 93,905 | 93,905 | 0.0 |
| Preferred equity securities of KICAM Musashimurayama TMK (Note 1) | Preferred equity securities | 5 | 50,432 | 50,432 | 0.0 |
| Total | | - | 144,337 | 144,337 | 0.0 |

Notes: 1. Tenjin 123 Project TMK (the “Tenjin 123 TMK”) owns the b fukuoka tenjin (the “Hotel Property”), and KICAM Musashimurayama TMK (the “KICAM-TMK”) owns the Musashimurayama warehouse (the “Warehouse Property”). United Urban has acquired the preferential negotiation rights for acquisitions of the Hotel Property and the Warehouse Property in connection with United Urban’s acquisition of the preferred equity securities of the Tenjin 123 TMK and the KICAM-TMK. Outline of the Hotel Property and the Warehouse Property are as follows.

| Property Name | Location | Type* | Site Area* | Structure / Scale* |
|---------------------------|------------------------|-----------------------------|--|--------------------|
| The b fukuoka tenjin | Fukuoka, Fukuoka | Hotel (125 rooms) Retail | Land: 496.79 m ² Building: 3,567.22 m ² | S / 10F |
| Musashimurayama warehouse | Musashimurayama, Tokyo | Warehouse Office | Land: 5,788.52 m ² Building: 9,207.73 m ² | S / 4F |

* “Type,” “Site Area” and “Structure/Scale” in the above table are described as it appears on the real estate register.

2. As for the preferred equity securities of the Tenjin 123 TMK and KICAM-TMK, book values are stated because there are no market values and values calculated using the reasonable methods.

2. Investment Real Estate Properties

As of the end of the 28th fiscal period, United Urban had ownership of, or trust beneficial interests in real estate (properties which are the trust assets of trust beneficial interests in real estate are referred to as the “Real Estate in Trust”, and real estate and Real Estate in Trust are collectively referred to as the “Investment Real Estate”). Consequently, all of the real estate and Real Estate in Trust are shown in the table below.

a. Outline of Investment Real Estate 1

Acquisition price, book value at the end of the period, appraisal value at the end of the period, appraisers, number of tenants, leasable floor space, leased floor space and occupancy ratio of Investment Real Estate were as follows:

(As of November 30, 2017)

| Property No. | Property Name | Acquisition Price (Millions of yen) (Note 1) | Book Value at the End of Period (Millions of yen) | Appraisal Value at the End of Period (Millions of yen) (Note 2) | Share of Appraisal Value (%) | Appraisers (Note 2) | Number of Tenants (Note 3, 4) | Leasable Floor Space (m ²) (Note 3) | Leased Floor Space (m ²) (Note 3, 5) | Occupancy Ratio (%) (Note 3) |
|--------------|-------------------------|--|--|---|---------------------------------|------------------------|----------------------------------|---|--|------------------------------------|
| A1 | Himonya Shopping Center | 15,300 | 17,571 | 22,500 | 3.2 | JREI | 1 | 26,655.66 | 26,655.66 | 100.0 |
| A2 | Joy Park Izumigaoka | 6,770 | 5,174 | 4,710 | 0.7 | JREI | 22 | 13,611.24 | 13,611.24 | 100.0 |
| A4 | Re-LAND Shopping Center | 5,200 | 4,160 | 5,780 | 0.8 | JREI | 16 | 12,968.84 | 12,803.58 | 98.7 |
| A5 | AEON MALL Uki | 11,100 | 9,478 | 6,260 | 0.9 | JREI | 1 | 72,073.39 | 72,073.39 | 100.0 |

| Property No. | Property Name | Acquisition Price (Millions of yen) (Note 1) | Book Value at the End of Period (Millions of yen) | Appraisal Value at the End of Period (Millions of yen) (Note 2) | Share of Appraisal Value (%) | Appraisers (Note 2) | Number of Tenants (Note 3, 4) | Leasable Floor Space (m ²) (Note 3) | Leased Floor Space (m ²) (Note 3, 5) | Occupancy Ratio (%) (Note 3) |
|--------------|--|--|---|---|------------------------------|---------------------|-------------------------------|---|--|------------------------------|
| A6 | TENJIN LUCE | 6,500 | 6,307 | 6,490 | 0.9 | Nittochi | 11 | 4,194.68 | 4,194.68 | 100.0 |
| A7 | Yamada Denki Tecc Land Sakai Honten | 3,210 | 2,770 | 3,600 | 0.5 | JREI | 1 | 8,637.63 | 8,637.63 | 100.0 |
| A8 | Miyamae Shopping Center | 5,312 | 5,073 | 5,140 | 0.7 | JREI | 3 | 10,487.92 | 10,487.92 | 100.0 |
| A9 | KONAMI SPORTS CLUB Korigaoka | 2,040 | 1,590 | 1,900 | 0.3 | JREI | 1 | 8,627.58 | 8,627.58 | 100.0 |
| A10 | ACTIOLE Minami-ikebukuro | 3,760 | 3,668 | 3,350 | 0.5 | JREI | 10 | 2,081.50 | 2,081.50 | 100.0 |
| A11 | Tip's Machida Building | 4,100 | 4,222 | 4,850 | 0.7 | JREI | 10 | 6,710.19 | 6,710.19 | 100.0 |
| A12 | Daiei Takarazuka Nakayama | 4,284 | 3,225 (Note 9) | 3,990 | 0.6 | JREI | 1 | 16,729.60 | 16,729.60 | 100.0 |
| A13 | maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) | 11,904 | 12,450 | 11,300 | 1.6 | JREI | 4 | 52,668.38 | 52,668.38 | 100.0 |
| A14 | ACTIOLE Kannai | 2,410 | 2,278 | 2,100 | 0.3 | JREI | 9 | 1,938.56 | 1,938.56 | 100.0 |
| A15 | Shinsaibashi OPA Honkan | 22,800 | 21,974 | 26,100 | 3.7 | JREI | 1 | 27,025.42 | 27,025.42 | 100.0 |
| A19 | Albore Jingumae | 1,580 | 1,563 | 2,160 | 0.3 | JREI | 4 | 931.14 | 931.14 | 100.0 |
| A20 | Albore Sendai | 2,590 | 2,370 | 3,540 | 0.5 | JREI | 5 | 3,147.29 | 3,147.29 | 100.0 |
| A21 | Mallage Kashiwa | 7,040 | 6,732 | 8,530 | 1.2 | JREI | 93 | 41,766.56 | 40,227.05 | 96.3 |
| A23 | Ito-Yokado Owariasahi | 4,840 | 4,155 | 4,920 | 0.7 | JREI | 1 | 54,606.34 | 54,606.34 | 100.0 |
| A24 | Yokohama Kariba Shopping Center | 2,500 | 2,216 | 2,010 | 0.3 | JREI | 1 | 11,345.09 | 11,345.09 | 100.0 |
| A25 | Luz Jiyugaoka | 5,090 | 4,938 | 6,090 | 0.9 | JREI | 18 | 2,283.47 | 2,010.03 | 88.0 |
| A26 | ACTIOLE Ichikawa | 3,350 | 3,040 | 4,050 | 0.6 | JREI | 13 | 3,927.49 | 3,927.49 | 100.0 |
| A27 | VIVAHOME Yokohama Aoba (Site) | 2,600 | 2,740 | 3,210 | 0.5 | JREI | 1 | 9,193.00 | 9,193.00 | 100.0 |
| A28 | Yamada Denki Tecc Land Aoba (Site) | 2,150 | 2,270 | 2,510 | 0.4 | JREI | 1 | 7,650.63 | 7,650.63 | 100.0 |
| A29 | Yodobashi Camera Multimedia Kichijoji | 28,000 | 27,680 | 35,900 | 5.1 | JREI | 1 | 37,932.95 | 37,932.95 | 100.0 |
| A30 | Yamada Denki Tecc Land New Matsudo Honten | 5,150 | 4,926 | 6,580 | 0.9 | JREI | 1 | 17,561.23 | 17,561.23 | 100.0 |
| A31 | Tenjin Loft Building | 4,350 | 4,584 | 5,780 | 0.8 | JREI | 6 | 7,730.09 | 7,730.09 | 100.0 |
| A32 | Narumi Shopping Center (Site) | 6,460 | 6,850 | 7,230 | 1.0 | Tanizawa | 3 | 60,419.26 | 60,419.26 | 100.0 |
| A33 | Plussing Wave Enoshima | 1,800 | 1,873 | 2,140 | 0.3 | JREI | 7 | 3,154.42 | 3,053.64 | 96.8 |
| A34 | LIFE Nishikujo (Site) | 1,760 | 1,842 | 2,050 | 0.3 | Tanizawa | 1 | 3,252.76 | 3,252.76 | 100.0 |
| A35 | LIFE Tamatsukuri (Site) | 1,880 | 1,967 | 2,150 | 0.3 | Tanizawa | 1 | 2,391.44 | 2,391.44 | 100.0 |
| A36 | Granbell Ginza Building | 2,621 | 2,716 | 2,900 | 0.4 | JREI | 11 | 1,352.35 | 1,352.35 | 100.0 |
| A37 | UUR Tenjin Nishi-dori Building | 5,500 | 5,694 | 5,940 | 0.8 | JREI | 1 | 1,564.70 | 1,564.70 | 100.0 |
| A38 | Luz Shonan Tsujido | 3,938 | 3,995 | 4,580 | 0.6 | Tanizawa | 31 | 10,454.22 | 10,010.49 | 95.8 |
| A39 | ACTIOLE Ueno (Note 18) | 3,000 | 3,174 | 3,190 | 0.5 | Tanizawa | 8 | 1,167.63 | 1,167.63 | 100.0 |
| A40 | KURURU | 9,285 | 9,617 | 10,700 | 1.5 | Tanizawa | 27 | 13,292.30 | 13,292.30 | 100.0 |
| A41 | K's Denki Nagoya-kita | 1,750 | 1,817 | 1,890 | 0.3 | Tanizawa | 1 | 4,733.74 | 4,733.74 | 100.0 |
| B1 | T&G Hamamatsucho Building | 2,257 | 2,109 | 3,140 | 0.4 | Tanizawa | 6 | 2,420.85 | 2,420.85 | 100.0 |
| B3 | Fukuoka Eartheon Building | 2,080 | 1,617 | 2,640 | 0.4 | JREI | 8 | 4,934.40 | 4,934.40 | 100.0 |
| B4 | Marumasu Kojimachi Building | 2,350 | 2,434 | 2,480 | 0.4 | JREI | 16 | 2,578.84 | 2,578.84 | 100.0 |
| B5 | Rokubancho K Building | 2,150 | 2,280 | 3,710 | 0.5 | JREI | 1 | 4,031.14 | 4,031.14 | 100.0 |
| B6 | Shin-Osaka Central Tower | 24,000 | 23,845 | 28,500 | 4.0 | Nittochi | 61 | 45,978.59 | 45,922.79 | 99.9 |

