

For Translation Purposes Only

July 19, 2022

## SUMMARY OF FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED May 31, 2022 (December 1, 2021 – May 31, 2022)

Name of issuer: United Urban Investment Corporation (United Urban)  
 Listing: Tokyo Stock Exchange  
 Securities code: 8960  
 URL: <https://www.united-reit.co.jp/en/>  
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 Asset Management Company: Japan REIT Advisors Co., Ltd.  
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Scheduled date of filing of Securities Report: August 25, 2022  
 Scheduled date for commencing dividend payments: August 15, 2022  
 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 May 31, 2022 (December 1, 2021 – May 31, 2022)

#### (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 May 31, 2022	24,184	6.0	10,553	27.8	9,628	31.4	9,628	31.4
Fiscal period ended November 30, 2021	22,806	(5.8)	8,256	(23.4)	7,326	(25.6)	7,326	(25.6)

  

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
Fiscal period ended May 31, 2022	3,087	2.7	1.4	39.8
Fiscal period ended November 30, 2021	2,349	2.0	1.0	32.1

#### (2) Distributions

	Cash 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 May 31, 2022	3,112	9,704	—	—	100.8	2.7
Fiscal period ended November 30, 2021	3,100	9,666	—	—	131.9	2.7

Notes: 1. "Payout Ratio" is rounded down to the nearest one decimal place.

2. For the fiscal period ended November 30, 2021, because a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥2,263 million) were added to the net income, there was a difference between cash distribution per unit and net income per unit. For the fiscal period ended May 31, 2022, because a reversal of reserve for temporary difference adjustments (¥77 million) was added to the net income, 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 May 31, 2022	715,568	363,291	50.8	116,501
Fiscal period ended November 30, 2021	707,548	363,257	51.3	116,490

#### (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 May 31, 2022	13,365	(3,434)	(3,396)	63,103
Fiscal period ended November 30, 2021	12,847	(4,494)	(5,351)	56,568

## **2. Forecasts of Results for the Fiscal Period Ending November 30, 2022 (June 1, 2022 – November 30, 2022) and the Fiscal Period Ending May 31, 2023 (December 1, 2022 – May 31, 2023)**

(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 November 30, 2022	24,069	(0.5)	10,147	(3.8)	9,139	(5.1)	9,139	(5.1)	3,100	—
Fiscal period ending May 31, 2023	23,883	(0.8)	10,113	(0.3)	9,106	(0.4)	9,105	(0.4)	3,100	—

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

Fiscal period ending November 30, 2022 ¥2,930      Fiscal period ending May 31, 2023 ¥2,919

Note: The resource for cash distributions for the fiscal period ending November 30, 2022 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥450 million) to the net income. And the resource for cash distributions for the fiscal period ending May 31, 2023 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥484 million) to the net income. Therefore, it differs from “net income” of each fiscal period.

### **\*Other**

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

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

#### (2) Total Number of Investment Units Issued and Outstanding

1. Total number of investment units issued at the end of the fiscal period (including treasury investment units)
  - As of May 31, 2022: 3,118,337 units
  - As of November 30, 2021: 3,118,337 units
2. Treasury investment units at the end of the fiscal period
  - As of May 31, 2022: None
  - As of November 30, 2021: 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 29.

#### (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.

- This report (“Brief Report on the Closing of Accounts” (*Kessan-Tanshin*)) is not subject to audits by a certified public accountant or an audit corporation.
- Special Instruction  
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, 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, 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 November 30, 2022 (38th fiscal period: from June 1, 2022 to November 30, 2022) and the Fiscal Period Ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023)” on page 10.

**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 May 31, 2022. 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.

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## 1. Management Status

### Management Status

#### 1. Overview during the period

##### a. Investment environment and operation

##### (i) Investment environment

The Japanese economy in this period was affected by the repeated infection spread of the COVID-19 from January to March 2022. And, due to the FRB (Federal Reserve Bank) tightening and the deteriorating world situation caused by Russia's invasion of Ukraine, the prices of energy and raw materials have been escalating in Japan and many countries around the globe. While a close attention is needed to the accelerating inflation, a sign of recovery has started to be seen particularly in consumer spending thanks to the increasing flow of people owing to the decrease in the number of the COVID-19 cases and the resumption of tourism boosting measures in local governments nationwide and others. Currently, those industries that had been largely affected by the COVID-19 pandemic are in the process of revival.

While it has been even more clear that some major countries around the globe including the United States take a move to fiscal tightening, the Bank of Japan keeps its easing policy. Consequently, in the real estate investment market, an investment appetite of both domestic and foreign investors continues to be strong. Certain asset types (type of use, industries/business segments), including hotels, that had been experiencing a severe business environment due to sluggish sales during the COVID-19 pandemic have started to see changes in views of investors.

The real estate leasing market remained strong across almost all asset types in this period.

In retail facilities, a recovery has been confirmed not only among retailers but also service tenants because of the increasing number of people's outings.

For hotels, although the performance tends to be affected depending on the COVID-19 situation, it is observed that the guest room occupancy rates have been picking up due to the containment of infection spread from this spring.

Vacancy rates in office buildings are on the moderate rise in major cities nationwide due to poor business performance of companies, new workplace strategies taken and others. Declining rent trends are witnessed in the business districts in Tokyo and Osaka.

Demand of residential properties remains robust even amid the COVID-19 pandemic, and the occupancy ratios and rents have been kept stable across the country.

In logistics market, new supply continues to be monitored in the adjacent areas of major cities nationwide including the Tokyo Metropolitan Area. However, the situation remains unchanged as each market has more demand than supply overall.

##### (ii) New acquisition and sale of property

During the period, United Urban acquired the following two properties (Note 1).

Property No.	Property Name	Type (Note 2)	Location	Acquisition Price (Millions of yen) (Note 3)	Acquisition Date
C5	Hotel JAL City Naha (additional acquisition of the site)	-	Naha, Okinawa	16	March 30, 2022
B49	IIDABASHI PLANO (Note 1) (Note 4)	Office	Chiyoda-ku, Tokyo	5,380	March 31, 2022
B49	IIDABASHI PLANO (additional acquisition) (Note 1) (Note 5)	Office	Chiyoda-ku, Tokyo	570	May 12, 2022
Total				5,966	

On the other hand, United Urban sold the following two properties.

Property No.	Property Name	Type (Note 2)	Location	Sale Price (Millions of yen) (Note 3)	Date of Sale
B5	Rokubancho K Building	Office	Chiyoda-ku, Tokyo	3,300	March 31, 2022
E2	Fuchu Building (Building) (Note 6) (Note 7)	Machine room	Fuchu, Tokyo	1,650	
Total				4,950	

Notes: 1. Although IIDABASHI PLANO was acquired in two times, it is counted as one property.

2. Of the types of use indicated in the real estate register, the primary type is stated. The same shall apply hereinafter.
3. 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. The acquisition price is rounded to the nearest whole unit. In addition, the amount of each price does not include expenses related to the acquisition or sale and consumption tax, etc. The same shall apply hereinafter.
4. United Urban acquired the compartmentalized ownership of the 11th to 15th floors of the office building of the property (10.06% co-ownership of the site).
5. United Urban acquired the compartmentalized ownership of a part of the 17th floor of the office building and a part of the 2nd floor of the retail building B (total of 1.02% co-ownership of the site).
6. The sale price of Fuchu Building shows the sale price of the building part of the property. As for the transfer of the property ("Transfer"), 50% co-ownership interest held by the co-owner is also planned to be transferred. The contract parties to the real estate etc. transfer agreement concerning the Transfer as of January 31, 2022 ("Transfer Agreement") are United Urban, the co-owner, and the buyer. After the acquisition, the building is planned to be demolished by the scheduled land transfer date and redeveloped by the buyer. Accordingly, United Urban entered into a leasehold right setting agreement with the buyer on January 31, 2022, with the lease period from the transfer date of the building to the scheduled land transfer date (from March 31, 2022 to January 31, 2024).

Overview of Sale	Scheduled Sale Price (Millions of yen)	Scheduled Date of Sale
(1st) Transfer of building	1,650	March 31, 2022
(2nd) Transfer of land	2,000	January 31, 2024
Total	3,650	

7. After the Transfer Agreement was entered into on January 31, 2022, the building was sold on March 31, 2022, and the land is planned to be sold on January 31, 2024, respectively. In addition, because the payment and transfer of the ownership shall be made not less than one month after the conclusion of the Transfer Agreement, this transaction falls into forward commitment defined in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc." of Financial Services Agency. In the Transfer Agreement, if the conditions (stipulated as obligations) that each party (the seller (United Urban and the co-owner) and the buyer) must abide by on each scheduled transfer date are not satisfied, the other party(s) can cancel the Transfer Agreement. The party who canceled the Transfer Agreement can charge the other party(s) who is responsible for the nonsatisfaction of the conditions the following amount as penalty:
  - (a-1) Before the start of physical demolition work of the building, the amount equivalent to 20% of the sales price (scheduled sale price of land and building including the co-ownership interest held by co-owner) (\*1)
  - (a-2) After the start of physical demolition work of the building, the amount equivalent to the building sales price (scheduled sale price of the building including the co-ownership interest held by co-owner) (\*2)
 In addition to the above cancellation provisions, if the other party(s) has a serious breach of the Transfer Agreement, each party may notify the other party(s) of its execution or correction within a reasonable period of time, and may cancel the Transfer Agreement, if it is still not performed or corrected within the set notification period. And the party(s) who cancels the Transfer Agreement can charge the other party(s) who is responsible for the failure of execution or correction the following amount as a penalty:
  - (b-1) Before the start of physical demolition work of the building, the amount equivalent to 20% of the sales price (scheduled sale price of land and building including the co-ownership interest held by co-owner) (\*3)
  - (b-2) After the start of physical demolition work of the building, the amount equivalent to the building sales price (scheduled sale price of the building including the co-ownership interest held by co-owner) (\*4)
 After the transfer of the building, if the conditions on the transfer of land (stipulated as obligations of each party) are not satisfied on the scheduled land transfer date, or if there are other serious breaches associated with the obligation of the Transfer Agreement, the other party(s) is entitled to cancel the entire agreement, including the building.
 

\*1-4 If the seller (United Urban and the co-owner) is the party who cancels, the penalty that each seller can charge to the responsible buyer is half of the stated amount. If the buyer is the party who cancels and only one of the sellers is responsible, the penalty that the buyer can charge to the responsible seller is as stated. If the buyer is the party who cancels and each seller is responsible, the penalty that the buyer can charge to each seller is half of the stated amount.

### (iii) Portfolio overview

As a result of the acquisition and sale of properties mentioned above (ii), United Urban held a total of 136 properties, comprising 35 retail properties, 34 office buildings, 1 retail-office complex, 20 hotels, 2 office-hotel complexes, 25 residential properties and 19 others, with an aggregate acquisition price of ¥676,829 million at the end of the 37th fiscal period (as of May 31, 2022). In addition, the total leasable floor space was 1,556,492.03 sq. m. and the total numbers of tenants were 2,803.

United Urban has continued to focus on maintaining occupancy ratios during the period. Thereby, the occupancy ratio for the entire portfolio at the end of each month during the period fluctuated between 97.6% and 98.7%, and stood at 98.6% at the end of the 37th fiscal period (as of May 31, 2022).

## b. Financing overview

During the period, United Urban procured debt financing to support the payment for acquiring specified assets and the repayment of interest-bearing liabilities.

The status of interest-bearing liabilities at the end of the previous period and the end of the 37th fiscal period are as follows.

(Millions of yen)				
		Balance at the end of the 36th Fiscal Period (As of November 30, 2021)	Balance at the end of the 37th Fiscal Period (As of May 31, 2022)	Changes
	Short-term borrowings	-	-	-
	Long-term borrowings (borrowings due for repayment within one year)	267,933 (28,900)	274,203 (32,900)	+6,270 (+4,000)
	Total of borrowings	267,933	274,203	+6,270
	Corporate bonds (corporate bonds that is to become due for maturity within one year)	36,500 (-)	36,500 (2,000)	- (+2,000)
	Total of interest-bearing liabilities	304,433	310,703	+6,270

Moreover, the details of ratings of United Urban as of June 30, 2022 are as follows.

Rating Agency	Details	
Japan Credit Rating Agency Ltd.	Long-Term Issuer Rating: AA	Rating Outlook: Stable

## c. Overview of financial results and distribution

As for financial result of the fiscal period, United Urban achieved operating revenues of ¥24,184 million (up by 6.0% from the previous period), profit from rental activities of ¥11,967 million (up by 1.6% from the previous period), operating income of ¥10,553 million (up by 27.8% from the previous period), ordinary income of ¥9,628 million (up by 31.4% from the previous period), and net income of ¥9,628 million (up by 31.4% from the previous period). As for UUR Court Sapporo Shinoro Ichibankan which was sold on July 4, 2022, the book value was reduced to the recoverable amount in accordance with Accounting Standard for Impairment of Fixed Assets, and the reduced amount was recorded as impairment losses (¥68 million) in the classification of operating expenses.

During the period under the review, United Urban added ¥77 million, which is a reversal of the reserve for temporary difference adjustments 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 to ¥9,628 million of unappropriated retained earnings to distribute. As a result, United Urban decided to distribute ¥9,704 million, and cash distribution per unit was ¥3,112. In addition, the applicable condition of the Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended) 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

Certain concerns that the accelerating inflation slows the economic activities in Japan have emerged. Those include global shifts of fiscal policy in some major countries including the United States, price hikes of energy and raw materials due to the deteriorating situation in Ukraine and others. While the Bank of Japan emphasizes the continuance of monetary easing policy, upward pressure toward long-term interest rates has been increasing in the bond market. Japanese government has aimed to compile a large amount of extra budget for additional measures in response to price hikes and others. It is expected that the government will take further actions for a full-fledged normalization in the country's economy including tourism revival measures and propelling tapering of restrictions on foreign visitors while controlling the infection spread of the COVID-19.

Although the unsettled political and economic situations around the country continue, it is foreseen that both real estate investment and leasing markets will remain healthy. It is recognized that a stable real estate management which can adapt to changes in society derived by the COVID-19 and others will be required.