| Property No. | Property Name | Acquisition Price (Millions of yen) (Note 1) | Book Value at the End of Period (Millions of yen) | Appraisal Value at the End of Period (Millions of yen) (Note 2) | Share of Appraisal Value (%) | Appraisers (Note 2) | Number of Tenants (Note 3, 4) | Leasable Floor Space (m ²) (Note 3) | Leased Floor Space (m ²) (Note 3, 5) | Occupancy Ratio (%) (Note 3) |
|--------------|---|--|---|---|------------------------------|---------------------|-------------------------------|---|--|------------------------------|
| B7 | Kawasaki Toshiba Building | 19,200 | 19,626 | 32,300 | 4.6 | Tanizawa | 1 | 36,118.31 | 36,118.31 | 100.0 |
| B8 | UR Toyochō Building | 8,500 | 8,488 | 8,820 | 1.2 | JREI | 1 | 7,540.30 | 7,540.30 | 100.0 |
| B9 | FOUR SEASONS BLDG | 4,200 | 4,184 | 5,530 | 0.8 | JREI | 1 | 5,000.54 | 5,000.54 | 100.0 |
| B10 | Hitachi High-Tech Building | 14,800 | 14,468 | 15,800 | 2.2 | JREI | 2 | 15,781.64 | 15,781.64 | 100.0 |
| B11 | Pacific Marks Shinjuku Parkside | 12,100 | 11,961 | 11,700 | 1.7 | JREI | 22 | 10,947.34 | 10,947.34 | 100.0 |
| B13 | Pacific Marks Tsukishima | 6,080 | 5,843 | 6,360 | 0.9 | JREI | 46 | 9,336.27 | 8,415.69 | 90.1 |
| B14 | Pacific Marks Yokohama East | 7,050 | 6,789 | 7,570 | 1.1 | Tanizawa | 28 | 10,744.60 | 10,744.60 | 100.0 |
| B17 | Akasaka Hikawa Building | 3,290 | 3,242 | 3,970 | 0.6 | JREI | 1 | 3,438.20 | 3,438.20 | 100.0 |
| B18 | Pacific Marks Shibuya Koen-dori | 2,570 | 2,459 | 3,090 | 0.4 | JREI | 1 | 1,972.43 | 1,972.43 | 100.0 |
| B20 | Pacific Marks Akasaka-mitsuke | 2,210 | 2,151 | 2,300 | 0.3 | JREI | 8 | 1,675.13 | 1,675.13 | 100.0 |
| B22 | Pacific Marks Shin-Yokohama | 1,710 | 1,569 | 1,710 | 0.2 | Tanizawa | 10 | 3,110.72 | 3,110.72 | 100.0 |
| B25 | Pacific Marks Kawasaki | 9,890 | 9,133 | 11,300 | 1.6 | Tanizawa | 41 | 7,382.62 | 7,160.99 | 97.0 |
| B26 | Hamamatsucho 262 Building | 6,840 | 6,566 | 7,140 | 1.0 | JREI | 17 | 6,162.85 | 6,162.85 | 100.0 |
| B27 | Lila Hijirizaka | 2,750 | 2,627 | 3,020 | 0.4 | JREI | 15 | 4,255.02 | 4,202.26 | 98.8 |
| B29 | Otsuka HT Building | 1,160 | 1,092 | 1,180 | 0.2 | JREI | 6 | 1,774.56 | 1,662.43 | 93.7 |
| B30 | Pacific Marks Shinjuku South-gate | 2,460 | 2,503 | 3,280 | 0.5 | JREI | 10 | 1,723.03 | 1,723.03 | 100.0 |
| B31 | Pacific Marks Nishi-Umeda | 6,860 | 6,378 | 7,190 | 1.0 | Tanizawa | 30 | 11,039.51 | 10,632.53 | 96.3 |
| B32 | Pacific Marks Higobashi | 4,570 | 4,426 | 4,650 | 0.7 | Tanizawa | 23 | 7,623.57 | 7,472.54 | 98.0 |
| B34 | Pacific Marks Esaka | 9,590 | 9,630 | 9,640 | 1.4 | Tanizawa | 42 | 20,005.03 | 19,299.12 | 96.5 |
| B35 | Pacific Marks Sapporo Kita-Ichijo | 1,790 | 1,769 | 2,100 | 0.3 | Tanizawa | 11 | 4,727.65 | 4,727.65 | 100.0 |
| B36 | Shin-Sapporo Center Building | 987 | 877 | 1,080 | 0.2 | Tanizawa | 19 | 2,797.03 | 2,530.07 | 90.5 |
| B37 | ARENA TOWER | 9,500 | 8,436 | 12,800 | 1.8 | Tanizawa | 13 | 17,967.46 | 17,967.46 | 100.0 |
| B38 | Yushima First Building | 2,100 | 2,066 | 2,880 | 0.4 | JREI | 7 | 4,558.77 | 4,558.77 | 100.0 |
| B39 | Dogenzaka Square | 2,300 | 2,292 | 2,900 | 0.4 | JREI | 31 | 2,233.57 | 2,233.57 | 100.0 |
| B40 | GRAND-SQUARE Shin-Sakae | 1,480 | 1,387 | 2,030 | 0.3 | JREI | 7 | 4,578.93 | 4,578.93 | 100.0 |
| B41 | GRAND-SQUARE Meieki-minami | 1,220 | 1,161 | 2,170 | 0.3 | JREI | 13 | 4,003.05 | 4,003.05 | 100.0 |
| B42 | Shiba 520 Building | 2,100 | 2,180 | 2,930 | 0.4 | JREI | 5 | 2,831.94 | 2,831.94 | 100.0 |
| B43 | Hirose-dori SE Building | 3,600 | 3,388 | 5,030 | 0.7 | JREI | 10 | 8,235.87 | 8,235.87 | 100.0 |
| B44 | SS30 | 18,200 | 18,939 | 18,200 | 2.6 | JREI | 86 | 67,681.83 | 67,157.23 | 99.2 |
| B45 | LOOP-X・M | 11,200 | 11,744 | 11,600 | 1.6 | JREI | 119 | 21,592.16 | 21,424.08 | 99.2 |
| C1 | Shinjuku Washington Hotel Honkan | 21,140 | 22,439 | 26,500 | 3.7 | JREI | 9 | 53,331.46 | 53,322.10 | 99.98 |
| C2 | Toyoko Inn Shinagawa-eki Takanawa-guchi | 1,884 | 1,631 | 2,600 | 0.4 | Nittochi | 1 | 3,088.85 | 3,088.85 | 100.0 |
| C3 | MZ BLD. | 3,800 | 3,172 | 3,840 | 0.5 | JREI | 10 | 6,660.20 | 6,406.93 | 96.2 |
| C4 | HOTEL ROUTE-INN Yokohama Bashamichi | 4,720 | 4,106 | 5,150 | 0.7 | Nittochi | 4 | 7,139.44 | 7,139.44 | 100.0 |
| C5 | Hotel JAL City Naha | 7,650 | 7,172 | 11,500 | 1.6 | Nittochi | 2 | 13,701.80 | 13,701.80 | 100.0 |
| C6 | UR Yotsuya Sanchome Building | 4,200 | 4,268 | 6,410 | 0.9 | JREI | 3 | 7,854.86 | 7,854.86 | 100.0 |
| C7 | Yotsuya 213 Building | 5,020 | 4,968 | 6,310 | 0.9 | JREI | 4 | 7,550.16 | 7,550.16 | 100.0 |

| Property No. | Property Name | Acquisition Price (Millions of yen) (Note 1) | Book Value at the End of Period (Millions of yen) | Appraisal Value at the End of Period (Millions of yen) (Note 2) | Share of Appraisal Value (%) | Appraisers (Note 2) | Number of Tenants (Note 3, 4) | Leasable Floor Space (m ²) (Note 3) | Leased Floor Space (m ²) (Note 3, 5) | Occupancy Ratio (%) (Note 3) |
|--------------|--|--|---|---|------------------------------|---------------------|-------------------------------|---|--|------------------------------|
| C9 | the b roppongi (Note 10) | 3,500 | 4,147 | 4,760 | 0.7 | JREI | 3 | 2,710.90 | 2,710.90 | 100.0 |
| C10 | Toyoko Inn Kawasaki Ekimae Shiyakusho-dori | 2,655 | 2,700 | 3,110 | 0.4 | Daiwa | 1 | 4,874.28 | 4,874.28 | 100.0 |
| C11 | Toyoko Inn Hiroshima Heiwa-odori | 2,113 | 2,131 | 2,510 | 0.4 | Daiwa | 1 | 4,357.75 | 4,357.75 | 100.0 |
| C12 | Toyoko Inn Naha Kokusai-dori Miebash-eki | 745 | 752 | 817 | 0.1 | Daiwa | 1 | 1,529.47 | 1,529.47 | 100.0 |
| C13 | Loisir Hotel & Spa Tower Naha | 20,000 | 20,763 | 22,700 | 3.2 | JREI | 1 | 45,731.16 | 45,731.16 | 100.0 |
| C14 | Urawa Royal Pines Hotel | 17,500 | 17,583 | 18,300 | 2.6 | JREI | 10 | 31,129.86 | 31,129.86 | 100.0 |
| D1 | T&G Higashi-ikebukuro Mansion | 2,021 | 1,452 | 2,320 | 0.3 | Tanizawa | 124 | 2,603.22 | 2,502.32 | 96.1 |
| D4 | Komazawa Court | 1,680 | 1,505 | 2,370 | 0.3 | JREI | 1 | 3,741.17 | 3,741.17 | 100.0 |
| D6 | Sky Court Shiba-Daimon | 1,175 | 1,016 | 1,380 | 0.2 | Tanizawa | 1 | 1,486.38 | 1,486.38 | 100.0 |
| D7 | Maison Ukima | 3,530 | 3,140 | 4,500 | 0.6 | JREI | 1 | 12,691.43 | 12,691.43 | 100.0 |
| D9 | Aprile Shin-Ohgi Ichibankan | 3,031 | 2,508 | 3,590 | 0.5 | JREI | 1 | 12,700.44 | 12,700.44 | 100.0 |
| D10 | UUR Court Sapporo Kita-Sanjo | 1,278 | 994 | 1,520 | 0.2 | Tanizawa | 1 | 4,790.50 | 4,790.50 | 100.0 |
| D15 | CLIO Bunkyo Koishikawa | 3,170 | 2,720 | 3,370 | 0.5 | JREI | 91 | 4,097.51 | 4,097.51 | 100.0 |
| D16 | GRAND-ROUGE Sakae | 1,570 | 1,237 | 1,320 | 0.2 | JREI | 82 | 3,697.38 | 3,093.86 | 83.7 |
| D17 | GRAND-ROUGE Sakae II | 1,300 | 1,043 | 1,370 | 0.2 | JREI | 1 | 2,579.89 | 2,579.89 | 100.0 |
| D18 | MA Sendai Building | 3,440 | 2,765 | 4,270 | 0.6 | JREI | 147 | 11,525.36 | 11,255.96 | 97.7 |
| D19 | UUR Court Nagoya Meieki | 1,473 | 1,221 | 1,580 | 0.2 | Nittochi | 1 | 2,958.45 | 2,958.45 | 100.0 |
| D20 | UUR Court Sapporo Shinoro Ichibankan | 870 | 733 | 904 | 0.1 | Nittochi | 3 | 6,271.74 | 6,271.74 | 100.0 |
| D21 | Park Site IZUMI | 900 | 817 | 754 | 0.1 | JREI | 39 | 2,067.95 | 2,022.35 | 97.8 |
| D22 | UUR Court Osaka Juso-honmachi | 1,570 | 1,333 | 1,740 | 0.2 | JREI | 1 | 3,650.00 | 3,650.00 | 100.0 |
| D23 | UUR Court Kinshicho | 2,900 | 2,895 | 3,640 | 0.5 | JREI | 189 | 5,460.39 | 5,116.94 | 93.7 |
| D24 | UUR Court Sapporo Minami-Sanjo Premier Tower | 2,050 | 1,868 | 2,980 | 0.4 | JREI | 129 | 7,763.23 | 6,952.66 | 89.6 |
| D25 | GLAND-ROUGE Nakanoshima-minami | 1,380 | 1,333 | 1,650 | 0.2 | JREI | 106 | 3,090.36 | 2,795.28 | 90.5 |
| D26 | Glenpark Umeda-kita | 5,150 | 5,170 | 6,130 | 0.9 | Tanizawa | 180 | 12,730.60 | 12,433.77 | 97.7 |
| D27 | UUR Court Shiki | 2,730 | 2,881 | 3,100 | 0.4 | JREI | 1 | 9,885.83 | 9,885.83 | 100.0 |
| D28 | Scent Hills | 1,300 | 1,389 | 1,450 | 0.2 | Tanizawa | 47 | 2,792.81 | 2,564.19 | 91.8 |
| E1 | Lilycolor Tohoku Branch | 2,050 | 1,481 | 2,190 | 0.3 | Nittochi | 1 | 9,271.16 | 9,271.16 | 100.0 |
| E2 | KDDI Fuchu Building | 4,920 | 4,837 | 5,480 | 0.8 | JREI | 1 | 14,490.92 | 14,490.92 | 100.0 |
| E3 | Tsubogawa Square Building | 4,150 | 3,979 | 5,970 | 0.8 | JREI | 5 | 10,570.98 | 10,570.98 | 100.0 |
| E4 | THE PLACE of TOKYO | 3,500 | 3,456 | 4,420 | 0.6 | JREI | 1 | 3,212.21 | 3,212.21 | 100.0 |
| E5 | Logistics Higashi-Ohgishima | 4,233 | 4,163 | 4,957 | 0.7 | JREI | 2 | 42,113.83 | 42,113.83 | 100.0 |
| E6 | MT Ariake Center Building I&II | 8,000 | 7,999 | 8,500 | 1.2 | JREI | 2 | 23,934.32 | 10,523.84 | 44.0 |
| E7 | Quartz Tower | 5,700 | 5,873 | 6,090 | 0.9 | Tanizawa | 1 | 2,940.22 | 2,940.22 | 100.0 |
| E8 | Shin-Narashino Logistics Center | 2,555 | 2,640 | 2,680 | 0.4 | JREI | 1 | 12,909.90 | 12,909.90 | 100.0 |
| E9 | Kawagoe Logistics Center | 7,550 | 7,770 | 9,420 | 1.3 | Tanizawa | 1 | 40,060.76 | 40,060.76 | 100.0 |
| E10 | Asuto Nagamachi Dental Clinic | 1,200 | 1,243 | 1,320 | 0.2 | JREI | 1 | 1,554.09 | 1,554.09 | 100.0 |