United Urban's portfolio is almost fully diversified. Asset types which had been continuously affected by the behavior restrictions by COVID-19 have started to draw a promising road map toward recovery. Next challenges are to make the overall performance of the portfolio even more stable.

Under these understandings of the business environment, watching the future trend of the real estate sales and

purchase market, and with a proactive investment approach towards a wide variety of real estate in mind, United Urban continues selective investment through various methods as well as asset replacement which are effective for a quality improvement of the portfolio. For existing properties, United Urban continuously focuses on a stable management by keeping or improving occupancy ratios, renewing terms and conditions with an aim to raise rents and profitability, reducing business costs and others. Furthermore, United Urban strives to stabilize cash distribution by utilizing retained earnings.

Regarding financial management, United Urban makes continued efforts to create a robust and stable financial standing by controlling the LTV level, reducing financial costs, extending and diversifying the maturities for interest-bearing liabilities and ensuring enough liquidity.

Having an eye on a sustainable growth of United Urban, i.e. maximization of unitholder value, engagement with stakeholders, and coexistence with the environment and society, United Urban is dedicated not only to improvement in the financial aspects but also to resolution of non-financial issues associated with ESG (Environment, Society, and Governance) and SDGs (Sustainable Development Goals).

## b. Outlook for management status

### (i) Material facts arising after the end of 37th fiscal period and other material events

There are no material facts arising after the end of the fiscal period (May 31, 2022). In addition, the reference information is as follows:

#### A. Sale of property

United Urban sold the following two properties.

Property No.	Property Name	Type	Location	Sale Price (Millions of yen)	Date of Sale
E10	Asuto Nagamachi Dental Clinic	Clinic	Sendai, Miyagi	1,650	June 1, 2022
D20	UUR Court Sapporo Shinoro Ichibankan	Apartment	Sapporo, Hokkaido	600	July 4, 2022
Total				2,250	

#### B. New borrowing for repayment

United Urban procured debt financing of a total of ¥5,200 million on June 20, 2022 for the repayment of the existing borrowings (total: ¥5,200 million) upon their maturity on June 20, 2022, as set forth below.

Title	Lenders	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 51C	Sumitomo Mitsui Trust Bank, Limited	1,000	0.98375%	June 20, 2022	June 21, 2032	Unsecured Unguaranteed
Term Loan 52C	Mizuho Bank, Ltd.	2,000	Basic Interest Rate (JBA 3 month JPY TIBOR) + 0.25%		June 21, 2027	
Term Loan 53C	Development Bank of Japan Inc.	1,200	0.83934%		June 20, 2029	
Term Loan 54C	Shinkin Central Bank	1,000	0.65684%		June 22, 2026	
Total		5,200				

#### C. Acquisition of property and debt financing

1) United Urban acquired the following two properties.

Property No.	Property Name	Type	Location	Acquisition Price (Millions of yen)	Acquisition Date
A44	Gulliver Hachioji Minamino	Retail	Hachioji, Tokyo	1,500	June 30, 2022
E21	KIC Sayama Hidaka Distribution Center	Warehouse	Hidaka, Saitama	4,450	
Total				5,950	

2) United Urban procured debt financing to support part of the payment for acquiring Gulliver Hachioji Minamino mentioned above 1), as set forth below. Further, the outstanding of funds for such acquisition and funds for acquisition of KIC Sayama Hidaka Distribution Center was appropriated by own funds.



Title	Lender	Amount of Borrowing (Millions of yen)	Interest Rate	Drawdown Date	Repayment Date	Remarks
Term Loan 55C	The Bank of Yokohama, Ltd.	1,000	Basic Interest Rate (JBA 3 month JPY TIBOR) + 0.25%	June 30, 2022	June 21, 2027	Unsecured Unguaranteed

#### D. New committed line of credit agreement

United Urban concluded a new committed line of credit agreement on June 27, 2022, as set forth below.

##### Outline of the new committed line of credit agreement

Participating financial institutions : Sumitomo Mitsui Trust Bank, Limited  
Mizuho Bank, Ltd.  
MUFG Bank, Ltd.

Maximum loan amount : ¥24,000 million

Date of agreement : June 27, 2022

Term of agreement : From June 27, 2022 to June 26, 2023

Remarks : Unsecured, unguaranteed

#### (ii) Outlook for management status

For the fiscal period ending November 30, 2022 (38th fiscal period: from June 1, 2022 to November 30, 2022) and the fiscal period ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023), 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 November 30, 2022 (38th fiscal period: from June 1, 2022 to November 30, 2022) and the Fiscal Period ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023)” below.

##### Fiscal Period Ending November 30, 2022

Operating revenues:	¥24,069 million	Cash distributions per unit (Note 1):	¥3,100
Operating income:	¥10,147 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥9,139 million		
Net income (Note 1):	¥9,139 million		

##### Fiscal Period Ending May 31, 2023

Operating revenues:	¥23,883 million	Cash distributions per unit: (Note 1)	¥3,100
Operating income:	¥10,113 million	Distributions in excess of earnings per unit:	¥—
Ordinary income:	¥9,106 million		
Net income (Note 1):	¥9,105 million		

- Notes: 1. The resource for cash distributions for the fiscal period ending November 30, 2022 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥450 million) to the net income. And the resource for cash distributions for the fiscal period ending May 31, 2023 is the result of adding a reversal of reserve for temporary difference adjustments (¥77 million) and a reversal of reserve retained for distribution (¥484 million) to the net income. Therefore, it differs from “net income” of each fiscal period. In addition, cash distributions per unit is based on the total number of investment units issued and outstanding of 3,118,337 units as of the date hereof, and it is based on the assumption that there will be no additional issuance of investment units until May 31, 2023.
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 November 30, 2022  
(38th fiscal period: from June 1, 2022 to November 30, 2022) and the Fiscal Period Ending May 31, 2023  
(39th fiscal period: from December 1, 2022 to May 31, 2023)

Item	Assumptions																														
Terms	<ul style="list-style-type: none"><li>• Fiscal period ending November 30, 2022 (38th fiscal period: from June 1, 2022 to November 30, 2022) (183 days)</li><li>• Fiscal period ending May 31, 2023 (39th fiscal period: from December 1, 2022 to May 31, 2023) (182 days)</li></ul>																														
Investment Assets	<ul style="list-style-type: none"><li>• The forecasts of financial results are based on a portfolio of 136 properties owned by United Urban as of the date hereof.</li><li>• 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 May 31, 2023 (the end of the 39th fiscal period). However, the forecasts may be changed by the change of properties in actually.</li></ul>																														
Total Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"><li>• The forecasts are based on 3,118,337 units issued and outstanding as of the date hereof.</li><li>• The forecasts are also based on the assumption that there will be no additional issuance of investment units until May 31, 2023 (the end of the 39th fiscal period).</li></ul>																														
Operating Revenues	<ul style="list-style-type: none"><li>• 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.</li><li>• Based on the above assumptions, United Urban anticipates the major items of the operating revenues from rental revenues, as set forth below.</li></ul> <table><tr><th>Major Item</th><th>Fiscal period ending November 30, 2022</th><th>Fiscal period ending May 31, 2023</th></tr><tr><td>Rental revenues (including common area charges)</td><td>¥ 21,021 million</td><td>¥ 21,483 million</td></tr><tr><td>Parking revenues</td><td>¥ 752 million</td><td>¥ 747 million</td></tr><tr><td>Utility revenues (electricity, water, gas, etc.) from tenants</td><td>¥ 1,500 million</td><td>¥ 1,316 million</td></tr></table> <ul style="list-style-type: none"><li>• The property-related revenues are based on the assumption that there will be no delinquencies or nonpayment of rent by the tenants.</li><li>• United Urban anticipates ¥439 million for the fiscal period ending November 30, 2022 as the gain on sales of real estate properties in accordance with the sale of Asuto Nagamachi Dental Clinic.</li></ul>	Major Item	Fiscal period ending November 30, 2022	Fiscal period ending May 31, 2023	Rental revenues (including common area charges)	¥ 21,021 million	¥ 21,483 million	Parking revenues	¥ 752 million	¥ 747 million	Utility revenues (electricity, water, gas, etc.) from tenants	¥ 1,500 million	¥ 1,316 million																		
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Operating Expenses	<ul style="list-style-type: none"><li>• 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.</li><li>• United Urban anticipates each major item of the property-related expenses as set forth below.</li></ul> <table><tr><th>Major Item</th><th>Fiscal period ending November 30, 2022</th><th>Fiscal period ending May 31, 2023</th></tr><tr><td>Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)</td><td>¥ 2,163 million</td><td>¥ 2,186 million</td></tr><tr><td>Property management fees</td><td>¥ 1,816 million</td><td>¥ 1,795 million</td></tr><tr><td>Utilities</td><td>¥ 1,817 million</td><td>¥ 1,679 million</td></tr><tr><td>Repairs and maintenance (Note 2)</td><td>¥ 1,142 million</td><td>¥ 1,168 million</td></tr><tr><td>Depreciation and amortization (Note 3)</td><td>¥ 4,084 million</td><td>¥ 4,070 million</td></tr></table> <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. Therefore, the property taxes and city planning taxes for the following four properties (*) acquired in 2022 will be imposed up from the fiscal period ending November 30, 2023. It is expected that the estimated full amount of those taxes will be ¥24 million.</p> <table><tr><th>Acquisition Date</th><th>Property Name</th></tr><tr><td>March 30, 2022</td><td>Hotel JAL City Naha (additional acquisition of the site)</td></tr><tr><td>March 31, 2022</td><td>IIDABASHI PLANO (*)</td></tr><tr><td>May 12, 2022</td><td>IIDABASHI PLANO (additional acquisition) (*)</td></tr><tr><td>June 30, 2022</td><td>Gulliver Hachioji Minamino</td></tr><tr><td></td><td>KIC Sayama Hidaka Distribution Center</td></tr></table> <p>(*) Although IIDABASHI PLANO was acquired in two times, it is counted as one property.</p>	Major Item	Fiscal period ending November 30, 2022	Fiscal period ending May 31, 2023	Property and other taxes (property taxes and city planning taxes, etc.) (Note 1)	¥ 2,163 million	¥ 2,186 million	Property management fees	¥ 1,816 million	¥ 1,795 million	Utilities	¥ 1,817 million	¥ 1,679 million	Repairs and maintenance (Note 2)	¥ 1,142 million	¥ 1,168 million	Depreciation and amortization (Note 3)	¥ 4,084 million	¥ 4,070 million	Acquisition Date	Property Name	March 30, 2022	Hotel JAL City Naha (additional acquisition of the site)	March 31, 2022	IIDABASHI PLANO (*)	May 12, 2022	IIDABASHI PLANO (additional acquisition) (*)	June 30, 2022	Gulliver Hachioji Minamino		KIC Sayama Hidaka Distribution Center
Major Item	Fiscal period ending November 30, 2022	Fiscal period ending May 31, 2023																													
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	KIC Sayama Hidaka Distribution Center																														

	<div>Notes: 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.</div> <div>3. Depreciation and amortization is calculated on a straight-line basis, inclusive of ancillary expenses and future capital expenditures (including undetermined expenditures as of this moment).</div> <div>• 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.</div>																												
Non-Operating Expenses	<div>• United Urban anticipates the non-operating expenses per major item, as set forth below.</div> <table><tr><th>Major Item</th><th>Fiscal period ending November 30, 2022</th><th>Fiscal period ending May 31, 2023</th></tr><tr><td>Interest expenses for interest-bearing liabilities (Note)</td><td>¥ 982 million</td><td>¥ 993 million</td></tr></table> <div>Note: Including financing-related expenses and interest expenses on corporate bonds, etc.</div>	Major Item	Fiscal period ending November 30, 2022	Fiscal period ending May 31, 2023	Interest expenses for interest-bearing liabilities (Note)	¥ 982 million	¥ 993 million																						
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Interest expenses for interest-bearing liabilities (Note)	¥ 982 million	¥ 993 million																											
Interest-bearing Liabilities	<div>• The total balance of interest-bearing liabilities as of the date hereof is ¥311,703 million, of which ¥275,203 million are borrowings and ¥36,500 million are corporate bonds.</div> <div>• The interest-bearing liabilities maturing during the fiscal period ending November 30, 2022 and the plan for repayment, etc. are as set forth below.</div> <table><tr><th>Maturity Date</th><th>Overview of Interest-bearing Liabilities</th><th>Scheduled Plan for Repayment</th></tr><tr><td rowspan="5">September 20, 2022</td><td>Borrowing: ¥500 million</td><td rowspan="5">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥1,500 million</td></tr><tr><td>Borrowing: ¥2,800 million</td></tr></table> <div>• The forecasts are based on the assumption that total balance of interest-bearing liabilities at the end of the fiscal period ending November 30, 2022 is to be ¥311,703 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made.</div> <div>• The interest-bearing liabilities maturing during the fiscal period ending May 31, 2023 and the plan for repayment, etc. are as set forth below.</div> <table><tr><th>Maturity Date</th><th>Overview of Interest-bearing Liabilities</th><th>Scheduled Plan for Repayment</th></tr><tr><td>December 20, 2022</td><td>Borrowing: ¥3,400 million</td><td rowspan="7">United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.</td></tr><tr><td rowspan="6">March 20, 2023</td><td>Borrowing: ¥6,500 million</td></tr><tr><td>Borrowing: ¥3,500 million</td></tr><tr><td>Borrowing: ¥1,500 million</td></tr><tr><td>Borrowing: ¥2,000 million</td></tr><tr><td>Borrowing: ¥1,000 million</td></tr><tr><td>Borrowing: ¥2,000 million</td></tr><tr><td></td><td>Borrowing: ¥1,000 million</td></tr><tr><td>May 22, 2023</td><td>Corporate bonds: ¥2,000 million</td><td>United Urban will issue new corporate bonds to redeem in full.</td></tr></table> <div>• The forecasts are based on the assumption that the total balance of interest-bearing liabilities at the end of the fiscal period ending May 31, 2023 is to be ¥311,703 million after the above-mentioned refinancing of interest-bearing liabilities, etc. are made.</div>	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	September 20, 2022	Borrowing: ¥500 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	Borrowing: ¥1,000 million	Borrowing: ¥1,000 million	Borrowing: ¥1,500 million	Borrowing: ¥2,800 million	Maturity Date	Overview of Interest-bearing Liabilities	Scheduled Plan for Repayment	December 20, 2022	Borrowing: ¥3,400 million	United Urban will newly obtain borrowing(s) from lender(s) to repay the borrowings in full.	March 20, 2023	Borrowing: ¥6,500 million	Borrowing: ¥3,500 million	Borrowing: ¥1,500 million	Borrowing: ¥2,000 million	Borrowing: ¥1,000 million	Borrowing: ¥2,000 million		Borrowing: ¥1,000 million	May 22, 2023	Corporate bonds: ¥2,000 million	United Urban will issue new corporate bonds to redeem in full.
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Cash Distributions per Unit	<div>• Cash distributions (cash distributions per unit) are calculated based on the distribution policy stipulated in the Articles of Incorporation of United Urban.</div> <div>• 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.</div> <div>• Cash distributions for the fiscal period ending November 30, 2022 are based on the total distribution amount of ¥9,666 million, which is the result adding a reversal of reserve for temporary difference adjustments of ¥77 million and a reversal of reserve retained for distribution of ¥450 million to the unappropriated retained earnings of ¥9,139 million.</div> <div>• Cash distributions for the fiscal period ending May 31, 2023 are based on the total distribution amount of ¥9,666 million, which is the result of adding a reversal of reserve for temporary difference adjustments of ¥77 million and a reversal of reserve retained for distribution of ¥484 million to the unappropriated retained earnings of ¥9,105 million.</div> <div>• 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.</div>																												
Distributions in Excess of Earnings per Unit	<div>• United Urban does not currently plan to execute distributions in excess of earnings (distributions in excess of earnings per unit).</div>																												