| Property No. | Property Name | Acquisition Price (Millions of yen) (Note 1) | Book Value at the End of Period (Millions of yen) | Appraisal Value at the End of Period (Millions of yen) (Note 2) | Share of Appraisal Value (%) | Appraisers (Note 2) | Number of Tenants (Note 3, 4) | Leasable Floor Space (m ²) (Note 3) | Leased Floor Space (m ²) (Note 3, 5) | Occupancy Ratio (%) (Note 3) |
|--------------|------------------------------------|--|---|---|------------------------------|---------------------|-------------------------------|---|--|------------------------------|
| E11 | Shin-Narashino Logistics Center II | 2,590 | 2,665 | 2,610 | 0.4 | JREI | 1 | 12,598.46 | 12,598.46 | 100.0 |
| E12 | Yoshikawa Logistics Center | 1,960 | 2,005 | 1,970 | 0.3 | JREI | 1 | 11,096.70 | 11,096.70 | 100.0 |
| Total | | 610,920 | 598,383 | 706,912 | 100.0 | - | 2,259 | 1,422,050.82 | 1,399,274.56 | 98.4 |

b. Outline of Investment Real Estate 2

Type of use, total annual rent, tenant leasehold and security deposits, PML and earthquake insurance of Investment Real Estate were as follows:

(As of November 30, 2017)

| Property No. | Type of Use | Property Name | Total Annual Rent (Thousands of yen) (Note 6) | Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7) | PML (Note 8) | Earthquake Insurance |
|--------------|-------------------|---|---|--|----------------|----------------------|
| A1 | Retail Properties | Himonya Shopping Center | (Note 12) | (Note 12) | 10% | N/A |
| A2 | | Joy Park Izumigaoka | 385,536 | 214,183 | 10% | N/A |
| A4 | | Re-LAND Shopping Center | 406,201 | 661,929 | 13% | N/A |
| A5 | | AEON MALL Uki | 838,255 | 1,000,000 | 7.8% (Note 11) | N/A |
| A6 | | TENJIN LUCE | 393,635 | 282,639 | 2% | N/A |
| A7 | | Yamada Denki Tecc Land Sakai Honten | (Note 12) | (Note 12) | 8% | N/A |
| A8 | | Miyamae Shopping Center | 267,074 | 909,730 | 17% | N/A |
| A9 | | KONAMI SPORTS CLUB Korigaoka | (Note 12) | (Note 12) | 11% | N/A |
| A10 | | ACTIOLE Minami-ikebukuro | 161,417 | 141,553 | 14% | N/A |
| A11 | | Tip's Machida Building | 316,471 | 248,270 | 18% | N/A |
| A12 | | Daiei Takarazuka Nakayama | 303,999 | - | 9% | N/A |
| A13 | | Retail / Offices | maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) | 598,549 | 328,421 | - (Note 13) |
| A14 | Retail Properties | ACTIOLE Kannai | 110,850 | 100,232 | 19% | N/A |
| A15 | | Shinsaibashi OPA Honkan | 1,362,000 | 1,448,304 | 12% | N/A |
| A19 | | Albore Jingumae | 91,200 | 68,200 | 14.6% | N/A |
| A20 | | Albore Sendai | 201,454 | 116,210 | 8% | N/A |
| A21 | | Mallage Kashiwa | 874,500 | 911,158 | 9% | N/A |
| A23 | | Ito-Yokado Owariasahi | 419,090 | 410,221 | 11% | N/A |
| A24 | | Yokohama Kariba Shopping Center | (Note 12) | (Note 12) | 12% | N/A |
| A25 | | Luz Jiyugaoka | 267,868 | 224,790 | 12% | N/A |
| A26 | | ACTIOLE Ichikawa | 228,889 | 182,192 | 10% | N/A |
| A27 | | VIVAHOME Yokohama Aoba (Site) | (Note 12) | (Note 12) | - (Note 13) | - (Note 13) |
| A28 | | Yamada Denki Tecc Land Aoba (Site) | (Note 12) | (Note 12) | - (Note 13) | - (Note 13) |
| A29 | | Yodobashi Camera Multimedia Kichijoji | (Note 12) | (Note 12) | 14% | N/A |
| A30 | | Yamada Denki Tecc Land New Matsudo Honten | (Note 12) | (Note 12) | 11% | N/A |
| A31 | | Tenjin Loft Building | 544,658 | 277,045 | 1% | N/A |
| A32 | | Narumi Shopping Center (Site) | (Note 12) | (Note 12) | - (Note 13) | - (Note 13) |
| A33 | | Plussing Wave Enoshima | 126,518 | 235,225 | 14% | N/A |
| A34 | | LIFE Nishikujo (Site) | (Note 12) | (Note 12) | - (Note 13) | - (Note 13) |
| A35 | | LIFE Tamatsukuri (Site) | (Note 12) | (Note 12) | - (Note 13) | - (Note 13) |
| A36 | | Granbell Ginza Building | 141,256 | 98,540 | 10% | N/A |
| A37 | | UR Tenjin Nishi-dori Building | (Note 12) | (Note 12) | 2% | N/A |

| Property No. | Type of Use | Property Name | Total Annual Rent (Thousands of yen) (Note 6) | Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7) | PML (Note 8) | Earthquake Insurance |
|--------------|-------------------------|---|---|--|----------------------|----------------------|
| A38 | Retail Properties | Luz Shonan Tsujido | 397,413 | 301,154 | 14% | N/A |
| A39 | | ACTIOLE Ueno (Note 18) | 142,963 | 106,297 | 12% | N/A |
| A40 | | KURURU | 459,754 | 411,447 | 6% | N/A |
| A41 | | K's Denki Nagoya-kita | (Note 12) | (Note 12) | 8% | N/A |
| B1 | Office Buildings | T&G Hamamatsucho Building | 156,211 | 248,806 | 12% | N/A |
| B3 | | Fukuoka Eartheon Building | 199,934 | 109,437 | 1% | N/A |
| B4 | | Marumasu Kojimachi Building | 163,424 | 118,141 | 11% | N/A |
| B5 | | Rokubancho K Building | 204,674 | 82,011 | 14% | N/A |
| B6 | Office /Hotels | Shin-Osaka Central Tower | 1,905,194 | 1,506,339 | 7% | N/A |
| B7 | Office Buildings | Kawasaki Toshiba Building | 1,665,139 | 1,580,916 | 7% | N/A |
| B8 | | UUR Toyoko Building | 492,683 | 368,184 | 13% | N/A |
| B9 | | FOUR SEASONS BLDG | 306,489 | 254,201 | 11% | N/A |
| B10 | | Hitachi High-Tech Building | 779,018 | 779,998 | 15% | N/A |
| B11 | | Pacific Marks Shinjuku Parkside | 628,149 | 456,097 | 14.8% | N/A |
| B13 | | Pacific Marks Tsukishima | 386,004 | 229,685 | 14% | N/A |
| B14 | | Pacific Marks Yokohama East | 414,840 | 292,711 | 15% | N/A |
| B17 | | Akasaka Hikawa Building | 216,228 | 244,216 | 14% | N/A |
| B18 | | Pacific Marks Shibuya Koen-dori | 168,000 | 100,500 | 12% | N/A |
| B20 | | Pacific Marks Akasaka-mitsuke | 118,576 | 74,164 | 13% | N/A |
| B22 | | Pacific Marks Shin-Yokohama | 112,366 | 72,182 | 16% | N/A |
| B25 | | Pacific Marks Kawasaki | 552,911 | 456,594 | 17% | N/A |
| B26 | | Hamamatsucho 262 Building | 397,357 | 478,762 | 14% | N/A |
| B27 | | Lila Hijirizaka | 206,344 | 117,327 | 12% | N/A |
| B29 | | Otsuka HT Building | 88,166 | 73,202 | 13% | N/A |
| B30 | | Pacific Marks Shinjuku South-gate | 170,616 | 184,219 | 12% | N/A |
| B31 | | Pacific Marks Nishi-Umeda | 435,472 | 381,535 | 10% | N/A |
| B32 | | Pacific Marks Higobashi | 281,773 | 225,936 | 12% | N/A |
| B34 | | Pacific Marks Esaka | 741,073 | 609,706 | 9% | N/A |
| B35 | | Pacific Marks Sapporo Kita-Ichijo | 163,856 | 127,433 | 1% | N/A |
| B36 | | Shin-Sapporo Center Building | 95,743 | 72,254 | 2% | N/A |
| B37 | | ARENA TOWER | 781,000 | 416,913 | 10% | N/A |
| B38 | | Yushima First Building | 196,020 | 141,431 | 13% | N/A |
| B39 | | Dogenzaka Square | 177,174 | 138,404 | 16% | N/A |
| B40 | | GRAND-SQUARE Shin-Sakae | 143,219 | 95,666 | 10% | N/A |
| B41 | | GRAND-SQUARE Meieki-minami | 134,289 | 95,041 | 10% | N/A |
| B42 | | Shiba 520 Building | 178,239 | 120,019 | 13% | N/A |
| B43 | Hirose-dori SE Building | 350,985 | 378,223 | 8% | N/A | |
| B44 | Office /Hotels | SS30 (Note 14) | 1,761,746 | 1,230,751 | ① 2% ② 6% ③ 1% | N/A |
| B45 | Office Buildings | LOOP-X・M (Note 15) | 792,079 | 399,400 | ① 7% ② 6% | N/A |
| C1 | Hotels | Shinjuku Washington Hotel Honkan | 1,545,063 | 2,007,957 | 9% | N/A |
| C2 | | Toyoko Inn Shinagawa-eki Takanawa-guchi | 114,000 | 70,000 | 17% | N/A |
| C3 | | MZ BLD. | 254,905 | 182,680 | 13% | N/A |
| C4 | | HOTEL ROUTE-INN Yokohama Bashamichi | 280,298 | 107,487 | 19% | N/A |
| C5 | | Hotel JAL City Naha | 448,393 | 14,196 | 5% | N/A |