Other	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
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## 2. Financial Statement

### (1) Balance Sheet

	(Thousands of yen)	
	End of 36th Fiscal Period (as of November 30, 2021)	End of 37th Fiscal Period (as of May 31, 2022)
<b>ASSETS</b>		
Current Assets		
Cash and bank deposit	31,251,604	36,678,143
Cash and bank deposit in trust	25,317,215	26,425,744
Rent receivables	548,668	531,394
Prepaid expenses	218,487	824,495
Other	35,990	40,221
Allowance for doubtful accounts	(22,354)	(16,990)
Total Current Assets	57,349,611	64,483,009
Fixed Assets		
Property and equipment, at cost		
Buildings	*1 25,889,878	*1 25,918,456
Less accumulated depreciation	(8,351,911)	(8,691,643)
Buildings, net	17,537,966	17,226,812
Structures	*1 212,775	*1 212,775
Less accumulated depreciation	(149,075)	(150,919)
Structures, net	63,699	61,855
Machinery and equipment	358,697	361,615
Less accumulated depreciation	(251,892)	(259,744)
Machinery and equipment, net	106,804	101,870
Tools, furniture and fixtures	101,770	106,510
Less accumulated depreciation	(58,314)	(63,221)
Tools, furniture and fixtures, net	43,455	43,288
Land	*1 64,496,632	*1 64,472,432
Construction in progress	11,265	157,936
Buildings in trust	*3 248,472,369	*3 248,575,849
Less accumulated depreciation	(69,369,437)	(72,115,741)
Buildings in trust, net	179,102,932	176,460,107
Structures in trust	2,437,223	2,426,762
Less accumulated depreciation	(1,152,599)	(1,173,159)
Structures in trust, net	1,284,624	1,253,602
Machinery and equipment in trust	2,909,140	2,926,914
Less accumulated depreciation	(1,731,130)	(1,801,337)
Machinery and equipment in trust, net	1,178,009	1,125,576
Tools, furniture and fixtures in trust	1,763,126	1,816,831
Less accumulated depreciation	(890,681)	(965,798)
Tools, furniture and fixtures in trust, net	872,445	851,033
Land in trust	374,062,879	377,585,014
Construction in progress in trust	86,346	78,174
Total property and equipment	638,847,062	639,417,706
Intangible assets		
Software	5,754	4,267
Leasehold rights	1,149,355	1,149,355
Leasehold rights in trust	8,171,352	8,171,352
Other intangible assets in trust	124,617	118,006
Total intangible assets	9,451,079	9,442,981
Investments and other assets		
Security deposits paid	10,000	10,000
Security deposits paid in trust	79,768	38,372
Long-term prepaid expenses	1,733,093	2,085,707
Long-term deposits	-	6,389
Derivatives	-	12,810
Total investments and other assets	1,822,861	2,153,279
Total Fixed Assets	650,121,002	651,013,967
Deferred Assets		
Corporate bond issuance expenses	78,129	71,806

Total Deferred Assets	78,129	71,806
<b>TOTAL ASSETS</b>	<b>707,548,743</b>	<b>715,568,783</b>

	(Thousands of yen)	
	End of 36th Fiscal Period (as of November 30, 2021)	End of 37th Fiscal Period (as of May 31, 2022)
<b>LIABILITIES</b>		
Current Liabilities		
Trade accounts payable	2,997,743	2,586,838
Current portion of corporate bonds	-	2,000,000
Long-term debt due for repayment within one year	28,900,000	32,900,000
Accrued expenses	304,515	850,663
Distributions payable	15,717	15,101
Income taxes payable	590	588
Consumption taxes payable	49,835	708,932
Rent received in advance	401,895	408,373
Rent received in advance in trust	3,082,387	3,357,512
Deposits received	978	937
Deposits received in trust	191,399	275,121
Other	1,008	8,543
Total Current Liabilities	35,946,070	43,112,611
Long-term Liabilities		
Corporate bonds	36,500,000	34,500,000
Long-term debt	239,033,000	241,303,000
Leasehold and security deposits received	*1 3,445,719	*1 3,410,515
Leasehold and security deposits received in trust	29,306,846	29,951,354
Derivatives liabilities	60,076	-
Total Long-term Liabilities	308,345,642	309,164,870
<b>Total Liabilities</b>	<b>344,291,712</b>	<b>352,277,481</b>
<b>NET ASSETS</b>		
Unitholders' Equity		
Unitholders' capital	319,973,305	319,973,305
Surplus		
Capital surplus	23,548,287	23,548,287
Voluntary retained earnings		
Reserve for temporary difference adjustments	*4 7,063,047	*4 6,985,521
Reserve retained for distribution	5,406,175	3,143,148
Total voluntary retained earnings	12,469,222	10,128,669
Unappropriated retained earnings (unappropriated deficit)	7,326,291	9,628,227
Total surplus	43,343,801	43,305,184
Total Unitholders' Equity	363,317,106	363,278,490
Valuation and Translation Adjustment		
Deferred gains or losses on hedges	(60,076)	12,810
Total Valuation and Translation Adjustment	(60,076)	12,810
Total Net Assets	*5 363,257,030	*5 363,291,301
<b>TOTAL LIABILITIES and NET ASSETS</b>	<b>707,548,743</b>	<b>715,568,783</b>

## (2) Statement of Income and Retained Earnings

	(Thousands of yen)	
	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Operating Revenues		
Rental revenues	*1 21,187,913	*1 21,524,555
Other rental revenues	*1 1,618,768	*1 1,687,967
Gain on sales of real estate properties	-	*2 971,598
Total Operating Revenues	22,806,682	24,184,121
Operating Expenses		
Property-related expenses	*1 11,032,152	*1 11,244,867
Loss on sales of real estate properties	*3 10,123	-
Impairment Losses	*4 1,139,000	*4 68,000
Asset management fees	2,019,991	2,004,788
Asset custodian fees	18,607	18,775
Administrative service fees	67,994	68,383
Directors' compensation	10,200	10,200
Other operating expenses	252,482	215,506
Total Operating Expenses	14,550,552	13,630,522
Operating Income	8,256,129	10,553,599
Non-operating Revenues		
Interest income	92	107
Reversal of cash distributions payable	1,954	1,293
Insurance income	25,986	4,853
Subsidy income	9,916	20,900
Interest on refund	133	198
Other	2,449	1,017
Total Non-operating Revenues	40,531	28,370
Non-operating Expenses		
Interest expenses	870,233	871,335
Interest expenses on corporate bonds	66,895	66,537
Amortization of corporate bond issuance expenses	5,136	6,322
Loss on disposal of real estate	23,863	4,972
Other	3,634	3,969
Total Non-operating Expenses	969,764	953,137
Ordinary Income	7,326,896	9,628,832
Income before Income Taxes	7,326,896	9,628,832
Income Taxes - current	605	605
Total Income Taxes	605	605
Net Income	7,326,291	9,628,227
Retained Earnings Brought Forward	-	-
Unappropriated Retained Earnings (unappropriated deficit)	7,326,291	9,628,227

### (3) Statements of Unitholders' Equity

36th Fiscal Period (From June 1, 2021 to November 30, 2021)

(Thousands of yen)

	Unitholders' Equity				
	Unitholders' Capital	Surplus			
		Capital Surplus	Voluntary Retained Earnings		
			Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Total Voluntary Retained Earnings
Balance at the beginning of current period	319,973,305	23,548,287	7,140,572	5,404,142	12,544,715
Changes of items during the period					
Reversal of reserve for temporary difference adjustments			(77,525)		(77,525)
Provision of reserve retained for distribution				2,033	2,033
Cash distribution disbursed					-
Net income					-
Net changes during the period except for items under unitholders' equity					-
Total changes of items during the period	-	-	(77,525)	2,033	(75,492)
Balance at the end of current period	* 319,973,305	23,548,287	7,063,047	5,406,175	12,469,222

	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	9,847,056	45,940,058	365,913,363	(115,880)	(115,880)	365,797,483
Changes of items during the period						
Reversal of reserve for temporary difference adjustments	77,525	-	-		-	-
Provision of reserve retained for distribution	(2,033)	-	-		-	-
Cash distribution disbursed	(9,922,548)	(9,922,548)	(9,922,548)		-	(9,922,548)
Net income	7,326,291	7,326,291	7,326,291		-	7,326,291
Net changes during the period except for items under unitholders' equity	-	-	-	55,803	55,803	55,803
Total changes of items during the period	(2,520,764)	(2,596,256)	(2,596,256)	55,803	55,803	(2,540,452)
Balance at the end of current period	7,326,291	43,343,801	363,317,106	(60,076)	(60,076)	363,257,030

37th Fiscal Period (From December 1, 2021 to May 31, 2022)

(Thousands of yen)

	Unitholders' Equity				
	Unitholders' Capital	Surplus			
		Capital Surplus	Voluntary Retained Earnings		
			Reserve for Temporary Difference Adjustments	Reserve Retained for Distribution	Total Voluntary Retained Earnings
Balance at the beginning of current period	319,973,305	23,548,287	7,063,047	5,406,175	12,469,222
Changes of items during the period					
Reversal of reserve for temporary difference adjustments			(77,525)		(77,525)
Provision of reserve retained for distribution				(2,263,027)	(2,263,027)



Cash distribution disbursed					-
Net income					-
Net changes during the period except for items under unitholders' equity					-
Total changes of items during the period	-	-	(77,525)	(2,263,027)	(2,340,553)
Balance at the end of current period	* 319,973,305	23,548,287	6,985,521	3,143,148	10,128,669

	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	7,326,291	43,343,801	363,317,106	(60,076)	(60,076)	363,257,030
Changes of items during the period						
Reversal of reserve for temporary difference adjustments	77,525	-	-		-	-
Provision of reserve retained for distribution	2,263,027	-	-		-	-
Cash distribution disbursed	(9,666,844)	(9,666,844)	(9,666,844)		-	(9,666,844)
Net income	9,628,227	9,628,227	9,628,227		-	9,628,227
Net changes during the period except for items under unitholders' equity	-	-	-	72,887	72,887	72,887
Total changes of items during the period	2,301,936	(38,616)	(38,616)	72,887	72,887	34,270
Balance at the end of current period	9,628,227	43,305,184	363,278,490	12,810	12,810	363,291,301

#### (4) Statements of Cash Distribution

	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
I. Unappropriated retained earnings	¥ 7,326,291,454	¥ 9,628,227,903
II. Reversal of voluntary retained earnings		
Reversal of reserve for temporary difference adjustments	* ¥ 77,525,695	* ¥ 77,525,695
Reversal of reserve retained for distribution	¥ 2,263,027,551	-
III. Cash distributions	¥ 9,666,844,700	¥ 9,704,264,744
(Cash distribution per unit)	(¥3,100)	(¥3,112)
IV. Voluntary retained earnings		
Provision of reserve retained for distribution	-	¥ 1,488,854
V. Retained earnings carried forward to the next period	-	-

  

Calculation method for cash distribution	<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 decided to distribute ¥9,666,844,700 which is the result of adding reversal of reserve for temporary difference adjustments of ¥77,525,695 and reversal of reserve retained for distribution of ¥2,263,027,551 to the unappropriated retained earnings of ¥7,326,291,454. 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 ¥77,525,695 to the unappropriated retained earnings of ¥9,628,227,903, and reserved ¥1,488,854, fractional part which distribution per unit was less than ¥1, as reserve retained for distribution. Then, United Urban decided to distribute the remaining ¥9,704,264,744. 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>
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## (5) Statements of Cash Flows