| Property No. | Type of Use | Property Name | Total Annual Rent (Thousands of yen) (Note 6) | Tenant Leasehold and Security Deposits (Thousands of yen) (Note 7) | PML (Note 8) | Earthquake Insurance |
|--------------|--------------------------------|--|---|--|-----------------|----------------------|
| C6 | Hotels | UUR Yotsuya Sanchome Building | 328,271 | 206,749 | 14% | N/A |
| C7 | | Yotsuya 213 Building | 318,062 | 239,318 | 13% | N/A |
| C9 | | the b roppongi (Note 10) | 149,206 | 13,747 | 12% | N/A |
| C10 | | Toyoko Inn Kawasaki Ekimae Shiyakusho-dori | (Note 12) | (Note 12) | 14.5% | N/A |
| C11 | | Toyoko Inn Hiroshima Heiwa-odori | (Note 12) | (Note 12) | 7% | N/A |
| C12 | | Toyoko Inn Naha Kokusai-dori Miebash-eki | (Note 12) | (Note 12) | 2% | N/A |
| C13 | | Loisir Hotel & Spa Tower Naha (Note 16) | 720,000 | (Note 12) | ① 7% ② 6% | N/A |
| C14 | | Urawa Royal Pines Hotel | 1,064,157 | (Note 12) | 10% | N/A |
| D1 | Residential Properties | T&G Higashi-ikebukuro Mansion | 126,756 | 18,381 | 12% | N/A |
| D4 | | Komazawa Court | 118,800 | 19,800 | 11% | N/A |
| D6 | | Sky Court Shiba-Daimon | 64,800 | 10,800 | 17% | N/A |
| D7 | | Maison Ukima | 247,320 | 82,440 | 14.6% | N/A |
| D9 | | Aprile Shin-Ohgi Ichibankan | (Note 12) | (Note 12) | 8% | N/A |
| D10 | | UUR Court Sapporo Kita-Sanjo | 94,200 | 7,838 | 2% | N/A |
| D15 | | CLIO Bunkyo Koishikawa | 196,248 | 31,648 | 14.5% | N/A |
| D16 | | GRAND-ROUGE Sakae | 81,588 | 2,280 | 13% | N/A |
| D17 | | GRAND-ROUGE Sakae II | 69,303 | 6,413 | 13% | N/A |
| D18 | | MA Sendai Building | 271,915 | 24,232 | 11% | N/A |
| D19 | | UUR Court Nagoya Meieki | 88,516 | 7,381 | 16% | N/A |
| D20 | | UUR Court Sapporo Shinoro Ichibankan | 61,581 | 3,955 | 3% | N/A |
| D21 | | Park Site IZUMI | 56,520 | 11,825 | 12% | N/A |
| D22 | | UUR Court Osaka Juso-honmachi | 100,854 | 9,475 | 16% | N/A |
| D23 | | UUR Court Kinshicho | 211,842 | 34,347 | 14.8% | N/A |
| D24 | | UUR Court Sapporo Minami-Sanjo Premier Tower | 201,060 | 49,264 | 1% | N/A |
| D25 | GLAND-ROUGE Nakanoshima-minami | 99,660 | 9,863 | 15% | N/A | |
| D26 | Glenpark Umeda-kita | 352,962 | 36,167 | 15.5% | N/A | |
| D27 | UUR Court Shiki | 178,800 | 178,800 | 11% | N/A | |
| D28 | Scent Hills | 77,760 | 4,015 | 13% | N/A | |
| E1 | Others | Lilycolor Tohoku Branch | (Note 12) | (Note 12) | 11% | N/A |
| E2 | | KDDI Fuchu Building | (Note 12) | (Note 12) | 11% | N/A |
| E3 | | Tsubogawa Square Building | 422,752 | 262,744 | 8% | N/A |
| E4 | | THE PLACE of TOKYO | (Note 12) | (Note 12) | 13% | N/A |
| E5 | | Logistics Higashi-Ohgishima | (Note 12) | (Note 12) | 12% | N/A |
| E6 | | MT Ariake Center Building I&II (Note 17) | (Note 12) | (Note 12) | ① 12% ② 13% | N/A |
| E7 | | Quartz Tower | (Note 12) | (Note 12) | 7% | N/A |
| E8 | | Shin-Narashino Logistics Center | (Note 12) | (Note 12) | 10% | N/A |
| E9 | | Kawagoe Logistics Center | (Note 12) | (Note 12) | 9% | N/A |
| E10 | | Asuto Nagamachi Dental Clinic | (Note 12) | (Note 12) | 8% | N/A |
| E11 | | Shin-Narashino Logistics Center II | (Note 12) | (Note 12) | 9% | N/A |
| E12 | | Yoshikawa Logistics Center | (Note 12) | (Note 12) | 8% | N/A |
| Total | | | 40,768,101 | 31,361,065 | 6.82% | |

Notes: 1. The "Acquisition Price" is an amount (the amounts stated in each purchase and sale agreements excluding consumption taxes) does not include the expenses necessary for making the relevant acquisitions (e.g. agency fees, public taxes and impositions) and is rounded to the nearest million yen.

2. "Appraisal Value at the End of Period" shows the real estate appraisal values or the prices resulting from price surveys conducted by the same methods as appraisals conducted by real estate appraisers as of November 30, 2017. In addition, "Appraisers" shows the real estate appraisers, which conducted real estate appraisal or price surveys at the time of acquisition of each properties and continuous assessments. The appraisers are referred to as "JREI" for Japan Real Estate Institute, "Tanizawa" for The Tanizawa Sōgō Appraisal Co., Ltd., "Nittochi" for NIPPON TOCHI-TATEMONO Co., Ltd., and "Daiwa" for DAIWA REAL ESTATE APPRAISAL CO., LTD.
3. "Number of Tenants," "Leasable Floor Space," "Leased Floor Space," and "Occupancy Ratio" are based on data as of November 30, 2017. "Leasable Floor Space" means the aggregate leasable floor space of the portions owned by United Urban of individual Investment Real Estate. "Leased Floor Space" means the aggregate of the areas within the total leasable floor space that has been actually leased under lease agreements. (In principle, numerical values in "Leasable Floor Space" and "Leased Floor Space" are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies.) With regard to the portion of properties held in co-ownership with other entities, leasable floor space and leased floor space are computed by using this portion's entire floor area. "Occupancy Ratio" is the percentage obtained from dividing "Leased Floor Space" by "Leasable Floor Space." In addition, occupancy ratio of Shinjuku Washington Hotel Honkan is rounded to two decimal places.
4. "Number of Tenants" figures are stated by calculating lessees that have a lease agreement concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a sublease property in which the lessee is subleasing the property to end tenants and if the lease agreement between the owner, United Urban or the asset custodian, and the lessee is a pass-through-type agreement without rental guarantee, the number of end-tenants is counted. Furthermore, in the event that one tenant is renting more than one room, it is calculated by treating each tenant as a single tenant if within the same property, and as more than one tenant if the rentals include more than one property. For pass-through-type residential properties, however, the number of rental units is indicated.
5. As a general rule, "Leased Floor Space" indicates the floor space that has been leased to end-tenants under lease agreements. However, for master lease agreements with rental guarantee, the floor spaces in the master lease agreements are indicated.
6. "Total Annual Rent" shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2017 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. As for residential properties which are leased in the form of a pass-through-type master lease agreement, monthly rent(s) under the lease agreement of end-tenants in effect as of November 30, 2017 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen are shown.
7. "Tenant Leasehold and Security Deposits" are based on data as of November 30, 2017. In addition, "Tenant Leasehold and Security Deposits" include leasehold and security deposits of room, parking lot, warehouse, signboard, etc., and is rounded down to the nearest thousand yen.
8. "PML" (probable maximum loss in an analysis of the earthquake risk) is based on the earthquake risk analysis report prepared by SHIMIZU CORPORATION. In addition, figure at "Total" for "PML" represents the overall portfolio PML.
9. According to the soil environmental survey report on the land of this property, prepared by a designated research organization as of January 2007, elution of lead, arsenic, and fluorine with concentrations exceeding the specified safe limit were detected in almost all locations on the land of Daiei Takarazuka Nakayama. However, the research organization says that there is no likelihood of this elution directly causing to the spread of ill health. As a precaution, in case the need for soil improvement arises, United Urban has taken over the additional amount of ¥630 million that the previous owner entrusted as the necessary cost of future soil improvement ("Reserve for Soil Improvement"), as a condition of the purchase and sale agreement of trust beneficial interest. The Book Value at the End of the Period of this trust beneficial interest is described as ¥3,225 million reflecting the additional amount of trust. However, the need for soil improvement is considered to be considerably low for now. Accordingly, in consideration of the improvement of fund efficiency, United Urban has received the Reserve for Soil Improvement from the asset custodian.
10. United Urban owns the adjacent site to the b roppongi (acquisition price ¥460 million, the "Adjacent Site"). Because United Urban acquired the Adjacent Site in order to enable the construction of an extension of the b roppongi (the "Hotel") in the future, the Adjacent Site is considered to be attached to the Hotel and is not recognized as an independent property. Therefore, the acquisition price of the Adjacent Site is not included in United Urban's portfolio. On the other hand, as United Urban has launched the extension work on the Hotel in November 2017, the appraisal value for this fiscal period shows the value estimate by the "Income Capitalization Approach (Development Method)". According to the method, the value estimate is calculated by deducting "the present value of the expenses for the development necessary to accomplish the extension work" from "the present value of the value estimate of the building and land after the extension work". In addition to above, the value estimate of this property has been assessed in consideration with "the present value of the net operating income related to the existing building during the development period." Also, the book value at the end of period is the amount including the Adjacent Site.
11. As for "PML" of AEON MALL Uki, the entire portfolio PML of eleven buildings held by United Urban is stated.
12. With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenue, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
13. Because United Urban acquired only land for these properties, there is no applicable information for the PML.
14. SS30 comprises three buildings: Office Building, Fitness Club Building, and Hotel Building, and information in the "PML" are shown for the Office Building expressed as ①, the Fitness Club Building expressed as ②, and the Hotel Building expressed as ③.
15. LOOP-X・M comprises two buildings: LOOP-X (Office Building) and LOOP-M (Residential Building), and information in the "PML" are shown for LOOP-X expressed as ① and LOOP-M expressed as ②.
16. Loisir Hotel & Spa Tower Naha comprises two buildings: (i) Main Building (the "Loisir Hotel Naha") and (ii) the Annex (Loisir Hotel Spa Tower Naha (the "Spa Tower") and Loisir Hotel Naha East (the "East")), and information in the "PML" are shown for the Main Building expressed as ① and the Annex expressed as ②.
17. MT Ariake Center Building I&II comprises two buildings: MT Ariake Center Building I (the "Building I") and MT Ariake Center Building II (the "Building II"), and information in the "PML" are shown for the Building I expressed as ① and the Building II expressed as ②.
18. The property name was changed from "455 Ueno Building" to "ACTIOLE Ueno" on April 24, 2017.