	(Thousands of yen)	
	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Cash flows from operating activities		
Income before income taxes	7,326,896	9,628,832
Depreciation and amortization	4,098,039	4,102,092
Impairment losses	1,139,000	68,000
Gain on sales of real estate properties	-	(971,598)
Loss on sales of real estate properties	10,123	-
Increase (decrease) in allowance for doubtful accounts	(7,179)	(5,364)
Interest income and interest on securities	(92)	(107)
Interest expense and interest expense on corporate bonds	937,129	937,872
Amortization of corporate bond issuance expenses	5,136	6,322
Loss on disposal of real estate	23,863	4,972
Decrease (increase) in rent receivables	(108,730)	17,273
Decrease (increase) in prepaid expenses	588,522	(613,182)
Decrease (increase) in long-term prepaid expenses	23,012	(185,633)
Increase (decrease) in trade accounts payable	197,733	28,013
Increase (decrease) in accrued expenses	2,907	528,446
Increase (decrease) in consumption taxes payable	(85,456)	659,097
Increase (decrease) in rent received in advance	(170)	6,478
Increase (decrease) in rent received in advance in trust	(102,989)	275,125
Increase (decrease) in deposits received	(5,079)	(41)
Increase (decrease) in deposits received in trust	(23,005)	83,722
Amortization of leasehold and security deposits received	(82,744)	(16,121)
Amortization of leasehold and security deposits received in trust	(191,325)	(104,199)
Other	(3,110)	(15,378)
Subtotal	13,742,482	14,434,622
Interest received	92	107
Interest paid	(894,963)	(1,068,440)
Income taxes (paid) refund	(603)	(607)
Net cash provided by (used in) operating activities	12,847,007	13,365,681
Cash flows from investing activities		
Sale of property and equipment in trust	5,509,445	4,682,051
Purchase of property and equipment	(422,134)	(343,667)
Purchase of property and equipment in trust	(10,730,002)	(8,625,538)
Proceeds from collection of leasehold and security deposits in trust	-	41,395
Proceeds from leasehold and security deposits received	376,431	14,475
Payment of leasehold and security deposits received	(15,719)	(33,558)
Proceeds from leasehold and security deposits received in trust	961,349	1,675,025
Payment of leasehold and security deposits received in trust	(174,322)	(844,306)
Net cash provided by (used in) investing activities	(4,494,952)	(3,434,121)
Cash flows from financing activities		
Proceeds from long-term debt	14,800,000	23,170,000
Repayment of long-term debt	(10,700,000)	(16,900,000)
Proceeds from issuance of corporate bonds	3,470,066	-
Redemption of corporate bonds	(3,000,000)	-
Distributions to unitholders	(9,921,121)	(9,666,491)
Net cash provided by (used in) financing activities	(5,351,054)	(3,396,491)
Net changes in cash and cash equivalents	3,001,000	6,535,068
Cash and cash equivalents at the beginning of the period	53,567,819	56,568,819
Cash and cash equivalents at the end of the period	56,568,819	63,103,888

## (6) Notes to Assumption of Going Concern

Not applicable

## (7) Notes to Important Accounting Policies

1.	Depreciation and amortization methods of fixed assets	<p>(1) Property and equipment (including trust assets)</p> <p>Depreciation of property and equipment is calculated on a straight-line basis. The estimated useful lives of the respective assets are as follows:</p> <p>Building: 2-70 years Structure: 2-53 years Machinery and equipment: 2-31 years Tools, furniture and fixtures: 2-20 years</p> <p>(2) Intangible assets (including trust assets)</p> <p>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.</p> <p>(3) Long-term prepaid expenses</p> <p>Depreciation of long-term prepaid expenses is calculated on a straight-line basis.</p>
2.	Standards for recognition of allowances	<p>Allowance for doubtful accounts</p> <p>In order to provide for losses due to bad debt, United Urban recorded the estimated uncollectable amounts by considering the collectability of particular loans such as those with higher probability of default on an individual basis.</p>
3.	Accounting method of deferred assets	<p>Corporate bond issuance expenses</p> <p>Corporate bond issuance expenses is amortized on a straight-line basis over the period up to redemption.</p>
4.	Revenues and expenses recognition	<p>(1) Standard for recording revenues</p> <p>The content of the main performance obligations regarding the revenue arising from contracts with the customers of United Urban and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are as follows:</p> <p>1) Sale of real estate properties</p> <p>United Urban recognizes revenue from sales of real estate properties when the purchaser, which is a customer, acquires control of the real estate properties by fulfilling the delivery obligations stipulated in the contract for the sale of real estate properties.</p> <p>2) Utilities revenue</p> <p>United Urban recognizes utilities revenue based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of real estate properties and accompanying agreements. Of utilities revenue, when United Urban is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, gas, etc. from the amount received as the charges for electricity, gas, etc. is recognized as revenue.</p> <p>(2) Accounting method for taxes on property and equipment</p> <p>United Urban allocated the respective portion of property taxes, city planning taxes, depreciable property tax and other taxes for real estate assets held to the current period and charged this to property-related expenses.</p> <p>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 ¥17,699 thousand of such property taxes which were capitalized for the current fiscal period.</p>
5.	Hedge accounting	<p>(1) Hedge accounting method</p> <p>The deferred hedge accounting is adopted.</p> <p>(2) Hedging instrument and hedged item</p> <p>Hedging instrument: Interest rate cap transaction / Interest rate swap transaction Hedged item: Interest rate on debts</p> <p>(3) Hedging policy</p> <p>Based on its financial policy, United Urban conducts a derivative transaction in order to hedge risks defined in the Articles of Incorporation.</p> <p>(4) Evaluation method of the effectiveness of hedging</p>

		<p>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.</p> <p>(Hedging relationship applying “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR”)</p> <p>Of the above hedging relationship, United Urban applies the exceptional treatment to all hedging relationship included in the scope of “Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR” (Practical Issues Task Force (“PITF”) No.40 issued on March 17, 2022). Details of the hedging treatment applying the said PITF are as follows:</p> <p>Hedge accounting method: Special treatment of interest rate swap Hedging instrument: Interest rate swap transaction Hedged item: Interest rate on debts Type of hedge transaction: hedge transaction to fix cash flows</p>
6.	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.
7.	Matters as the basis for preparation of the financial statements	<p>(1) Accounting treatment for trust beneficial interests in entrusted assets including real estate</p> <p>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.</p> <ol style="list-style-type: none"> <li>1) Cash and bank deposit in trust</li> <li>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</li> <li>3) Leasehold rights in trust and Other intangible assets in trust</li> <li>4) Security deposits paid in trust</li> <li>5) Rent received in advance in trust</li> <li>6) Deposits received in trust</li> <li>7) Leasehold and security deposits received in trust</li> </ol> <p>(2) Accounting method for non-deductible consumption taxes</p> <p>Non-deductible consumption taxes on fixed assets are included in the purchase price of each property as a capitalized cost.</p>

## (8) Notes to Financial Statements

### [Notes to Significant Accounting Estimates]

#### Impairment Losses of Fixed Assets

##### 1. Amounts recorded in the financial statements

	(Thousands of yen)	
	End of 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
Impairment losses	1,139,000	68,000
Fixed assets	638,847,062	639,417,706
Intangible assets	9,451,079	9,442,981

##### 2. Information on the nature of significant accounting estimates for identified items

###### 36th Fiscal Period (As of November 30, 2021)

In accordance with Accounting Standard for Impairment of Fixed Assets, United Urban has adopted the accounting treatment to reduce the book value of fixed assets to a recoverable amount when the invested amount is deemed to be unrecoverable due to decline in profitability.

In adopting the accounting treatment, each property owned by United Urban is regarded as a single asset group, and United Urban makes an evaluation whether it is required to recognize impairment losses when indications of impairment for the group are deemed to exist due to continued negative operating income or cash flow, changes

in the range or method of use have significantly reduced the recoverable amounts, significant deterioration of the business environment, and a significant decline in the market value, etc.

Future cash flow estimates are used to determine whether or not to recognize impairment losses. When it is determined that impairment losses should be recognized, the book value is reduced to the recoverable amount, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, the rent, property-related expenses, and discount rate etc. are determined by comprehensively considering the market trends and transaction cases of similar properties, etc. in reference to information from outside experts, such as assumptions used for real estate appraisal.

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. As for some tenants of properties owned by United Urban, their business condition and cash flow have been affected by COVID-19 continuously, United Urban may reduce rent for those tenants in consideration of medium- to long-term stable asset management and social response to those tenants. In addition, United Urban expects that there are signs that the situation under COVID-19 will recover in late 2022 and business environment will fully recover after 2023.

Since it is difficult to predict these several events with certainty, the financial conditions, results of operations, and cash flow of United Urban for the next fiscal period may be affected in case of any changes in the assumptions of estimate.

### 37th Fiscal Period (As of May 31, 2022)

In accordance with Accounting Standard for Impairment of Fixed Assets, United Urban has adopted the accounting treatment to reduce the book value of fixed assets to a recoverable amount when the invested amount is deemed to be unrecoverable due to decline in profitability.

In adopting the accounting treatment, each property owned by United Urban is regarded as a single asset group, and United Urban makes an evaluation whether it is required to recognize impairment losses when indications of impairment for the group are deemed to exist due to continued negative operating income or cash flow, changes in the range or method of use have significantly reduced the recoverable amounts, significant deterioration of the business environment, and a significant decline in the market value, etc.

Future cash flow estimates are used to determine whether or not to recognize impairment losses. When it is determined that impairment losses should be recognized, the book value is reduced to the recoverable amount, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, the rent, property-related expenses, and discount rate etc. are determined by comprehensively considering the market trends and transaction cases of similar properties, etc. in reference to information from outside experts, such as assumptions used for real estate appraisal.

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. As for some tenants of properties owned by United Urban which have been affected by the suppression of human mobility due to COVID-19, there are signs of recovery for their business condition and cash flow because of a decrease in infected people and tapering of behavior restrictions. However, United Urban may reduce rent for those tenants in consideration of medium- to long-term stable asset management and social response to those tenants in the future. In addition, United Urban expects that there are signs that the situation under COVID-19 will recover in late 2022 and business environment will fully recover after 2023.

Since it is difficult to predict these several events with certainty, the financial conditions, results of operations, and cash flow of United Urban for the next fiscal period may be affected in case of any changes in the assumptions of estimate.

### [Notes to Balance Sheet]

#### \*1. Pledged assets and secured debt

Pledged assets were as follows:

	(Thousands of yen)	
	End of 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
Buildings	1,291,754	1,253,554
Structures	6,213	6,011
Land	2,089,982	2,089,982
Total	3,387,950	3,349,548

Debt secured by pledged assets were as follows:

	(Thousands of yen)	
	End of 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
Leasehold security deposits received	408,171	408,171
Total	408,171	408,171

## 2. Line-of-credit agreement

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

	(Thousands of yen)	
	End of 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
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

	(Thousands of yen)	
	End of 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
Buildings in trust	39,608	39,608

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

### 36th Fiscal Period (As of November 30, 2021)

	(Thousands of yen)					
	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	6,942,677	-	75,463	6,867,213	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	63,601	-	669	62,932	Appropriation for cash distribution
	76,099	73,055	-	760	72,294	
	63,132	61,238	-	631	60,607	

### 37th Fiscal Period (As of May 31, 2022)

	(Thousands of yen)					
	Initial amount	Balance at the beginning of the period	Addition to the reserve during the period	Reversal during the period	Balance at the end of the period	Reasons for provision and reversal
Gains on negative goodwill (Note 1)	7,546,388	6,867,213	-	75,463	6,791,749	Appropriation for cash distribution
A portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. (Note 2)	66,949	62,932	-	669	62,262	Appropriation for cash distribution
	76,099	72,294	-	760	71,533	
	63,132	60,607	-	631	59,975	

Notes: 1 It 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 initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting with the fiscal period ended May 31, 2017.

2 It is a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. United Urban will reverse an amount equivalent to more than 1% of the initial amount (equivalent to the averaged amount for 50 years) in each fiscal period, starting from the fiscal period subsequent to the fiscal period in which the reserve was allocated.

\*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 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
	50,000	50,000

[Notes to the Statement of Income]

\*1. Operating revenues and expenses

	(Thousands of yen)			
	36th Fiscal Period (June 1, 2021- November 30, 2021)		37th Fiscal Period (December 1, 2021- May 31, 2022)	
A. Operating revenues				
Rental revenues				
Rental revenues	18,770,347		19,150,065	
Common area charges	1,494,082		1,443,171	
Parking revenues	763,521		770,641	
Other revenues (Note 1)	159,962	21,187,913	160,678	21,524,555
Other rental revenues				
Incidental revenues (Note 2)	1,386,320		1,319,385	
Temporary revenues	150,872		280,039	
Other miscellaneous revenues	81,576	1,618,768	88,541	1,687,967
Total operating revenues		22,806,682		23,212,523
B. Property-related expenses				
Rental expenses				
Property and other taxes	2,136,362		2,127,237	
Property management fees	1,756,168		1,804,075	
Utilities	1,325,614		1,374,731	
Casualty insurance	24,571		35,978	
Repairs and maintenance (Note 3)	1,274,108		1,300,154	
Depreciation and amortization	4,098,039		4,102,092	
Other rental expenses	417,286		500,598	
Total rental expenses		11,032,152		11,244,867
C. Profit from rental activities (A-B)		11,774,529		11,967,655

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 sales of real estate properties

36th Fiscal Period (From June 1, 2021 to November 30, 2021)

There was no applicable information on gain on sales of properties for the fiscal period ended November 30, 2021.

37th Fiscal Period (From December 1, 2021 to May 31, 2022)

Rokubancho K Building		(Thousands of yen)
Revenue from sales of real estate properties	3,300,000	
Cost of sales of real estate properties	2,206,620	
Other sales expenses	128,704	
Gain on sales of real estate properties		964,675
Fuchu Building		(Thousands of yen)
Revenue from sales of real estate properties	1,650,000	
Cost of sales of real estate properties	1,582,183	
Other sales expenses	60,893	
Gain on sales of real estate properties		6,923



\*3. Loss on sales of real estate properties

36th Fiscal Period (From June 1, 2021 to November 30, 2021)

Quartz Tower		(Thousands of yen)
Revenue from sale of property	5,800,000	
Cost of sale of property	5,759,569	
Other sales expenses	50,554	
Loss on sales of real estate properties		10,123

37th Fiscal Period (From December 1, 2021 to May 31, 2022)

There was no applicable information on loss on sales of properties for the fiscal period ended May 31, 2022.

\*4. Breakdown of Impairment Losses

36th Fiscal Period (From June 1, 2021 to November 30, 2021)

(Thousands of yen)			
Property Name	Location	Class	Impairment Losses
Fuchu Building	Fuchu, Tokyo	Land in trust	1,044,000
		Building in trust	95,000

In assessing impairment losses, each property owned by United Urban is regarded as a single asset group. Since the changes in the range or method of use which have significantly reduced the recoverable amounts have occurred for the property stated in the above table, the book value was reduced to its recoverable amount and the amount of the reduction was recorded under operating expenses as impairment losses in the 36th fiscal period.

The recoverable amount is measured at the net sale value after calculating the net sale value (estimated sale value – estimated disposal costs) and value in use (the present value of future cash flows expected to be derived from the continued use and eventual disposition) of the relevant asset. In addition, when the operation of the relevant asset is continued, the impairment losses is deemed to have the nature of operating expenses and thus recorded under operating expenses in accordance with Article 48, Paragraph 2 of the Regulation on Accountings of Investment Corporations.

37th Fiscal Period (From December 1, 2021 to May 31, 2022)

(Thousands of yen)			
Property Name	Location	Class	Impairment Losses
UUR Court Sapporo	Sapporo, Hokkaido	Land	29,700
Shinoro Ichibankan		Building	38,300

In assessing impairment losses, each property owned by United Urban is regarded as a single asset group. Since the property stated in the above table is scheduled to be sold, the book value was reduced to its recoverable amount and the amount of the reduction was recorded under operating expenses as impairment losses in the 37th fiscal period.

The recoverable amount is measured at the net sale value of the relevant asset (estimated sale value – estimated disposal costs) of the relevant asset. In addition, the impairment losses arising from a sale is deemed to have the nature of operating expenses and thus recorded under operating expenses in accordance with Article 48, Paragraph 2 of the Regulation on Accountings of Investment Corporations.

[Notes to Statements of Changes in Unitholders' Equity]

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

	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	3,118,337 units	3,118,337 units

[Notes to Statements of Cash Distribution]

\* Reserve for temporary difference adjustments

36th Fiscal Period (As of November 30, 2021)

Reasons for provision and reversal	Amount of provision and reversal	Specific method for reversal
United Urban transferred the reserve for distribution, 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, and reversed the required amount in this system.	(Initial amount: ¥7,546,388,071) Reversal amount: ¥75,463,881	From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the initial amount (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 and use for cash distribution.
United Urban transferred a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. to reserve for temporary difference adjustments in the "statement of cash distribution," and reversed the required amount in this system.	<ul style="list-style-type: none"> <li>Fiscal period ended May 31, 2018 (Initial amount: ¥66,949,209) Reversal amount: ¥669,493</li> <li>Fiscal period ended November 30, 2018 (Initial amount: ¥76,099,699) Reversal amount: ¥760,997</li> <li>Fiscal period ended May 31, 2019 (Initial amount: ¥63,132,400) Reversal amount: ¥631,324</li> </ul>	From the fiscal period subsequent to the fiscal period in which each reserve was allocated, United Urban will reverse more than 1% of the initial amount (amounts equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution, respectively.

37th Fiscal Period (As of May 31, 2022)

Reasons for provision and reversal	Amount of provision and reversal	Specific method for reversal
United Urban transferred the reserve for distribution, 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, and reversed the required amount in this system.	(Initial amount: ¥7,546,388,071) Reversal amount: ¥75,463,881	From the fiscal period ended May 31, 2017, subsequent to the fiscal period in which the reserve was allocated, United Urban will reverse more than 1% of the initial amount (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 and use for cash distribution.
United Urban transferred a portion of profits arising from the differences between taxable profits and accounting profit due to depreciation and amortization, etc. to reserve for temporary difference adjustments in the "statement of cash distribution," and reversed the required amount in this system.	<ul style="list-style-type: none"> <li>Fiscal period ended May 31, 2018 (Initial amount: ¥66,949,209) Reversal amount: ¥669,493</li> <li>Fiscal period ended November 30, 2018 (Initial amount: ¥76,099,699) Reversal amount: ¥760,997</li> <li>Fiscal period ended May 31, 2019 (Initial amount: ¥63,132,400) Reversal amount: ¥631,324</li> </ul>	From the fiscal period subsequent to the fiscal period in which each reserve was allocated, United Urban will reverse more than 1% of the initial amount (amounts equivalent to the averaged amount for 50 years) in each fiscal period to the extent the balance of reserve for temporary difference adjustments remains and use for cash distribution, respectively.

[Notes to Tax Effect Accounting]

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

	(Thousands of yen)	
	End of 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
Deferred tax assets		
Difference in revenue recognition for tax purposes	55,908	16,102
Valuation difference on assets acquired by merger	15,620,195	15,599,714
Excess allowance for doubtful accounts	7,032	5,345
Impairment losses	358,329	349,835
Other	266	256
Subtotal	16,041,732	15,971,254

Valuation allowance	(16,041,732)	(15,971,254)
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 36th Fiscal Period (As of November 30, 2021)	End of 37th Fiscal Period (As of May 31, 2022)
Statutory tax rate	31.46%	31.46%
(Adjustment)		
Distributions of tax-deductible dividends	(23.26)%	(30.73)%
Changes in valuation allowance	(8.20)%	(0.73)%
Other	0.01%	0.01%
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		36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Retail properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	182,857,223	186,384,665
	Change during the period	3,527,442	553
	Balance at the end of the period	186,384,665	186,385,219
	Fair value at the end of the period	212,674,000	214,454,000
Office buildings	Carrying amount on the balance sheet		
	Balance at the beginning of the period	190,803,647	190,203,987
	Change during the period	(599,659)	3,175,413
	Balance at the end of the period	190,203,987	193,379,400
	Fair value at the end of the period	250,481,000	258,481,000
Hotels	Carrying amount on the balance sheet		
	Balance at the beginning of the period	160,607,473	160,262,402
	Change during the period	(345,070)	(551,750)
	Balance at the end of the period	160,262,402	159,710,652
	Fair value at the end of the period	186,319,000	186,116,000
Residential properties	Carrying amount on the balance sheet		
	Balance at the beginning of the period	45,803,226	45,535,327
	Change during the period	(267,899)	(385,828)
	Balance at the end of the period	45,535,327	45,149,499
	Fair value at the end of the period	63,439,000	64,608,000
Others	Carrying amount on the balance sheet		
	Balance at the beginning of the period	67,159,633	65,781,386
	Change during the period	(1,378,247)	(1,667,743)
	Balance at the end of the period	65,781,386	64,113,642
	Fair value at the end of the period	85,200,000	85,644,000
Total	Carrying amount on the balance sheet		
	Balance at the beginning of the period	647,231,203	648,167,769
	Change during the period	936,566	570,644
	Balance at the end of the period	648,167,769	648,738,414
	Fair value at the end of the period	798,113,000	809,303,000

- 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 36th fiscal period, the amount of the increase is primarily attributable to acquisition of four properties (total: ¥9,610 million) and capital expenditures (¥2,450 million). And the amount of the decrease is primarily attributable to the sale of one property (¥5,759 million), the depreciation and amortization (¥4,090 million), and the impairment losses (¥1,139 million).
- Of the "Change during the period" for the 37th fiscal period, the amount of the increase is primarily attributable to acquisition

of one property (¥6,179 million), an additional acquisition of the existing property (¥20 million), and capital expenditures (¥2,184 million). And the amount of the decrease is primarily attributable to the sale of one property (¥2,206 million), the sale of part of the existing property (¥1,582 million), the depreciation and amortization (¥4,094 million), and the impairment losses (¥68 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 Revenue Recognition]

### 1. Information on the breakdown of revenue from contracts with customers

36th Fiscal Period (From June 1, 2021 to November 30, 2021)

	Revenue from contracts with customers (Note 1)	Net sales to external customers
Revenue from sale of real estate properties	5,800,000	- (Note 2)
Utility revenues (Note 3)	1,386,320	1,386,320
Other revenues	-	21,420,362
Total	7,186,320	22,806,682

37th Fiscal Period (From December 1, 2021 to May 31, 2022)

	Revenue from contracts with customers (Note 1)	Net sales to external customers
Revenue from sale of real estate properties	3,300,000	971,598 (Note 2)
Utility revenues (Note 3)	1,319,385	1,319,385
Other revenues	-	21,893,137
Total	4,619,385	24,184,121

Notes: 1. The rental revenues, etc. subject to the “Accounting Standard for Lease Transactions” (Corporate Accounting Standards No. 13 issued by ASBJ) and the sale of real estate, etc. subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Accounting System Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are not included in the above amount because they are not applied to the Revenue Recognition Accounting Standard. Moreover, the main revenues arising from contracts with customers are revenue from sale of real estate properties and utility revenues.

2. The revenues from sales of real estate properties (amount deducting cost of sales of real estate properties and other sales expenses from revenue from sales of real estate properties) are recognized as gains or losses on sales of real estate properties in the statements of income and retained earnings. Since the gain on sales of real estate properties is recorded in operating revenues and the loss on sales of real estate properties is recorded in operating expenses, only the amount of gain on sales of real estate properties is stated in the above table.

3. United Urban recognizes utilities revenue based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of real estate properties and accompanying agreements.

### 2. Basic information for understanding revenues arising from contracts with customers

The information is as described in “(7) Notes to Important Accounting Policies”.

### 3. Information on relationship between fulfillment of performance obligations based on contracts with customers and cashflow generated from said contracts and amount and period of revenue expected to be recognized in the next calculation period or thereafter from contracts with customers existing at the end of the current calculation period

### 36th Fiscal Period (From June 1, 2021 to November 30, 2021)

#### (1) Balance of contract assets and contract liabilities, etc.

	(Thousands of yen) 36th Fiscal Period (June 1, 2021 - November 30, 2021)
Claims arising from contracts with customers (balance at beginning of the fiscal period)	231,126
Claims arising from contracts with customers (balance at end of the fiscal period)	263,259
Contract assets (balance at beginning of the fiscal period)	-
Contract assets (balance at end of the fiscal period)	-
Contract liabilities (balance at beginning of the fiscal period)	-
Contract liabilities (balance at end of the fiscal period)	-

#### (2) Transaction value allocated to remaining performance obligations

Not applicable.

With regard to utility revenues, as United Urban has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance was completed by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, it is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

### 37th Fiscal Period (From December 1, 2021 to May 31, 2022)

#### (1) Balance of contract assets and contract liabilities, etc.

	(Thousands of yen) 37th Fiscal Period (December 1, 2021 - May 31, 2022)
Claims arising from contracts with customers (balance at beginning of the fiscal period)	263,259
Claims arising from contracts with customers (balance at end of the fiscal period)	278,104
Contract assets (balance at beginning of the fiscal period)	-
Contract assets (balance at end of the fiscal period)	-
Contract liabilities (balance at beginning of the fiscal period)	-
Contract liabilities (balance at end of the fiscal period)	-

#### (2) Transaction value allocated to remaining performance obligations

Not applicable.

With regard to utility revenues, as United Urban has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance was completed by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, it is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

### [Notes to Per Unit Information]

	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Net assets per unit	¥ 116,490	¥ 116,501
Net income per unit	¥ 2,349	¥ 3,087

- 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:

		36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Net income	(Thousands of yen)	7,326,291	9,628,227
Amount not attributable to common unit holder	(Thousands of yen)	-	-
Net income concerning common investment unit	(Thousands of yen)	7,326,291	9,628,227
Average number of investment units during the period	(Unit)	3,118,337	3,118,337

[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 the 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	
June 19, 2019	Additional issue of new investment units through public offering	55,000	3,110,087	9,363	318,568	(Note 1)
July 11, 2019	Additional issue of new investment units through third-party allotment	8,250	3,118,337	1,404	319,973	(Note 2)

Notes: 1. New investment units were issued through public offering at the offer price of ¥175,616 per unit (issue price (underwriter price) ¥170,240), for the purpose of procuring funds for property acquisitions.  
2. New investment units were issued through third-party allotment at the issue price of ¥170,240 per unit for the purpose of replenishing cash reserves, which was reduced by the acquisition of properties.

### 3. Reference Information

#### (1) Information on the Price of Assets under Management, etc.

##### 1. Composition of Portfolio

Categories of Assets	Type of Use	Areas		36th Fiscal Period (As of November 30, 2021)		37th Fiscal Period (As of May 31, 2022)	
				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 (Note 2)	The 6 central wards of Tokyo (Note 3)	-	-	-	-
			The 23 wards of Tokyo (Note 4)	-	-	-	-
			Tokyo metropolitan area (Note 5)	7,197,276	1.0	7,185,737	1.0
			Other regions (Note 6)	13,352,127	1.9	13,299,132	1.9
	Office Buildings	Capital region	The 6 central wards of Tokyo	23,021,311	3.3	22,939,608	3.2
			The 23 wards of Tokyo	9,392,073	1.3	9,352,129	1.3
			Tokyo metropolitan area	8,728,991	1.2	8,729,023	1.2
			Other regions	-	-	-	-
	Hotels	Capital region	The 6 central wards of Tokyo	1,578,281	0.2	1,571,683	0.2
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	3,745,612	0.5	3,700,143	0.5
			Other regions	-	-	-	-
	Residential Properties	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	4,793,306	0.7	4,764,843	0.7
			Tokyo metropolitan area	-	-	-	-
			Other regions	4,267,935	0.6	4,181,762	0.6
	Others	Capital region	The 6 central wards of Tokyo	-	-	-	-
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	6,934,188	1.0	6,934,188	1.0
			Other regions	398,076	0.1	555,299	0.1
	Subtotal				83,409,180	11.8	83,213,551
Real Estate in Trust	Retail Properties	Capital region	The 6 central wards of Tokyo	4,231,762	0.6	4,223,940	0.6
			The 23 wards of Tokyo	11,481,361	1.6	11,437,577	1.6
			Tokyo metropolitan area	94,277,266	13.3	94,169,301	13.2
			Other regions	55,844,871	7.9	56,069,529	7.8
	Office Buildings	Capital region	The 6 central wards of Tokyo	61,626,401	8.7	65,563,272	9.2
			The 23 wards of Tokyo	1,984,931	0.3	1,970,643	0.3
			Tokyo metropolitan area	39,557,197	5.6	39,186,561	5.5
			Other regions	45,893,081	6.5	45,638,162	6.4
	Hotels	Capital region	The 6 central wards of Tokyo	40,360,737	5.7	40,256,676	5.6
			The 23 wards of Tokyo	-	-	-	-
			Tokyo metropolitan area	23,109,596	3.3	23,095,381	3.2
			Other regions	91,468,174	12.9	91,086,767	12.7
	Residential Properties	Capital region	The 6 central wards of Tokyo	2,302,680	0.3	2,299,097	0.3
			The 23 wards of Tokyo	9,719,776	1.4	9,691,483	1.4
			Tokyo metropolitan area	2,824,792	0.4	2,808,726	0.4
			Other regions	21,626,836	3.1	21,403,586	3.0
	Others	Capital region	The 6 central wards of Tokyo	3,250,957	0.5	3,224,908	0.5
			The 23 wards of Tokyo	7,862,213	1.1	7,854,388	1.1
			Tokyo metropolitan area	35,188,346	5.0	33,499,973	4.7
			Other regions	12,147,603	1.7	12,044,884	1.7
	Subtotal				564,758,589	79.8	565,524,862
Bank deposit and other assets				59,380,973	8.4	66,830,368	9.3
Total Assets				707,548,743	100.0	715,568,783	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. "Other regions" refers to other major cities in Japan including government designated cities (excluding cities located in Tokyo



metropolitan area) and surrounding areas thereof.