(3) Capital Expenditures

1. Plan of Capital Expenditure

The table below sets out the principal capital expenditures for repair, etc., of Investment Real Estate managed by United Urban scheduled as of November 30, 2017. These scheduled amounts include both portions to be capitalized and expensed.

| Name of Properties | Location | Purpose | Scheduled Period | Amount Projected (Millions of yen) | | |
|-------------------------------|--------------------|--|----------------------------------|---------------------------------------|--|---------------------|
| | | | | Total amount | Amount payable in the 28th fiscal period | Amount already paid |
| Re-LAND Shopping Center | Funabashi, Chiba | Renewal of exterior, etc. | From February 2018 to May 2018 | 195 | - | - |
| Kawasaki Toshiba Building | Kawasaki, Kanagawa | Renewal of air-conditioning facilities (1F and 2F) | From July 2017 to February 2018 | 119 | - | - |
| Kawasaki Toshiba Building | Kawasaki, Kanagawa | Renewal of hot and cool water pipes of air conditioning (4F) | From June 2017 to September 2018 | 110 | - | - |
| Pacific Marks Esaka | Suita, Osaka | Repair of outdoor facility | From December 2017 to April 2018 | 111 | - | - |
| Hotel JAL City Naha | Naha, Okinawa | Repair of guest rooms and signboard | From December 2017 to April 2018 | 495 | - | - |
| Hotel JAL City Naha | Naha, Okinawa | Repair of guest rooms and banquet hall, etc. | From June 2018 to June 2018 | 260 | - | - |
| UUR Yotsuya Sanchome Building | Shinjuku-ku, Tokyo | Renewal of air-conditioning facilities of guest rooms | From June 2018 to November 2018 | 143 | - | - |

2. Capital Expenditures Made during the Period

The table below sets out the amounts of United Urban's capital expenditures for the Investment Real Estate during the 28th fiscal period, which totaled ¥1,575 million. Together with ¥863 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥2,439 million.

| Name of Properties | Location | Purpose | Period Implemented | Expenditure Amount (Millions of yen) |
|---------------------------|--------------------|---|--------------------------------------|---|
| Joy Park Izumigaoka | Sakai, Osaka | Waterproofing and renewal of rooftop parking floor | From September 2017 to November 2017 | 71 |
| Re-LAND Shopping Center | Funabashi, Chiba | Renewal of air-conditioning facilities | From October 2017 to October 2017 | 19 |
| Tip's Machida Building | Machida, Tokyo | Renewal of rooftop cooling tower | From October 2017 to November 2017 | 17 |
| Mallage Kashiwa | Kashiwa, Chiba | Installation work for new tenant | From October 2017 to October 2017 | 27 |
| Mallage Kashiwa | Kashiwa, Chiba | Installation work for new tenant | From October 2017 to November 2017 | 18 |
| Tenjin Loft Building | Fukuoka, Fukuoka | Repair of toilets | From June 2017 to July 2017 | 29 |
| Tenjin Loft Building | Fukuoka, Fukuoka | Parts replacement of mechanical parking lot | From November 2017 to November 2017 | 17 |
| Tenjin Loft Building | Fukuoka, Fukuoka | Parts replacement of escalator | From November 2017 to November 2017 | 19 |
| Tenjin Loft Building | Fukuoka, Fukuoka | Parts replacement of escalator | From November 2017 to November 2017 | 13 |
| Plussing Wave Enoshima | Fujisawa, Kanagawa | Repair of outdoor signboard | From June 2017 to November 2017 | 18 |
| T&G Hamamatsucho Building | Minato-ku, Tokyo | Repair of mechanical parking lot facility | From September 2017 to November 2017 | 48 |
| Rokubancho K Building | Chiyoda-ku, Tokyo | Renewal of tile carpet (exclusive section) | From July 2017 to September 2017 | 11 |
| Shin-Osaka Central Tower | Osaka, Osaka | Renewal of air-conditioning facility of fitness (1st period) | From October 2017 to November 2017 | 20 |
| Shin-Osaka Central Tower | Osaka, Osaka | Parts replacement of receiving and transforming facilities (high-voltage electric room, etc.) | From November 2017 to November 2017 | 64 |
| Pacific Marks Tsukishima | Chuo-ku, Tokyo | Renewal of drainage pipe of residential area | From September 2017 to November 2017 | 12 |