	36th Fiscal Period (As of November 30, 2021)		37th Fiscal Period (As of May 31, 2022)	
	Amount (Thousands of yen)	Percentage to Total Assets (%)	Amount (Thousands of yen)	Percentage to Total Assets (%)
Total liabilities	344,291,712	48.7	352,277,481	49.2
Total net assets	363,257,030	51.3	363,291,301	50.8
Total assets	707,548,743	100.0	715,568,783	100.0

## 2. Investment Assets

### a. Major Stock of Investment Securities

There was no applicable information on major stock of investment securities.

### b. Investment Real Estate Properties

As of the end of the 37th 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.

#### (i) 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 May 31, 2022)

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 <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A2	Joy Park Izumigaoka	6,770	5,046	4,570	0.6	JREI	26	12,977.79	12,634.74	97.4
A4	Luz Funabashi	5,200	4,122	6,220	0.8	JREI	16	12,955.48	12,955.48	100.0
A6	TENJIN LUCE	6,500	6,284	6,510	0.8	Nittochi	10	4,256.57	3,341.92	78.5
A7	Kaden Sumairu-kan YAMADA Sakai Honten	3,210	2,631	3,850	0.5	JREI	1	8,637.63	8,637.63	100.0
A8	Miyamae Shopping Center	5,312	4,784	5,330	0.7	JREI	3	10,487.92	10,487.92	100.0
A9	KONAMI SPORTS CLUB Korigaoka	2,040	1,382	2,020	0.2	JREI	1	8,627.58	8,627.58	100.0
A10	ACTIOLE Minami-ikebukuro	3,760	3,552	3,400	0.4	JREI	9	2,081.50	1,982.94	95.3
A11	Tip's Machida Building	4,100	4,212	5,260	0.6	JREI	9	6,616.32	6,305.30	95.3
A12	Daiei Takarazuka Nakayama	4,284	3,023 (Note 9)	3,950	0.5	JREI	1	16,729.60	16,729.60	100.0
A13	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	11,904	12,457	11,300	1.4	JREI	4	52,668.38	52,668.38	100.0
A14	ACTIOLE Kannai	2,410	2,174	1,970	0.2	JREI	7	1,938.56	1,336.11	68.9
A15	Shinsaibashi OPA Honkan	22,800	21,758	24,700	3.1	JREI	1	27,025.42	27,025.42	100.0
A19	Albore Jingumae	1,580	1,537	2,480	0.3	JREI	4	824.73	824.73	100.0
A20	Albore Sendai	2,590	2,302	3,440	0.4	JREI	7	3,182.13	2,638.33	82.9
A21	Mallage Kashiwa	7,040	6,602	9,250	1.1	JREI	92	41,759.32	41,000.55	98.2
A23	Ito-Yokado Owariasahi	4,840	3,817	4,890	0.6	JREI	1	54,606.34	54,606.34	100.0
A24	Yokohama Kariba Shopping Center	2,500	2,015	2,150	0.3	JREI	1	11,345.09	11,345.09	100.0
A25	Luz Jiyugaoka	5,090	4,708	5,910	0.7	JREI	19	2,283.47	2,109.32	92.4
A26	ACTIOLE Ichikawa	3,350	2,736	4,090	0.5	JREI	12	3,927.48	3,685.39	93.8



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 <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
A27	Yokohama Aoba Shopping Center (Site)	2,600	2,740	3,330	0.4	JREI	1	9,193.00	9,193.00	100.0
A28	Yamada Denki Tecc Land Aoba (Site)	2,150	2,270	2,860	0.4	JREI	1	7,650.63	7,650.63	100.0
A29	Yodobashi Camera Multimedia Kichijoji	28,000	26,279	34,200	4.2	JREI	1	37,932.95	37,932.95	100.0
A30	Kaden Sumairu-kan YAMADA Matsudo Honten	5,150	4,578	6,830	0.8	JREI	1	17,561.23	17,561.23	100.0
A31	Tenjin Loft Building	4,350	4,610	6,260	0.8	JREI	6	7,730.09	7,730.09	100.0
A32	Narumi Shopping Center (Site)	6,460	6,850	7,580	0.9	Tanizawa	3	60,419.26	60,419.26	100.0
A33	Plussing Wave Enoshima	1,800	1,880	1,710	0.2	JREI	7	2,885.94	2,262.90	78.4
A34	LIFE Nishikujo (Site)	1,760	1,842	2,090	0.3	Tanizawa	1	3,252.76	3,252.76	100.0
A35	LIFE Tamatsukuri (Site)	1,880	1,967	2,180	0.3	Tanizawa	1	2,391.44	2,391.44	100.0
A36	Granbell Ginza Building	2,621	2,686	3,050	0.4	JREI	11	1,352.35	1,203.59	89.0
A37	UUR Tenjin Nishi-dori Building	5,500	6,044	3,670	0.5	JREI	2	1,053.10	887.37	84.3
A38	Luz Shonan Tsujido	3,938	3,997	4,560	0.6	Tanizawa	32	10,456.82	9,836.49	94.1
A39	ACTIOLE Ueno	3,000	3,177	2,760	0.3	Tanizawa	9	1,163.44	1,163.44	100.0
A40	KURURU	9,285	9,705	8,980	1.1	Tanizawa	25	12,810.05	12,588.85	98.3
A41	K's Denki Nagoya-kita	1,750	1,806	1,870	0.2	Tanizawa	1	4,733.74	4,733.74	100.0
A42	Luz Musashikosugi	12,151	12,206	12,100	1.5	Tanizawa	2	8,272.58	8,272.58	100.0
A43	LEVEN Otakanomori	3,800	3,845	3,900	0.5	Tanizawa	14	5,984.28	5,984.28	100.0
B1	T&G Hamamatsucho Building	2,257	2,115	3,060	0.4	Tanizawa	5	2,299.05	1,878.59	81.7
B3	Fukuoka Eartheon Building	2,080	1,477	3,230	0.4	JREI	7	4,934.40	4,934.40	100.0
B4	Marumasu Kojimachi Building	2,350	2,387	2,930	0.4	JREI	16	2,577.76	2,354.01	91.3
B6	Shin-Osaka Central Tower	24,000	23,193	29,000	3.6	Nittochi	60	45,951.31	43,368.86	94.4
B7	Kawasaki Toshiba Building	19,200	18,540	32,200	4.0	Tanizawa	1	36,142.30	36,142.30	100.0
B8	UUR Toyochō Building	8,500	8,302	7,220	0.9	JREI	1	7,571.20	7,571.20	100.0
B9	FOUR SEASONS BLDG	4,200	3,978	6,700	0.8	JREI	1	5,000.54	5,000.54	100.0
B11	Pacific Marks Shinjuku Parkside	12,100	11,495	15,300	1.9	JREI	19	10,947.34	10,403.61	95.0
B13	Pacific Marks Tsukishima	6,080	5,675	6,970	0.9	JREI	45	9,335.19	9,229.93	98.9
B14	Pacific Marks Yokohama East	7,050	6,368	7,700	1.0	Tanizawa	29	11,199.19	11,199.19	100.0
B17	Akasaka Hikawa Building	3,290	3,146	4,320	0.5	JREI	1	3,438.20	3,438.20	100.0
B18	Pacific Marks Shibuya Koen-dori	2,570	2,418	3,480	0.4	JREI	1	1,972.43	1,972.43	100.0
B20	Pacific Marks Akasaka-mitsuke	2,210	2,132	2,750	0.3	JREI	8	1,675.13	1,675.13	100.0
B22	Pacific Marks Shin-Yokohama	1,710	1,499	1,570	0.2	Tanizawa	10	3,110.72	3,110.72	100.0
B25	Pacific Marks Kawasaki	9,890	8,729	12,500	1.5	Tanizawa	42	7,395.50	7,395.50	100.0
B26	Hamamatsucho 262 Building	6,840	6,291	8,420	1.0	JREI	16	6,149.77	5,794.30	94.2
B27	Lila Hijirizaka	2,750	2,613	3,640	0.4	JREI	13	4,255.02	4,255.02	100.0
B29	Otsuka HT Building	1,160	1,049	1,330	0.2	JREI	7	1,774.56	1,774.56	100.0
B30	Pacific Marks Shinjuku South-gate	2,460	2,451	4,100	0.5	JREI	8	1,727.48	1,727.48	100.0
B31	Pacific Marks Nishi-Umeda	6,860	6,554	8,100	1.0	Tanizawa	30	10,990.99	10,990.99	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 <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
B32	Pacific Marks Higobashi	4,570	4,307	5,390	0.7	Tanizawa	25	7,617.24	7,529.20	98.8
B35	Pacific Marks Sapporo Kita-Ichijo	1,790	1,635	2,180	0.3	Tanizawa	11	4,727.65	4,727.65	100.0
B36	Shin-Sapporo Center Building	987	799	960	0.1	Tanizawa	20	2,797.23	2,690.35	96.2
B37	ARENA TOWER	9,500	7,523	13,200	1.6	Tanizawa	9	17,967.46	15,422.77	85.8
B38	Yushima First Building	2,100	1,970	3,510	0.4	JREI	7	4,558.77	4,558.77	100.0
B39	Dogenzaka Square	2,300	2,207	3,230	0.4	JREI	28	2,233.97	2,113.85	94.6
B40	GRAND-SQUARE Shin-Sakae	1,480	1,214	1,970	0.2	JREI	9	4,578.93	4,578.93	100.0
B41	GRAND-SQUARE Meieki-minami	1,220	1,022	2,580	0.3	JREI	13	4,003.05	4,003.05	100.0
B42	Shiba 520 Building	2,100	2,098	3,850	0.5	JREI	5	2,831.94	2,831.94	100.0
B43	Hirose-dori SE Building	3,600	2,946	5,560	0.7	JREI	8	8,235.87	8,235.87	100.0
B44	SS30	18,200	18,758	22,200	2.7	JREI	76	67,700.25	65,880.43	97.3
B45	LOOP-X・M	11,200	12,228	13,100	1.6	JREI	107	21,589.87	19,970.40	92.5
B46	Toranomon Hills Mori Tower	10,000	10,067	11,600	1.4	JREI	1	3,273.51	3,273.51	100.0
B47	Toranomon PF Building	3,435	3,468	4,440	0.5	JREI	4	3,603.09	3,603.09	100.0
B48	UUR Kyobashi East Building	7,280	7,550	8,020	1.0	Tanizawa	5	3,642.18	3,514.80	96.5
B49	IIDABASHI PLANO	5,950	6,174	7,290	0.9	JREI	2	4,370.23	4,370.23	100.0
C1	Shinjuku Washington Hotel Honkan	21,140	21,777	27,300	3.4	JREI	10	53,315.02	53,315.02	100.0
C2	Toyoko Inn Shinagawa-eki Takanawa-guchi	1,884	1,571	2,590	0.3	Nittochi	1	3,088.85	3,088.85	100.0
C3	MZ BLD.	3,800	3,012	3,970	0.5	JREI	10	6,660.20	6,660.20	100.0
C4	HOTEL ROUTE-INN Yokohama Bashamichi	4,720	3,700	5,120	0.6	Nittochi	4	7,139.44	7,139.44	100.0
C5	Hotel JAL City Naha	7,666	6,928	10,600	1.3	Nittochi	2	13,701.80	13,701.80	100.0
C6	UUR Yotsuya Sanchoe Building	4,200	4,402	7,050	0.9	JREI	3	7,854.86	7,854.86	100.0
C7	Yotsuya 213 Building	5,020	4,933	7,200	0.9	JREI	4	7,544.42	7,544.42	100.0
C9	Comfort Inn Tokyo Roppongi	4,488	4,741	3,650	0.5	JREI	3	3,708.47	3,708.47	100.0
C10	Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	2,655	2,581	3,190	0.4	Daiwa	1	4,874.28	4,874.28	100.0
C11	Toyoko Inn Hiroshima Heiwa-odori	2,113	2,002	2,610	0.3	Daiwa	1	4,357.75	4,357.75	100.0
C12	Toyoko Inn Naha Kokusai-dori Miebash-eki	745	706	871	0.1	Daiwa	1	1,529.47	1,529.47	100.0
C13	Loisir Hotel & Spa Tower Naha	20,000	19,927	22,000	2.7	JREI	1	45,731.16	45,731.16	100.0
C14	Royal Pines Hotel Urawa	17,500	17,501	17,000	2.1	JREI	10	31,129.86	31,129.86	100.0
C15	RIHGA Royal Hotel Kokura・ARUARU City	16,600	17,516	16,800	2.1	Tanizawa	30	81,374.66	78,722.90	96.7
C16	Comfort Inn Fukuoka Tenjin	3,000	3,044	3,590	0.4	JREI	2	3,567.22	3,567.22	100.0
C17	Henn na Hotel Tokyo Hamamatsucho	4,456	4,401	4,780	0.6	JREI	1	2,293.64	2,293.64	100.0
C18	Hotel Hewitt Koshien	13,520	13,583	13,700	1.7	Tanizawa	2	36,104.06	36,104.06	100.0
C19	Smile Hotel Premium Sapporo Susukino	4,233	4,151	5,250	0.6	Tanizawa	1	8,332.04	8,332.04	100.0
C20	the square hotel KANAZAWA	4,802	4,876	5,900	0.7	Tanizawa	1	6,333.36	6,333.36	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 <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
C21	NEST HOTEL KYOTO SHIJOKARASUMA	2,010	2,077	3,060	0.4	Tanizawa	1	2,358.25	2,358.25	100.0
D1	T&G Higashi-ikebukuro Mansion	2,021	1,355	2,690	0.3	Tanizawa	124	2,665.59	2,544.51	95.5
D4	Komazawa Court	1,680	1,444	2,390	0.3	JREI	1	3,741.17	3,741.17	100.0
D6	UUR Court Shiba-Daimon	1,175	952	1,570	0.2	Tanizawa	1	1,486.38	1,486.38	100.0
D9	Aprile Shin-Ohgi Ichibankan	3,031	2,307	3,930	0.5	JREI	1	12,700.44	12,700.44	100.0
D10	UUR Court Sapporo Kita-Sanjo	1,278	845	1,690	0.2	Tanizawa	1	4,790.50	4,790.50	100.0
D15	CLIO Bunkyo Koishikawa	3,170	2,504	3,910	0.5	JREI	89	4,097.51	4,039.97	98.6
D16	GRAND-ROUGE Sakae	1,570	1,105	1,430	0.2	JREI	90	3,697.38	3,444.98	93.2
D17	GRAND-ROUGE Sakae II	1,300	905	1,480	0.2	JREI	1	2,579.89	2,579.89	100.0
D18	MA Sendai Building	3,440	2,348	4,940	0.6	JREI	145	11,525.36	11,230.02	97.4
D19	UUR Court Nagoya Meieki	1,473	1,071	1,680	0.2	Nittochi	1	2,958.45	2,958.45	100.0
D20	UUR Court Sapporo Shinoro Ichibankan (Note 10)	870	570	708	0.1	Nittochi	3	6,271.74	6,271.74	100.0
D21	Park Site IZUMI	900	791	830	0.1	JREI	40	2,067.95	2,067.95	100.0
D22	UUR Court Osaka Juso-honmachi	1,570	1,170	1,860	0.2	JREI	1	3,650.00	3,650.00	100.0
D23	UUR Court Kinshicho	2,900	2,716	4,050	0.5	JREI	192	5,460.39	5,215.19	95.5
D24	UUR Court Sapporo Minami-Sanjo Premier Tower	2,050	1,663	3,440	0.4	JREI	142	7,763.18	7,728.85	99.6
D25	GLAND-ROUGE Nakanoshima-minami	1,380	1,179	1,700	0.2	JREI	112	3,090.36	2,945.56	95.3
D26	Glenpark Umeda-kita	5,150	4,886	6,900	0.9	Tanizawa	179	12,730.60	12,482.59	98.1
D27	UUR Court Shiki	2,730	2,808	3,260	0.4	JREI	2	9,288.00	9,288.00	100.0
D28	GRAND-ROUGE Tanimachi Rokuchome	1,300	1,356	1,540	0.2	Tanizawa	49	2,792.81	2,705.35	96.9
D29	Chatle Otemachi S・N	3,398	3,611	3,890	0.5	JREI	141	12,040.28	11,014.52	91.5
D30	GRAN FONTE	2,700	2,860	3,580	0.4	Tanizawa	85	6,268.24	5,854.98	93.4
D31	Park Axis Akatsuka	1,980	2,048	2,210	0.3	Tanizawa	152	4,370.31	4,192.61	95.9
D32	UUR Court Shirasagi	1,442	1,527	1,740	0.2	Tanizawa	47	2,815.30	2,815.30	100.0
D33	Court Branche AP	1,270	1,346	1,420	0.2	Tanizawa	42	1,480.17	1,480.17	100.0
D34	UUR Court Ibaraki Higashi-Chujo	1,665	1,772	1,770	0.2	Tanizawa	56	3,783.25	3,718.51	98.3
E1	Lilycolor Tohoku Branch	2,050	1,294	2,280	0.3	Nittochi	1	9,271.16	9,271.16	100.0
E2	Fuchu Building (Note 11)	2,863	1,938	1,900	0.2	JREI	1	5,479.15	5,479.15	100.0
E3	Tsubogawa Square Building	4,150	3,576	6,520	0.8	JREI	5	10,570.98	10,570.98	100.0
E4	THE PLACE of TOKYO	3,500	3,224	4,790	0.6	JREI	1	3,212.21	3,212.21	100.0
E5	Logistics Higashi-Ohgishima	9,525	9,242	11,600	1.4	JREI	2	42,113.83	42,113.83	100.0
E6	MT Ariake Center Building I&II	8,000	7,854	15,500	1.9	JREI	1	23,816.82	23,816.82	100.0
E8	Shin-Narashino Logistics Center	2,555	2,639	3,080	0.4	JREI	1	12,909.90	12,909.90	100.0
E9	Kawagoe Logistics Center	7,550	7,443	10,200	1.3	Tanizawa	1	40,060.76	40,060.76	100.0
E10	Asuto Nagamachi Dental Clinic (Note 12)	1,200	1,189	1,330	0.2	JREI	1	1,554.09	1,554.09	100.0
E11	Shin-Narashino Logistics Center II	2,590	2,683	2,860	0.4	JREI	1	12,598.46	12,598.46	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 <sup>2</sup> ) (Note 3)	Leased Floor Space (m <sup>2</sup> ) (Note 3, 5)	Occupancy Ratio (%) (Note 3)
E12	Yoshikawa Logistics Center	1,960	1,937	2,170	0.3	JREI	1	11,096.70	11,096.70	100.0
E13	Musashimurayama Logistics Center	1,800	1,858	2,080	0.3	JREI	1	9,237.87	9,237.87	100.0
E14	Chibaminato Logistics Center (Site)	6,600	6,934	8,150	1.0	Tanizawa	1	24,467.78	24,467.78	100.0
E15	Hirakata Nagao Logistics Center	2,550	2,621	2,890	0.4	Tanizawa	1	11,874.51	11,874.51	100.0
E16	Kobe Toyahama Logistics Center	1,300	1,368	1,900	0.2	JREI	1	9,402.93	9,402.93	100.0
E17	REDWOOD Narita Distribution Centre	2,345	2,422	2,510	0.3	Tanizawa	2	21,445.46	21,445.46	100.0
E18	Kazo Logistics Center I・II	3,259	3,332	3,440	0.4	Tanizawa	2	12,777.19	12,777.19	100.0
E19	Kobe Seishin Logistics Center	1,923	1,994	2,070	0.3	Tanizawa	1	9,533.88	9,533.88	100.0
E20	Miyanomori Nijo Development Site (Note 13)	370	555	374	0.0	Tanizawa	-	-	-	-
Total		676,829	648,738	809,303	100.0	-	2,803	1,556,492.03	1,534,247.53	98.6

## (ii) 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 May 31, 2022)

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
A2	Retail Properties	Joy Park Izumigaoka	347,337	229,225	10	Yes
A4		Luz Funabashi	412,689	343,075	13	Yes
A6		TENJIN LUCE	347,192	326,658	2	Yes
A7		Kaden Sumairu-kan YAMADA Sakai Honten	(Note 14)	(Note 14)	8	Yes
A8		Miyamae Shopping Center	267,074	909,730	17	Yes
A9		KONAMI SPORTS CLUB Korigaoka	(Note 14)	(Note 14)	11	Yes
A10		ACTIOLE Minami-ikebukuro	137,211	127,092	14	Yes
A11		Tip's Machida Building	274,286	215,745	18	Yes
A12		Daiei Takarazuka Nakayama	(Note 14)	(Note 14)	9	Yes
A13	Retail / Offices	maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site)	598,549	272,412	(Note 15)	(Note 15)
A14	Retail Properties	ACTIOLE Kannai	81,453	71,748	16	Yes
A15		Shinsaibashi OPA Honkan	1,362,000	1,448,304	12	Yes
A19		Albore Jingumae	99,000	85,000	14.6	Yes
A20		Albore Sendai	152,778	102,349	8	Yes
A21		Mallage Kashiwa	868,425	865,880	9	Yes
A23		Ito-Yokado Owariasahi	(Note 14)	(Note 14)	11	Yes
A24		Yokohama Kariba Shopping Center	(Note 14)	(Note 14)	12	Yes
A25		Luz Jiyugaoka	263,033	216,124	12	Yes
A26		ACTIOLE Ichikawa	210,493	178,159	10	Yes
A27		Yokohama Aoba Shopping Center (Site)	(Note 14)	(Note 14)	(Note 15)	(Note 15)
A28		Yamada Denki Tecc Land Aoba (Site)	(Note 14)	(Note 14)	(Note 15)	(Note 15)
A29		Yodobashi Camera Multimedia Kichijoji	(Note 14)	(Note 14)	14	Yes

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
A30	Retail Properties	Kaden Sumairu-kan YAMADA Matsudo Honten	(Note 14)	(Note 14)	11	Yes
A31		Tenjin Loft Building	506,221	280,282	1	Yes
A32		Narumi Shopping Center (Site)	(Note 14)	(Note 14)	(Note 15)	(Note 15)
A33		Plussing Wave Enoshima	91,021	136,907	14	Yes
A34		LIFE Nishikujo (Site)	(Note 14)	(Note 14)	(Note 15)	(Note 15)
A35		LIFE Tamatsukuri (Site)	(Note 14)	(Note 14)	(Note 15)	(Note 15)
A36		Granbell Ginza Building	134,928	115,134	10	Yes
A37		UUR Tenjin Nishi-dori Building	(Note 14)	(Note 14)	2	Yes
A38		Luz Shonan Tsujido	425,738	304,268	14	Yes
A39		ACTIOLE Ueno	126,810	92,461	12	Yes
A40		KURURU	430,961	359,391	7	Yes
A41		K's Denki Nagoya-kita	(Note 14)	(Note 14)	8	Yes
A42		Luz Musashikosugi	503,524	1,008,149	11	Yes
A43		LEVEN Otakanomori	204,970	130,189	9	Yes
B1	Office Buildings	T&G Hamamatsucho Building	115,639	111,981	12	Yes
B3		Fukuoka Eartheon Building	213,523	132,334	1	Yes
B4		Marumasu Kojimachi Building	166,648	133,420	11	Yes
B6	Office /Hotels	Shin-Osaka Central Tower	1,853,204	1,535,614	7	Yes
B7	Office Buildings	Kawasaki Toshiba Building	1,665,139	1,580,916	7	Yes
B8		UUR Toyochi Building	369,398	380,036	13	Yes
B9		FOUR SEASONS BLDG	333,600	280,972	11	Yes
B11		Pacific Marks Shinjuku Parkside	638,436	482,056	14.8	Yes
B13		Pacific Marks Tsukishima	437,642	229,137	14	Yes
B14		Pacific Marks Yokohama East	471,603	340,952	15	Yes
B17		Akasaka Hikawa Building	216,228	244,216	14	Yes
B18		Pacific Marks Shibuya Koen-dori	168,000	100,500	12	Yes
B20		Pacific Marks Akasaka-mitsuke	125,089	88,677	13	Yes
B22		Pacific Marks Shin-Yokohama	118,058	75,472	16	Yes
B25		Pacific Marks Kawasaki	617,797	481,293	17	Yes
B26		Hamamatsucho 262 Building	382,348	424,492	14	Yes
B27		Lila Hijirizaka	221,794	143,798	12	Yes
B29		Otsuka HT Building	95,245	78,142	13	Yes
B30		Pacific Marks Shinjuku South-gate	182,415	194,476	12	Yes
B31		Pacific Marks Nishi-Umeda	489,236	428,080	10	Yes
B32		Pacific Marks Higobashi	297,124	262,482	12	Yes
B35		Pacific Marks Sapporo Kita-Ichijo	195,882	158,908	1	Yes
B36		Shin-Sapporo Center Building	103,887	83,236	2	Yes
B37		ARENA TOWER	690,830	501,128	10	Yes
B38		Yushima First Building	205,446	166,629	13	Yes
B39		Dogenzaka Square	171,853	119,509	16	No
B40		GRAND-SQUARE Shin-Sakae	147,632	101,617	10	Yes
B41		GRAND-SQUARE Meieki-minami	149,928	112,425	10	Yes
B42		Shiba 520 Building	206,459	155,815	13	Yes
B43		Hirose-dori SE Building	376,953	397,097	8	Yes