| Name of Properties | Location | Purpose | Period Implemented | Expenditure Amount (Millions of yen) |
|------------------------------------|--------------------|---|--------------------------------------|--------------------------------------|
| Akasaka Hikawa Building | Minato-ku, Tokyo | Renewal of toilets (in some floors) | From August 2017 to September 2017 | 14 |
| Pacific Marks Shibuya Koen-dori | Shibuya-ku, Tokyo | Renewal of air-conditioning facilities (in some floors) | From October 2017 to November 2017 | 11 |
| Pacific Marks Shin-Yokohama | Yokohama, Kanagawa | Parts replacement of mechanical parking lot | From November 2017 to November 2017 | 11 |
| Pacific Marks Esaka | Suita, Osaka | Renewal of air conditioner control equipment | From September 2017 to November 2017 | 16 |
| Pacific Marks Esaka | Suita, Osaka | Repair of outdoor facility (1st period) | From October 2017 to November 2017 | 14 |
| Shiba 520 Building | Minato-ku, Tokyo | Repair of outer periphery | From September 2017 to November 2017 | 17 |
| Hotel JAL City Naha | Naha, Okinawa | Renewal of guest rooms and corridors | From October 2017 to November 2017 | 57 |
| UUR Yotsuya Sanchome Building | Shinjuku-ku, Tokyo | Renewal of vacuum hot -water generator of machine room | From October 2017 to November 2017 | 16 |
| Loisir Hotel & Spa Tower Naha | Naha, Okinawa | Extension work of guest rooms Repair of banquet hall | From June 2017 to November 2017 | 499 |
| Loisir Hotel & Spa Tower Naha | Naha, Okinawa | Installation of hotel management system | From October 2017 to November 2017 | 16 |
| Loisir Hotel & Spa Tower Naha | Naha, Okinawa | Renewal of furniture, etc. of banquet hall | From October 2017 to November 2017 | 11 |
| Urawa Royal Pines Hotel | Saitama, Saitama | Repair of exterior wall | From May 2017 to July 2017 | 19 |
| Park Site IZUMI | Nagoya, Aichi | Repair of exterior wall | From September 2017 to November 2017 | 11 |
| Shin-Narashino Logistics Center II | Narashino, Chiba | Renewal of elevator | From November 2017 to November 2017 | 14 |
| Shin-Narashino Logistics Center II | Narashino, Chiba | Repair of exterior wall | From November 2017 to November 2017 | 25 |
| Other capital expenditures | | | | 408 |
| Total | | | | 1,575 |

3. Cash Reserved for Long-Term Repair and Maintenance Plan

Based on the long-term repair and maintenance plan formulated for each of its properties, United Urban sets aside a repair and maintenance reserve out of cash flow during each fiscal period, as outlined below, for the purpose of large-scale repairs and maintenance for the medium to long term.

(Millions of yen)

| | 24th Fiscal Period (June 1, 2015 - November 30, 2015) | 25th Fiscal Period (December 1, 2015 - May 31, 2016) | 26th Fiscal Period (June 1, 2016 - November 30, 2016) | 27th Fiscal Period (December 1, 2016 - May 31, 2017) | 28th Fiscal Period (June 1, 2017 - November 30, 2017) |
|--|---|--|---|--|---|
| Reserve balance at the beginning of period | 711 | 792 | 971 | 998 | 1,343 |
| Addition to the reserve during the period (Note) | 90 | 188 | 36 | 379 | 28 |
| Reduction of reserve during the period | 9 | 9 | 9 | 34 | 63 |
| Reserve balance to be carried over to the next of period | 792 | 971 | 998 | 1,343 | 1,308 |

Note: When United Urban assumes all or part of the reserve accumulated within the trust assets by the previous owners in connection with the sale and purchase of trust beneficial interests, the amount of the portion so assumed is stated as part of the addition to the reserve in the relevant period.

(4) Information Concerning Tenants

Top 10 Tenants by Leased Floor Space

(As of November 30, 2017)

| No. | Tenant Name | Property Name | Leased Floor Space (Note 1) | Total Annual Rent (Thousands of yen) (Note 2) | Expiration Date of Contract |
|-----|--|--|--------------------------------|---|---|
| 1 | AEON MALL Co., Ltd. | AEON MALL Uki | 72,073.39 m ² | 838,255 | August 9, 2019 |
| 2 | Ito-Yokado Co., Ltd. | Ito-Yokado Owariasahi | 54,606.34 m ² | 419,090 | November 11, 2018 |
| 3 | SBS Logicom Co., Ltd. | Kawagoe Logistics Center Yoshikawa Logistics Center | 51,157.46 m ² | - (Note 3) | <ul style="list-style-type: none"> · Kawagoe Logistics Center August 31, 2027 · Yoshikawa Logistics Center July 26, 2027 |
| 4 | Yamada Denki Co., Ltd. | <ul style="list-style-type: none"> · Yamada Denki Tecc Land Sakai Honten · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) · Yamada Denki Tecc Land Aoba (Site) · Yamada Denki Tecc Land New Matsudo Honten | 49,897.43m ² | - (Note 3) | <ul style="list-style-type: none"> · Yamada Denki Tecc Land Sakai Honten May 9, 2022 · maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) November 15, 2020 · Yamada Denki Tecc Land Aoba (Site) May 31, 2020 · Yamada Denki Tecc Land New Matsudo Honten August 20, 2029 |
| 5 | FUJITA KANKO INC. | Shinjuku Washington Hotel-Honkan | 49,339.50 m ² | 1,303,952 | October 31, 2023, etc. (Note 4) |
| 6 | UNY Co., Ltd. | Narumi Shopping Center (Site) | 46,362.44 m ² | - (Note 3) | November 19, 2024, etc. (Note 4) |
| 7 | Loisir Hotels Okinawa Co., Ltd. | Loisir Hotel & Spa Tower Naha | 45,731.16m ² | 720,000 | March 31, 2026 |
| 8 | Yodobashi Camera Co., Ltd. | Yodobashi Camera Multimedia Kichijoji | 37,932.95 m ² | - (Note 3) | May 31, 2027 |
| 9 | Toshiba Electronic Devices & Storage Corporation | Kawasaki Toshiba Building | 36,118.31 m ² | 1,665,139 | October 20, 2018 |
| 10 | Urawa Royal Pines Co., Ltd. | Urawa Royal Pines Hotel | 29,628.04 m ² | 1,000,000 | March 31, 2026 |

- Notes: 1. In principle, numerical values in “Leased Floor Space” are the numerical values stated in each lease agreement and in the management reports or the monthly reports prepared by the property management companies. The numerical values stated in each lease agreement are based on the figures equivalent to the total floor area of a building (*nobe yuka menseki*), the figures equivalent to the floor area stated in the land register (*tokibo kisai no yuka menseki*), the figures equivalent to the area exclusively occupied (*senyu menseki*), the figures equivalent to the total floor area plus other partially enclosed usable space (*seko yuka menseki*), or the figures equivalent to the floor area stated in the management reports or monthly reports prepared by the property management companies. In addition, in the case of a master lease agreement without rental guarantee, “Leased Floor Space” is counted based on the end-tenants who are actually using the property, not based on the tenants who have the lease agreement between the owner, United Urban or the asset custodian.
2. “Total Annual Rent” shows the amount of monthly rent(s) under the lease agreement in effect as of November 30, 2017 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. Therefore, the amounts in the above table do not necessarily equal the total amount of the actual annual rent.
3. With regard to these properties, the tenants with whom a lease agreement has been concluded have not given their consent for the disclosure of rental revenues, etc. Therefore, there has been no choice but to omit disclosure of this figure here.
4. An expiration date of the representative agreement is stated because there are several lease agreements.