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
B44	Office /Hotels	SS30	1,711,950	1,112,579	2	Yes
B45	Office Buildings	LOOP-X・M	858,581	506,103	7	Yes
B46		Toranomon Hills Mori Tower	(Note 14)	(Note 14)	1	Yes
B47		Toranomon PF Building	224,723	228,906	10	Yes
B48		UUR Kyobashi East Building	306,201	256,349	9	Yes
B49		IIDABASHI PLANO	430,337	205,326	4	Yes
C1	Hotels	Shinjuku Washington Hotel Honkan	1,580,145	2,053,605	9	Yes
C2		Toyoko Inn Shinagawa-eki Takanawa-guchi	114,000	70,000	17	Yes
C3		MZ BLD.	264,377	193,659	13	Yes
C4		HOTEL ROUTE-INN Yokohama Bashamichi	280,298	107,487	19	Yes
C5		Hotel JAL City Naha	(Note 14)	(Note 14)	5	Yes
C6		UUR Yotsuya Sanchome Building	327,448	108,290	14	Yes
C7		Yotsuya 213 Building	350,916	246,257	13	Yes
C9		Comfort Inn Tokyo Roppongi	152,136	(Note 14)	12	Yes
C10		Toyoko Inn Kawasaki Ekimae Shiyakusho-dori	(Note 14)	(Note 14)	14.5	Yes
C11		Toyoko Inn Hiroshima Heiwa-odori	(Note 14)	(Note 14)	7	Yes
C12		Toyoko Inn Naha Kokusai-dori Miehashi-eki	(Note 14)	(Note 14)	2	Yes
C13		Loisir Hotel & Spa Tower Naha	(Note 16)	(Note 14)	7	Yes
C14		Royal Pines Hotel Urawa	(Note 16)	(Note 14)	10	Yes
C15		RIHGA Royal Hotel Kokura・ARUARU City	1,206,864	1,485,121	1	Yes
C16		Comfort Inn Fukuoka Tenjin	110,960	57,000	1	Yes
C17		Henn na Hotel Tokyo Hamamatsucho	(Note 14)	(Note 14)	14.8	Yes
C18		Hotel Hewitt Koshien	(Note 14)	(Note 14)	9	Yes
C19		Smile Hotel Premium Sapporo Susukino	(Note 14)	(Note 14)	1	Yes
C20		the square hotel KANAZAWA	(Note 14)	(Note 14)	4	Yes
C21		NEST HOTEL KYOTO SHIJOKARASUMA	(Note 14)	(Note 14)	8	Yes
D1	Residential Properties	T&G Higashi-ikebukuro Mansion	130,884	16,458	12	No
D4		Komazawa Court	106,920	35,640	11	No
D6		UUR Court Shiba-Daimon	66,000	11,000	17	No
D9		Aprile Shin-Ohgi Ichibankan	(Note 14)	(Note 14)	8	No
D10		UUR Court Sapporo Kita-Sanjo	94,200	7,838	2	No
D15		CLIO Bunkyo Koishikawa	197,940	23,461	14.5	No
D16		GRAND-ROUGE Sakae	88,812	6,415	13	No
D17		GRAND-ROUGE Sakae II	69,303	6,413	13	No
D18		MA Sendai Building	273,691	17,250	11	No
D19		UUR Court Nagoya Meieki	88,095	7,381	16	No
D20		UUR Court Sapporo Shinoro Ichibankan	61,653	4,062	3	No
D21		Park Site IZUMI	58,284	11,356	12	No
D22		UUR Court Osaka Juso-honmachi	100,854	9,434	16	No
D23		UUR Court Kinshicho	216,246	35,215	14.8	No
D24		UUR Court Sapporo Minami-Sanjo Premier Tower	184,973	57,662	1	No
D25		GLAND-ROUGE Nakanoshima-minami	103,308	8,117	15	No
D26		Glenpark Umeda-kita	361,680	37,084	15.5	No
D27		UUR Court Shiki	190,687	144,362	11	No
D28		GRAND-ROUGE Tanimachi Rokucho	83,208	5,937	13	No



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
D29	Residential Properties	Chatle Otemachi S・N	207,142	16,238	1	No
D30		GRAN FONTE	168,749	47,499	1	Yes
D31		Park Axis Akatsuka	97,293	22,697	12	No
D32		UUR Court Shirasagi	71,476	15,589	12	No
D33		Court Branche AP	69,240	17,475	13	No
D34		UUR Court Ibaraki Higashi-Chujo	93,252	10,195	10	No
E1	Others	Lilycolor Tohoku Branch	(Note 14)	(Note 14)	11	Yes
E2		Fuchu Building	(Note 14)	(Note 14)	- (Note 15)	- (Note 15)
E3		Tsubogawa Square Building	428,001	267,993	8	Yes
E4		THE PLACE of TOKYO	(Note 14)	(Note 14)	13	Yes
E5		Logistics Higashi-Ohgishima	(Note 14)	(Note 14)	12	Yes
E6		MT Ariake Center Building I&II	(Note 14)	(Note 14)	12	Yes
E8		Shin-Narashino Logistics Center	(Note 14)	(Note 14)	10	Yes
E9		Kawagoe Logistics Center	(Note 14)	(Note 14)	9	Yes
E10		Asuto Nagamachi Dental Clinic	(Note 14)	(Note 14)	8	Yes
E11		Shin-Narashino Logistics Center II	(Note 14)	(Note 14)	9	Yes
E12		Yoshikawa Logistics Center	(Note 14)	(Note 14)	8	Yes
E13		Musashimurayama Logistics Center	(Note 14)	(Note 14)	14	Yes
E14		Chibaminato Logistics Center (Site)	(Note 14)	(Note 14)	- (Note 15)	- (Note 15)
E15		Hirakata Nagao Logistics Center	(Note 14)	(Note 14)	8	Yes
E16		Kobe Toyahama Logistics Center	(Note 14)	(Note 14)	7	Yes
E17		REDWOOD Narita Distribution Centre	(Note 14)	(Note 14)	7	Yes
E18		Kazo Logistics Center I・II	(Note 14)	(Note 14)	8	Yes
E19		Kobe Seishin Logistics Center	(Note 14)	(Note 14)	6	Yes
E20		Miyanomori Nijo Development Site	(Note 13)	(Note 14)	- (Note 15)	- (Note 15)
Total			42,546,119	33,361,870	5.93	

- 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 using the same methods as appraisals conducted by real estate appraisers as of the end of each fiscal period.  
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 Chuo-Nittochi Solutions 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 May 31, 2022. “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.”

4. "Number of Tenants" figures are stated by calculating lessees that have a lease agreement (including lease agreements in which all or part of rooms are leased in bulk for the purpose of subleasing, and a lessee of such lease agreement (master lease agreement) is subleasing those rooms to end tenants) concluded directly with the owner, United Urban or the respective asset custodian, as one tenant for each property. However, in the case of a pass-through-type agreement in which the rents received from a lessee of master lease agreement is equal to the rents which the lessee receives from end-tenants, 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, of master lease agreements, the floor spaces in the lease agreements that don't fall into pass-through type indicates the floor spaces in the master lease agreements or the numerical values stated in the management reports or the monthly reports prepared by the property management companies.
6. "Total Annual Rent" shows the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of May 31, 2022 is used for the calculation. Because variable rents are not included in the calculation of "Total Annual Rent", the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of May 31, 2022, the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen is stated without taking into consideration the contents of the claim.
7. "Tenant Leasehold and Security Deposits" are based on data as of May 31, 2022. 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" of "PML" represents the overall portfolio PML. As for properties comprised of several buildings, if the earthquake risk analysis report shows the PML of the whole property, the PML of the whole property is stated.
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. "Book Value at the End of Period" of this trust beneficial interest reflects 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 sold UUR Court Sapporo Shinoro Ichibankan on July 4, 2022.
11. As for Fuchu Building, United Urban sold the building of the property on March 31, 2022 and holds only land of the property at the end of the 37th fiscal period. Therefore, the acquisition price of the land at the initial acquisition is stated in the column of "Acquisition Price".
12. United Urban sold Asuto Nagamachi Dental Clinic on June 1, 2022.
13. United Urban acquired this property as a development site for the development project of an elderly housing on September 30, 2021. In addition, the construction of real estate for rent (building part) is scheduled to be completed in May 2023. Since the property has not operated as of the end of the 37th fiscal period, there are no applicable information.
14. With regard to these properties, the tenants with whom a lease agreement (including a reservation 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.
15. Because United Urban owns only land for these properties, there is no applicable information for the PML.
16. These items are undisclosed as United Urban judges that the disclosure of these items may have an adverse impact on the asset management of United Urban and harm the interest of investors.



### 3. Information Concerning Tenants

#### Top 10 Tenants by Leased Floor Space

(As of May 31, 2022)

No.	Tenant Name	Property Name	Leased Floor Space (m <sup>2</sup> ) (Note 1)	Total Annual Rent (Thousands of yen) (Note 2)	Expiration Date of Contract
1	RIHGA Royal Hotel Kokura Co., Ltd.	RIHGA Royal Hotel Kokura • ARUARU City	58,297.75	(Note 3)	March 31, 2025
2	Ito-Yokado Co., Ltd.	Ito-Yokado Owariasahi	54,606.34	(Note 3)	(Note 5)
3	SBS Logicom Co., Ltd.	• Kawagoe Logistics Center • Yoshikawa Logistics Center	51,157.46	(Note 3)	• Kawagoe Logistics Center August 31, 2027 • Yoshikawa Logistics Center July 26, 2027
4	FUJITA KANKO INC.	Shinjuku Washington Hotel-Honkan	49,352.65	1,342,866	January 31, 2024, etc. (Note 6)
5	UNY Co., Ltd.	Narumi Shopping Center (Site)	46,362.44	(Note 3)	November 19, 2024, etc. (Note 6)
6	Loisir Hotels Okinawa Co., Ltd.	Loisir Hotel & Spa Tower Naha	45,731.16	(Note 4)	March 31, 2026
7	Yodobashi Camera Co., Ltd.	Yodobashi Camera Multimedia Kichijoji	37,932.95	(Note 3)	May 31, 2037
8	Toshiba Electronic Devices & Storage Corporation	Kawasaki Toshiba Building	36,142.30	1,665,139	October 20, 2023 (Note 7)
9	L'hotel de Koshien Co., Ltd.	Hotel Hewitt Koshien	33,704.06	(Note 3)	October 31, 2028
10	YAMADA HOLDINGS CO., LTD.	• Kaden Sumairu-kan YAMADA Sakai Honten • maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) • Yamada Denki Tecc Land Aoba (Site)	32,336.20	(Note 3)	• Kaden Sumairu-kan YAMADA Sakai Honten May 9, 2030 • maricom-ISOGO / SYSTEM PLAZA YOKOHAMA (Site) November 30, 2030, etc. (Note 6) • Yamada Denki Tecc Land Aoba (Site) May 31, 2040

- 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 May 31, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen. As for tenants who received free rent for a certain period, the exempted period is not considered. In addition, if there are provisions stating that the rent is increased by stages according to the period, the applicable amount as of May 31, 2022 is used for the calculation. Because variable rents are not included in the calculation of “Total Annual Rent”, the amounts in the above table do not necessarily equal the total amount of the actual annual rent. Even when there is a claim requesting increase/decrease in rents with tenants as of May 31, 2022, the amount of monthly rent(s) under the lease agreement in effect as of May 31, 2022 (rental revenues and common area charges) multiplied by twelve and truncated to the nearest thousand yen is stated without taking into consideration the contents of the claim.
3. With regard to these properties, the tenants with whom a lease agreement (including a reservation 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. These items are undisclosed as United Urban judges that the disclosure of these items may have an adverse impact on the asset management of United Urban and harm the interest of investors.
5. As for Ito-Yokado Owariasahi, the due date for the renewal of lease agreement has arrived on November 11, 2018. However, United Urban hasn’t finished the renewal of lease agreement with a lessee as of May 31, 2022, and the expiration date of contract has not yet been determined.
6. An expiration date of the representative agreement is stated because there are several lease agreements.
7. The tenant of this property will move out on the expiration date of the fixed-term building lease agreement (October 20, 2023).

## (2) 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 May 31, 2022. 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 37th fiscal period	Amount already paid
Luz Shonan Tsujido	Fujisawa, Kanagawa	Renewal of exterior and common area in the building	From August 2022 to May 2023	150	-	-
SS30	Sendai, Miyagi	Renewal of air-conditioning facilities	From October 2021 to May 2023	203	-	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of employees' dressing room, etc.	From November 2022 to February 2023	108	-	-
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Renewal of restaurants	From January 2023 to May 2023	113	-	-
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of air-conditioning facilities (refrigerator)	From October 2022 to May 2023	140	-	-
Hotel Hewitt Koshien	Nishinomiya, Hyogo	Renewal of air-conditioning facilities (air handling unit)	From March 2023 to May 2023	101	-	-
UUR Court Sapporo Kita-Sanjo	Sapporo, Hokkaido	Repair of exterior walls	From June 2022 to November 2022	126	-	-

### 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 37th fiscal period, which totaled ¥2,184 million. Together with ¥1,300 million of repair and maintenance costs recorded as expenses in the statement of income in the period, expenditure on engineering works totaled ¥3,485million.

Name of Properties	Location	Purpose	Period Implemented	Expenditure Amount (Millions of yen)
UUR Tenjin Nishi-dori Building	Fukuoka, Fukuoka	Dividing floor plan Renewal of exterior	From November 2021 to March 2022	408
Luz Shonan Tsujido	Fujisawa, Kanagawa	Renewal of common space inside the building	From April 2022 to May 2022	81
Luz Shonan Tsujido	Fujisawa, Kanagawa	Repair of exterior walls	From April 2022 to May 2022	37
KURURU	Fuchu, Tokyo	Renewal of air-conditioning facilities	From March 2022 to May 2022	83
Shin-Osaka Central Tower	Osaka, Osaka	Replacement of power receiving and transforming facilities in the extra-high voltage electric room (South Building)	From November 2021 to January 2022	88
LOOP-X・M	Minato-ku, Tokyo	Renewal of hot water supply circulation pipeline of a residential building (2nd period)	From December 2021 to March 2022	31
MZ BLD	Hachioji, Tokyo	Renewal of air-conditioning facilities of hotel (2nd period)	From November 2021 to February 2022	88
Yotsuya 213 Building	Shinjuku-ku, Tokyo	Repair of exterior walls	From September 2021 to January 2022	37
Comfort Inn Tokyo Roppongi	Minato-ku, Tokyo	Renewal of air-conditioning facilities (existing building)	From February 2022 to February 2022	45
Loisir Hotel & Spa Tower Naha	Naha, Okinawa	Restoration and renewal of elevator (main building)	From April 2022 to April 2022	32
Royal Pines Hotel Urawa	Saitama, Saitama	Renewal of absorption cold/hot water generator in the heat-source machine room	From November 2021 to January 2022	49
Other capital expenditures				1,200
Total				2,184

### 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)

	33rd Fiscal Period (December 1, 2019 - May 31, 2020)	34th Fiscal Period (June 1, 2020 - November 30, 2020)	35th Fiscal Period (December 1, 2020 - May 31, 2021)	36th Fiscal Period (June 1, 2021 - November 30, 2021)	37th Fiscal Period (December 1, 2021 - May 31, 2022)
Reserve balance at the beginning of period	1,634	1,609	1,610	1,681	1,703
Addition to the reserve during the period (Note)	16	24	72	21	183
Reduction of reserve during the period	41	23	1	-	47
Reserve balance to be carried over to the next of period	1,609	1,610	1,681	1,703	1,839

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.